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Testimony to Natural Resources Subcommittee on Public Lands  
and Environmental Regulation.

Given by Mr. Matthew Sease, Montana Lodging and Hospitality  
Association, November 21, 2013

Chairman Rob Bishop, Ranking Member Raul Grijalva and distinguished members of the Natural Resources Subcommittee on Public Lands and Environmental Regulation. I would like to thank you and thank Representative Steve Daines for the invitation to attend today's hearing.

Montana has become known for having more spectacular unspoiled nature than anywhere else in the lower 48 states. For those of us who call Big Sky country home, we consider the mountains, rivers, and public lands a cherished part of our heritage. We take very seriously our inherent duty to balance, for both residents and our millions of annual visitors, the responsible use of the land as well as unfettered access to it.

It is with great interest and some trepidation that we, who call Montana home and depend heavily on the tourism that springs from visitors to our federal lands, are here today in support of the “Protecting States and Opening National Parks” bill sponsored by our own Representative Steve Daines.

The recent government shutdown essentially barred the people from their lands. We hope this bill, along with other congressional action, will work to prevent this from ever happening again.

Neither Montana’s residents, nor the thousands of tourists visiting at the time, could access our two national parks. They had limited to no access to about a dozen wildlife refuges, and were blocked from hundreds of fishing access points along our many rivers. The last item hit too close to home. Many Montanans had observed little or no federal presence in the wildlife refuges in the months following sequestration, but were astonished to see small armies of them in the days leading up to the shutdown, emplacing

concrete barriers to block fishing access sites along the rivers and warning locals not to trespass!

Yellowstone and Glacier National Parks are, by all accounts, the crown jewels of our state's tourism industry. Nearly two-thirds of our first time visitors come to Montana to visit one or both of the parks. And though a passion is ignited among many first-time visitors to return and explore more of Montana, it is undoubtedly Yellowstone and Glacier National Parks that drive our industry and, in large part, our state's economy.

In 2012, almost 11 million non-resident visitors travelled to Montana and spent over \$3.25 billion dollars in our state.

Yellowstone Country, the area of southern Montana bordering Yellowstone Park, accounted for almost a billion dollars of that revenue ...Glacier Country, the area of western and northwestern Montana surrounding Glacier Park, accounted for over \$700 million dollars of that year's total revenues.

Those of us who live in Montana know that without the two national parks you could still spend a lifetime exploring our state

parks, forests & trails, rivers & lakes, and ski & wilderness areas, as well as the vibrant & charming small towns we each call home.

But have no doubt the government shutdown had an incredible impact on our state's economy and the Montana brand; because for millions of our visitors, the Parks are Montana...and Montana is the Parks.

It is incredibly important to understand just how far-reaching the effect of the shutdown has been to our state's brand. For many of us, when the shutdown ended on October 17<sup>th</sup>, the impact did not. Dozens of hotels lost hundreds of reservations for the entire month of October and November as guests decided not to wait out the shutdown and cancelled their trips.

Just this weekend, local news in the Flathead Valley near Glacier Park reported that the park had a 52 percent drop in visitation for October compared to the same month in 2012. This is the single, largest drop since the park service began keeping records in 1979.

In the gateway town of West Yellowstone, MT, a single business lost over \$200,000 and closed two of its three properties, resulting in lay offs far ahead of those anticipated with the annual winter downsizing.

It's also important to debunk a common myth that the shutdown had little impact on business because it happened in October. Admittedly, there is a change in Montana's business cycle following the peak summer season as we transition into winter.

For many of our small businesses who depend on non-resident travellers as their largest customer base, they depend heavily on the peak summer season not to make a profit, but to offset the dismal revenues from the first two quarters of the year.

The months of late September and October prove to be the "pure-profit" period. That is when the visitors and families who are not tied to a school calendar can visit the parks' attractions before winter begins closing them down...and they do so in the thousands!

Another small business owner who continues to suffer long after the shutdown ended is in Cooke City, MT on the scenic Beartooth Highway. She and her husband are wholly dependent on the profits made in October. These profits enable them to get through the end of the year until the snowmobile season begins in mid-January. Though their profits for that month might average less than \$20,000 annually, it is these September and October revenues that allow them to make payroll in November and December, as well as to make small reinvestments in their infrastructure.

Though we'll have to wait until the end of the current quarter to understand the full impact of the parks' closure through indicators like rise in monthly unemployment claims or drops in resort and bed tax revenues, we don't think anyone can argue the impacts will have been significant.

To make one final point about the continuing impacts of the shutdown, I mentioned the snowmobile season. There are over 4000 miles of groomed snow machine trails in Montana,

predominantly on federal lands, in addition to those trails maintained in Yellowstone National Park.

Many hotels and tour companies are already getting phone calls from nervous booking agents concerned that the next government deadline in mid-January will have a comparable impact on snowmobile tours and groups. Understandably, they are hesitant to confirm bookings and reservations.

In closing, federal lands belong to the people. We are encouraged by this committee's hard work and Rep. Daines' proposed bill to ensure access to those lands.

This concludes my public statement. With the chairman's permission, I would ask to submit these and the rest of my prepared remarks, in writing, for the record.