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Testimony on COVID-19's Impact on Recreational Fishing and Outdoor Recreation Tourism

**Committee on Commerce, Science, and Transportation
Subcommittee Tourism, Trade, and Export Promotion
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On behalf of the American Sportfishing Association, I am honored to represent the sportfishing industry and the outdoor recreation industries before the Senate Committee on Commerce, Science and Transportation Subcommittee on Tourism, Trade and Export Promotion.

The American Sportfishing Association (ASA) has served the recreational fishing industry since 1933 and continues to represent the business interests of not only the fishing tackle manufacturers, which includes fishing rods and reels and lines and lures, but also companies and organizations engaged in the sport of fishing, such as fishing nets, tackle boxes, sunglasses, marine electronics, kayaks, boats, motors and more.

Our 700 plus members produce and distribute product to millions of anglers, their families and friends who enjoy fishing on our nation's beautiful waterways. These anglers spend \$51 billion in retail sales each year, with \$129 billion in economic impact that supports more than 825,000 jobs.

\$22 billion of the retail sales are travel related expenses including food, rentals, lodging and airfare, guide services, fuel and ice. Non-residents from your states spend more than \$5 billion on travel expenditures. That is why access to the outdoors is so incredibly important to all state and local economies.

Anglers are not only users of our beautiful natural resources, but they are also the original conservationists. Most anglers between the ages of 16 and 65 pay for a state fishing license to have access to their state's public waters. When we fish in another state, we buy another fishing license, whether for a day or the entire year, which supports that state's natural resources.

Last year state resident and non-resident anglers bought more than 30 million state fishing licenses generating more than \$750 million in license fees.

The sportfishing manufacturers contribute more than their fair share as well by paying a federal excise tax on all first-time sales of fishing equipment here in the United States. Since the bill became law in 1950, the Dingell-Johnson Act, along with the 1984 Wallop-Breaux Amendment which includes a motorboat fuel tax, has collected and distributed hundreds of millions of

dollars in tax revenue to the Sport Fish Restoration and Boating Trust Fund each year - \$743 million in 2020 alone!

Combined with the Pittman Robertson Act of 1939 that established an excise tax on all firearms and ammunition, more than \$65 billion has been provided to states for conservation and habitat restoration around the country. In essence, anglers, boat owners and hunters provide more money for conservation in this country than any other user group.

During the challenging and unprecedented COVID-19 pandemic, Americans turned to recreational fishing as a safe and beneficial way to cope under difficult circumstances. The Recreational Boating & Fishing Foundation, supported by funding from the Sport Fish Restoration and Boating Trust Fund, contracts with the Outdoor Foundation to survey the U.S. population and count the number of anglers.

In 2020, the data shows an increase from 50 million to 55 million anglers! That includes increases in participation from children, women, Hispanics and African Americans. Other findings include:

- 19.7 million females went fishing – highest level recorded to date
- 13.5 million youth 6-17 went fishing
- 4.8 million Hispanics went fishing – more than double since 2007
- African American participation is up 1 million over the past 10 years

On average, state fishing license sales increased 14% in 2020 over 2019. All but one state saw an increase in resident license sales. This was not the case for non-resident sales since COVID-19 prohibited travel for many months. In all, nineteen states saw a decrease in non-resident license sales, and therefore, many other tourism dollars never made it to your states.

The sportfishing manufacturers' federal excise tax on fishing equipment saw a record increase in 2020. During fiscal year 2020 - October 1, 2019, through September 30, 2020 – the increase was 54% in federal excise tax collected in 2020 versus 2019. These are numbers we've never seen before.

Just this past fiscal year alone, the sportfishing industry contributed \$209 million to the U.S. Fish and Wildlife Service (USFWS) who then distributed a majority of these funds to state fish and wildlife agencies to support conservation and access, and the remaining funds went to support wetlands restoration, boating safety and more.

Due to the unprecedented increase in recreational fishing, subsequent to May 2020, ASA's manufacturing members could not produce or distribute the product fast enough to fulfill the demand. And they are still playing catch up as of this committee hearing.

We surveyed our fishing tackle retailers and 80% of them informed us that their fishing equipment sales grew by 40% in 2020. Overall, the retailers' average growth in fishing tackle

revenue was up 28%. The main reasons for growth were COVID-19 related events and an increased interest in fishing. The number one negative impact on sales was the inability to receive product from manufacturers. The boating industry has enjoyed similar growth.

The monthly Insight Report from Info-Link shows us that boat registrations are up across the country by more than 35% year over year through May 2021 – a 13-year high.

With boat registrations on the rise, it's very important that we ensure proper and safe access to the water through more boat ramps and parking at these locations.

Regarding a broader view of outside engagement, the entire outdoor recreation economy was impacted both positively and negatively from the pandemic.

The ASA is one of 33 member organizations that belong to the Outdoor Recreation Roundtable (ORR), representing 110,000 businesses across the country. Due to ORR's efforts, the Bureau of Economic Analysis (BEA) now tracks outdoor recreation through the Outdoor Recreation Satellite Account or ORSA. In 2019 the BEA's data shows that the outdoor recreation economy made up 2.1% of the gross domestic product with \$788 billion in economic output, supporting 5.2 million jobs. Fishing and boating are the largest contributors.

Prior to the pandemic, outdoor recreation was growing faster than the U.S. economy. But by April 2020, with a majority of state and national parks closed and a high percentage of industries furloughing or laying off workers, outdoor recreation was stymied.

However, by the time Labor Day 2020 arrived, recreational industries were making significant contributions to the U.S. economy.

But not all businesses did well. Fishing lodges, charter captains, marinas and restaurants, as well as trade and consumer shows and other high-traffic events, all struggled because of closures and the inability to travel freely between states.

Our industry's trade show, produced by ASA, is called the International Convention of Allied Sportfishing Trades, or ICAST. Now in its 64th year, ICAST is the largest sportfishing trade show in the world, hosting 15,000 participants each year. Orlando and the Orange County Convention Center have been our hosts for the past seven years.

We have been honored to have Sen. Rick Scott attend our show five years in a row while he was Governor of Florida and hope to welcome him and all other members of this committee for this year's show.

The physical show was cancelled last year, like thousands of shows around the country, but we persevered with a greatly reduced online version. The ICAST Show funds our association's efforts to help ensure anglers have clean water, abundant fisheries and access to the fish. We need all three elements for our industry to survive and thrive.

Cancelling our 2020 Orlando-based, in-person show had a \$50 million impact on the city and the state in lost sales and tax revenues. And that was just our show.

Most industry trade shows have either cancelled or gone virtual for the past 15 months. The SHOT Show, Outdoor Retailer and the Archery Trade Show were all canceled. Consumer shows such as the Miami Boat Show, New York Boat Show and Fred Hall Fishing Show were also canceled.

These shows are not only important for the commerce that takes place on the show floor, but for the hundreds of millions of dollars that support the state and local economies.

With so much increased demand for recreational fishing, and outdoor recreation in general, Congress has a critically important role in ensuring Americans have access to ample public lands and waters. Congress can build upon recently enacted legislation like the Great American Outdoors Act and America's Conservation Enhancement by passing the following measures that will support outdoor recreation access and natural resource conservation:

Reauthorize the Sport Fish Restoration & Boating Trust Fund

The Sport Fish Restoration and Boating Trust Fund, which is funded by federal excise taxes on fishing equipment, motorboat fuel, import duties and more, funds state-based programs for sportfish conservation and habitat restoration, infrastructure for boating access and education for anglers and boaters. We are grateful to Senate Commerce Committee leaders Sens. Maria Cantwell and Roger Wicker for introducing S. 1995, which will reauthorize the trust fund along with important administrative improvements.

Streamline Permitting Process through SOAR Act to Remove Barriers to Recreation

Congress should help improve interagency coordination to expedite projects in a transparent, timely, and environmentally responsible manner by enacting S. 1229, the Simplifying Outdoor Access for Recreation (SOAR) Act. Lengthy permitting processes for permits, parking passing, and fees can deter visitors from engaging in outdoor recreation activities and can also result in limited boat slip spaces and complications for construction of public and private access points. Establishing consistent permitting processes that optimize efficiency and effectiveness of regulatory review for projects is critical to ensuring restoration and recreation access in coastal and inland waterway communities across the nation.

Recreational Trails Program Full Funding Act

The Recreational Trails Program (RTP) is currently funded through the Highway Trust Fund (HTF) at \$85 million annually. This is only a portion of the \$270 million annually that the Federal Highway Administration conservatively estimates motorized trail users pay into the HTF through fuel taxes for use in nonhighway recreation. RTP is a user-pay, user-benefit program that benefits all recreationists and serves as the primary funding mechanism for thousands of motorized and non-motorized trail opportunities. This legislation would provide authorizing committees with an accurate assessment of what trail users pay into the HTF and help inform Congress in continuing to authorize the program.

Establish a 21st Century Civilian Climate & Conservation Corps

Expanding the modern conservation corps movement to build a more resilient, sustainable outdoor recreation economy supported by a diverse and highly skilled workforce provides an immediate solution to not only create jobs but also support outdoor recreation opportunities. This concept has strong bipartisan support, and we call on Congress to establish a 21st Century “Civilian Climate & Conservation Corps” (21CCCC) scaling the existing model of Service and Conservation Corps to engage thousands of diverse groups of young people and veterans in the outdoors while providing job training and career pathways.

Regarding the Biden Administration’s directive to conserve 30% of our lands and waters by 2030; the fishing and hunting community has proactively supported efforts to conserve our nations lands and waters for many decades. As long as we have access to these lands and waters, we will continue to have a deep appreciation and understanding of the link between healthy habitats and thriving fish and wildlife populations.

We will continue to support 30 by 30 policies that recognize existing conservation management efforts. And we’ll work with Congress and the Administration to identify additional conservation needs and actions, based on science, to determine the appropriate management programs to meet biodiversity conservation goals.

Please recognize the value of anglers, boaters and hunters and the many other outdoor activities that are in harmony with other management goals. Having access to these lands and waters will ensure participation and, therefore, tax revenues and jobs, and help all Americans and visitors have the opportunity to enjoy our abundant resources and unrivaled natural beauty. It is these outdoor activities that are essential to ensuring we have natural resource and biodiversity stewards for the next century.

Thank you again for the opportunity to share information regarding the sportfishing industry and the outdoor economy. We appreciate the work of this Committee to support outdoor recreation and ensure access to our nation’s public lands and waters. We look forward to working with this Committee on these many important issues that impact our 55 million anglers and all those that appreciate our great outdoors.