



RECREATION RESIDENCE FEES ANALYSIS

Section 3024 of the Cabin Fee Act (P.L 113-291) directed the following:

“(1) IN GENERAL.—Beginning on the date that is 10 years after the date of the enactment of this Act, the Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Natural Resources of the House of Representatives a report that—

(A) analyzes the annual fees set forth in the table under subsection (f) to ensure that the fees reflect fair value for the use of the land for recreational residence purposes, taking into account all use limitations and restrictions (including any limitations and restrictions imposed by the Secretary); and

(B) includes any recommendations of the Secretary with respect to modifying the fee system.

(2) LIMITATION.—The use of appraisals shall not be required for any modifications to the fee system based on the recommendations under paragraph (1)(B).”

Background

The *Carl Levin and Howard P. ‘Buck’ McKeon National Defense Authorization Act for Fiscal Year 2015* was signed into law on December 19, 2014. Commonly referred to as the Cabin Fee Act (Act), Pub. L. No. 113-291, Subtitle B, section 3024, codified as 16 U.S.C. 6214, directed the Secretary of Agriculture to establish a fee for the issuance of a special use permit for the use and occupancy of National Forest System (NFS) land for recreational residence purposes. Section 3024(j) authorizes the Forest Service to retain and expend, without further appropriation, the annual land use and transfer fees collected for recreation residence Term Special Use Permits starting ten years after the date of enactment.

On behalf of the Secretary of Agriculture, the Forest Service completed its analysis of the annual land use fees for the recreation residence program to ensure that the fees reflect fair value for the use of the land, taking into account all use limitations and restrictions.

Recreation residences played a role in National Forest System (NFS) land use policies before the establishment of the Forest Service as an agency of the U.S. Department of Agriculture. Between 1897 and 1914, annual special use permits authorized individual recreation residences, often called summer cabins or summer homes. Recreation residences are privately owned cabins that are authorized by a 20-year Term Special Use Permit (permit) to allow individuals the opportunity to own a single-family cabin in designated areas (tracts) on NFS lands. Currently, there are approximately 13,000 recreation residences authorized across 114 national forests in 24 states.

Recreation residences are a valid use of NFS lands. They provide a unique recreation experience to a large number of owners of recreation residences, their families, and guests. To the maximum extent practicable, the recreation residence program is managed to preserve the opportunity it provides for individual and

family-oriented recreation. The Forest Service is charged with administering this program and ensuring individual permit holders maintain their cabin and associated improvements according to the terms of their permit and other applicable laws. Permit administration involves annual compliance reviews, recordkeeping, billing, and approval of any new construction or modifications, including coordination with local departments or authorities to ensure that health, safety, and environmental requirements are met. The limitations authorized by special use permit are substantially similar in present time as they were at enactment. For example, recreation residences continue to be authorized by a standard 20-year Term Special Use Permit, that is not transferable or assignable and does not provide for services by the government.

The recreation residence program currently generates approximately \$36.7 million each year in land use fees that are retained by the Forest Service. Annual land use fees are based on a prescribed dollar figure from the Act that distributes a specific percentage to each tier based on the value of the lot that the cabin is authorized to occupy. Consistent with the Act, the Forest Service uses these funds to administer the recreation residence program and other recreation programs carried out on NFS lands.

Fee Analysis and Comparison Overview

The requirement for the periodic review is to evaluate whether the annual fees reflect fair value for the use of the land for recreational residence purposes. As directed by the Act, the Forest Service has applied an annual inflation adjustment to reflect changes in the implicit price deflator for the gross domestic product published by the Bureau of Economic Analysis of the Department of Commerce, applied on a 5-year rolling average. The annual inflation adjustment has resulted in an approximate 21% overall increase of land use fees from calendar year 2015 to 2026.

Recommendation

Since there have been no significant changes in scope, cost, or requirements for the recreation residence program, the existing fees, as annually adjusted, reflect fair value. Therefore, an increase in fees is not recommended.