U.S. HOUSE OF REPRESENTATIVES NATURAL RESOURCES COMMITTEE CHAIRMAN DOC HASTINGS

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Committee Passes Cabin Fee Fairness Legislation

Creates a Structured Fee System to Reduce Costs for Cabin Owners and the Forest Service

WASHINGTON, D.C. – Today, the House Natural Resources Committee passed <u>H.R. 3397</u>, the *Cabin Fee Act of 2011*, by unanimous consent. Sponsored by Chairman Doc Hastings (WA-04), the bill modifies the current cabin fee formula to make it more predictable and fair for families who own cabins in our National Forests.

Many cabins in our National Forests have been passed down within a family for several generations. However, cabin owners have recently been faced with unaffordable fees as a result of the outdated appraisal system that has allowed annual cabin fees to increase exponentially. Unable to afford the ever-increasing fees, owners are faced with the choice of selling their cabins or abandoning and tearing them down. The *Cabin Fee Act of 2011* uses a new formula for calculating fees to ensure the bill is revenue neutral without imposing fees that are beyond the reach of American families.

"Family cabins in our National Forests have provided outdoor recreation opportunities on our public lands for nearly 100 years. I am pleased that our Committee has voted in support of a bill aimed at bringing fairness and consistency to the cabin fee system," said Chairman Hastings.

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, as reported by <u>USA Today</u>, one 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 Cabin Fee Act of 2011 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 9. Fees would be adjusted annually for inflation.

Tier	Approximate Percent of Permits Nationally	Yearly User Fee
1	8%	\$500
2	16%	\$1,000
3	20%	\$1,500
4	20%	\$2,000
5	12%	\$2,500
6	8%	\$3,000
7	6%	\$3,500
8	6%	\$4,000
9	4%	\$4,500

- A 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 assessment for sales exceeding certain amounts.
- The bill also adds a limitation on the rate of current law fee increases until all cabins are assigned to a tier.
- 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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