



Recreation Economy Recovery & Resiliency

Americans' lives and communities have changed dramatically in recent months. As schools, businesses, shops and more temporarily close and reopen because of COVID-19, Americans have flocked to the outdoors to provide a necessary reprieve from the intense mental and physical stress caused by this crisis and the vital efforts to combat it.

Outdoor recreation has been a major force in the American economy. Annually, it generates \$778 billion in output, comprises 2.2 percent of the United States GDP and supports 5.2 million jobs – many of which are in rural communities. The outdoor industry has also been growing faster than the economy as a whole in GDP and every other economic indicator at a time when there has been unprecedented economic growth. In order to recover from this economic recession, all efforts should be taken to support this key industry that can help communities recover, grow the economy, create American jobs and continue to ensure Americans' quality of life.

While the overall impact of the outdoor recreation economy is massive, the sector is comprised of over 110,000 small businesses that are vital to the health and economic well-being of their communities, many in rural areas. Thousands of these businesses are suffering and still in danger of failing permanently because of the COVID-19 outbreak and the ensuing efforts to mitigate the virus' spread, including social distancing, travel restrictions, caps on group size, public land and retail closures, supply chain issues and more. Recreation businesses oftentimes rely on seasonal trips and travel and should have had a busy spring and early summer, but instead were shuttered. They also rely on accessibility to recreation assets on our public lands and waters, adequate infrastructure, and the certainty of manufacturing, retail and trade, all of which have been interrupted.

Despite all of their hardships, outdoor recreation companies across the country have stepped up to aid first responders, healthcare workers and law enforcement. The **RV industry** is providing mobile medical clinics, staging units, and temporary living quarters for medical personnel and essential workers, many of whom are on the front lines of this pandemic. **Campgrounds** are providing temporary accommodations for traveling medical personnel and life-essential products and services, including food, water, laundry, fuel and more. **Outdoor ski brands and gear manufacturers** have converted their production lines to make masks, gowns and other PPE. In several states **Marine retailers** have donated their supplies of N95 masks to local healthcare facilities, and many **marinas** are offering their slips to law enforcement to ensure swift response on the water. The **motorcycle and powersports industries** have also donated significant amounts of PPE and their vehicles are used on a daily basis by first responders.

Outdoor Recreation Roundtable – the nation's leading coalition of outdoor recreation trade associations, made up of 32 national trade associations serving more than 110,000 businesses – thanks Congress for passing the CARES Act and urges you to support resilient communities, economies, and healthy people by reinvigorating this once-vibrant, and now struggling industry in the coming months. Action is needed on smart policies and investments that will save the outdoor recreation economy so this sector can do what it does best –

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revitalize communities, create jobs, support healthy people, improve quality of life and provide access to amazing outdoor experiences for generations to come.

Sincerely,

America Outdoors
American Horse Council
American Mountain Guides Association
American Sportfishing Association
American Trails
Archery Trade Association
Association of Marina Industries
Boat Owners Association of the United States
CHM Government Services
The Corps Network
Diving Equipment and Marketing Association
International Snowmobile Manufacturers Association
Marine Retailers Association of the Americas
Motorcycle Industry Council
National Association of RV Parks and Campgrounds
National Forest Recreation Association
National Marine Manufacturers Association
National Park Hospitality Association
Outdoor Industry Association
PeopleForBikes
Professional TrailBuilders Association
Recreational Off-Highway Vehicle Association
RV Dealers Association
RV Industry Association
Snowsports Industries America
Society of Outdoor Recreation Professionals
Specialty Equipment Market Association
Specialty Vehicle Institute of America
Sports & Fitness Industry Association

Recommendations: Ways to Ensure Recreation Businesses are Back on an Economic Growth Trajectory and the 5.2 Million Outdoor Recreation Workforce is Back to Work

1) Support Repairing Crumbling Infrastructure and Curb Rising Unemployment through Expanded Conservation Corps

To help address the rise in unemployment stemming from the COVID-19 pandemic and ensure the stability of our communities, our country needs a Corps movement similar in scale and purpose to the Civilian Conservation Corps (CCC) of the New Deal Era to employ young Americans on priority project work on public lands and waters in communities across the country. Based on the infrastructure and expertise of existing 21st Century Conservation Service Corps programs, with additional investments in projects, workforce development, and Corpsmember services and support, today's Corps could scale to meet the demand.

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- Funding for projects not only on federal public lands and waters, but also funding for similar projects at the state and local level
- A preference or set-aside of appropriate shovel-ready projects for Conservation Corps
- A preference or set-aside of funding and resources for Corps run by and/or engaging currently underserved and under-represented populations
- An increased investment in youth, education, and workforce development funding in addition to increased funding for project work

2) Revitalize Rural Communities through Recreation by Expanded Technical and Rural Development Assistance

The 2018 Farm Bill report included groundbreaking language that supports growing the recreation economy in rural areas through access to rural economic development grants for recreation projects, technical and financial assistance, infrastructure, business loans and guarantees marketing and supporting elements (housing/lodging, child care, broadband, search and rescue, etc.) that facilitate an outdoor economy in rural communities. This authority should be expanded on by targeting five percent of all Rural Development programs for this type of recreation economy revitalization work.

In addition, the Economic Development Administration (EDA) can be a valuable partner to strengthen economies in rural communities by supporting development of outdoor recreation infrastructure. Outdoor recreation infrastructure projects (e.g. parks/trails development and renovation, playgrounds, public pools, ballfields, lodging/lodging camping facilities, etc.) are a strong fit for EDA's Economic Adjustment Assistance Program 'Implementation Grants' category. Increased federal investment and attention to these projects will address the needs of distressed rural communities coming back from the COVID-19 pandemic, including economic development and diversification, increased quality of life, and improved public health outcomes for under-resourced communities.

Additionally, U.S. Department of Agriculture Rural Development has partnered with the Environmental Protection Agency, the United States Forest Service and the Northern Border Regional Commission to provide assistance to 10 rural communities aimed at growing their economies through outdoor recreation. Considering that 170 communities applied for this support, this bold initiative should be expanded and replicated to support rural communities across the country. This program supports both public-public partnerships (e.g. municipalities with federal agencies and state economic development offices) and public-private partnerships (e.g. municipalities with local businesses, guides and outfitters, trailbuilding companies, nonprofits and/or outdoor business alliances), both of which grow the outdoor recreation economy and support rural resilience.

3) Allow Seasonal Businesses to Apply for Retroactive PPP Assistance

During the initial months of PPP, program rules lacked flexibility to account for different peak seasons of businesses like ski areas, guides and outfitters, trailbuilding companies and more. Businesses were instructed to pick a recent 12-week period to determine payroll, which in turn determined how much assistance they were eligible for. Many seasonal businesses were at a low point during this period. On May 3, SBA and Treasury released new guidance allowing seasonal employers to use a 12-week period between May 1, 2019 and September 15, 2019 to calculate a maximum PPP loan. Unfortunately, seasonal businesses who had already applied for loans and whose Form 1502 had already been filed by their lender were

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unable to take advantage of this very important change. Seasonal businesses that find themselves in these circumstances should be able to apply for additional PPP assistance consistent with the amount they would have been allotted under the most recent guidance.

4) Pass the Personal Health Investment Today (PHIT) Act – H.R.1679 & S.680

The PHIT Act allows Americans to use flexible spending accounts and health savings accounts to pay for health club memberships, fitness equipment, exercise videos, adult recreation and youth sports. As the nation emerges from social distancing guidelines, Americans will be in worse shape financially but need more activity to address the mental and physical health tolls of coronavirus. The Active population fared much better during the COVID-19 pandemic and put less strain on our healthcare system. Passing the PHIT Act will encourage people to re-engage in healthy, active lifestyles by making it more affordable. Funds in HSAs/FSAs should be used to prevent disease not just treat it and will provide consumer-driven economic stimulus to active lifestyle industries harmed by COVID-19.

5) Establish a National Outdoor Recreation Workforce Development Consortium

Federal and state government agencies should invest significantly in the next stimulus package to launch a National Workforce Development Consortium for the Outdoor Recreation Economy. This Consortium would be aimed at providing research, national education and training standards, curriculum development, and life-long learning opportunities to support the outdoor recreation economy, which would accelerate innovation and progress for businesses, employees, and rural communities. While developing national standards and programming focused on outdoor recreation related careers, the Consortium would strive to be a model of inclusivity, supporting workforce development strategies that grow equity and diversity within the outdoor industry leading to more welcoming outdoor spaces and businesses for all people. A special focus would be on the retraining of workers whose jobs have been eliminated or displaced due to transitioning local economies or COVID-19 in skillsets that would support the sustainable outdoor economy.

The Consortium would bring together universities, community colleges, governors, state Directors of Outdoor Recreation, Workforce Investment Boards, outdoor/recreation associations, and private sector technical schools across the nation to work hand-in-hand with industry to understand and address skill gaps in the current and future workforce, and to design and develop nationally consistent training programs that can be delivered by any service provider, in any county in America. The Consortium would promote the real jobs and real benefits of the outdoor recreation economy to our country, publish annual workforce development reports, and become a portal through which employers are matched with highly qualified and skilled apprentices, interns, and employees in the future.

Additionally, because a huge percentage of the outdoor recreation economy is supported by small businesses and local communities, the Consortium would work to build toolkits for rural and suburban communities that could benefit from investment in developing their outdoor recreation economy. Investments in training both our older and younger generation are especially important for small communities with many people out of work, and the Consortium would develop job retraining for our older workforce, and work with our service corps to provide college credit for our youth during their corps experiences.

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6) Fully Fund the Recreational Trails Program (RTP)

The Recreational Trails Program (RTP) is currently funded through the Highway Trust Fund (HTF) at \$85 million annually. This is only a portion of the \$270 million annually that the Federal Highway Administration conservatively estimates motorized trail users pay into the HTF through fuel taxes for use in non-highway recreation. RTP is a user-pay, user-benefit program that benefits all recreationists and serves as the primary funding mechanism for thousands of motorized and non-motorized trail opportunities at the state and local levels. This legislation would provide authorizing committees with an accurate assessment of what trail users pay into the HTF and help inform Congress in continuing to authorize the program.

7) Waived Fees on Public Lands and Waters and Extensions of Contracts/Permits

Congress should enact statutory provisions that give the Secretary of the Interior and the Secretary of Agriculture flexibility in the administration and extension of contracts, permits, and other authorizations for the provision of public recreational facilities and/or services on lands and waters managed by the National Park Service, the United States Fish and Wildlife Service, the Bureau of Land Management, the Bureau of Reclamation, and the U.S. Forest Service, in order to mitigate impacts due to COVID-19 to the maximum extent possible consistent with such agencies' obligations to protect the resources and public health and safety. Such flexibility shall include, but not be limited to, fee deferrals and waivers, contract and permit extensions, operational flexibility, and other appropriate measures to mitigate such impacts. This flexibility should be implemented unless clearly not needed, and include:

- A waiver of fees for and/or extension of authorizations for operations in national parks and forests for a period of one to two years, pending an assessment of the impact on these businesses through year's end. Fees can reach 35 percent of total revenues and limit operational cash flows. Forgiving fees will allow businesses to retain staff enabling a quick recovery when the coronavirus pandemic ends.
- Extensions of contracts and permits will provide a way to recoup some losses and obtain credit from financial institutions at no cost to the government.
- Supplemental appropriations of \$145 million to the land management agencies to mitigate the loss of permitting, lease and concessionaire fees.
- Investment in projects for partners to complete that provide infrastructure improvements on public lands, benefit businesses affected by COVID-19 and keep people employed in rural communities.