



Highlights of [GAO-03-1161T](#), testimony before the Subcommittee on Forests and Forest Health, Committee on Resources, House of Representatives

## Why GAO Did This Study

Since 1996, federal land management agencies have collected over \$900 million in recreation fees from the public under an experimental initiative called the Recreational Fee Demonstration Program. The Forest Service's part was about \$160 million. The authority to collect these fees expires at the end of fiscal year 2004. Central to the debate about whether to reauthorize the program is how effectively the land management agencies are using the hundreds of millions of dollars that the recreation fees have provided them. In April 2003, GAO reported on Forest Service management of the fee demonstration program. (See *Recreation Fees: Information on Forest Service Management of Revenue from the Fee Demonstration Program*, [GAO-03-470](#) [Washington D.C.: Apr. 25, 2003]).

This testimony is based on the work GAO conducted for the April 2003 report. Four issues are addressed: (1) how the Forest Service determines spending priorities for the revenues generated by the fee program, (2) how the agency has spent its fee demonstration program revenues, (3) what the agency is doing to measure the impact of the recreation fee revenues on reducing its deferred maintenance backlog, and (4) how it accounts for its fee demonstration program revenues.

[www.gao.gov/cgi-bin/getrpt?GAO-03-1161T](http://www.gao.gov/cgi-bin/getrpt?GAO-03-1161T).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Barry T. Hill at (202) 512-3841 or [hillbt@gao.gov](mailto:hillbt@gao.gov).

## RECREATION FEES

### Information on Forest Service Management of Revenue from the Fee Demonstration Program

#### What GAO Found

Local forest managers largely determine Forest Service spending priorities for the Recreational Fee Demonstration Program. Given broad discretion in deciding how to use fee demonstration revenues, local forest managers retain between 90 and 100 percent of the fee demonstration revenue at the sites where fees are collected and are expected to establish spending priorities consistent with general program guidance provided by Forest Service headquarters. This guidance advises local forest managers to spend fee demonstration revenues on needs that have been identified by forest visitors and to maintain existing facilities rather than initiate new construction projects.

On the basis of priorities identified by local users, the Forest Service has spent fee demonstration revenues on a wide range of projects at national forests throughout the country. The legislation authorizing the fee demonstration program permitted all the participating agencies to spend fee revenues on certain categories of activities to increase the quality of the visitor experience and enhance the protection of resources. GAO's review at selected Forest Service sites found that expenditures were consistent with authorizing legislation and agency spending priorities.

The Forest Service does not have a process for measuring the impact of fee demonstration expenditures on reducing the deferred maintenance backlog. Further, while the agency acknowledges that it has a significant deferred maintenance problem, it has not developed a reliable estimate of its deferred maintenance needs.

Consistent with the authorizing legislation for the fee demonstration program, the Forest Service keeps its fee revenue in accounts separate from other appropriated funds. The agency also tracks its fee revenues and expenditures separately from its appropriated funds.