

NORTH CAROLINA GENERAL ASSEMBLY



HOUSE SELECT COMMITTEE ON THE USE OF OFF-ROAD VEHICLES ON CAPE LOOKOUT NATIONAL SEASHORE

**REPORT TO THE
2015 SESSION
of the
2015 GENERAL ASSEMBLY**

JANUARY, 2015

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TRANSMITTAL LETTER

January 13, 2015

TO THE MEMBERS OF THE 2015 REGULAR SESSION
OF THE 2015 GENERAL ASSEMBLY

**The House Select Committee on the Use of Off-Road Vehicles on
Cape Lookout National Seashore, respectfully submits the following report to the
2015 Regular Session of the 2015 General Assembly.**

A handwritten signature in black ink, reading "Pat McElraft". The signature is written in a cursive style with a large initial "P" and a long, sweeping underline.

**Representative Pat McElraft
Chair**

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AUTHORIZATION

The House Select Committee on the Use of Off-Road Vehicles on Cape Lookout National Seashore (hereinafter "Committee") is established by the Speaker of the House of Representatives by letter dated October 15, 2014, pursuant to G.S. 120-19.6(a1) and Rule 26(a) of the Rules of the House of Representatives of the 2013 General Assembly. The Committee consists of 3 members appointed by the Speaker of the House of Representatives. The membership of the Committee shall include legislators as specified below. Members serve at the pleasure of the Speaker of the House of Representatives. The Speaker of the House of Representatives may dissolve the Committee at any time. Vacancies are filled by the Speaker of the House of Representatives. The Chair or other member of the Committee continues to serve until a successor is appointed.

The Committee shall study the economic impact of the National Park Service's proposed rules for off-road vehicle management on the long term health of the travel and tourism industry in Carteret County as well as county level employment, payroll and tax revenues. The Committee shall undertake, at a minimum, the following activities:

1. Provide a public forum to hear directly from private business, local government and other interested stakeholders impacted by the proposed rules.
2. Calculate the economic impact of current visitor expenditures using the Travel Economic Impact Model (TEIM), and what it would be if the proposed rules go into effect.
3. Calculate the current economic impact of tourism in Carteret County using an official international standard that considers the contribution travel and tourism makes to overall income, employment, gross state product, government tax revenues and other measures using the Tourism Satellite Account (TSA), and what it would be if the proposed rules go into effect.
4. Receive input from university experts on the potential economic impact of the proposed rules on the health of private businesses and local government in Carteret County.

The Committee may meet at various locations around the State in order to promote greater public participation in its deliberations. The Committee may submit an interim report on the results of the study, including any proposed legislation, to the members of the House of Representatives at any time. The Committee may submit a final report on the results of its study, including any proposed legislation, to the members of the House of Representatives prior to the convening of the 2015 General Assembly. Reports shall be submitted by filing a copy of the report with the Office of the Speaker of the House of Representatives, the House Principal Clerk, and the Legislative Library. The Committee

terminates upon the convening of the 2015 General Assembly or upon the filing of its final report, whichever occurs first.

COMMITTEE MEMBERSHIP

HOUSE SELECT COMMITTEE ON THE USE OF OFF- ROAD VEHICLES ON CAPE LOOKOUT NATIONAL SEASHORE

2014-2015 Membership

Pursuant to a letter dated October 15, 2014, signed by Speaker of the House of Representatives Thom Tillis, the membership of the Committee includes 3 legislators as specified below.

Chair

Rep. Pat McElraft

Legislative Members

Rep. Chris Millis

Rep. George Graham

Commission Staff:

Jennifer McGinnis, Committee Counsel

Jennifer Hoffmann, Committee Fiscal Analyst

Chris Saunders, Committee Counsel

Nancy Fox, Committee Clerk

Committee Contact Information:

545 Legislative Office Building

300 North Salisbury Street

Raleigh, North Carolina 27603

(919) 733-2578

FAX: (919) 715-5460

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COMMITTEE PROCEEDINGS

The House Select Committee on the Use of Off-Road Vehicles on Cape Lookout National Seashore, met three times from October 29, 2014 until January 13, 2015. The following is a brief summary of the Commission's proceedings. Detailed minutes and information from each Committee meeting are available in the Legislative Library and [online](#).

October 29, 2014

AGENDA

**3:00 p.m. – 6:00 p.m. Wednesday
Crystal Coast Civic Center, Main Hall
Morehead City, NC**

1. Call to order and introductory remarks
Representative Pat McElraft, Presiding
2. Review of Committee Charge and Overview of the National Park Service's (NPS) Draft Off-Road Vehicle Management Plan/Environmental Impact Statement for Cape Lookout National Seashore and Associated Process
Jennifer McGinnis, Committee Counsel
Research Division, North Carolina General Assembly
3. Public Comment
4. Commission discussion and announcements
5. Adjourn

The first meeting of the House Select Committee on the Use of Off-Road Vehicles on Cape Lookout National Seashore was held at 3:00 p.m. on October 29, 2014, in the Main Hall of the Crystal Coast Civic Center in Morehead City. Representative Pat McElraft, Chair, presided over the meeting.

The meeting began with a summary of: (1) the Committee's charge, which is to study the economic impact of the National Park Service's proposed rules for off-road vehicle management on the long term health of the travel and tourism industry in Carteret County

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Cape Lookout National Seashore*

as well as county level employment, payroll and tax revenues; and (2) the National Park Service's (NPS) Draft Off-Road Vehicle Management Plan/Environmental Impact Statement (Draft Plan) and the five alternatives for managing off-road vehicle (ORV) use proposed under the plan: the no-action alternative, three action alternatives allowing ORV use, and one action alternative prohibiting ORV use. She also reviewed the protocol for the public hearing, including the three minute time limit for each speaker.

The purpose of the meeting was to provide a public forum to hear directly from private businesses, local government, and other stakeholders impacted by the National Park Service's Draft Plan. 25 individuals spoke in total, with 24 expressing concerns that: the ORV Plan would pose a hardship for visitors to Cape Lookout by limiting their ability to reach and observe the beauty of the remote areas of the island, and/or would have a devastating economic impact on Carteret County small business owners, including ferry businesses, ice plants, bait houses, boat maintenance yards, restaurants, lodging facilities, etc.

December 16, 2014

AGENDA

1:00 p.m. – 4:00 p.m. Tuesday

College of The Albemarle

Dare County Campus, Manteo, NC

1. Call to order and introductory remarks
Representative Pat McElraft, Presiding
2. Review and comment on the socioeconomic analysis included in the National Park Service's (NPS) Draft Off-Road Vehicle Management Plan/Environmental Impact Statement for Cape Lookout National Seashore (Plan)
Tom Allen, Vice President of Research
Southwick Associates on behalf of
American Sportfishing Association
3. Anticipated economic impacts to Carteret County in light of the NPS Plan
Carol Lohr, Executive Director
Crystal Coast Tourism Authority
4. Economic Value of Cultural and Ecotourism
Brent Lane, Director
Carolina Center for Competitive Economics
Kenan- Flagler School of Business
University of North Carolina, Chapel Hill
5. Public Comment
6. Commission discussion and announcements
5. Adjourn

The second meeting of the House Select Committee on the Use of Off-Road Vehicles on Cape Lookout National Seashore was held at 1:00 p.m. on December 16, 2014 at the College of the Albemarle, Dare County Campus. Representative Pat McElraft, Chair, presided.

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The meeting and the agenda included several presentations addressing economic issues related to the National Park Service's (NPS) Draft Off-Road Vehicle Management Plan/Environmental Impact Statement for Cape Lookout National Seashore (Draft Plan) and cultural and ecotourism generally, as well as opportunity for public comment.

The Chair recognized Tom Allen to speak on the socioeconomic analysis included in the Draft Plan. Mr. Allen is the Vice-President of Research for Southwick Associates, on behalf of the American Sportfishing Association.

The Chair then recognized Carol Lohr, Executive Director of the Crystal Coast Tourism Authority. Ms. Lohr spoke on the anticipated economic impacts to Carteret County in light of the Draft Plan.

The Chair recognized Brent Lane, Director of the Carolina Center for Competitive Economies, of the Kenan-Flagler School of Business, University of North Carolina Chapel Hill. Mr. Lane spoke on the economic value of cultural and ecotourism. There was debate and questions were posed to Mr. Lane, which he answered.

13 individuals spoke in total, with many expressing concerns that: the ORV Plan would pose a hardship for visitors to Cape Lookout by limiting their ability to reach and observe the beauty of the remote areas of the island, and/or would have a devastating economic impact on Carteret County small business owners, including ferry businesses, ice plants, bait houses, boat maintenance yards, restaurants, lodging facilities, etc. Several individuals also spoke about the impact similar NPS restrictions had on access to Cape Hatteras National Seashore, and resulting economic concerns.

FINDINGS AND RECOMMENDATIONS

FINDINGS:

- The Committee finds that Congress established Cape Lookout National Seashore (Cape Lookout) in 1966 "to preserve for public use and enjoyment an area in the State of North Carolina possessing outstanding natural and recreational values." The enabling legislation includes provisions for hunting, fishing, and outdoor recreation and enjoyment opportunities.
- The Committee finds that off-road vehicle (ORV) use at Cape Lookout predates authorization of the National Seashore in 1966. Beginning in the 1930s, vehicles were transported to the banks by shallow draft ferries and were used to provide access to productive commercial and recreation fishing spots, as well as for other recreational pursuits such as sightseeing and camping. Today, ORVs provide vehicular access to Cape Lookout's beaches for recreational purposes, including activities such as surf-fishing, surfing, sunbathing, swimming, bird-watching, camping, visiting historic structures and site seeing, among other activities.
- The Committee finds that businesses within the vicinity of the Cape Lookout receive economic benefit from the purchasing of goods and services by ORV users of Cape Lookout. Potential restrictions on ORV use have the potential to reduce visitation to Cape Lookout and, subsequently result in a loss of spending in the area by these visitors.
- The Committee finds that through the course of its proceedings, it received input from many individuals expressing concern that the ORV Plan would pose a hardship for visitors to Cape Lookout by limiting their ability to reach and observe the beauty of the remote areas of the Seashore, and/or would have a devastating economic impact on small business owners in Carteret County, including impacts to ferry businesses, ice plants, bait houses, boat maintenance yards, restaurants, lodging facilities, among others.
- The Committee therefore: recognizes the value of Cape Lookout as a superb natural, recreational, and economic asset to the local community, and the State and its citizenry as a whole; and supports the use of Cape Lookout for all manner of recreational purposes, including ORV use to facilitate enjoyment of other activities such as surf-fishing, surfing, sunbathing, swimming, bird-watching, camping, visiting historic structures and site seeing, among other activities.

RECOMMENDATIONS:

- That the Committee submit a formal request for information to the National Park Service (NPS) regarding the methodology used to develop socioeconomic components of the Draft Off-Road Vehicle Management Plan/Environmental Impact Statement (Draft Plan), and any raw data collected in association with the socioeconomic components of the Draft Plan.
- That the General Assembly direct the Department of Environment and Natural Resources to monitor the NPS rule development process for ORV use at Cape Lookout and submit comments to the NPS which recognize an appropriate balance between natural, recreational, and economic interests, and report any activities in this regard to the General Assembly.
- That the General Assembly direct the Department of Commerce to monitor the NPS rule development process for ORV use at Cape Lookout, and subsequent implementation, and report to the General Assembly on any economic impacts to private businesses and the travel and tourism industry in the areas serving Cape Lookout.
- That the General Assembly direct the Wildlife Resources Commission to explore ways in which any Commission action, including issuance of the "species of concern" list, may have been used by the NPS in any manner that is detrimental to achieving an appropriate balance between natural, recreational, and economic interests.