

**An Open Letter to Congress and Forest Service Leadership
about the Tongass National Forest Recreation Program
from Tourism Businesses and Industry Supporters**

February 3, 2017

The Tongass National Forest **and public lands of Southeast Alaska** are a world class tourism resource. **Current management practices and budget shortfalls can be addressed to help communities and businesses realize the full economic potential of our public lands.** The people, wildlife, public lands and waterways of Southeast Alaska draw more than one million people from around the world each year to the small and remote communities of Alaska, driving over \$1 billion in economic activity and 21% of regional employment, the largest source of private sector employment.¹ The majority of land in the region is managed by the National Forest Service and the diverse tourism businesses, from small day-tours based in communities to large overnight cruise businesses, can all benefit by improved funding and management of Recreation, Wilderness and Heritage programs on the Tongass National Forest.

We believe the time has come for a shift in the Agency's approach to tourism. Our growing industry requires proactive planning, investment and focus from the agency. The undersigned commercial outfitters and guides, members of the Southeast Alaska Visitor Products Cluster Working Group, and industry supporters respectfully request that Alaska's Congressional delegation, law makers and agency officials consider these policy proposals to optimize business opportunities on public land in Southeast Alaska.

Reverse the decline in appropriated funding

A recently released Region 10 Leaders Intent document indicates that, due to the severe decline in funding, the Forest Service will no longer be able to provide for the same level of recreation experiences and opportunities, or maintain the current inventory of cabins, trails and other recreation facilities.² What concerns us the most is that even at current levels of funding, the lack of resources for the Forest Service recreation program fails to meet the needs of the recreation and tourism industry.

¹ McDowell Group. Economic Impact of Alaska's Visitor Industry, 2014-15 Update. April 2016.
<https://www.commerce.alaska.gov/web/Portals/6/pub/TourismResearch/AVSP/Visitor%20Impacts%202016%20update%204%2015%2016.pdf>

²Leaders' Intent: Recreation Wilderness and Heritage Program Management in the Alaska Region. February 2014.
http://www.fs.usda.gov/Internet/FSE_DOCUMENTS/stelprd3792642.pdf

Appropriated funding is the essential ingredient that will give the Forest Service recreation staff the ability to serve our industry and the public interest. According to Forest Service staff, an increased work load on fewer staff with fewer resources has led to shortfalls in addressing access issues, infrastructure, partnership opportunities and communication.

Recreation investments benefit the communities and businesses of Southeast Alaska. The total employment impact of **11,200** jobs in 2014-2015 includes full and part-time jobs, including all direct, indirect and induced jobs. It is **21 percent** of regional employment in Southeast.³

From McDowell Group's Economic Impact of Alaska's Visitor Industry:

Table 3. Visitor Industry Economic Impacts by Region, 2011-12 through 2014-15

	2011-12 Impacts	2012-13 Impacts	2013-14 Impacts	2014-15 Impacts
Total Visitor Industry Spending	\$3.72 billion	\$3.93 billion	\$3.92 billion	\$4.17 billion
Southcentral	\$1.97 billion	\$2.05 billion	\$2.06 billion	\$2.20 billion
Southeast	\$1.00 billion	\$1.10 billion	\$1.09 billion	\$1.17 billion
Interior	\$605 million	\$631 million	\$626 million	\$648 million
Southwest	\$116 million	\$120 million	\$121 million	\$123 million
Far North	\$29 million	\$30 million	\$30 million	\$31 million
Total Employment Impacts	37,800 jobs	39,000 jobs	38,700 jobs	39,700 jobs
Southcentral	18,900 jobs	19,200 jobs	19,200 jobs	19,700 jobs
Southeast	10,200 jobs	10,900 jobs	10,800 jobs	11,200 jobs
Interior	7,000 jobs	7,100 jobs	6,900 jobs	7,000 jobs
Southwest	1,400 jobs	1,500 jobs	1,500 jobs	1,500 jobs
Far North	300 jobs	300 jobs	300 jobs	300 jobs
Total Labor Income Impacts	\$1.24 billion	\$1.32 billion	\$1.31 billion	\$1.39 billion
Southcentral	\$580 million	\$601 million	\$604 million	\$644 million
Southeast	\$370 million	\$407 million	\$405 million	\$436 million
Interior	\$240 million	\$251 million	\$246 million	\$255 million
Southwest	\$42 million	\$44 million	\$44 million	\$45 million
Far North	\$11 million	\$12 million	\$12 million	\$12 million

Note: Columns may not add to totals due to rounding.

These programs also generate income for the treasury. Revenue generated by recreation programs rose 17% between FY 2009-2013.⁴ Federal investment in the Tongass recreation program has declined by an estimated 42 percent, a significantly steeper percentage of funding cuts than what has occurred in USFS recreation program funding levels nationwide. Notably, the Forest Service's allocation of appropriated funding for the Tongass recreation expenditures is less than 10 percent of the Tongass' overall budget. By comparison, the visitor industry is the agency's largest revenue producer generating, on average, approximately 50 percent of Tongass National Forest's annual revenue through fees collected from commercial outfitter and

³ McDowell Group. Economic Impact of Alaska's Visitor Industry, 2014-15 Update. April 2016.
https://www.commerce.alaska.gov/web/Portals/6/pub/TourismResearch/AVSP/Visitor%20Impacts%202016%20update%204_15_16.pdf

⁴ Compiled from data from U.S. Forest Service staff and State of the Tongass reports.

guide operations, visitor centers, and other recreation facilities. This return on investment could be maximized, rather than undermined, by enhanced appropriated support for the Tongass recreation program.

We ask Congress to

- Reverse the decline and appropriate funding for Tongass recreation programs that reflects their relative importance in terms of economic influence in the region and receipts generated for the treasury.

We ask the Forest Service leadership to

- Fund staff/FTE's to allocate and manage special use permits.
- Provide resources for Forest Service Interdisciplinary Teams to develop long-term Tongass-wide direction for supporting tourism, such as collaborating with partners to develop priority projects, improving the permitting process and communication across districts.
- Provide resources for maintenance of prioritized projects.
- Fund interpretive staff and ranger programs that facilitate safe, informative and enjoyable experience of public lands. Examples include Ranger programs such as the Pack Creek Rangers, the Mendenhall Glacier Visitor Center staff and Wilderness Ranger programs. Rangers play an important role as a conduit between operators and the agency, explaining rules and maintaining the social norms for appropriate activity.

“Over the past few years, but especially after the largest cuts to the Wilderness Ranger Program, we’ve observed more private citizen and permitted operators pushing the rules as to what is acceptable. In one notable case we even witnessed a permitted helicopter operator landing in a Designated Wilderness Area. Fewer patrols and a very limited presence will undoubtedly cause this lawbreaking to increase, which will degrade the Forest for any other use or users.” – Small ship operator in Southeast Alaska

Provide Timely, Flexible and Diverse Special Use Permitting

A lack of administrative capacity and flexibility in authorizing commercial recreation access contributes to a lack of timeliness issuing permits. As demand for guided/remote access increases, current special use permit holders are seeking to expand or diversify their operations and new companies are seeking to enter the market. In many cases, requests for increased capacity at existing or new locations are denied simply due to the lack of staff and resources needed to review, evaluate, and/or process requests. In some instances, the inability to sustainably manage increased demand has resulted in an overall reduction of access for users. A lack of timeliness in issuing permits or approving annual operating plans for multi-year permits often results in companies receiving authorization for operations just prior to, or in

some cases after, operating seasons have begun. The following reports from businesses are examples of how an over-burdened and short-staffed agency is failing to meet the needs of the industry.

- Companies have reported receiving permits mid-May to early-June after they have begun operations. Having paid in advance, some companies report choosing non-TNF related activities (such as kayaking) because they don't know if they can use the places they have already paid for.
- Companies may be shifted from one permit administrator to another, resulting in difficulties asking questions and submitting applications.
- Due to short staffed Wilderness Ranger program, one wildlife viewing company voluntarily took on coordinating schedules and permit days for Pack Creek, popular wildlife viewing area to ensure that various users groups were in agreement about how to allocate use based on their schedules.
- Companies report that permit administrators often lack knowledge about the places they are permitting use. Despite the vastness of the Forest, the combination of desirable tourism resources (scenery, wildlife, accessible terrain) with safe anchorages and landing beaches requires specialized knowledge and coordination with businesses to allow flexible access and avoid crowding.
- The ability to explore and discover new places is one of the essential elements of the Alaskan Experience. Proving flexible permitting for exploratory, low-impact access will help diffuse crowding and establish new tourism opportunities. Currently, cruise operators report being tied to a handful of permitted access points along their route.

Strong and competitive market conditions in the tourism industry require businesses to make investments in operations and commitments to clients at least 1 year, and often times multiple years, in advance of an operating season. This lack of certainty in advance of a season may unnecessarily result in companies failing to meet their commitments to clients and put an overwhelming burden on small companies who must put extensive resources towards the permitting process.

We ask the Forest Service to

- Provide explicit opportunities for stakeholder groups to be involved as the agency modernizes the permitting process allowing for online application, payment, reporting and reimbursement where necessary.
- Follow direction in the Agency's Strategic Plan to retain employees with knowledge and skills to facilitate permitting and recreation services.
- Where commercial service days are available, expedite first-come-first-served permit issuance; In locations where commercial service days are not available (meaning, capacity has been reached, demand exceeding supply) we request expedited issuance of prospectus.
- Hire more staff/FTE's to address demand for commercial permits.

- Follow directives to provide opportunities to apply for multi-year permits or opportunities to apply and receive permits at least one year prior to the start of the season to plan and advertise tours. Do not eliminate the opportunity for short-term permit applications.
- Convene discussion with industry about where there could be more flexibility in the Recreation Opportunity Spectrum for various group sizes to have low-impact access to undeveloped and natural areas.
- Encourage the Forest Service to use the full range of its permitting authority to provide flexibility and diversity of opportunities, including for education, research, and access by youth and other high-needs cohorts. Consider a permit that allows for low-impact explorations of new areas for tourism use outside of high-demand tourism use areas.
- Manage access to preserve the resource. We recognize that the Forest Service plays an important role managing the unique resources in the Tongass and preventing undue crowding.

Invest in Infrastructure

The poor condition of the existing infrastructure as well as the impacts of concentrated use of both remote and front-country sites is limiting public access throughout the Tongass. A near moratorium on planning, design, and construction of new trails and facilities fails to meet existing or anticipated increased demand for facilities such as visitor centers, trails and access points. In areas where demand for commercial access is high and increasing, it is crucial that the Forest Service be willing and able to work with stakeholders to evaluate if and where improvements or the development of new infrastructure is warranted to meet existing use, strategically disperse use, decrease impacts and improve the visitor experience.

- Remote trails like the Cascade Creek Trail provide an opportunity for those exploring the remote reaches of the Tongass to explore beyond the tideline. Demand for the trail has increased, but according to the Forest Service, the existing trail condition cannot safely accommodate the increased amount of guided use or the diversity of skill levels and age groups that utilize the trail. A plan was developed for the trail, and after concerted advocacy from the industry funding was secured.
- The Mendenhall Glacier Visitor Center is the crown jewel of Forest Service facilities, where the public has the opportunity to come face to face with a glacier, to learn about our changing planet, to view wild salmon and even bears. The Mendenhall is currently undergoing a planning process that we hope will improve access and reduce crowding by making long-overdue improvements to infrastructure such as parking and traffic, restrooms, trails and educational exhibits. We hope to see this plan completed as quickly as possible and new infrastructure funded.
- The dock at Anan Creek is an example of where a proactive planning could have resulted in a solution that worked for all users. Both jetboats and floatplanes bring clients to the beach at Anan Creek to view bears. However, a proposed dock that would only serve a

floatplane operators did not make sense for all operators was imposed top-down and then stalled. The dock, which won't provide access to jetboat operators, is expected to cost \$250,000 to \$500,000 and the project is currently stalled due to a lack of interest from contractors. We believe putting resources towards planning will ensure that new projects work for all users.

One of the rarest and most exciting tourism resources in the Tongass is opportunity of the unknown, to explore a new place. In addition to flexible permits for low-impact access, we should maintain our wild infrastructure of undeveloped places with scenery, fishing and wildlife resources. Ensuring that we have places for commercial access can be additive to conservation goals while helping the public enjoy their public lands.

We ask the Forest Service to

- Create a forest-wide regional recreation plan that identifies specific recreation infrastructure needs of communities, industry and the public.
- Work with operators and communities to create a priority list that identifies the most pressing maintenance and infrastructure needs.
- Direct and fund Forest Service planning teams to work with operators to develop ideas for new recreation infrastructure that meets the needs of the industry and can be self-sustaining.
- Consider improvements to infrastructure that may result in increased recreation capacity, and by extension, an increased commercial allocation.
- Direct funding and partnership opportunities to address these needs and opportunities.
- Explore opportunities in existing Land Use Designations or new designation that expands opportunities for small, medium and large groups and create certainty for tourism access by maintaining the natural resources of the area.
- Prioritize areas with high recreation values for a diversity of recreation access.

Coordinate Communications

There is a lack of centralized, forest-wide communication and coordination with the outfitting/guiding community. In part this issue is a result of permit administration being conducted at the district level. This limits outreach to inform or engage special use permit holders in discussions at the Forest level about the Leaders Intent report, "niche" strategy, or decisions about the fee grant program.

The communication gap is particularly relevant to businesses which operate on multiple districts but whose permit is managed through a single district. As Forest Service leadership positions for various recreation specialties have been combined to save money, these leaders are no longer able to offer the coordination and specialized attention that these programs need to ensure that districts are supporting tourism businesses and maintaining the resource. District-by-district management of commercial recreation results in a high level of inconsistency in communication as well as administration of permits. Core elements of outfitting and guiding

management such as permit stipulations, standard and guideline implementation, capacity for commercial access, and partnership opportunities are inconsistent from district-to-district. The lack of consistency serves as an obstacle for businesses operating in multiple districts. Additionally, the inconsistency impacts the potential for successful models of permit administration and partnerships to be implemented throughout the system.

We ask the Forest Service to

- Restore leadership positions for recreation specialties such as special use permitting, trails, Wilderness, and others. These areas need to have their own leadership to ensure that issues are address and to coordinate activities amongst districts.
- Implement consistent permit standards across districts.
- Convene permit holders and residents to offer constructive feedback on permits, infrastructure, partnerships.

In Conclusion

We represent the communities, businesses, families and individuals behind the statistics and budget numbers. We believe that the Forest Service must embrace a proactive vision for tourism in the Tongass. This means engaging the industry to develop solutions, taking collaborative steps to support tourism businesses in Southeast Alaska and ensuring that tourism resources remain intact. Due to the remote and rugged nature of Alaska, commercial guiding services are an essential part of helping Americans access their public lands. For our businesses, access to public lands is the key to our success. Places and resources for tourism should be maintained and improved for the economic contribution they make to the region's culture and economy. Thank you for your consideration and action on this important issue.