Mr. Chairman and members of the Committee, thank you for the opportunity to appear before you today. I am here today to discuss the Recreational Fee Demonstration Program. We appreciate the Committee’s interest in how the Forest Service is implementing this program and want to work with Congress to implement permanent recreation fee authority to provide quality services and facilities for the recreating public.

The Recreational Fee Demonstration program (Fee Demo) was first authorized by Congress in the fiscal year (FY) 1996 Interior Appropriations (Section 315 of Public Law 104-134). It has given the Forest Service, National Park Service, U.S. Fish and Wildlife Service, and the Bureau of Land Management an important opportunity to test the notion of user-generated cost recovery, where fees are collected and expended onsite to provide enhanced services and facilities. The current authorization expires on September 30, 2004. Unless Fee Demo is extended or new authority is granted, this important tool will disappear. The recreation fee program is vital to our ability to provide quality recreational facilities, settings, and services. Authorization of a permanent program...
would allow the agencies to serve visitors better by making long-term investments, streamlining the program, and creating more partnerships.

While the idea of charging fees for recreational use on our national forests has been controversial in some cases, taxpayers generally benefit when the cost of public services are at least partially borne by the direct users of these services. Since visitors to Federal lands receive some benefits that do not directly accrue to the public at large, charging a modest fee to offset partially the cost of that use is both fair and equitable. This principle underlies permanent fee authority under the Land and Water Conservation Fund Act (LWCFA). Over the years, surveys conducted regarding recreation fees indicate that most people accept modest fees, especially when they know that the fees are returned to the site where they are collected to enhance their recreation experience. With fee support for direct services, other critical recreation resource needs on National Forest System lands for the Forest Service would be funded through the appropriations process. Since there will always be limits on available resources, the existing fee authority complements our appropriated funds to enhance our ability to better meet our visitors’ expectations when they recreate on a national forest.

All agencies involved in Fee Demo have experimented with fees and learned many lessons. This experience has provided us with important information about the type of fee program that will meet the intended goal of enhancing the visiting public’s enjoyment of our Federal lands. In addition, we have continued to study, evaluate, and improve the fee program within individual agencies, and shared these learning experiences among all the participating agencies. It has taken time to understand the results of these experiences, but the Agency is moving aggressively to address concerns that have arisen.

My testimony today regarding the Forest Service implementation of Fee Demo will focus on the following: coordination with the U.S. Department of the Interior; implementation of the Blueprint for Forest Service Recreation Fees; benefits to the public; accountability; and the future of the recreation fee program.

**Coordination with the U.S. Department of the Interior**
In 2002, the U.S. Departments of Agriculture and the Interior formed the Interagency Recreational Fee Council (Fee Council) to facilitate coordination and consistency among the agencies on recreation fee policies. Over the past two years, due to the leadership from the Fee Council, the Forest Service, and Interior agencies have:

- Developed guiding principles that are key to a successful recreation fee program;
- Developed standards for a new fee structure to replace the outdated entrance and use fees established under the LWCF. Using the framework of this new fee structure, in April 2003, the Forest Service dramatically broadened its application of the Golden Eagle Passport program to provide expanded interagency application and benefits (Golden Eagle, Age, and Access Passports are now accepted at over 1500 sites; previously only 18 Forest Service sites accepted the Golden Eagle passports);
- Identified a common interagency recreation Fee-Free Day (to be held on National Public Lands Day, September 20, 2003);
- Continued to work toward establishing an interagency system to provide volunteers with passes;
- Included information about recreation fees on the website www.recreation.gov;
- Prepared and distributed annual reports and an interim report to Congress on Fee Demo; and
- Based on lessons learned, developed concepts for an equitable Fee Demo interagency permanent fee program that provides benefits to the recreating public.

These changes have increased public support for the program by minimizing confusion so recreation fees are more convenient and beneficial. This has resulted in a simpler interagency fee system that can be used at most Forest Service, Bureau of Land Management, National Park Service, and U.S. Fish and Wildlife Service units. The Fee Council is continuing to work on other ways to improve the fee program, such as developing a single interagency passport system. These improvements to the fee program are moving us in the right direction.
Implementation of the Blueprint for Forest Service Recreation Fees

The Recreation Fee Demonstration program was designed to allow flexibility in implementation and to be broad enough to allow agencies to experiment with different types of fee programs. We have learned many lessons and gathered information from our experiences around the country. As we continue to improve the program we are addressing problems as they arise.

The Forest Service is now taking the next step toward a consistent national recreation fee program. Starting in January 2004, the Forest Service will implement the Blueprint for Forest Service Recreation Fees (Blueprint). The Blueprint was developed based on the lessons learned over the past seven years, specifically: (1) that fees are acceptable when they have a direct connection to a perceived benefit; (2) that there is strong public support for retaining revenue at the site of collection; and (3) that fairness, consistency, convenience of payment, and accountability are important to visitors.

The goal of the Blueprint is to have a consistent national policy to provide high quality recreation sites, services, and settings that enhance the visitor’s experience and that protect natural and cultural resources. By implementing the Blueprint, the Forest Service is addressing public and Congressional concerns to ensure recreation fees are: (1) convenient (making it as easy as possible for visitors to comply with fee requirements); (2) beneficial (demonstrating the added value the visitor receives in exchange for fees); and (3) accountable (building trust by informing the public on program investments and performance).

Each unit that is participating in Fee Demo will have to conduct a review to determine how its current fee program fits with the Blueprint. For those units that do not conform to the national criteria, changes will have to occur. All new projects will have to follow the Blueprint criteria. As we implement the Blueprint, we will continue to communicate with the public, our partners, and Congress regarding our progress throughout the year. Our goal is a nationally consistent program that enhances our ability to meet the visitor’s recreation needs.
**Benefits to the Public**

Since the inception of Fee Demo in 1996, the Forest Service has generated over $161 million to enhance the visitor experience at 92 projects in 114 National Forests and Grasslands across 36 States and Puerto Rico. Fee Demo funds are making a crucial difference in providing quality recreation services, reducing maintenance backlog, enhancing facilities, improving visitor services and operations, enhancing public safety and security, developing partnerships, educating America’s youth, and conserving natural resources. Many of these services are provided by Forest Service employees and equipment and, in some cases, through service contracts that provide additional economic benefits to our local gateway communities.

In fiscal year 2002, the Forest Service collected $37.7 million under Fee Demo. This has enabled managers to address backlog and recurring maintenance, visitor services and operations, interpretation, signage, and facility enhancement. Some examples of these projects include:

- In the Coconino National Forest in Arizona, the removal of 22,296 pounds of garbage and 19 abandoned vehicles has reduced resource damage and improved the quality of the visitor’s experience. The Forest has also repaired or replaced 144 signs, conducted 66 interpretive programs, removed 164 unnecessary fire rings and 39 transient camps, and maintained 42 miles of trail.

- On the Superior National Forest in Minnesota, 43.5 miles of hiking trails were cleared, which included the removal of over 700 downed or hazardous trees. The Forest also relocated 72 latrines, replaced 14 fire grates, rebuilt 5 tent pads, and completed 12 campsite erosion control projects.

- The Clearwater National Forest in Idaho, in partnership with the Idaho Humanities Council, resumed campground interpretive programs that had been discontinued in the early 1990s due to lack of funding.

In addition to these projects, we have leveraged Fee Demo funds with our partners and local communities:

- On the Siuslaw National Forest in Oregon, the Forest leveraged Fee Demo revenues 5 times as much, with Oregon Department of Transportation Scenic Byway funds to redesign and reconstruct the Devils Churn Wayside to manage off-highway vehicle use.
In Southern California, more than 4,500 volunteers made $4,000,000 in service, repair, and maintenance contributions. 550 of those volunteers received annual Adventure Passes in recognition of at least 100 hours of volunteer service.

**Accountability**

Since the beginning of Fee Demo, the Forest Service has recognized that accountability is important to gain the trust of recreationists, taxpayers, and Congress. The Agency provides information on program management and accomplishments in various ways. This information is posted on the Internet for convenient access. The Forest Service produces an annual report to Congress jointly with agencies in the U.S. Department of the Interior. This report contains information on revenues, expenditures, management improvements, and on-the-ground accomplishments. An interagency interim report to Congress released in April 2002 provides a comprehensive evaluation of the program’s first four years. Information on individual projects is provided through reports, information flyers, and postings at recreation sites and Internet sites. Feedback is gained through stakeholder meetings, comment cards, surveys, and interaction with visitors.

The U.S. General Accounting Office (GAO) has produced several reports on Fee Demo. In its April 2003 review of Forest Service revenue management, GAO found that overall the Forest Service has a healthy track record in managing Fee Demo revenue and that its expenditures are consistent with Congressional intent. The report confirmed that most Fee Demo revenue is retained at the site where it is collected and spent on priorities identified by visitors to local national forest managers; the report showcases many examples of recreation site and service improvements. The GAO report confirms that revenues and expenditures are accounted for separately from appropriated funds and that neither Congress nor the Agency has reduced appropriations based on the collection of Fee Demo revenues.

Despite this positive review, Fee Demo critics have distorted some findings and taken others out of context. In fact, the Forest Service has managed Fee Demo according to Congressional intent and is focused on continuous improvement in this very complex program.
The Future of the Recreation Fee Program

The Forest Service and agencies in the U.S. Department of the Interior have learned a great deal from experience in administering Fee Demo and are ready to translate that experience into a permanent recreation fee program. Delay could result in a lost opportunity to implement a more productive, streamlined recreation fee system that is designed to enhance the visitor’s experience. Establishment of a permanent program does not mean the learning ends. We support a dynamic recreation fee program that responds to new lessons and builds on success stories.

Through the Fee Council, seven guiding principles have been identified for any long-term fee program: it must be (1) beneficial to the visiting public; (2) fair and equitable; (3) efficient; (4) consistent; (5) implemented collaboratively; (6) convenient; and (7) accountable to the public. The Departments have committed to applying these guiding principles to any administrative or legislative effort concerning the recreation fee program.

Through our experience with the fee program, we now have the knowledge and tools to establish a successful fee program. We have a few suggestions for permanent authority that would adhere to the guiding principles and build on lessons learned. A permanent recreation fee program should:

- be interagency;
- establish an interagency national pass;
- enhance partnerships with States and Gateway communities;
- provide for a new system of “basic” and “expanded” recreation fees instead of “entrance” and “use” fees that led to fee layering and visitor confusion;
- provide for better reporting on the use of fee revenues;
- establish Agency site-specific and regional multi-entity passes;
- provide necessary authorities to implement the program; and
- provide criteria for accountability and control of revenues collected.
These important elements provide enough flexibility in the program to meet the unique needs of visitors and attain a solid framework for consistency among agencies in program delivery. A permanent program would also allow the Forest Service, along with the Interior agencies to make long-term investments, continue to build further on successes of the program, improve efficiencies, and initiate more partnerships.

Federal lands have provided Americans and visitors from around the world with special places for recreation, education, reflection and solace. The pattern of recreation on our Federal lands has changed dramatically and has increased exponentially. More then ever before Americans are choosing to recreate on all Federal lands. The Forest Service estimates that over 211 million annual visits to the National Forests. This increase in visitation means an increase in visitor demand for adequate visitor facilities and services. An increase in visitor use on our National Forests also creates a greater need to expend funds to protect natural and cultural resources, the resources that are often the very reason visitors are drawn to a particular site. We want to work with Congress and the public to ensure that our Federal lands continue to play this important role in American life and culture.

I look forward to working with you, Mr. Chairman, other members of the Subcommittee, and our interagency partners to implement a permanent fee program. This concludes my statement. I would be glad to answer any questions you may have.