



Economic Report

A Small Business Voice for Public Lands in the West

April 16, 2014

Small Business Majority

1101 14th Street, NW, Suite 905

Washington, DC 20005

(202) 828-8357

www.smallbusinessmajority.org

Table of Contents

Introduction	3
Public Lands Are Crucial to Small Businesses and Local Economies in the West	4
California.....	6
Colorado.....	7
Montana	8
New Mexico.....	9
Recommendations	10
Conclusion	11

Introduction

It has often been said that people must speak out in defense of our common land, since it cannot speak for itself. Small business owners agree protecting our natural assets is a good way to enhance the success of local businesses and economies, particularly in the West, where parks and monuments play a large role in attracting talent and creating and keeping jobs. The federal shutdown at the end of 2013 proved that when the government closes national parks and other public lands, economies suffer. In a poll conducted by the Colorado College State of the Rockies Project, 83% of registered voters said they believe funding to national parks, forests and other public lands should not be cut, as it provides a big return on a small investment.¹

The fight for public lands conservation, however, remains formidable in the face of development. Small business owners—who account for nearly half of all private-sector employment in this country—can be a strong voice for the preservation of America’s public lands by making the business case for environmental protection policies. Small Business Majority’s polling has shown that entrepreneurs have a vested interest in preserving public lands as a durable foundation for the continued success of American entrepreneurship and innovation.

Small business owners understand the connection between the preservation of public lands and their bottom lines. National parks and monuments bring tourism dollars into their places of business and help attract talented employees, and many entrepreneurs started businesses in communities near public lands because of that reason. In fact, Small Business Majority’s opinion polling found a majority of non-recreation businesses in Western states point to their state’s parks and public lands as a key reason for relocating to the Rocky Mountain West. Additionally, the Colorado College State of the Rockies Project found a majority of residents in Western states rank the clean environment, outdoor lifestyle, and living near public lands as among the most significant reasons they live where they do.²

Research also shows the impact of public lands on the economy as a whole cannot be understated. The Outdoor Industry Association found that outdoor recreation generates a vast \$646 billion in consumer spending, more than 6 million jobs, \$39.9 billion in federal revenue and \$39.7 billion in state and local tax revenue.³ Public lands drive growth in local communities, especially in the West, where natural resources abound. Efforts need to be made to continue protecting public lands in order to help local economies, and with them, small businesses, grow and thrive.

This paper will examine the benefits of protecting public lands to small businesses and local economies in the West, and how public lands attract entrepreneurs and tourists who contribute to the success of Western states. This paper will look specifically at the importance of public lands in California, Colorado, Montana and New Mexico. It will also provide recommendations policymakers can use to take further steps to ensure the protection of public lands that are crucial to the success of small businesses and economies in the West.

¹ Colorado State of the Rockies Project (January 2014). *The 2014 Survey of the Attitudes of Voters in Six Western States*. <https://www.coloradocollege.edu/other/stateoftherockies/conservationinthewest/2014/14CWPExecSummary.pdf>

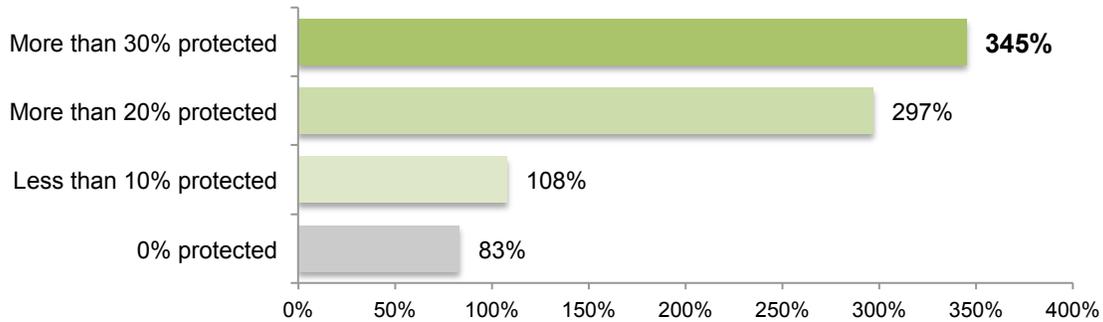
² Colorado State of the Rockies Project (January 2015). *The 2015 Conservation in the West Poll*. <https://www.coloradocollege.edu/dotAsset/c3bb58a7-6c69-458b-a052-f94666eb6452.pdf>

³ Outdoor Industry Association (August 2012, updated January 3, 2013). *The Economic Contributions of Outdoor Recreation: Technical Report on Methods and Findings*. http://outdoorindustry.org/images/ore_reports/outdoorrecreationeconomy-technicalreport2012-oia.pdf

Public Lands Are Crucial to Small Businesses and Local Economies in the West

Research shows America’s protected public lands strengthen economies and job markets in the West, drawing in tourists and new residents alike that boost the economy and local small businesses. In fact, Headwaters Economics, an independent, nonprofit research group, found that between 1970 and 2010, rural counties in the West with more than 30% of their land under federal protection increased jobs by 345%—four times faster than rural counties with no federally-protected public lands (83%).⁴

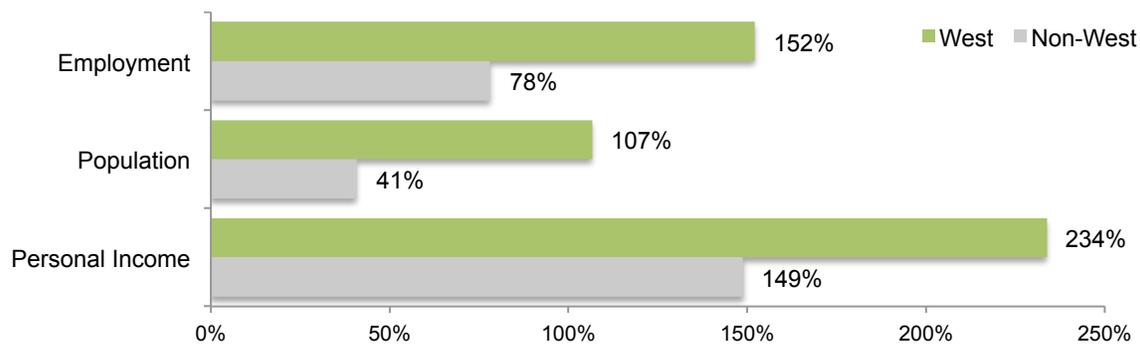
■ **Figure 1: Percent Change in Employment, Rural West, 1970 to 2010**



Source: Headwaters Economics (November 2012). *West is Best: Protected Lands Promote Jobs and Higher Incomes*.

During this same time frame, employment in the West grew by 152%, as compared to 78% nationally.⁵ This Western job growth was almost entirely in service industries, such as healthcare, real estate, high-tech, and finance and insurance, which created 19.3 million net new jobs, many of them high-paying. The report also found personal income in the West greatly outpaced the rest of the nation: it grew by 234% versus 149% for the rest of the U.S. during the last four decades.⁶ It’s important to note that even during an economic downturn, Western states continued to create jobs and increase personal income, as compared to the rest of the U.S. economy, due in part to tourism dollars and new residents lured by an outdoor quality of life.

■ **Figure 2: West vs. Non-West, Growth Measures, 1970 to 2010**



Source: Headwaters Economics (November 2012). *West is Best: Protected Lands Promote Jobs and Higher Incomes*.

Another Headwaters Economics report looked at the economic contributions of several national monuments in the West created in the last generation (17 in total). This report found that the

⁴ Headwaters Economics (November 2012). *West is Best: Protected Lands Promote Jobs and Higher Incomes*. <http://headwaterseconomics.org/land/west-is-best-value-of-public-lands>

⁵ Ibid.

⁶ National Wildlife Federation (2013). *Valuing our Western Public Lands: Safeguarding our Economy and Way of Life*. http://www.nwf.org/pdf/tribal-lands/nwf_publiclands_final_highres.pdf

communities surrounding all 17 new national monuments were sustained or grew—creating new local jobs and increased per capita income.⁷

One reason why Western states are so successful is the abundance of outdoor recreational opportunities. Public lands promote outdoor recreational activities that generate more than \$255 billion in revenue (nearly 40% of the national total), including \$15.4 billion in federal taxes and \$15.3 billion in state and local tax revenue, and they contribute to 2.3 million jobs.⁸

Since the founding of Noah's Ark Whitewater Rafting in 1983, Browns Canyon has been the star player for thousands of our guests' experiences. When we started in Johnson Village with only five staff members and five rafts, little did we know that we would have the privilege of serving over half a million guests over the next thirty-four years. As our company has grown and changed, through high and low water, our one constant has been the incredible canyon that remains an integral part of our guests' experience and company culture.



We are delighted to see this historic and beautiful canyon recognized nationally. Browns Canyon, for us, is more than one of the most scenic and popular rafting trips in the United States; it represents thousands of miles of memories spanning generations of our staff and guests. This pristine, secluded stretch of whitewater is home to our half day, full day, and overnight trips, fishing trips, and countless hours of restful enjoyment.

Recently we were fortunate enough to build Browns Canyon Adventure Park, a high-ropes course featured directly on the banks of the Arkansas River while being near the entrance to Browns Canyon. With this new aerial park, we have yet another opportunity to enjoy the beautiful location.

Protecting Browns Canyon as a national monument ensures the future of not only recreational activity, but also a very special habitat, study area, and historical gem. Browns Canyon pulls together individuals across demographic lines--calls us to its shores to play, study, and appreciate beauty. We are honored to participate in the recognition of this incredible resource, and we look forward to many more years enjoying the beauty and serenity of Browns Canyon.

- Chuck & Lindy Chicowitz, owners of Noah's Ark Adventure Company, Buena Vista, Co.

Public lands attract entrepreneurs who innovate and create jobs in the West. In fact, Small Business Majority's opinion polling found half of entrepreneurs in select Western states do business in their state because of opportunities tied to public lands. Public lands are not only important to businesses associated with the outdoor or the tourist trade. A majority of non-recreation businesses in Western states point to parks and public lands as a key reason for relocating to the area. Moreover, four in 10 agree (32% strongly agree) their state's national parks, forests, monuments and wildlife habitats aren't just essential to its culture and quality of life, but reasons to do business there.

Small business owners believe protecting public lands would positively impact small business opportunities, local job growth, state economies and more. In fact, nearly two-thirds of owners believe designating new national parks and monuments would enhance local jobs and the economy, and 52% agree it would help their state attract and retain new businesses and entrepreneurs. A sweeping 90% believe public spaces that draw tourists can boost business for local restaurants, hotels, grocery stores and more.

⁷ Headwaters Economics (Spring 2014). *The Economic Importance of Public Lands on Local Communities*. <http://headwaterseconomics.org/land/reports/national-monuments>

⁸ Outdoor Industry Association (June 2012). *A Snapshot of the Economic Impact of Outdoor Recreation*. <http://outdoorindustry.org/images/researchfiles/SnapshotEconomicImpact.pdf?160>

It's not surprising then that the majority support designating additional public lands as national monuments: 75% of owners in Arizona, Nevada and New Mexico support designating more public lands as national monuments, which would ensure protection of these regions. In Colorado, 66% supported a proposal to establish a national monument at Browns Canyon in the Arkansas River Valley.

America's parks and public lands matter to local economies and small businesses, especially to small businesses in the West. Below is a state-by-state look at the impact public lands have on the economy and small businesses in California, Colorado, Montana and New Mexico.

California

Research shows public lands are a boon to California's economy. Outdoor recreation generates a vast \$85.4 billion in consumer spending, \$6.7 billion in state and local tax revenue, and directly contributes to 732,000 jobs and \$27 billion in wages and salaries. Enjoying California's natural resources is a way of life in the Golden State: nearly six in 10 California residents participate in outdoor recreation annually.

California's public lands are vast, and they are vital to the success of local communities. In fact, the Bureau of Land Management (BLM) manages 15.2 million acres of public land in California, which is nearly 15% of the state's total land mass.⁹ Research found in fiscal year 2012, outdoor recreation and other activities on BLM-managed public lands contributed more than \$2.5 billion to local and state economies and supported more than 9,600 California jobs. What's more, the Bureau's report found recreational visitors to California's parks and monuments spent a vast \$20 billion in 2008 on trip expenditures and equipment needed for recreational activities.

Even during an economic downturn, California continued to create jobs and increase employment. Headwaters Economics found that from 2000 to 2011, California's economy created 503,104 net new jobs, with the great majority of this growth coming from services industries.¹⁰ What's more, Western rural counties with at least 30% of its land base under federal protected status increased jobs by a vast 345% over the last 40 years.

"We have been doing business in Glen Ellen for 17 years, and Jack London State Park is vital to our business. The history as well as the beauty of this park brings both locals and visitors from all over the world to the area." Sondra Bernstein, owner of The Girl and The Fig, Glen Ellen, Calif.

Greenville, California is nestled in the middle of Plumas County, where the Plumas and Lassen National Forests make up 80% of our county's public lands. Our community benefits greatly from the many



trails, campgrounds, streams and lakes surrounding us. The financial viability of our local businesses, including my own pharmacy, relies heavily upon the tourism these recreational areas bring to the county.

For example, we are the gateway community to Lassen Volcanic National Park, which attracts visitors from all over the globe who in turn shop and dine at Greenville's small businesses. What's more, our local economy receives an added benefit from the many seasonal residents who have second homes in Plumas County in order take advantage of our area's outdoor activities. Thanks to national parks like Lassen, our small business community is supported greatly by tourists who come from all over the U.S. and the world to enjoy our area's vast natural assets.

- Kevin Goss, owner, Village Drug Co., Greenville, Calif.

⁹ U.S. Department of the Interior, Bureau of Land Management (2013). *California Public Lands*. http://www.blm.gov/pgdata/etc/medialib/blm/ca/pdf/caso/publications.Par.1307.File.dat/Brochure_California_Public_Lands-2009.pdf

¹⁰ Headwaters Economics (November 2012). *West is Best: Protected Lands Promote Jobs and Higher Incomes*. <http://headwaterseconomics.org/land/west-is-best-value-of-public-lands>

Colorado

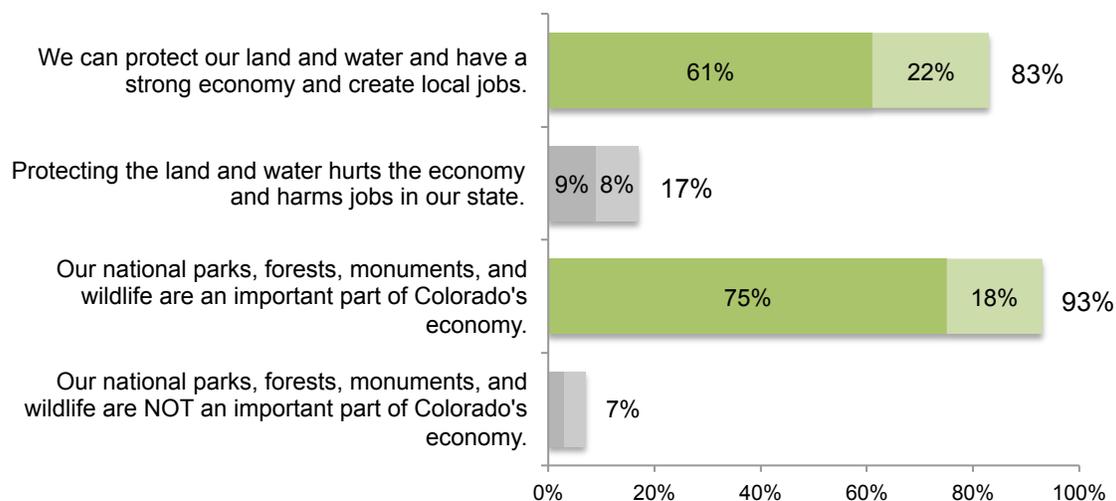
In Colorado, outdoor recreation generates \$13.2 billion in consumer spending and \$994 million in state and local tax revenue. What's more, it contributes directly to 125,000 jobs in Colorado and \$4.2 billion in wages and salaries.¹¹ Enjoying outdoor recreation is important to Coloradoans: at least 65% of Colorado residents participate in outdoor recreation each year.¹²

Small business owners in Colorado recognize the importance of public lands to Colorado's economy and the business community. Small Business Majority's scientific opinion polling found Colorado entrepreneurs overwhelmingly believe protecting public lands would positively impact small business opportunities, local job growth, Colorado's economy and more. In fact nearly two-thirds of owners believe designating new national parks and monuments would enhance local jobs and the economy. Fifty-three percent say it would impact small business opportunities tied to public lands, and more than half of business owners believe designating new national parks and monuments would positively impact Colorado's ability to attract and retain entrepreneurs and new businesses.

"Protecting public lands is so vital to the outdoor industry because our companies depend on protected places outdoors to support our businesses. The Rocky Mountains are my home; they are my backyard and my playground. I care to know that the candidates I'm casting my ballot for will go to Washington and fight for the lands I care about, the trails I hike on after work, and the mountains I camp on during the weekends." Anna Peterson, Durango, Co.

What's more, entrepreneurs strongly believe public lands are important to Colorado's economy. A vast 93% feel national parks, forests, monuments and wildlife areas are important to Colorado's economy, and 83% agree it's possible to protect land and water, create jobs and maintain a strong economy.

■ **Figure 3: Colorado Small Business Owners Believe Protecting Public Lands is Good for Business**



A sweeping 92% of small business owners believe public spaces drawing tourists can boost business for local restaurants, hotels, grocery stores and more. Two-thirds believe allowing more private companies to develop such lands would limit the public's enjoyment of them.

¹¹ Outdoor Industry Association. "The Outdoor Recreation Economy: Colorado." http://outdoorindustry.org/images/ore_reports/CO-colorado-outdoorrecreationeconomy-oia.pdf

¹² Ibid.

Continuing federal protection of public lands is a chance for our government to show that they can do something for all Americans to enjoy. As the owner of a small bike shop, I know how important our area's parks and public lands are to our local economy and small business community. And it gives me the opportunity to meet members of the world community—always an enriching experience and an enhancement of perspective. We always have a ready welcome and can make new community members and tourists alike feel comfortable in a way big business cannot.



I believe one important reason why the West has seen such a high growth rate in recent years is the perception of open space, compared to the East Coast where I grew up. Enjoying the outdoors is a way of life here in Colorado. That's especially true here in Colorado Springs, which has 500 acres of trails and 5,000 acres of open space that tourists and residents enjoy for biking, walking and hiking. Our vast parks and trails and proximity to Pikes Peak and the Rocky Mountains bring people into our community from all over, and

encourage our local residents to take part in outdoor recreation, which is good for our economy and local small businesses.

- John Crandall, owner of Old Town Bike Shop in Colorado Springs, Co.

Montana

Tourism is integral to Montana's economy, communities and residents: more than seven in 10 Montanans participate in outdoor recreation at Montana's 30 million acres of public lands each year, in addition to thousands of tourists who travel from around the world to enjoy the state's natural resources. This interest in public lands is readily apparent: outdoor recreation contributes to \$5.8 billion in consumer spending, 64,000 Montana jobs, \$1.5 billion in wages and salaries and \$403 million in state and local revenue.

Headwaters Economics found during 2000 to 2009, Montana created nearly 4,500 net new firms, and the number of businesses per 1,000 people grew by 6%, compared to a loss of 3% nationally.¹³ It's important to note that despite an economic recession, Montana continued to create new businesses that also led to job growth—from 2000 to 2010, Montana's economy created nearly 74,000 new jobs, with 95% of this growth coming from service-related industries.¹⁴ What's more, from 2000 to 2010, Montana's population grew while adding new jobs at more than twice the national rate, and real per capita income at more than four times the national rate.

"It's clear that outdoor recreation connected to fish and wildlife is vital to our quality of life and to our state's economy. Montanans know the state's economy is tied to the health of fish and wildlife resources that depend on our 30 million acres of public land. Montana's hunters and anglers support hundreds of small businesses drawn here by the beauty and opportunities associated with public lands and easy access to them."

– Jeff Hagener, Director of Montana's Fish, Wildlife, & Parks

A recent poll conducted for Business for Montana's Outdoors found more than 70% of businesses in Montana cite public lands as a major factor in their decision to expand or start a business in the state.¹⁵ The poll found seven in 10 business owners say "the Montana outdoor lifestyle" was a factor in deciding to locate or expand their business in Montana. The Montana outdoors were more appealing reasons to start a business in the state than tax rates, access to raw materials, utility costs, quality healthcare, access to

¹³ Headwaters Economics (Spring 2012). *Montana's Economy and the Role of Federal Protected Lands*. http://headwaterseconomics.org/wphw/wp-content/uploads/Montana_WestisBest.pdf

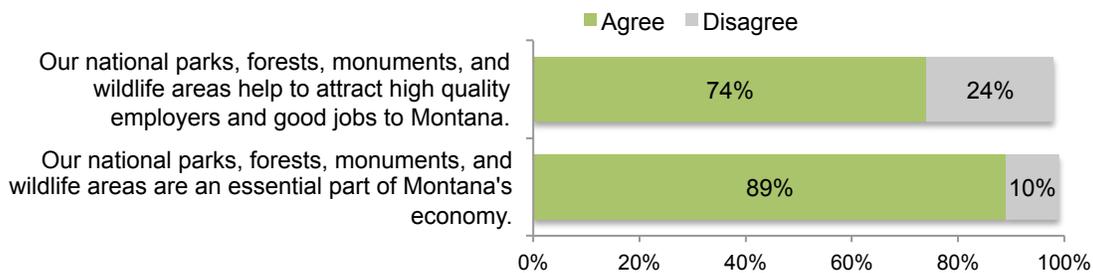
¹⁴ Ibid.

¹⁵ Business for Montana Outdoors (September 2013). *Public Opinion Strategies: Montana Business Survey*. http://www.businessformontanasoutdoors.com/wp-content/uploads/2013/02/2013.9.MT_.business-survey.pdf

high speed Internet and more. Additionally, young business owners and owners of growing businesses were most likely to say that public lands were a factor in locating their businesses in Montana.

What's more, nearly three-quarters of Montana business owners believe we can protect land and water and have a strong economy with good jobs, and nearly nine in 10 say national parks, forests and wildlife areas are an essential part of Montana's economy.¹⁶

■ **Figure 4: Montana Small Business Owners Believe Protecting Public Lands is Essential to Economy**



Source: Business for Montana Outdoors (September 2013). Public Opinion Strategies: Montana Business Survey

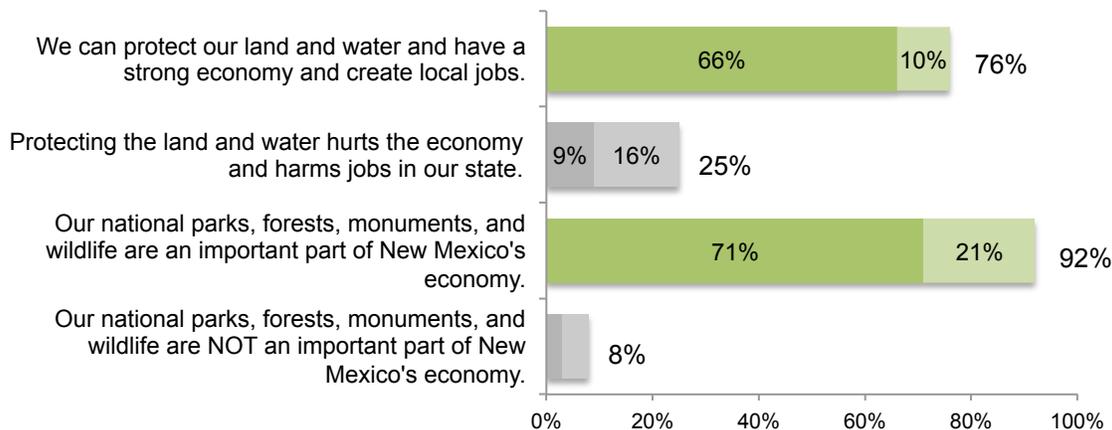
New Mexico

Nearly 30% of New Mexico's lands are public lands, a vast number that helps contribute to \$6.1 billion in consumer spending, 68,000 jobs, \$1.7 billion in wages and salaries, and \$458 million in state and local tax revenues.

Public lands draw in tourists that are vital to local small businesses in New Mexico. As such, New Mexico small businesses believe protecting public lands positively impacts small business opportunities, local job growth, New Mexico's economy and more. Nearly six in 10 small business owners believe designating new national parks and monuments would enhance local jobs and the economy, and 54% say it would impact small business opportunities tied to public lands.

A vast 92% of small business owners feel national parks, forests, monuments and wildlife areas are important to New Mexico's economy. What's more, 76% agree it's possible to protect land and water, create jobs and maintain a strong economy.

■ **Figure 5: New Mexico Small Business Owners Believe Protecting Public Lands is Good for Business**



¹⁶ Ibid.

Additionally, a sweeping 94% believe public spaces drawing tourists can boost business for local restaurants, hotels, grocery stores and more, and six in 10 believe allowing more private companies to develop such lands would limit the public's enjoyment of them.

The New Mexico Tourism Department reports that the state hosted 2.3 million visitors in 2011 who spent \$5.5 billion on travel-related expenses, generating \$7.8 billion in business sales.¹⁷ This spending supported more than 85,000 New Mexico jobs and \$2.1 billion in wages, generating \$565 million in state and local government tax revenue. What's more, the Outdoor Industry Association found outdoor recreation in particular contributes nearly \$2.75 billion annually in retail sales and services, generating \$184 million in annual state tax revenue.¹⁸

Additionally, the U.S. Fish and Wildlife Service reports more than 780,000 people participate annually in wildlife-related recreation in New Mexico, such as fishing, hunting and wildlife watching, which contributes \$937 million to the state's economy.¹⁹

Protecting public lands is a chance for our government to demonstrate that they can do something for all of us. As a small business owner, public lands are an important part of the success of my business and other small businesses. Public lands attract tourists and consumers from around the world who shop at smaller local businesses, bolstering the local economy. Land is the one thing we can't make any more of, and protecting the public lands we have is necessary for the growth of our communities and the well-being of the small business community, to say nothing of the entertainment value of the land for those of us who enjoy the outdoors.



- Tina Cordova, president of Queston Construction, Inc. in Albuquerque, N.M.

Recommendations

Small business owners want Washington to help protect the public lands that draw in visitors and give an economic boost to their communities. In fact, polling shows two in three voters say Washington should be focusing on creating new parks and expanding outdoor recreational opportunities.²⁰ Small businesses across the country have appealed to Congress and the White House to protect their public lands, and with research proving that outdoor recreation is a major driver to economies in the West, policymakers should take note. Below are some recommendations lawmakers should follow to help protect national public lands that sustain small businesses and local communities in the West:

- **Congress should fully fund and reauthorize the Land and Water Conservation Fund:** The Land and Water Conservation Fund, which receives its funding from fees paid by oil and gas companies drilling offshore, protects national forests and parks. It also provides matching grants for state and local governments to use for local parks, trails and playgrounds. However, in the 50 years since the Fund was first authorized, it has only received its full funding once. What's more, the Fund is set to expire this year if not extended. Congress should vote to extend the life of the Fund beyond 2015, in addition to making sure it receives its full funding. Our scientific opinion polling in Louisiana found 93% of small businesses believe Congressional leadership should extend the life of the Land and Water Conservation Fund. What's more, 80% believe the Fund can

¹⁷ Tourism Economics (2011). *The Economic Impact of Tourism in New Mexico*.

<http://www.santafe.org/images/Embed/2651Economic%2520Impact%2520of%2520Tourism-Santa%2520Fe%2520County.pdf>

¹⁸ National Wildlife Federation (2013). *Valuing our Western Public Lands: Safeguarding our Economy and Way of Life*.

http://www.nwf.org/pdf/tribal-lands/nwf_publiclands_final_highres.pdf

¹⁹ Ibid.

²⁰ Center for American Progress (November 2013), *Voters' Views on the Government Shutdown and Investments in National Parks and Public Lands*. <https://cdn.americanprogress.org/wp-content/uploads/2013/11/Me11044-Public-Lands-Memo.pdf>

create outdoor recreation opportunities, which support local jobs and small businesses. Additionally, a recent poll found three-quarters of residents in Western states support Congress continuing to fund the Land and Water Conservation Fund through oil and gas fees.²¹

- **Berryessa Snow Mountain should be designated as a national monument:** Berryessa Snow Mountain, located in northern California about 100 miles north of Sacramento, draws in visitors that spend money at local hotels, restaurants and stores, sustaining the local economy. More than 200 local businesses support permanent protection of Berryessa because it would boost the local economy due to increased tourism. Congress or the Administration should provide permanent protection of Berryessa Snow Mountain in order to protect California's natural assets while helping small businesses.
- **Permanent protection of the Boulder-White Clouds landscape should be provided:** The Boulder-White Clouds landscape in central Idaho is the largest unprotected, wild roadless area in national forests outside of Alaska. Boulder-White Clouds attracts hunters, anglers, rafters and other outdoor enthusiasts who help contribute to the rural economies in the area and support local small businesses and jobs. In fact, a study commissioned by the Idaho Outdoor Business Council found that designating this area as a national monument would create new jobs in the area and increase the region's total economic output by \$3.7 - \$12.3 million per year.²²
- **The federal government should formally track jobs in the outdoor recreation industry:** Research shows the outdoor recreation industry employs more people in the U.S. than industries like mining, timber and oil and gas; however, many policymakers fail to recognize the impact this sector has on businesses and the economy.²³ In order to recognize the importance of the outdoor economy and the public lands that fuel this industry, the federal government should formally measure jobs in the outdoor recreation industry.

Conclusion

As this paper shows, public lands are essential to local economies in the West and are the catalyst to creating new jobs, attracting entrepreneurs and visitors and boosting consumer spending. According to the U.S. Department of Interior, public lands under the Department's protection hosted more than 400 million visitors who contributed \$41 billion to the economy and supported 355,000 jobs across the country. In order to ensure outdoor recreation and the revenue it generates continues to thrive, we need to make protection of America's public lands a priority.

Research shows small business owners overwhelmingly support creating new public lands. It's good for local economies and small businesses and is an important step to protecting our nation's natural assets that attract visitors from all over the world. What's more, the Center for American Progress poll found by a margin of more than 3-to-1, voters believe that leaders in Washington should be creating new parks and expanding opportunities for Americans to get outdoors. Policymakers should take note and move forward with creating and protecting national parks and monuments, which will continue to boost economies in the West, and our nation as a whole.

²¹ Colorado State of the Rockies Project (January 2015). *The 2015 Conservation in the West Poll*. <https://www.coloradocollege.edu/dotAsset/c3bb58a7-6c69-458b-a052-f94666eb6452.pdf>

²² Idaho Outdoor Business Council, Boulder White-Clouds National Monument Business Letter. <http://www.idahooutdoorbusinesscouncil.org/bwc-nm-business-letter/>

²³ Center for American Progress (January 2015). *The Government Should Begin to Measure America's Powerful Outdoor Economy*. <https://www.americanprogress.org/issues/green/report/2015/01/21/103062/the-government-should-begin-to-measure-americas-powerful-outdoor-economy/>