

WSTPC NATIONAL ISSUES BULLETIN

June, 2005

*An e-mail service for members of the Western States Tourism Policy Council by WSTPC Washington, DC, Representative Aubrey King (202.251.6845), who can provide more details on any of the issues reported here. Comments or suggestions are always welcome. **New information since the last National Issues Bulletin is in bold.***

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Reauthorization of Federal Highway Program

With the seventh extension of TEA-21 certain to expire on June 30 without passage of reauthorization, the House-Senate Conference Committee continues working to reconcile differences in the \$284 billion House bill (H.R. 3 or TEA-LU) and the \$296 billion approved by the Senate (H.R. 3 modified, or SAFETEA). The framework that is apparently being followed at this time includes a guaranteed funding level of \$286.5 billion for the six-year bill. This number was agreed to after the Senate formally offered a compromise of \$290 billion. The framework also includes a 50/50 split on demonstration projects and a 60/40 split on high priority projects.

It is expected that Congress will pass a short-term extension with the hope of finishing work on the reauthorization bill before its August recess.

The Administration has indicated it will only approve surface transportation funding at the \$284 billion level approved by the House *provided* that the amount of funding for demonstration projects is held down. *(It might be noted that at this time we are talking not about a six-year reauthorization but really no more than a 4-5 year reauthorization since its effective date will be retroactive to 10/1/03, when TEA-21 expired, and the reauthorization will actually end on 9/30/09. This means that the next reauthorization cycle (TEA?) will begin in little more than two years.)*

Programs directly beneficial to tourism and recreation should receive substantial increases under both House and Senate bills. Following are the House and Senate Committee amounts, compared to the amounts authorized under TEA-21. Transportation

Enhancements: Senate more than \$700 million; House more than \$600 million; TEA-21 \$590 million. Scenic Byways: Senate less than \$35 million pre year; House as much as \$60 million per year; TEA-21 \$26.5 million. Recreational Trails: Senate as much as \$54 million per year; House \$110 million; TEA-21 \$50 million. National Park Roads: Senate as much as \$285.8 million per year; House as much as \$225 million; TEA-21 \$165 million. Federal Lands Highways: Senate \$267.9 million per year; House as much as \$300 million; TEA-21 \$246 million.

In addition, a new category of Recreation Roads is proposed by the Administration at \$50 million per year, with 68 percent allocated to Forest Highways and the balance to BLM, Corps of Engineers and Bureau of Reclamation. The Senate bill authorizes \$44.7 million per year but the House bill does not include this program. This is a particularly significant proposal since it would for the first time authorize Forest Highways to be funded from the Federal Highway Trust Fund.

In a June 24th WSTPC letter to the Conferees, WSTPC Chairman Carl Wilgus urged the conference committee to retain favorable funding for tourism-friendly programs and to include the Senate Forest Highways provision.

For a final reauthorization bill to succeed, major challenges will still have to be overcome, with the major interrelated hurdles being (1) achieving the funding levels desired by Congress while ensuring that both donor states (who pay more into the highway trust fund than they receive Federal highway payments) and donee states (who receive more than they pay in) all receive increased funding, and (2) restricting the sharp growth in demonstration projects, which have mushroomed from less than two dozen thirty years ago to more than 3,315 in TEA-LU, which authorizes \$11.1 billion for such projects over six years, as much as \$2.5 billion per year. Now consuming nearly 20% of highway expenditures, these demonstration projects reduce flexibility to meet other highway goals.

National Outdoor Recreation Policy Act

The WSTPC continues to work with the American Recreation Coalition and other recreation industry organizations to draft and advocate a National Recreation Policy Act. This would establish for the first time a national commitment to development of a recreation policy for the country. The bill itself would make no substantive changes in recreation policies or programs, but it could result in a sea change in the emphasis given to recreation on the Federal lands. It would accomplish three major goals:

- (a) It would “declare a national policy regarding the management and use of lands and waters administered by Federal agencies to provide the American public with abundant, high-quality and diverse recreational opportunities to enhance (1) public health and welfare, (2) appreciation of natural resources and the environment, and (3) economic benefits associated with outdoor recreation for gateway, rural and other communities;”

- (b) It would direct the Secretary of the Interior to lead an interagency effort to prepare within 12 months “a national recreation strategy that identifies statutory and regulatory impediments to providing and facilitating a diversity of recreational opportunities on Federally-managed lands and waters, and appropriate means to increase the quantity and quality of recreation opportunities available to the public;” and
- (c) It would establish an ongoing Federal Recreation Inter-Agency Coordinating Council, with state and local government officials and others from the industry as advisors, to improve coordination of recreation programs and policies and implement the national recreation strategy.

On February 9th, the WSTPC joined other industry organizations in explaining this significant legislation to key staff on Capitol Hill. Resistance is expected from environmental organizations that will object to the emphasis this legislation gives recreation and perhaps from some Federal land agencies that do not see recreation as a major part of their mission.

The draft bill is supported by at least 24 recreation trade associations although some have expressed concern that it would favor some modes of recreation over others. Most environmental and conservation organizations have not endorsed it. The Department of the Interior apparently has reservations about the need for national legislation and would prefer solving any problems through administrative actions.

Travel and Tourism in Homeland Security Policies

An April 19, 2005, meeting at the Department of Homeland Security produced encouraging results that promise improved interaction between DHS and the travel and tourism industry. Participating in this meeting were the Western States Tourism Policy Council, the Southeast Tourism Society, the American Bus Association, the National Tour Association, and the American Society of Travel Agents, who have formed a coalition to follow-up on implementation of the Porter Amendment passed by Congress last year. The 4/19 meeting produced several noteworthy results and commitments. It was agreed that the two priority areas of homeland security concern for the coalition are (1) facilitation of international travel, especially issues presented by the US VISIT Program, the approaching biometric passport deadline for visa waiver countries and the approaching requirement for passports by all travelers across the Canadian and Mexican borders (including U.S. citizens); and (2) security for special events like large meetings and conventions, entertainment and sports venues.

Both sides made commitments. Mr. Fonts pledged to put the travel and tourism industry in direct contact with Elaine Dezorski, Acting DHS Assistant Secretary for Policy and with Justin Oberman, DHS Assistant Administrator for National Risk Assessment at the Transportation Security Administration. TaraLyn Riordan is to be our ongoing contact.

Mr. Fonts explicitly promised he would "be an advocate" for travel and tourism in the DHS and to work closely with the industry going forward.

The Coalition pledged in response to Mr. Fonts' request, to provide data about the importance of Canadian and Mexican travel to the industry. This will be especially helpful in analyzing the impact of the requirement by 2008 that all cross-border travelers have passports for ID purposes.

With other industry organizations, the WSTPC has been actively working with the Department of Homeland Security to ensure efficient and expeditious implementation of the new statutory directive from the 108th Congress that the Special Assistant to the Secretary for the Private Sector, who reports directly to the Secretary of Homeland Security, must take responsibility for coordinating and consulting on issues related to the travel and tourism industries with the DHS Directorate of Border and Transportation Security, the DHS Office of State and Local Government Coordination and Preparedness and the Department of Commerce Assistant Secretary for Trade Development. This statutory directive was proposed by Representative Jon Porter (R-NV) and the WSTPC was one of the half dozen major tourism organizations that successfully lobbied for its passage.

Public Lands Appropriations

Both House and Senate have completed action on the Fiscal Year 2006 budgets for the Federal land agencies. Differences between the two chambers will be reconciled in a House-Senate conference committee. Following are the comparable amounts for key public land programs, showing the 2005 budget figures, President Bush's proposed budget for 2006 and the amounts approved by the House and the Senate. As the figures show, the public land agencies in general and their tourism and recreation programs have not done badly in this time of very tight Federal budgets.:

NPS Operations: 2005, \$1.684 billion. President Bush's Budget, \$1.734 billion. Senate, \$1.750 billion. House, \$1.754 billion.

NPS Operations Maintenance: 2005, \$582.7 million. President Bush's Budget, \$595.6 million. Senate, \$595 million. House, \$595.6 million.

NPS Construction: 2005, \$353 million. President Bush's Budget, \$324.3 million. Senate, \$316.2 million. House, \$291 million.

NPS Recreation and Preservation: 2005, \$61 million. President Bush's Budget, \$36.8 million. Senate, \$56.7 million. House, \$49 million.

Forest Service Recreation: 2005, \$257.3 million. President Bush's Budget, \$257.3 million. Senate, \$257.3 million. House, \$265.2 million.

Forest Service Trails: 2005, \$75.7 million. President Bush's Budget, \$63.8 million. Senate, \$63.8 million. House, \$76 million.

BLM Recreation: 2005, \$60.6 million. President Bush's Budget, \$664.6 million. Senate, \$65.6 million. House, \$65.6 million.

Fish and Wildlife Refuge Management: 2005, \$381 million. President Bush's Budget, Senate and House all have approved \$394 million.

Forest Service Fire Fighting: 2005, \$2.099 billion. President Bush's Budget, \$1.735 billion. Senate, \$1.746 billion. House, \$1.79 billion.

Interior Department Fire Fighting: 2005, \$831 million. President Bush's Budget, \$756.6 million. Senate, \$766.6 million. House, \$762 million.

Facilitation of International Travel

Biometric Passports for Visa Waiver Countries. On June 15th, DHS Secretary Chertoff announced that the U.S. will accept the production of digital photographs to satisfy the October 26, 2005, requirement of biometric identifications on passports for travelers from the 27 countries in the Visa Waiver Program. By October 26, 2006, the VWP countries will have to begin issuing passports with integrated circuit chips, or e-passports. (On October 26, 2005, VWP countries must present an acceptable plan to begin issuing e-passports by October 26, 2006.)

Passports for Western Hemisphere Travel. On another international travel issue, concern is growing over the potential impact on U.S.-Canadian and U.S.-Mexican travel of a new requirement that all travelers, including U.S. citizens, must begin by 2008 to provide passport identification. On April 14, 2005, President Bush expressed concern over the prospect that this new requirement may "disrupt the honest flow of traffic" and said he had told the Departments of State and Homeland Security to see if more flexibility could be exercised. Senators Olympia J. Snowe (R-ME), Susan Collins (R-ME) and Norm Coleman (R-MN) have strongly objected to the impact of the new passport ID rule on U.S.-Canadian travel and Coleman promises to introduce legislation allowing alternative proofs of identification.

Machine Readable Passports. Since 6/26/05 all travelers from visa waiver countries must be required to have machine readable passports or they will not be allowed to enter the U.S. Carriers transporting anyone without a MR passport will be subject to a \$3300 fine per individual violation. This is the implementation of a requirement in The Immigration and Nationality Act that originally set 10/1/03 as the MR deadline but the deadline was extended and until now one-time waivers were granted VW travelers. Apparently all VW countries now issue MR passports but the problem will be with travelers with older passports that are not MR. The number of such travelers has steadily fallen but there are still about 100 travelers per day from VW countries without MR passports -- about one percent of all VW travelers. DHS and the State Department are requesting the industry to help get this message out to international travelers.

Gateways Bill

Representative George Radanovich (R-CA) reintroduced H.R. 585, the Gateway Communities Cooperation Act, in the first business week of the 109th Congress. After falling just short of the Senate finish line in the closing hours of the last two Congresses, a strong effort is being made to gain House passage early in the 109th Congress to allow maximum time for Senate consideration. The WSTPC is meeting with key Senate staff to urge support for this legislation.

In order to get H.R. 585 on the “Consent Calendar” in the House, which would mean prompt voice vote approval, revisions are being made in the legislation so that it will not be classified as creating a “new program” that would not qualify for the consent calendar. The main change will be to drop the small grant program of \$10 million from the bill.

Recreation Fee Program

The WSTPC is now working with the Federal land agencies as they are developing guidelines for implementation of the ten-year new recreation fee authority passed by Congress in 2004 as the Federal Lands Recreation Enhancement Act (REA). Several interagency working groups have been formed to develop implementation guidelines for the new fee program. At a February 11 “Listening Session” at the Department of Interior with the interagency working group developing the newly authorized America the Beautiful Pass, the WSTPC urged the agencies to recognize the potential for this fee program to be more than just a source of revenue, but also a public information and marketing tool. The WSTPC also emphasized the importance of developing regional, intergovernmental passes and of working closely with state tourism offices and gateway communities in developing coordinated marketing campaigns combined with administration of the fee program. In a March 21, 2005, communication to Department of the Interior Director of External and Intergovernmental Affairs Kit Kimball, the WSTPC joined three other allied tourism and recreation organizations in urging that all interagency fee working groups meet with private and intergovernmental organizations to discuss the potential promise and ramifications of the new fee program.

At a June 24, 2005, “Listening Session” on the Recreation Resource Advisory Committees (RRACs) mandated by the REA, the WSTPC urged state level RRACs instead of national or broad regional ones.

The Forest Service has announced that it will discontinue entrance fees at 480 relatively undeveloped sites (while retaining fees at 4,024 sites). This is hoped to help mitigate continuing strong opposition to the fee program as evidenced by the passage by six state legislative chambers of resolutions condemning the program and demanding Congressional repeal. Congress is not expected to pass such repeal legislation but will probably hold early hearings this fall on initial fee implementation plans by the agencies.

Tax Credits for National Parks Introduced

Legislation has been introduced in Congress to authorize taxpayers to contribute \$1 or more to a National Park Centennial Fund from tax overpayments or from an annual tax payment form. The Senate bill, S. 886, was introduced by Senator John McCain (R-AZ) and a House counterpart bill, H.R. 1124, has been introduced by Representatives Mark Souder (R-IN) and Brian Baird (D-WA). Although no estimate has yet been made about the amount of money expected to be raised from such a tax credit, a recent national poll indicated enough people would be willing to pay a tax of \$20 or more for maintenance and operations in the national parks to produce \$650 million. Congressional approval would be complex because, as tax legislation, these bills would have to be approved by the Senate Finance Committee and the House Ways & Means Committee, as well as the Senate Energy Committee and the House Resources Committee, and would also likely stimulate concerns from the appropriations committees because they would be excluded from any control over the amount raised.