U.S. HOUSE OF REPRESENTATIVES

NATURAL RESOURCES COMMITTEE REPUBLICANS

Congressman Doc Hastings, Ranking Member

FOR IMMEDIATE RELEASE CONTACT: <u>Jill Strait</u> or <u>Spencer Pederson</u> Friday, March 19, 2010 202-226-2311

Hastings Introduces Bipartisan Cabin Fee Fairness Legislation

Bill proposes fair, predictable fees to ensure continued public access to public lands

Washington, D.C. –Today, House Natural Resources Committee Ranking Member Doc Hastings (WA-04) introduced H.R. 4888, *the Cabin Fee Act of 2010* to address volatile yearly fees for families who own cabins in our National Forests. He was joined by Representatives Jim Costa (CA-20), Rob Bishop (UT-01), Tom McClintock (CA-04), George Radanovich (CA-19), Cathy McMorris Rodgers (WA-05), Cynthia Lummis (WY-at large), Denny Rehberg (MT- at large), Mike Simpson (ID-02), Devin Nunes (CA-21), Jason Chaffetz (UT-03), and Wally Herger (CA-02), all of whom represent constituents who have been impacted by unstable cabin fees.

The bill would establish a fair fee-setting system that would institute a tiered yearly fee structure based on current appraisals and tied to increases in inflation. The new fee-setting system would replace the existing volatile system that's based on subjective appraisals and is causing sharp spikes in fees charged to cabin owners, and which may force some families to abandon and tear down their cabins.

"Generations of Americans have enjoyed the recreational use of family-owned cabins in our National Forests," **said Hastings.** "For many, these cabins provide unique access to some of our most precious federal lands, which should not be a luxury only enjoyed by the wealthy but by all Americans. It would be a shame for cabin owners across the country to be forced to tear down their cabins because they cannot afford the current arbitrary fee system."

"The legislation introduced today, creates a common sense solution by establishing a fair and stable pricing structure to help keep these cabins affordable for future generations to enjoy. I've proposed this bill because we need to find a solution and provide certainty to cabin owners; however we remain open to ways to improve or modify the bill as we go forward."

Background

- In 1915, the National Forest Service established the Recreation Resident Program that set aside a small number of residential lots for Americans to build recreational cabins on federal land. The individuals own the cabin structures, and pay a yearly fee for the use of the Forest Service lot. There are currently over 14,000 recreational cabin owners across the United States the majority in the West.
- In 2000, Congress adopted Public Law 106-291 that included a change in the law to implement variable cabin fees based on a subjective appraisal system. This change in

the law has resulted in much higher fees than anticipated due to the difficulty in making appraisals that fully take into consideration the uniqueness of the cabins and the many uncommon variables when compared to typical homes and real estate. With few, or no, true comparable sales, resulting appraisals are subjective and may involve arbitrary determinations.

- For example, according to a recent <u>USA Today article</u>, the Allen family, whose cabin has been in the family for more than 40 years, will see fees increase from \$1,677 in 2008 to \$10,000 a year based on current appraisals.
- The <u>Seattle Times reported</u> that cabin owners in Lake Wenatchee recently received notice that their fees will increase more than 1,000 percent from \$1,400 to more than \$17,000 by 2011. The <u>Cashmere Valley Record wrote</u> about a family who is worried they will lose their cabin due to rising fees.
- The Cabin Fee Act of 2010, which is supported by the National Homeowners Association and the Cabin Coalition2, would establish the following fair, predictable and tiered yearly fee structure. Cabins would be placed in the tiers based upon current appraisal values with the lowest in Tier 1 and highest in Tier 5. Fees would be adjusted annually for inflation.

Tier	Approximate Percent of Permits Nationally	Yearly User Fee
1	10%	\$500
2	35%	\$1,000
3	40%	\$2,000
4	10%	\$3,000
5	5%	\$4,000

- A new transfer fee would be assessed when cabins are sold or ownership is transferred within a family. A flat transfer fee of \$1,000 will be applied to all cabin sales, with an additional 5% assessed on any transfer sales of between \$250,000 and \$500,000, and an additional 10% assessed on any amount that exceeds \$500,000.
- Establishing this new structured, tiered fee system should also reduce the costs of overseeing and managing the cabin system for the Forest Service by eliminating the time-consuming and costly appraisal process.

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