## Statement of Alan Henceroth, Chief Operating Officer/VP, Arapahoe Basin Ski Area Chairman, National Ski Areas Association

Before the National Parks, Forests, and Public Lands Subcommittee of The House Natural Resources Committee Legislative Hearing on H.R.\_\_\_\_ The Ski Hill Resources for Economic Development (SHRED) Act of 2021

June 8, 2021

Chairman Neguse, Ranking Member Fulcher, and members of the Subcommittee, thank you for the opportunity to provide testimony on H.R. \_\_\_\_\_, The Ski Hill Resources for Economic Development (SHRED) Act of 2021. On behalf of Arapahoe Basin Ski Area and the National Ski Areas Association (NSAA), I would like to thank Chairman Neguse and Representatives Kuster, Curtis and LaMalfa for their leadership in introducing this bipartisan measure to retain ski area permit fees locally for the benefit of the Forest Service recreation program.

I serve as Chairman of the Board of Directors of NSAA, which has 325 ski area members, 122 of which operate on National Forest System lands across the 14 states of Arizona, California, Colorado, Idaho, Montana, Nevada, New Hampshire, New Mexico, Oregon, Utah, Vermont, Washington, West Virginia and Wyoming.

Arapahoe Basin Ski Area first opened in 1946 in Colorado with one rope tow and a \$1.25 ticket. We now offer over 1400 acres, nine lifts, the highest restaurant in North America at 12,500 feet, and legendary skiing and riding against a backdrop of stunning panoramic mountain views. Arapahoe Basin is located on the White River National Forest, the most visited national forest in the nation, and employs 300 winter full time employees and 175 summer full time employees.

The ski industry supports H.R. \_\_\_\_\_, which would retain approximately \$27MM of the \$40MM generated annually in ski area permit fees to improve ski area permit and program administration, non-ski area recreation permit administration and visitor services. The beneficiaries of an adequately funded Forest Service recreation program would include not just the agency and public land ski areas, but all recreation permittees, national forest visitors who are showing up in record numbers at this time to recreate outdoors, and mountain communities.

## Background

Public land resorts work in partnership with the U.S. Forest Service to deliver a quality outdoor recreation experience for millions of people. This public-private partnership benefits all Americans by supporting public health and fitness, fostering an appreciation for our natural environment, and providing returns to the U.S. government through fees paid for use of the land. Over the past ten years, ski areas nationwide have averaged over 55 million skier/snowboarder visits annually, and 60 percent of those visits occur on public land. Skier/snowboarder visits represent 20% of *all* Forest Service recreation visits. In total, the US ski industry creates \$55 billion in tourist-related revenue and supports 533,000 jobs.

## **Need for Ski Fee Retention**

Retaining ski fees locally is necessary because funding and staffing of the Forest Service Recreation Program sits at 40 percent of year 2000 levels. Meanwhile, visitation to these lands has increased significantly, and continues to climb in this pandemic era we now face. Eightyfive 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. The time has come to invest in the Forest Service's ski area program, and its recreation program as a whole.

Since 2010, ski areas operating on Forest Service lands have, on average, experienced 36 percent revenue growth from winter sports activities. Revenue from summer activities jumped 126 percent during that same period. The promising trends and numbers outlined here have occurred *despite* ski forest staffing and capacity shortages. Ski areas are less likely to receive timely reviews of project proposals when forests are not adequately staffed and operating at low permit administration capacity. For example, ski areas have experienced "pauses" during which proposals are not accepted by the agency for almost a year's 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. The end result is that ski areas are slower to upgrade chairlifts to improve guest experience and circulation on the mountain; slower to upgrade to energy efficient snow guns; and slower to upgrade guest-facing facilities for ski school, rentals and dining. It also means that ski areas are slower to transition to a four-season model capable of supporting year-round recreation and year-round jobs in mountain communities.

To be clear – ski areas pay for all of the improvements that you see at a resort such as chairlifts and ski lodges and other facilities. That won't change under the SHRED Act, but what will change is that Forest Service personnel will be in place to review proposals and process applications for improvements in a timely manner. That will be a game changer for us and our partners in recreation.

## **Broad Benefits of Ski Fee Retention**

The benefits of the SHRED Act will extend well beyond the Forest Service's ski area program. The legislation will also help improve permit administration for outfitters, guides and other recreation permittees. Visitors to national forests will benefit through better resourced trailhead services such as parking, plowing, toilets, trash collection, interpretation and signage. Much needed investments in avalanche forecasting and education will enhance the experience and safety for backcountry users of the forests. Finally, the bill will help improve wildfire preparedness planning and coordination and support the leasing of USFS Administrative Sites for affordable workforce housing and other community needs. These are critical issues for mountain communities that the SHRED Act would help address.

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The ski industry fully supports the SHRED Act as an effective way to boost Forest Service capacity and make our unique partnership the best that it can be. We urge the Committee's support of H.R. \_\_\_\_\_, and thank you for the opportunity to provide this testimony.