STATEMENT OF PAMELA K. HAZE DEPUTY ASSISTANT SECRETARY FOR BUDGET, FINANCE, PERFORMANCE AND ACQUISITION U.S. DEPARTMENT OF THE INTERIOR, BEFORE THE

SUBCOMMITTEE ON PUBLIC LANDS AND ENVIRONMENTAL REGULATION HOUSE NATURAL RESOURCES COMMITTEE

ON

"CITIZEN AND AGENCY PERSPECTIVES ON THE FEDERAL LAND RECREATION ENHANCEMENT ACT" JUNE 18, 2013

Chairman Bishop, Ranking Member Grijalva and Members of the Subcommittee, thank you for inviting the Department of the Interior to appear before you today to discuss the Federal Lands Recreation Enhancement Act (FLREA) and the recreation fee program.

Every year, over 500 million Americans and visitors from around the world visit our national parks, national forests, wildlife refuges and public lands to hike, bike, fish, camp and otherwise enjoy the abundant recreation opportunities offered on our federal lands. The enactment of FLREA in 2004 enabled us to enhance those visits with greater recreation opportunities and services by leveraging recreation fees to implement thousands of projects that directly benefit visitors. These projects support public safety, maintain recreation sites, provide eye-opening educational experiences, build informational exhibits, fund interpretive programs, and offer a wide range of recreational and cultural opportunities. FLREA has also fostered an effective multi-agency partnership. As the recreation fee program has matured, the agencies have developed a very collaborative approach to manage the program, gained experience and incorporated input from the public and constituent groups.

Of course, recreation fees are just one source of support for the agencies' recreation programs. Annual appropriations, volunteers, partners, and grants are also vital components to improving and implementing these programs. However, recreation fees are often used to leverage other funding sources to make each visitor's dollar go further. In addition, the recreation fee program supports a variety of government-wide initiatives and underlying federal goals, including improved health through outdoor recreation, providing opportunities for youth to experience the great outdoors, bolstering the economy, generating jobs, and increasing tourism.

The authority for FLREA is scheduled to sunset in December 2014, and, if it does, no agency will have explicit recreation fee authority because FLREA repealed the recreation fee provisions previously provided in the Land and Water Conservation Fund Act and Recreational Fee Demonstration Program statutes. We are concerned that a potential lapse in this authority will detrimentally impact the agencies' ability to support projects that improve visitor safety, experiences, and opportunities. Furthermore, although the authority will be in place for 2014, beginning this year, the agencies will be faced with challenging decisions as we try to anticipate the future of the program and make decisions about ongoing operations such as issuance of the annual pass.

In order to ensure timely consideration of the need for reauthorization, the President's FY 2014 Budget includes a legislative proposal for Congress to permanently authorize FLREA. It also includes language suitable for an annual appropriations bill to extend the authority through 2015.

OVERVIEW

Enacted in December 2004, FLREA authorizes five agencies to collect and expend recreation fees on lands they manage: the Department of the Interior's Bureau of Land Management (BLM), Bureau of Reclamation (Reclamation), National Park Service (NPS), and U.S. Fish and Wildlife Service (FWS), and the U.S. Department of Agriculture's Forest Service (USFS). Each of the agencies has a distinct mission. However, all the agencies share the goal of providing quality recreation experiences to the public. By providing a single recreation fee authority for the agencies, FLREA has enhanced customer service, efficiency, and consistency in fee collection and expenditure and establishment of national fee policies, such as fee-free days.

FLREA enhances the agencies' ability to provide a sustainable and equitable system for providing the experiences that visitors expect and anticipate: scenic beauty, public safety, transportation infrastructure, high quality visitor facilities, cleanliness, fun, educational displays and programs, and interaction with rangers and other employees who support visitor programs and activities. FLREA provides "fee collection authority" allowing the agencies to collect recreation fees, and "fee retention authority" requiring 80% to 100% of the recreation fees collected at parks, refuges, and other federal lands to be spent where they are collected.

Recreation fees collected under FLREA have funded thousands of projects that directly benefit visitors. Details of the recreation fee program and specific projects funded by FLREA across the agencies may be found in the three Triennial Reports the agencies have submitted to Congress detailing the implementation of the recreation program across the agencies. A copy of the May 2012 Triennial Report may be found at http://www.doi.gov/ppa/upload/FLREA Triennial Report 2012 FINAL.pdf.

The benefits of the program extend far beyond the immediate improvement to recreation sites. The approximately 383 million visits to DOI-managed lands in 2011 contributed an estimated \$42.3 billion in economic output to the surrounding economies through trip-related spending. The approximately 230 million visitors to FLREA sites in 2011 contributed an estimated \$25.2 billion of the \$42.3 billion total. Recreation-related spending on DOI-managed lands supported an estimated 352,000 jobs in the communities surrounding public lands, of which an estimated 210,000 are related to FLREA visitation.

An additional benefit of this program to our visitors has been brought home in a very real way this year. The sequester required by the Budget Control Act resulted in reductions of \$881 million in the Department of the Interior's programs. Most relevant is the reductions to our operational programs, which have caused us to reduce staffing of permanent and seasonal employees, reduce youth partnerships and cut back on visitor programs and services. In enhancing our recreational programs, the recreation fee program has provided much needed stability in services and opportunities for our visitors.

Recreation Fee Sites

The five agencies that participate in the recreation fee program manage thousands of recreation fee sites across the nation. The program provides needed flexibility for these agencies, each with unique authorizations, geographies and management responsibilities, to operate effectively. NPS and FWS entrance fee sites typically encompass entire management units, such as Bandelier National Monument in New Mexico, and St. Marks National Wildlife Refuge in Florida. BLM, USFS, and Reclamation standard amenity recreation fee sites typically consist of sites within management units that have been significantly developed in response to visitors' demand for facilities and services, such as the camping amenities associated with BLM's John Day Crossing Recreation Site on the John Day River in Oregon, and activities at Reclamation's New Melones Lake Recreation Area in California.

In addition to "entrance fees" charged at sites managed by FWS and NPS, and "standard amenity recreation fees" charged at sites managed by BLM, Reclamation, and USFS, the agencies also charge "expanded amenity recreation fees" for certain amenities and services. FLREA also authorizes the agencies to issue special recreation permits for specialized recreational uses, such as use of off-highway vehicle trails, recreation events, and outfitting and guiding, and to charge fees for those permits.

While recreation fees provide a source of funding to support recreation at many developed and popular areas, the agencies continue to offer a huge number of recreation opportunities at no cost. BLM manages over 245 million surface acres of the United States, and charges recreation fees on less than 1% of that acreage. Over 93% of the 464 FWS refuges that are open to the public have free entry. Of the 401 units of the National Park Service, 224, more than half, do not charge any FLREA fees. Reclamation charges recreation fees authorized by FLREA at only one site, New Melones Lake.

IMPACTS OF IMPLEMENTATION

Interagency cooperation and partnerships

The interagency nature of the recreation fee program has created efficiency and consistency across agencies and promotes good customer service. The interagency cooperation created by FLREA has been particularly successful. An interagency workgroup comprised of managers from all participating agencies, meets regularly to coordinate the interagency pass program including interagency fee free days; the development of guidance, standard operating procedures, and training; and the implementation of the "Share the Experience" Photo Contest. In addition members of the workgroup also serve on the committee that oversees programmatic and financial aspects of the Recreation.gov program.

Close coordination allows the agencies to work together to implement changes to the program, such as the recent implementation of the free interagency pass for current U.S. military members, reducing the number of hours for the volunteer pass or adjusting the number of fee free days, in order to respond to external influences such as the economic downturn and its effects on recreation, and to communicate with the public, other agencies, and Congress. FLREA

acknowledges and allows for differences among the agencies. This is important because the agencies have different missions, both in the services they provide to the public and in the services the public expects from the agencies.

FLREA also promotes collaboration with the communities in which these lands are located in planning, public outreach and operations. Each agency has specific requirements for conducting outreach to the public, key constituency groups, local government and civic organizations and Congressional representatives. FLREA provides agencies authority to develop cooperative agreements with various entities for law enforcement activities and implementation of the interagency pass program, among other activities. This enables effective partnerships that enhance visitor experiences and allows the program to reach new audiences in new ways.

Interagency pass program

The interagency pass program is a significant success of the recreation fee program. The interagency pass covers many recreation opportunities on lands managed by each of the agencies across the nation and simplifies the way in which the public can access public lands and pay for amenities. The interagency pass program includes an Annual Pass (including the new military version), a Senior Pass for those 62 and over, an Access Pass for the permanently disabled, and a Volunteer Pass for those who donate 250 hours of their time working with land management agencies. These four passes are a convenient and cost-efficient way for people to visit multiple agencies' recreation fee sites. The passes serve multiple purposes. They are durable, convenient to purchase through the internet, by phone, by mail, or in person at fee units, and are collectible, with a new image chosen each year from the "Share the Experience" Photo Contest. The passes also signify the owners' support for federal recreation lands, and they provide opportunities for partnership and education.

A single pass valid across all FLREA agency sites represents a significant customer service improvement over the previous system of multiple passes for different agencies. The experience for customers is enhanced by uniform interagency standard operating procedures for selling and honoring passes consistently among the FLREA agencies. These procedures address ordering instructions, pass issuance parameters, eligibility requirements, pass validation, and processes for using third party vendors to market and sell passes.

In addition, in 2012, to honor the sacrifices that military service members and their families make for this country, the agencies started offering free interagency Annual Passes to all current U.S. military members (including reservists) and their dependents.

While allowing for a collaborative, multi-agency approach to management, FLREA allows flexibility for the agencies to set the price of the Annual Pass. While the price has remained at \$80 since its launch in 2007, this flexibility allows for future adjustments to ensure that the pass price is reasonable and appropriate. The public's input is sought on price changes and there are protections in the FLREA program to ensure there are no disadvantages to the local communities.

Recreation.gov

Another interagency success is Recreation.gov. In recent years, the federal government has increasingly emphasized the use of contemporary technology and communication tools to improve the usability and access of federal information and services. In 2007, with the use of recreation fees, federal agencies launched Recreation.gov, the federal website which provides convenient one-stop access for those making reservations, securing permits, and building itineraries for travel to federal recreation sites around the country. All five FLREA agencies participate in this program. NPS also uses Recreation.gov for several lottery drawings and permits, including the White House Christmas Tree Lighting event, the White House Easter Egg Roll, Denali National Park road permits, and permits for Yosemite's National Park's Half Dome. Recreation.gov also supports the National Travel and Tourism Strategy by offering international visitors access to travel itineraries and easy-to-find information about destinations on our public lands and waters. There are thousands of facilities on Recreation.gov and each year the inventory is growing. Recent improvements to Recreation.gov include a new website design, social media and smart phone applications. There are also new linkages to other tourism and recreation websites.

Since its launch, Recreation.gov has received nearly 1.1 billion page views and has processed over 4.8 million reservations. The website experienced a 23% increase in traffic between 2009 and 2011, indicating growing public awareness and use of the site. In 2011, over 890,000 reservations were made for FLREA sites on Recreation.gov, resulting in nearly \$41.6 million in revenue. Recreation fees are vital in supporting the costs for Recreation.gov.

Visitor support and public participation

Visitor support and public participation are integral to the recreation fee program. Visitor satisfaction surveys conducted in the past three years by BLM, FWS, NPS, and USFS have found that most visitors (about 90% of respondents) are satisfied with the level of amenities and services provided and believe that the recreation fees they pay are reasonable. FLREA promotes visitor satisfaction and enhances recreation facilities and services by authorizing fee collection and reinvestment for these amenities and services.

To ensure robust public participation, each agency has developed policies consistent with FLREA to ensure that the public receives notification about agency proposals and has an opportunity to provide input to agencies as they consider new recreation fees and changes to existing recreation fees. Avenues for public input include community meetings, Federal Register notices, Recreation Resource Advisory Committees (for BLM and USFS recreation fees), and requests for public oral and written input from localities near developed recreation sites. Years of experience with public input on recreation fee decisions indicates that the agencies are providing sufficient opportunities for interested parties to provide input. The BLM and USFS have also learned that there are opportunities to improve efficiency of public input, particularly with respect to Recreation Resource Advisory Committees.

Recreation Fee accounts

FLREA requires agencies to establish special accounts for recreation fee revenues, making the funding available until expended. In many parts of the United States, a large proportion of visitation, and therefore recreation fee revenue collection, occurs during the last quarter of the fiscal year (July through September), which makes it difficult to expend funds in the same fiscal year they are collected. The ability to spend recreation fees over multiple fiscal years enables responsible and effective use of fee revenue, and permits the agencies to expend funds over multiple years for large contracts, projects, and expenditures requiring significant investment for implementation.

The majority of fees are retained at the site where they are collected, and the agencies retain some discretion to distribute funds to recreation fee sites based on agency-wide needs. Currently, agencies expend 80% to 100% of recreation fees at the sites where they are collected. Agencies have various allocation methods and policies to ensure fair and equitable use of fees. Our agencies provide robust oversight of recreation fee revenue at the local, regional and national levels.

The agencies share the objectives of fair and transparent revenue collection, controlling the cost of collection while maintaining consistently high levels of service, and avoiding accumulation of unobligated revenues. Average annual FLREA revenue for each agency from over the past three fiscal years (2010-2012) is as follows: NPS – \$171.3 million; USFS – \$65.4 million; BLM – \$17.1 million; FWS – \$5.1 million; and Reclamation – \$547,000. In FY 2011, the cost of fee collection across all FLREA agencies was 14.9% of gross fee revenues. In FY 2011, agencies obligated \$315.0 million, or 68%, of the \$461.5 million available to them.

Each agency has developed procedures and tools to ensure accountability in administration of the recreation fee program, including guidance documents, planning processes, requirements for reporting, audits, and equipment upgrades.

Funded Projects

Since 1996, over \$2.5 billion in recreation fees have been reinvested in thousands of recreation-related projects at agency sites. FLREA authorizes agencies to expend recreation fees on:

- Repair, maintenance, and facility enhancement related directly to visitor enjoyment, visitor access, and health and safety;
- Interpretation, visitor information, visitor services, and visitor needs assessments;
- Habitat restoration directly related to wildlife-dependent recreation including hunting, fishing, wildlife observation, and photography;
- Law enforcement related to public use and recreation;
- Direct operating or capital costs associated with the recreation fee program and;
- Fee management agreements.

From FY 2009 through 2011, recreation fees paid for approximately 3,775 projects at NPS sites, 1,000 projects at FWS sites and 1,403 projects at BLM sites. For example, recreation fees have supported health and fitness projects, projects associated with the America's Great Outdoors Initiative, and the First Lady's "Let's Move" program. The NPS has partnered with numerous

youth organizations through the Public Land Corps for projects that mentor and employ youth who gain valuable experience repairing and constructing trails, and working as resource interns. Recreation fees have also been used to improve accessibility and provide barrier free access to park sites. And, for managing large numbers of weekend visitors, BLM has leveraged recreation fees for emergency medical services, search and rescue, education efforts of proper use of off-highway vehicles, and law enforcement at sites such as Imperial Sand Dunes in California. Numerous additional examples of these projects are found in the 2012 Triennial Report.

CONCLUSION

The Federal Lands Recreation Enhancement Act enables agencies to provide enhanced recreation experiences at recreation sites around the country managed by BLM, FWS, NPS, Reclamation, and USFS. FLREA strengthens the connection between visitors and the lands they cherish by requiring that the fees they pay benefit the sites they visit. Thousands of projects, large and small, have been supported by FLREA fees since 2004.

FLREA is a key component of our recreation programs and works in balance with the programs funded through appropriations to sustain America's lands and resources. The agencies manage recreation areas in every state, and many of these areas are available to the public free of charge. Every year, more than half a billion visitors from across the country and around the world enjoy the educational, exciting, relaxing, and fun opportunities that the agencies offer. These visits to federal lands yield tens of billions of dollars in tourist spending that generates hundreds of thousands of jobs across the United States.

The Department supports the permanent authorization of FLREA. The sunset of FLREA would detrimentally impact agencies' ability to support many recreation fee projects that improve visitor safety, experiences, and opportunities; allow for key partnerships; and provide key programs such as Recreation.gov. Some opportunities, such as certain developed campgrounds or interpretive tours may be closed or discontinued. New facilities and upgrades to existing facilities may be delayed. Law enforcement patrols may be reduced. Visitors may encounter fewer staff to educate and assist them.

In the 2012 Triennial Report, the agencies identified several areas where changes to the program could result in more effective service to recreation visitors and the public at large. These areas include adjustments to the BLM and USFS public participation processes, possible expansion of the program beyond the current agencies, reviewing interagency pass benefits, and utilization of existing and new technologies to improve visitor services and agency operations. While we believe that these areas should be considered as the Committee considers permanent authorization of FLREA, we believe that FLREA is highly effective as enacted.

The Department supports the recreation fee program and has found that FLREA facilitates efficiency, consistency, and good customer service by enabling interagency cooperation and public participation. Recreation fee authority has been a vital component of our Department's ability to serve as effective stewards of the public lands we treasure.

Mr. Chairman, this concludes my testimony. I would be happy to answer any questions.