

Calendar No. 664

114TH CONGRESS }
2d Session }

SENATE

{ REPORT
{ 114-371

OUTDOOR RECREATION JOBS AND
ECONOMIC IMPACT ACT OF 2015

R E P O R T

OF THE

COMMITTEE ON COMMERCE, SCIENCE, AND
TRANSPORTATION

ON

S. 2219



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SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

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SECOND SESSION

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Mr. THUNE, from the Committee on Commerce, Science, and
Transportation, submitted the following

R E P O R T

[To accompany S. 2219]

The Committee on Commerce, Science, and Transportation, to which was referred the bill (S. 2219) to require the Secretary of Commerce to conduct an assessment and analysis of the outdoor recreation economy of the United States, and for other purposes, having considered the same, reports favorably thereon with an amendment (in the nature of a substitute) and recommends that the bill (as amended) do pass.

PURPOSE OF THE BILL

The purpose of this bill is to direct the Bureau of Economic Analysis (BEA) within the Department of Commerce to conduct an assessment of the outdoor recreation industry's full contribution to the U.S. economy.

BACKGROUND AND NEEDS

The outdoor recreation economy includes direct spending by Americans in pursuit of outdoor activities as well as the indirect effects of this spending on jobs and wages. Direct spending on outdoor recreation includes outdoor recreation product sales (e.g., apparel, footwear, equipment, vehicles, accessories, and services) and dollars spent on trips and travel (including food, drink, transportation, entertainment, activities, lodging, souvenirs, etc.). The outdoor recreation industry's full contribution to the U.S. economy includes not only direct spending in pursuit of outdoor activities but also the impact, and associated multiplier effect, of related spending, jobs, and wages on the broader economy.

BEA is an agency within the Department of Commerce that produces economic accounts statistics that enable government and business decision-makers, researchers, and the U.S. public to follow and understand the performance of the U.S. economy. It measures economic impact at the national, regional, and industry level. BEA's national accounts provide a quantitative assessment of U.S. domestic production, investment, and consumption of exports and imports, and of national and domestic income and saving. The most closely watched statistic published by BEA is its gross domestic product (GDP) estimate, which is published quarterly.

BEA's industry economic accounts provide a detailed view of the interrelationship between U.S. producers and users and the contributions to production across industries. These accounts are used extensively by policymakers and businesses to understand industry interactions, productivity trends, and the changing structure of the U.S. economy. BEA publishes economic data for annual industry accounts, providing a time series of detailed, consistent information, including the annual contribution of private industries and government to the national GDP.

In addition to published estimates for 61 private industries, BEA provides data from several satellite accounts—statistical frameworks that are designed to expand the analytical capacity of the industry economic accounts and to supplement them by focusing on a particular aspect of economic activity. Currently, BEA maintains five satellite accounts: Arts and Cultural Production; Healthcare; Innovation; Travel and Tourism; and Transportation.

BEA is currently working with the Department of the Interior (DOI) to stand up a sixth satellite account to provide data on outdoor recreation. In April of 2016, the Secretary of the Interior, Sally Jewell, announced that the Federal Government will undertake a BEA feasibility study to analyze the impact outdoor recreation has on the U.S. economy. Secretary Jewell stated:

By producing credible data on the tangible economic benefits of public lands, we can help the public and Members of Congress better understand the benefits of investing in them. . . . Industry estimates show that consumer spending for outdoor recreation is greater than household utilities and pharmaceuticals combined—and yet the federal government has never fully recognized or quantified these benefits. This project is the start of a multi-year effort to count these contributions in a comprehensive and impartial way.¹

BEA is currently working with the Federal Recreation Council, comprised of the Forest Service, the Army Corps of Engineers, the National Park Service, the National Oceanic and Atmospheric Administration, the Fish and Wildlife Service, and the Bureau of Land Management, to initiate the Outdoor Recreation Satellite Account.²

In this effort, the DOI will sign a memorandum of understanding with BEA to establish the satellite account, focusing on an initial,

¹ Sally Jewell, U.S. Secretary of the Interior, "The Next 100 Years of Conservation in America" (Speech, The National Geographic Society, Apr. 19, 2016), Medium, at <https://medium.com/@Interior/the-next-100-years-of-american-conservation-397c42b81f2#4duek7nkr>.

² Department of the Interior, Outdoor Recreation Economic Study, no date, at <https://www.doi.gov/sites/doi.gov/files/uploads/Fact%20Sheet%20-%20Outdoor%20Recreation%20Economic%20Study%20final.pdf>.

one-year feasibility study necessary to establish experimental, national-level and regional estimates, beginning with California, which will be completed in 2017.³

To ensure the availability of economic data on outdoor recreation, this legislation would explicitly authorize these efforts. The legislation is designed to ensure methodological uniformity between this economic analysis and existing Federal efforts to analyze the impact of other private industries, while at the same time requiring consultation with various stakeholders, including small businesses in the outdoor recreation economy of the United States. The bill is not intended to delay or otherwise disrupt ongoing efforts to create this outdoor recreation satellite account.

To ensure Congress becomes informed of the outdoor recreation industry's full contributions to the U.S. economy and to allow for meaningful congressional oversight of the execution of this legislation, the bill would require the Secretary of Commerce to submit a report to appropriate committees of Congress on the findings of this assessment.

S. 2219 would allow the Secretary of Commerce to consider a variety of considerations in conducting an assessment and analysis of the outdoor recreation economy of the United States and its effects on the overall economy of the United States. While the Committee defers to the judgment and existing methodology of BEA in conducting this analysis, it notes that the outdoor recreation economy encompasses a wide variety of outdoor recreation activities, including motorized recreation.

LEGISLATIVE HISTORY

Senator Shaheen introduced this bill on October 29, 2015, with Senator Gardner as an original cosponsor. The bill is also cosponsored by Senators Ayotte, Bennet, Daines, Enzi, Heinrich, Klobuchar, Moran, Murray, Peters, Risch, Sessions, Tester, Wicker, and Wyden.

On June 29, 2016, the Committee met in open Executive Session, and by voice vote ordered S. 2219 to be reported favorably with an amendment (in the nature of a substitute) offered by Senator Gardner.

ESTIMATED COSTS

In accordance with paragraph 11(a) of rule XXVI of the Standing Rules of the Senate and section 403 of the Congressional Budget Act of 1974, the Committee provides the following cost estimate, prepared by the Congressional Budget Office:

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S. 2219 would direct the Department of Commerce (DOC) to enter into a joint memorandum with the Secretary of Agriculture and the Secretary of the Interior to conduct an assessment and analysis of the outdoor recreation economy and issue a report. On the basis of information from the affected departments, CBO estimates that implementing S. 2219 would require an additional four

³ Ibid.

or five people to conduct the study and issue the report and would cost \$2 million over the 2017–2021 period; such spending would be subject to the availability of appropriated funds.

Enacting S. 2219 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply. CBO estimates that enacting S. 2219 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

S. 2219 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Stephen Rabent. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.

REGULATORY IMPACT

Because S. 2219 does not create any new programs, the legislation will have no additional regulatory impact, and will result in no additional reporting requirements for the private sector. The legislation will have no further effect on the number or types of individuals and businesses regulated, the economic impact of such regulation, the personal privacy of affected individuals, or the paperwork required from such individuals and businesses.

CONGRESSIONALLY DIRECTED SPENDING

In compliance with paragraph 4(b) of rule XLIV of the Standing Rules of the Senate, the Committee provides that no provisions contained in the bill, as reported, meet the definition of congressionally directed spending items under the rule.

SECTION-BY-SECTION ANALYSIS

Section 1. Short title.

This section would establish the bill’s short title as the “Outdoor Recreation Jobs and Economic Impact Act of 2016.”

Section 2. Assessment and analysis of outdoor recreation economy of the United States.

This section would require the Secretary of Commerce to jointly enter into a memorandum of understanding with the Secretary of Agriculture and the Secretary of the Interior to conduct, acting through the Director of BEA, an assessment and analysis of the outdoor recreation economy of the United States and the effects attributable to such economy on the overall economy of the United States.

In conducting this assessment, this section would allow the Secretary of Commerce to consider employment, sales, and contributions to travel and tourism, and such other contributing components of the outdoor recreation economy of the United States as the Secretary of Commerce considers appropriate.

This section would require, as part of the assessment, that the Secretary consult with the heads of such agencies and offices of the Federal Government as the Secretary of Commerce considers appropriate, including the Secretary of Agriculture, the Secretary of

the Interior, the Director of the Bureau of the Census, and the Commissioner of the Bureau of Labor Statistics.

It would further require the Secretary of Commerce to consult with representatives of businesses, including small business concerns, that engage in commerce in the outdoor recreation economy of the United States.

This section would require the Secretary of Commerce to submit a report on the assessment's findings to the Committee on Commerce, Science, and Transportation, the Committee on Environment and Public Works, the Committee on Energy and Natural Resources, and the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Energy and Commerce and the Committee on Small Business of the House of Representatives, and would establish a reporting deadline of 24 months after the bill's enactment.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the Committee states that the bill as reported would make no change to existing law.

