

**THE GREAT OUTDOORS:
SMALL BUSINESSES AND AMERICA'S
OUTDOOR RECREATION ECONOMY**

HEARING
BEFORE THE
**COMMITTEE ON SMALL BUSINESS
AND ENTREPRENEURSHIP**
OF THE
UNITED STATES SENATE
ONE HUNDRED EIGHTEENTH CONGRESS
FIRST SESSION

NOVEMBER 1, 2023

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ONE HUNDRED EIGHTEENTH CONGRESS

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CONTENTS

NOVEMBER 1, 2023

OPENING STATEMENTS

	Page
Jeanne Shaheen, U.S. Senator from New Hampshire	1
Joni Ernst, U.S. Senator from Iowa	3

WITNESSES

Ms. Jessica Wahl Turner, President, Outdoor Recreation Roundtable, Washington, DC	6
Prepared statement	8
Ms. Rebecca Peters, Okoboji Tourism Director, Vacation Okoboji, Arnolds Park, IA	14
Prepared statement	16
Mr. Andrew Drummond, Owner, Ski The Whites, LLC, Jackson, NH	18
Prepared statement	21
Mr. Chris Fox, State Chairman, Iowa Ducks Unlimited, Johnston, IA	24
Prepared statement	26

ADDITIONAL LETTERS/STATEMENTS FOR THE RECORD

NEMO Equipment	
Letter Dated November 15, 2023	47
New Hampshire Outdoor Workforce Assessment Survey	
Survey Dated June 2022	52
Western Governors Association	
Letter Dated November 1, 2023	81

QUESTIONS FOR THE RECORD

Ms. Rebecca Peters	
Responses to questions submitted by Senator Young	90
Mr. Chris Fox	
Responses to questions submitted by Senator Young	92

THE GREAT OUTDOORS: SMALL BUSINESSES AND AMERICA'S OUTDOOR RECREATION ECONOMY

WEDNESDAY, NOVEMBER 1, 2023

UNITED STATES SENATE,
COMMITTEE ON SMALL BUSINESS
AND ENTREPRENEURSHIP,
Washington, DC.

The committee met, pursuant to notice, at 2:46 p.m., in Room 428A, Russell Senate Office Building, Hon. Jeanne Shaheen, chairman of the committee, presiding.

Present: Senators Shaheen [presiding], Cantwell, Cardin, Hirono, Rosen, Hickenlooper, Ernst, Young, and Hawley.

OPENING STATEMENT OF SENATOR SHAHEEN

The CHAIRMAN. Good afternoon. The committee on Small Business and Entrepreneurship will come to order. I am Jeanne Shaheen. I am the new chair of the committee. And in honor of my first hearing, the floor has called five votes for this afternoon. [Laughter.]

So, that is why we are a little late getting started. And we will go back and forth during the votes and Senator Ernst, and I will swap off in terms of chairing. It is really an honor to be here as the new chair and the hearing today is on small businesses and the outdoor recreation economy.

First and foremost, I want to thank my colleague, former chair, Senator Cardin, for his leadership of this committee. His support and guidance are very much appreciated. Thank you, Ben. I also want to thank Ranking Member Ernst for her commitment to the committee and the work. We had a chance to have breakfast this morning, so we are on the same page.

This committee has a long standing tradition of working in a bipartisan manner, and I know that we will continue this tradition to work together on behalf of our nation's small businesses. I want to welcome our witnesses today. I want to thank you all for joining us to share your perspectives.

I am eager to hear about your work, your experiences in the outdoor recreation economy, and your assumptions of what that means for the communities that you are living in. I also want to welcome Andrew Drummond and the folks from New Hampshire who have traveled to D.C. for this hearing.

Thank you very much for being here. I will introduce—we will introduce all of the presenters in a few minutes, but I want to

begin by talking about the outdoor recreation economy because it stretches across all 50 States. It is one of the fastest growing sectors of the economy.

And as a Granite Stater, I am really proud to be an advocate for the outdoor recreation economy. In 2016, President Obama signed into law legislation that I worked on, the Outdoor Recreation and Jobs and Economic Impact Act, which requires the Bureau of Economic Analysis to provide an accurate measurement of the outdoor recreation industry and its contributions to the U.S. economy.

Now that we have several years of those reports, we have consistent and comprehensive data that shows the impact of the outdoor recreation sector. According to the BEA's most recent annual report, the outdoor recreation economy generated \$862 billion in total economic output and 4.5 million jobs, reflecting a substantial growth and surpassing pre-pandemic figures last year.

This industry supports good jobs, and it drives economic well-being. Wages in the industry increased by 16.2 percent and employment by 13.1 percent in 2021. And I think most important, the outdoor economy is outpacing the rest of the American economy. In 2021, GDP for the outdoor recreation economy increased by 18.9 percent. That is compared to 5.9 percent for the overall economy.

So, this is an industry that supports America's well-being. New research suggests that outdoor recreation reduces crime rates and improves educational outcomes, including student attention spans, test scores, and high school graduation rates. It can also lower long term individual and public health care costs by reducing stress and obesity rates and by improving physical fitness.

The outdoor recreation industry is built by small businesses and entrepreneurs. They are the backcountry guides, the fishing charter boats, and they are also the product designers, transportation providers, and like Mr. Drummond of Ski The Whites, one of today's witnesses, they are the outfitters and retailers.

Now, because the outdoor recreation industry is driven by small businesses, it is a foundational part of many rural communities and is critical to their economic well-being. Small businesses in this industry face challenges that are inherently magnified on rural main streets, including the lack of access to broadband, workforce shortages, and problems accessing capital. These are challenges that we as the Small Business committee are always working to address.

A healthy environment is the foundation of outdoor recreation. Without clean air, clean water, and snowy winters, at least in New Hampshire, outdoor recreation small businesses, especially those in rural areas, will suffer.

So, it is critical that we continue to invest in those areas. That we provide adequate funding to maintain our public lands and infrastructure, while ensuring small business resources are easily accessible to the small firms that need their support the most.

So, I am committed to working towards this goal with our ranking member and my colleagues on the committee. With that, I will yield to Ranking Member Ernst for her opening statement.

STATEMENT OF SENATOR ERNST

Senator ERNST. Thank you. I appreciate that, Chairwoman. I would tell you, we have got the former chairman here as well, so I don't have it in my notes, but I did—I want to recognize you, Ben, and thank you so much.

Chairman Cardin had served just admirably. And Senator Shaheen and I had breakfast this morning, and we were talking about the incredible achievement of getting that bill packaged together and over the finish line here in committee.

And Ben, we couldn't have done that without your leadership. So, thank you for working so well with us.

Senator CARDIN. If you would just yield for one moment. First, this was one of the great honors to chair this committee. Senator Shaheen is going to do a great job. It was wonderful to work with you. Now that I am taking on this new responsibility, I want to return here instead. So—

[Laughter.]

But thank you very much.

Senator ERNST. Yes. So, for our witnesses today, Senator Cardin has moved over to chair the Senate Foreign Relations committee and so he has a lot on his plate right now. But thanks for coming back to the Small Business committee and joining us today.

So, again, Senator Shaheen and I met this morning, and Senator Shaheen, and I look forward to working with you on the Small Business committee. We work together on the Armed Services committee together as well, and I know that we will be able to work quite well on behalf of our small businesses here in the United States.

I want to thank our witnesses for being here today as well. I want to welcome my fellow Iowans, Ms. Rebecca Peters, thank you, who is the Okoboji Tourism Director at Vacation Okoboji, and Mr. Chris Fox, a State Chairman of Iowa Ducks Unlimited, for coming to Washington.

Thank you for being here to share your insight with us. Like many of us, they work to preserve and enjoy our State's great outdoors. And I want to take a moment to specifically thank Mr. Fox for his service to our country.

He served over 27 years in the United States Army, retiring from the Iowa Army National Guard. Chris served as our Command Sergeant Major at the 248th Aviation Support Battalion, where I was a young officer under his leadership. So, thank you very much, Chris. Today, we will examine the role of small businesses in America's outdoor recreation economy.

The United States is blessed to have a great range of natural resources and diverse terrain for outdoor recreation. My own State of Iowa has extensive waterways, lakes, and trails that provide recreation opportunities year round.

Our hikers, campers, sportsmen, and boaters regularly partner with local farmers, small business owners, and State leaders to ensure Iowa's natural resources are stewarded to leave nature better than we found it. In 2021 alone, the outdoor recreation economy accounted for nearly 2 percent of gross U.S. GDP.

The goods and services related to outdoor recreation, including outdoor equipment, outfitters, outdoor vehicle rentals, lodging and

transportation are part of this \$454 billion slice of the economy. In Iowa, the value added by the outdoor recreation economy accounted for 2 percent of our State's GDP, with nearly 45,000 Iowans employed by the outdoor recreation industry.

Iowa's small businesses form the backbone of the outdoor recreation economy. Whether it is stocking up on fishing supplies, renting a snowmobile, or enjoying a home cooked meal at the end of a long day of hiking, you will find a small business operating in every sector of the outdoor economy.

Initiatives like Visit Okoboji, spearheaded by the Iowa Great Lakes Area Chamber, bring together small businesses to foster economic development in their community. Iowans from all walks of life regularly enjoy our State's waterways, trails, and wetlands.

The outstanding service provided by Iowa's small businesses, especially their kindness and hospitality, are a large part of why visitors from across the United States and the world continue enjoying our State's great outdoors.

I am proud to note that Iowans who are part of our outdoor recreation economy are leading the charge on common sense, locally tailored conservation efforts. They understand better than anyone that stewarding our natural resources, especially Iowa's water, helps keep our communities healthy, our crops growing, and our State economically sound for generations to come.

Organizations like Iowa Ducks Unlimited bring together farmers, business owners, and State and local leaders to protect and restore our natural habitats. Despite all their hard work, small businesses in the outdoor economy are pummeled by inflation and rising gas prices. Under Bidenomics, Americans have less money in their pockets and are staying closer to home, and our small business owners are facing higher expenses, even as they have less money coming in.

Washington's one size fits all approach to regulation means small businesses have to spend their time figuring out how to comply with the burdensome Government regulations instead of focusing on their businesses. In an effort to address this, I am continuing to work on my Prove It Act to ensure small businesses have a voice in the Federal rulemaking process.

I am looking forward to hearing from our witnesses about the challenges small businesses and the outdoor recreation economy are facing, including any downstream impact on conservation efforts.

Small businesses form the cornerstone of our nation's outdoor recreation economy—they are the cornerstone and play a critical role in conservation efforts. I want to thank you all for being here today. We truly appreciate it, and I look forward to our discussion. Thank you, Madam Chair.

The CHAIRMAN. Thank you very much, Senator Ernst. And again, thank you to all of the witnesses for being here. I will begin by introducing the two witnesses for the majority, and then Senator Ernst will introduce the two minority—witnesses for the minority. Jessica Turner is the President of the Outdoor Recreation Roundtable, or ORR.

ORR is America's leading coalition of outdoor recreation trade associations and organizations working to promote the policy reforms needed to enhance the outdoor recreation economy.

ORR members represent the thousands of businesses that produce vehicles, equipment, gear, apparel, and services for the 144 million Americans who enjoy our national parks, waterways, byways, trails, and outdoor spaces. Ms. Turner is a very successful advocate for the outdoor recreation economy. She has over a decade of experience working on behalf of outdoor recreation business owners and advancing the industry.

She is a passionate outdoors woman, and I am looking forward to hearing her testimony and learning about her national perspective. Andrew Drummond is the Founder and Owner of Ski The Whites, a backcountry gear shop based in Jackson, New Hampshire.

Ski The Whites specializes in skiing, biking, and trail running equipment, and also has its own in-house coffee brand. I like that combination. They are a nationally recognized brand and small business and have three full time and four part time employees in the heart of the New Hampshire White Mountains.

Mr. Drummond is also an extremely accomplished skier, and trail runner, and entrepreneur. He was born and raised in the Granite State. We are proud to have him and his business in New Hampshire, and I look forward to hearing more about his experiences and his very formidable contributions to the outdoor recreation economy.

Again, I am pleased to welcome the other two witnesses, and I will ask Ranking Member Ernst if she would introduce both of them.

Senator ERNST. Absolutely. Thank you, Madam Chair, and welcome to Ms. Turner and Mr. Drummond as well. It is great to have you here testifying today. So, first, I will start with Ms. Rebecca Peters. Ms. Peters currently serves as the Okoboji Tourism Director for Vacation Okoboji.

She coordinates with small business owners, community groups, and local leaders to encourage local and statewide tourism. Ms. Peters also serves on the board of directors of the Iowa Travel Industry Partners, the State's premiere tourism association. She actively volunteers with several local organizations.

Ms. Peters earned a degree in graphic design from Drake University. Thank you, Rebecca, for being here today. And then we have Mr. Chris Fox, and he is the State Chairman and Senior Volunteer of Iowa Ducks Unlimited.

As the State chairman, Mr. Fox leads over 1,200 volunteers, coordinating partnerships with State and local leaders, conservationists, and small business owners to protect Iowa's wetlands. Again, Mr. Fox served 27 years in the United States Army and retired as a Command Sergeant Major.

He has a business degree from Excelsior University and is a graduate of the United States Army Sergeants Major Academy at Fort Bliss, Texas. So, thanks to both of you for taking the time to travel to Washington, D.C. and share with this committee the beauty and importance of outdoor recreation in our home State of Iowa. Thank you, Madam Chair.

The CHAIRMAN. Thank you, Senator Ernst. Now we will hear from our witnesses. Ms. Turner, I will ask you to begin, and we will move down the panel to your left.

**STATEMENT OF JESSICA WAHL TURNER, PRESIDENT,
OUTDOOR RECREATION ROUNDTABLE, WASHINGTON, D.C.**

Ms. TURNER. Chairwoman Shaheen, Ranking Member Ernst, and members of the committee, thank you so much for this important hearing today. ORR collectively represents over 110,000 outdoor businesses and the full spectrum of outdoor recreation activities. Most of these businesses are small.

They are retailers, manufacturers, guides and outfitters, apparel entrepreneurs, campground operators, and marina owners, and they are key aspects of rural towns and large cities across the country. Recent data from the Department of Commerce shows that we are a \$862 billion industry.

We employ 4.5 million Americans. That is 2 percent of the U.S. GDP and 3.3 percent of all U.S. employees. This data also shows that outdoor recreation's growth more than tripled over the past year, as we saw more people flocking to the outdoors and valuing how important time outside was to our mental, physical, and societal health.

The REC Act legislation sponsored by Senator Shaheen and Gardner created this report. It is such a good example of a bipartisan effort that has helped small businesses. The data provided each year allows us to track our growth and has been a crucial education tool for policymakers to understand the importance of our sector.

While our cumulative economic power is mighty, unlike other industries with similar economic impact, we are a mile wide and an inch deep, so our small businesses do need support.

Many have narrow operating margins, and due to their seasonal nature, they are especially vulnerable to closures and natural disasters like hurricanes, floods, and drought. Wildfires smoke or even the threat of wildfire closures can lead small businesses with no insight into when they will be open or when infrastructure will be rebuilt.

More transparent processes on closures and, of course, a greater focus on climate resilient infrastructure will go a long way towards providing small businesses with the certainty they need to operate. We also face an antiquated and unclear permitting process that differs agency to agency.

Guides and outfitters have limited staff and bandwidth. They spend months navigating complicated structures without any certainty that they will be able to run trips within the next year. These are just some of the many issues addressed in the America's Outdoor Recreation Act, sponsored by Senators Manchin and Barasso, and passed unanimously through the Senate Energy and Natural Resources committee earlier this year.

This landmark legislation is the first ever recreation package that combines dozens of provisions and lifts all boats in the recreation economy's rising tide. We must also note how bad a Government shutdown is not just for our Federal lands and waters, our Federal workforce, and the millions of visitors that look forward to

exploring the outdoors every year, but especially for small businesses.

While Federal staff are paid back after a shutdown, small businesses are not. Please keep the Government open, and with it, our lands and waters, and our small businesses. High quality outdoor recreation is impossible without access to these amazing places, and our small business community includes some of the country's most committed conservationists, partnering on funding and infrastructure projects, volunteering, educating consumers, and innovating around sustainability.

They know that strong, healthy, and sustainable public lands are the backbone of our industry and create strong, healthy, and sustainable small businesses. We applaud Congress for passing the Great American Outdoors Act, and of course, the permanent reauthorization of the Land and Water Conservation Fund.

We encourage you to recommit to these places, as visitation increases, infrastructure ages, and inflation and climate change impact our investments. Besides our lands and waters, the other most important asset to our industry is our people. Passionate outdoor enthusiasts are some of those who take the leap into entrepreneurship and start their own business dedicated to connecting people to nature.

Small business loans make it possible for outdoor enthusiasts to turn their passion into product, and I hope we can work together to narrow our growing skills gap and solve pressing issues such as affordable housing in gateway communities. The stronger, more diverse, and more prepared the next generation of outdoor industry employees are, the more our economy can thrive and grow.

ORR is also helping small communities with big plans and little bandwidth to use recreation as an economic development tool. Access to recreation can help with recruitment and retention, and this is especially true in rural America, where essential recreation assets like trails and lakes and mountains attract not just tourists but also businesses, and businesses outside of the outdoor economy, in tech, health care, finance, and more.

Congress can help connect Main Street businesses to nearby recreation activities by elevating the EDA reauthorization and other provisions in the Farm bill. Together, these programs allow small businesses to do what they do best. They create jobs, amazing experiences, and they improve the vitality and quality of life in communities across the country.

On behalf of our members, we look forward to working with this committee to provide stability through better access to the outdoors, better workforce pipeline opportunities, and ways for communities to revitalize their economies through recreation.

Together, let's ensure that our small businesses can continue to be true representations of the American Dream for years to come. Thank you.

[The prepared statement of Ms. Turner follows.]



October 30, 2023

Testimony of Jessica Wahl Turner
Outdoor Recreation Roundtable

The Great Outdoors: Small Business and America's Outdoor Recreation Economy

Chair Shaheen, Ranking Member Ernst, and members of the Committee,

Thank you for the opportunity to testify today on small businesses in the outdoor recreation economy. It is an honor to be here. ORR is the nation's leading coalition of outdoor recreation associations collectively representing more than 110,000 outdoor businesses and the full spectrum of outdoor-related activities. Most of these businesses are small – retailers, manufacturers, dealers, outfitters, campground operators, and marina owners – and are key aspects of rural towns and large cities across the country.

Recent data from the U.S. Department of Commerce's Bureau of Economic Analysis shows that outdoor recreation generated \$862 billion in gross output and 4.5 million American jobs in 2021, comprising almost 2% of the nation's economy and 3.3% of all U.S. employees. The data also shows that outdoor recreation's growth more than tripled that of the national economy from 2020-2021 as we saw more people flocking to the outdoors and valuing how important time outside is to our mental and physical health. Additionally, job growth in the outdoor recreation economy quadrupled that of the national economy in 2021.

The Outdoor Recreation Jobs and Economic Impact Act, legislation sponsored by Senators Shaheen and Gardner that created this data tracking method, is a great example of a bipartisan effort that has helped small businesses. The information provided each year by this account has directly contributed to the ability of our industry to quantify our size and economic impact and track our growth and economic activity in many diverse segments. This data has also helped shape policy decisions at the local, state, and national levels as it has been a crucial educational tool to help policymakers understand the importance of outdoor businesses to the national economy and workforce.

Unlike other sectors with similar economic impact, we are a mile wide and an inch deep, meaning we are the main street storefronts, the mom-and-pop gear shop, the hunting or fishing guide, and the outdoor apparel entrepreneur. While our cumulative economic power is mighty, our small businesses need support to do what they do best: create jobs, connect people to nature, and improve the vitality and quality of life in communities in every corner of the country. To help small businesses in the outdoor recreation economy we urge Congress to focus on providing stability for businesses, increasing access to and improving infrastructure on healthy public lands



and waters, and growing workforce pipeline opportunities and rural economic development tools for communities utilizing recreation to revitalize their economies.

1. Business Certainty

Like other sectors, the outdoor recreation industry needs certainty to continue at its current pace of growth. The majority of small outdoor recreation businesses have narrow operating margins making them especially vulnerable to closures and natural disasters due to their seasonal and specialized nature. During the pandemic, outdoor recreation businesses were the second-most severely impacted sector of the economy behind hotels and restaurants. Additionally, we are disproportionately impacted by natural disasters like wildfires, hurricanes, floods, and drought. Wildfires, smoke, or even just the threat of wildfire closures cuts off recreational access, strangling small businesses with little to no insight on when they will re-open or when infrastructure that has been damaged will be rebuilt.

Droughts harm boat manufacturers and marina operators, as we have seen in Lakes Powell and Mead in the Southwest, and excessive heat can close operations for hunting and fishing. Hurricanes in the Southeast have recently ended entire seasons for small businesses and coastline communities, and erosion caused by these storms may limit what activities are available when they are able to re-open. More transparent processes and a greater focus on climate resilient recreation infrastructure (flood- and fire-resistant materials, design to mitigate flooding impacts, reinforcement of vulnerable trail sections, to name a few) would go a long way towards providing small recreation businesses with the certainty needed to operate.

Small outdoor businesses also face a complicated and unclear permitting process that differs agency to agency. Businesses like guides and outfitters often have limited staff and bandwidth but spend months navigating complicated permit processes without any certainty they will receive agency approval to run the trips that will keep them in business next year. This extreme uncertainty places undue stress on business owners and employees whose livelihoods depend on their ability to obtain these permits.

These are just some of the many issues addressed by the America's Outdoor Recreation Act (AORA), a bipartisan and bicameral bill introduced by Senators Manchin and Barrasso and passed unanimously out of the Senate Energy and Natural Resources Committee earlier this year. This landmark legislation is the first-ever recreation package that combines dozens of bipartisan and bicameral bills into legislation, lifting all boats in the recreation economy's rising tide.

AORA is a comprehensive package that contains bills that have existed for years, like the Simplifying Outdoor Access for Recreation Act, Recreation Not Red Tape Act, and Outdoors for All Act, as well as new concepts like the Biking on Long-Distance Trails Act, Gateway



Community and Recreation Enhancement Act, Federal Interior Land Media Act, and more. If passed, AORA would create more transparency and certainty for small businesses operating on or near public lands and a better experience for the more than 170 million Americans who benefit from outdoor recreation activities each year.

As we near another possible government shutdown there is no greater priority for small business certainty in the outdoor sector than keeping the federal government open. Shutdowns are bad for the federal workforce, bad for the public lands and waters, bad for the visitors, bad for gateway communities, and especially bad for small businesses. Those who operate in a park or forest may be forced to close and those who do businesses in an adjacent community may be forced to reduce hours or staff due to the lack of visitation, putting immense stress on both employees and employers. While federal agency staff are paid back after a shutdown, small businesses are not. This financial pressure can cause them to hold back on paying bills or cut back on staff as canceled visits to public lands interrupt consumer spending and cause private sector losses that Congress can't retroactively restore. And finally, consumers planning a trip to the White Mountains or Yosemite National Park may cancel due to the unknown and likely won't choose to plan that trip again.

2. Healthy Public Lands and Waters

Of course, high-quality outdoor recreation is impossible without healthy public lands and waters. Our small business community includes some of our country's most committed conservationists, playing major role in partnering on conservation projects, volunteering on the land and water, educating consumers, and innovating around sustainability. In fact, two of the most successful conservation programs in history – the Pittman-Robertson Wildlife Restoration Act and the Sport Fish Restoration and Boating Trust Fund – are funded entirely by excise taxes on items used by recreationists and sold by mostly small outdoor recreation businesses.

All these contributions help fund the federal agencies that manage our public lands and waters, but they need further support and focus from policymakers. The Great American Outdoors Act and permanent authorization of the Land and Water Conservation Fund – whose success in the middle of a divided election and international pandemic is further proof that the outdoors is a bipartisan issue critical to our nation – are a great start in truly investing in our nation's treasured places. However, we have a lot more work to do as adequately caring for these places that are the backbone of our industry will continue to become more challenging due to aging infrastructure, increased visitation, inflation, and the impacts of climate change.



3. 21st Century Workforce

When talking about the impact of the outdoor recreation economy at the national level, it is easy to lose sight of the most important asset of our sector – the people. Passionate outdoor advocates and enthusiasts are the people most likely to take the leap into entrepreneurship and start their own small businesses or dedicate their careers to connecting people with nature. The stronger, more diverse, and more prepared the next generation of outdoor industry employers and employees are, the more the outdoor recreation economy can grow and thrive.

To meet the demands of an ever-changing and innovating industry and the needs of a younger and more diverse population, ORR conducted years of research and resource development, which is now aggregated in our [Workforce Hub](#). This resource is a one-stop-shop that features interactive tools designed to help employers, educators, and those looking to expand their careers in our sector. It includes a Career Path Module to showcase real professionals across the industry and how they worked their way into their current positions. By sharing these stories, the Hub helps break down stigmas around outdoor jobs not being viable careers and shows the myriad of rewarding roles available in the industry. It also includes a new, interactive map showcasing 250 academic, trade, and certificate programs across the country that have outdoor education programs and connects prospective talent to important on-ramps like Basecamp Outdoors, the Bridge Project, and The Corps Network.

Through multiple years of interviews with stakeholders across the industry, ORR also published a first-ever Roadmap for a 21st Century Outdoor Workforce, which outlines core priorities to advance the outdoor workforce in the next decade to come. One area of continued work where public-private sector partnership is welcome is narrowing the growing gap between in-demand skill needs in the industry and the skillsets of the outdoor recreation applicant pool. In comparison to other industries, outdoor recreation skillsets are not always well-defined – job applicants may not know what skills they need to acquire to advance to the next stage of their career. We need better channels for communication between industry, academic and trade schools, workforce investment boards, and prospective talent and more attention to these trades at all levels of government.

None of this though, works unless we are building an outdoor workforce for all Americans and creating winning narratives around what careers in the outdoor recreation industry look like. We must continue to identify and work through the legacies of exclusion and discrimination – particularly in regard to race and ethnicity but also disability and socioeconomic status – that cause the demographics of outdoor participation and workforce to be out of step with the American population writ large. This means breaking down barriers, telling inclusive stories, and solving real, pressing issues, such as affordable housing in communities adjacent to public lands and waters.



4. Thriving Rural Communities

Communities in every corner of the country rely on essential recreation assets like trails, lakes, and mountains to attract not just tourists, but also businesses and workers in not just the outdoors but also tech, healthcare, finance, and more. Access to recreation is often a reason why a business chooses a location, either because their executives want to be there, or to make it easier to recruit and retain top talent. This is especially true of small businesses in rural America. ORR is committed to helping small towns use recreation as an economic development tool in an authentic and sustainable way. During COVID recovery, the \$750 Million in relief funding from the Economic Development Administration (EDA) dedicated to bringing back outdoor recreation economies was the first time our industry was recognized by the EDA in this way and the projects were critical to bringing economic activity back to distressed rural communities.

ORR is also a partner on the Recreation Economy for Rural Communities initiative with the Environmental Protection Agency, U.S. Department of Agriculture, U.S. Forest Service, Northern Border Regional Commission, and Appalachian Regional Commission. This program – which has received nearly 300 applications from around the United States over two cohorts – supports rural communities across the country as they work to re-connect their Main Street businesses to nearby recreation assets. We have provided implementation grants to communities with big plans and little bandwidth, which are often used as match dollars to unlock other grant opportunities. Congress can help by elevating these provisions in the upcoming EDA reauthorization and in the Farm Bill to ensure more communities have opportunities to support their Main Street businesses by deepening their connection to recreation activities.

And, as you know, many of these businesses take advantage of financing programs from the Small Business Administration's 7(a) Loan and 504 Loans. Many people who come to the outdoor economy are doing so from a place of passion for the place and for the activity, and not necessarily with capital. They see a problem to solve in the industry or a way to make outdoor activities more enjoyable and want to connect people to nature. Micro-loans make it possible for outdoor enthusiasts to turn their passion into product. Together with the many other programs I've mentioned that can help small businesses, these entrepreneurs are able to sustain their families, employ others, and help build resilient economies.

Strong, healthy, and sustainable public lands and waters breed strong, healthy, and sustainable small businesses and local communities, and our special outdoor places need continued support from Congress and the administration to keep the outdoors accessible and enjoyable and small businesses open. Small businesses are working hard every day to connect people to our lands and waters; in so doing, they are helping improve the health of America's people, places, and economies. But these small businesses are facing new and unprecedented challenges that require our elected leaders' attention. On behalf of ORR's members, I want to thank Chair Shaheen,



Ranking Member Ernst, and the other members of this Committee for holding this important hearing today. I look forward to continuing to work with this Committee to ensure that our small outdoor recreation businesses can continue to be true representations of the American Dream for years to come.

A handwritten signature in black ink, appearing to read 'Jessica Wahl Turner'.

Jessica Wahl Turner
President
Outdoor Recreation Roundtable

The CHAIRMAN. Thank you very much, Ms. Turner. Ms. Peters.

**STATEMENT OF REBECCA PETERS, OKOBOJI TOURISM
DIRECTOR, VACATION OKOBOJI, ARNOLDS PARK, IOWA**

Ms. PETERS. Good afternoon, Chair Shaheen, Ranking Member Ernst, and members of the committee. Thank you for the invitation and allowing me the opportunity to testify today. My name is Rebecca Peters, and as the Okoboji Tourism Director, I have the opportunity to promote the Iowa Great Lakes area to potential and returning visitors.

The Iowa Great Lakes area, often referred to as Okoboji, is comprised of seven interconnected communities woven around a chain of glacially formed lakes in Dickinson County in Northwest Iowa. Okoboji is home to Iowa's largest and deepest natural lakes.

While our county is home to fewer than 18,000 permanent residents, on any given weekend in the summer, an additional 40,000 to 60,000 visitors join us to embrace the outdoor recreational opportunities found on our lakes and surrounding prairies. It is the small businesses who enhance our visitor experience and make the majority of our local economy.

Outdoor recreational opportunities draw visitors to Okoboji year round. They join us each summer for boating, sailing, swimming, and fishing on our lakes. During the winter, our ice covered lakes are filled with ice fishermen, snowmobilers, and snowshoe hikers.

Our small businesses support those activities and provide services to keep visitors in Okoboji longer by offering boat sales and rentals, selling bait and fishing gear, providing guiding services, and offering lodging and dining. One such business is Mau Marine, a second generation family owned marina located along the lake shore.

They give families access to the water through their boat sales and rentals. The marina also owns the adjacent Okoboji Store, Bar and Kitchen, which allows visitors to enjoy lakefront views, unique food, and live music.

These businesses also support clean water initiatives. Iowa Lakeside Laboratory is a model for immersive field based research and education located on a 147 acre campus on West Lake Okoboji. The Collaborative Lakes Area Monitoring Project, conducted by Iowa Lakeside Laboratory, has been connecting scientists with volunteers to provide long term monitoring data on regional lake conditions for the past 25 years.

This important data set has helped shape clean water policies and guide wetland restoration projects that have helped to improve our watershed. Water clarity in West Lake Okoboji alone has improved from 10 inches of visibility to over 20 inches of visibility in less than 25 years.

A healthy watershed and clean water are a key aspect to outdoor recreation in Okoboji. According to a 2019 study by Iowa State University, water quality was the most important factor for Iowans when choosing where to recreate. The clean water in Okoboji lures visitors to our beaches and lake shore resorts, including Fillenwarth Beach, a family owned and operated resort on the shores of West Lake Okoboji that has welcomed visitors for more than 100 years.

This resort gives visitors the opportunity to get on the water through sailing, lake history cruises, and even swimming off the dock in our spring fed waters. Guests return year after year to take advantage of the outdoor recreation opportunities and to support the small businesses that enhance their experience to create life-long memories.

Most of our lodging properties in Dickinson County are small, family owned businesses, and those businesses have helped the municipalities in Dickinson County collect over \$2 million in hotel, motel taxes alone last year. In fact, the economic impact from visitors is over \$296 million and supports more than 1,300 jobs in a county of fewer than 18,000 people.

Okoboji's visitor economy and outdoor recreational opportunities enhance the quality of life in Dickinson County. The quality of life is so appealing that we are one of the few rural economies in Iowa that continues to see population growth, and with that, more opportunities for small businesses.

However, Okoboji small businesses face challenges also. Inflation is causing our small businesses to struggle with rising input costs, while visitors have less disposable income to invest in a vacation. In the past year, many guests have had to shorten their stay or cancel their trip altogether.

Gas prices are another factor that affects our visitor economy. We are primarily a drive market and to see a decrease in visitation—and see a decrease in visitation when gas prices rise, and pockets are pinched.

Overall, we are fortunate for the opportunities we have, but there is much room for growth in this economy with outdoor recreation, not just in Iowa, but in all of—or not just in Okoboji, but in all of Iowa.

In our small agricultural State, the tourism and outdoor recreation economies are growing. The most recent statewide economic impact study shows that tourism provided a \$10.4 billion economic impact in Iowa, a 10 percent increase from the previous year. That is the type of growth that benefits small businesses.

Supporting the outdoor recreation economy is a win when it comes to building small businesses and drawing the employees necessary to sustain those businesses.

Thank you, Chair Shaheen, Ranking Member Ernst, and the members of the committee for the opportunity to appear today.

[The prepared statement of Ms. Peters follows.]

Rebecca Peters
Okoboji Tourism Director
Vacation Okoboji

Good afternoon, Chair Shaheen, Ranking Member Ernst, and Members of the Committee. Thank you for the invitation to be here and allowing me the opportunity to testify today. I am here to speak to the challenges and opportunities faced by small businesses in the outdoor recreation economy.

My name is Rebecca Peters, and as the Okoboji Tourism Director I have the opportunity to promote the Iowa Great Lakes Area to potential and returning visitors. The Iowa Great Lakes Area, often referred to as Okoboji, is comprised of 7 interconnected communities woven around a chain of glacially formed lakes in Dickinson County in Northwest Iowa. Okoboji is home to Iowa's largest and deepest natural lakes. While our county is home to fewer than 18,000 permanent residents, on any given weekend in the summer an additional 40,000 - 60,000 visitors join us to embrace the abundance of outdoor recreational opportunities found on our lakes and surrounding prairies. It's the small businesses who enhance and support our visitor economy and make up the majority of our local economy.

Outdoor recreational opportunities draw visitors to Okoboji year-round. They join us each summer for boating, sailing, swimming, and fishing on our lakes. During the winter our ice-covered lakes are filled with ice fishermen, snowmobilers, and snowshoe hikers. Our small businesses support those activities and provide services that keep visitors in Okoboji longer by offering boat sales and rentals, selling bait and fishing gear, providing guiding services, and offering lodging and dining.

One such business is Mau Marine, a second-generation, family-owned marina located along the lakeshore. They give families access to the water through their boat sales and rentals. The Marina also owns the adjacent Okoboji Store Bar and Kitchen, which allows visitors to enjoy lakefront views, unique food, and live music. The entire team at Mau Marine love our lakes, and support initiatives to build upon the legacy and longevity of Okoboji's lakes.

Iowa Lakeside Laboratory is a model for immersive, field-based research, and education located on a 147-acre campus on scenic West Lake Okoboji. The Collaborative Lakes Area Monitoring Project conducted by Iowa Lakeside Laboratory has been connecting scientists with volunteers to provide long term monitoring data on regional lake conditions for the past 25 years. This important dataset has helped shape clean water policies and guide wetland restoration projects that have helped to improve our watershed. Water clarity in West Lake Okoboji alone has improved from 10" of visibility to over 20" of visibility in less than 25 years! Investments in conservation to protect the lakes has created additional recreational opportunities including over 40 miles of bike trails, bird watching, and hiking. Every dollar spent in conservation has multiplying effects on recreation, and spurs small businesses such as bike shops, kayak outfitters, and outdoor sports suppliers.

A healthy watershed and clean water are a key aspect of outdoor recreation in Okoboji. According to a 2019 study by Iowa State University, water quality was **the** most

important factor for Iowans when choosing where to recreate. High quality water in Okoboji lures visitors to our beaches and lakeshore resorts including Fillenwarth Beach, a family owned and operated resort on the shores of West Lake Okoboji that has welcomed visitors for more than 100 years. The resort gives visitors an opportunity to get on the water through sailing, lake history cruises, and even swimming off the dock in our spring-fed waters. Guests return year after year to take advantage of the outdoor recreation opportunities that not only the lake and resort offer, but all of our small businesses that enhance a visitor's experience to create lifelong memories.

Most of our lodging properties in Dickinson County are small, family-owned businesses, and those businesses have helped the municipalities in Dickinson County collect over \$2,000,000 in hotel motel taxes last year alone. In fact, the economic impact from visitor spending is over \$296 million dollars and supports more than 1,300 jobs - in a county of fewer than 18,000 people. Okoboji's visitor economy and outdoor recreational opportunities enhance the quality of life in Dickinson County. The quality of life is so appealing that we are one of the few rural counties in Iowa that continues to see population growth, and with that, more opportunities for small businesses.

However, Okoboji's small businesses face challenges also. Inflation is causing our small businesses to struggle with rising input costs to maintain the current visitor experience, while visitors have less disposable income to invest in a vacation. In the past year, many guests have had to shorten their stay or cancel their trip altogether. Gas prices are another factor that effects our visitor economy. We are primarily a drive market and see a decrease in visitation when gas prices rise. There are also obstacles we face when receiving federal funding to improve public land for camping. Currently the Iowa DNR has plans to renovate one of our largest campgrounds, but access to federal funding has left the timeline for this project in question. It's incredibly difficult for our community and visitors to make plans for the upcoming summer when we're unsure if the campground will be open or closed for improvements based on when federal funding will come through.

We are fortunate for the opportunities we have, but there is so much room for growth in this economy with outdoor recreation. Not just in Okoboji, but in all of Iowa. In our small, agricultural state, the tourism and outdoor recreational economies are growing. The most recent statewide economic impact report shows that tourism provided a \$10.4 billion-dollar economic impact in Iowa - a 10% increase from the previous year. That's the type of growth that benefits small businesses. Further we know that younger generations value quality of life, including outdoor recreation opportunities, as a critical factor in deciding where to live. Generation Z is also one of the most entrepreneurial and are keen innovators in creating small businesses. Supporting outdoor recreation is a win-win when it comes to building small businesses and drawing the employees necessary to sustain those businesses.

Thank you, Chair Shaheen, Ranking Member Ernst, and members of the Committee for the opportunity to appear before you today.

The CHAIRMAN. Thank you, Ms. Peters. Mr. Drummond.

STATEMENT OF ANDREW DRUMMOND, OWNER, SKI THE WHITES, LLC, JACKSON, NEW HAMPSHIRE

Mr. DRUMMOND. Chair Shaheen, Ranking Member Ernst, and members of the committee, it is an honor to be here to tell my story of outdoor recreation economy in my industry and represent our region of the White Mountains in New Hampshire.

Thank you for the opportunity to share with you all what I have experienced as a small business owner in hopes of helping inform and give opportunities to others. A little on my background.

So, I grew up in Conway, New Hampshire, a small town of 10,000 residents that thrives on tourism. Every year, visitors come to experience our region through recreational activities like hiking, biking, canoeing, and skiing.

My family moved here from Portland, Maine and introduced me to our mountains, specifically through these activities like hiking and skiing. Outdoor recreation is a cornerstone of my community. It is how I have made the most important connections with people in my life, maintain my mental and physical well-being, and it provides work for so many of the local and regional businesses.

I, in fact, started as a ski patroller and first aid at one of the ski resorts. I also worked at an outdoor summer camp, and currently now I am an owner of an outdoor gear shop in Jackson, New Hampshire and host ski and trail running events throughout the region. And my story is kind of interesting.

I went to Colby College in Maine. I got a degree in biology, ended up moving to San Diego to go surfing and to put my degree to use as an environmental consultant. You know, that was a really pivotal point in my life where I had to make decisions of what did I really want to do with my life now that I had a taste of the real world.

As much as I enjoyed it out in San Diego, my story really begins in 2014, when I moved back to Conway to be closer to my family in the mountains I grew up in. My friend from high school was starting a fish fertilizer company and he wanted some help, so the business ultimately failed, but it was my introduction to entrepreneurship and realized I preferred working for myself.

As that chapter closed, another one opened, and a friend in the ski industry convinced me to open up an account with a company he worked for and sell ski gear. I decided to take his advice and found myself filling out all the paperwork required to become a backcountry ski dealer. And with that application, I was now a small business owner of Ski The Whites, a backcountry ski store.

And for those of you who are not familiar with the activity of backcountry skiing, it is much like alpine skiing without the chairlifts, and you use specialized equipment. And you climb much like Nordic skiing, lock your heels in, and ski back down. I think it is the best way to travel in the mountains, in my opinion.

So, this first year of business with my new company, I think I might have sold eight or nine items, a couple skis to friends, maybe some mountaineering tools. I spent most of my time skiing that winter. It was a good winter. I had no brick and mortar store, no marketing, and no guidance. And with skis loaded in the back of

my truck, I would meet customers in parking lots and sell or rent gear that I thought was best suited for skiing in our mountains.

The following year, a small 200 square foot space for rent in a ski lodge came up and I took that opportunity to have a true brick and mortar space. This would prove to be all I needed to move things forward with my business.

And with the increased foot traffic and a venue to host events, an outdoor community started to form around my business. The backcountry ski community was growing. I had helped start a non-profit to organize and promote the sport in both New Hampshire and Western Maine, and I was also spending my free time, like I said, in the mountains, sharing photos and videos from my adventure.

This last piece is critical. Sharing media directly affects the way people in the region think about the outdoors and what is accessible in their backyard. They don't need to book a flight for a big mountain experience. It is right here, a day trip away. After a few years of working out of this small space, I realized that there was a need for year round specialized outdoor gear shop.

Making the next jump proved to be the most challenging. In order to grow my business, I needed to move into a commercial space with better visibility and offer services that expanded beyond backcountry skiing. I found an old art gallery that was for sale and was exactly what I was looking for.

It was an ideal space and location for the growth of my business, but out of my price range. A traditional mortgage on the building exceeded my savings, but with the guidance of my friend, I learned about the SBA 504 loan program, which lowered the down payment and made financing possible.

They even threw in financing for the coffee roaster. During the closing process, the pandemic had arrived and causing additional anxiety around the purchase. What was the future of outdoor recreation?

How were the trail closures in the White Mountain National Forest going to affect customer visits? Were customers going to have the discretionary income to spend in our industry? And was this industry going to be able to supply the products to meet the demand? And was my business even viable?

The following summer and winter answered all my concerns, and it was evident that the outdoor community was growing in all three sectors. I was focusing on skiing, biking, and trail running.

Our sales grew that summer, and for the first time I was able to hire staff. Job creation was critical—a critical part of the 504 loan program. Over the past three years, I have added three full time and four part time employees.

We now host eight unique events that attract participants from all over the country and highlight our outdoor recreational opportunities. We continue to work with nonprofit organizations that align with our mission to promote outdoor—promote the outdoors and build community.

However, we face adversity, like many other small businesses. A poor snow year decreases the number of customer visits significantly. This is coined the Backyard Effect. If a city like Boston,

New York doesn't receive normal snowfall or experience winter-like climate, they are less likely to recreate in winter activities.

This means that as our winters get shorter on either end of the season due to climate change, there is an impact greater than we experienced locally. During weekends of inclement weather, our sales decreased by 50 percent, and this summer was the wettest summer on record. With many of the rain events occurring on the weekends.

This affected gear rentals, and we had a spike in rental cancellations and significantly less day of rentals. This year marks the start of my eighth year in business. Without the growth of the outdoor recreation economy and the support of the SBA 504 loan program, I would not be where I am now. Thank you for your time.

[The prepared statement of Mr. Drummond follows.]

U.S. Senate Committee on Small Business and Entrepreneurship
"The Great Outdoors: Small Businesses and America's Outdoor Recreation Economy"



Senator Shaheen and members of the Committee, it is an honor to be here and tell my story of the Outdoor Recreation Economy in my industry and represent our region in the White Mountains of New Hampshire. Thank you for the opportunity to share with you all what I've experienced as a small business owner in hopes of helping inform and give opportunities to others.

I grew up in Conway, New Hampshire, a small town of 10,000 residents that thrives on tourism. Every summer, visitors come to experience our region through recreational activities like hiking, biking, canoeing, and skiing. My family moved here from Portland, Maine introduced me to our mountains specifically through hiking and skiing. Outdoor recreation is a cornerstone of my community. It is how I've made the most important connections with people in my life, maintained my mental and physical well-being, and it provides work for so many of the local and regional businesses. I currently own an outdoor gear shop in Jackson, New Hampshire and host ski and trail running events in the region.

My story really begins in 2014 when I moved back to Conway to be closer to my family and the mountains I grew up in. My friend from high school was starting a fish fertilizer business and needed help. This business ultimately failed but it was my introduction to entrepreneurship and realized I preferred working for myself. As that chapter closed, another one opened. A friend in the ski industry convinced me to open up an account with the company he worked for and sell ski gear. I decided to take his advice and found myself filling out all the paperwork required to become a backcountry ski dealer. With that application, I was now a small business owner of *Ski The Whites*, a backcountry ski store. For those of you who are not familiar with the activity of Backcountry Skiing, it's much like alpine skiing but without the chairlifts; you use specialized ski equipment to climb up much like nordic skiing, and lock your heels in to alpine ski back down.

The first year in business I might have sold eight or nine items. I had no brick and mortar store, no marketing, and no guidance. With skis loaded in the back of my truck, I would meet customers in parking lots and sell or rent gear that I thought was best suited for skiing in our mountains. The following year, I found a small 200 square foot space for rent in a ski lodge. This would prove to be all I needed to move things forward with my business. With increased foot traffic and a venue to host events, an outdoor community started to form around my business. The backcountry ski category was growing; I had helped start a non-profit to organize and promote the sport in New Hampshire and Western Maine, and I was also spending my free time in the mountains, sharing photos and videos from my adventures. This last piece was critical - sharing media directly affects the way people in this region think about the outdoors and what's accessible in the backyard. They don't need to book a flight for a big mountain experience, it's right here, a day trip away.

After a few years working out of this small space, I realized there was a need for a year-round specialized outdoor gear shop. Making this next jump proved to be the most challenging. In order to grow my business I needed to move into a commercial space with better visibility and offer services that expanded outside of backcountry skiing. I found an old art gallery that was for sale and was exactly what I was looking for. It was an ideal space and location for the growth of my business but out of my price range. A traditional mortgage on the building exceeded my savings. With the guidance of my friend, I learned about the SBA 504 Loan Program which lowered the down payment and made the financing possible.

During the closing process, the pandemic had arrived, causing additional anxiety around this purchase. What was the future of outdoor recreation? How were trail closures in the White Mountain National Forest going to affect customer visits? Were customers going to have the discretionary income to spend money in our industry? Was the industry going to be able to supply products to meet the demand? Was this business truly viable? The following summer and winter answered all my concerns and it was evident that the outdoor community was growing in all three sectors I was focusing on: skiing, biking, and trail running.

Our sales grew that summer and for the first time I was able to hire staff. Job creation was a critical part of the 504 Loan Program: over the past three years I've added three full-time and four part-time employees. We now host eight unique outdoor events that attract participants from all over the country and highlight our outdoor recreational opportunities. We continue to work with non-profit organizations that align with our mission to promote the outdoors and build community.

However, we face adversity like many other small businesses. A poor snow year decreases the number of customer visits significantly (coined 'the backyard effect'). If a city like Boston or New York doesn't receive normal snowfall or experience a winter-like climate, they are less likely to recreate in winter activities. This means that as our winters get shorter on either end of the season due to climate change, there's an impact greater than what we experience locally. During weekends with inclement weather, our sales decrease by fifty percent. This summer was the wettest summer on record, with many of the rain events occurring on the weekends. This

affected gear rentals and we had a spike in rental cancellations and significantly less day-of rentals.

This year marks the start of my eighth year in business. Without the growth of the outdoor recreation economy and the support of the SBA 504 loan program I would not be where I am now.

Thank you for your time.

The CHAIRMAN. Thank you very much, Mr. Drummond. Mr. Fox.

STATEMENT OF CHRIS FOX, STATE CHAIRMAN, IOWA DUCKS UNLIMITED, JOHNSTON, IOWA

Mr. FOX. Madam Chair, Ranking Member Ernst, members of the committee, and everyone that is here today, thank you for the opportunity to testify on the impact of our outdoor recreation economy on small business.

It is an honor to represent Ducks Unlimited and our 1 million supporters across the United States, as well as our nation's waterfowlers, our outdoor industry, conservation partners, and millions of Americans who enjoy the great outdoors every day. Ducks Unlimited is the world's leader in wetland conservation.

And as State chair for Iowa, I have the privilege of leading 1,200 Iowa volunteers who work tirelessly to raise private funding for conservation, with over 100 chapters and 135 events in Iowa every year. We have nearly 17,000 members.

Members are folks that either attend an event or just become a member through mailing in their dues, and they contribute their hard earned dollars because they care about the future of wildlife and our communities that benefit from well-managed natural resources. We work together with private landowners, conservation partners, farmers and ranchers, tribes and Government agencies, to conserve wetlands sufficient to fill the skies with waterfowl today, tomorrow, and forever.

Most relevant to today, Ducks Unlimited's work and the access to outdoor recreation opportunities it provides is an indispensable driver of economic activity, particularly in rural communities. Ducks Unlimited's work doesn't just benefit the outdoor recreation economy, waterfowler, or other wildlife.

All Americans enjoy ecosystem services that wetlands provide in the form of carbon sequestration, clean water, groundwater recharge, flood mitigation, and coastal resiliency. Recreational opportunities created by conservation work are a significant economic engine across this country.

According to a recent study published by the National Shooting Sports Foundation, waterfowl hunting alone contributed \$4 billion to the U.S. GDP and supported nearly 57,000 jobs, paying a total of 4—\$2.4 billion in wages. Waterfowlers also paid more than \$500 million in Federal taxes and nearly \$400 million in State taxes.

According to the U.S. Fish and Wildlife Service, \$663 million in attributed—was attributed to trip expenditures, benefiting the travel and service industries. These numbers get more impressive when you expand your lens to look at the economic impact of outdoor recreation more broadly.

According to the Bureau of Economic Analysis, outdoor recreation accounts for 2.1 percent of the U.S. GDP, valued at approximately \$460 billion and generating 5.2 million high paying jobs.

What many folks probably don't realize is that beyond the direct connection between small business and the recreational pursuits that natural resource conservation sustains, there is a direct linkage between moving dirt that is frequently involved with DU's wetland conservation efforts and the economic impact of our work.

With funding secured by Ducks Unlimited through private philanthropic contributions of our supporters, Federal programs like the North American Wetlands Conservation Act, and State agencies like the Iowa Department of Agriculture and Land Stewardship, for example, we hire local contractors to operate the heavy equipment needed to control for restoration of all of our projects.

Materials needed for water control structures, dikes and berms, and other wetland project elements, are sourced locally through local suppliers, which support American jobs directly, directly tied to habitat conservation and the work that we make happen.

Having conserved—having Ducks Unlimited having conserved 16 million acres across North America, with over 6,000 acres conserved in New Hampshire alone and over 83,000 in Iowa, Ducks Unlimited’s conservation work is a driver of small business and communities across America.

Given the importance and the impact of conservation, Congress should therefore work to eliminate regulatory green tape that hinders the delivery of scientifically beneficial conservation programs. Enhance voluntary and incentive based conservation programs for working lands to support farmers and ranchers.

Expand programs to meet the local needs of conservation on tribal lands and in areas that are accessible to historically underserved communities. These efforts will result in more waterfowl and more wildlife and stimulate greater economic activity in our tourism industry. And they will also make our air and water cleaner, recharge precious groundwater systems, and fortify our communities against the threats of extreme weather.

These are all things that all Americans need and support. Once again, thank you for the opportunity to be part of this panel and to speak to this committee today.

[The prepared statement of Mr. Fox follows.]

**United States Senate Committee on Small Business and Entrepreneurship
The Great Outdoors: Small Businesses and America's Outdoor Recreation Economy
Written Testimony of Christopher Fox, Iowa State Chair of Ducks Unlimited
November 1, 2023**

Madame Chair, Ranking member Ernst, members of the committee – thank you for the opportunity to testify on the impact of our outdoor recreation economy on small business. It's an honor to represent Ducks Unlimited and our one million supporters across the United States, as well as all of our nation's waterfowlers, our outdoor industry, conservation partners, and millions of Americans who enjoy our great outdoors every day.

Ducks Unlimited is the world's leader in wetlands conservation and as State Chair for Iowa, I have the privilege of leading DU's 1,200 Iowa volunteers who work tirelessly to raise private funding for conservation. We have nearly 17,000 members in Iowa, and they contribute their hard-earned dollars because they care about the future of wildlife, and our communities, that benefit from well managed natural resources. We work together with private landowners, conservation partners, farmers and ranchers, tribes and government agencies to conserve wetlands sufficient to fill the sky with waterfowl today, tomorrow, and forever.

Most relevant to today, Ducks Unlimited's work, and the access to outdoor recreation opportunities it provides, is an indispensable driver of economic activity, particularly in rural communities. Ducks Unlimited's work doesn't just benefit the outdoor recreation economy, waterfowl and other wildlife. All Americans enjoy the Ecosystem Services that wetlands provide in the form of carbon sequestration, clean water, groundwater recharge, flood attenuation, and coastal resiliency.

Recreational opportunities created by conservation work are a significant economic engine across this country. According to a recent study published by the National Shooting Sports Foundation, waterfowl hunting alone contributed \$4 billion to US GDP and supported 56,900 jobs, paying a total of \$2.4 billion in wages. Waterfowlers also paid more than \$509 million in federal taxes and \$399 million in state taxes.¹ According to the US Fish and Wildlife Service, \$663 million is attributed to "Trip Expenditures" benefiting the travel and service industries.²

These numbers get more impressive when you expand your lens to look at the economic impact of outdoor recreation more broadly. According to the Bureau of Economic Analysis, outdoor recreation accounts for 2.1 percent of US GDP valued at approximately \$460 billion and generates 5.2 million high-paying jobs³.

What many folks may not realize is that beyond the direct connection between small business and the recreational pursuits that natural resource conservation sustains, there is also a direct linkage between on-the-ground dirt moving work that is frequently involved with DU's wetland conservation efforts and economic impact of our work. With funding secured by DU through private philanthropic contributions of our supporters, federal programs like the North American Wetlands Conservation Act, and state agencies like the Iowa Department of Agriculture and Land Stewardship for example, we hire local contractors to operate the heavy equipment needed for restoration projects. Materials needed for water control structures, dikes and berms, and other wetland project elements are sourced through local suppliers, which support American jobs directly tied to the habitat conservation work we make happen. Having conserved 16 million acres across North America, with over 6,000 acres of conservation impact in New

¹ Southwick Associates. *Hunting in America: An Economic Force*. 2018 edition

² US Fish and Wildlife Service, *Economic Impact of Waterfowl Hunting in the United States*, (March 2015)
https://outdoorrecreation.wi.gov/Documents/Research%20Library%20Page%20files/US%20-%20Economic%20Impacts/Economic%20Impact%20of%20Waterfowl%20Hunting_2011.pdf

³ Bureau of Economic Analysis, *Outdoor Recreation Satellite Account, U.S. and States, 2019*, (Nov. 10, 2020)
https://www.bea.gov/sites/default/files/2020-11/orsa1120_1.pdf

Hampshire and over 83,000 in Iowa. DU's conservation work is a driver of small business in communities across America.

Given the importance and impact of conservation, Congress should therefore work to:

- Eliminate regulatory “green tape” that hinders the delivery of scientifically beneficial conservation programs.
- Enhance voluntary and incentive-based conservation programs for working lands to support farmers and ranchers.
- Expand programs to meet the local needs of conservation on tribal lands and in areas that are accessible to historically underserved communities.

These efforts will result in more waterfowl and wildlife and stimulate greater economic activity in our tourism industry, and they will also make our air and water cleaner, recharge precious groundwater systems, and fortify our communities against the threats of extreme weather. These are things that all Americans need and support.

The CHAIRMAN. Thank you very much, Mr. Fox, and all of our witnesses. We will now have a round of questions, five minutes for each questioner.

And I will begin, of course, with Mr. Drummond as the New Hampshire—representative from New Hampshire on the panel. I have to start with you. I very much appreciated your sharing your personal story.

I think it is not unlike a lot of people who start small businesses, except for the selling skis out of your car. That is a little different. But can you talk a little bit also about the role of the outdoor recreation economy in small communities in New Hampshire?

You have seen that as somebody who grew up in Conway and who lives in the White Mountains. You talked—you mentioned that a little bit. But why is that important, and what difference do those small businesses make in the small communities?

Mr. DRUMMOND. Yes. The, you know, the importance of just outdoor recreation where I live, it is sort of why we live where we live, why people visit our area. You know, it is generating activity that supports our local businesses.

You know, it is the backbone of many rural communities. It can be your mountains, it can be the lakes, the trails. These are the natural resources that are the essential assets for outdoor recreation. I think of examples that I deal with.

You know, if a visitor comes, they want to come to the—come to the White Mountains. They want to come ski. Maybe they hire a guide, or they come by the shop to rent gear. Maybe get a cup of coffee.

They are sort of like getting as much information as they need to have a great day, a great experience. Say they go out and ski and then at the end of the day they go to a brewery, but there is all of this economic, you know, I guess, benefit of having someone come up and visit and have these great experiences.

And they are going to tell their friends and they are going to come back. And that is you know, that is not just skiing, that is like any other sport, any other outdoor activity that you are going to find up where we live. And that can be—the same could be said for locals like my parents that moved to the Mount Washington Valley. They wanted to live where they played and play where they worked, I guess—find a job.

But you know, these people that are coming to live in the mountains, they need to find work. They are spending money locally and they are living there to recreate. And again, this integrates into the community and builds the community aspect.

So it is, you need both. It is super important to have that community or else just people coming up for the weekend, mid-week, you know, you don't feel that sense of community, and that is something that we always try to balance.

Like we have an understanding of the importance of the tourism aspect, but also that we need to have a sustainable economy around our local community too.

The CHAIRMAN. You pointed out that you now have three full time employees and some part time employees. One of the big challenges that I hear from businesses throughout New Hampshire is the difficulty in getting skilled workers.

And I think it is a particular challenge in the outdoor economy because often people don't realize they can actually work full time in the industry. You are probably aware that at the Kennett School District in Conway, that they have a course that students can take on working full time in the outdoor economy.

Can you talk about the challenges that you have had with hiring your employees and how you are dealing with that?

Mr. DRUMMOND. Yes, like you said, it is a skilled occupation. You have people's lives in your hands in a lot of these operations where you are providing them with the gear or taking them out on the mountain, and that is something where they need to be, you know, paid fairly. You know, it is expensive on the small business end where you are covering a lot of costs to have these full time employees.

But, you know, it is patience and time to find the right people. In my situation, yes, I have people that have worked somehow in the industry for, I don't know, 10 or so years before they found me. I have been lucky to find a lot of part time help that is now retired and they have skills beyond anything that I would ever have on the business side of things, and they can act as mentors.

And what is neat about the outdoor industry is that there are these programs like you speak of. I know that Vermont has programs as well and a whole university system to train people to work as—in the outdoor industry. And that is what we are going to need to see, support for programs like that moving forward so that we have this workforce that can support this growing economy.

The CHAIRMAN. Thank you. Senator Ernst.

Senator ERNST. Yes. Thank you, Madam Chair. And again, thanks to all of our witnesses. Ms. Peters, I will start with you, please. Thanks for joining us and the great work that you do representing Okoboji.

Federal agencies often improperly certify that a regulation won't significantly impact small businesses, and that way those agencies, they can avoid laws requiring them to provide regulatory flexibility to those smaller businesses. And we have seen this just, for example, the EPA's WOTUS rule.

So, do you believe these one size fits all regulations are often harmful to the small businesses in the Okoboji community?

Ms. PETERS. That is a little bit like asking are all small businesses the same and are all small communities the same? The simple answer is no. What we need to do is we need to bring people together.

We need to bring local stakeholders together. We need to bring local businesses together. And we need to have some transparent discussions when coming up with regulations so that there is not just a one size fits all.

So that small businesses can really meet the needs of their communities and also work within those regulations that are set.

Senator ERNST. So, it is better if those small businesses have a voice, maybe—

Ms. PETERS. Absolutely.

Senator ERNST [continuing]. In how those agencies are regulating.

Ms. PETERS. Yes, absolutely. They should have a voice.

Senator ERNST. Thank you very much. And then, Mr. Fox, again, thank you for being with us today as well.

In your experience with wetland preservation, do you often find that the heavy handed, one size fits all regulations can hamper preservation efforts as more resources are being diverted to understanding rules, regulations, and complying with Federal law?

Mr. FOX. Senator, thank you for the question. I will begin by saying that Ducks Unlimited strongly believes in voluntary, incentive based conservation. So, we don't go to a farmer, a rancher, or a landowner, as a nonprofit or with a Government agency that might be a partner and try and turn them towards a conservation project.

We want them to have that be their idea and that we are open—and we are open for business to help them with their conservation projects, from planning—from beginning to end and maintenance beyond.

I would say that we use the carrot and not the stick. And the other thing, we don't—we just don't want it to be cumbersome because it is hard enough—being from Iowa, and if you know the value of even our worst piece of ground, Iowa soil is very valuable, and we want to farm the best and conserve the rest.

And we also don't want a landowner, a farmer, or a rancher to walk away with a bitter taste in their mouth to the point where they wouldn't want to conserve another piece of their ground, or that they would communicate to other landowners, farmers, and ranchers that maybe it is just too difficult and a bridge too far, and don't bother.

We want it to be easy enough that we can all have more wetlands, stronger soil, stronger water tables, and we feel like it is a win, win situation in that particular case.

Senator ERNST. No, that is—that is really great. And we appreciate the work that Ducks Unlimited does do across the spectrum in Iowa. I was able to visit a county in Southwest Iowa not all that long ago, and it was not a Ducks Unlimited project, it was actually through Federal Government funding for conservation.

But they did express to me the frustration that they were going through and working with the Federal agencies, the rules and regulations that they had to balance, and it became very cumbersome for them and very costly in the end, more so than they thought it would. Yes, comments, Mr. Fox.

Mr. FOX. Just in that, the more time it takes to jump through the hoops and over the hurdles, those dollars don't get to be spent on actual conservation. That is the point, too.

Senator ERNST. Right. Yes. And thank you so much. And I am running out of time, so I am hoping we will have another round of questions. Yes, thank you, Madam Chair.

The CHAIRMAN. Senator Hirono.

Senator HIRONO. Thank you, Madam Chair. And I thank the panelists. Our warm welcome to you, Madam Chair. And I expect that you and Ranking member Ernst will be working very closely together.

This is a very bipartisan committee, so it is nice compared to some other committees that I sit on. We won't mention names. But I am certainly looking forward to what we can do together. I just

want to mention, you know, yes, outdoor recreation activities are really important in any community.

And as we all know, earlier this year in August, the West Maui town of Lahaina experienced severe wildfires that leveled thousands of homes and hundreds of businesses. Many of them were small businesses.

According to the SBA, there were some 700 small businesses registered to do business in Lahaina. And the community is working to recover, but it will be a long road ahead. And I appreciate the outreach that I received from the members of this committee, including the chair and the ranking member and your staffs.

I did want to mention, just as you shared your experiences, one particular outdoor recreation business in Lahaina called West Maui Sports and Fishing Supply to demonstrate the impact the wildfires have had on the community there.

West Maui Sports is owned by Lopaka and Katie Wilson. Before the wildfires, they ran the business as a hunting and fishing supplies store near Lahaina Harbor in the old Lahaina Town Center. Their business was the only sporting goods shop store in West Maui, and it supported the outdoor recreation economy there.

Lopaka's family is 10th generation native Hawaiian, and he was born and raised in Lahaina, and his wife, Katie, ran the business with them. Before the wildfires, the business was thriving. Katie said that July 2023 was their best month so far.

Then on August 8th, the wildfires leveled the entire town of Lahaina, including their business. For everyone—every one of their employees besides one lost their homes in the wildfires. Because their home in Napili was spared, they were able to house about 19 people for about a week after the wildfire.

But they are now finding it more difficult to receive Federal assistance through FEMA and SBA. Right now, Lopaka and Katie are working with YWCA Oahu, an SBA resource partner to determine how they can restructure their business so they can keep going, and they are certainly taking it one day at a time. Like other business owners impacted by natural disasters, they have a long road ahead for their business to recover.

And we need to continue doing our part in Congress to make sure that these businesses have the resources they need to continue. I—you know, I want to mention that we are facing a Government shutdown come November 17th.

And with a shutdown will come the closure of our national parks, etcetera. Can anybody on the panel talk about what that would mean to your businesses if our national parks are closed?

Ms. TURNER. Sure. I can start—

Senator HIRONO. Does anybody want to start?

Ms. TURNER. Yes. Thank you for the question. So sorry to hear about the continued impact on your communities. The Government shutdowns we have seen in the past have significantly hurt, you know, our public lands and waters.

And certainly, I think the Federal workforce that doesn't have certainty paycheck to paycheck. It is really important to mention that a lot of the folks who work in our parks and public lands are GS-5, GS-7, and they are in very expensive communities.

So, I know folks talk about them getting paid back, but some are living paycheck to paycheck. So that is very significant that they are not getting paid on time. And for the small business community, like I mentioned in my testimony, we don't get paid back. We are shut down.

If we are an operator in a park, if we have a permit, if we are a marina, if we are a guide and outfitter, or if we are an adjacent business in the community that people have to go to, we are shut down and we have to lay off workers. Sometimes we don't get those workers back because they go to the next thing. We also just talked about how hard it is for us to fill the workforce gap.

So, once we have employees, we would like to keep them. And I would say there is a lasting uncertainty that isn't just—the Americans, as they are planning their hard earned, you know, trips and travel for the year, are they going to go to Yosemite or Yellowstone or New Hampshire, or are they going to go to Disney or, you know, somewhere else that is more certain.

And I worry about the lasting impacts of people having to continue to cancel trips even just because the threat of a shutdown is too much to take their family, you know, out of school, to take days off work. So please, you know, keep the Government open.

Senator HIRONO. The rest of you agree, it would be disastrous. I did have a question for Mr. Drummond. Apparently you have a 504 loan and that loan enabled you to expand your business. So, how did you find out about the 504 loans, and how difficult was it to navigate those loans? Do you have any advice for small businesses that would like to get 504 loans?

Mr. DRUMMOND. Yes. Great question. I found out about the loan program through a friend. And I think that, you know, that process was pretty easy and straightforward.

You know, it helped encourage me to build—put together a business plan to provide proper paperwork. It had me think about my business, how it was designed and how it could be sustainable. They are not going to want to loan you money if you are a high risk.

But, you know, doing all the due diligence there, everything else is pretty easy. Once I received the loan, everything was set up. You know, part of the—I would say the shortcoming was the lack of communication after the loan.

That the SBA has so many great resources to offer was something I found at just an outdoor community event we had hosted by Granite Outdoor Alliance, which is our outdoor organization we have in New Hampshire.

There was an SBA representative there that informed me about these additional resources. And I am sure I would have stumbled on some on my own or I might have received some more information, but I think that in the future, applicants of these loans should have—should be assigned some sort of level of mentorship or where someone checks in.

Because as we all know, that having a small business is so dynamic and changes from year to year and we are doing so many different roles—you know, covering so many different roles at our job that we are often leaving some behind that should be—could, you know, improve our business.

So, I will say, though, for others, for other businesses looking to take advantage of the SBA loan program, it is dramatic what it does. You know, adding on full time employees and giving them the opportunity to live where we love to recreate is incredible. It is a real honor to do that, and it is one of the joys of my job.

Senator HIRONO. I think we probably could do more to get the word out on the kind of resources provided by SBA, and clearly they are going to be long term in Lahaina helping the businesses come back.

And I did just want to note one more thing that I believe you mentioned the impact of climate change, because if the winters are shorter then of course it has an impact on your businesses.

Not to mention that we are seeing many more dramatic climate kinds of hurricanes and fires and all of that, so there is more that we can do to support our businesses through all of those kinds of challenges. Thank you, Madam Chair.

The CHAIRMAN. Thank you, Senator Hirono. And Mr. Drummond, that was a great commercial for reauthorization of the SCORE Program for mentors for small businesses, as well as this small business development centers. So, thank you. Senator Cantwell.

Senator CANTWELL. Thank you, Madam Chair. And it is great to have you here as the chair of the committee again and with our colleague, Senator Ernst. I hope that the two of you are very productive in getting a lot done for small businesses.

And I love today's subject, obviously coming from the State of Washington, and certainly championing the outdoor industry as it is related to the Land and Water Conservation Fund and putting more permanency to that.

But I think the topic, the conversation here about natural disasters and natural areas, right, that is where we recreate, in natural areas, and the advent of fires and other disasters, changes just in weather.

We had a community devastated by our border that was devastated by a flood. I can name several communities devastated by fire. So, I do think, Ms. Turner, that when we think about the SBA and we think about how little help there is, other than access to affordable financing, it makes me wonder what else we should be thinking about given the amount of devastation that we have seen.

We have asked GAO for a report on how much climate impacts are costing us as a Federal Government. Like what is it costing us and are there better strategies on mitigation. We think things like cross laminated timber, that is a mitigation strategy. But I also want to ask you about the 301 tariffs and GSP, because I feel like small business, particularly in the recreational side, are also getting impacted by that.

And I wish that we had certainty and predictability. We have let those expire. They expired two years ago, and it is still impacting businesses. And so, I wanted to hear what you thought about those two subjects, and are there things we should be thinking about? And again, I am just thinking—what happens is the definition—this isn't this committee's jurisdiction per se, but the definition on when you have a natural disaster, who can get help and assistance.

If you don't live in a concentrated area, you don't get the assistance. And yet, I would say that these communities, whether it is,

you know, Lahaina, or in our case, you know, the Winthrop area, or the Methow, that they are rural economies, they just happen to be in either ski or tourism or they just happen to be, you know, small.

But I guarantee you, an entire valley economy depends on them, and so they should get similar treatment. So, I don't know if you have thoughts on what else we should be doing.

Ms. TURNER. Thank you, Senator Cantwell, and thank you for all you have done to champion the recreation economy for so many years. You know, we think about the businesses that are completely destroyed by natural disasters, hurricanes, floods. We also think about the businesses that are impacted. So right now, a lot of our boat docks don't make it to the water because of drought.

So, there is whole communities in Lake Powell and Southwest that need—and Southeast, that need, you know, rebuilt infrastructure. So, I think there is a lot that could go there just to recreation infrastructure seen as a small business tool.

When it comes to wildfires, the New Mexico wildfires just come to mind because there are small businesses that were shut down for weeks, almost months, that actually weren't impacted by the wildfire at all. But because they were in the terrain that wildfires were being impacted, the Forest Service had closed the entire forest, so those communities got no economic impact.

And actually, those businesses weren't able to go and get insurance dollars for that because they weren't impacted. So, I think we need some flexibility around the insurance. And, you know, we have talked to the agencies. I wonder if it is even maybe they don't have to pay their, you know, fee to the Forest Service, the Park Service, if they are shut down for so many weeks or so many months.

But I think there is a lot that could be done to make sure that businesses that are closed because of climate, because of natural disasters, have the insurance and flexibility on the back end. And I think that goes with rebuilding infrastructure. Often recreation infrastructure is the last thing to be rebuilt after fire, even though it is the first thing that could help the community come back.

So how do we rebuild infrastructure. And again, I talk about the flexibility around permitting, even seasonality. How can we expand seasons? The seasons aren't what they used to be. How can we ski for longer, maybe into the spring? How can we camp for a longer, maybe into the fall?

And so, working on flexibility. So, if there are days or weeks that businesses are closed, they can move those days or weeks into, you know, the other season. On GSP and 301 tariffs, you hit the nail on the head. It is uncertainty. It is constant uncertainty. And I think the expiration of GSP adds to what we don't know—you know, what is going to happen to 301 tariffs.

These are small businesses that are working off American ingenuity and American workforce, and whether they make a component abroad or, you know, a bigger part of their product, they are American businesses, and I think they deserve the certainty to know what is going to happen next. Thank you.

Senator CANTWELL. Thank you. Thank you very much.

The CHAIRMAN. Thank you, Senator Cantwell. I would just point out for all of the Senators who are here, there is a second vote started at 3.35 p.m., so if you haven't voted the second time, be sure to do that when you leave here. Senator Hickenlooper.

Senator HICKENLOOPER. Great. Thank you, Madam Chair. And compliments on handling the new chair so ably. And compliments to the former chair for having kept the baton moving as you passed it.

And thank all of you for being here. This is something I have been nuts over for a long, long time. And I wanted to ask, we will start with Ms. Turner. Thanks to Chair Shaheen's hard work, we know that the recreation economy grew almost 19 percent in 2021. I will give you all the credit, chair.

A variety of agencies, Department of the Interior, Agriculture, Commerce, even Defense, worked together on the Federal Inter-agency Council on Outdoor Recreation, FICOR, to coordinate the Federal Government support for continued growth of the outdoor rec industry.

Can you speak to how giving FICOR a permanent home, potentially at a Federal Office of Outdoor Recreation at the Department of Commerce, would improve the Federal Government—you know, how it supports our \$454 billion outdoor recreation economy?

Ms. TURNER. Sure. Thank you for the question. And thanks for all the work on recreation. I love going to your State to recreate. You know, FICOR being revitalized this Administration has been so helpful for the agencies to cross their silos.

All of these agencies are facing the same challenges and have the same great opportunities ahead of them. It is just good Government for them to be working on them together. It also creates a one stop shop for the recreation community to come together with our best practices and have one place where we can talk about permitting guidance or insurance differences or rebuilding infrastructure.

So, we really hope that America's Outdoor Recreation Act will pass and institutionalize FICOR, so it doesn't go away in different administrations. As to a one stop shop, you know, in the Department of Commerce or, you know, Office for Recreation, we think that that is really important. We cross transportation and HUD.

It would be amazing for education to be at the table learning about, you know, how kids K through 12 or younger can get these experiences. And so, having a home where recreation is prioritized just as much as other things, especially because of our added value to health and society, you know, benefits like obesity, you know, diseases, we feel that we cross with Health and Human Services and pretty much every Federal agency.

And so, appreciate your work on driving that home, and we would love to see that happen someday.

Senator HICKENLOOPER. Great. And I don't want to go off and ask you another long question, but you can just file this away.

We had—we do a great job of estimating what the economic impact in small businesses, how the prevalence of rural locations for so many of these small businesses, the influx of money and spending into rural places that augment the, you know, sometimes the thin margins that farmers and ranchers have to live with.

All these are economic benefits. But we haven't really or at least haven't seen anything close to accurate about estimating the medical benefits. And as we look at some of the drama facing all those baby boomers retiring and drifting into old age, we know that an ounce of prevention is more than a pound of cure.

So, I just file that a way that maybe that is the next big push we should all start looking at is how do we not put numbers to that so we can talk about it more strongly. I love Ducks Unlimited, have my whole life.

And one of the things I love about Ducks, and I love it about the outdoor recreation industry is that it is inherently nonpartisan. There isn't anything Republican or Democratic about a duck, or pheasant, for that matter. [Laughter.]

Because I know you are, you know, you have a broader span. You are more about habitat. But give me a little—what you suggest—I assume you think that is a good idea to keep it nonpartisan. How do you think we could do a better job of making sure this doesn't slip into partisan roles?

Mr. FOX. Senator, that is a great question. I think once you end up in a duck blind, no matter who you end up in a duck blind with, one of the things you may never speak of in that duck blind is politics. [Laughter.]

I think you talk about the things that are around you and the things that you appreciate.

And you know, that is how Ducks Unlimited was created in the very beginning. I don't know the five gentlemen's politics that created Ducks Unlimited, but I do know that they had a vision, and the vision was to bring back during the Great Depression wetlands.

You know, we are going through obviously a drought right now. It is cyclical. We will get rain again. If Ducks Unlimited could make it rain, we would get a lot more donations. [Laughter.]

But as far as how to make it happen, it is just simply education. And also, if you look at the things that Ducks Unlimited is known for, that is pretty easy. Everybody comes to me and says, oh, Ducks Unlimited, you are the hunting group. And I will tell you, in 86 years, we have never spent \$1 to kill a duck.

And all the conservation work that we have done and the groundwater and the nitrates and phosphates and everything that we do to slow water down and purify it, communicating that to anyone doesn't involve politics because everyone agrees. We want to keep what we have.

Senator HICKENLOOPER. Right. It is habitat and—if I could steal 20 seconds more, I want to ask questions of Ms. Peters and Mr. Drummond. Although I am a huge fan of Okoboji. I have a lot of family from Iowa, and I have been going to a place called Swan Lake, not that far from Jackson, New Hampshire for my entire life.

We have about a dozen loons there. I do want to just throw out that you all have this alignment of interests. That is where good things happen in politics, where you have an alignment in self-interest.

And just as you begin to fan the flames and the momentum to get more people outside, more people to clear their minds through outdoor recreation, to improve their bodies, there is a wonderful young musician named Molly Tuttle, who has a song out called Big

Backyard, and you should check that out because I think the movement needs an anthem.

And I have talked to her, and I think she would be willing to have that song. She would share it, allow us to use it as an anthem because we do want to make sure that we realize it is all of our public lands. It is all of our big backyard. I yield back to the chair.

The CHAIRMAN. Well, thank you, Senator Hickenlooper. And thank you for mentioning Swan Lake and the loons. I was proud as Governor to outlaw lead sinkers to try and protect loons, so I appreciate your mentioning it.

Senator HICKENLOOPER. There are more loons now than there were 10 years ago, by every measure.

The CHAIRMAN. Absolutely. Thank you. Senator Cardin.

Senator CARDIN. Well, thanks, Madam Chair. And again, let me congratulate you on your chairmanship here. We know that you will provide the leadership for small businesses, along with Senator Ernst.

This is a topic that is important to all of us. In Maryland, we have over 100,000 direct jobs from the outdoor recreation industry. It has been estimated that 90 percent of Marylanders visited some outdoor rec area that is managed by a Governmental entity.

So, it is an incredibly important part of our economy, and I am going to agree with you in regards to our outdoor enthusiasts being great conservationists. Visit Maryland, we have a great waterfowl. We have great fishing. We have—it is an incredibly blessed State, and the people who are active in the field are our greatest conservationists.

So, I thank you for that. Mr. Drummond, I would just tell you, there is no better way to start a day than with a good cup of coffee and fresh snow to ski, so I am envious. There are days I wish we could switch positions for—and so, maybe you would like to come down here. I will go out and do a little skiing one day.

But I want to ask you a question. You know, one of my major concerns—we have been trying to work on this. Senator Ernst has been trying to work on this, to try to make the financing more available to smaller small businesses. Under the SBA, you could be a small business up to 500 and get assistance.

And we find that when you go to a financial institution and you have got three employees, and your loans are kind of small, they are not quite as interested in you as they would be as somebody who has 100 employees and is interested in a larger loan.

So, we have tried to provide greater opportunities within the SBA programs for smaller small business loans. The Administration has a rule out that makes—opens up some additional financing. There is talks about direct lending by SBA.

And then in regards to resource partners, as Senator Hickenlooper pointed out, our resource partners serve our entire community, but they are more concentrated within the urban center.

So, if you have a business that depends upon the recreation areas that are in rural areas, you don't have the same access that you would have in other parts of the State. So, I guess my question to you, how do we—how can we improve the tools that are available through the Small Business Administration to help the small-

er small businesses, and particularly those that may be located in more remote locations that don't have the same access that other companies have?

Mr. DRUMMOND. Yes. Thanks, Senator. It is a really great question, because as I have learned, funding makes a huge difference in just the success of your business, the day to day stress, anxiety of trying to make this whole thing work.

I mean, I think my first few years, there is the excitement because there is failure—there is an opportunity for failure. But I will tell you what, as soon as I got that loan, that anxiety disappeared, and I could really focus on my business.

I could focus on finding employees. I could focus on selling the gear and really cementing myself in the community. But, you know, there is a gap in, I think, where the SBA is and where the small businesses are. And that is where I think, I was mentioning that outdoor business alliances can help communicate what the SBA is offering.

Because without that outreach, it is going to miss all these rural communities. There is no way that the SBA can reach out to each one of these small businesses. So, it is really an awareness issue. Because the process of going through the SBA loan program was incredibly easy.

My local bank took care of everything. They were sort of the interface and my consultants. And then all I do on my end is just make sure there is money in the account for that draw when they need it.

There was also opportunity like with the PPP loans that—that was also really easy. And, but it was stuff that I wouldn't have known. Like I said, we are so busy running our business that we are not out seeking necessarily financial assistance, and—

Senator CARDIN. You got the help from your local banker. Is that where you got money?

Mr. DRUMMOND. Yes. The local banker was aware of the SBA program, so.

Senator CARDIN. And was this a—one of these national banks or was it a community bank?

Mr. DRUMMOND. Community bank.

Senator CARDIN. Yes. See, I find community banks are more sensitive to the local communities and know—they are invested in the community. Again, we need all of our banks. I am not trying to be critical.

But when you are talking about small companies, it is good to have a bank that really understands the importance of small businesses to the quality of life and growth of a community. Ms. Turner, you want to add anything to that?

Ms. TURNER. Thank you for your focus on rural communities. And I actually am a Marylander, so I appreciate all you do—

Senator CARDIN. Well, I didn't know that.

Ms. TURNER. Yes.

Senator CARDIN. I would have called on you first.

Ms. TURNER. I know. I am from Bal—

[Laughter.]

I took the broken down MARC train today. The MARC train broke down on the way from Baltimore, but we can deal with that in another committee. [Laughter.]

No, I think focusing on rural businesses is really important, because just like small business loans and education around that, there is so many other things that they could benefit from, especially around rural economic development tools for the whole community that draw more people to their businesses.

So, we would love to be a part of those future conversations. And I would just put a plug in because Maryland has one—there are State Offices of Outdoor Recreation in 20 States across the country, and Maryland has a wonderful one, and that person is helping connect small businesses to the recreation assets and to tools that can provide better capital.

So, that has been a really impactful thing in Maryland.

Senator CARDIN. Thank you. Thank you, Madam Chair.

Senator ERNST. Thank you, Senator Cardin. And next, we will have Senator Rosen please.

Senator ROSEN. Well, thank you, Senator Ernst. And this is such a great hearing, and I am really happy to be here, and really want to thank you all for the work you are doing and being here today.

And I know that Senator Hickenlooper, others talking about conservation, and conservation of our outdoor spaces like you were talking about. So, Nevada's natural beauty, it really brings people from across the country—around the world, to see our beautiful mountains, our lakes, our deserts.

We do have mountains, lakes, deserts, snow. We have more than just the desert, our wildlife, our public lands. We have 24 State parks. We offer a diverse opportunity for residents and visitors to enjoy, hiking, camping, boating, hunting, skiing, stargazing.

We have some of the darkest skies in America, as Central Nevada. And of course, outdoor cultural events. And so, these features, they don't only bring visitors to our State, but they draw in a lot of small businesses wanting to participate in our outdoor recreation economy.

And so, I am going to put on my other hat. I am actually chair in the Senate Commerce committee of the Tourism, Trade, and Export Promotion subcommittee. So, this is where the intersectionality of my two committees comes in here. So, I understand making the space for small businesses in the tourist arena very well.

And so, to Ms. Turner, and then Mr. Fox, can you speak to the need for investments in public land and parks infrastructure, and how better funding for land management agencies and local community conservation efforts can support our outdoor recreation small businesses? So, Ms. Turner, maybe you want to go first.

Ms. TURNER. Yes. Thank you for the question. Thanks for all of your work on that other committee as well. You know, an example is Lake Ocoee. I just talked to a business owner there, a marina owner. They saw an investment from IRA go into marinas and docks at the lake, and just that small investment in helping marinas and docks allowed them to see a 20 percent increase in sales.

That is a huge increase in sales for a small business. They have about 45 employees. So, investing in recreation is no longer a nice

to have. It is a need to have for a lot of these communities. I think the intersection between the Travel and Tourism committee is also in the EDA, I think.

It is definitely of utmost importance that our Federal land and water management agencies are well funded, and that Land and Water Conservation Fund, and the Forest Restoration Legacy Funds are all working well, but it is also the other agencies.

Allowing EDA to use their tools for recreation. A lot of those are traditional economies transitioning to a more sustainable economy through recreation, and they need similar tools, and recreation should be thought of as infrastructure.

And so, I think there is a lot of work to do with other agencies.

Senator ROSEN. Okay. Mr. Fox, do you want to go quickly? And I got a couple more questions.

Mr. FOX. Yes, Senator. I will give you two examples. One is a big one, and it is close to your home State, the Great Salt Lake. Great Salt Lake just in this last year, as our biologists put it in the region, was about one year away from total ecological collapse.

So, we are working with other agencies to try and ensure ways that we can keep the Great Salt Lake full, as full as it should be. It has been low for a while, but there is much industry on the Great Salt Lake besides small businesses, and there are many small businesses and guides and things like that that benefit from that.

But that could be echoed across all the States.

Senator ROSEN. Thank you. And I am going to move on to something in my Tourism committee. We have had, I think, nearly a dozen hearings, and we did pass legislation to make an Assistant Secretary of the Department of Commerce—excuse me, whose job would be to oversee a strategy for domestic tourism because it is so important to our economy. The top economic driver, one of the top in every single State in this nation.

But I want to move on. We were talking about our waters, as it were, both of you talking about it. Disaster preparedness, as we have been in—well, we have flooding, and of course, in the West, we have drought.

So, it is important to acknowledge the hurdles that recreational oriented businesses are facing. The outdoor adventure companies, the restaurants, like you said, they are heavily dependent on the weather. I am thinking about skiing the slopes, right. Heavily dependent on the weather, and climate change, severe weather events.

And earlier this summer, we saw this at Lake Mead, our nation's largest reservoir by volume, where declining water levels due to Nevada's drought, it rendered our boat ramps unusable. It hurt visitation to the lake. It crippled our nearby small businesses. I am proud to have helped secure \$32 million in Federal disaster funding to protect boat ramp access at Lake Mead.

But a long term strategy is needed for small businesses impacted by climate related events. And so, Ms. Turner, what can we do in Congress to better equip our small businesses for these climate related challenges? What if there is not enough snow and too much snow? And too much snow is never a problem, right? [Laughter.]

Well, maybe. I don't know. But you know what I mean. And so, what can we do?

Ms. TURNER. Yes. I think climate resilient infrastructure, you know, something that Congress can really focus on funding.

On helping small businesses, it is with, I think, loans from SBA, and better insurance policies, and more flexibility if they can't, you know, run their ski trips or have their business open, you know, because the docks don't meet the boats, or the, you know, the boats can't get in the lake.

There needs to be flexibility around the fees that they are paying, especially if they are paying fees to the Federal agencies. There needs to be flexibility around—you know, the PPP program is a great example.

There was flexibility around seasonality so that our seasonal businesses were able to apply. We need to institutionalize that, I think, across a lot of programs.

Senator ROSEN. Thank you. And can I give Mr. Drummond the last word here. So again, you are a small business, and do you want to just talk about the impact of severe weather events that maybe impact your business or maybe some of your friends that you talked to that have similar types of small businesses or seasonal businesses?

Mr. FOX. Yes, absolutely. Like, as you mentioned, too much snow can be dangerous. We do have avalanches.

Senator ROSEN. That is right.

Mr. FOX. But honestly, that is kind of not our problem. You know, we just want cold winters and normal summers. Like these extreme weather events that come, they affect the ski conditions.

If we have these big warmups—we are so reliant on manmade snow at the ski resorts these days, especially in New England, that, again, it is a ton of money to run the compressors to blow the air and blow the water to create snow artificially, and that artificial snow is incredibly rugged and can withstand some of the extreme weather, but it costs a lot of money.

And we are seeing these small independent resorts, they have to sell or close because of, you know, the shortening of the winters. And then in the summertime, yes, we are getting all these—where we are, we had an incredibly wet summer and that affected all the local businesses and tourism in general. But specifically, like, no one is going to want to go hire a guy to go take them out in some of these weather events that we experience.

So, you are seeing it from all that—the entire outdoor industry, rock climbing, and hiking, and yes, in the wintertime we are seeing like it is not just lack of snow, you know, it is like the warming and the way these rain events occur. So, it makes it difficult to get people out skiing.

Senator ROSEN. Well, thank you. And this is where I am going to work between both committees to try to find good solutions to be sure that our tourist economy, whether it is rural, urban, outdoor, it makes no difference, we want to be sure that it stays robust.

And really, America is beautiful. Some place great and wonderful, 365 days a year, and every single State in this nation, and we

want to be sure that people can go visit and enjoy it. Thank you, Madam Chair.

The CHAIRMAN. Thank you very much, Senator Rosen. They are still on the second vote, so you should be safe. Good. Let me start with you, Mr. Fox, because just like Iowa, New Hampshire has a strong hunting heritage.

And in fact, our largest outdoor recreation activity is hunting, fishing, and trapping. The work that Ducks Unlimited does is important to everyone across the country. But can you also talk a little bit about why your work, and I know you have alluded to this, but why the conservation work that you do is so important to the outdoor economy?

Mr. FOX. Senator, that is another great question. Conservation is important because what we do is the destination. And we lose an acre of wetlands in this country every six minutes. It is a battle that we continue to fight.

If, as my colleague from New Hampshire said, if you don't have snow, you can't ski. If you don't have wetlands, a guide can't guide, and a hunter can't hunt. A person who wants to go watch the pollinators, or watch the migration of the sandhill crane, or a million other examples, if the water is not there, those things cease to exist, and also the snow stops to fall.

So, that is why that is important.

The CHAIRMAN. Thank you. And Mr. Drummond, you talked about the challenges with climate change and what its impact on snowfall. One of the pieces of legislation that we are working on right now is expanding the SNOTEL network, which I don't—I assume you know about.

For those people who don't, it is a way to track and measure snowpack trends. And it has been operating in the West for some time. We are trying to make sure that we can also have it operate in New England, so we have—or at least in the Northeast, so we have that information too.

But can you talk about why that kind of information is helpful to you and your business?

Mr. DRUMMOND. Yes. Thank you and all the work you have done to help push that through. Yes, these SNOTEL data collection sites are super important for, you know, making informed decisions, policy decisions.

You know, we have no benchmark of what is normal, what is not normal when we are collecting this precipitation data. So, we are looking at it through—I mean, I care a lot about the snowfall, but it is a way to be proactive in policy making because, you know, without the science behind it, we are sort of flying blind.

We are not sure what is going on. And so, at the very least, having this data is going to give us some insight and let the scientists come back and hopefully help steer us in the right direction and make some correlations.

The CHAIRMAN. You also talked a little bit about in your opening testimony about the challenges that you had faced as a small business with a too wet spring and not enough snow in the wintertime. Can you talk about how you have gotten through those challenges and the—have the various programs of SBA, if you have made use of those, and why those have been helpful.

Mr. DRUMMOND. Floating—yes. Floating through some of these hardships with the climate—you know, when I started this business, it was just pivoting through all the fun things I like to do, and that led to building a community that wants to support their local businesses.

So, I have just been fortunate that, you know, when things aren't great with the skiing, maybe there is something else I can be working on, some events, and partnering with other local small businesses to get people to come out and still create—create some little local economy to keep us afloat. You know, we don't have a great winter, there is the potential of a great spring. I mean, I think one thing is, is that there is misconception of a ski season.

It is more of a snow season in the Northeast. So, you know, even with a poor winter, we are fortunate where we are to be able to ski into May and even June, even on some of these poor winters.

But, you know, that is where like again, the Government assistance, if you don't know about it, you know, you are not going to be able to take advantage of it. And I think there is a ton of opportunity, again, for small businesses to kind of have that like safety net to know that if they do need additional funding or support, that it is out there.

The CHAIRMAN. Well, and it also speaks to the flexibility that I think maybe you were talking about, Ms. Peters. You also, I wanted to go back to something you said in your testimony, Ms. Peters. You were talking about the improvement in water clarity, which was pretty significant and quite impressive. How did that happen?

Ms. PETERS. Thank you for the question. It happens because of research. We study the data. We do water quality testing so that we can see what is happening. And then once we have that data, we can work with our local communities and our State to determine a plan of action to clean that water.

And so, working with organizations like Ducks Unlimited, we have been able to clean up our watershed in the area. We have also been able to work with our local municipalities so that they can put policies in place at a local level so that the water—that the—so that water runoff into the lake is lessened and so that there are opportunities to clean the water, the rainwater that comes down before it goes into the lakes.

And so, ultimately, that has helped us a lot.

The CHAIRMAN. Thank you. And I am going over a little bit, but this is my final question for you, Ms. Turner. And you have referenced several times throughout, both in your testimony and in response to questions about the importance of certainty in Government funding.

We are facing in about two weeks another deadline for funding the Government to keep it open. Can you talk about what you are hearing from your small businesses about the necessity of coming to an accommodation that keeps Government open and provides that certainty?

Ms. TURNER. Yes. And I would just say that small businesses are scrambling again for the second time in two months wondering what they are going to do to stay afloat if our public lands and waters are closed.

Looking at plans coming from the agencies, trying to see what their plan is, what their business plan would be if they have to lay folks off, especially coming up in the holiday season while there is a lot of trips.

And, you know, to what Mr. Drummond has been talking about, small businesses are spending a lot of time, effort, energy, and resources planning for a shutdown that may or may not happen that could be going to much better uses.

And I think whether or not the Government stays open, we have lost a lot of time and energy on this over the past couple of months.

The CHAIRMAN. Well, thank you. I really appreciate that and appreciate the testimony from all of you. And it is a reminder about how important it is that we work together and do our jobs here. Thank you. Senator Ernst.

Senator ERNST. Yes. Thank you, Madam Chair. And I will just revisit my Iowans as well. And you have been talking, Mr. Fox, in your testimony about the role that small businesses can play in those local conservation efforts, and we will come back, Ms. Peters, to you as well on this.

But can you go into more detail about how those small business owners are involved with conservation. Mr. Fox, can you walk us through the process there and how important it is to have their participation.

Mr. FOX. Senator, thank you. I want to start in reverse and go with some second and third order effects of—from conception of conservation to execution on the ground.

And by that, I mean that we have 100 chapters of Ducks Unlimited members across the State, and they get together and they decide they are going to have an event, and they have a meeting to have that event.

They have that meeting at a small business. They have that meeting. They have dinner. They have beverages. They plan their meeting, and they have more meetings, and they have more. And then they go to the hotel, or they go to the venue where that event is going to be held.

They go to a caterer. They ask the caterer, will they cater the event. They then have the event. And by the way, we raised \$2.6 million in Iowa alone last year at the grassroots level. And with each of those dollars, we multiply those three to five times. And in Iowa, all that money came back for projects in Iowa.

And when I was talking to Ms. Peters earlier before this meeting, we were talking about a particular piece of property between Okoboji and the landfill to the Southeast, and I informed her that Ducks Unlimited has acquired 200 acres of original prairie pothole that remain basically undisturbed.

And when she talks about watershed and rainwater, that 200 acres will capture anything from that landfill that is headed towards the lake. So, Dickinson County, where she is from, is our Great Lakes, and we treat it as such.

Small businesses, to answer your question directly, can be anything from the Casey's where people get their gas. It can be the outfitter. It can be the guide. It can be the restaurants, the hotels, the motels. There are probably a lot more examples, but I will end

with the contractors who do the work on the ground, the guys who move the dirt.

And they—we contract them, and they buy fuel, they rent equipment. And I think it is probably hard for me to list every single thing that is impacted with our small businesses, what they do for us and what we do for them, but that is a pretty good synopsis.

Senator ERNST. Yes, I appreciate that. And it was just a few years ago that Mr. Fox and I went out to a Ducks Unlimited project that was in conjunction with a local community, and just seeing the natural habitat for the waterfowl, but also that dual purpose of also filtering the water, capturing the phosphates and nitrates that were coming out of that water, and making it much cleaner and much better for our environment.

So, really appreciate you sharing that project with me and the impact to the small businesses. We had so many small business owners that came out for that demonstration as well, so we appreciate their great work. And thanks to Ducks Unlimited for spearheading that project.

And Ms. Peters, can you talk a little bit about that? I know we have just heard about the landfill and the proximity to the lake. And can you talk about the benefits that this particular Ducks Unlimited project might bring to your community?

Ms. PETERS. It will help keep our waters clean. A few years back, there was a railroad, a train fell over and the waste from that train got brought to our landfill because it is a privately owned landfill. And there was a lot of concern in the community because of where it is located and the runoff that may happen from that into our lakes.

And so, to have a piece of property with—between the landfill and the lake that is being purchased so that it can continue to filter all those waters and all the runoff that is coming from there is incredibly, incredibly important in our community.

And our community is really focused on clean water. Small business owners, large business owners, lake community—lake organizations all work together so that we can raise awareness for clean water. We have a big festival every summer in August.

It is called the Okoboji Blue Water Festival, and it is a really fun weekend where people can come and learn about water quality and the different projects that are happening to make sure that our water stays clean, not just in Okoboji, but really in all of Iowa and beyond.

And also, they can learn how they can do their part. And I think that is something that is really important because we can't just have clean water, we have got to make sure that everybody knows what they can do so that they can make—they can add to it, and so that they value the resources that are around them, so that they continue to enjoy the outdoor recreational opportunities available.

Senator ERNST. Yes. Thank you. And I will mention as well, you said in your opening statement that your population continues to increase. Is that correct?

Ms. PETERS. That is correct. In Dickinson County, we continue to see an increase in population.

Senator ERNST. And you had—

Ms. PETERS. Because it is a fabulous place to live.

Senator ERNST. Yes. [Laughter.]

And it is. And you would attribute that, though, to the outdoor opportunities that you have in Dickinson County? I would say because Montgomery County, where I live in Southwest Iowa, we have seen our population decrease. We don't have the same level of outdoor recreation activities that you do in Dickinson County.

Ms. PETERS. It is our lakes that ultimately draw people to the area. They want to come visit. And then it is the small businesses that keep them there. They keep them interested. They provide the services so that people can stay and enjoy the lakes even longer.

And then, they come back the next year, and they come back the next year, and they find that their family feels a little bit better when they are in Okoboji. And at that point they decide, you know what, this is a place where I want to live.

And then people move to the Iowa Great Lakes area. I grew up in another small town in Iowa, and my entire family now lives in Okoboji because it is just a really special place because of that outdoor recreation that we have.

Senator ERNST. Thank you. And I will give you the final word in promoting the kite festival. And tell us when that typically occurs and why it is so special.

Ms. PETERS. Well, we have two big kite festivals in Iowa now. So, the first one you will find January 25th through the 28th. It is the Okoboji Kite Festival, and the skies will be filled with over 100 huge kites over the frozen lakes of West Lake Okoboji.

And something that will be really special this year is we will have lighted kites in the evening. So that is going to be really a very fun thing that will take place right after the big bonfire of Christmas trees.

And then just a few weeks later on Clear Lake, just in Central Iowa, there is another huge kite festival, Colors of the Wind. And so, I was really fortunate to have two great winter festivals that take place on the ice and are just so much joy.

Senator ERNST. Again, wonderful outdoor recreation. But thank you, Madam Chair, very much. And thank you to our witnesses.

The CHAIRMAN. Well, thank you, Ms. Peters. You definitely should do an ad for Okoboji, without a doubt. [Laughter.]

So, Andrew, you have got to up your game here on the Mount Washington Valley. [Laughter.]

But seriously, thank you all so much for your testimony, for being such articulate advocates for the outdoors, and for your commitment and your advocacy.

We really appreciate it. We look forward to staying in touch and continuing to work with you as we look at ways we can support small businesses in the outdoor economy.

The record will stay open for two weeks for additional questions that may be asked by members of the committee. And with that, the committee stands adjourned. Thank you.

[Whereupon, at 4:24 p.m., the hearing was adjourned.]



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November 15, 2023

Senator Jeanne Shaheen, Chair

Senator Joni Ernst, Ranking Member

Chair Shaheen, Ranking Member Ernst, and members of the Senate Committee on Small Business and Entrepreneurship,

Thank you for holding a hearing on **"The Great Outdoors: Small Business and America's Outdoor Recreation Economy."** NEMO Equipment, Inc. is a majority family-owned backpacking and camping gear brand based in Dover, New Hampshire. Our CEO, Cam Brensinger, founded the company based on years of experience climbing and mountaineering in our own White Mountains. While studying industrial design at the Rhode Island School of Design, Cam invented a new concept of low-pressure inflatable structure for backpacking tents that became the basis for the company's first product line. Shortly after moving into the company's first office in Nashua, NEMO won the industry's most prestigious award for product innovation, the 2005 ISPO BrandNew Overall Award. Since then, we have brought our customer-centric design approach to NEMO sleeping bags, sleeping pads, camp furniture, and carry systems, winning countless awards and earning many patents. Today, our team of 50 people continues to have an outsized impact; according to industry sell-through data, **NEMO is the #1 bestselling brand of outdoor gear** in U.S. specialty outdoor retail.

We thank Chair Shaheen for her sponsorship of the Outdoor Recreation Jobs and Economic Impact Act, which allowed our industry to quantify our annual economic impact. The outdoor recreation economy generated \$862 billion and 4.5 million American jobs in 2021, contributing **more than oil and gas extraction, mining, and agriculture to U.S. GDP.**¹ According to the Outdoor Industry Association (OIA), the outdoor recreation participant base has grown each of the last eight years.² NEMO has benefitted from this growth, especially as Americans recreated close to home during the pandemic; our sales grew by more than 80% from 2020 to 2021, and again by 35% from 2021 to 2022.

Although outdoor recreation has been surging, NEMO has faced many challenges during our 21 years in business. Uncertainty pervades with high interest rates, rising credit card debt, student loan payments resuming, unpredictable consumer spending, two major wars, geopolitical tension in Asia, political strife and social division at home, and the negative impacts of climate change affecting our supply chain, consumers, and employees. We thank the Committee for the opportunity to outline some of our priorities and values as a New Hampshire small business.

Climate

At NEMO, we believe the climate crisis is the greatest threat to our business and the future of human enjoyment of and positive engagement with the outdoors, something which we believe is fundamental

¹ [Record-Breaking Numbers: Outdoor recreation a whopping \\$862B industry according to new government data](#)

² [2023 OIA Outdoor Participation Trends Report](#)

to mental and physical health and happiness. We believe all businesses and governments must act quickly to reduce greenhouse gas emissions to protect the safety and well-being of Americans and our fellow global citizens. Along with the risk to human lives and livelihoods, we also see real and imminent threats to NEMO's business. Without safe, enjoyable places to recreate, there is no longer a need for our gear.

Our drive to address climate change at NEMO comes from a combination of moral and practical concerns. Within the company, we call this work part of our "business sustainability" versus simply "sustainability" priorities. We do not believe there is a future for businesses like ours without taking responsibility for our impacts on the planet, both because our consumers are increasingly demanding these efforts and because the natural places where backpacking and camping take place are being threatened. For these reasons, in 2020 we publicly announced a **commitment to reduce our carbon intensity in half by 2030**. NEMO's goal is to cut our emissions from 40kg CO₂e per product on average to 20kg CO₂e. As of 2022, we have already achieved a 22% reduction in emissions intensity.³ To hit our goal, we will need to source more sustainable materials and accelerate renewable energy adoption in our supply chain.

Even though we are a small business, NEMO has prioritized investments to reduce our greenhouse gas emissions. We believe all businesses need to do their part to address this global emergency; however, the Paris Agreement goals cannot be met without the support and leadership of the U.S. government.

As such, we respectfully ask Congress to:

- **Protect** the climate investments made in the **Inflation Reduction Act (IRA)** to allow for full implementation of the bill's goal to reduce U.S. greenhouse gas emissions by 40% by 2030.
- **Modernize the Farm Bill** to support the outdoor recreation economy and reduce greenhouse gas emissions through updates to the Rural Development Title, Conservation Title, and Forestry Title.
 - We support the joint [Farm Bill Priorities Letter](#) issued by OIA, Outdoor Alliance, and The Conservation Alliance that outlines specific priorities.
- **Elevate and support** the newly formed **American Climate Corps** that will provide training for careers in the clean energy and climate resilience economy.
 - We welcome opportunities to brainstorm and collaborate on ways for the outdoor recreation economy to support and benefit from this initiative.

Public Lands Protection & Access

Healthy public lands and waters are critical for the success of the outdoor recreation economy. NEMO supports nonprofits locally and nationally that are working to protect and expand these vital American assets, including New Hampshire's Southeast Land Trust and the Appalachian Mountain Club. Our brand tagline, "Adventure Anywhere. Adventure For Anyone. Adventure Forever." reflects our commitment to improve outdoor recreation opportunities for all Americans, especially for historically under resourced, marginalized, and excluded communities. In 2021, NEMO launched our [Adventure Resources](#) program to educate our consumers on where and how to responsibly recreate; we also elevate guides, program providers, and nonprofits who are working to improve inclusivity in the outdoors.

To improve protection of, access to, and inclusion in America's public lands and waters, we ask Congress to:

³ [NEMO 2022 Annual Sustainability Report](#)

- **Support America's Outdoor Recreation Act (AORA)**, which invests in recreation and green infrastructure to enhance access to public lands. This bill includes robust support for a package of recreation bills including:
 - The "Outdoor Recreation Act" to increase and enhance recreation opportunities across the country.
 - The "Simplifying Outdoor Access for Recreation Act" (SOAR) to improve the recreational permitting systems to make it easier for all people in the U.S. to experience public lands with the help of a guide, outfitter, or educational program.
 - The "Recreation Not Red Tape Act" (RNR) to direct federal land managers to evaluate where recreational seasons could be extended.
 - The "Outdoors for All Act" to codify the Outdoor Recreation Legacy Partnership (ORLP) and support recreational opportunities in underserved communities.
 - The "Gateway Community and Recreation Enhancement Act" to support rural economic development and recreation infrastructure in communities that are the gateways to our cherished public lands.
- **Prioritize** expanding safe access to the outdoors to optimize individual and societal health through the **Outdoor F.U.T.U.R.E. Initiative** to establish a federal outdoor access and opportunity fund.
- **Protect** wild places and outdoor spaces, preserve important cultural and historic sites, and improve opportunities for recreation by supporting **National Monuments**.
- **Adopt the changes** suggested in [joint comments](#) by OIA, Outdoor Alliance, and The Conservation Alliance on the **BLM's Proposed Public Land Rule**.

Trade

GSP was first authorized in 1975 for 10 years. Since then, it has been reauthorized 14 times, lapsing 10 times. The program lapsed most recently on December 31, 2020. Congressional practice has been to reauthorize the program retroactively from the most recent expiration date so that importers are refunded for the duties that incurred during the lapse.

Since the program lapsed in 2020, **NEMO has paid more than \$500,000 in duties for GSP-eligible products produced in GSP-eligible countries.** For a company of NEMO's size \$500,000 is significant and impactful in terms of our ability to staff our team and invest in new, innovative products.

There is a strong sentiment in Congress to move manufacturing out of China. NEMO purposefully moved its manufacturing to Cambodia and the Philippines from China to take advantage of the duty benefits and minimize its footprint in China. In reality, it is easier to produce in China (better infrastructure, shorter lead times, lower transportation costs) than it is in GSP-eligible countries, but the GSP program helps balance the equation.

If GSP is not reauthorized in 2024, NEMO stands to pay \$300,000 - \$400,000 in additional duties for GSP-eligible goods in 2024, **further restricting our ability to invest in product innovation and our workforce.**

Consistent with a balanced trade agenda that supports global value chains and domestic manufacturers, we ask Congress to:

- **Retroactively reauthorize the GSP program** for at least seven years.
- **Update the Competitive Needs Limitation (CNL) threshold** as proposed by the late Representative Jackie Walorski and Representative Stephanie Murphy.
- **Retroactively implement all MTBS recommended by the ITC** and reauthorize the MTB process for future cycles and preserve finished goods' eligibility.

- **Amend Section 321 de minimis entry** to grant U.S. Foreign Trade Zones parity with offshore warehouses in Mexico, Canada, China, and elsewhere.
 - In our opinion, de minimis as presently implemented is responsible for substantial job losses. Failure to grant U.S. FTZs parity with foreign warehouses will result in substantially more job losses if U.S. FTZs close due to more favorable duty treatment outside U.S. borders. We believe the status quo does not support American workers.

We urge Congressional leadership to advance these trade issues **before the end of the year**. Doing so would provide immediate and impactful relief to outdoor companies as they continue to work to meet America's demand for products that support outdoor recreation our country's mental and physical health.

Outdoor Recreation Economy Development

In New Hampshire, the outdoor economy contributes \$2.7 billion GDP annually and generates 28,000 jobs- 4.1% of the total in our state.⁴ During the 2023-2024 academic year, NEMO and the University of New Hampshire are **cosponsoring the first New Hampshire Outdoor Recreation Policy Fellow**.⁵ The Fellow, a graduate student at the UNH Carsey School of Public Policy, will provide policy project support to the Granite Outdoor Alliance, UNH, and the New Hampshire Office of Recreation Industry Development to elevate our local outdoor recreation economy.

To support the development of our nation's outdoor recreation economy, we ask Congress to:

- **Establish a Federal Office of Outdoor Recreation** to support the 18 current state offices.
- **Support the creation of Offices of Outdoor Recreation in all 50 states.**
- Fund **workforce development programs** that provide educational and experiential pathways to well-paid outdoor recreation careers in both rural and urban communities.
 - We support the proposals outlined by Outdoor Recreation Roundtable in their [Roadmap for a 21st Century Outdoor Workforce](#).

Sustainable Product Innovation and Compliance

In 2020, NEMO completed our first brand carbon footprint. We learned that 87% of our brand's greenhouse gas emissions happen before our products even leave the factory; this has elevated sustainability as a requirement alongside performance and margin in our product development cycle. Materials selection, operations efficiency, and innovative supply chain partnership will be required to meet our carbon reduction goals.

NEMO has invested in many product sustainability programs, including:

- Endless Promise, an industry-leading circularity program that provides repair, resale, and recycling pathways for NEMO products in the United States and Europe.
- OSMO, the first poly-nylon composite tent fabric on the market. OSMO is 100% recycled, PFAS-free and performs better than comparable tent fabrics; it delivers 4x better water repellency, stretches 3x less when wet, and boasts exceptional strength at a reduced weight.
- The 100k Polybag Project, an initiative to reduce plastic waste in our packaging that led to the elimination of more than 100,000 polybags.

⁴ [New Hampshire Outdoor Recreation Economy Data](#)

⁵ [Outdoor recreation industry teams with UNH, state to rev up 'economic engine'](#)

To support further sustainable product innovation in the United States, we ask Congress to:

- **Harmonize** U.S. federal sustainability requirements for priorities like PFAS phaseout, extended producer responsibility, and greenhouse gas reporting with proposed and existing state, local, and global policies.
 - Small businesses are negatively impacted by duplicative or contradictory compliance legislation.
 - Of particular concern to NEMO and many other global brands is harmonization with European Union sustainability regulations.
- **Engage with potentially legislated stakeholders** while developing sustainability policies to provide feedback on timelines, best practices, and knowledge gaps.
 - Many small businesses like NEMO have already begun work to reduce greenhouse gas emissions. While we support modernization of legislation to address sustainability challenges, NEMO encourages Congress to invite small businesses to share their experiences and expertise to ensure regulations support both sustainability and the outdoor recreation economy.
- **Accelerate the adoption of sustainable materials through trade incentives.**
 - NEMO welcomes collaboration with the CBP Green Trade Initiative and Congressional trade leadership to further discuss opportunities to incentivize sustainable product innovation.

We thank Senator Shaheen, Senator Ernst, and the Senate Committee on Small Business and Entrepreneurship for your leadership in supporting small businesses in New Hampshire and across the country.

Sincerely,



Theresa McKenney
Director of Sustainability
NEMO Equipment, Inc.



NEW HAMPSHIRE
Outdoor Workforce
ASSESSMENT SURVEY

NEW HAMPSHIRE OUTDOOR WORKFORCE ASSESSMENT SURVEY

Objectives

The New Hampshire Outdoor Workforce Assessment Survey (the "Survey") created and distributed by Granite Outdoor Alliance ("Granite Outdoor") is intended to capture a limited snapshot of the outdoor industry's workforce landscape in New Hampshire during the Fall of 2021 amidst the COVID-19 global pandemic. The Survey provides preliminary insight into the industry's workforce profile identifying certain challenges and opportunities in preparation for the development of a more robust industry-driven statewide strategic workforce plan.

Survey Source and Methodology

The survey was modeled after similar workforce surveys, including the Maine Outdoor Brands Workforce Needs Assessment Survey Report, Vermont Outdoor Business Alliance Needs Assessment, and the Utah Workforce Needs Assessment. These organizations, together with Granite Outdoor, are members of the State Outdoor Business Alliance Network ("SOBAN"). Additional information, including questions specific to diversity, equity, and inclusion, were crafted with guidance from the Outdoor Industry Association and Outdoor Recreation Roundtable.

The Survey was created in Google forms and distributed to the Granite Outdoor member base, listserv, and social media. GOA association members were encouraged to distribute the Survey to their corresponding email lists. Other informal outlets of distribution included Survey distribution to individual social networks of each Director of Granite Outdoor as well as others in industry leadership positions. The Survey was open for approximately 8 weeks.

Granite Outdoor Alliance is a membership-based non-profit organization supporting the New Hampshire outdoor industry through representation of brands, retailers, non-profits, professional services and outdoor enthusiasts

graniteoutdooralliance.org [603-728-7739](tel:603-728-7739) tyler@graniteoutdoor.org

[53 Technology Lane, Conway, NH 03818](#)

Photo Credits: Cait Bourgault, Joe Klementovich



Scope

The scope of the survey was threefold, namely:



gaining a better understanding of the existing workforce profile and the challenges and opportunities over the next five years;



gaining a better understanding of positions that are most difficult to fill and the barriers to hiring; and



collecting information to help align education and training programs in New Hampshire with employer needs.

Given the small sample size, care should be taken when interpreting the summary statistics and charts and drawing inferences from the identified changes.

Respondents

Overall, sixty-two (62) total organizations responded to the Survey, of which three-quarters were private sector businesses and one-quarter nonprofits. Collectively, respondents ranged from one (1) year to 170 years old. Participant location included predominantly urban areas, the Seacoast, the White Mountains, and the North Country regions. Sixty-one percent (61%) of organizations have an annual budget over \$250,000 per year, 22% employ over 51 employees, and 11.9% employ between 26-50 employees. There are a wide variety of industries represented in the Survey. Specifically, 20% of respondents describe their industry as "Arts, Entertainment, and Recreation" and 16% as "Accommodation and Food Services" and 11.7% as "Retail" with the balance being spread out over twenty other sectors.

EXECUTIVE SUMMARY & COMMENTARY

Executive Summary

The Survey revealed that, generally, New Hampshire outdoor industry businesses are actively hustling to meet demand yet struggling to attract, recruit and retain qualified applicants and/or employees. Despite targeting a younger workforce, Survey participants indicate applicants are lacking soft and hard skills forcing employers to hire underqualified applicants and self-train employees. Together with non-work-related market barriers such as housing, cost of living, and low wages, the overall Survey outcomes demonstrate a challenging labor environment. Despite this workforce challenge, employers predict strong hiring practices over the next five years anticipating growth in roles ranging from administrative/clerical and customer service/hospitality to management and outdoor guides. Employers have yet to embrace diversity, equity, and inclusion practices in a formal way yet many contemplate doing so.

IMPORTANT STATISTICS

Key takeaways from the Survey include:

- Over 64% of employers offer entry level hourly wages between \$11-\$17.00
- The most sought-after age bracket is between 29-34
- Types of positions most in demand in the next five years include, in order:
 - administrative/ clerical
 - customer service/ hospitalit
 - management
 - marketing/ digital marketing
 - operations/ logistics
 - retail sales
 - guide/ instructor
- Employer recruitment methods focus on referrals and social media while few Survey respondents use resources like job fairs, NH Works, employment agencies, or TV/Print/Radio.



Commentary & Analysis

The Survey paints a picture of small and mid-size companies hustling to meet market demand and struggling to improve hiring or recruitment practices. The responses demonstrate a widespread lack of organizational capacity to operate businesses during high demand periods which likely impacts the ability for companies to invest time and resources into recruiting quality applicants. As such, we begin to see a pattern of limited employee recruitment and retention practices leading to the hiring of applicants that lack proper experience and qualifications. Over time, this downward trend will further compound and adversely impact industry productivity. Add in non-work-related barriers such as cost of living, the housing crisis, seasonality, and low-wage standards and the workforce outlook appears less than optimistic.

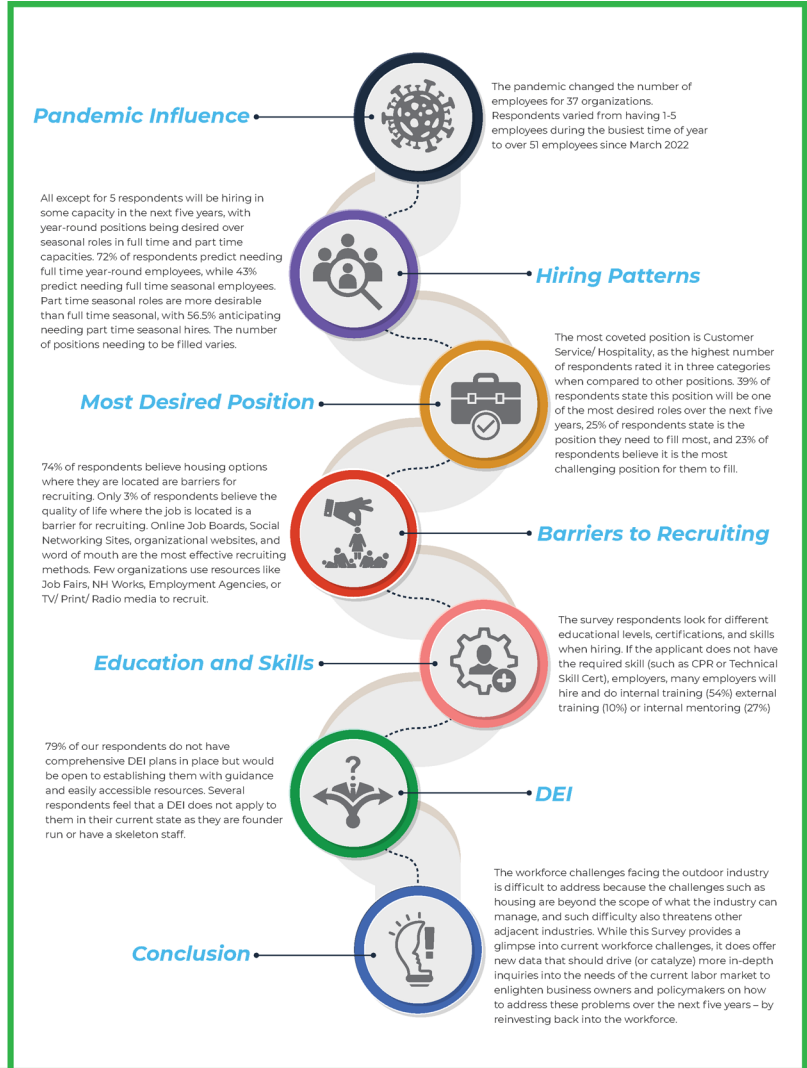
While we see a strong pool of positions most in demand over the next five years, we did not evaluate freelancer and "gig-economy" prospects, which contributed to the employee exodus from the workforce during the pandemic. Strong demand for marketing and digital marketing positions are an indicator of that surging segment's potential growth and employers' reliance on referrals and social media support that trajectory.

Moreover, the Survey revealed a lack of workforce reinvestment, professional development, and employer investment in diversity, equity, and inclusion policies into the workplace, which has led to a weakened talent pool of applicants.

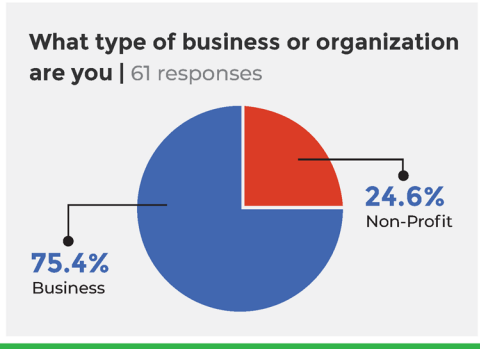
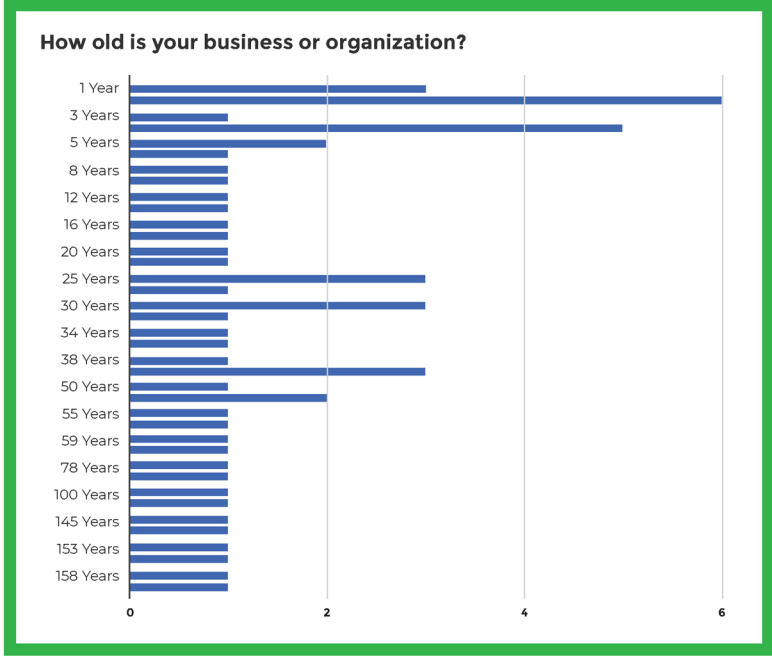


“ It is surprising and encouraging that most employers are looking for full time year round help, as the narrative usually surrounds the part-time and/or seasonal nature of outdoor industry jobs and thus might imply that a career isn't as easily made in this industry. However, these new findings may suggest otherwise. ”

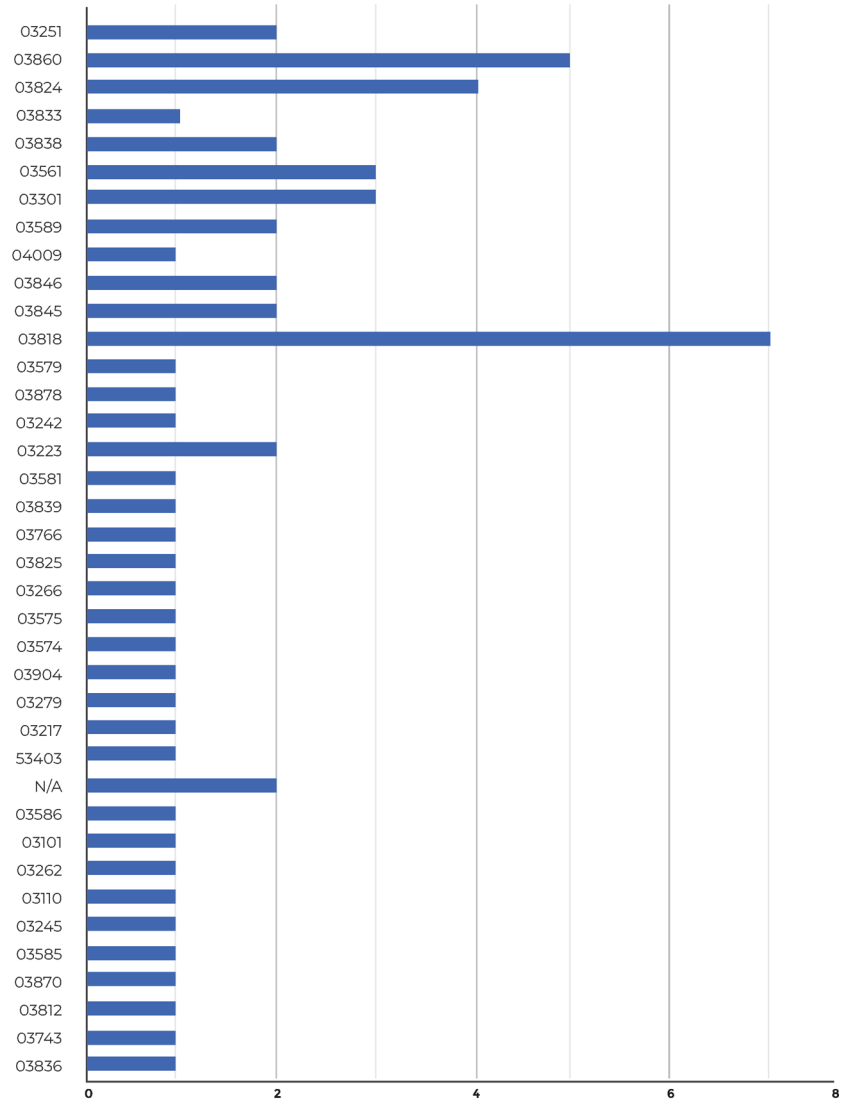
- Shannon Rogers | Ph.D



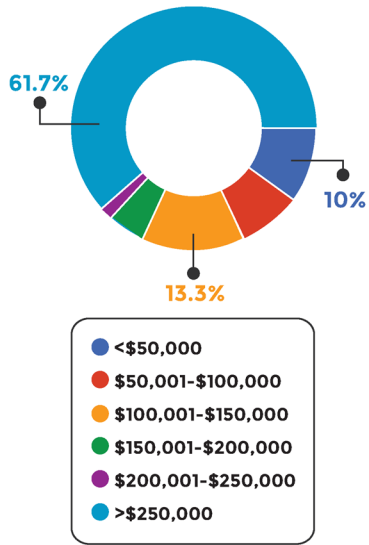
SURVEY



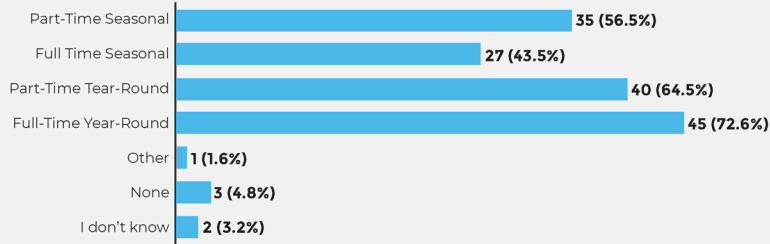
What is the zip code of your primary location?



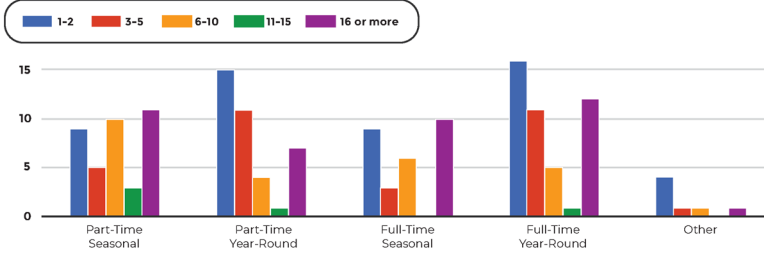
What is the annual budget of your business or organization |
60 responses



What types of employees do you predict you will need over the next 5 years (select all that apply) | 60 responses

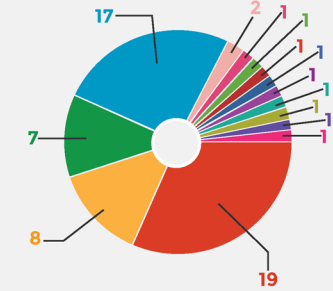


How many positions do you expect you'll need to fill over the next 5 years?



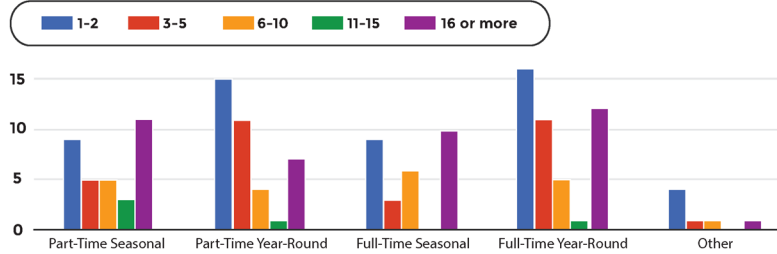
Overall, what level of education is most preferred for the employees of your business or organization?

60 responses

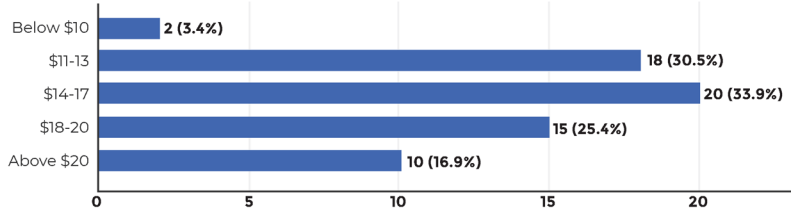


- High School/ High School equivalent
- Bachelor's Degree
- Technical or Occupational Certificate
- Some College
- Doctorate Degree
- ability to learn
- Education level isn't as important as willingness to learn, a good work ethic, and flexibility
- n/a
- Varies based on position.
- Both high school graduates and college students
- PhD or Masters for adjunct faculty. No FT permanent hires expected.
- College for office jobs, manufacturing positions based upon experience
- Master's Degree
- Work Ethic more than Education

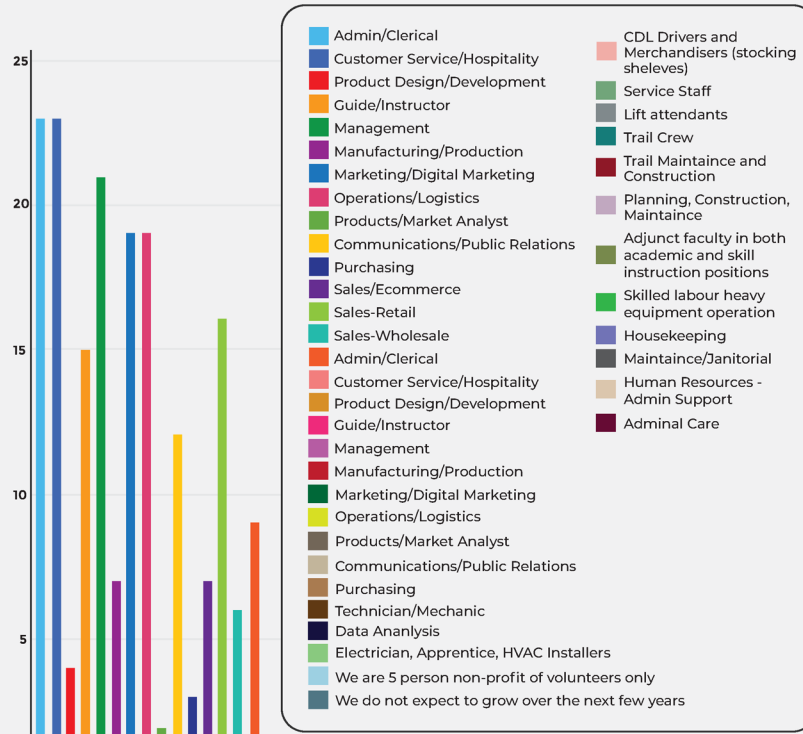
How many positions do you expect you'll need to fill over the next 5 years?

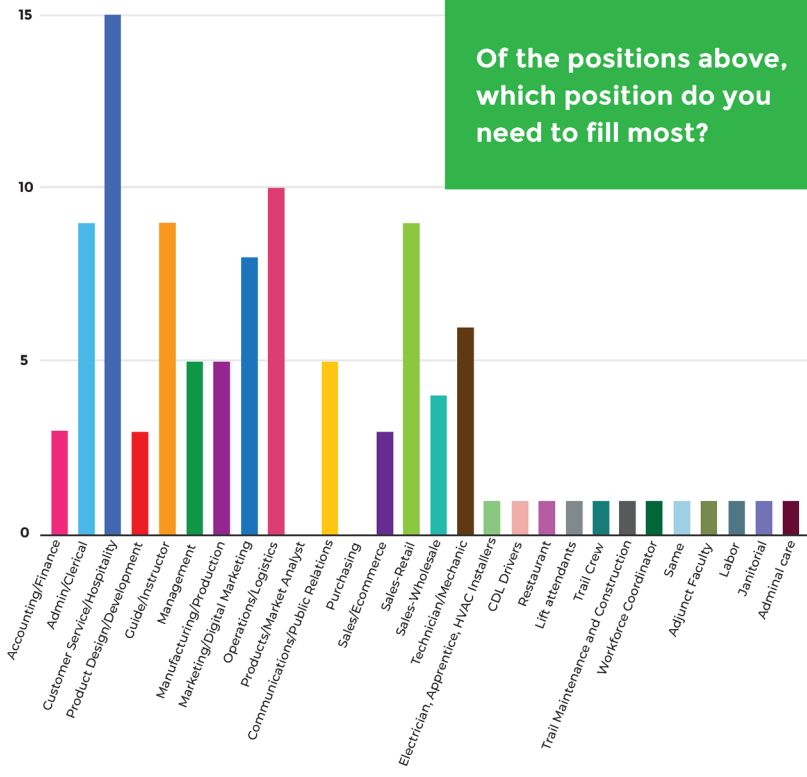


What is your current average entry-level starting hourly wage (including tips, if applicable?) | 59 responses



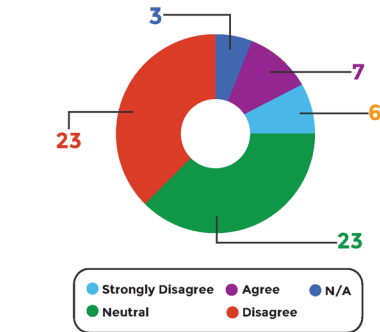
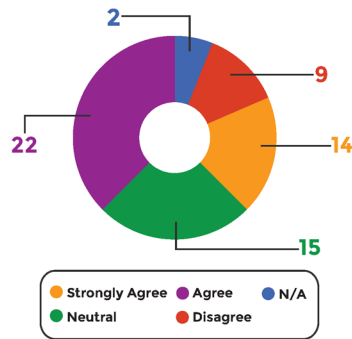
Please select all positions that will be the most needed by your business or organization over the next 5 years





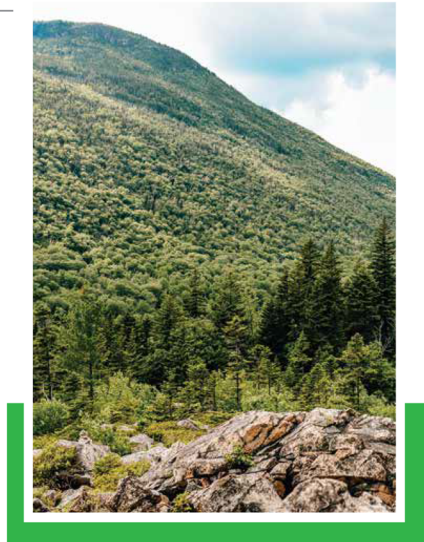
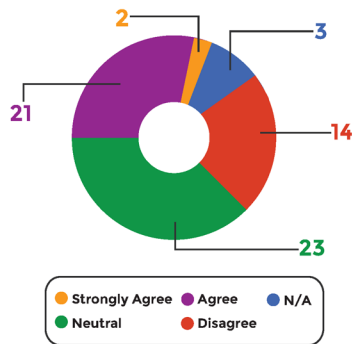
Please indicate the extent to which you agree or disagree with the following statements

I have difficulty finding/reaching applicants

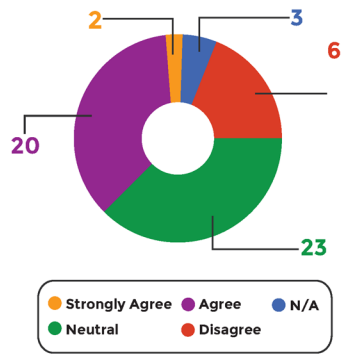


Applicants don't have necessary basic skills (locating information, reading for information, writing, arithmetic)

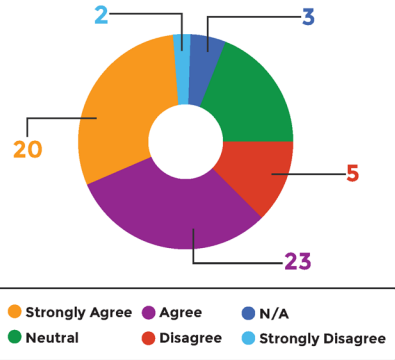
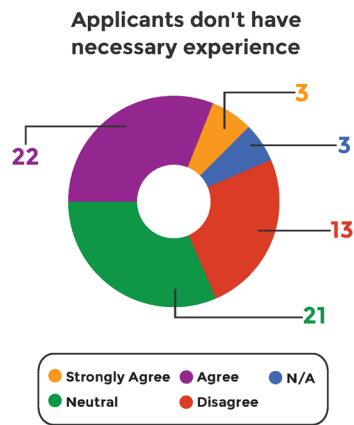
Applicants don't have necessary hard skills (technical and know-how skills)



Please indicate the extent to which you agree or disagree with the following statements

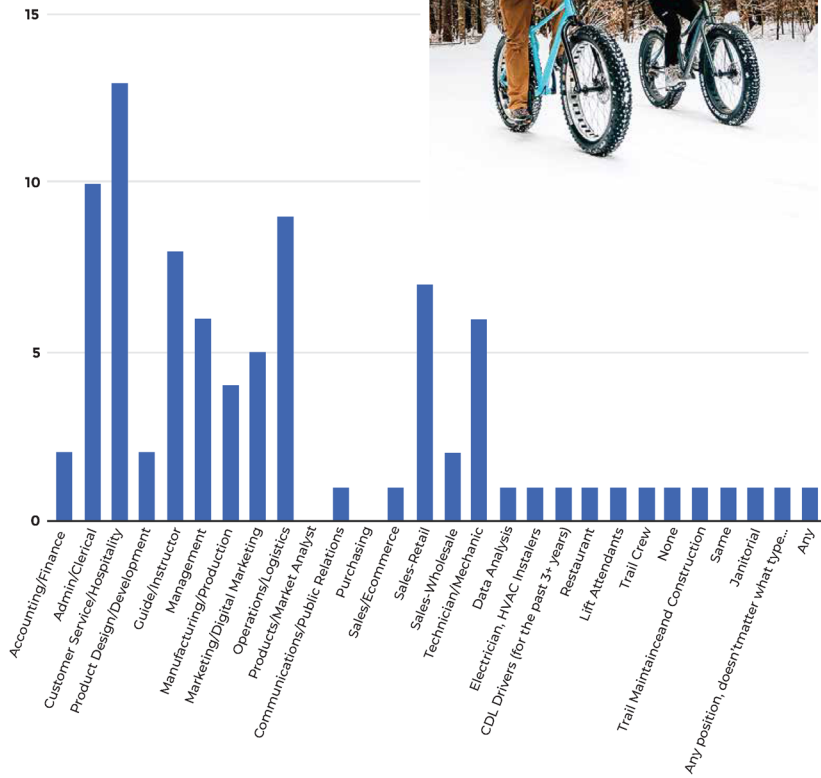


Applicants don't have necessary soft skills (skills associated with an individual's habits or associated with an individual's habits or interpersonal skills)

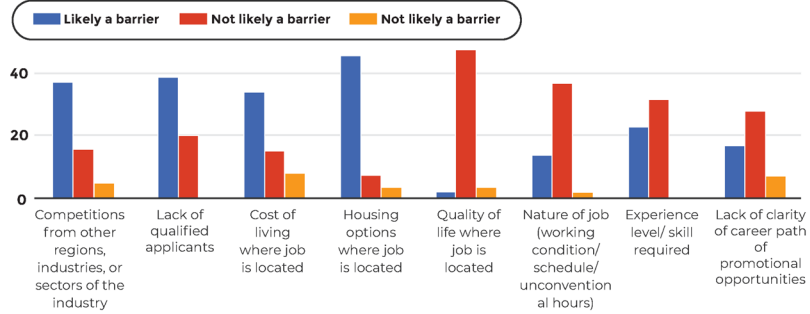


I have difficulty getting an applicant pool that is as diversified as I want

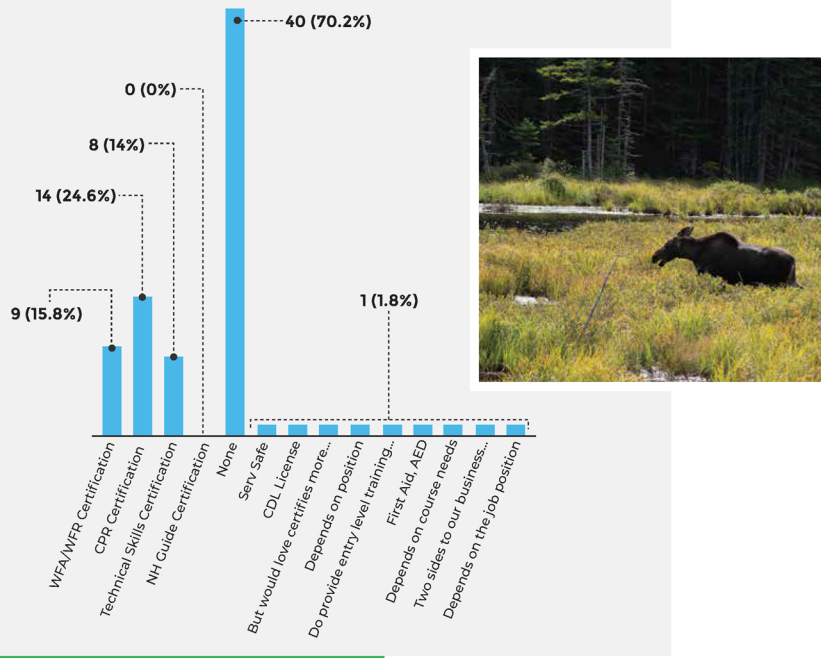
Of the positions above, which position do you traditionally have difficulty filling?



Which of the following do you think will be likely barriers for recruiting for your organization's hard-to-fill jobs?

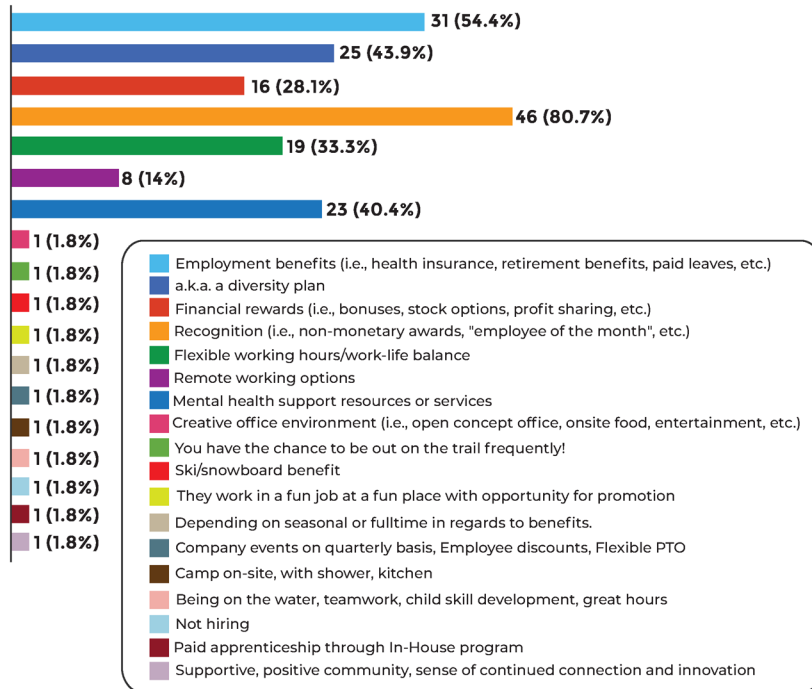


What certification do you require for the jobs you hire for | 57 responses



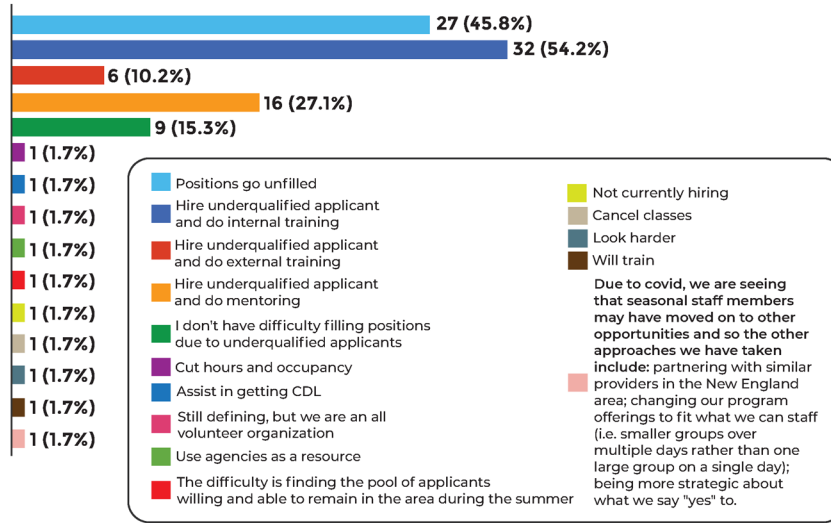


What types of employee attraction and retention strategies does your organization support currently? select all that apply | 57 responses

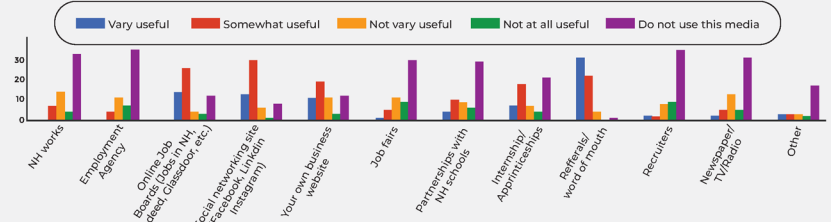


When you have difficulty filling positions due to underqualified applicants, how does your organization address this difficulty?

(Please check all that apply) | 59 responses

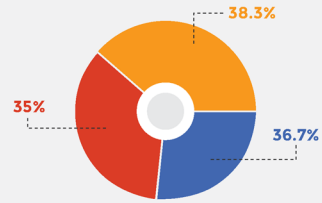
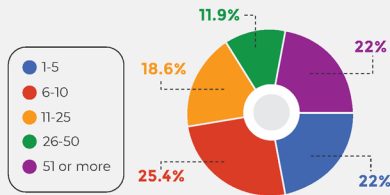


How useful are the following methods of recruiting



How many people are employed by your business or organization during your busiest time of year? Please include all employees (full-time, part-time, temporary, seasonal, etc.) at all locations in NH

59 responses



● Yes, the total number of employees increased
● Yes, the total number of employees decreased
● No Change

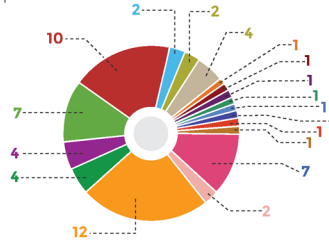
Did your total number of employees change due to the pandemic?

60 responses



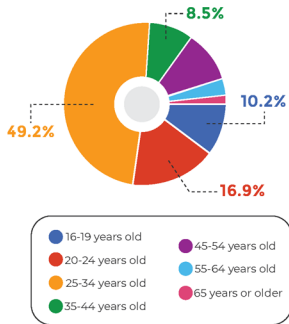
Please choose the industry that describes your business or organization from the list below |

60 responses



To the best of your knowledge, which age range best describes the typical new hire at your business or organization |

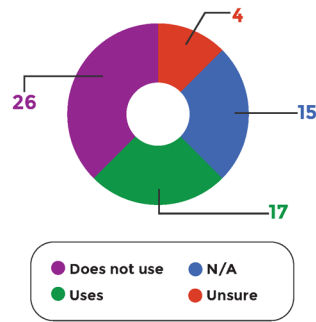
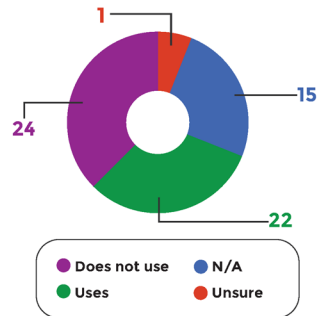
59 responses



- Manufacturing
- Professional and business services
- Educational services
- Renewable Energy - Solar
- Mountain Guiding
- Retail trade
- Arts, entertainment, and recreation
- Health Care
- Non-profit
- Manufacturing & Retail
- N/A
- Government, Conservation, and Stewardship
- Wholesale trade
- Accommodation and food services
- Agriculture, forestry, fishing, and hunting
- Recreation (lodge and visitor centers), education (guiding), conservation (trails & recreation mgmt.)
- Conservation and stewardship
- We serve university and youth student populations as well as corporate and professional clients

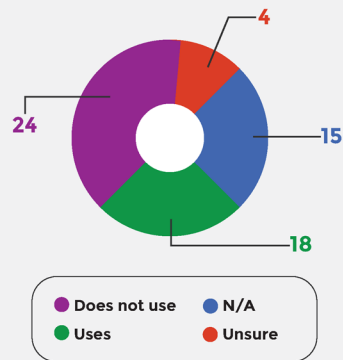
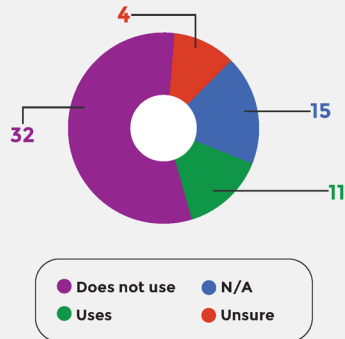
Which of the following strategies does your organization currently use to train or help employees develop competency in diversity, equity, and inclusion?

Diversity, equity and inclusion concepts are integrated in employee orientation and training curriculum

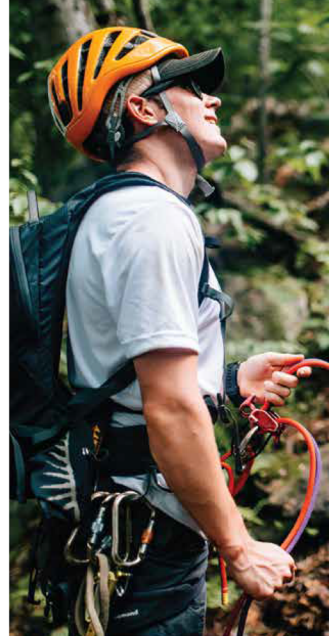
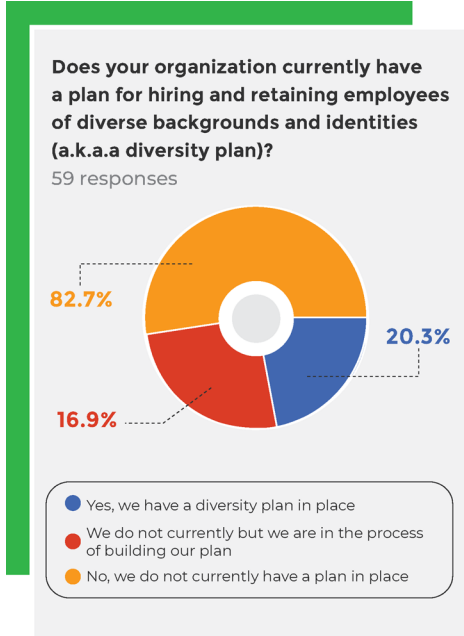


Diversity, equity and inclusion expectations are integrated in guidance for supervision

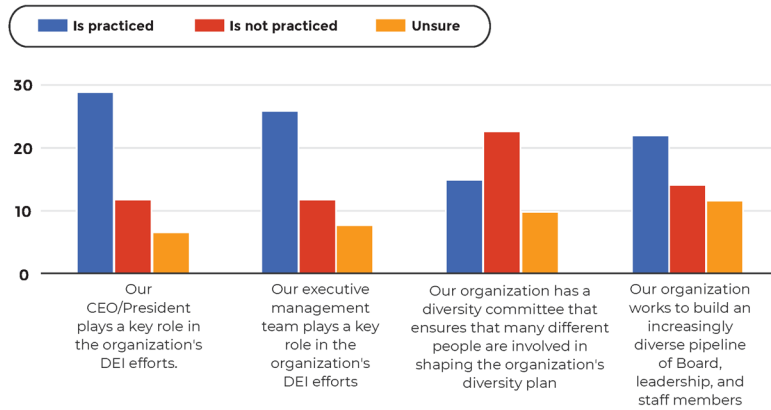
Diversity, equity and inclusion expectations are outlined in position descriptions and evaluated during employee review and promotion



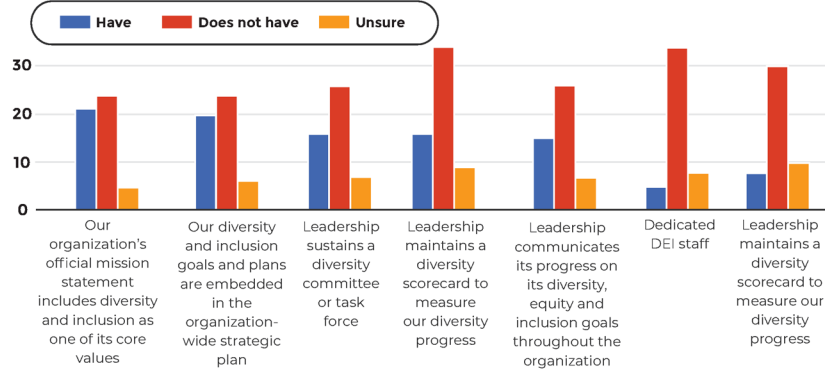
Employees who model learning or excellence in cultural competence are acknowledged or encouraged



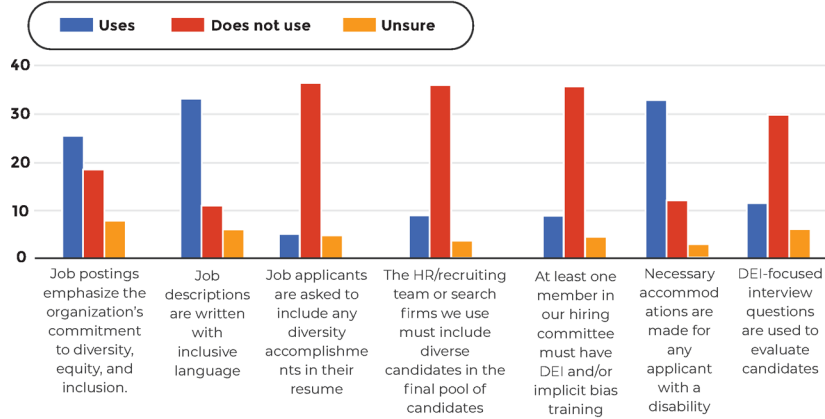
Which of the following procedures are practiced in your organization as it relates to DEI strategies at the leadership and organizational level?



Which of the following strategies does your organization currently have to ensure diversity planning and accountability?

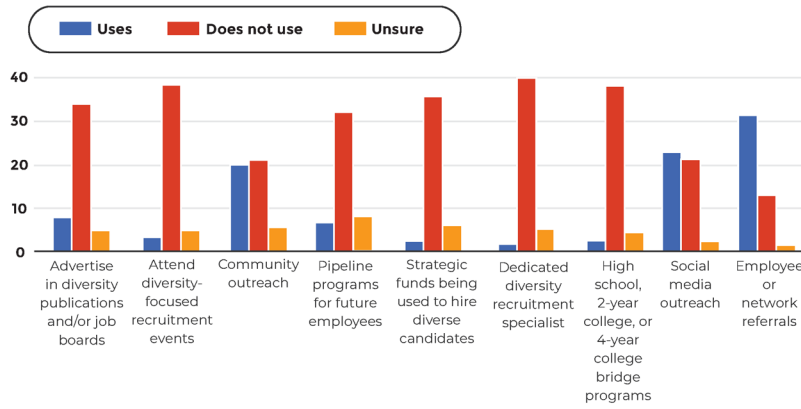


Which of the following strategies does your organization currently use in its hiring practices?

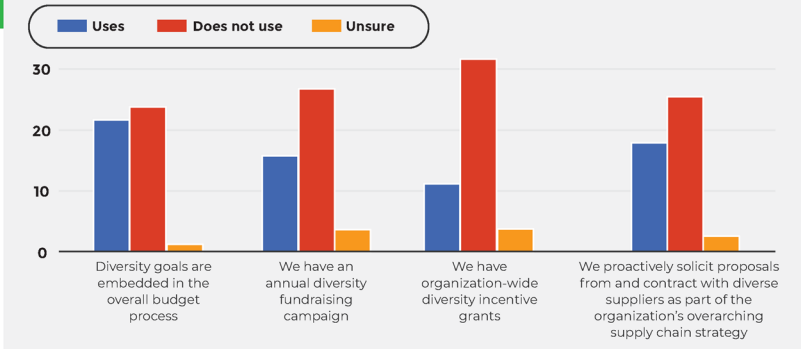




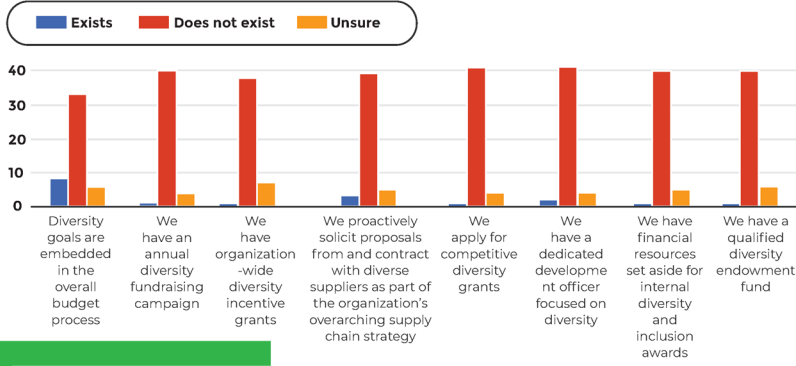
Which of the following strategies does your organization currently use to recruit historically underrepresented employees?



Which of the following procedures are practiced in your organization as it relates to DEI strategies at the leadership and organizational level?



Which of the following diversity-focused financial strategies currently exist in your organization?

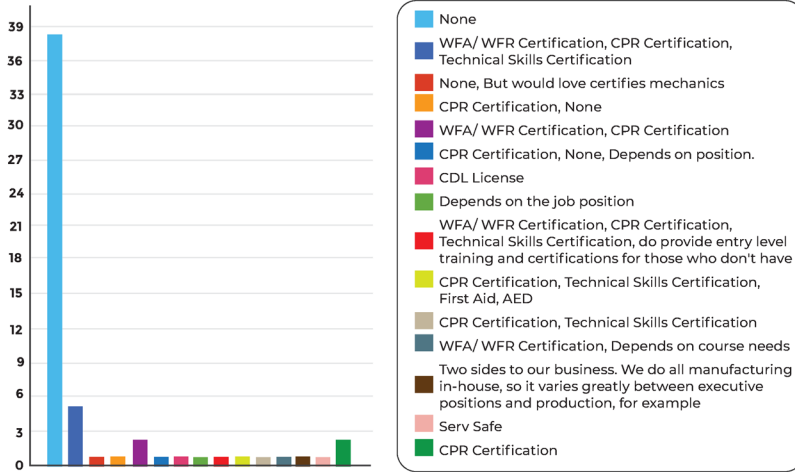


What are the highest valued skill sets in demand in your business?

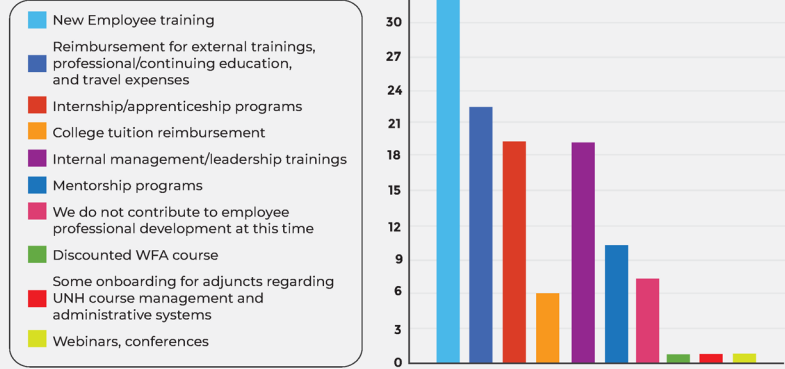
54 responses

- Technical expertise
- Communication
- My organization looks at mission alignment. We are a renewable energy company that is an employee owned B corp; people and planet are top priorities
- Customer Service, Reliability, Technical Guiding Skills
- reliability, presentability
- Certified Guides
- Ability to operate autonomously, soft/interpersonal skills, medical and rescue skills/experience, technical skills
- Attendance
- Hire for Heart. We look to hire for attitude and train for aptitude.
- Honesty
- Physical Therapy
- A commitment to serve others
- Positive attitude and team player
- Fabric cutter and stitchers
- Communication & writing skills; ability to be flexible, adaptable, and work on a variety of very different topics and with a variety of different people
- People skills, thinking ahead
- Customer Service and Maintenance
- Ability / License to drive CDL required vehicle
- Communication, team player, willingness to go above and beyond
- Trail maintenance skills
- Finance
- Soft skills, customer & public service orientation, technical skills (trails, outdoor ed), team oriented and mission driven
- Experience with Industrial Sewing Machine
- Customer service, sales, professionalism
- Interpersonal relations
- Personal Outdoor Experience and the interpersonal skills to create a warm and welcoming environment
- for beg trips
- Ability to sail and teach sailing, ability to kayak and SUP and teach those skills
- We are looking to cultivate highly skilled facilitators, those who understand team dynamics and can work well with a variety of client populations.
- Dependability
- Construction labor, skilled builder
- Experience/certifications in the outdoor industry AND working at the college level
- String work ethic
- It depends on the role, but we need a lot of housekeepers, and they're hard to find
- Extrovert
- Customer Service
- Ability to do what is needed and be flexible
- Customer Service, positive attitude
- Communication
- Dependability, Cooking
- Commitment to working, showing up
- Building relationships with customers and co-workers
- Teamwork, working autonomously, sales
- Desire to work
- No trouble finding qualified office and exec positions. So I'll answer to the manufacturing side. We value a strong work ethic and sense of urgency above all. In this current landscape, we have found great difficulty finding employees to fill manufacturing positions, period. Similar to what has been happening in the hospitality industry
- Good work ethic
- Customer service
- Product Development and
- Marketing
- Combination of great customer service skills and technical skills
- Accounting knowledge, efficiency, organization, diverse experience
- Superior guest service
- Ability to work regular hours
- Writing, relationship-building
- Trail designers
- Detail-oriented

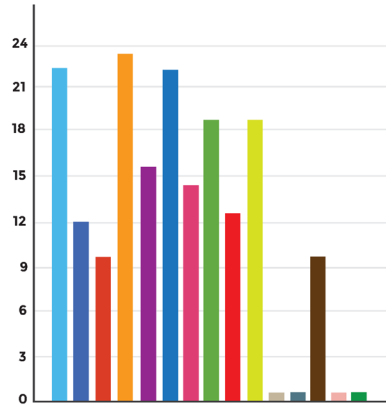
What certifications do you require for the jobs you hire for?



What types of employee professional development does your organization support currently? Select all that apply



Which of the following types of professional development do you believe could benefit your organization? Select all that apply



- Access to industry-specific train-the-trainer programming
- Replicable apprenticeship programs
- Increased programming at the technical/trade school level
- Collaboration with other industries seeking similar competencies
- Industry-created professional education for employers
- Increased marketing of careers in your industry
- Industry career center/network
- Support initiatives in K-12 schools
- Increased programming at higher education institutions (bachelor's and master's degree specific to industry)
- Creation and/or expansion of hiring pipelines for underrepresented communities
- Not applicable
- Our facility has unique needs and are very job specific, lots of pre program training occurs coupled with experience
- Industry-created professional education for employers
- Low cost housing options
- None of the above





**If you do not currently have a diversity plan in place, what is preventing you from implementing one?
What resources could help you create one?**

- No need
- Not sure we need one.
- Trade group resources would be helpful, otherwise developing a plan feels complex/overwhelming
- We hire independent contractors and are happy to hire any and all qualified individuals
- For a small business some of these tasks feel enormous and hard to know where to even start.
- Limited staff size and other growth priorities.
- One of main goals is to be diverse, but we don't have a written plan
- All volunteers from the local bike club
- We currently hire based on the candidates qualifications. We are relatively small in terms of employees but are open to hiring all qualified candidates regardless of their background.
- have not had need
- The fact that we are a tiny organization and I don't hire on a regular basis.
- Small pool, Small business and small area. lack of interest in the area
- We have created a diversity team but no plan is currently in place.
- Startup company, only 1 employee so far. I (founder) am also a POC so will definitely be implementing a diversity search once we are able to go beyond our bootstrapped phase.
- Navigating the pandemic, limited bandwidth for strategic priorities in the face of operating season challenges, staff capacity and turnover.

- We have so few employees
- I just began as the new Executive Director 1 month ago, so I have not had the time to put this plan into place. This is a strategic priority for me and our organization, and I would like to be part of a broader shift in access and engagement with the outdoor industry for underrepresented minorities
- First year hiring employees
- UNH has a diversity plan and approval process for new hires, but we do not have one specifically for our department in the outdoor area
We hire what we can!
- We would hire anyone, but the lack of diversity in the local population is the main factor
Pool of applicants
- We are open to all applicants
- Lack of time
- We would hire anyone, we don't need a plan.
- We hire the best person for the job, there is no reason to prefer one group over another
- Need employees - right now we hire anyone willing to work. Diversity is welcomed
- Simple there are really no choices, if people show up are qualified , we hire them, our workforce is very diverse
- Time, resources, a template to use
- Time
- We have not prioritized it.
- We have some diversity within our team. Haven't really thought about needing a plan for this yet
- Small operation willing to hire anyone able to do the actual work required
- Training on how to develop an effective plan
lack of employees



MARK GORDON
GOVERNOR OF WYOMING
CHAIR

MICHELLE LUJAN GRISHAM
GOVERNOR OF NEW MEXICO
VICE CHAIR

JACK WALDORF
EXECUTIVE DIRECTOR

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, home care, 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

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 2026. 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.

Senate Committee on Small Business and Entrepreneurship Hearing
November 1, 2023
Follow-Up Questions for the Record

Questions for Ms. Rebecca Peters

Questions from:

Senator Young

Ms. Peters, in your testimony, you highlighted how inflation and gas prices have significantly impacted the “drive market”. This particularly resonates with me as my home state of Indiana is a global leader in RV manufacturing, producing approximately 80% of RVs worldwide. Given the critical importance of gas prices in this context, I’d like to dive deeper into the specific challenges and potential ripple effects.

While we’ve seen inflation fall from its peak last year, prices are still rising due to demand, labor costs, and other inputs—just at a slower rate. In the broader scope of outdoor recreation, I’m curious about how these economic factors, especially the ups and downs of gas prices, are shaping the way people travel and enjoy their leisure time.

QUESTION 1:

How are these changes affecting activities like camping or RVing, among others?

ANSWER 1:

Thank you for this question and thank you to the businesses in Indiana who manufacture recreational vehicles. RV’s are a great way for families to explore some of the beautiful drive markets across our country like those found in Dickinson County, Iowa. Our county has over 500 nightly campsites and well over 1,000 seasonal campsites. Demand for seasonal campsites continues to be strong, with a waiting list at most. Most of our nightly campsites take reservations in advance, and those reservations remain strong in the heart of tourism season. We are seeing gas prices affect the “first-come-first-serve” campsites in our community. It’s difficult for a family to take the gamble on not finding a campsite at their destination with high gas prices. As a result, many families are planning their camping trips to Okoboji further in advance with less last-minute travelers.

QUESTION 2:

How are different local businesses, community leaders, and conservation groups, collaborating to promote sustainable tourism and economic growth despite financial pressures?

ANSWER 2:

Our county is home to many local conservation groups, each with a specific focus within our community. They work with community leaders, businesses, and our tourism leaders to bring attention to environmental issues and caring for our lakes and prairies. One specific collaboration is the annual Okoboji Blue Water Festival and Prairie Lakes Conference in August each summer. Our community is home to the Prairie Lakes Conference, attracting individuals working in conservation from across the state and region, along with and members of the public interested in conservation. These individuals learn together during a week of hands-on education within a unique landscape where they can see cutting-edge conservation practices being used. The week culminates with a community-wide celebration on Saturday called the Okoboji Blue Water Festival. This daylong celebration gives conservation groups from across the region an opportunity to connect with residents and visitors in a fun environment. There are children's activities, fishing seminars, speakers, demonstrations, and a large concert in celebration of clean water. The festival has helped bring awareness to environmental issues in our county. Our community leaders and residents know that tourism is a major economic driver in Dickinson County, and clean water is an important factor in the tourism.



Okoboji Blue Water Festival in Arnolds Park, Iowa.
Photo credit: Tom Gustafson, VisionAIRy Drone

Senate Committee on Small Business and Entrepreneurship Hearing
November 1, 2023
Follow-Up Questions for the Record

Questions for Mr. Chris Fox

Questions from:

Senator Young

With the cost of federal regulations hitting an estimated \$3 trillion in 2022, and disproportionately affecting small businesses, it becomes evident that over-regulation can not only stifle conservation initiatives but also impede economic growth in the outdoor industry

QUESTION 1:

Mr. Fox, you mentioned the need to eliminate regulatory “green tape” that hinders conservation programs. Could you provide specific examples of how over-regulation has directly impacted Ducks Unlimited’s projects, and what measures you would recommend to streamline these processes?

A: One major example is in Iowa where DU is working with the Iowa Department of Agriculture and Land Stewardship (IDALS) to restore degraded and lost wetland basins for the express benefit of improving water quality, reducing sediment loads and providing wildlife habitat. These restoration projects should be easily permitted under the U.S. Army Corps. of Engineers (COE) Nationwide Permit 27. However, the Rock Island District of the COE is rejecting that approach and forcing IDALS to go through a Regional Permit that essentially mandates IDALS to perform compensatory mitigation for their restoration projects. This is based on incorrect assumptions by the COE regarding their own permitting system. The COE has rejected sound science, restoration experts and recommendations of the Gulf Hypoxia Task Force, leading to the continuation of hampering IDALS restoration efforts.

Secondly, voluntary restoration projects funded by Federal Agencies (USFWS, NOAA, USDA), which have gone through rigorous evaluation and critique, including NEPA, should not undergo the same permitting process that corporations go through when negatively impacting wetlands. Voluntary wetland restoration projects, by definition, result in a net gain in wetland functions and services, so they should have a streamlined permitting process that is applied immediately.

QUESTION 2:

Are there any lessons or best practices from other states or countries in managing regulatory processes that you believe could be beneficial if applied to U.S. wetland conservation efforts?

With the EPA's recent reissuance of the Waters of the United States (WOTUS) rule still imposing significant costs and uncertainties, it's crucial to ensure that such regulations are appropriately tailored. They must not overburden small businesses, especially those operating on or near water in the outdoor economy.

A: Yes, Michigan has passed legislation that created a new streamlined permitting process for voluntary wetland restoration projects, defined as projects specifically resulting in positive outcomes of increased wetland functions and services. This permitting process allows quick review and approval of voluntary wetland restoration projects and is working well. In the case of Michigan this streamlined permitting process is for voluntary wetland restoration projects only and cannot be tied to a past or present mitigation requirement.

QUESTION 3:

Mr. Fox, given your extensive experience in wetlands conservation, what reactions or adjustments are you observing among outdoor recreational small businesses in response to the WOTUS rule?

A: In the wake of the U.S. Supreme Court case, Sackett v. U.S. EPA, it is unclear what the real impacts will be to outdoor recreational small businesses. The business community continues to get whipsawed back and forth as administrations change and layer on their own interpretations of the Clean Water Act. Until congress clarifies in statute what does and does not constitute a water of the U.S., we expect continued regulatory uncertainty.

QUESTION 4:

How should wetlands and bodies of water be regulated, considering that local and state leaders often possess a deeper understanding of the best practices suitable for their specific regions?

A: Wetlands should be regulated utilizing the best available science on the ecosystem services that waterbodies provide both humans and wildlife. Regulatory consistency and clarity are also two characteristics of an efficient regulatory paradigm around wetland and other bodies of water. Lastly, voluntary wetland conservation actions done by or in partnership with non-governmental organizations, who specialize in wetland restoration, or state and federal natural resource agencies, should not be subjected to the same regulatory hurdles as entities seeking permission to negatively impact an existing wetland system.