

“Although many arguments for and against fees have been advanced, few are as compelling or central . . . as the idea that fees may exclude low-income users from access to public recreation areas.”

— Thomas More and
Thomas Stevens (2000, 341)

Recreation Fees— Four Philosophical Questions

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INTRODUCTION

Over the years, my sister and I have frequently camped in Custer National Forest just outside Yellowstone Park’s northeastern entrance at Cooke City, Montana—the town where our parents honeymooned 33 years ago. Rolling eastward from Cooke, the forest carpets the Beartooth Mountains and encompasses a byway that author and broadcaster Charles Kuralt called “America’s most beautiful roadway.” In those woods, we have watched finding a campground grow more difficult, facilities become dilapidated, litter rise to prevalence, and an increase in stream erosion. We have watched as it became harder to find a place where buffalo and moose roam

instead of people, and where deer and antelope play rather than sixteen-year-olds on ATVs.

But, recently, things have begun to turn around. The derelict outhouses around Cooke City have been retooled, litter has been picked up, the streams are better protected, and the assurance of a campsite is easier, thanks to new reservation systems. These changes have been spurred by a new way of serving the public on publicly owned lands, one that relies more on recreation fees and less on appropriations.

The fees come with controversy, however. Many people—some organized in vocal interest groups—oppose them. Some of the opposition arises from concerns about the fairness of fees: Will they price low-income citizens out of access to public lands? Other concerns are more theoretical: Does charging fees “commercialize” public lands? And some are downright complex: Are Americans, who own the public lands, being “taxed twice” through fees? Finally, some people think that fees reduce the accountability of public managers by reducing their reliance on congressional appropriations. This paper will try to remove these stumbling blocks from the path laid out before recreation fees.

SOME BACKGROUND ON FEES

While recreation fees have been a feature of public lands since the creation of the National Park Service in 1916, very quickly fees began to be funneled to the national treasury. The idea that fees should stay in the area where collected and that lands other than national parks should collect fees took a long time to gain a foothold in the halls of Washington.¹

It was not until the mid-1970s that the Bureau of Outdoor Recreation surveyed 800 households and numerous recreation administrators, both private and public, to determine support for fees (Economic Research Associates 1976). It found that the ma-

jority of respondents in all demographic groups supported pay-as-you-go recreation. Even then, fees remained low.

In 1996, the U.S. Congress authorized the Fee Demonstration Program (sometimes shortened to Fee Demo). This pilot program, scheduled to end in October 2004, allowed four federal agencies to begin or expand fee collection, with the majority of collected fees staying at the collection site for allocation by the local land managers. The four agencies are the Bureau of Land Management, the Fish and Wildlife Service, the Forest Service, and the National Park Service. Managers may apply the fees to improve visitor services, maintain and protect natural resources, and reduce project backlogs.

The General Accounting Office (GAO), an arm of Congress, has evaluated the program for several years, for the most part favorably. In 1999, the agency said, “In summary, our overall message about the demonstration program is clearly positive” (GAO 1999, 1). Two subsequent studies (GAO 2001, 2003) made recommendations for improving Fee Demo and identified places where the program falls short, but neither questioned the program’s overall value (see also Fretwell 1999, 10–11).

The Fee Demonstration program has provided funding for a number of initiatives. For example, in fiscal year 2002, the program:

- allowed the National Park Service to complete 136 deferred maintenance projects, 80 of which related to natural resource protection, and to make some facilities accessible to the handicapped, including the White House Visitor Center and restrooms at Nez Perce National Historic Park (U.S. Department of the Interior [USDI] and U.S. Department of Agriculture [USDA] 2003, 26–27);
- funded Forest Service equipment to monitor avalanches and to teach avalanche safety to visitors at Mount Shasta, California; removed garbage and abandoned vehicles in

Arizona's Coconino National Forest; and repaired 47 miles of trails in Washington State's Olympic National Forest, after maintenance of the trails had been deferred for eight years (USDI and USDA 2003, 57–59);

- pumped septic tanks, built a bird observation blind, and completed repairs on facilities at the Parker River National Wildlife Refuge in Massachusetts (USDI and USDA 2003, 33).

Indeed, hundreds of different projects paid for by the Fee Demo program in 2002 can be found in the agencies' most recent progress report (USDI and USDA 2003). There is evidence that recreational fees are also reducing vandalism, litter, and crime on public lands (Grewell 2002, 170–72). Fees even have the potential to reduce congestion problems; by offering lower rates on weekdays and during the less-popular seasons, they could encourage off-peak recreation (GAO 1999, 4; Grewell 2002, 173). Yet the program has its critics.

OBJECTIONS TO FEES

Philosophical issues of fairness, justice, and morality underlie many criticisms of recreation fees. These concerns were perhaps first articulated by Frederick Law Olmsted, the famous landscape architect. Best known for his role in designing Central Park in New York City, he also helped create Yosemite National Park, plan Stanford University, and lay out the grounds around our nation's Capitol building.

Olmsted thought that leisure spent in natural surroundings encouraged a sense of individual freedom and community at the same time. "By attracting people from all social classes, parks would combat a tendency for social stratification and promote a healthy sense of community," wrote Cockrell and Wellman (1985,

4), summarizing Olmsted's views. "By providing workers with a natural setting that encouraged their individual response and provided contrast to their daily lives, parks would help America's people develop their ability to govern themselves."

A number of researchers have enlisted Olmsted's ideas to justify public provision of outdoor recreation. Forest Service researcher B. L. Driver (1984, 52) attributes to outdoor recreation such benefits as "family, kinship, mental relaxation, physical fitness, improved ability to cope with stresses at work and at home," as well as "creativity, spiritual growth, acquiring a rich variety of knowledge"—and more. He argues that no other "class of goods or services provides such a large number of different benefits" and concludes that these have "sizable spinoff benefits to other people." This idea that recreation is a "merit good," which benefits both the individual and the society and thus deserves public funding, permeates much of the recreation literature (see Cockrell and Wellman 1985; Howard and Crompton 1980; Schultz, McAvoy, and Dustin 1988).

If recreation fees and the benefits they bring to public lands are to be permanently adopted, a number of questions must be answered. I have broken the objections into four separate issues, and my discussion follows.

QUESTION 1:

Will recreation fees price low-income citizens
out of access to the public lands?

When Frederick Law Olmsted was designing Central Park, he wanted it to appeal to the wealthy and the educated so that they would mingle with the lower classes. This mingling, he thought, would strengthen democracy (Cockrell and Wellman 1985, 4). In addition, for Olmsted, outdoor leisure was integral to building a sense of freedom among working men. They would escape from the factory to a place where they could not only enjoy recreation

but also ponder ideals of democracy and community. Thus he designed landscapes that would appeal to the wealthy with their grandeur while permitting access to the poor through cheap or free admission.

Recreation fees could threaten Olmsted's vision. As More and Stevens (2000, 341) write, "Although many arguments for and against fees have been advanced, few are as compelling or as central to the debate as the idea that fees may exclude low-income users from access to public recreation areas." If recreation fees prohibit or disproportionately discourage the poor from enjoying public lands, Olmstedian ideals of democracy and older ideas of justice and equity may not be met.

A number of fee opponents claim this is happening already. An anti-fee activist organization, Free Our Forests (2003), argues, "Fee Demo sets a precedent of *classism* where only those who can afford to recreate will be able to do so. Those who can't afford it will be barred from their own public lands."² While both the National Parks and Conservation Association and Outward Bound USA support the Fee Demonstration program, they too worry about the effects of fees on the demographics of public land recreationists (GAO 1998, 84–85; NPCA 2002). The Sierra Club, an active opponent of fees, argues, "Fee demo is a move to make public lands private, which precludes social equity" (Coyle 2001).

To address these worries, two questions must be asked. Do recreational fees price lower-income users out of public lands? If so, what can be done about it?

Some studies show that low-income families will spend less time out-of-doors if access fees are imposed. Stephen Reiling and his fellow researchers surveyed visitors to Army Corps of Engineers day-use sites (Reiling et al. 1996). They concluded that low-income users had a higher probability of choosing not to visit the sites in question if a fee was imposed. Similarly, Reiling, Cheng, and Trott (1992) surveyed campers using Maine State Park campgrounds and found low-income users were likely to reduce use

under higher fees. In both cases, however, people were interviewed about how they would act in hypothetical situations.

Actions speak louder than words. Surveys are good at eliciting people's current opinions and determining actions they have taken but not at determining motives for those past actions or predicting future actions (see Boudreaux, Meiners, and Zywicki 1999). The problem with surveys is evident in research done by More and Stevens (2000).

More and Stevens asked New Hampshire and Vermont residents about their willingness to pay for recreation. When asked if a \$5 increase in access fees would affect their visitation, 49 percent of low-income respondents said it would. When told that access fees had already increased over the previous five years, 60 percent of the low-income respondents said it had not affected them or they had "just paid" the increases (More and Stevens 2000, 347–49). This study, which did not measure actual visitation, suggests that the intentions voiced in prospective surveys and the actual actions taken may be different.

It does appear that some of the poor have been priced out of outdoor recreation, but by costs other than recreation fees. The greatest hurdle to low-income citizens visiting public lands is the cost associated with traveling to a site and buying the goods necessary for recreation in the first place. This was first reported in the mid-1960s (Clawson and Knetsch 1966). In 1984, the Forest Service researcher B. L. Driver (1984, 53) tentatively concluded that "other costs of getting to and using many types of federal and state recreation areas represent a much bigger constraint than would increases in fees." A decade later, Forest Service economist George Peterson (1992) also noted travel costs as the factor keeping low-income visitors away from sites.

The biggest determinant of whether a family chooses to travel in the first place is income (see Kelly 1996; Scott and Munson 1994). A study of 3,000 Texas residents found that those with per capita incomes of more than \$20,000 per year were 60 percent

more likely to participate in outdoor recreation away from home and 30 percent more likely to participate in outdoor recreation close to home than those with lower incomes (Lee, Scott, and Floyd 2001, 439).

The high cost of travel leads many people, not just the poor, to make other recreational choices. Only 58 percent of consumers with household incomes in excess of \$50,000 took vacations or trips in 2000 (Janini 2003a, 6). Of those consumers with household incomes below \$25,000, only 22 percent traveled in 2000 (Janini 2003b). Larger families also vacation less (Fish and Waggle 1996, 73; Hagemann 1981).

A study including low-income citizens in Oregon and Washington found the poor less likely to visit national forests than other outdoor recreation areas. The reason given was that other areas are closer to home (USDI and USDA 2003, 54). Scott and Munson's (1994) study of public parks within the Cleveland area, however, found that low income lowered even the use of city parks. One would presume travel costs are not a serious problem in such situations, so other factors must be inhibiting outdoor recreation among the poor. They could be a lack of time, poor information, preference for indoor entertainment, or other unknown factors.

The role of travel costs can be seen by estimating the costs of visiting the oldest and most recognized of all public lands, Yellowstone National Park (table 1). The first two points of origin are distant urban areas (San Francisco and Washington, D.C.), the third is one of the closest metropolitan areas to the park (Denver, CO), and the last is a nearby town (Bozeman, MT). The estimates are conservative. No incidentals are figured in, such as souvenir purchases, the costs of oil changes, or recreational equipment. In addition, what may be the highest cost to the poor—time away from earning income—is not included.

Gasoline costs are based on the assumption that a vehicle achieves 20 to 30 miles per gallon, with gasoline prices between \$1.40 and \$1.70 per gallon, as they were in 2003. Days traveled

TABLE 1: ESTIMATED TRAVEL COSTS TO YELLOWSTONE NATIONAL PARK
(per person)

| Starting Locale | Days / Miles Traveled | Gasoline | Lodging | Food | Total Cost per Person |
|--|--------------------------|----------------|---------------|--------------|--------------------------|
| Washington, DC Individual Couple Family of 4 | 8 days / 4,490 miles | \$ 210 – \$382 | \$210 – \$350 | \$80 – \$160 | \$500 – \$892 |
| | | Same | Same | 160 – 320 | 290 – 526 |
| | | Same | 280 – 420 | 280 – 560 | 193 – 341 |
| San Francisco, CA Individual Couple Family of 4 | 6 days / 2,000 miles | 93 – 170 | 150 – 250 | 60 – 120 | 303 – 540 |
| | | Same | Same | 120 – 240 | 182 – 330 |
| | | Same | 200 – 300 | 210 – 420 | 126 – 223 |
| Denver, CO Individual Couple Family of 4 | 4 days / 1,300 miles | 61 – 111 | 90 – 150 | 40 – 80 | 191 – 341 |
| | | Same | Same | 80 – 160 | 116 – 211 |
| | | Same | 120 – 180 | 140 – 280 | 80 – 143 |
| Bozeman, MT Individual Couple Family of 4 | 2 days / 480 miles | 22 – 41 | -0- | 20 – 40 | 42 – 81 |
| | | Same | Same | 40 – 80 | 31 – 61 |
| | | Same | Same | 70 – 140 | 23 – 45 |

includes time spent getting to and from the park, with two days for recreation in the park. Mileage includes distance to West Yellowstone, Montana, and back, plus 120 miles for traveling around in the park.³ Food is assumed to cost between \$10 and \$20 per day per person.⁴ Lodging includes \$30 to \$50 per night for a single vacationer or couple and \$40 to \$60 per night for a family of four.⁵ Lodging and food costs might be brought down by the use of a tent or camping trailer, but this would entail higher investments in equipment and lower gasoline mileage for the vehicle. With these conservative estimates, the higher end of the range probably offers a more realistic representation of the travel costs to Yellowstone.⁶

Based on these estimates, a family of four traveling from Washington, D.C., would spend somewhere between \$770 and \$1,360 on food, lodging, and transportation to visit Yellowstone. At Yellowstone's present charge, it would cost the family only \$20 to drive into the park for a two-day visit

Except for quite local trips, then, travel costs, not recreation fees, may keep low-income visitors from a public lands vacation. Fees account for a small percentage of the overall cost. If entrance fees were raised to \$20 per person per visit (not \$20 per car for a week), as I suggest later in this paper, they would still represent a small portion of the total expenditure for a typical family trip. By comparison, twenty dollars per person is less than half the price of a single day's visit to Disneyland (\$49.75 for adults, \$39.75 for children).⁷

Where travel costs are high, it is unlikely that recreation fees are having much impact on whether low-income families visit public lands. In other cases—where people live near the public lands and travel is not much of a factor—recreation fees could affect poor people's decisions to visit public lands. Those who live on the borders of Yellowstone, for example, are more likely to consider a \$20 access fee as a barrier to a hiking trip. This brings us to the second underlying question. Where recreation fees,

rather than other costs, keep poor people from public lands, what should be done?

The following policy options could be used to ensure that recreation fees don't price the poor out of their public lands.

- Recreation vouchers, coupons, or rebates could be given to the poor. These could reduce the cost of recreation fees or eliminate the cost entirely. Free passes could be distributed to low-income citizens through charitable groups or through the land agencies. One way to distribute these vouchers or passes might be to link them to time donated as volunteers.
- Occasional free days could improve access for the poor, as could the use of other imaginative techniques. For example, a limited amount of free admission tickets could be set aside each day on a first-come, first-served basis. This would allow those willing to get in line early for tickets to pay with their time rather than dollars. It provides another opportunity for low-income users to visit sites while still maintaining the benefits of fees—which include reducing congestion and sending a signal that public lands are valuable sites requiring investment in their maintenance.
- Certain sites can avoid fees. Maintenance costs can be covered by the fees paid for at other recreational units in the region. This practice is prevalent on many state and federal public lands today. Not every Forest Service site charges a fee, but nearly all receive a share of the increased funding from the fees, directly or indirectly, as appropriated tax dollars go to the sites that don't charge fees.

While these are genuine options, one must still ask whether recreation policy is the best avenue for addressing welfare con-

cerns. Low-income people might better appreciate expenditures of tax dollars elsewhere than on public lands—such as subsidized gasoline or direct transfer payments. Increased reliance on recreation fees would free tax dollars for those activities.

The use of tax dollars for public lands instead of fees is a regressive policy, benefiting middle-class and wealthy citizens more than the poor, because the former engage in recreation more than poor people do (Clawson and Knetsch 1966; Harris and Driver 1987, 28). The poor generally support recreation fees and have done so for some time. In the Bureau of Outdoor Recreation's 1976 survey, support for recreation fees was highest among lower-income groups and rural residents (Economics Research Associates 1976). In a more recent survey by the University of Florida, Pennsylvania State University, and the Pacific Southwest Research Station of the Forest Service, low-income respondents in Oregon and Washington—two of the states with the highest opposition to user fees—approved of the Northwest Forest Pass, which provides access to Forest Service lands for a fee. They did so even though they were more likely to believe they could not afford the fee (USDI and USDA 2003, 54). In More and Stevens' (2000, 349) survey of New Hampshire and Vermont residents, low-income residents ranked fees second only to increased voluntary contributions as a means of covering the cost of public lands. Taxes were a distant third.

In sum, recreation fees do not normally price poor people out of public lands, but may do so in specific instances. Furthermore, equity is an important concern, but recreational fees appear to improve equity rather than make it worse. Recreation fees improve equity by shifting the burden to those who spend more time in recreation—the middle-class and wealthy. Under a system that funds recreation on public lands through fees alone, those who pay taxes but do not spend as much time enjoying the public lands—i.e., the working poor—are not forced to subsidize those who spend more time on public lands. And if seri-

ous concerns about equity do exist with a fee program, they can be addressed with modest changes to the fee system.

QUESTION 2:

Will recreation fees commercialize our public lands—ruining the nature experience?

Many people think that charging fees on public lands will tarnish the experience. Some have a visceral antagonism to requiring people to pay that reflects strong negative feelings about allocating certain resources through the marketplace. Opponents consider enjoyment of nature a spiritual event that is incompatible with requirements to fork over money at the gate. Free Our Forests (2003), for example, says, “Our public lands are our heritage and our birthright. We own these lands. They are not a recreational commodity.”

One staunch opponent of fees, Scott Silver of Wild Wilderness, likens commercialization to prostitution, commenting that the difference between free and fee is like “the difference between romantic love and paid sex. It changes the experience totally. It can’t be wild if it’s not free” (quoted in Watson 1999, 3). The Forest Service noted more mundanely in a report on questions about the Fee Demonstration program that “fees may affect those who visit these areas by turning the experience into a consumer good and fundamentally changing the experience to a commodity” (USDA 2002, 27).

Even those who support fees identify commercialization as a worry. B. L. Driver (1984, 52) says that “the difficult question is whether excessive fees or poorly administered fee programs will tend to trivialize or anesthetize these sentiments through ‘commodity fetishism,’ [and] ‘conspicuous consumption.’”

Frederick Olmsted might have worried about commercialization, too, had he had lived to see the Fee Demonstration program. According to Albert Fein (1972, 26), Olmsted thought that “[i]t

was in the public spaces—parks, streets, campuses, and hospital grounds—that citizens would experience the reality of democratic life.” By turning this democratic experience into a commercial process, Olmsted might well have thought that Fee Demo distorts the public experience.

Following an Olmstedian notion of recreation, fee opponent Michael Frome (2002, E1) claims that “recreation areas on publicly owned lands are like art galleries, museums and libraries, meant to enrich society by enlightening and elevating individuals who come to them.” He claims that the Fee Demonstration program was pushed by those “eager to share in commercializing, motorizing, and Disneyfying the public lands.”

These emotional reactions do not hold up very well to scrutiny. Most of the institutions that Frome favorably compares to public lands are not funded solely, or even mostly, from tax dollars. Art galleries and museums are supported by donations, memberships, and frequently admission fees. For many art galleries, profits from sales are the major funding mechanism, and grants given to museums by government tax dollars usually represent a small fraction of their budgets. While public libraries may meet Frome’s standards (that is, supported by tax dollars, not fees), the best libraries in the world today almost always belong to private universities, which are funded by donations and tuition fees.

Most places exhibiting the public interaction among different walks of life that was so prized by Olmsted have a clear commercial aspect. Yes, students, tourists, and faculty members enjoy the palm trees and Spanish architecture dotting the great campus Olmsted designed for Stanford University, but citizens from all classes and creeds also interact at shopping malls, bars, concerts, movie theaters, Broadway shows, and even theme parks such as the often-vilified Disneyland.⁸

Moreover, worries about commercialization through the Fee Demonstration program ignore the fact that public lands already

are commercial. As Dan Janzen (1998, 40), a professor of biology at the University of Pennsylvania, has written, “The very nature-oriented tourism industry that thrives in our national parks has been conducting commercial development of biodiversity and ecosystems in, and downstream from, national parks since the first train tracks were laid to Yellowstone’s front door more than 100 years ago.” Terry L. Anderson and Peter J. Hill (1996) have explained that Yellowstone National Park might not even exist if not for the commercial drive of the Northern Pacific Railroad. Although a number of people had admired the natural wonders of Yellowstone, organized pressure to create a national park came from the railroad, eager to provide a destination for potential train passengers.

Some fee opponents grant that Park Service lands are already commercial, but want to protect the Forest Service and other public lands that have not charged access fees in the past from commercialization. Yet the reason these public lands did not charge recreational fees is that recreation was not part of their historical mission.

Forest Service lands were set aside because President Theodore Roosevelt and Gifford Pinchot, the first chief of the Forest Service, were worried about ensuring timber for the future. Forest Service lands were timber producers, not recreation producers. As the country’s reliance on the national forests for timber declined, however, and citizens became wealthy enough to seek more outdoor recreation, recreational use of Forest Service lands began to climb. In 1962, there were 112,762,000 visits to Forest Service lands. By 1992, the number of visits had more than doubled to 287,691,000 visits.⁹ As the visitors increased, so did the demand for recreational services, the strain on the resource, and the need for fees to cover the recreation.

Ultimately, the commercialization complaint arises from an overly selective—or biased—application of the idea of commercialization. Many people who oppose commercialization of pub-

lic recreation do not mind visiting those lands in hiking boots from Vasque, Merrell, and Coleman or sandals by Teva while wearing a Patagonia shirt and Oakley sunglasses and planning to camp in a Northface tent stored away in their REI backpack. Given that much of the recreational experience depends on commercially sold products, why is a Northwest Forest Pass (which can be bought at an outdoors store) seen as inappropriate? The funds from the pass repair facilities, maintain trails, inform visitors about dangers, and pay for rangers to monitor risky situations.

In sum, user fees for recreation do have commercial aspects, but so does public land recreation. The additional commercialization from fees seems insignificant compared to the gains in resource protection and public lands services procured by fees.

QUESTION 3:

Because public lands are paid for by taxes,
do recreation fees amount to unfair, double taxation?

Determining whether fees constitute double taxation is a difficult issue. Many people are quite certain that the fees tax Americans twice. “We, the people, already pay taxes for the management of public lands. Under fee demo, we are required to pay again for their use,” writes Michael Frome (2002, E1). “Fee Demo . . . is a highly regressive form of double-taxation that is discriminatory and exclusionary,” says Scott Silver (2003) of Wild Wilderness.¹⁰ The Forest Service (USDA 2002, 34–35) acknowledges the double taxation concern, too, and Harris and Driver (1987, 27) write, “User-fee opponents insist that it is unfair to charge recreationists twice, once through taxation and once with user fees.”

It can be argued, however, that fees cover different services than taxes (the “private good” aspects of public lands rather than the “public good” aspects). If this argument holds, fees are not double taxation in most cases. On the other hand, individuals

given a choice between paying taxes for the existence of public lands that they will never visit and paying taxes for lands on which they enjoy recreation might choose to only pay for the lands they use for recreation. If those taxpayers have no fondness for the existence value of public lands, then having to pay both times could be seen as double taxation.

Today's hybrid system of fees and taxation for public lands reflects the first argument—that public lands provide both private and public goods—and that, therefore, the fees and taxes pay for different things. Some people who will never see public lands still want to know that the lands exist. This “public good” aspect tends to justify tax support of the lands.¹¹ Meanwhile, fees pay for the “private good” aspects of public lands—the consumption of recreation by visitors to public lands.

A hybrid system of fees and taxation can be found in areas other than recreation. For example, supporters of public transportation assert that the government provides a public good by reducing congestion on highways and lowering pollution, thereby justifying subsidies for construction and operation of transit systems. But fees are charged for anyone who wants to ride the BART in San Francisco, the Metro in Washington, D.C., or the subway in New York, because users of public transit are receiving a private good in the form of transportation. If fees were not charged, it would be unfair to people who never ride public transit and, in addition, the transportation would undoubtedly be overused.

Yet even with the hybrid system, recreation fees may be unfair to a specific group of taxpayers—those who are subsidizing the lands but not using them because fees have priced them out. These are the marginal, working-class recreationists about whom More (1999, 230–32; 2002, 66–67) is concerned. They pay taxes and enjoy public lands recreation, but might cut back or stop public recreation if a significant fee were imposed.

Ironically, getting rid of the appropriations process and using

only recreation fees to support public lands might be more fair to these individuals (More 2002, 67). Under complete privatization, the users would pay the full cost of the recreation, and middle- or low-income non-users would not subsidize the well-off.

More does not discuss a public system fully funded by fees, but such a system would seem to have the virtues of the privatization that he lauds. What are the arguments against a fully self-funded public recreation system?

One argument is that the only way to make the parks self-supporting is to raise entrance fees to hundreds of dollars per head. On one of my recent trips to Yellowstone, a top budget officer made this claim. Sharing this view, the National Parks and Conservation Association (2002) supports Fee Demonstration only “if the collected funds supplement rather than supplant needed appropriations.” Jonathan Guzzo of the Washington Trails Association echoes the NPCA’s sentiment—he and his organization don’t want to see recreation fee dollars “supplant appropriated dollars.”¹² These organizations feel that if fee dollars replace appropriations as the means of funding parks, there won’t be enough funds to cover park costs unless fees are exorbitant.

Fears that fees would reach hundreds of dollars per person are not supported by fact. Yellowstone National Park costs some \$41.7 million to operate and maintain each year, with park officials claiming another \$13.3 million is needed for one-time investments and capital expenditures during the year. This adds up to a total annual cost of \$55 million to run Yellowstone.¹³ With three million annual visitors, the Park could charge a lone entrance fee of \$20 per visitor—not the hundreds of dollars per visitor contended by opponents—and still have \$5 million left over each year to tackle its maintenance backlog.

The higher price of \$20 per head per visit (compared to \$20 per car for a week) might reduce visitation, but so far the increases in fees from the Fee Demo program have not done so (GAO 1998). This may be because services have improved and visitors are

getting more for their dollar. (It may also result from the fact that access fees remain a small fraction of overall travel costs, as discussed earlier.)

The second major argument made against fee-only budgets for public lands is that while crown jewels such as Yellowstone might survive on fees, less-popular public lands cannot. It is true that other public lands do not have the same revenue opportunities as a crown jewel, but they do not bear the same cost burden, either. The General Accounting Office noted in its 2003 review of Forest Service sites that sites with low revenues had “fewer visitors and fewer visitor needs than high revenue sites. Their expenditures focused on maintaining existing facilities and providing basic visitor services” (GAO 2003, 13).

In the National Park Service, the three Fee Demonstration sites with the lowest reported visits are Fort Union in New Mexico, which housed the garrison protecting the Santa Fe Trail in the late 1800s, and the boyhood homes of John F. Kennedy and William Howard Taft, both national historic sites (USDI and USDA 2003, 64–76). These would presumably have difficulty raising funds for maintenance. But what do the sites cost to operate and maintain? Nowhere near the \$55 million needed for Yellowstone. For example, Fort Union’s total 2003 budget amounted to \$674,000.¹⁴

Nevertheless, the per-person cost would be higher due to lower visitation. To cover each site’s current budget would require per-head charges of \$50 for Fort Union, \$44 for William Howard Taft National Historic Site, and \$32 for John F. Kennedy National Historic Site (and those fees would presumably reduce visitation further!).¹⁵

But each site does not have to survive only on access fees. With more flexibility from Congress, such sites could generate revenue in other ways. Concessionaire contracts can provide significant income. Sites such as the Kennedy and Taft homes could charge for banquets or weddings. Fort Union could present historic reenactments and outdoor cookouts.

And whether the three park budgets represent what it actually costs to operate and maintain these sites remains in question. Even at Yellowstone, the park staff have incentives to overestimate operating costs due to the nature of the appropriations system. The more money they can justify to Congress, the more money they will have. Due to these incentives, the budgets for Yellowstone and other parks may exaggerate their costs.

What if some parks or public lands cannot survive on their own? Thomas More is opposed to fees on public lands, but his argument for “deaccession” of some public lands provides ammunition in support of fees, too.¹⁶ More (1999, 240–41) suggests that perhaps some lands should be “deaccessed” because “recreation agencies may have overexpanded and in the process acquired some lands and facilities that provide marginal benefits.” He also notes that the growth of the private campground industry leads one to “question why government was even involved in this business” in the first place (241). These factors could also lead to the conclusion that the marginal sites should be sold or turned over to private charities, and the rest financed with fees.

Sites such as the Kennedy and Taft homes might be better run by private charities. It is hard to imagine that the Kennedy family would be unable to raise the charitable donations necessary to maintain the former president’s birth home. As one precedent, we find that Mount Vernon, the home of George Washington, is currently maintained through donations and fees rather than taxes. It is run by the nonprofit Mount Vernon Ladies’ Association rather than a government agency.¹⁷

In sum, the double taxation argument has some punch, but it is not an argument *against* recreation fees as much as it is an argument for replacing appropriations *with* fees. A number of taxpayers seem to agree. As a staffer in one senator’s office informed me, one of the big constituent complaints against the Fee Demo program is that “[t]here has been no decline in congressional appropriations as a result of Fee Demo.”¹⁸

QUESTION 4:

Do recreation fees reduce accountability of federal land agencies to Congress and the public by freeing federal land managers from the appropriations process?

In the past, all revenues generated on public lands were sent back to Washington, D.C., where they were lost in the coffers of the federal treasury. Congress appropriated annual budgets for federal land agencies without regard to revenues raised by the agency. Congress also stipulated how the funds should be spent. This “power of the purse” has been one of the most effective ways for Congress to control managers of federal land agencies.

The current Fee Demo program gives these managers an alternate source of funding and reduces the need for managers to respond to requests from congressional members. This reduction is not that great, however. Fee Demonstration dollars raised in fiscal year 2002 only amounted to 5.5 percent of the funding received by the National Park Service for its 2003 budget. The rest of the Park Service funds still came from appropriations.¹⁹ (And the National Park Service is the agency with the highest percent of its budget coming from fees.)

Opponents of fees worry that these proportions will change if fees keep growing. And they contend that once fees become a major part of the budget, managers will not be accountable to the elected congressional members. Nor will they, the argument goes, be accountable to the citizens who elect those members.

This concern is legitimate in the sense that congressional control might diminish if appropriations were replaced by fees. Recreation fees, however, make federal land managers more accountable to the citizens most concerned about federal lands—those who visit them for recreation. When fees are an important part of a site’s budget, the managers of that site must spend revenues on activities, facilities, natural resources, main-

tenance, and improvements that appeal to those who appreciate the lands. If visitors are disappointed by a site, they will not return in the future, and this will reduce funding for the site.

This improved accountability is one of the key aspects of recreation fees. Even supporters of recreation fees often fail to recognize its importance. Recreation fees that remain where they are collected provide the *essential* incentive to spend that increased funding on aspects of public lands that visitors value.

Fee opponents often argue that if Congress would just appropriate more money, there would be no need for fees. The improvements in accountability stemming from fees deflate that argument. To begin with, looking back in history, one sees that appropriations for the public land agencies outpaced increases in visitation for two decades prior to the Fee Demonstration Program. Yet the resources and facilities continued to deteriorate, as indicated by multi-billion dollar backlogs on both Forest Service and Park Service lands (GAO 2003, 4, 22). According to Holly Fretwell (1999, 8):

Over the past twenty years (1978 to 1997), the National Park Service's operating budget increased from nearly \$800 million to about \$1.2 billion, an average annual increase of 2.3 percent above inflation. Between 1980 and 1995, full-time staff increased from 15,836 to 17,216 employees, an 8.7 percent increase. Yet visitation grew only 1.2 percent per year from 1978 to 1997. Forest Service and Bureau of Land Management budgets have also grown beyond inflation by about 1.2 percent and 1.5 percent, respectively.

Why did increasing budgets fail to protect the resources of public lands? The reason is that congressional appropriations skew accountability. They discourage managers from spending money on protecting resources and improving amenities, and even from spending wisely and frugally (see Fretwell 1999, 8–9; Grewell 2002). There are a couple of reasons for this.

First, the politicians who allocate funds prefer to appropriate money for glamorous projects where they can cut a ribbon and earn political capital. Fixing potholes, maintaining aging sewer systems, and researching the condition of wildlife do not grip the congressional imagination in the same way that multi-million-dollar visitor centers and million-dollar outhouses do (see Pound 1997).

Big, visible projects also allow politicians to reward campaign contributors with lucrative construction projects, something that labor-intensive projects such as trail work cannot. Fretwell (1999, 9) quotes retired National Park Service Director Roger Kennedy acknowledging that more money is spent on “congressionally identified” initiatives than on projects recommended by on-the-ground Park Service personnel.

Finally, the appropriations process leads to bizarre decisions in which the most popular attractions on public lands are often the first ones closed in a funding crisis. Fretwell (1999, 9) shares the story of the Norris campground, one of Yellowstone’s most popular campgrounds, and therefore one of its best revenue generators. Norris was bringing in \$116,000 worth of revenues in 1996, but because those funds went back to the federal treasury instead of remaining in the hands of park managers, the managers only saw Norris as a liability. It drained \$70,000 each year from their budget. From that vantage point, it made sense to close down the campground, even though it was generating \$46,000 in net revenues. The managers faced the costs but didn’t receive the benefits. With self-supporting fees, the campground would have remained open, providing services to visitors, because it generated a profit.

Fees that remain on site generate accountability. Fees give managers an incentive to serve those who use the parks, rather than simply cater to politicians who may see park projects as opportunities for pork barrel spending. This accountability could be improved by making the Fee Demonstration program perma-

ment. One of the concerns raised by a GAO analysis of the Forest Service's recreation fee program was a failure to track the expenditures applied to deferred maintenance. The Forest Service claims the lack of tracking is due to "the temporary nature of the program and because the agency is not required by the fee program legislation to measure the impact of fee demonstration revenues on deferred maintenance" (GAO 2003, 4). With the program's future in doubt, federal land managers are wise in hesitating to invest in long-term improvements in Fee Demo.

If the Fee Demonstration program earns permanent status, better tracking of how revenues are spent is essential. Citizens and visitors will demand evidence of their dollars at work, and managers need accurate data to allocate their finances in the ways that will serve their customers best.

In sum, recreation fees may reduce accountability to Congress, but they improve accountability to the citizens that Congress is supposed to represent. Frederick Law Olmsted would approve.

CONCLUSION

Much of the opposition to recreation fees arises from information gaps about issues such as those addressed above. I have attempted to demonstrate why four major points of contention are not insurmountable obstacles for implementing fees and for receiving the benefits that accrue from fees. But other issues and concerns remain.

Practical considerations exist about how and what type of fees should be charged, where and when those fees should be collected, and what extenuating consequences result from fee collection. For instance, one repeated claim is that fee collection at present is poorly organized, resulting in too many overlapping fees. Another concern is that creative pricing to reduce congestion on

public lands has barely been tried. The Forest Service (USDA 2002) lays out almost 50 pages worth of issues and concerns needing more research.

Until Congress makes a commitment that recreation fees are here to stay, the necessary investment of time and money to research these issues will not be made. Moving the Fee Demo program from its temporary, demonstration status to a permanent program is the next step. Answers to the outstanding concerns and questions that remain can only be found through on-the-ground experimentation of the sort encouraged by a permanent program.

NOTES

1. Federal recreation fees were first collected at Mount Rainier as an auto-access fee in 1908 (Harris and Driver 1987, 25). Leal and Fretwell (1997, 4–5) note that the parks were supposed to be self-supporting with the beginning with the National Park Service in 1916. Only two years later, however, the funds collected in the parks began to revert to the federal treasury.

2. The emphasis on classism is theirs.

3. As it would be cheaper for someone in Bozeman to drive down to the park and drive home each night, thus saving on lodging, the gas cost is higher because more miles are traveled but the lodging price is zero.

4. In figuring the total food costs, the price per day was doubled for couples, but to add extra cushion for cheaper food for children or possible economies of scale from buying food in larger quantities, the extra two individuals in a family of four were only counted as 1.5 extra people.

5. Note that eight days of traveling would only entail seven nights of lodging.

6. For those who traveled generally in 2000, an average of \$875 was spent on travel expenditures. These included about \$352 for

transportation, \$204 for food, \$66 for entertainment, \$76 for gifts, and \$177 for lodging (Janini 2003a, 6). Indeed, as a majority of those who traveled probably did so only once or twice, the costs for Yellowstone represented in the table and in this paper seem to be representative or even conservative estimates of the actual cost.

7. Single-day price for tickets downloaded from Disneyland's Web site on April 12, 2004 (<http://disneyland.disney.go.com/dlr/tickets/index>).

8. Stanford has a commercial aspect as well. Students pay a great deal of tuition to attend the university and to maintain its buildings, and their education has a commercial aspect; on average, students who attend college earn substantially more income over their lifetimes than those who do not.

9. Thanks to fellow PERC research associate Holly Fretwell, who has compiled these numbers as well as visitation numbers for other public lands. The Forest Service numbers come from the *Statistical Abstract of the United States* put out each year by the U.S. Bureau of Statistics.

10. It should be noted that regressive taxes and double taxation are not by definition the same thing. Taxes are regressive if lower-income citizens pay a higher percentage of their income than higher-income citizens. Double taxation occurs when an individual is taxed on the same goods under two different tax categories.

11. A number of economists have argued that it is government appropriations of tax dollars that suffer the greatest public good problem. See Stroup (2000) and Haddock (n.d.).

12. Quoted on "Most Endangered Trails," *KUOW's Weekday Program*, Seattle, WA, KUOW Radio 94.9, July 16, 2003.

13. Kathy Tustanowski-Marsh, comptroller, Yellowstone National Park, Mammoth Hot Springs, Wyoming, telephone interview, July 24, 2003. The FY2003 budget for Yellowstone amounted to \$27 million. This figure is well below park officials' \$55 million

estimate for the actual cost of running Yellowstone. Budget downloaded from <http://www.nps.gov/yell/pphtml/facts.html> on July 31, 2003.

14. All three park budgets and visitation numbers were downloaded on July 31, 2003. Fort Union N.M. Budget downloaded from <http://www.nps.gov/foun/pphtml/facts.html>. John F. Kennedy N.H.S. Budget downloaded from <http://www.nps.gov/jofi/pphtml/facts.html>. William Howard Taft N.H.S. Budget downloaded from <http://www.nps.gov/wiho/pphtml/facts.html>. Visitation numbers can also be found in USDI and USDA (2003, 64–77).

15. Advertising could be used to increase visitation. The Park Service is already engaged in such activities. The 2003 National Park Pass displays a picture of Fort Union. This is probably not a coincidence, but rather a wise use of marketing to increase attendance at one of the least visited Fee Demo sites.

16. For More (2002, 67), deaccessing is “ethically superior” to fees because it sends a message to the public that the agency lacks the funds to operate certain programs and facilities without squeezing out the voice of those he sees as having no ability to pay the fees.

17. Information about Mount Vernon and the Mount Vernon Ladies’ Association can be found at http://www.mountvernon.org/press/mv_fact.asp.

18. Cathy Ackerson, legislative staffer, office of Senator Robert Bennett (Utah), Washington, D.C., e-mail correspondence, June 2003.

19. The Park Service took in \$125.7 million in fees in FY 2002 (USDI and USDA 2003, 9). Its FY2003 budget justification included a total budget of \$2,277.3 million (USDI 2003).

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