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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.

Jessica Wahl Turner
President
Outdoor Recreation Roundtable