

RECREATIONAL FEE DEMONSTRATION PROGRAM

Progress Report to Congress
Fiscal Year 1999

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National Park Service
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Recreational Fee Demonstration Program Annual Report to Congress

Executive Summary

Under the Recreational Fee Demonstration Program, Congress authorized the National Park Service, U.S. Fish and Wildlife Service, Bureau of Land Management, and the USDA Forest Service to implement and test new fees across the geographic and programmatic spectrum of recreation sites that they manage. Importantly, the program allows the participating agencies to retain all of the revenues from the Recreational Fee Demonstration Program, and to retain at least 80 percent of the revenues at the sites where they are collected. These revenues yield substantial benefits by providing on-the-ground improvements at local recreation sites.

As of September 30, 1999, there were 100 National Park Service demonstration projects, 87 U.S. Fish and Wildlife Service projects, 95 Bureau of Land Management projects, and 81 USDA Forest Service projects. The agencies collected \$176.4 million in revenues from all Recreational Fee Demonstration Projects during FY 1999, an increase of \$12.2 million, or 7.4 percent, over the previous year. In three years, the agencies doubled their annual recreation fee revenues over levels that existed before the program began.

While revenues have continued to grow under the Recreational Fee Demonstration Program, they grew at a much slower rate in FY 1999 than in first two years of the program. Total revenues from recreation fees increased from \$93.3 million in FY 1996 to \$147.2 million in FY 1997, \$180.2 million in FY 1998, and \$193.2 million in FY 1999, of which \$176.4 million was generated under the Recreational Fee Demonstration Program. Future revenue increases are likely to be relatively smaller, but additional revenues are still possible as the agencies implement the program more efficiently, and as they implement their full complement of 100 projects each.

Visitation to recreation sites participating in the Recreational Fee Demonstration Program continues to appear unaffected in any significant way by the new fees. Visitation at Recreational Fee Demonstration Program sites has remained relatively constant.

The use of the new revenues varies from agency to agency. The National Park Service uses the new revenues to address priority needs in maintenance, infrastructure, and resource management, and to enhance visitor services. The U.S. Fish and Wildlife Service uses the funds to improve visitor services and facilities, such as boat docks and ramps, auto tour routes, information kiosks, exhibits, signs, brochures, and trail guides, and to reduce the maintenance backlog. The Bureau of Land Management is improving campgrounds, parking areas, visitor services, site access, safety and health services, and environmental protection. The USDA Forest Service is using the funds to provide quality recreation settings, reduce maintenance backlogs, and provide enhanced public services.

Total obligations increased from \$69.4 million in FY 1998 to \$110.5 in FY 1999, an increase of 59 percent. By the end of FY 1999, the National Park Service had obligated 43 percent of its

cumulative receipts, the Fish and Wildlife had spent 62 percent, the Bureau of Land Management, 64 percent, and the USDA Forest Service, 74 percent. The unobligated balance for the four agencies increased from \$140.9 million in FY 1998 to \$206.8 million in FY 1999. There is a necessary and predictable lag between the collection of fee revenues and the expenditure of those revenues on priority needs, in part to allow the agencies to make wise decisions regarding the expenditure of funds. All agencies are moving more quickly to put the recreation fee revenues to work. Obligations in FY 1999 by the U.S. Fish and Wildlife Service, Bureau of Land Management and USDA Forest Service were greater than the fees they collected during the previous year.

The relative cost of fee collection varies widely from site to site, depending on factors such as the absolute number of visitors, remoteness of the fee collection site, the distribution of visitors over time, the need for capital expenditures, the fee collection method employed, and whether fees had been collected at the site previously. Overall, the cost of fee collection for the four agencies, as a percent of revenues, increased slightly between FY 1998 and FY 1999, from 17.9 percent to 21 percent. Fee collection costs rose slightly for the National Park Service, Bureau of Land Management, and USDA Forest Service, and dropped substantially for the U.S. Fish and Wildlife Service, from 39.8 percent of revenues in FY 1998 to 18.2 percent in FY 1999.

Public acceptance of the fee program remains high. All four agencies have completed at least one survey of visitors. When asked what they thought of the level of fee or fees they had to pay, visitor respondents saying the level is “about right” or “too low” was 83 percent in 1997 and 89 percent in 1999 at National Park Service sites, 92 percent on U.S. Fish and Wildlife Service sites, and 90 percent on Bureau of Land Management sites. In a USDA Forest Service survey, 77 percent of comment card respondents said the value of the recreation opportunity and services was equal to or greater than the fee they were asked to pay.

Some issues continue to affect the implementation of the Recreational Fee Demonstration Program. These include:

- **Pricing of National Recreation Passes.** Congress set the price of the new National Parks Pass at \$50. The agencies have taken steps to increase the price of the Golden Eagle passport from \$50 to \$65, so that its price reflects its relative value. Because purchasers of the National Parks Pass may wish also to use a national pass at sites of the other agencies, a \$15 “upgrade stamp” will be offered that effectively converts their pass to a Golden Eagle.
- **Need for Long-term Authorization.** During FY 2000, the Administration will to work with Congress to develop permanent legislation that can be implemented when authorization for the current Recreational Fee Demonstration Program expires.
- **Innovation and Coordination.** During FY 1999, the agencies reviewed all Recreational Fee Demonstration Program sites, identified areas that have the greatest potential for reciprocal arrangements and other forms of fee cooperation, and in some cases brought about constructive changes at the local level.

Recreational Fee Demonstration Program Annual Report to Congress

I. Introduction

Background

Congress authorized the Recreational Fee Demonstration Program in section 315 of the Omnibus Consolidated Rescissions Act of 1996 (P.L. 104-134) and amended the program under Public Law 104-208, Public Law 105-18, Public Law 105-83, and Public Law 105-277. Four federal land management agencies—the National Park Service, U.S. Fish and Wildlife Service, and Bureau of Land Management, in the Department of the Interior and the Forest Service in the Department of Agriculture — were mandated to implement a Recreational Fee Demonstration Program. This project allowed these agencies to test new fees in 100 sites that represent the geographic and programmatic spectrum of sites that they manage. Under the program, the agencies retain all of the new fees, with at least 80 percent of the retained fees to be used at the sites where they were collected. Up to 20 percent of the fee revenues may be used at other sites under the administrative jurisdiction of the collecting agency.

The Recreational Fee Demonstration Program was authorized to begin October 1, 1995 and end on September 30, 1998, with a final report scheduled to be submitted to Congress on March 31, 1999. Congress subsequently authorized operation of the Recreational Fee Demonstration Program through September 30, 2001, with the final report due after the program expired.

As of September 30, 1999, the National Park Service had implemented all 100 authorized fee demonstration projects. The U.S. Fish and Wildlife Service had 87 approved demonstration sites in FY 1999. The Bureau of Land Management had 95 projects charging fees, and another five approved for future implementation. There were 81 demonstration projects operating in the National Forests, with 19 more approved for future implementation. All four agencies have evaluation projects underway. Reports of findings to date are contained in this report.

The FY 1997 Interior Appropriations Act requires the participating agencies to prepare a joint annual report to Congress on January 31, 1998,¹ and on the same date in succeeding years. Subsequent reports are to identify the annual accomplishments for the preceding fiscal year and any recommended improvements to the program. This progress report is intended to meet those interim reporting requirements. More detailed information is available from the individual agencies at the request of Congress.

National Park Service

¹This annual report to Congress for FY 1999 is available on the Internet at the following address: <http://www.doi.gov/nrl/Recfees/RECFEESHOME.html>. Also available at the site are Volume I of the FY 1997 report to Congress, and the full FY 1998 report.

The National Park System comprises 379 units covering more than 83 million acres in 49 states, the District of Columbia, American Samoa, Guam, Puerto Rico, Saipan, and the Virgin Islands. The diversity of the parks is reflected in the Recreational Fee Demonstration Program, which currently encompasses 120 national parks, national monuments, national preserves, national lakeshores, national seashores, national historic sites, national battlefields, and national recreation areas. In FY 1999, an amendment to the Land and Water Conservation Fund Act of 1965 authorized Great Smoky Mountains National Park to retain and expend 100 percent of the park's recreation use fees under the deed restricted parks program. Lake Mead National Recreation Area replaced Great Smoky Mountains in the Recreational Fee Demonstration Program, allowing Lake Mead to proceed with planning and construction for a new entrance fee program to be implemented in FY 2000.

In FY 1996, the National Park Service collected a total of \$77.8 million in recreation fee revenues under the authority of the Land and Water Conservation Fund Act of 1965, as amended. These revenues were returned to the U.S. Treasury. In FY 1997, the National Park Service collected a total of \$122.2 million in recreation fee revenues, with \$45.1 million returned directly to the National Park Service under the new Recreational Fee Demonstration Program. The fee demonstration receipts rose to \$136.8 million in FY 1998. For FY 1999, total recreation fee receipts increased to \$150.8 million, with \$141.4 million returned to parks under the Recreational Fee Demonstration Program.

The National Park Service has determined that the majority of fee demonstration revenues will be dedicated to priority maintenance, infrastructure, resource management, and visitor services needs. Many parks are undertaking multiple, larger-scale projects over the course of the Recreational Fee Demonstration Program. Beginning in FY 1998, fee demonstration revenues have also been used to cover the cost of fee collection at the participating parks.

Using contracted researchers at several universities, the National Park Service has continued to monitor both visitor reactions to the demonstration fees and the effects of the Recreational Fee Demonstration Program on park operations and services. In visitor surveys conducted during the third year of the new fee program, park visitors generally indicated strong support for the new fees, provided that all or most of the fees collected remain in the park or with the National Park Service, to protect resources or improve visitor services.

The National Park Service in collaboration with the National Park Foundation has completed the market research and produced a business plan for the sale of the National Parks Pass, authorized by Title VI of the National Parks Omnibus Management Act of 1998 (Public Law 105-391; Stat 3518; 16 U.S.C. 5991 et seq.). The research shows a substantial new market for the sale of the National Parks Pass that will result in significant new revenue to the National Park Service. The design of the new pass will be finalized in January 2000 and will be available to the public in April 2000 during "National Park Week". The National Parks Pass will be sold at entrance gates to the parks, through e-commerce, 1-800 numbers, the National Park Reservation Service, and selected retail outlets.

U.S. Fish and Wildlife Service

The U.S. Fish and Wildlife Service manages a system of 521 national wildlife refuges comprising over 93 million acres and 66 national fish hatcheries located in all 50 states and some island territories. These areas are managed principally to conserve fish and wildlife, but they also provide opportunities for wildlife-dependent recreation that is compatible with refuge purposes and the mission of the National Wildlife Refuge System. Wildlife-dependent recreation includes such activities as hunting, fishing, wildlife observation, wildlife photography, interpretation, and environmental education. The U.S. Fish and Wildlife Service was first granted authority to charge recreation fees in 1965 under the Land and Water Conservation Act. In 1986, authorization for entrance fees was included in the Emergency Wetlands Resources Act, which provided that 70 percent of the fees collected would be used for nationwide acquisition of refuge lands and that 30 percent would offset refuge operational and fee collection costs.

In FY 1996, the units that charged entrance and/or user fees collected approximately \$2.2 million of which 30 percent, or \$653,000, was available to field stations. Beginning in FY 1997, under the Recreational Fee Demonstration Program, an additional 35 sites began collecting recreation fees for the first time. Collections during that year from all U.S. Fish and Wildlife Service sites totaled \$2.9 million. In FY 1998, collections from all Service sites rose to \$3.5 million of which \$3.2 million was available for use on U.S. Fish and Wildlife Service lands. In FY 1999, collections from all Service sites rose to approximately \$3.6 million, of which approximately \$3.6 million was available for use on U.S. Fish and Wildlife Service lands.

During FY 1999, there were a total of 87 units approved for the program. Some of these stations did not start collecting fees until FY 2000 due to the type of fee being collected. The U.S. Fish and Wildlife Service uses the recreation fee revenues to improve and enhance visitor services and facilities such as boat docks, launching ramps, wildlife observation towers, information kiosks, exhibits, signs, brochures, trail guides and maintenance backlog reduction, in addition to covering the costs of fee collection.

Surveys of visitors were conducted for the U.S. Fish and Wildlife Service at eight wildlife refuges, under an agreement with the Mid-Continent Ecological Science Center of the U.S. Geological Survey. The Service intends to continue conducting visitor evaluations for the purpose of monitoring the acceptance of the program and identifying areas of success and concern. Extension of the program through FY 2001 gives the U.S. Fish and Wildlife Service an opportunity to do a more thorough evaluation of the program and determine more innovative methods of collecting fees and providing visitor services.

Bureau of Land Management

The Bureau of Land Management manages the remainder of the original public domain, a total of 264 million acres of public lands. Prior to the Recreational Fee Demonstration Program, the Bureau had authority to collect recreation fees through an amendment to the Land and Water Conservation Fund Act in 1972. This Act authorized the Bureau to issue permits and charge fees for special uses such as group activities, major recreation events, or motorized recreation vehicle use, and to levy fees for certain recreation sites and facilities. In 1989, the Omnibus Budget Reconciliation Act gave the Bureau authority to return fees to the area of collection, with a legislative limit on the amount of money that the Bureau could retain. The Bureau of Land

Management was authorized to charge entrance fees at its eight National Conservation Areas through the 1993 Omnibus Budget Reconciliation Act.

Under the fee program, the Bureau increased its recreation fee projects from 10 in 1997, to 68 projects in 1998, to 95 projects in 1999. Across the agency, the Bureau of Land Management collected recreation fees totaling \$3.7 million in FY 1997, \$6.1 million in FY 1998, and \$6.7 million in FY 1999, with fee demonstration projects accounting for \$5.2 million of the FY 1999 total. The demonstration project revenues will be used for facilities maintenance, to improve or expand campgrounds, operations, visitor services, interpretation, environmental protection, safety and health services, and access.

The evaluation of the Bureau's recreational fee demonstration program was conducted by the Human Management Services Inc., which is currently assisting the Bureau with its customer service evaluations. Evaluation efforts included: 1) using a customer service comment card to obtain feedback from users; and, 2) conducting a survey of visitors from 26 recreation fee demonstration sites with a formal survey instrument. The Bureau will continue to use the customer service comment card and formal surveys at selected demonstration sites in FY 2000.

USDA Forest Service

The Department of Agriculture's Forest Service manages 191.6 million acres of national forests and grasslands across the United States. The 154 national forests provide a wide range of natural resource values in diverse areas such as minerals, timber, wildlife, range and recreation. The USDA Forest Service is the largest federal provider of outdoor recreation and manages over 23,000 developed recreation facilities, including campgrounds (over 4,000), trailheads, picnic areas, boat ramps and visitor centers. More than 120 major ski areas are managed under special-use permits. There are 412 units of the National Wilderness Preservation System, totaling 34.7 million acres, and over 100,000 miles of designated trails located within National Forests.

According to USDA Forest Service estimates, there were over 900 million recreation visits on the National Forests in FY 1999. Over the years, recreation fee programs established under the Land and Water Conservation Fund Act of 1965 (as amended) have generated approximately \$9 million in user fees each year. These user fee collections have been declining in recent years because many developed sites have been turned over to concession management and, more recently, the Recreational Fee Demonstration Program. The USDA Forest Service collects an additional \$37.5 million² from special use permits for such activities as ski areas, outfitters and guides, and recreation residences. Essentially all these funds in excess of a 25 percent payment to local counties are returned to the General Treasury. An exception is being tested with recreation related outfitter and guide fees in Montana coming into the Recreational Fee Demonstration Program.

The USDA Forest Service began implementing the Recreational Fee Demonstration Program in June 1996, and by the end of FY 1996 had collected \$43,000 from four small projects. FY 1997 collections from the 40 operating fee demonstration projects rose to \$9.3 million. In FY 1998, 67 operating projects generated \$20.8 million. In FY 1999, the number of operating projects increased

²This is an estimate based on FY 1998 levels.

to 81, with an additional 19 projects expected to come on line in fiscal year 2000. FY 1999 gross revenues for the fee demonstration projects totaled \$26.5 million. Demonstration fees are charged at a wide variety of locations. Some entrance fees are being tested but most are user fees. All funds generated under the Recreational Fee Demonstration Program are retained by the Agency and are in addition to the fees collected under the Land and Water Conservation Fund Act.

Since FY 1996, fee collection costs paid from fee receipts total \$8.1 million, representing 14 percent of total collections during the same period. Appropriated funds in the amount of \$5.3 million have also been used to cover additional collection costs, bringing the total cost of collection to 23.2 percent of total revenues. In FY 1999, total collection costs, whether paid from fees or from appropriated funds, totaled \$5.2 million, or 20.7 percent of gross revenues.

The USDA Forest Service, in accordance with fee legislation, is using fee demonstration funds to provide quality recreation settings, reduce maintenance backlogs, and enhanced public services. Through FY 1999, the Forest Service spent 74 percent of all Fee Demonstration revenues collected under the program since it began in FY 1996 (\$42.0 million of \$56.6 total collections). Some projects are hiring term, seasonal and other temporary employees with recreation fee revenues to work on backlog reductions, trail maintenance, enhanced services, and fee collection. Some permanent employees involved in fee program administration and project implementation are also paid from fee receipts.

FY 1999 was a year of major changes for some projects in the Forest Service Recreational Fee Demonstration Program. Some projects changed their fee program significantly in response to public feedback to become more user-friendly. Other projects shifted operations to become more efficient in fee collection. Most importantly, FY 1999 marked the beginning of the Forest Service transition from individual test locations and projects towards a more integrated and consistent fee system.

II. Recreation Visits to Fee Demonstration Sites

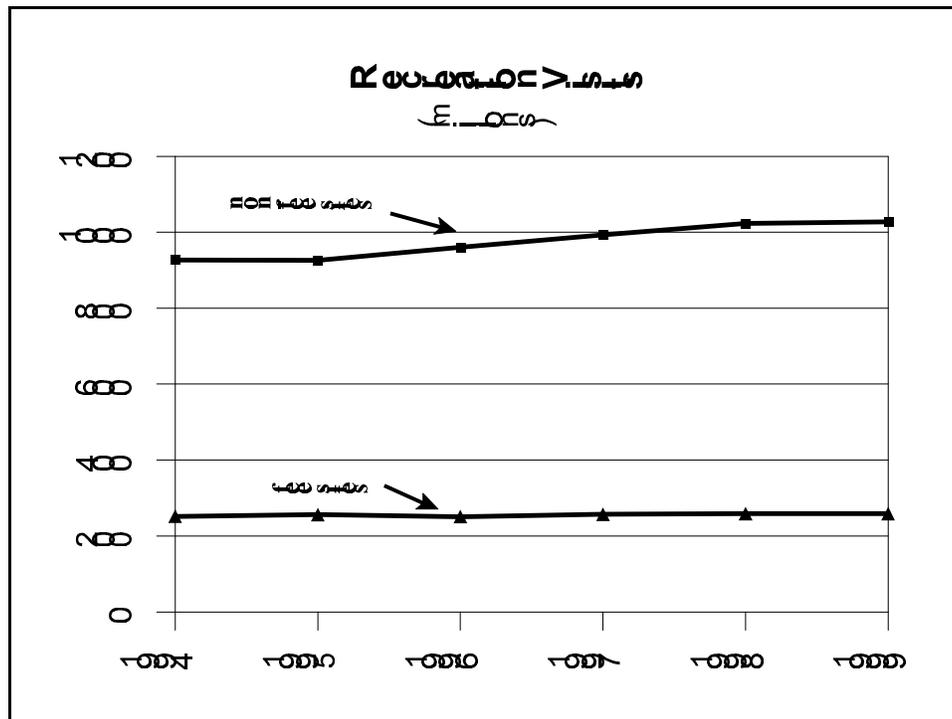


Table 1. Number of Recreation Visitors (millions)

Agency	Fiscal Year					
	1994	1995	1996	1997	1998	1999
National Park Service						
Fee Demo Sites (100 Projects) ^a	156.7	159.1	152.3	156.5	156.9	153.5
All Other Sites, Fee/Non-Fee	109.8	110.5	113.5	118.7	129.9	131.5
Agency Total	266.5	269.6	265.8	275.2	286.8	285.0
U.S. Fish and Wildlife Service						
Fee Demo Sites (87 Projects) ^a	8.7	9.0	10.0	10.3	11.1	13.1
All Other Sites, Fee/Non-Fee	18.3	18.6	19.6	19.8	21.3	21.8
Agency Total	27.0	27.6	29.6	30.1	32.4	34.9
Bureau of Land Management						
Fee Demo Sites (95 Projects) ^a	12.0	12.8	13.0	12.7	12.8	13.4
All Other Sites, Fee/Non-Fee	38.7	43.9	44.6	48.2	48.1	41.7
Agency Total	50.7	56.7	57.6	60.9	60.9	55.1 ^b
USDA Forest Service						
Fee Demo Sites (81 Projects) ^a	74.8	76.1	76.1	77.9	80.0	79.7
All Other Sites, Fee/Non-Fee	760.4	753.7	783.1	807.1	822.7	832.8
Agency Total	835.2	829.8	859.2	885.0	902.7	912.5
Total, All Four Agencies						
Fee Demo Sites ^a	252.2	257.0	251.4	257.4	260.9	259.7
All Other Sites, Fee/Non-Fee	927.2	926.7	960.8	993.8	1,021.9	1,027.8
Total	1,179.4	1,183.7	1,212.2	1,251.2	1,282.8	1,287.5

^aThe category “Fee Demo Sites” reflects visitation data for all of the sites in the Recreational Fee Demonstration Program that were in operation during FY 1999, regardless of the year in which they were added to the program.

^bThe apparent decrease in visitation, from 60.9 million to 55.1 million visitors, reflects adjustments in procedures to increase the accuracy of visitor estimates, and does not necessarily reflect an actual decrease in visitor usage of recreation areas.

Summary

Visitation to recreation sites participating in the Recreational Fee Demonstration Program continues to appear unaffected in any significant way by the new fees. Visitation at Recreational Fee Demonstration Program sites has remained relatively constant. Visitation is an indirect measure of how the fees affect those who recreate in the fee sites of the participating agencies. To further measure impacts on visitors, all agencies have conducted surveys of persons who visited the fee demonstration sites (See section VI for summary of findings).

National Park Service

Annual visitation for park units that participated in the Recreational Fee Demonstration Program during FY 1999 decreased by a total of 2.2 percent compared to visitation in 1998.³ Visitation to non-demonstration sites increased by 0.1 percent during the same period. Park visitation to demonstration fee sites increased at 58 units and decreased at 62 units where visitation is measured within the 100 fee demonstration projects.

A significant decline of about 1.18 million visitors reported for Chesapeake & Ohio Canal National Historical Park accounts for 68 percent of the overall decrease at fee demonstration sites within the National Park Service.⁴ Park officials believe that visitation to C&O Canal actually remained stable, and that the apparent decrease in visitation was actually the result of failing traffic counters, which were replaced in late 1999. This belief is supported by comparing FY 1998 and FY 1999 revenues, which remained relatively constant. At Mammoth Cave National Park, a reported decrease in visitation was due to faulty electrical feed lines that disrupted traffic counts, and does not necessarily indicate declining use of the Park.

At other fee demonstration units that showed a significant decrease in visitation, the reasons for the decline included road closures at Olympic National Park due to state highway work and record snowfall, and poor weather (fog and rain) that impacted local visitation at Point Reyes National Seashore during the traditional high use fall season.

U.S. Fish and Wildlife Service

Visitation to all fee demonstration sites increased from 11.1 million in 1998 to 13.1 million in 1999, an increase of 18 percent. For comparison, total visitation throughout the National Wildlife Refuge System, including the fee demonstration sites, increased from 32.4 million in 1998 to 34.9 million visits or 7.7 percent, during the same period. An important issue to the Recreational Fee Demonstration Program is that most of the increase in visitation to U.S. Fish and Wildlife Service areas was recorded at Recreational Fee Demonstration Program sites.

³These figures are based on estimated visitation for calendar year 1999. Final visitation statistics are not available until March 2000.

⁴Actual visitation to Chesapeake & Ohio Canal National Historical Park in 1998 was 1.98 million visitors. The estimated 1999 visitation is 706,135, for a decrease of 1.18 million visitors. The accuracy of this figure, based on traffic counter data, is in question.

Bureau of Land Management

Total visitation to the Bureau of Land Management's public land areas in 1999 is estimated to be around 55.1 million visits. The decrease in reported visitation, down from 60.9 million visits reported the previous year, is due to an increasing effort by the Bureau of Land Management to improve and accurately report visitor use data.

Visitation increased in some sites and decreased in others; recreation fee sites accounted for most of the increases. In the 95 sites in the Recreational Fee Demonstration Program, overall visitation was relatively constant, with only slight increases or decreases depending on the site. There appears to be no correlation between the year a fee was introduced and a change in visitation.

Visitation to recreation areas on Bureau of Land Management public lands under all other types of fee programs increased, while the total visitation to all non-fee recreation sites visitation remained relatively unchanged. Several Bureau of Land Management fee demonstration areas received slightly less use during the first two years of the Recreational Fee Demonstration Program but have increased during the third year. In Oregon, visitor use has dropped by 600,000 visits since 1996. There are several apparent reasons for this drop in visitation. First, the new fees deterred some individuals from using fee sites. Second, some sites received unseasonable and/or extreme weather problems during the recreation season. Third, construction projects at several sites interfered with public use of the areas. Fourth, regional tourism decreased in the area. Better reporting procedures in Yakima Canyon, rather than an actual change in visitation, accounted for a significant change in their reported numbers.

Several other variables are thought to have affected *actual* levels of visitation to specific Bureau of Land Management sites, including: a recent article in a magazine; allocations of permits, water levels in rivers and lakes (too much or too little), snow levels, weather and road conditions, special designation, highway and facility construction projects, travel costs, marketing efforts, the economy; site capacity; regional emphasis on a particular activity, and the availability of other recreation alternatives. In addition, there are factors associated with changes in the *reported* levels of visitation: inconsistencies in methods of collecting and reporting; and improvements in reporting procedures for visitor use data, as in the case of Yakima Canyon. Thus, changes in visitation may be associated only marginally, if at all, with the establishment of a new fee or a change in existing fees.

For instance, visitation to Yaquina Head dropped by approximately 40 percent this year. The majority of this decline can be attributed to a local decline in tourism traffic. The Oregon Coast Aquarium in Newport had been home to Keiko the killer whale until September 1998. Visitation to the aquarium dropped by almost 30 percent in FY 1999. Similar declines were reported by most of the local tourism related sites in the area.

At the National Historic Oregon Trail Interpretive Center in Baker City, Oregon, visitation decreased by approximately 10 percent over the two years of the fee program and another seven percent in FY 1999, the third year. Some of the decrease in visitation is attributable to the fee, but the most likely explanation is that, in the public's perception, the novelty of the Center may be wearing off. Visitation at the Center started to drop the third year after it opened and has continued to drop during the next three years.

USDA Forest Service

Estimated recreation visits to the National Forests in FY 1999 totaled 912.5 million, of which 79.7 million (nearly nine percent) were recorded at the 81 fully operational fee demonstration projects. Total use on fee demonstration sites decreased by approximately 360,000 recreation visits during FY 1999. However, 53 projects showed an increase in visitation or no change in use. Visitation declined at 22 projects. Six projects were new and did not have FY 1998 use or were user services, such as the National Recreation Reservation Service. Factors other than fee increases, such as weather or road repairs, can cause use declines. As examples, the available recreation season was considerably reduced at Mount Saint Helens National Volcanic Monument project in Washington by an extended snow season and at the Boundary Waters Canoe area in Minnesota by a major wind storm that caused a massive tree blowdown.

Some changes in reported (but not necessarily actual) visitation are due to changes the USDA Forest Service has made at fee projects in response to public feedback. For example, when the Sawtooth project in Idaho dropped its general access pass for the entire National Recreation Area and replaced it with use fees on 38 designated sites, reported visitation dropped by 1.3 million visits, because the FY 1998 count included all visitors to the entire area, and the FY 1999 count included only the visitors to the 38 fee sites. In a number of such cases, project definitions changed the reported visitation, even though actual visitation may have remained constant or increased.

In some cases, the public's willingness to pay a new fee may be the deciding factor on choosing between a fee site or a non-fee site elsewhere in the National Forest. However, there is little evidence that recreation fees act to limit the number of recreation visits. The Agency's project managers continue to study visitation data and will make needed changes in subsequent years to address public concerns.

III. Recreation Fee Revenues

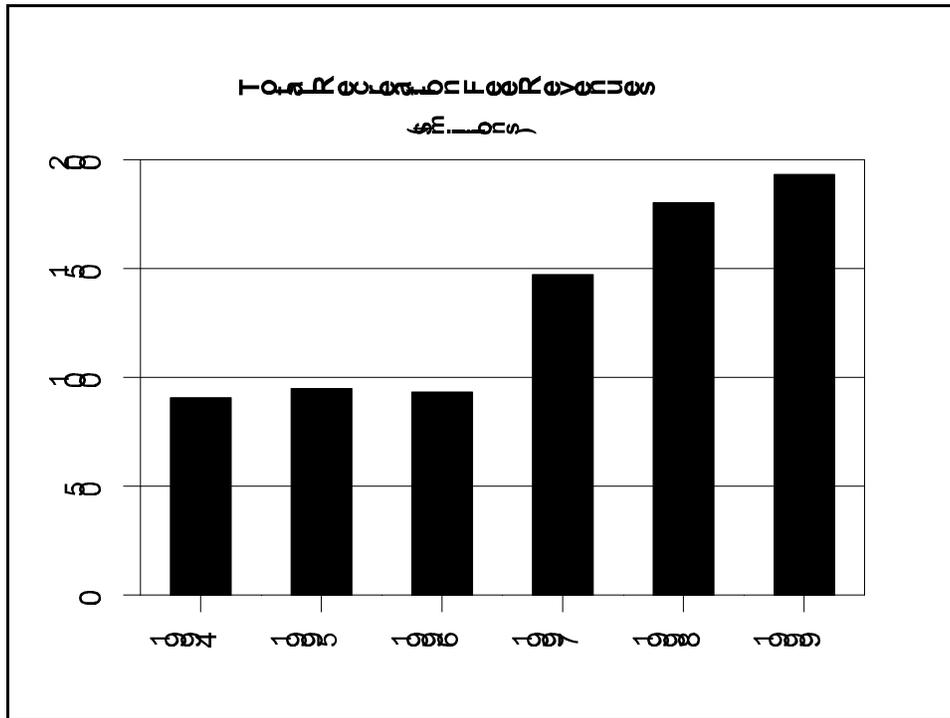


Table 2. Gross Revenues Under the Recreational Fee Demonstration Program (\$millions)

Bureau/Receipt Category	Before Demonstration			During Demonstration		
	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999
National Park Service						
Non-fee demo receipts	75.7	80.5	77.8	77.2	7.5	9.5
Fee demo receipts	0.0	0.0	0.0	45.1	136.8	141.4
NPS Totals	75.7	80.5	77.8	122.2	144.3	150.8
U.S. Fish and Wildlife Service						
Non-fee demo receipts	2.2	2.3	2.2	2.3	0.4	0.3
Fee demo receipts	0.0	0.0	0.0	0.6	3.1	3.4
FWS Totals	2.2	2.3	2.2	2.9	3.5	3.6 ^a
Bureau of Land Management						
Non-fee demo receipts	1.8	2.6	3.3	3.2	2.6	1.5
Fee demo receipts	0.0	0.0	0.0	0.4	3.5	5.2
BLM Totals	1.8	2.6	3.3	3.7	6.1	6.7
USDA Forest Service						
Non-fee demo receipts	10.9	9.5	10.0	9.0	5.5	5.5 ^c
Fee demo receipts	0.0	0.0	0.043 ^b	9.3	20.8	26.5
USFS Totals	10.9	9.5	10.0	18.3	26.3	32.0
Total, All Four Agencies						
Non-fee demo receipts	90.6	94.9	93.2	91.8	15.9	16.7
Fee demo receipts	0.0	0.0	0.043	55.4	164.2	176.4
Totals For All Agencies	90.6	94.9	93.3	147.2	180.2	193.2

^aDoes not total precisely due to rounding error.

^bThe USDA Forest Service implemented the Recreational Fee Demonstration Program in FY 1996 with four small projects that generated \$43,000 in revenues during the year.

^cAn estimate based on FY 1998 receipts.

Summary

The agencies collected \$176.4 million in revenues from all Recreational Fee Demonstration Projects during FY 1999, an increase of \$12.2 million, or 7.4 percent, over the previous year. In three years, the agencies doubled recreation fee revenues over levels that existed before the program began. While revenues have continued to grow under the Recreational Fee Demonstration Program, they grew at a much slower rate in FY 1999 than in first two years of the program. Total revenues from recreation fees increased from \$93.3 million in FY 1996 to \$147.2 million in FY 1997, \$180.2 million in FY 1998, and \$193.2 million in FY 1999. Future revenue increases are likely to be relatively smaller, but additional revenues are still possible as the agencies implement the program more efficiently, and as they implement their full complement of 100 projects each.

National Park Service

During the first three years of the Recreational Fee Demonstration Program, total recreation fee revenues almost doubled from the FY 1996 pre-program level of approximately \$80 million to \$150.8 million in FY 1999. The National Park Service has been successful in generating additional revenue by adding new types of fees and new park units to the fee program, as well as increasing entrance fees at units that already had a fee program. The FY 1999 survey of park visitors indicates that regardless of which park they were visiting, how they may have gained entrance to the site, or what type of fees they paid, the majority of park visitors accepted the new fees. The primary reason for this continued strong support of the Recreational Fee Demonstration Program is that visitors prefer to keep the fee revenues in the collecting park or to keep most of it in the collecting park and distribute the rest among other National Park Service units.

The National Park Service continues to utilize innovative methods for fee collection. Use of automated fee collection machines was expanded in FY 1999 to 30 fee demonstration units, with a total of 58 machines in use. Also in FY 1999, a new prototype automated fee machine was piloted at four parks. The National Park Service anticipates having 64 or more automated machines operational in FY 2000, with some machines relocated to new sites to experiment with more efficient collection of revenues.

During FY 1999, twenty-six fee demonstration parks offered park visitors the option of making advanced campground and tour reservations through the National Park Reservation Service. The associated benefits of this contracted, automated toll-free system include advance fee collection and a resultant reduction in cash handling within the park. Under the Recreational Fee Demonstration Program, the feasibility of using the advance reservation system to market under-utilized park areas has been tested and proven successful. Approximately 500,000 campground and tour reservations were made through the reservation system in FY 1999, demonstrating the popularity and convenience of this visitor service. After the system was expanded in January 1999 to accommodate reservations through the Internet, about 26,000 advanced reservations were made on-line. Planning is underway for two or more additional fee demonstration units to join the system in FY 2000.

The National Park Service continues to accept major credit cards at many of the fee demonstration units, and has expanded this capability to additional fee collecting parks. The amount of revenue

collected with credit card sales increased from \$6.4 million in FY 1998 to \$7.9 million in FY 1999.

Where feasible and efficient, certain parks contracted out the collection of recreation fees to a cooperating association or concessionaire. This approach, in place at park areas including Colonial National Historical Park, Glacier Bay National Park and Preserve, and the Muir Woods National Monument and Alcatraz Island units of Golden Gate National Recreation Area, continues to be well received by the public through the third year of the demonstration program.

U.S. Fish and Wildlife Service

Recreation fees were collected both for entrance to areas and for participation in particular activities during FY 1999. Entrance fees usually permit visitor entry into the refuge and the use of all public areas and facilities within the refuge. Use fees include hunting permits, boat launches, guided tours, photo blinds, hunting blinds and meeting room use. Revenues are not in proportion to the level of visitation. Revenues are affected by several factors that include number of visitors, amount of fee charged, methods used to collect fees, and the number of people using special passes.

Regions 2 (southwest), 4 (southeast) and 5 (northeast) continue to retain 20 percent of the fee revenues collected. These monies are used to assist new projects in implementing the Recreational Fee Demonstration Program and to enhance visitor services through the region. Region 7 (Alaska) joined the fee demonstration program in FY 1999 when two Alaska refuges began implementing fee programs.

Several stations are working in conjunction with their concessionaires to collect fees. These fees are monitored on a weekly basis by station personnel and remitted by the station to the Finance Office. Use of concessionaires has continued to facilitate accessibility and convenience to visitors of national wildlife refuges.

Bureau of Land Management

In every case, the areas with the highest levels of visitation collected the most money in terms of gross revenues, particularly in those areas that had limited access, such as Red Rock Canyon National Conservation Area, located just a short drive from Las Vegas, Nevada; Little Sahara Off-Highway Vehicle Recreation Area; Yaquina Head Outstanding Natural Area, Oregon; and, the Anasazi Heritage Center, Colorado. All of these sites have two things in common that help them to generate revenues: high numbers of visitors and a single-point of entry to the fee site.

Special use activity areas requiring special recreation permits were also very successful in generating revenues. These areas include: California Desert OFF-HIGHWAY VEHICLE and associated Campground Areas, California; Lake Havasu Recreation Area, Arizona/California; Paria Canyon/Coyote Buttes, Arizona/Utah; Lower Deschutes River, Oregon; the Green and San Juan Rivers, Utah; and the South Fork of the Snake River, Idaho; and the Rio Grande Gorge, New Mexico. Types of activities authorized under these special recreation permits include river float boating, off-highway vehicle riding, mountain biking, back country use, boat ramps, fishing, rock climbing, and hiking.

The most successful method of fee collection, in terms of compliance by potential fee payers, was through the mail when permits were required, regardless of the activity. The second most successful collection compliance occurred when a Bureau of Land Management representative collected the fee. In third place were fee collections at sites where the Bureau had a presence at the site. Third party collections, through partnerships, concession, and/or automated collection stations also achieved significant compliance rates. Honor system fee collection systems resulted in the least compliance. In these cases, voluntary payment of an established fee was significantly more successful than a payment in the form of a contribution. Pipe safes (iron rangers) are typically the fee receptacle.

The Bureau of Land Management's experience indicated that the self-serve approach, or honor system, can be moderately successful at recreation sites of high visitation even though the Bureau has had fairly low to no compliance at some recreation sites. Volunteer fee stations, with signs explaining the objectives of the program, do not work when there has been local public opposition to the fee. It is critical to have frequent public presence in order to have a high public compliance rate. For instance, the National Historic Oregon Trail Interpretive Center achieved more than 90 percent public compliance because the self-serve pay station is in full view of the staff and volunteers in the Center's lobby. Volunteers, such as organized groups, who have played a moderate to major role in the development and management of a particular recreation site, may expect that their services and contributions entitle their members to free entrance into those sites. From one perspective, not charging these people can be viewed as non-compliance with the fees. However, the agency may benefit from their assistance in an amount greater than lost fee revenues.

The Bureau of Land Management has used law enforcement sparingly and has enforced penalties on violators of the fee program in very few cases. Bureau Law Enforcement Rangers help obtain names and addresses of violators of the fee program in order to send them a late fee notice. Many of these violators apologized for not paying the fee and thanked the Bureau for giving them a notice instead of assessing a fine. Although the Bureau received telegrams from a few disgruntled recreationists, most of the public support has been very positive. In fact, several people provided additional money as compensation for being late.

All of the fees collected were retained at the area of collection. Each pilot project established a special fiscal account with a project code to ensure proper accounting of the revenue that was collected.

USDA Forest Service

In FY 1999, collections at USDA Forest Service projects ranged from \$1,700 at the Ohmer Creek Campground in Alaska to \$2.9 million on the Southern California Enterprise Forest Project and \$2.1 million at Arizona's Salt and Verde River/Lakes complex. Six projects had revenues greater than \$1 million, twelve projects collected between \$500,000 and a million dollars, 32 projects collected between \$100,000 and a half-million dollars, and 31 projects collected less than \$100,000. Revenues increased from FY 1998 levels at 49 projects and declined at 18 projects (see related discussion in the visits section). Fourteen new projects were started in FY 1999.

A wide variety of fees were tested in FY 1999. The USDA Forest Service has chosen to implement more user fees than entrance fees because many of its recreation resources are in dispersed areas

that often have many access points. Entrance fees can be used more effectively in a relatively closed area with a limited number of access points. User fees are more amenable to special points of interest where recreation visitors tend to congregate to participate in specific activities. The most common fee approach in the more dispersed areas is some version of a day-use trailhead parking fee. Some areas with entrance fees include the Mt. Evans Highway in Colorado and American Fork Canyon in Utah. Many pricing concepts are being tested including differential pricing, in which different rates are charged for different lengths of stay, dates, seasons, or days of the week. A recent GAO report⁵ cited the positive aspects of the wide range of pricing concepts being tried by the USDA Forest Service.

A wide diversity of fee types and collection methods are being examined and tested by the USDA Forest Service for their efficiency in collecting fees. Collection costs are high with some methods and low with others. Similarly, public acceptance is high on some methods and lower on others. The public desires a reasonable fee that is easy to pay, and they want most fees to be spent on the local project site. There also appear to be advantages to adapting and fine-tuning fee types and collection methods to the local project. Pricing options are also appreciated by the public as long as the price structures are not so complex as to be confusing. For example, the successful implementation of the Oregon Coastal Pass made it easier for coastal visitors to enjoy their visits. This pass is a joint effort of the USDA Forest Service, Bureau of Land Management, National Park Service, and Oregon State Parks.

The USDA Forest Service fee demonstration projects are a small sub-sample of the many potential fee projects on the National Forests. Current projects were selected to test a number of fee concepts and were not selected just to maximize revenue. The full long-term potential for revenue generation on the National Forests is barely being tapped by the current projects.

Revenue levels are a function not only of the number of visitors to a fee site, but also of the level of fee compliance on the part of those visitors. Fee compliance at staffed entrance areas is quite high. Compliance at dispersed sites is more difficult and requires innovative approaches. Fee compliance levels are also very important in terms of the public concern for fairness. If one visitor pays a fee, but is parked next to others who did not pay, the visitor may rightly question the fairness of the entire concept of user fees. USDA Forest Service approaches aimed at increasing compliance usually involve information first, warnings second, and citations as a last resort. The ability to issue citations is essential as an agency tool, but citations can cost the Agency in two ways – as a potential source of public dissatisfaction with the fee program and in lost revenues. Fines paid for citations do not come back to the Agency; fee revenues do.

In some instances, revenue levels have been affected by actions of the Agency. In FY 1999, the Forest Service mandated acceptance of the Golden Eagle, Age, and Access Passports for free entrance to all National Recreation Areas operating under authority of the Recreational Fee Demonstration Program, because these areas often have features similar to national parks, and the Agency has found that the recreating public expects to be able to use their Golden passports at such locations. The revenue impacts have been significant at areas like Mt. St. Helens National Volcanic

⁵U.S. General Accounting Office, *Recreation Fees: Demonstration Program Successful in Raising Revenues But Could Be Improved*, GAO/RCED-99-7, November, 1998.

Monument in Washington. Previously, the Monument had been charging a use fee, for which the Golden Eagle passport is not typically accepted. As a result of the Agency mandate, overall revenues at the Monument dropped from \$2.3 million in FY 1998 to \$1.1 million in FY 1999, largely as a result of high numbers of visitors using the Golden Eagle and other passports, and exacerbated by poor weather.

Opportunities exist for retaining fees from a number of other recreation related programs. For example, the USDA Forest Service is testing the retention of special use permit fees paid by Outfitter and Guides in Montana and Northern Idaho.

The USDA Forest Service has established fee handling procedures in a Fiscal Guide. The legislation that established the Recreational Fee Demonstration Program mandated that each agency return 80 percent of revenues back to the project that collected them, with the remaining 20 percent available to each agency to spend as needed. The USDA Forest Service decided to divide the 20 percent by providing 15 percent to local projects and five percent to the Regional Foresters for use within their regions. The USDA Forest Service also left the spending decisions to the local project managers. A business plan process was established for each project. The rationale and priorities for the use of fee demonstration revenues are displayed in the local business plans.

While locally-based fees are well accepted on most projects, problems have arisen where a number of fee demonstration projects overlap with each other or with other fee systems (state parks, other federal programs, state snow-park passes, etc.). In areas with a large number of fees, the public has expressed the desire to simplify the fee system, so that one fee enables access to many recreation sites. The fact that the agencies are testing a variety of fee types, sometimes in close proximity, has led to some confusion. Acceptable trade-offs in revenues and improved methods for interagency fee sharing are being developed. A large scale effort is also underway in Oregon and Washington, in conjunction with other federal agencies in the two states, to develop a more integrated fee system incorporating region-wide pass concepts.

Collection of fees seems to work best at entrance stations and at areas with mail-in permit requirements, such as Boundary Waters Canoe Area. Dispersed areas with self-pay systems often have lower compliance. Self-pay machines are a great improvement over the post-in-the-ground method — the so-called iron rangers. Staffing and machine technology are expensive, however, and are only justified when the volume of business makes them feasible. Much is being learned about approaches for reducing collection costs and for increasing public compliance with the fees, both of which will result in increased revenues that can be used for improving recreation services and facilities.

IV. Cost of Collecting Recreation Fees

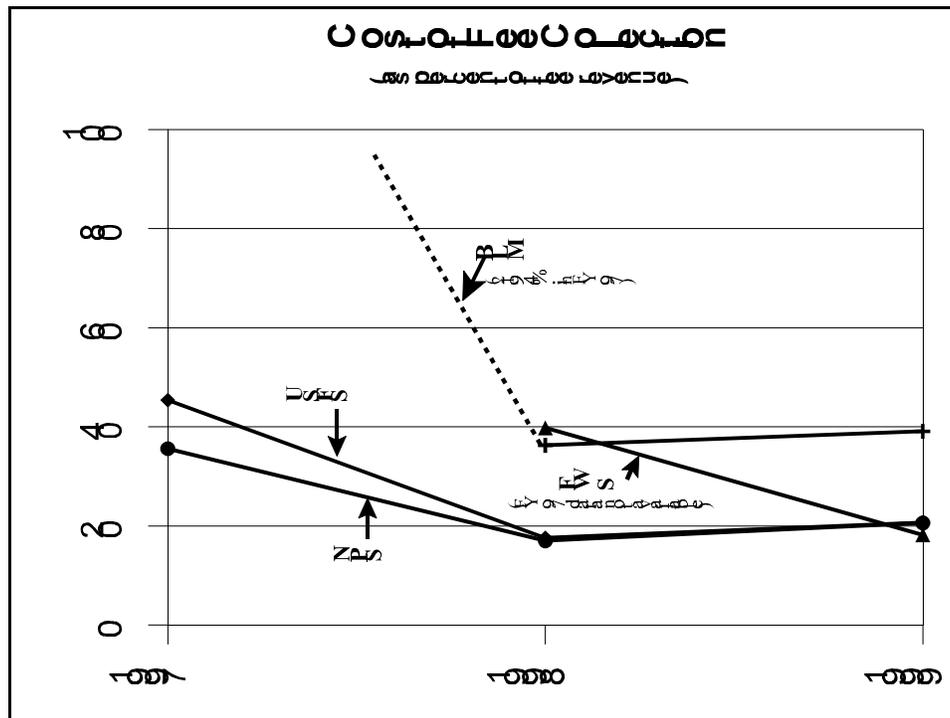


Table 3. Cost of Fee Collection^a in Fee Demonstration Projects (\$ thousands)

Bureau/Receipt Category	Fiscal Year 1997			Fiscal Year 1998			Fiscal Year 1999		
	Capital	Operating	Total	Capital	Operating	Total	Capital	Operating	Total
National Park Service									
Number of Projects			97			100			100
Cost of Fee Collection	1,484	14,565	16,049	1,265	21,975	23,240	2,819 ^b	26,024	28,843
As Percent of Fee Revenue	3.3%	32.3%	35.6%	0.9%	16.1%	17.0%	2.0%	18.4%	20.4%
U.S. Fish and Wildlife Service									
Number of Projects			61			77			87
Cost of Fee Collection	n.a.	n.a.	n.a.	237	994	1,231	59	557	616
As Percent of Fee Revenue	n.a.	n.a.	n.a.	7.7%	32.2%	39.8%	1.8%	16.4%	18.2%
Bureau of Land Management									
Number of Projects			10			68			95
Cost of Fee Collection	343	576	919	253	1,027	1,280	219	1,796	2,015
As Percent of Fee Revenue	81.9%	137.5%	219.4%	7.2%	29.1%	36.3%	4.2%	34.9%	39.1%
USDA Forest Service									
Number of Projects			40			67			81
Cost of Fee Collection	691	3,514	4,205	350	3,309	3,659	354	4,866	5,220
As Percent of Fee Revenue	7.4%	38.0%	45.4%	1.7%	15.9%	17.6%	1.3%	19.4%	20.7%

^aThe totals include all fee collection costs expended on fee demonstration sites, whether paid with fee revenues or appropriated funds.

^bOf the \$2.8 million in capital costs for the National Park Service in FY 1999, \$2.5 million was for fee collection start-up costs at the Lake Mead National Recreation Area.

Summary

The relative cost of fee collection varies widely from site to site, depending on factors such as the absolute number of visitors, remoteness of the fee collection site, the distribution of visitors over time, the need for capital expenditures, the fee collection method employed, and whether fees had been collected at the site previously. Overall, the cost of fee collection for the four agencies, as a percent of revenues, increased slightly between FY 1998 and FY 1999, from 17.9 percent to 21 percent. Fee collection costs rose slightly for the National Park Service, Bureau of Land Management, and USDA Forest Service, and dropped substantially for the U.S. Fish and Wildlife Service, from 39.8 percent of revenues in FY 1998 to 18.2 percent in FY 1999.

National Park Service

Total cost of fee collection, including both operating and capital costs, increased from 17.0 percent of revenues in FY 1998 to 20.4 percent in FY 1999. Operating expenses, which accounted for most of fee collection costs, increased from 16.1 percent in FY 1998 to 18.4 percent during the same period. Within this overall increase, some park units had increased fee collection operating costs and about 20 others had decreased operating costs. There are multiple factors that influence revenues and the annual cost of collecting fees. These factors include fluctuations in visitation due to weather, construction, or other variables, the number of paying visitors, the number of collection points, the fee rates, and the method of collection utilized. Additionally there are other factors such as salary increases, staff turnover, and position management decisions made at the local park level, all of which affect costs. Gains made by increased efficiency of collection utilizing automated fee equipment must be balanced against improved or increased visitor services, such as providing for advance reservations for campgrounds or tours, providing back country permit reservation services, and providing resource education services to back country users.

In Fiscal Year 1999 there were a few special circumstances in individual parks which greatly affected revenue and/or costs associated with fee collection. At Everglades National Park, for example, there was an increase in cost of collection in fiscal 1999 compared with fiscal 1998. This was due to the fact that \$310,000 in appropriated operating funds were used to supplement the cost of collection in 1998. Everglades also added two new campgrounds to the National Park Service reservation system. Under the terms of the new reservation contract, additional staff was required to facilitate on-site reservations and provide increased customer services. Purchase of new cash registers and computers also contributed to a higher cost of collection.

At Jefferson National Expansion Memorial, a major construction project disrupted tram service that is used to take visitors to the top of the arch. This affected visitation and revenues for almost six months during the peak season at the park. Cost increases were also related to the fact that fiscal 1999 was the first full year (12 months as opposed to 7 months) of implementation of the fee program at the park.

Yellowstone National Park's cost of collection increased in fiscal 1999 as a result of the hiring of additional staff to collect fees. Additional staff were also hired to curtail fraud and misuse of entrance passes by visitors and commercial businesses. Another substantial increase in cost was attributed to the 3.54 percent cost of living increase. Yellowstone also reported that nearly \$40,000

in credit card revenue from FY 1999 will be credited in FY 2000 due to bank reporting and posting delays.

U.S. Fish and Wildlife Service

The Fish and Wildlife Service reduced its cost of collection from 39.8 percent of revenues in FY 1998 to 18.2 percent in FY 1999. This reduction is due to better reporting from field stations on actual costs to collect fees and a decrease in capital improvements made during the year. Startup capital expenditures decreased from 24 percent of the total cost of fee collection in FY 1998 to 11 percent in FY 1999. Cost of fee collection at some stations can minimize net revenues needed to address maintenance backlogs, particularly in those sites with dispersed visitation where relatively high collection costs make it un-economical to collect fees. Stations that have adequate staff levels to implement the program as well as assistance from volunteers and other partnerships receive more revenue than stations that use an honor system. Salaries for staff members continue to be a significant part of all collection costs.

Capital investments are another significant cost to the fee demonstration program. These are not annual costs but do impact the funds available for other projects in any given year. Capital expenditures include such items as fee collection stations, equipment to maintain facilities, check stations, and parking areas. For new programs, the initial capital needed to institute a program can result in no funds being available to address maintenance backlogs during the initial year and perhaps longer. This initial capital in the past has been paid from a stations' Operation and Maintenance funding. Regions 2, 4, and 5 assist with implementation of new fee demonstration projects using some of the "20 percent" monies that are available for agency-wide projects. Because of the capital outlay and the lack of permanent authority for the fee demonstration program, several stations have decided to wait to see whether the Recreational Fee Demonstration Program becomes permanent before starting a fee program.

Bureau of Land Management

Revenues collected at recreation sites with a high volume of visitation exceeded the cost of collection, while the less frequently visited sites collected revenues just sufficient to offset their collection costs. Since start-up capital costs were also involved, the revenue generated to collection cost ratio will improve in the future, as the one-time start-up costs are amortized. Costs of collection also vary with the method of collection. The Bureau of Land Management added another 27 sites this year and each had significant start-up costs.

When a site manager uses a contractor or other third party to collect fees, costs are much higher than at those fee sites where the fee is deposited in a pipe safe or even automated collection systems. The site manager at Red Rock Canyon, Nevada, contracts with a third party to collect the fees. Their operation costs are higher than at those areas which are using more conventional methods of collecting the fees. The California Desert District is using 17 automated fee stations. Administration, collections, and maintenance operations are under contract. Although their overall out-of-pocket costs of collecting the fees are increased, the Bureau avoids hiring additional staff for collecting the fees, and is able to eliminate a burdensome work load on existing staff. Costs of collection are also accelerated by the number of entries or access points to the recreation site. The Gunnison Gorge has over five main access points which increases the cost of collecting the fees.

There is also a considerable accounting workload generated by the fee program, which is an additional workload on administrative staff, and other employees. For example, to ensure the safe transfer and collections of dollars at recreation sites, and especially fee collections from remote locations, security costs have dramatically increased. These increased costs range from the security personnel accompanying a Law Enforcement Ranger, to contracts with security businesses, or purchasing cellular phones to expand communication in remote areas. Managers at all of the projects have made a special effort to improve accounting controls and provide for employee safety in the process of collecting the fees.

USDA Forest Service

Due to the increased number of projects, collection costs increased from \$3.7 million in FY 1998 to \$5.2 million in FY 1999. As a percent of gross revenues, fee collection costs increased from 17.6 percent in FY 1998 to 20.7 percent in FY 1999. Much of this increase is due to startup costs and low initial revenues associated with the new National Recreation Reservation System, and significant weather related revenue declines at a few major projects such as Mt. St. Helens and the Boundary Waters Canoe area, where weather factors limited visitor usage. The USDA Forest Service is closely monitoring collection costs to make certain that added efficiencies are incorporated. High collection costs in the long-run may cause a project to be dropped or modified. The actual cost of collection was financed both with appropriated funds (\$1.3 million) and funds derived from fee receipts (\$4.2 million).

Variations in collection costs are driven by a number of factors (remoteness of the fee site, fee type, automation opportunities, etc.). First-year projects, projects with entrance fees, and projects with lower revenue and/or use potential generally have higher relative costs for fee collection. Thirty-seven percent of the projects had collection costs less than 15 percent of gross revenues. Three-fourths of all projects had collection costs that were less than 25 percent of gross revenues. One-fourth of the projects had collection costs that were greater than 25 percent of gross revenues; nine percent were higher than 35 percent.

Start-up costs are also a significant part of establishing a new fee program. The USDA Forest Service spent over \$5 million for fee demonstration project start up in FY's 1997-99. Most of these funds were appropriated dollars with some funds coming from the five percent of fee demonstration receipts available to Regional Foresters. Approximately \$1 million was used for one-time capital investments for such needs as entrance stations, fee kiosks, and fee collection equipment. These capital investment costs are reported entirely in the year in which they are spent, and are not amortized over the life of the project (see Table 3). The remaining operating start up costs were spent on signage, fee collector salaries, utilities, banking costs, and law enforcement. Most of the new employees hired for fee collection and field work were term, temporary, or seasonal appointments, due to the short time frame of the Recreational Fee Demonstration Program. A few permanent employees are partially paid from fee receipts.

V. Obligation of Fee Demonstration Revenues

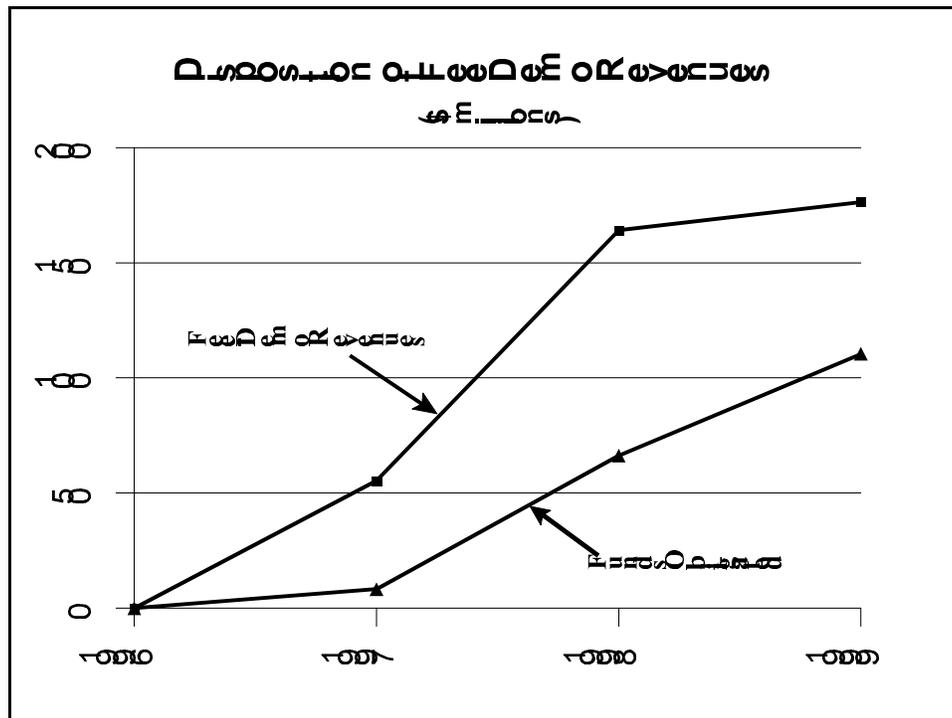


Table 4. Disposition of Revenues From Recreational Fee Demonstration Program Projects (\$millions)

Bureau	Fiscal Year			
	1996	1997	1998	1999
National Park Service				
Fee Demo Revenues	0	45.1	136.8	141.4
Unobligated Balance Brought Forward and Recoveries	n.a.	n.a.	40.2	125.8
Funds Obligated	0	6.5	51.3	80.9
Unobligated Balance	0	38.6	125.8	186.2
U.S. Fish and Wildlife Service				
Fee Demo Revenues	0	0.6	3.1	3.4
Unobligated Balance Brought Forward and Recoveries	n.a.	0.0	0.4	1.9
Funds Obligated	0	0.2	1.6	2.6
Unobligated Balance	0	0.4	1.9	2.7
Bureau of Land Management				
Fee Demo Revenues	0	0.4	3.5	5.2
Unobligated Balance Brought Forward and Recoveries	n.a.	0.0	0.2	2.2
Funds Obligated	0	0.2	1.5	4.1
Unobligated Balance	0	0.2	2.2	3.2
USDA Forest Service				
Fee Demo Revenues	0.043	9.3	20.8	26.5
Unobligated Balance Brought Forward and Recoveries	n.a.	0.043	5.2	11.0
Funds Obligated	0	4.1	15.0	22.9
Unobligated Balance	0.043	5.2	11.0	14.6
Total, All Four Agencies				
Fee Demo Revenues	0.043	55.4	164.2	176.4
Unobligated Balance Brought Forward and Recoveries	n.a.	0.043	46.1	140.9
Funds Obligated	0	11.0	69.4	110.5
Unobligated Balance	0.043	44.4	140.9	206.8

Summary

Total obligations increased from \$69.4 million in FY 1998 to \$110.5 in FY 1999, an increase of 59 percent. By the end of FY 1999, the National Park Service had obligated 43 percent of its cumulative receipts, the Fish and Wildlife had spent 62 percent, the Bureau of Land Management, 64 percent, and the USDA Forest Service, 74 percent. The unobligated balance for the four agencies increased from \$140.9 million in FY 1998 to \$216.8 million in FY 1999. The unobligated balance is expected to decrease substantially in the next year or two, as the agencies continue to increase expenditure levels and as revenue levels stabilize. All agencies are moving more quickly to put the recreation fee revenues to work. Obligations in FY 1999 by the U.S. Fish and Wildlife Service, Bureau of Land Management and USDA Forest Service were greater than the fees they collected during the previous year.

There is a necessary and predictable lag between the collection of fee revenues and the expenditure of those revenues on priority needs, in part to allow the agencies to make wise decisions regarding the expenditure of funds. Other factors are also associated with deferment of expenditures, including time needed for multi-level review of large projects, time needed to plan and implement projects, and the need to use funds during fair weather construction seasons.

Recognizing the accomplishments associated with the Recreational Fee Demonstration Program is straightforward in those cases in which fee receipts were used to fund discrete projects in their entirety. Where fee receipts comprise only a portion of the funds used to implement a particular maintenance or resource management activity, they often make the difference that puts the project "over the top," but their specific contribution is difficult to measure. In this section, we focus on those accomplishments in which the fee demonstration revenues clearly made a difference.

National Park Service

In FY 1997, the National Park Service estimated the total receipts that the parks would collect during the period of FY 1997 through FY 1999. At that time, parks were asked to submit candidate projects for spending the cumulative fees. Projects were reviewed by the National Park Service and the Department of the Interior to ensure compliance with the intent of the program and to ensure that priority health and safety maintenance projects were included.

The National Park Service obligated \$6.5 million of the fee demonstration revenue to priority projects in FY 1997, \$51.3 million in FY 1998, and \$80.9 million in FY 1999. The Service collected \$45.1 million in fee revenues in FY 1997, \$136.8 million in FY 1998, and \$141.4 million in FY 1999. At the date of this report, the National Park Service and the Department of the Interior have approved more than 1,900 projects totaling \$225 million.

During FY 1999, a primary focus of the Recreational Fee Demonstration Program was on managing the projects funded with fee revenues. A new emphasis was placed on developing policies and processes for project development, submission, review and approval. The National Park Service continued to make the adjustments necessary to facilitate the increased workload. Many demonstration fee-funded projects were initiated at the parks this past year, and will continue to be undertaken as planning, contracting, hiring of work crews and other seasonal variables allow. The National Park Service will also continue to focus on communicating to the visiting public the

purpose of the Recreational Fee Demonstration Program and ways in which revenues will improve the park infrastructure, resources and visitor experience.

The National Park Service is continuing to refine the web-based “Project Management Information System” utilized for collecting information on projects funded by the Recreational Fee Demonstration Program and other sources. This system will eventually allow for integration of data from other systems currently in use by the National Park Service, such as the Resource Management Program and the Project Manager Program.

Senior park officials, in consultation with their respective division heads, generally determine park project priorities. Typically, the park superintendent makes the final determination and submits these projects to the respective regional director for concurrence and or approval. The expenditures of Recreational Fee Demonstration Program funds are consistent with priorities and needs of the individual parks, and are consistent with the laws establishing all programs and the administrative guidance provided by the Department of the Interior and the National Park Service. Some of a park’s highest needs may be funded from appropriated regional or national project funding sources, rather than fee demonstration funds.

The Assistant Secretary for Policy, Management and Budget and the Assistant Secretary for Fish and Wildlife and Parks agreed upon a procedure for the National Park Service to follow in obtaining review and approval of expenditures of Recreational Fee Demonstration funds. All projects using the “80 percent” monies on the site where the funds were collected, for which the estimated total project cost is \$500,000 or greater, are reviewed by the National Park Service Development Advisory Board and require approval by the Director and both Assistant Secretaries. These projects are then submitted to the House and Senate Committees on Appropriations for approval prior to the obligation of funds.

Projects using “80 percent” monies for which the estimated total cost is \$100,000 or less are reviewed against established program criteria and are approved by the respective National Park Service Regional Director. All “80 percent” projects over \$100,000, but less than \$500,000, require approval by the National Park Service Director and the Assistant Secretary for Fish and Wildlife and Parks. The exception to this procedure is for projects that are either replacement in kind or routine maintenance protecting prior investments, for which approval authority remains with the Regional Director.

All “20 percent” projects require approval by the National Park Service Director and both Assistant Secretaries, and those over \$500,000 are submitted to the Committees for approval. Listing of all projects, regardless of dollar amounts, are to be provided quarterly to the House and Senate Committees on Appropriations. Once the lists have been provided to the Committees for approval, any subsequent changes to these lists must also be forwarded to the Appropriations Committees.

Table 5. National Park Service Obligations by Category (\$thousands)

	1998 Actual	1999 Actual
Total Fees Collected:^a	136,842	141,355
Projects Approved for Use of Fees:		
Number	819	1,159
Cost	85,123	142,529
Unobligated Balance Brought Forward and Recoveries	40,222	125,804
Projects Accomplished (Dollar Amounts of Obligations, by Type of Project):		
Visitor Services	4,615	12,340
Resource Protection	983	2,285
Health and Safety Maintenance	14,183	25,480
Collection Costs	23,240	28,993 ^b
Other	8,239	11,835
Total Obligations	51,260	80,933
End of year Cumulative Unobligated Balance (Cumulative Fees Collected Minus Cumulative Obligations)	125,804	186,226
Total Expenditures (Outlays)	40,457	65,866

^a Includes Golden Eagle; Golden Age; Recreation Fees.

^bThis includes all collection costs obligated from fee demonstration revenues, whether used on fee demonstration or non-fee demonstration sites. Therefore, this figure differs from the amount in Table 3, which shows all collection costs on fee demonstration sites only, whether paid from fee demonstration revenues or appropriated funds.

Approval was recently obtained from Congress to implement the following large projects, which are intended to serve a variety of purposes from increasing visitor safety to reducing traffic congestion and resource degradation:

- \$670,000 to align the main park road and \$890,000 to perform rehabilitation work on the visitor center and restrooms at Bryce Canyon National Park in Utah;
- \$2,649,000 to construct a bus maintenance and operations facility at Zion National Park in Utah; and

- \$18,000,000 to construct the Canyon View Information Plaza at Grand Canyon National Park in Arizona.

A formal request has been issued to parks to provide a status report on all fee demonstration projects that will list park, region, project identification number, project title, activity type, estimated cost, completion status, expenditures and comments. A comprehensive report of this nature is not yet available, but examples of projects that have been completed are provided below:

- Rehabilitation and extension of Presidential Trail at Mount Rushmore National Monument in South Dakota, \$125,000, completed in July 1998.
- Preservation of National Register historic structure at Voyageurs National Park in Minnesota, \$69,040, completed in September 1999.
- Rehabilitation of handicapped accessible walkways and restrooms in Little Sand Bay at Apostle Islands National Lakeshore in Wisconsin, \$31,200, completed in September 1998.
- Purchase and installation of visitor center exhibits at Santa Monica Mountains National Recreation Area in California, \$125,000, completed in December 1998.
- Replacement of Cleetwood fuel system at Crater Lake National Park in Oregon, \$412,523, completed in July 1999.
- Replacement of a visitor entrance station at Haleakala National Park in Hawaii, \$240,000, completed in August 1999.
- Restoration and archaeological stabilization of Crissy Field at Golden Gate National Recreation Area in California, \$475,536, completed in May 1999.
- Replacement of artillery limbers and caissons at Antietam National Battlefield in Maryland, \$22,700, completed in April 1999.
- Restoration of the historic stone bridge at Manassas National Battlefield Park in Virginia, \$34,866, completed in September 1999.
- Rehabilitation of 50 campsites at City of Rocks National Reserve in Idaho, \$89,000, completed in October 1998.
- Connection and upgrading of trails to accessibility standards at Hopewell Cultural National Historical Park in Ohio, \$32,000, Completed in September 1999.
- Implementation of summit shuttle system at Scotts Bluff National Monument in Nebraska, \$13,187, completed September 1998.
- Upgrading the audiovisual equipment at Frederick Douglas National Historic Site in the District of Columbia, \$21,491, completed in September 1998.

- Construction and installation of information kiosks at Lava Beds National Monument in California, \$19,000, completed in September 1999.
- Recording the historic photograph collection onto CD-ROM at Nez Perce National Historic Park in Montana, \$25,000, completed in September 1999.
- Upgrading a picnic area to ADA Standards at War in the Pacific National Historic Park in Guam, \$18,741, completed in September 1998.
- Extension of the boat launch ramps at the Seven Bays Area in Lake Roosevelt National Recreation Area in Washington, \$63,955, completed in September 1999.
- Rehabilitation of the Indian Cove campground at Joshua Tree National Park in California, \$250,413, completed in December 1998.
- Replacement of public use picnic tables at Hawaii Volcanoes National Park in Hawaii, \$34,999, completed in September 1999.

U.S. Fish and Wildlife Service.

At the inception of the Recreational Fee Demonstration Program, the U.S. Fish and Wildlife Service decided to allow the individual regional offices to make the decision about how much of the funding above the 80 percent level remains with the station that collected the money. In Region 1 (Pacific Northwest), Region 3 (Upper Midwest), Region 6 (Mountain States), and Region 7 (Alaska), 100 percent of the funding is returned to the station where the fees are collected. In Region 2 (Southwest), Region 4 (Southeast), and Region 5 (Northeast), 80 percent of the funding is returned to the station, and 20 percent is apportioned by the regional office among additional public use projects or for providing supplies to refuges that are not part of the Recreational Fee Demonstration Program.

The legislative requirement to retain at least 80 percent of revenues at the site that collects them is an important incentive for refuge managers. However, there is mixed support within the U.S. Fish and Wildlife Service for a fee program in which some funds are redistributed to other units. Those stations that generate the largest amount of fee revenues appear more willing to “share the wealth” than are stations that receive relatively small amounts of revenue.

Revenues from the Recreational Fee Demonstration Program are used in a variety of ways:

- **Visitor Services.** Revenues in excess of fee collection costs are used to provide increased visitor services. This includes printing brochures, roving interpreters on trails, building new trails, observation towers, informational signs, building new photo blinds, interpretive

Table 6. U.S. Fish and Wildlife Service Obligations by Category (\$thousands)

	1998 Actual	1999 Actual
Total Fees Collected: ^a	3,090	3,385
Projects Approved:		
Number	unknown	225 ^b
Cost	1,607	2,522
Unobligated Balance Brought Forward and Recoveries	396	1,905
Projects Accomplished (Dollar Amounts of Obligations, by Category):		
Visitor Services	n.a.	1,047
Resource Protection	n.a.	55
Health and Safety Maintenance	n.a.	306
Collection Costs	1,231	616
Other	n.a.	542
Total Obligations	1,615	2,566
End of year Cumulative Unobligated Balance (Cumulative Fees Collected Minus Cumulative Obligations)	1,871	2,724
Total Expenditures (Outlays)	1,244	2,166

^a Includes Golden Eagle, Golden Age, and Recreation Fees

^b Estimated due to incomplete reporting from field stations.

programs at visitor centers, environmental education programs, and cleaning services for visitor centers. As examples,

- Bombay Hook National Wildlife Refuge in Delaware purchased chairs for the auditorium.
- Chincoteague National Wildlife Refuge in Virginia repaired a trail, replaced an observation platform and interpretive panels, replaced a portable toilet, and updated and reprinted the refuge bird check list, hunt brochure, and wildlife loop brochure.
- Great Dismal Swamp National Wildlife Refuge in Virginia improved the access road for safer visitor entry into the refuge.
- Ridgefield National Wildlife Refuge in Washington purchased new hunting blinds with fee demonstration monies as well as new signs.

- Maintenance Backlogs. Fee demonstration funds are also used to decrease a backlog of maintenance projects. These projects are listed in the Maintenance Management System. Fee demonstration funds are used to augment appropriated funds given to a station to complete a maintenance project. Completed maintenance projects include habitat restoration, replacement of entrance gates, replacement of visitor center exhibits, maintenance of gravel parking lots, maintenance of hunter access roads, maintenance of campground lift stations, maintenance and upgrading of restroom facilities, replacement of boat docks, and installation of new pump-out stations. As examples,
 - Edwin B. Forsythe National Wildlife Refuge in New Jersey replaced the roof on the public auditorium, and replaced the vinyl siding on the public restroom and information booth.
 - Parker River National Wildlife Refuge in Massachusetts replaced the boardwalk at parking lot #2.
 - Chincoteague National Wildlife Refuge in Virginia painted its visitor center and replaced the roof and carpet.
 - Gavin's Point National Fish Hatchery in South Dakota purchased a Water Treatment System.
 - National Bison Range in Montana purchased a cooling system for the visitor center theater and replaced the center's security system.
 - St. Marks National Wildlife Refuge in Florida reconstructed the visitor center's boardwalks, deck and siding, improved the sewer system at the Otter Lake Recreational facilities, and replaced rotten logs on environmental education cabin.
 - J.N. "Ding" Darling National Wildlife Refuge in Florida repaired the septic tank, paved the entrance to the wildlife drive, repaired the automatic gates, and repaired the Shell Mound Trail.

- Fee Collection Costs. The funds returned to the station are used to defer the cost of the collection of the fees, including the printing of passes and permits, paying a portion of temporary fee collector salaries, and paying the cost of postage for sending in remittances, as well as capital expenses to build entrance stations, honor vaults, and other structures used for fee collection.

- The 20 percent of revenues retained in Regions 2, 4, and 5 are also used to help defer the cost of collection, to increase visitor services, and to assist with maintenance backlogs. These revenues are returned to stations in the respective regions. Projects are submitted to Regional staff members and refuge supervisors. Priorities for these projects are set based upon the needs of the station, if the project will be a cost-share project with other funding, and other mitigating circumstances. Stations that do not collect fees are encouraged to submit projects to be funded by the revenues that are retained in the regional offices.
 - In Region 2, brochures were purchased and distributed to all of the stations in the region, including stations that do not collect fees. Revenues from the Recreational Fee Demonstration Program were used to purchase new entrance stations for stations that are new to fee collection. Other completed projects in Region 2 include construction of a parking lot and assisting with the purchase of other signs.

- Region 4 has used the revenue from the fee demonstration program to restore habitat, conduct public service announcements on the radio, and to begin a planning initiative at Pelican Island for the Refuge Centennial in 2003. These funds were also used to purchase outreach materials for Refuge Week.
- Region 5 used the revenues from this program to build an access ramp to an observation blind, print brochures and fact sheets for stations, build a kiosk, purchase accessible spotting scopes, purchase a Bald Eagle Nest exhibit, fund a beach cleanup, and conduct regional outreach work.

If a station is receiving funds that it can not or does not believe that it will be able to expend by the end of the fee demonstration program, it will be allowed to transfer these funds to another station to meet the above needs (collection of fees, increased visitor services, or maintenance backlogs.) At the current time, this option has not been used.

Bureau of Land Management

The Bureau of Land Management's overall recreation deferred maintenance backlog for over 1,847 recreation sites and nearly 13,800 miles of trail is approximately \$52.7 million. This figure does not include deferred maintenance needs associated with the transportation infrastructure providing access to the recreation sites. Annual maintenance for the Bureau's recreation sites is around \$12.5 million. According to the Bureau's 1999 "Facility Inventory and Maintenance Management System," 725 (39 percent) of the Bureau's recreation sites are in good condition, 764 (41 percent) are in fair condition, 240 (13 percent) are in poor condition, and 118 (six percent) are in unsatisfactory condition.

The Bureau asked each demonstration area to provide the top five deferred maintenance or enhancement projects for FY 1998-1999. The top five projects from each of the 98 recreation fee demonstration projects that charged fees in FY 1999 totaled approximately \$16.2 million. During FY 1999, approximately \$2 million from recreation collections was spent on recreation projects to reduce the number of deferred maintenance projects. The Bureau will spend approximately \$10 million from all sources on deferred maintenance, annual maintenance, and enhancement projects for these same sites during FY 2000. Site managers spent nearly 93 percent of the revenue collected during the third year of the Recreational Fee Demonstration Program.

Table 7. Bureau of Land Management Obligations by Category (\$thousands)

	1998 Actual	1999 Actual
Total Fees Collected:^a	3,528	5,152
Projects Approved:		
Number	300	400
Cost ^a	3,734	7,370
Unobligated Balance Brought Forward and Recoveries	207	2,218
Projects Accomplished: (Dollar Amounts of Obligations, by Category) ^b		
Visitor Services	248	638
Resource Protection	93	402
Health & Safety	900	1,156
Collection Costs	302	1,349
Other	n.a.	577
Total Obligations	1,543	4,122
End of year Cumulative Unobligated Balance (Cumulative Fees Collected Minus Cumulative Obligations)	2,191	3,248
Total Expenditures (Outlays)	999	3,729

^aIncludes Golden Eagle, Golden Age, Recreation Fees.

^bEstimates

Projects that have been completed or started are quite varied in nature, and include the following accomplishments:

- **Repair and Maintenance.** Recreation fee revenues have been used for maintaining existing facilities, repairing roofs and vehicles, paving and grading roads and bridges, repairing equipment, adding communication systems, repairing gates, fences and flood damage, repairing, replacing, installing, expanding water systems, and controlling weeds.
- **Improving Visitor Services.** Recreation fee revenues have been used for retrofitting restrooms and providing access to picnic areas for persons with disabilities, repairing existing restrooms or constructing new ones, landscaping recreation sites, expanding campgrounds, adding new grills and tables, constructing trails and additional tent pads,

creating and adding directional signs, repairing, replacing, and constructing boat ramps, replacing and constructing boat and fishing docks, developing exhibits and other outreach materials, and designing and creating interpretive displays and brochures.

- Providing for Fee Collection. Recreation fee revenues have been used for constructing fee collection facilities, purchasing and installing lighting for exhibits and kiosks, adding seasonal positions, and expanding partnerships.

USDA Forest Service

The USDA Forest Service is using fee demonstration funds to provide quality recreation settings, reduce maintenance backlogs, and provide enhanced public services. By the end of FY 1999, the Agency had spent 74 percent (\$42.0 million) of all fee demonstration revenues collected (\$56.6 million) during the life of the program (FYs 1996-1999). A total of \$22.9 million of fee receipts was spent in FY 1999, leaving a year end balance of \$14.6 million to be carried into FY 2000.

The USDA Forest Service uses a decentralized process for making decisions on how receipts should be spent. Decisions on what work to undertake are guided by the community assessments, project business plans, and public communication plans developed for each project. Local community concerns, user comments and existing backlog information are the key elements used to decide how to assign spending priorities. Local project managers have wide discretion to spend funds within the spending categories identified in P.L. 104-134. Oversight is provided by Regional Fee Demonstration Boards and by national field reviews.

Each fee project has a business and communication plan that serves as the official authority for the project. These plans are dynamic documents that require ongoing project monitoring and change as the project moves forward and as lessons are learned. Each USDA Forest Service regional office has a regional fee demonstration board (recreation staff, fiscal, law enforcement, wildlife, and field representatives) to add oversight and coordination to the projects within the region. These boards are also responsible for determining how to spend the fee demonstration funds (five percent of gross collections in most cases) that are made available to the regional forester. This process has proved very effective in project implementation and in adding a professional business focus.

Public comments on the fee program are sought at the national level by using comment cards, news article analysis, marketing surveys and other surveys. Each local project also uses a variety of means, and most produce an annual report of accomplishments. More detailed formal studies, including formal marketing surveys, have been completed or planned. These studies are examining user reactions to current and/or proposed fees associated with the Recreational Fee Demonstration Program.

Table 8. USDA Forest Service Obligations by Category

Category of Expenditure	Cumulative FY 1996-1998		FY 1999	
	Amount	Percent	Amount	Percent
Fee Collection	\$3,773,200	19.8%	\$4,301,900	18.8%
Repairs & Maintenance	\$4,382,500	23.0%	\$4,201,700	18.3%
Health & Safety	\$1,453,100	7.6%	\$1,370,200	6.0%
Interpretation & Signing	\$2,413,500	12.7%	\$2,368,600	10.3%
Habitat Enhancement	\$72,600	0.4%	\$94,300	0.4%
Facility Enhancement	\$1,281,600	6.7%	\$1,430,600	6.2%
Resource Preservation	\$732,700	3.8%	\$717,200	3.1%
Annual Operation	\$3,890,900	20.4%	\$7,053,200	30.8%
Law Enforcement	\$648,600	3.4%	\$792,500	3.5%
Other	\$396,000	2.1%	\$595,800	2.6%
Total Obligations	\$19,044,700	100.0%	\$22,926,000	100.0%

The needs are great and fee demonstration receipts obviously cannot meet all local needs. Appropriated dollars and other resources, such as concessions and volunteers, remain critical in helping to meet total needs. The USDA Forest Service learned early in the demonstration that the recreating public wants to see their fees at work, and the Agency has taken care to make sure that visible improvements are taking place. The accomplishments are highlighted for the public through the use of information signs detailing “your fees at work.” Balancing visible improvements with behind the scene repairs is a key part of the USDA Forest Service's implementation strategy.

Of the total obligation of fee demonstration revenues, 18.3 percent went for repairs and maintenance of recreation resources, 6.2 percent for facility enhancement, 30.8 percent for annual operation costs, 10.3 percent for interpretation and signs, and 6.0 percent for health and safety needs. Habitat enhancement, resource preservation, law enforcement and other costs make up the remaining obligations. Table 8 shows the complete list of expenditure categories,

the actual obligated amounts, and the percent of the total spent in each category. Note that collection costs made up 18.8 percent of total obligations of fee demonstration funds.⁶

The USDA Forest Service is carefully and effectively spending the increased revenues from the fee demo program. Accomplishments vary by the size and scope of projects. The paragraphs below contain examples of USDA Forest Service accomplishments using monies from the Recreational Fee Demonstration Program.

Lake Como Complex, Bitterroot National Forest, Montana. Funds were used to construct stairs at the beach to deal with resource concerns, improve three parking areas, install trail signs, stain 55 picnic tables, make major improvements at a boat launch, and hire extra help on busy weekends to improve information and safety.

Mt. Evans, Arapaho-Roosevelt National Forest, Colorado. Funds were used for protecting resources, search and rescues, helping stranded motorists and bicyclists, building an eight-mile accessible trail to interpret bristle cone pines, relocating a quarter mile of trail that was causing resource damage, building a universally accessible alpine interpretive site, cleaning toilets two times a day, and patrols for visitor safety. The Mt. Evans road reaches over 14,000 in elevation.

Shasta-Trinity National Forest, California. Funds were spent to expand a fish-rearing project including additional cages and materials to feed and rear 2,000 trout, to repair and extend electrical lines, to help with mountain search and rescue operations, to expand the human waste pack out program, remove garbage from high camps, climbing routes, and trailheads, extend hours of operation at various sites, print emergency response maps, repaint 27 restrooms, and increase the availability and cleanliness of floating and portable toilets. In addition, the funds went for a variety of avalanche awareness initiatives, including avalanche awareness classes and climbing clinics, a web site, and a Back Country Avalanche Bulletin for the Mt. Shasta area. The Bulletin includes automated reports that are updated daily.

Adventure Pass Program, California. Recreational Fee Demonstration Program revenues were spent to install 45 new portable restrooms at high use sites, repair 24 existing restrooms, retrofit seven permanent facilities for accessibility, refurbished 58 camp sites and 20 picnic sites, removed graffiti from dozens of sites, maintained over 220 miles of trail. In addition, each of 32 fee-paid field rangers on average extinguished 68 illegal or abandoned campfires, made 100 emergency assists to visitors; made 4,106 informational or interpretive contacts with the public, and completed hundreds of minor maintenance and repair projects.

Flaming Gorge National Recreation Area, Ashley National Forest, Utah. Funds were used to repair sewer lagoons, boat ramps and divider docks, construct a floating toilet and clean-out station for boaters, replace restrooms, develop a picnic site, re-pave roads, and maintain trails.

⁶This number should not be confused with the numbers on Table 3, Cost of Fee Collection, which represent both fee demonstration and appropriated dollars spent for fee collection, as a percent of gross revenues.

Middle Fork/Salmon Wild and Scenic rivers, Salmon-Challis National Forest, Idaho. Funds are being used to expand and rehabilitate boat ramps, purchase river garbage bags along with Idaho Fish and Game and Idaho Outfitters and Guides Association, and purchase river guide maps to distribute to float parties.

North Umpqua Basin, Umpqua National Forest, Oregon. Funds were used to provide emergency medical technician and law enforcement services, monitor for endangered species act compliance, paint seven toilet buildings, replace campground entrance signs and gates, repair and replace 250 fireplaces and 40 picnic tables, replace fish cleaning station grinders, clean campgrounds, and remove hazard trees.

Trail Park Project, Oregon and Washington Forests. Funds were used to repair and maintain 275 miles of trail, maintain 40 waterbars, replace 30 trailhead posters, install six information boards, repair and reconstruct five hitching rails, install gates at two trailheads, seasonal chemical toilets, a trail bridge, and fee tubes, and enhance trailhead and parking facilities.

Cabin Rentals, Washington, Oregon, Montana. Funds were used to upgrade beds and furniture, repair roofs, improve septic systems, construct a new deck, enhance historic integrity of buildings, modify a propane distribution system, install new carpeting and linoleum, and paint interiors and exteriors of cabins.

Juneau Recreation Area Complex, Tongass National Forest, Alaska. Funds provided for expanding visitor center hours an additional two hours a day and expanding the visitor center season an extra month, new interpretive programs, an interpretive brochure for visitors, a new cross country ski trail system and groomed trails, snow plowing of four trailheads including a snowmobile access trailhead, and provided a month's funding for a four- person trail crew.

Boundary Waters Canoe Area, Superior National Forest, Minnesota. Funds were spent to improve portages, hiking trails, entry points, and campsites, to expand office hours for improved customer service, for backlog facility maintenance, for sled dog patrols and for sled dog freighting of materials.

Wayne National Forest Trail Permit System, Ohio. Funds helped leverage projects as a match for a "TEA-21" transportation grant to construct eight miles of trail and expand an off-road vehicle parking area, and for a cost share agreement to use a geographic positioning system on forest trails to create quality trail maps. In addition, funds were used to rent porta-potties for trailheads and to purchase a gravel wagon for trail surfacing.

Chattahoochee-Oconee National Forest, Georgia. Funds were spent to purchase sweet smelling toilets at two boat ramps (existing toilets were closed due to deterioration); build a soundproofing shed and rebuild the back mound at a shooting range, partner with TEA-21 transportation funds for improvements at trailheads, purchase rail fencing, picnic tables, signs, bulletin boards, grills, and lantern poles for campgrounds, replace a sewer lift station motor, paint toilet buildings, and maintain and improve parking lots and access roads.

VI. Preliminary Findings from Fee Evaluation Studies

Table 9. Characteristics and Responses of Survey Respondents^a

	NPS ^b	FWS	BLM	U.S. Population ^c
Number of Respondents	2,644	1,637	3,286	n.a.
Number of Sites Surveyed	13	8	26	n.a.
Gender:				
Male	52.6%	65.0%	59.0%	48.9%
Female	47.4%	35.0%	41.0%	51.1%
Race:				
White	96.1%	85.0%	91.3%	83.0%
Black/African American	1.4%	1.0%	n.a.	12.6%
Asian/Pacific Islander	1.7%	2.0%	n.a.	3.6%
American Indian	0.9%	2.0%	2.7%	0.9%
Other			2.3%	
Education:				
High School Graduate or Lower	13.0%	24.0%	22.0%	50.9%
Some College or Trade School	21.6%	23.0%	26.1%	24.7%
College Graduate	27.5%	26.0%	27.0%	16.5%
College Post-Graduate	37.9%	27.0%	25.0%	7.9%
Income:				
Less than \$15K	3.7%	4.0%	8.0%	18.1%
\$15-25K	6.3%	7.0%	11.0%	14.0%
\$25-40K	15.4%	19.0%	22.0%	18.5%
\$40-65K	27.9%	34.0%	30.0%	21.8%
More than \$65K	46.8%	36.0%	28.0%	27.5%
Entrance Fees are:				
Too Low	7.0%	6.0%	6.1%	n.a.
About Right	76.4%	86.0%	83.8%	n.a.
Too High	16.6%	8.0%	10.1%	n.a.

^aThe USDA Forest Service used several individual surveys with different survey designs. Comparable data on respondents across all surveys are not available. The findings from those surveys are summarized later in this section.

^bThese data are from a 1998 survey by Duffield and Patterson. Preliminary data from a 1999 survey indicate higher levels of public acceptance, with 12.9 percent, 75.6 percent, and 11.5 percent indicating that the fees are too low, about right, and too high, respectively. Both surveys are summarized in the text that follows this table.

^cData on the U.S. population are from the U.S. Census Bureau. Gender, race and education data are for 1998. Household income data are for 1999. Education data are based on the segment of the population that is 25 years old or older, the group of sufficient age potentially to have attained most of the education levels, and the age group most likely to be included in the agency surveys.

National Park Service

The National Park Service has ongoing national studies to monitor visitor reactions to the Recreational Fee Demonstration Program. Contracts were awarded to the University of Minnesota for surveys in FY 1997 and FY 1999, and to the University of Montana for surveys in FY 1998.

In the summer and early fall of 1998, the researchers at the University of Montana⁷ surveyed park visitors in 13 units of the National Park Service regarding the Recreational Fee Demonstration Program. Three of the 13 units were surveyed in greater detail in order to gather additional data to assess impacts of the fee program on local communities and their associated economies. The study addressed how fee changes would affect the park experience, the mix of park visitors, and local economies.

Out of a total of 3,735 surveys distributed, completed survey forms were received from 2,644 visitors, for a return rate of 70.8 percent. Genders were about equally represented; 52.6 percent of the respondents were male, and 47.4 percent were female. The average age of respondents was 47 years. Over 17 percent were 61 or older – the age group (62 and above) that is eligible for the Golden Age passport, which costs a one-time \$10 administrative fee. On average, respondents were well-educated; 27.5 percent are college graduates, eight percent have some graduate school education, and nearly 30 percent have a masters, doctoral, or professional degree beyond the bachelor's level. The respondents are relatively well-off financially. Their median household income is \$40-65,000 annually, and 46.8 percent reported incomes of over \$65,000. Respondents are predominantly white (96.1 percent across all 13 park units).

Responses to the surveys indicate that park visitors are generally satisfied with the entrance fees, the quality of park attributes, and the process of entering parks. The majority of respondents felt that the entrance fees were “about right” (76.4 percent) or “too low” (7.0 percent). However, analysis by the researchers indicates that lower-income visitors were more likely to describe park fees as “too high.” In an initial survey of visitors to National Park Service units during the first year of the Recreational Fee Demonstration Program, Allen Lundgren and David Lime⁸ reported similar findings.

The overall quality of park resources was judged to be “good” or “very good” by 87.7 percent of the respondents. The vast majority of respondents said that the process of gaining entry to the park was reasonably convenient (95.7 percent) and time-efficient (97.5 percent).

Over two-thirds (68.8 percent) of the park visitors paid a fee at the gate for entrance into the fee unit. Some paid a fee that allowed admittance for all the occupants of the vehicle (48.4

⁷This summary is drawn from: John Duffield and David Patterson, University of Montana, and Chris Neher, Bioeconomics, Inc., *Evaluation of the National Park Service Fee Demonstration Program: 1998 Visitor Surveys*, Final Report, 1999.

⁸Allen L. Lundgren and David W. Lime, University of Minnesota Cooperative Park Studies Unit, *Monitoring 1997 Park Visitor Reactions to the National Park Service Recreational Fee Demonstration Program*, Research Summary No. 10, December 1997.

percent); the others (20.4 percent) paid an individual person fee. Some sort of annual pass was used for entrance by 20.7 percent of the visitors, including the Golden Age Passport (10.4 percent), Golden Eagle Passport (7.9 percent), an annual pass to the specific unit (1.4 percent), and the Golden Access Passport (1.0 percent). The remaining respondents were admitted as part of a tour (4.5 percent), did not pay at all (4.1 percent), or were unsure of how they gained access to the park.

Park visitation appears to be a social occasion, involving family or friends. About 44 percent of all visitor groups comprised four or more people, and less than five percent of park visitors arrived at the unit alone. Two-thirds of the visitors stayed in the fee unit for less than one day. The researchers concluded that survey responses present a consistent picture of support for the fees, as well as a general level of satisfaction with the quality of services that the parks provide. Support for the fees varies with household income levels, with the highest levels of support coming from those with the highest reported incomes. In the three case studies, the researchers found no consistent fee-related impacts on either visitation levels to the park units or on local economic activity.

During the summer of 1999, the Cooperative Park Studies Unit at the University of Minnesota visited nine units at eight National Park System areas to interview visitors. These data were not yet published when this report was prepared, but are expected to be available soon. The preliminary findings are summarized below.⁹

A total of 1,130 respondents completed the self-administered questionnaire. Survey respondents came from all 50 states, the District of Columbia, and from 24 foreign countries. The almost equal number of males and females represented a wide range of ages, were predominantly white, and tended to be above average in income and education.

The results consistently show that the majority of visitors accepted the fee. Considering all of the nine national park units surveyed and all types of entrance or interpretive fees in those units, 89 percent of the survey respondents indicated they either thought the fees they paid were “about right” or that they were “too low.” The 89 percent acceptance is a six percent increase from the 83 percent reported by Lundgren and Lime’s in 1997 and by Duffield and Patterson in 1998. The change from 1997 and its replication in 1999 was primarily a result of fewer respondents reporting the fee they paid was “too high.”

When asked how the entrance and other recreational fees collected by the National Park Service should be used, 98 percent of the visitors surveyed in 1999 preferred either to keep all of the fee revenues collected by the park in the park (55 percent), or to keep most of the fee revenues in the park and distribute the rest among other National Park Service units as needed (43 percent). One percent preferred to keep most of the fee revenues in the park and return the rest to the

⁹This summary is taken from a draft report, soon to be published in final as: David W. Lime, Jerrilyn Thompson, Jonathan Nauman, and Cynthia Warzecha, *Overview of a 1999 National Park Service Monitoring Study to Obtain Visitor Reactions to the Recreational Fee Demonstration Program: Replication of a 1997 Study*, Final Report, December 1999.

United States Treasury to be used as Congress directs. These findings are consistent with the results of the 1997 Lundgren and Lime survey.

The participants in the 1999 monitoring study represent a diverse group of individuals with respect to gender, age, race, ethnicity, education, income, and location of permanent residence. Visitor reactions to the Recreational Fee Demonstration Program were more similar than different across the nine national park units. Regardless of the park, the date or time of day of data collection, the same general patterns of response emerged. Park visitors generally indicated strong support for the new fees, provided that all or most of the fees collected remain in the park or with the National Park Service to improve visitor services or protect resources, and not be returned to the U.S. Treasury. While most supported the concept of asking visitors to help pay for the use of special facilities and services, they were opposed to returning fees collected to the U.S. Treasury, viewing this as one more method of taxation.

U.S. Fish and Wildlife Service

The U.S. Fish and Wildlife Service contracted with Colorado State University to evaluate visitor reactions to the Service's fee demonstration program.¹⁰ Throughout 1998, visitors were surveyed at eight National Wildlife Refuges, and asked their opinions about various types of fees, including entrance fees, hunt fees, and use permits fees. Visitors were classified as one of four types: non-hunting daily individual, non-hunting daily vehicle, non-hunting annual, and hunting. The objective of the study was to examine visitor response to various fees in the context of demographic profile and beliefs about the fee program in general.

About two-thirds of the respondents (65 percent) were male; of those that paid a fee for hunting at the refuge, 97 percent were male. The average age of all visitors was 45.4 years. The 21 percent of visitors that entered the refuges using an annual pass had an average age of 55.9, with 38 percent over the age of 65. Respondents were relatively well educated. Over half of the respondents (53 percent) had graduated from college; 21 percent had earned masters or doctorate degrees. Income levels of respondents were also relatively high. The median household income category was \$45-65,000 annually; 36 percent reported household incomes greater than \$65,000. With regard to race, 85 percent identified themselves as white, five percent as African American, Asian American, or American Indian, and ten percent did not place themselves into a race category.

Across all respondents and all refuges, the overwhelming majority of all respondents evaluated the entrance fees that they paid as "about right"(86 percent) and "too low" (6 percent). These general findings held whether the respondents were males or females, young or old, high or low education levels, rich or poor, and regardless of race. Almost all (92 percent) of those who felt the fees were "about right" reported that they understood the reasons behind the program and believed that the fees were needed to maintain the quality of services. About the same percentage reported satisfaction with refuge services. The eight percent of respondents who felt

¹⁰This summary is drawn from: Jerry Vaske and Maureen Donnelly, Colorado State University, Human Dimensions in Natural Resources Unit, *Visitor Reactions to the U.S. Fish and Wildlife Service 1998 Fee Demonstration Program*, HDNRU Report No. 40, March, 1999.

that the fees were “too high” were likely to believe that the fee program would limit their access (55 percent), that they should not have to pay a fee to visit wildlife refuges (57 percent), and that there is no need for the program (47 percent).

Overall, the researchers concluded that the fee program is not likely to negatively impact visitation at National Wildlife Refuges. Twelve percent of the respondents reported an intention to change their visitation patterns because of the fees, but about a third of these respondents said they would visit less often or participate in other activities at the refuge for which a fee is not charged.

More than half (58 percent) of the respondents paid a day fee to enter, either a per-vehicle fee (32 percent) or a per-individual fee (26 percent). An additional 21 percent used some form of annual pass to gain entry to the refuge, including the Golden Age passport (7 percent), Golden Eagle passport (5 percent), annual pass to the specific refuge (5 percent), Federal Duck Stamp (4 percent), and Golden Access passport (2 percent). Fourteen percent of respondents said they paid a hunting fee to gain entrance into the refuge. Nine percent said they paid no fee at all. Respondents had been asked to check all the fee categories that apply to them. Other responses accounted for another five percent of entry fees reported, including one percent that did not know. Because some persons paid more than one fee, the responses total more than 100 percent. Only 10 percent of respondents were visiting the refuge alone. Over 80 percent were with family and friends, with an average party size of three to four persons. The primary activities of visitors (in descending order) were wildlife viewing, hiking, hunting, and wildlife photography.

Across all respondents, nearly all favored keeping all recreation fees collected by the refuge at the refuge to make infrastructure repairs, protect natural resources, and improve visitor services. Nearly half of all respondents preferred to purchase their entrance fee on-site. There was little support for automated fee stations, though about a third would prefer to use a credit card.

The authors had hoped to collect 2,600 completed surveys from 10 different refuges. However, they received approximately 1600 completed surveys from eight refuges. Consequently, they were unable to characterize adequately visitor responses at several of the Refuges with poor or no response rates. The data reflect only those persons who actually visited a refuge, and provide no information on those who, possibly because of the fees, chose not to come.

The same researchers conducted surveys during 1999 using the same research methods and survey instruments. Though results are available only from five of twelve refuges surveys, preliminary data appear to confirm many of the findings from the 1998 study. Preliminary demographic results for age, gender, ethnicity, education, and income comport with those of 1998. Generally, from 75 to 85 percent of respondents classified fees as “about right.” These preliminary results also indicate that visitors continue to feel strongly that fees should remain at the refuge from which they are collected.

Bureau of Land Management

The Bureau of Land Management contracted with Human Management Services, Inc. to assess the results of the Bureau’s Recreation Use Customer Survey, which included questions about

recreation fees.¹¹ From April to October 1999, the Bureau of Land Management administered customer satisfaction surveys to visitors of 40 recreation sites in 11 States. The surveys were aimed at a broader assessment of customer satisfaction with the agency's recreation sites. However, because 26 of the surveyed sites were part of the Recreational Fee Demonstration Program, the Bureau of Land Management was able to combine the evaluation of the fee program with the larger assessment. The goals of the survey were to determine the appropriateness of entrance or recreation fees and the extent to which visitors were satisfied with the value of their recreational experience at Bureau of Land Management sites. Of the 4,592 survey responses received during the survey, 3,286 responses (72 percent) were from visitors of Recreational Fee Demonstration Program sites.

Of the respondents, 59 percent were male and 41 percent female. The average age was 44 years. Respondents were predominantly white (91.3 percent), with the remainder represented in approximately equal numbers by Hispanics, American Indians, and "other." Household incomes of respondents were relatively high, with 58 percent reporting incomes greater than \$40,000 annually, although nine percent had a household income of less than \$15,000. In terms of education, 52 percent of respondents had at least a college degree, and 17 percent reported graduate degrees.

The overwhelming majority of survey respondents (92.9 percent) report favorably on the overall quality of their recreation experience at Bureau of Land Management sites, with the highest user satisfaction associated with resource management, physical facilities condition, and recreation site condition. When asked to assess the appropriateness of fees on a five-point scale in which a score of "1" is "far too low" and "5" is "far too high," average respondent scores were "about right" for both entrance fees and activity fees, with average scores of 3.05 and 3.06, respectively. When asked about value received for the fee paid on a five-point scale from "strongly disagree" to "strongly agree," the average score was 4.02, indicating that respondents believe the value of their recreation experience at least equaled the fees paid.

Respondents paid for their entrance and day-use activities in a variety of ways, including: recreation use fee, 47 percent; vehicle entrance fee, 16 percent; Golden Age passport, which also entitled the card holder to a discount on recreation use fees, 14 percent; individual entrance fee, three percent; Golden Eagle passport, three percent, and an annual pass to the specific unit, one percent. Eight percent of the respondents said they paid no fee at all.

Of the 3,286 respondents who visited fee areas, 2,082 (69 percent) paid activity fees, in addition to or separate from entrance fees. The primary activity fee was for overnight camping, amounting to 60 percent of all activity fees.

USDA Forest Service

Nationally, the USDA Forest Service has analyzed the results of survey card responses, conducted marketing surveys, and conducted a news article analysis. Locally, projects track

¹¹This summary is drawn from: Kevin E. Coray, Human Management Services, Inc., Arlington, Virginia, *BLM Recreational Use Customer Survey Results*, November 1999.

public comments, and in many cases use their own comment card or other type of survey. This information is used locally to help each project modify its operation to help increase public support and project performance.

Individual Site Evaluations. Each of seven site surveys for which reports are available posed different questions and scales to evaluate people's attitudes toward the recreation fees, as the following examples illustrate. The Boundary Waters Canoe Area Wilderness and the Desolation Wilderness surveys asked visitors whether the fees they paid were far too high, too high, about right, too low, or far too low. In an evaluation of the multi-forest "Adventure Pass" in southern California, visitors were asked to respond to the following question: "Think about both the cost of the Adventure Pass and the *improvements* it helps to fund. On balance, do you believe the Adventure Pass program makes you better off or worse off than you would be without it." At the Cataract Lake Fee Area, respondents were asked to express their level of agreement with the statement, "the value of the recreation opportunities and services I experienced was at least equal to the fee paid?" This was the same question asked in the national survey cards. Tonto National Forest visitors were asked the extent to which they agreed with several statements about the fees, such as, "The fee at this site is a good value."

Though these differences do not allow direct comparison of visitor responses across surveys, there are enough similarities among both the questions and the responses to offer general comparative findings. Visitor reactions to the recreation fees are relatively similar from place to place, regardless of how the question is asked. Those findings are summarized in Table 10.

National Evaluation of Comment Cards. The Agency's comment card survey has recorded over 4,800 responses to date. Projects in their second or third years are generally showing higher acceptance than new projects. For example, respondents were asked to state their level of agreement or disagreement with the statement, "The value of the recreation opportunities and services I experienced was at least equal to the fee I was asked to pay." In the FY 1999 survey, 77 percent of comment cards had responses in the high to neutral acceptance range for the question asking opinions of fees on public lands. This compares favorably with responses the previous two years, in which 60 percent of the respondents agreed with this statement (48 percent strongly), and 23 three percent disagreed (17 percent strongly). All five of the comment card questions show a high positive response.

Table 10. Summary of Responses in USDA Forest Service Surveys

Survey Location	Opinions About Fees That Were Generally: ^a	
	Positive ^b	Negative
National Comment Cards	77%	19%
Boundary Waters Canoe Area Wilderness	87%	13%
Southern California National Forests	64%	18%
Vail Pass Winter Recreation Fee	46%	22%
Desolation Wilderness Fee Site	64-78%	22-36%
White Mountain National Forest	68-72%	15-16%
Cataract Lake Fee Area	64%	14%
Tonto National Forest	55-64%	22-26%
News Article Analysis	65%	35%

^aThe actual questions asked of respondents varied from site to site. A response that the fees are “about right” was viewed as a positive response, along with responses that the fees were “too low” and “much too low.” Where more than one fee-related question was asked at a site, the responses are indicated as a range, from the lowest to the highest answer for both the positive and negative responses.

^bUSDA Forest Service projects often involve charging fees for the first time, and at sites that traditionally have been free of charge. There is a widespread initial public expectation, particularly in the West, that national forests should be open to all and free of charge. This may partially explain why the USDA Forest Service visitors indicate a somewhat lower level of acceptance than do visitors to other agency sites. Developing public acceptance takes time, and appears to increase as the public sees the improvements on the ground and on the site.

The USDA Forest Service notes that respondents were self-selected, not selected by the researchers using random sampling procedures. Thus, it is not possible to generalize these findings to specific recreation sites or to the USDA Forest Service as a whole with statistical confidence. In addition, under this approach, those with strong opinions, pro or con, are more likely to respond than are those who do not hold strong opinions. The data confirm this bimodal distribution of responses; two-thirds of the respondents expressed strong views, and only 17 percent did not feel strongly either way. Nevertheless, nearly three times as many respondents gave responses that were supportive of the fee program as those who did not support it.

National Marketing Survey. Marketing surveys were completed for several projects late in FY 1999. While the final results are still being tabulated, the preliminary results indicate a large number (90 percent) of those surveyed in Oregon, Washington, Arizona and Southern

California strongly support appropriate fees for public land recreation. Marketing efforts in the USDA Forest Service are intended to find out what people want and to try and meet those needs, while protecting ecosystem values.

National News Article Analysis. In 1999, the USDA Forest Service contracted with InfoTrend, Inc. and the Agency's North Central Research Station for a news article analysis that examined a statistically derived, random sample of text from the thousands of USDA Forest Service fee related news articles in 109 newspapers across the country, written since 1996. Overall, expressions of favorable attitudes towards the USDA Forest Service fee program outweighed expressions of unfavorable expressions by a factor of about two to one, with about 65 percent responses favorable towards the fee program and 35 percent unfavorable. The Southern California Adventure Pass project and the Pacific Northwest group of 12 projects accounted for almost 70 percent of all negative attitudes expressed in the articles analyzed. Very few unfavorable articles were produced concerning most of the other 68 projects on which articles were analyzed..

VII. Ongoing Issues

Interagency Coordination

In order to address the concerns of Congress and the General Accounting Office about inadequate cooperative efforts among the agencies participating in the Recreational Fee Demonstration Program, Department of the Interior Assistant Secretary John Berry established the Fee Demonstration Coordination Team by memo dated January 6, 1999. The group consists of the national fee managers for the Bureau of Land Management, U.S. Fish and Wildlife Service, National Park Service and USDA Forest Service, as well as members of the Department of the Interior's Office of Policy Analysis and Assistant Secretary Berry's personal staff.

Throughout much of FY 1999, the group met regularly to discuss increasing coordination among agencies involved in the Recreational Fee Demonstration Program. Its initial goal was to identify additional locations where increased coordination would be possible. As a first task, the group prepared a map and plotted the locations of all of the agencies' fee demonstration projects, noting the types of fees associated with each project. The map made it possible for the agency fee managers to identify sites that, due to proximity, might have potential for cooperative arrangements.

One early accomplishment was to establish a reciprocal fee agreement between Chincoteague National Wildlife Refuge and Assateague National Seashore. The General Accounting Office and others had identified these sites as likely candidates for cooperative fee arrangements. Members of the Fee Coordination Team facilitated the initial contact between the site managers, who then negotiated a reciprocal fee arrangement satisfactory to both agencies.

The managers then considered a variety of other factors, such as types of fees, comparability of recreation experiences, similarity of sites with a common geographic locale or region, and overlap in clientele groups in assessing the potential for increased coordination among fee demonstration sites. These efforts have led to the development of a number of cooperative arrangements, including the following:

- **Pacific Northwest Regional Fee.** The USDA Forest Service and the National Park Service are developing a joint fee system for Oregon and Washington, with annual and daily passes for entrance and day-use recreation fees. Public confusion associated with many different fee test locations will be greatly reduced as this new system is implemented in Spring, 2000.
- **Oregon Coastal Pass.** A cooperative effort between the Forest Service, Bureau of Land Management, National Park Service, and Oregon State Parks results in a common pass, which is honored at all fee sites of the participating agencies on the Oregon Coast. This pass has proved to be very popular with the public, and won the Vice President's Hammer Award for the outstanding collaborative efforts of the sponsoring agencies.
- **Future Efforts Under Negotiation.** The National Park Service began discussions in FY 1999 with the USDA Forest Service in Alaska to establish a joint coastal pass for USDA Forest

Service areas and National Park Service areas that are adjacent to Sitka National Historical Park and Klondike Gold Rush National Historical Park. In Idaho, the National Park Service met with the Bureau of Land Management, Army Corps of Engineers, and Idaho State Parks, to discuss the establishment of a multi-agency pass that would allow visitors access to federal, state, and county recreation lands. The agencies plan to launch the program in FY 2000.

Proximity to other fee areas does not necessarily indicate that fee coordination or reciprocity is desirable. In the case of Assateague and Chincoteague, the units are adjacent and are connected by a road, both charge an entrance fee, and there are some persons who visit both sites during the same day, but the number is very small. In this situation, it made sense to allow a visitor to pay only once, especially when visitors may not distinguish between agencies. In other cases, cooperative fee arrangements may not make sense, even among sites that are adjacent. For example, the Aransas National Wildlife Refuge of the U.S. Fish and Wildlife Service and Padre Island National Seashore of the National Park Service discussed the feasibility of a combined annual pass. They chose not to implement a joint fee arrangement at the current time because the prices of their annual passes are quite different and the two sites serve different clientele.

Another area of interagency coordination is associated with the implementation of national passes. In June 1999, the team met to discuss implementation of the National Parks Pass. The group concluded that the Golden Eagle passport is likely to decline in sales once the more heavily marketed National Parks Pass becomes available. Nevertheless, the group believed that the Golden Eagle passport should remain an option for that segment of the visiting public that utilizes a multi-agency national pass. The group also considered both short-term changes made necessary by the Congressionally-mandated National Parks Pass and potential long-term solutions to the coordination issue.

Under Recreational Fee Demonstration Program authority, the price of the multi-agency Golden Eagle passport was increased in January 1997, from \$25 to \$50 annually. When Congress enacted P.L. 105-391 in 1998 authorizing the National Park Service to issue a National Parks Pass, the law established the annual price at \$50. Thus, the two passes would have the same price, and both provide access to entrance fee sites. However, one allows access only to entrance fee units of the National Park System and the other allows access to entrance fee units of all Federal recreation fee areas. There were serious concerns that public confusion over these two passes could frustrate recreation users, particularly those who attempted, without success, to use the National Parks Pass at the sites of other agencies and had to pay an additional entrance fee.

In November 1999, the Secretary of the Interior endorsed recommendations of the Fee Demonstration Coordination Team regarding the Golden Eagle and National Parks passes. In the coming months, the National Park Service will begin selling the National Parks Pass for \$50 (the price established in law by the Congress). The price of the multi-agency Golden Eagle passport will be raised to \$65. All other participating agencies will sell the Golden Eagle passport for \$65 and make available a \$15 "upgrade stamp" to customers who have already purchased a National Parks Pass and wish to gain access to all Federal fee sites that accept the Golden Eagle.

The Fee Demonstration Coordination Team continues to work on solutions to other long-term multi-agency pass problems. In January 2000, the Team met in Washington, D.C. to discuss future options for National passes and other forms of interagency coordination. The major objective of the meeting was to explore ways to reduce public confusion over fees by providing a range of fee options, clarifying the choices that are available, and making recreation fees as easy to pay as possible.

Potential Price Adjustments For Golden Age Passport

Currently, the Golden Age passport is available to persons age 62 and older for a one-time fee of \$10, and is valid for the lifetime of the purchaser with no additional annual charges. The passport provides full entrance fee admission for the passport holder and all other persons in the same vehicle, and a 50 percent discount on user fees for the passport holder only. As a consequence of the low one-time fee, agencies derive virtually no revenue from sale of Golden Age passports, but they can forgo substantial revenues in entrance fees and user fees from the age 62-and-over segment of the population, which is rapidly increasing in numbers. Consideration should be given to developing a new pricing structure for seniors.

Measurement of Accomplishments

Government agencies traditionally have measured success in terms of readily-available, easily-measured aggregate variables such as number of projects completed, or number of dollars spent. This report is no exception, presenting data on number of recreation visits, number of dollars generated, amounts spent collecting those fees, and amounts of money used for various purposes. Visitation data help us assess whether fees have a negative effect on public use of fee sites. Revenue data help us measure the fiscal impact of the program. Collection cost data are a measure of efficiency in managing the program. Expenditure data help us assess how quickly the agencies can put the money to work, and on what it is spent. In addition, data on visitor reactions to the program helps the agencies evaluate public opinion.

These data are, at best, indirect measures of program success. The agencies recognize that these summary measures based on revenues collected and expended are not adequate to evaluate the full impact of the program or of the scores of individual project successes that are significant to visitors to our public lands. Spurred by the Government Performance and Results Act, Federal agencies are increasingly asked to account for their successes in terms of “outcomes” – ways in which the programs have actually resulted in on-the-ground improvements – how much more quickly the agencies have been able to take care of backlogged resource needs, to what extent recreation resources have improved as a result of the program, or how much better the public is served at recreation sites.

It is clear to the agencies that the program has resulted in very positive changes. One site manager with the Bureau of Land Management, who before implementing a fee demonstration project was an outspoken skeptic of the program, captures the thoughts of many as he looks back on the experience:

“In FY 1999 few problems were encountered and we are looking forward to continued funding of seasonal positions, interpretive projects, and campground enhancements. This

is a great program, and it is benefitting the public lands more directly than any other I have seen. In times of shrinking budgets this program will allow the public to be better served, as their facilities will remain maintained and functional. It also allows the manager to be creative in the implementation of new programs and services.”

The challenge to the agencies is to find better ways to measure these outcomes of the Recreational Fee Demonstration Program. The agencies need to go beyond those traditional measures of visits, revenues, and expenditures. The indirect measures the agencies have used seem to confirm the positive elements of the program. Yet, it is necessary to put much more effort into measuring these successes in concrete and convincing terms. The agencies continue to wrestle with the problem of how to measure these accomplishments and to communicate their successes in a meaningful way.

Need for Long-term Predictability

During FY 2000, the Administration will work with Congress to develop permanent legislation that can be implemented when authorization for the current Recreational Fee Demonstration Program expires. The Administration wishes to begin cooperative efforts as soon as possible to assure timely accomplishment of this important and difficult task. As this report demonstrates, the program adds millions of dollars in revenue to already stretched appropriations and adds greatly to the quality of recreation programs in these agencies. The benefits of the program to visitors through improvements in services and facilities are enormous. Long-term assurance is necessary to offer an incentive for managers to support one-time startup costs that would be recovered by long-term revenues.

In the absence of permanent authority or additional extensions authorized during FY 2000, it will be increasingly difficult for the agencies to manage the program. First, for those agencies that have not yet initiated their full authorized level of 100 demonstration projects, managers of potential new projects are reluctant to initiate a fee program in the face of a fast-approaching deadline because of the dollar and personnel costs associated with planning the program, collecting the fees, making capital improvements, and printing brochures and passes. The incentive also applies on an agencywide basis. For example, the USDA Forest Service is raising the priority of recreation in its overall program, and would like to count on permanent fee authority to be a key part of the funding package.

Second, while the additional revenue from the program has provided a secure funding mechanism for seasonal and temporary staff who help administer and manage recreation sites during peak use, managers will soon have to begin the shutdown processes that involve shifting limited permanent personnel resources back into fee collection. The USDA Forest Service was authorized by the Office of Personnel Management to retain temporary employees in the program for six months after completion of the Recreational Fee Demonstration Program. This authority will help ease the transition.

Third, agencies will have to make special provisions for annual passes that expire at various times throughout the year. In the absence of Congressional authority, it may be necessary to have these passes expire on September 30, 2001 and prorate the charges, or make other

provisions to “grandfather” the use of the passes beyond the date at which the Recreational Fee Demonstration Program terminates.

If Congress does not grant permanent authority by the end of FY 2000, but intends to extend the program on a temporary basis, such action will be needed before the end of FY 2000.

Otherwise, the Agencies will be forced to use most of FY 2001 implementing steps, using fee revenues in some cases, to dismantle the program. Perhaps of most importance, the increases in visitor services that resulted from the Recreational Fee Demonstration Program will have to be discontinued.

Innovation in Fee Programs

At the regional and local levels, there are many attempts to implement and evaluate innovative fee arrangements. A number of examples are cited below.

- **Use of Volunteers.** The Aransas, Bosque del Apache, Loxahatchee, and Laguna Atascosa National Wildlife Refuge’s use volunteers to collect their fees. This is an increasingly important resource at fee sites of all the agencies participating in the Recreational Fee Demonstration Program.
- **Fee Collection Partnerships.** The Oklahoma Department of Wildlife Conservation handles all the fee collection for the Deep Fork and Sequoyah National Wildlife Refuges. Hunters, whose names are drawn by the refuge on which they will hunt, can send in one check to the Oklahoma Department of Wildlife Conservation that covers the state license as well as the fee for the refuge. The Crab Orchard National Wildlife Refuge has several partners who assist with the collection of the recreation fees, including Williams County Tourism Bureau, refuge volunteers, and concessionaires. The J. N. Ding Darling and Okefenokee National Wildlife Refuges use their concessionaires to collect fees for the Recreational Fee Demonstration Program. These groups are involved in the actual collection of fees. The Okefenokee National Wildlife Refuge is developing partnerships with Stephen Foster State Park to collect fees.
- **Creative Staffing Arrangements.** The San Bernard National Wildlife Refuge uses its fire crew to run the hunt program. Not only does this free up more time for other employees, it minimizes the amount of time the fire crew is on furlough. At both Sequoia National Park and Timpanogos Cave National Monument, National Park Service and USDA Forest Service employees jointly staff entrance stations. Entrance fee revenues are divided between the two agencies, and at Timpanogos the Forest Service’s Recreation Fee funds also support National Park staff who provide campfire programs at five Forest Service campgrounds. North Cascades National Park, in coordination with the Wenatchee National Forest, sells boat-docking permits on Lake Chelan.
- **Interpretive Services as an Adjunct to Fees.** The Bureau of Land Management Eagle Lake Field Office in California entered into a cooperative venture on a trial basis with a local bus company to provide, for a small fee, shuttle service to bring bikes and riders back to their vehicles. On board the shuttle was an interpreter who explained resource features and sites of special interest along the route. The fall colors attracted more visitors who came

specifically to use the shuttle. Strong user demand necessitated additional buses for some of the busier weekends. The shuttle was so successful it is planned again for FY 2000. In a similar arrangement, Bosque del Apache National Wildlife Refuge provides a roving naturalist on an auto tour loop, who provides interpretation and guidance to visitors.

- **Automated Fee Collection.** In the California Desert District, the Bureau of Land Management has more than 17 automated fee stations, with all machines under contract for collection and maintenance. This has allowed the Bureau to use its scarce human resources for other more demanding jobs. Compliance has been very high, well accepted, and has been very convenient for the public. The National Park Service is utilizing automated fee collection machines for a variety of applications, including boat launching, campgrounds, parking, cave tours and after-hours fee collection. The USDA Forest Service continues to expand the use of automated fee collection equipment at many project locations. In Arizona's Tonto National Forest, ATM style machines accept credit cards, bills and coins and are widely used. The machines are provided under a lease arrangement that includes machine maintenance and the collection and processing of the revenues. Automated systems under contract offer a major advantage because agency personnel need not handle cash in the field.
- **Vendor Sales.** The Bureau of Land Management Wenatchee Field Office uses a seasonal use permit sticker. Static-cling stickers that Yakima Canyon visitors must be placed on their vehicle windshield can be purchased at a number of locations in the vicinity of the recreation fee areas. Vendor sales continue to be a major feature of many USDA Forest Service projects. For instance, Southern California has over 350 private sector vendors selling passes. A vendor in Arizona who sells the Mt. Lemmon recreation pass told local managers that total merchandise sales have increased over 30 percent as a result of people coming in to purchase the forest passes. Thus, vendor sales help the vendors, in addition to offering the public the convenience of buying passes before they start their trip, or in locations in the vicinity of the recreation site.

The National Park Service, Recreation Equipment Incorporated (REI), and the Northwest Interpretive Association are developing an agreement that would allow park pass sales at REI's flagship store in Seattle, Washington. The National Park Service has formed agreements with cooperating associations at John Muir National Historical Site, Whiskeytown-Shasta-Trinity National Recreation Area, Olympic National Park and Golden Gate National Recreation Area. These cooperative arrangements combine park pass sales and visitor center retail sales in an effort to provide better service to the public.

- **Market Research.** The USDA Forest Service is pilot testing a new way of developing fee demonstration projects in Sedona, Arizona and the Pacific Northwest Region (Oregon and Washington). Project managers are finding out through marketing related survey research what recreation experiences visitors want and are willing to pay for, within the appropriate mission of the Agency. The survey research is also helping the Agency determine how best to inform visitors about recreation opportunities and fees. Final results of the survey efforts will be available early in calendar year 2000. Doing this work up front will help the Agency design fee systems that are more acceptable, minimize confusion and reduce conflict. The

emerging Pacific Northwest Regional Pass underway (described earlier) is using the survey results as a basis for program implementation.

Though the agencies have experimented with a variety of types of fees and collection methods, they recognize that opportunities exist to implement and evaluate additional types of fees and collection methods, including differential pricing and flat fees for entry to a group of sites. The agencies will continue to pilot test these and other new fee approaches as appropriate.

In future legislation authorizing permanent fee arrangements similar to the Recreational Fee Demonstration Program, Congress may wish to address methods for enhancing innovation and cooperation, such as: clarifying reciprocal authority for local, State or Federal agencies to collect, distribute, and disperse recreation fees from one to the other; explicitly authorizing third-party contractors to collect fees on the recreation sites of more than one agency; authorizing systems to integrate the collection and transfer of funds among agencies; and authorizing the joint use of fee collection personnel.

Cash Management and Employee Safety

Cash management and employee safety continues to be of concern to the agencies, in large part due to the remoteness of many of the recreation locations. The agencies continue to be watchful for additional problems that could arise through the handling of large amounts of cash. The potential issues relate to accounting for all of the fee revenues, theft of cash by employees, and the safety of employees who must carry cash, particularly in remote areas.

Managers in the U.S. Fish and Wildlife Service have expressed concerns about collecting honor box fees as well as collecting fees during morning hunts. Taking cash to the bank is also a concern of some managers. New methods need to be considered for personal security and new alternatives to the use of cash. The Sacramento National Wildlife Refuge has begun use of an ATM that collects fees by cash or credit card and dispenses passes. Other refuges have explored use of credit cards. The U.S. Fish and Wildlife Service is working to eliminate current administrative barriers to using credit cards and other alternatives to cash.

The Bureau of Land Management has issued policy to the field offices to replace all existing collection boxes with double locked boxes, and to improve controls and employee safety in regards to cash management. Most of the field offices have reported the use of the new boxes or other improvements in collection methods such as use of certified collection contracts. Some offices have contracted with banks to count money from the fee boxes at substantial benefits to the Bureau in terms of time, safety and fiscal control.

The National Park Service continues to expand the use of automated fee machines, a contracted reservation service, and the acceptance of credit cards as approaches for improving efficiency, minimizing cash handling, and reducing employee risk. The topics of internal controls and cash management best practices are incorporated into annual regional and national fee training conferences. Many high revenue parks are utilizing armored car services, and purchasing alarm systems, security cameras, and other related equipment in order to better safeguard funds and personnel. Regional audit teams evaluate standard operating procedures on a park-by-park basis to ensure that internal controls are adequate and that employee safety is maximized.

The National Park Service Intermountain Region is working with the U.S. Treasury to pilot a new program in which the Agency will deposit fee receipts into a single regional commercial Treasury General Account Bank and receive immediate electronic deposit reports via an automated clearing house mechanism. This initiative should increase the timeliness and security of bank deposits and facilitate rapid reporting. If successful, this program may be expanded to other areas.

To reduce the possibility of employees getting robbed, the USDA Forest Service is minimizing the amount of cash handled by employees in field locations through the use of vendor sales, pre-purchased passes, ATM style machines, and other methods. Employee embezzlement concerns are also minimized by limiting cash exposure to the smallest number of people and by using effective and frequent audits. The USDA Forest Service has experienced cash losses through theft by both employees and non-employees has occurred, and several successful prosecutions have resulted.

Compliance and Public Acceptance

As the Agencies moved from the initial implementation of fees to the second and third years of the program, compliance has improved. The public is more informed about the fee systems. The agencies have made it much easier to pay fees. But what level of compliance is “good enough?” Compliance levels are clearly linked to fee revenues; the more visitors that pay the fees, the higher the revenue. At some point, however, the marginal increase in revenue as a result of agency efforts to increase compliance is associated with higher marginal costs of fee collection. Agencies must find the appropriate balance where most people comply with the fee program and the cost of fee collection is reasonable.

The agencies have not yet attempted to prepare any systematic estimates of compliance with the fees associated with the Recreational Fee Demonstration Program. However, some general patterns are evident based on reports from field personnel. Public acceptance of the fees depends upon the fee charged, how it is collected, and where the site is located. The more developed a location is, the more likely it is that fees will be accepted by users. Even minimal development seems to help increase acceptance significantly. Initially, public acceptance and local support of fee areas has depended heavily on how well they were educated about the program in advance, through various forms of outreach, including newspaper articles, television interviews, and public meetings prior to instituting the fee program.

How quickly fee dollars translate into visible improvements also is a major factor related to public compliance and acceptance. The earlier the fee program results in visible improvements or needed facility maintenance, the greater the public acceptance to the fee program. Returning the revenue to the site of collection is most critical, as all agencies have learned from their evaluation surveys. For example, when Bureau of Land Management fee managers were asked about their experiences with the program, every one reported that public support was predicated on fees being returned to the site of collection.

In some situations, general visitors to a fee area may be unaware that the site collects any fees at all. This occurs most frequently where general entrance to an area is free, but where special

fees are charged for certain uses that involve only a portion of the visitors, such as hunting fees on National Wildlife Refuges.

Compliance at dispersed sites is more difficult and requires innovative approaches. The USDA Forest Service, for example, has installed many more in-field payment opportunities, while trying to encourage visitors to buy their passes before they go to the fee site.

Fee compliance levels are very important in terms of the public concern for fairness. If one visitor pays a fee, but is parked next to others who did not pay and sees no apparent attempts on the part of the agency to collect the fees, the visitor may rightly question the fairness of the entire concept of user fees.

Since the inception of the Recreational Fee Demonstration Program, vandalism has decreased at many fee sites. At the onset, some agencies experienced vandalism resulting from public frustration against the fee program. Aside from these initial incidents, both the rate and severity of vandalism have decreased in many fee areas.

Compliance with fees in the Bureau of Land Management has greatly improved with the use of campground hosts, presence on-site through use of volunteers, additional seasonal patrols, and use of law enforcement personnel to follow-up on letters sent to individuals who neglect to pay fees. Having an occasional presence of law enforcement at the recreation sites greatly helps employee safety and visitor safety. Visitors report that they appreciate on-the-ground presence by agency personnel and feel much safer in many of our remote sites.

The National Park Service has experienced a higher rate of compliance by providing visitors with more information about the Recreational Fee Demonstration Program and more customer-friendly methods to pay fees. Automated fee machines provide visitors with the ability to pay fees 24 hours a day, and the ability to use credit cards. In many parks there are multiple locations to pay fees, such as entrance stations, visitor centers and automated fee machine terminals. Additionally, the National Park Service Reservation Service provides an advance reservation and payment option for visitors, using either a toll free phone number or via the Internet. At Sleeping Bear Dunes National Lakeshore, compliance improved when interpretive leaflets were put on vehicles to inform the public of the need and benefits of paying fees. Education of park visitors and regular compliance checks seem to be the primary factors in increasing visitor compliance for paying fees.

Enforcement Issues

All agencies are presently using federal regulations that impose criminal penalties to enforce fee payment compliance. The \$100 fine limit imposed by Congress has been interpreted to limit the class of this offense to an Infraction, rather than Class A or Class B Misdemeanor as are nearly all other regulations enforced by the agencies. It has also resulted in imposition by Federal Judicial Districts of bail forfeiture amounts for citations as low as \$25. The use of the criminal system (initiated by issuance of a violation notice or citation) is the traditionally-used method of fee compliance and does ultimately result in high levels of compliance where fully and effectively used. However, concerns have arisen in some locations, including:

- Cost of this method to the agency, to the Department of Justice, and the Federal Court System if action beyond forfeiture of collateral is required, relative to the dollar “loss” to the government and infraction level of the offense;
- Cost to the agencies due to the required use of a limited number of law enforcement officers to perform compliance and assist prosecutions relative to the loss, level of offense and nature of the offense;
- Continued loss of fee revenue, because criminal fines or forfeited collateral are not returned to the agency, and payment of the fee is generally not required by the Court; and,
- If compliance does not occur with the issued Violation Notice, expressed reluctance of some Department of Justice prosecutors and U.S. Magistrates to further prosecute or hear these cases, or to issue arrest warrants, due to heavy case loads and/or the infraction level and nature of this offense.

In response to these concerns, the USDA Forest Service has tested several systems to reduce the impacts, including assistance by USDA Forest Service officers to heavily impacted Assistant U.S. Attorneys, and the use of alternatives to the immediate issuance of citations that provide the user an opportunity to comply with purchase of a pass prior to the issuance of a citation, or to contest notices of noncompliance administratively prior to criminal action.

Public Involvement Efforts

Communication with the public is an important part of the process of implementing new fees and in modifying existing fees. The initial efforts at public communication and involvement were aimed at helping the public to understand the nature of the new fee program, and how fees would be implemented at local sites. Now that most fee demonstration projects are underway, public involvement efforts can be focused on increasing awareness and understanding of the program, seeking opinions from recreation users and involving them in decisions where possible, providing a public accounting of how fee revenues were used, and informing the public about compliance efforts. While difficult to initiate, collaborative efforts with States, county governments, and Federal agencies can be very productive, as agencies agree on respective roles, responsibilities, action plans, conditions, expectations, and priorities.

The National Park Service continues to involve and educate the public, special interest groups, partners and constituents on the status of the Recreational Fee Demonstration Program through public meetings, newspaper articles, user fee logo signs, brochures, exhibits, interpretive talks, and an Internet Web page at <http://www.nps.gov/feedemo>. Many parks offer comment cards to solicit direct feedback from visitors on their reactions to fees and services in the parks. There are a variety of other outreach efforts ongoing at the local level. In FY 1999, the National Park Service has continued to work closely with the National Tour Association and other representatives of the travel and tour industry on issues related to the commercial tour fee structure, payment options, visitor safety and education, and park management objectives.

In the National Wildlife Refuges, some of the refuges have used feedback from particular user groups to make needed program and facility improvements. Other refuges rely upon feedback

from their local Friends groups, or from volunteers who offer suggestions concerning needed maintenance and improvements.

The Bureau of Land Management incorporated several suggestions from the public, including the provision of free days for select groups, such as economically disadvantaged persons, educational institutions, and volunteers. Some pilot sites have public representatives on their governing boards. The California Desert District Resource Advisory Committee is spearheading the California Desert District Recreation Association effort. The South Fork of the Snake River Management Board includes representatives from three Federal agencies, three counties, and the State of Idaho. Most pilot projects have similar public oversight. The Rogue River uses a focus group of concerned citizens to help decide upon spending priorities of projects. The Gunnison Gorge site manager uses a "Citizen's Fee Pilot Work Group" to suggest priorities and projects.

The USDA Forest Service has established an Internet Web site (<http://www.fs.fed.us/recreation/>) that accepts direct public comments about the fee program. Also, a comment card/brochure is made available at project locations. Each project has a communication plan that it follows to make sure Agency information flows to those members of the public interested in the fee project. Two way communication is the driving force of the communication plans.

The USDA Forest Service is also utilizing marketing research surveys to gauge public opinion on fee proposals in Arizona and the Pacific Northwest. The surveys target the general population through random phone survey techniques and direct surveys of on-the-ground users.

Implementing Recreation Fees

New recreation fees implemented at sites that previously did not have a charge often require initial capital expenditures for such things as road access, fencing, signs, kiosks, collection technology, ticket books, accounting systems, and reallocation of personnel. Thus, agencies and local recreation areas that do not have existing recreation fees can be expected to report high collection costs in the short run. Many of the fee projects that the agencies implemented early in the Recreational Fee Demonstration Program were among those easiest to implement, often because the areas already collected fees or because the physical layout of the area was amenable to fee collection (single entrance points, for example). Increasingly, new fee demonstration projects will involve recreation sites that are not as easy to implement, and in which no fees have been collected in the past. As fees are implemented in such areas, the agencies can expect both high initial fee collection costs, and negative public reaction to the fees in the short term.

Equity Issues Associated With Recreation Fees

Research findings indicate that, nationally, recreation visitors to the national parks, national forests, national wildlife refuges, and the public lands administered by the Bureau of Land Management, tend to be largely Caucasian, and with household incomes and education levels substantially higher than the population as a whole.¹²

This historical pattern does not mean that certain people have been deliberately excluded from Federal recreation sites; rather, it is a finding that certain income and ethnic groups have for any number of reasons chosen to recreate in these areas in lower proportion than their numbers in society. Nor do these findings suggest that recreation fees have kept people away from Federal recreation sites. The under representation among recreationists of non-Caucasians and those with lower income and education levels existed before implementation of the Recreational Fee Demonstration Program.

One recent study by the USDA Forest Service indicates that the demographic mix of recreationists is changing as the population ages, as more people move closer to outdoor recreation sites, and as the ethnic mix in historically Caucasian locations slowly begins to change.¹³ Specific site survey findings are consistent with these findings. For example, a survey of holders of "Adventure Passes" to four national forests in southern California, only 55 percent of respondents identified themselves as Caucasian, and 24 percent identified themselves as Latino. This reflects the changing makeup of the population in that region.

¹²These findings are supported by the surveys conducted by all four agencies, and by recent research on specific agencies, including, Cordell, Ken, and J. Teasley, *National Survey on Recreation and the Environment, 1994-1995*, U.S. Department of Agriculture, Forest Service.

¹³Super, Greg, Ken Cordell, Linda Langner, Jerry Stokes, and David Harmer, 1997, "Current Outdoor Recreation Opportunities on National Forests," U.S. Department of Agriculture, Forest Service, Washington, D.C.

Though fees are not likely responsible for historical “under use” by low income and ethnic minorities, the agencies want to assure that fee levels at Federal recreation sites do not unduly exacerbate the situation in the future, by excluding people who cannot afford the fees. Each of the agencies has instituted one or more of the following actions and activities to minimize possible impacts of fees on non-traditional user groups:

- Allowing children in for free (age restrictions vary; some age provisions are contained in the Land and Water Conservation Act);
- Providing free days, when no fees are charged;
- Donating passes to underprivileged youth;
- Recognizing volunteer time with passes (number of donated hours vary);
- Keeping some places or activities free, for example, the Congressional prohibition on charging recreation fees at National Park sites in urban areas, or charging only in selected areas of a national forest or public land area;
- Providing free field trips that introduce under served communities to recreation programs on the recreation site;
- Accelerating efforts to improve accessibility under Americans for Disabilities Act;
- Granting administrative passes to American Indians whose tribes have treaty rights;

In addition, on October 1, 1999, the USDA Forest Service required all fee demonstration projects to amend their business plans to include demographic data on race, sex, national origin, and disability, and to identify activities to mitigate possible impacts the program might have on non-traditional groups.

Efficient Use of Fee Receipts

Using fee receipts in an efficient manner is important to the agencies and the public. In general this means using fee receipts for high priority activities that improve visitor experiences and services. All of the agencies have existing systems in place to set priorities, and continue to improve their efforts to allocate fee monies among potential expenditure projects on a systematic basis in order to ensure that fee monies are wisely spent.

In each agency, a small number of sites often generate a high percentage of the agency’s total fee revenue. The return of most of the fee revenue to the site in which it is generated is key to public and agency acceptance of the Recreational Fee Demonstration Program. All of the agencies strongly believe that a substantial majority of fee revenues should be used to upgrade the sites at which they are collected. The public also expects most of the fee revenues to be returned to the area of collection. In every public meeting held by the Bureau of Land Management and USDA Forest Service, this concern has been expressed as a major issue. The recreating public wants to see visual improvements in infrastructure and services at their favorite recreation areas. In agency evaluations of the Recreational Fee Demonstration Program, there is strong agreement among users that fees should be used for site improvements above and beyond amounts appropriated for site management.

Nevertheless, the agencies suggest that flexibility be provided to each agency to use, *in certain situations*, more than 20 percent of fee revenues at sites other than where they were collected. In its November 1998 report, GAO also raised this issue. The agencies agree with GAO’s

assessment that any such change to allow greater flexibility would have to retain the incentives at fee-collecting sites, and the public support that is in large part contingent on using fee revenues on site.

Tracking Use of Fee Receipts

As recreation fee revenues become an increasingly important source of funding, the agencies desire to improve the tracking of funds from collection to application, and to better communicate the accomplishments that fee receipts have achieved. One advantage of permanent fee authority is that it would give agencies the stability needed to establish fixed procedures for selecting priorities and reporting on accomplishments.

There are a number of possible approaches. For example, clearly identified priority lists of total funding needs at each site could help the agencies justify local spending and know when allocation of some of the funds to other sites is justified. Similarly, overall agency needs may be better served in some situations if larger fee projects (including those funded through the 20 percent share) were selected through existing procedures for setting priorities for appropriated funds, such as the five-year construction priority list used by the Department of the Interior agencies. These lists, both at a local site and at an agency-wide level, could help demonstrate that fee receipts are meeting the most pressing needs and providing the best complement to appropriated funds.

VIII. Suggestions for Legislative and Management Improvements

The Recreational Fee Demonstration Program has given the participating agencies an effective mechanism for coping with current recreation demands, addressing maintenance backlogs, and preparing to meet future needs. However, the program is temporary. While the periodic extensions have helped the agencies to gear up to meet the demands of the program, allowing the agencies to think longer term, it still is not practical to implement long-term programs and policies with the knowledge that the program will soon end.

The participating agencies continue to believe that permanent authority, which embodies the essential elements and inherent flexibility of the Recreational Fee Demonstration Program, would provide the agencies with the single greatest incentive to implement an effective, coordinated fee program. It would give the agencies direct responsibility and accountability for the collection and disposition of recreation fees. It would generate additional revenues for repairing and upgrading recreation resources to meet the needs of increasing numbers of visitors. It would strengthen the agencies' ability to enter into cost-sharing or other partnership arrangements that make backlog reduction a cooperative effort.

The assurance of funding from a permanent program would allow agencies to make long-term plans for recreation development, and to implement these plans in a systematic way. It would allow the agencies to set aside funds toward expensive backlog projects that could not be funded with only one year's revenue. It would encourage agencies to invest in startup costs that could only be justified if amortized over several years. It would justify the time commitments required to design an interagency approach to more effectively integrate fees and national passes among participating agencies. And, it would allow the agencies to make more effective long-term personnel arrangements for a professional, trained fee collection staff.

The agencies have gained a great deal of valuable experience in initiating and implementing fee programs. Many of their findings and suggestions for program improvement are found in the preceding section of this report. The agencies have completed several evaluation surveys of both visitors and project managers, and these have provided additional insight into program management. In previous annual reports to Congress, the agencies have identified important features that should be part of a permanent program.

During FY 2000, the Administration will work with Congress to develop permanent legislation that can be implemented when authorization for the current Recreational Fee Demonstration Program expires at the end of FY 2001. Permanent legislation that embodies the essential elements of the Recreational Fee Demonstration Program would provide the agencies with the incentive to implement the program effectively, and allow the agencies to allocate the resources to improve the quality of visitor services and facilities. At a minimum, permanent legislation should:

- Provide flexibility to adapt the program to the specific needs of various locations and clientele groups;

- Recognize the importance of incentives, such as the retention of the majority of the fee revenues at the site that collects them;
- Address efficient use of fees, such as a provision that allows the agencies to use, *in certain situations*, more than 20 percent of fee revenues at sites other than where they were collected;
- Clarify the agencies' authority to enter into multi-agency and multi-governmental fee agreements and to pool resources for subsequent redistribution among the partner agencies and governments;
- Reconcile new fee programs with previous statutes in those specific cases in which there may be a conflict;
- Recognize the implementation time between fee collection and the obligation of those fees to projects, due to necessary priority setting and planning; and
- Expand coverage of the program to all recreation fee sites of the agencies and possibly to recreation-related fee programs currently outside the scope of the program.

All of these provisions were described in more detail in the FY 1998 Report to Congress, and the need for some of them is covered in the "Ongoing Issues" section of this report.

The FY 2001 Budget assumes that legislation will be enacted before the end of FY 2001 that will permanently extend and expand the Recreational Fee Demonstration Program.

IX. Appendices

National Park Service

APPENDIX A1. FY 1999 Summary Data for National Park Service

APPENDIX A2. FY 1998 Summary Data for National Park Service

U.S. Fish and Wildlife Service

APPENDIX B1. FY 1999 Summary Data for the U.S. Fish and Wildlife Service

APPENDIX B2. FY 1998 Summary Data for the U.S. Fish and Wildlife Service

Bureau of Land Management

APPENDIX C1. FY 1999 Summary Data for Bureau of Land Management

APPENDIX C2. FY 1998 Summary Data for Bureau of Land Management

USDA Forest Service

APPENDIX D1. FY 1999 Summary Data for USDA Forest Service

APPENDIX D2. FY 1998 Summary Data for USDA Forest Service