
November 1, 2023

The Honorable Jeanne Shaheen
Chair
Committee on Small Business and
Entrepreneurship
United States Senate
428A Russell Senate Office Building
Washington, DC 20510

The Honorable Joni Ernst
Ranking Member
Committee on Small Business and
Entrepreneurship
United States Senate
428A Russell Senate Office Building
Washington, DC 20510

Dear Chair Shaheen and Ranking Member Ernst:

With respect to the Committee's November 1, 2023, hearing, *The Great Outdoors: Small Businesses and America's Outdoor Recreation Economy*, attached please find Western Governors' Association (WGA) Policy Resolutions 2022-12, *Recreation and Tourism on Public Lands*, and 2023-06, *Rural Development*.

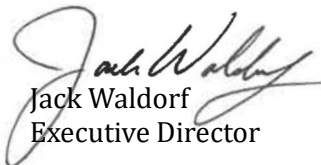
The iconic public lands in the West support a vibrant outdoor recreation economy. However, the complex system for commercial use permits negatively affects guides and outfitters. In the outdoor recreation and tourism resolution, Western Governors urge the federal government to reform the complex permitting system to better support small businesses in gateway communities.

In the rural development resolution, Western Governors highlight strategies to create an environment conducive to small business and entrepreneurship in rural areas, such as investing in education and training programs that are tailored to the needs of rural communities, providing resources and support for entrepreneurs, and offering tax incentives, grants, or other financial incentives to support businesses locating in these areas.

I request that you include this document in the permanent record of the hearing, as it articulates Western Governors' collective and bipartisan policy recommendations on this important issue.

Thank you for your consideration of this request. Please contact me if you have any questions or require further information.

Sincerely,



Jack Waldorf
Executive Director

Attachments (2)



Policy Resolution 2022-12

Recreation and Tourism on Public Lands

A. **BACKGROUND**

1. Federal lands are concentrated in western states and are primarily managed by four agencies: the Bureau of Land Management (BLM), U.S. Forest Service (USFS), Fish and Wildlife Service (FWS) and the National Park Service (NPS).
2. These public lands are integral to the cultural, economic and social vitality of the West. They also preserve iconic landscapes and offer abundant outdoor recreation opportunities that draw millions of annual visitors, stimulate local and state economies, and provide social and health benefits.
3. Congress created the federal land management agencies for different purposes and missions. BLM and USFS are directed to manage for sustained yield and multiple uses, which can include recreation. Land administered by FWS is managed for the conservation, management and restoration of fish, wildlife and plant species, and recreation that is compatible to that mission is permissible. The mission of NPS is to preserve unique resources and to provide for their enjoyment by the public.
4. Federal lands are critical to all-lands management efforts that seek to provide for public recreation opportunities and conserve landscapes across federal, state, and private ownership boundaries. Management decisions made within federal boundaries can have effects on regional economic development and tourism, wildlife habitat and connectivity, cultural resource preservation, and other areas of interest to states.
5. In recent years, and particularly during the COVID-19 pandemic, visitation at the most popular national parks has broken records and expanded into what was traditionally considered the off-season. Visitation and recreational use of BLM, USFS and FWS lands, which had been increasing in recent years, also surged in 2020 as a result of the COVID-19 pandemic.
6. BLM reported 73.1 million visits in fiscal year 2020, an increase of more than 2.3 million over 2019.¹ This increase occurred even with pandemic-related closures for part of the year. Similarly, USFS estimates that national forests and grasslands received 168 million visits in 2020, an increase of 18 million when compared to 2019. USFS reported that visits to dispersed recreation sites and wilderness areas, which do not provide facilities such as bathrooms or fire rings, increased by 25 percent.²
7. Given their different management mandates, USFS, BLM and FWS units may not have the resources or staff in place to manage increased visitation and outdoor recreation uses.

¹ BLM Public Land Statistics, 2020 Report. <https://www.blm.gov/about/data/public-land-statistics>

² U.S. Forest Service National Visitor Use Monitoring Report 2020.

<https://www.fs.usda.gov/news/releases/new-data-shows-visits-soared-across-national-forests-2020>

8. Public-private partnership authorities are available to the federal land management agencies to attract private investment to improve, modernize, and expand visitor facilities to meet the increasing demand for quality visitor experiences.
9. Without the necessary visitor facility investment, infrastructure, staffing, and management planning, increased visitation can lead to overcrowding, damage to natural and cultural resources and tribal sacred places, and threaten tribal treaty rights. This diminishes visitor experience and jeopardizes the enjoyment for all, and for future generations, of these resources.
10. Increased visitation at destination parks is inspiring visitors to consider visiting traditionally less popular areas. While this distribution of visitors is allowing greater overall visitation, it should be coupled with increased investment in visitor facilities and associated infrastructure to minimize impacts to local water systems, wildfire risk, and other resources of local communities and states, including resources for search and rescue and emergency response.
11. In 2020, the four federal land management agencies had an estimated \$25.87 billion backlog in deferred maintenance projects for roads, bridges, visitor centers, historic buildings, trails, campgrounds, and other critical infrastructure needs. NPS accounts for the largest portion, at \$14.37 billion in 2020.³ Aging facilities, and limited resources have resulted in this backlog of deferred maintenance. The failure to timely maintain existing facilities and infrastructure combined with limited investment in new and expanded visitor facilities has negative effects on the visitor experience and economic activity in gateway communities.
12. In 2020, Congress passed the Great American Outdoors Act (Pub. L. 116-152) to provide up to \$1.9 billion a year through 2025 for deferred maintenance needs across NPS, USFS, FWS and BLM lands through the establishment of the National Parks and Public Land Legacy Restoration Fund, funded primarily by fees and royalties for offshore oil and gas drilling operations in federal waters.
13. The extended shutdowns of the federal government in 2013 and 2018-2019 caused millions of dollars of lost revenue for gateway communities, which are mostly rural and whose economies are highly reliant on tourism. These shutdowns also caused significant harm directly to the NPS system through staff furloughs, diminished revenue, lost recreational and educational opportunities, and damage to natural resources. During these shutdowns, some states entered into agreements with the U.S. Department of the Interior to keep certain national parks open and lost millions of dollars that were never recouped.

B. GOVERNORS' POLICY STATEMENT

1. Western Governors understand that not every state or territory approaches public land management in the same way. However, Western Governors recognize the role of our system of public lands, in economic development, development of social values, positive

³ Deferred Maintenance of Federal Land Management Agencies: FY2011-FY2020 Estimates and Issues. Congressional Research Service. November 30, 2021. <https://crsreports.congress.gov/product/pdf/R/R43997>

health benefits, and recreational opportunities, which benefit our citizens, the region, nation, and world.

2. Western Governors support efforts to provide public access to and at the same time protect iconic public land features, venues and landmarks so as to ensure and maintain their economic, cultural and historic values.
3. Consultation and coordination between federal land managers and Governors' offices is needed to improve cross-boundary management of ecological, economic, and cultural resources, and to increase sustainable outdoor recreation opportunities.
4. Western Governors encourage the BLM, USFS, FWS and NPS to partner with State Parks and appropriate Offices of Outdoor Recreation to improve outcomes and efficiencies related to expanded visitor services, resource protection, cost-sharing, staff training, educational programming, and other shared goals.
5. Western Governors request that Congress and the federal agencies consider whether tools like Good Neighbor Authority, which allows USFS and BLM to enter into agreements with states to do critical forest management work, could be utilized to improve management of popular outdoor recreation areas on federal lands that do not have adequate infrastructure, services and staff. Congress should ensure that BLM, USFS, FWS and NPS are provided the necessary authority to enter such agreements with states.
6. Western Governors urge Congress, the Department of the Interior and the Department of Agriculture to explore additional strategies to accommodate increased visitation and improve visitor experiences. Strategies that reduce the concentration of visitors rather than limit the total number of visitors are needed to protect visitor experience while maintaining public lands for all. Western Governors particularly urge improving, modernizing and expanding visitor facilities, attracting investment to create new visitor destinations, using technology and real-time data sharing to diffuse overcrowding issues with traffic and parking, and exploring the expanded use of public transit and shuttles, bike and e-bike rentals, and other efforts to decrease vehicle congestion while maintaining visitor access.
7. Western Governors encourage NPS to promote an agency culture that is welcoming, customer service oriented, and reflective of the agency's mission to provide for the enjoyment, education, and inspiration of the public.
8. Western Governors urge federal land managers to coordinate with gateway communities and tourism offices to develop plans for sustainable visitation.
9. Public land access is critically important in the West. The permitting process should be streamlined and coordinated across federal land management agencies to provide users a faster and more accessible experience. Reforming the complex permitting system for guides and outfitters would also better support small businesses in gateway communities and rural areas.
10. Western Governors urge Congress to appropriately fund federal land management agencies to provide for the routine maintenance and operation costs of important visitor

infrastructure, particularly roads and utility systems, and to find innovative ways to attract private investment for improving, modernizing and expanding visitor facilities.

11. Western Governors urge Congress to extend funding for the National Parks and Public Land Legacy Restoration Fund beyond 2025 and examine longer term solutions to the deferred maintenance backlog.
12. Congress and the land management agencies should also address workforce housing needs where they are unable to recruit and retain employees due to the exorbitant cost of living or acute housing shortages.
13. Western Governors believe maintenance of national parks and other public land recreation facilities is first and foremost a federal responsibility. However, Western Governors support the federal government pursuing public-private partnerships to improve, modernize and expand visitor services and visitor facilities and to provide for the maintenance and operation of other critical public land infrastructure that supports land management and visitation.
14. Western Governors recognize the troubling trend of intentional and unintentional damage of indigenous and other historical and cultural sites. As many of the sites are located on federally managed lands, Western Governors support additional resources to protect and promote awareness of stewardship of these sensitive cultural resources.
15. Western Governors recommend the federal government take all necessary action to avoid lapses in funding and potential harmful impacts to federal lands, particularly NPS units within the states and major tourist attractions in the West.
16. During any lapse in funding, Western Governors recommend the federal government work collaboratively with states and follow through on any commitments it makes to those that undertake extraordinary measures to support their national parks and other public land recreation resources.

C. **GOVERNORS' MANAGEMENT DIRECTIVE**

1. The Governors direct WGA staff to work with Congressional committees of jurisdiction, the Executive Branch, and other entities, where appropriate, to achieve the objectives of this resolution.
2. Furthermore, the Governors direct WGA staff to consult with the Staff Advisory Council regarding its efforts to realize the objectives of this resolution and to keep the Governors apprised of its progress in this regard.

This resolution will expire in June 2025. Western Governors enact new policy resolutions and amend existing resolutions on a semiannual basis. Please consult <http://www.westgov.org/resolutions> for the most current copy of a resolution and a list of all current WGA policy resolutions.



Policy Resolution 2023-06 Rural Development

A. BACKGROUND

Vibrant and prosperous rural communities are essential components of western states and the nation. Rural communities in the West grow and supply food, steward natural resources, contribute disproportionately to the armed services, and are critical to state economies. These communities are often richly diverse and face varying threats and opportunities, although they do share some common challenges – including low population density, distance from urban centers, and capacity constraints – that are more pronounced than in other regions and are frequently not reflected in the design of federal programs.

The COVID-19 pandemic and the rise of virtual systems such as telework, distance learning, and telehealth have transformed migration trends and the ways in which people live, work, and learn. However, these common challenges continue to hinder the delivery of services, connectivity, and economic development across the rural West. The planning and management processes required to implement solutions and to access and deploy federal funding to address such challenges are increasingly complex, compounding disinvestment over time and increasing geographic inequities.

B. GOVERNORS' POLICY STATEMENT

1. Western Governors believe that strengthening social infrastructure in rural communities is the best strategy to ensure rural quality of life and prosperity. Congress and federal agencies should increase the proportion of rural economic development and infrastructure funding that goes toward capacity-building, particularly for U.S. Department of Agriculture (USDA) Rural Development programs, and Congress should allow agencies to negotiate the percentage of financial versus technical assistance within appropriations. Western Governors call for ample and consistent federal funding and consistent regulatory requirements across agencies for institutions, training, and technical assistance so that state and local governments, nonprofit organizations, and associations can assist communities in applying for and managing funding. Robust social infrastructure is fundamental to economic and community development and maximizes the impact of state and federal resources.
2. Criteria used to define rural and underserved communities vary at the federal level. Western Governors encourage federal agencies to be consistent in these definitions, and to consider the unique characteristics of the West and use the best data available to make program eligibility determinations.
3. Western Governors believe that many federal programs for rural development and distressed communities include unintended barriers for rural individuals and entities that need assistance most. Western Governors urge federal agencies to work with states to: thoroughly evaluate program requirements; identify barriers for rural applicants; and revise onerous requirements in a manner that recognizes the limited resources and capacity of rural applicants. In particular, Western Governors are concerned by:

- a. Scoring criteria that relate to numerical size and impact, such as the number of jobs created or the number of people served, which disadvantage small and isolated communities;
 - b. Requirements that applicants partner with other institutions like community colleges or foundations, which may not operate in the rural community seeking assistance;
 - c. Financial match or cash-on-hand requirements that rural organizations cannot meet;
 - d. Overly complicated or technical applications that deter rural customers from applying;
 - e. The use of median household income to determine program eligibility, particularly in coal, hard-rock mining, oil and gas, and power plant communities; and
 - f. Low administrative allowances that hinder communities from hiring qualified staff to cover the amount of territory and comply with federal regulatory requirements.
4. Western Governors also urge federal agencies to use state data for eligibility determinations when requested by states. States often have more up-to-date and granular data for rural communities than federal sources.
5. Western Governors recognize and support efforts at the federal and state level to coordinate the deployment of resources, leverage funding, and create one-stop application processes for rural customers. Western Governors are interested in exploring strategies to expand those models to include more funders and further enhance coordination between agencies and between states and the federal government.
6. Western Governors believe that changes in our economy, labor force, and technological innovations require fundamental changes and new approaches to economic development strategies. Western Governors promote and are dedicated to sharing rural development policies that focus on quality of life, the support of small businesses and entrepreneurs, and economic diversification, spurred by federal incentives for innovation. This will develop rural communities that are attractive places to live and work while protecting their rural character, natural resource-based industries, and natural areas.
7. Western Governors are eager to work with public universities, community colleges, and the business community to expand opportunities for young people to stay in their rural communities. There is a high demand for skilled workers in rural communities and states and territories should work together on regional solutions that provide the appropriate training and skills for the jobs that are available in rural communities where possible. Western Governors are also committed to increasing employment among veterans, people with disabilities, and historically disadvantaged communities in the rural West.
8. To address lower labor force participation in rural areas, Western Governors recommend that the federal government: invest in education and training programs that are tailored to the needs of rural communities; provide resources and support for entrepreneurs, such as

access to capital and business incubators to encourage more people to start their own businesses and create jobs in rural areas; invest in broadband infrastructure and expand access to internet services for new job opportunities and the ability to work remotely; and offer tax incentives, grants, or other financial incentives to support businesses locating in rural areas.

9. Western Governors encourage Congress to help create the conditions necessary to attract manufacturing enterprises and jobs to rural areas.
10. Rural communities in the West are envisioning transformative and systems-wide solutions to meet the unique needs of their communities. Western Governors urge Congress and federal agencies to be responsive to these successful, community-based methods and allow maximum flexibility in the use of federal economic development resources and the design of new and existing programs. Increased flexibility will also facilitate investments in quality of life and amenities in rural communities. Governors believe that metrics based solely on the absolute number of jobs created do not reflect the important economic benefits of investments in community assets that make rural communities attractive places to live, nor do they account for the relative impact of job creation in less populated rural communities or areas with high unemployment or poverty rates.
11. Western Governors support the adoption of community cooperative business models to preserve rural businesses and fill needs for child care, homecare, main street businesses, housing, sustainable food supply, and other community needs. Western Governors recognize the need for substantial technical assistance and education in developing new cooperative businesses and support federal funding of such efforts.
12. The Economic Development Administration (EDA) provides adequate resources for community and economic development planning, yet funding for project implementation is limited to specific geographic areas or types of infrastructure. Western Governors request that Congress and EDA broaden the eligible use of EDA funds to support the execution of community and economic development plans, create actionable improvements, and scale ideas across communities. Western Governors are especially interested in making agricultural innovation and housing eligible for EDA programs.
13. Western Governors have developed robust policies addressing a host of sector-specific issues and the challenges of providing services and maintaining infrastructure essential to communities across the vast expanse of the rural West. These policies focus on broadband connectivity, health care, affordable housing, transportation, workforce development, agriculture, water quality, and the relationship between communities and land management. Western Governors are committed to working with Congress and federal agencies to advance these priorities and improve the efficacy of federal, state and territorial programs to support critical infrastructure in the rural West.
14. Western Governors are concerned by food security challenges in rural communities. Rural grocery store closures jeopardize livability and community health. However, we are encouraged by the efforts occurring within our states. Western Governors are interested in exploring creative and comprehensive strategies to ensure rural food security and sustainability by strengthening and diversifying local agricultural economies and developing regional approaches to rural food supply chains.

15. The Cooperative Extension System, which serves every county in western states, is an important asset for rural development. Western Governors believe that Cooperative Extension can play a more meaningful role in economic development efforts in distressed communities and support continued investment in the system, especially for upskilling, training, and funding for new positions as it responds to the changing needs of rural communities. Western Governors are committed to maximizing the efficacy of Cooperative Extension in their states.
16. Western Governors assert that access to high-quality, culturally and linguistically relevant early education and child care is critical to rural communities and encourage Congress to allocate funding for these services. Access to child care is essential to ensure positive short and long-term health, development, and educational outcomes for young children and to allow families in rural communities to pursue the economic and educational opportunities that help them achieve a more secure future.
17. An absence of congressional action has resulted in a lack of consistency in the design and implementation of the Community Development Block Grant (CDBG) Program. Western Governors encourage Congress to reauthorize CDBG and standardize the program's environmental and administrative processes.

C. GOVERNORS' MANAGEMENT DIRECTIVE

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2. Furthermore, the Governors direct WGA staff to consult with the Staff Advisory Council regarding its efforts to realize the objectives of this resolution and to keep the Governors apprised of its progress in this regard.

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