

Statement of

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Before the House Natural Resources Committee

Legislative Hearing on H.R. 930 – The Ski Hill Resources for Economic Development Act of 2023

March 28, 2023

Chairman Westerman, Ranking Member Grijalva, and members of the Committee, thank you for the opportunity to provide testimony on H.R. 930, the Ski Hill Resources for Economic Development (SHRED) Act of 2023. On behalf of the National Ski Areas Association (NSAA), I would like to thank Representatives Kuster, Curtis, Neguse, and LaMalfa for their leadership in introducing this bipartisan measure to retain ski area permit fees locally.

NSAA has over 300 ski area members, 124 of which operate on National Forest System lands across 13 states. The SHRED Act would retain ski area permit fees in the forests where they were generated. It would retain those funds so that the Forest Service has the capacity to administer ski area permits, review ski area infrastructure projects, carry out recreation maintenance, and support visitor services.

Background

Public land resorts work in partnership with the U.S. Forest Service to deliver an outdoor recreation experience unmatched in the world. Dating back to the 1940s, it is a public-private partnership that benefits all Americans by supporting public health and fitness, fostering an appreciation for our natural environment, and providing returns to the US government through fees paid for use of the land.

Over the past ten years, ski areas nationwide have averaged over 55 million visits annually. Approximately 60 percent of those visits occur on public land. In total, the US ski and snowboard industries support over 533,000 jobs and generate \$58 billion in economic activity.

Public land ski areas are typically the largest employer for the communities in which they operate. Ski areas pay for all on-site improvements, including roads, parking lots, and chair lifts, along with the processes required to review and approve such projects. The ability of ski areas to move forward as a business is inextricably linked to our most important partner, the U.S. Forest Service, having the capacity to review proposals and render a decision.

Fee retention, as outlined in the SHRED Act, is an important tool for boosting the agency's capacity to review ski area proposals. This legislation would allow ski areas to invest *more and sooner* in much needed infrastructure at public land resorts.

Need for Ski Fee Retention

Retaining ski fees locally is necessary because funding and staffing of the Forest Service Recreation Program sits 40 percent below year 2000 levels. Meanwhile, visitation to these lands has steadily grown, increasing by over 30 percent in the last decade. The Forest Service's own data show that 85 percent of visitors to our national forests are seeking recreation opportunities. Of the 10 most visited forests nationwide, 9 of them host ski areas, attracting millions of visitors who spend money in local economies.

Ski areas are less likely to receive timely reviews of project proposals when forests are operating at low permit administration capacity. For example, ski areas have experienced “pauses” during which proposals are not accepted by the agency for extended periods of time. On some forests, the agency’s lack of bandwidth limits them to reviewing one project at a time.

When projects are delayed and timelines are uncertain, ski areas – like all businesses – find it harder to invest significant resources. This means that ski areas are slower to replace ageing lifts, upgrade to energy efficient snow guns, and transition to a four-season model capable of supporting jobs and recreation all year long.

Benefits of Ski Fee Retention

The uncertainty resulting from the capacity shortages has delayed or, at times, shelved ski area infrastructure projects that would have benefitted workers, guests, and communities. Dedicating part of the \$44 million in fees paid annually by ski areas to boost agency staffing will help unlock new investment opportunities and accommodate the spike in demand for outdoor recreation.

Since 2010, ski areas operating on Forest Service lands have experienced 36 percent revenue growth from winter sports activities and 126 percent from summer activities. During the 2021/2022 season, ski areas experienced an all-time record of 60.7M skier/snowboarder visits. There is tremendous interest among resorts in harnessing this momentum and building the infrastructure necessary to support future growth. The SHRED Act is critical to funding and staffing the agency at the levels needed to address increasing recreation demands.

The SHRED Act is consistent with previous federal actions, including the local retention of recreation user and permit fees through the Federal Land Recreation Enhancement Act. It does not require any new spending, but the Congressional Budget Office does score this legislation because it moves resources from one account to another. We ask that the Committee work with us for any clarifications necessary on that front as we continue to discuss this important issue.

In closing, we urge the Committee’s support of the SHRED Act. Thank you for the opportunity to provide this testimony.

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