

**Preliminary Report:  
Economic Impact of Public Natural Resource Lands**

**Legislative Auditor's Conclusion:**

**County economies are  
influenced more by how public  
lands are used than by the  
amount of publicly owned lands**

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Staff to the Joint Legislative Audit & Review Committee

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# Is more public natural resource land detrimental to county economic vitality?

Is There a General Answer?

Percent of public natural resource land was not detrimental to county economies

What About Specific Sites?

Specific sites may have positive or negative economic impacts: Use matters more than ownership

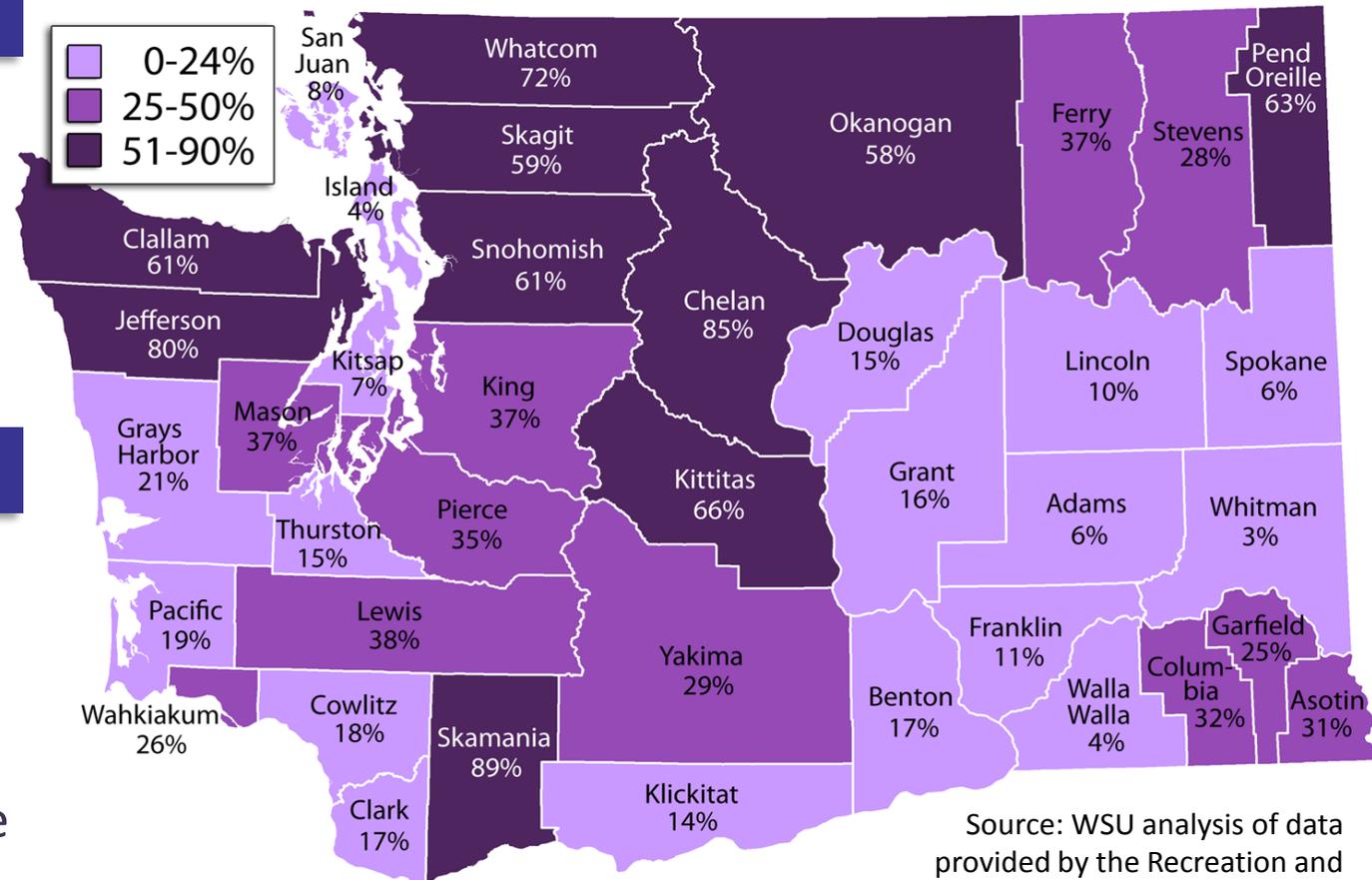
# 37% of Washington is state and federal natural resource land

## State Agencies

- State Parks
- Department of Fish and Wildlife
- Department of Natural Resources

## Federal Agencies

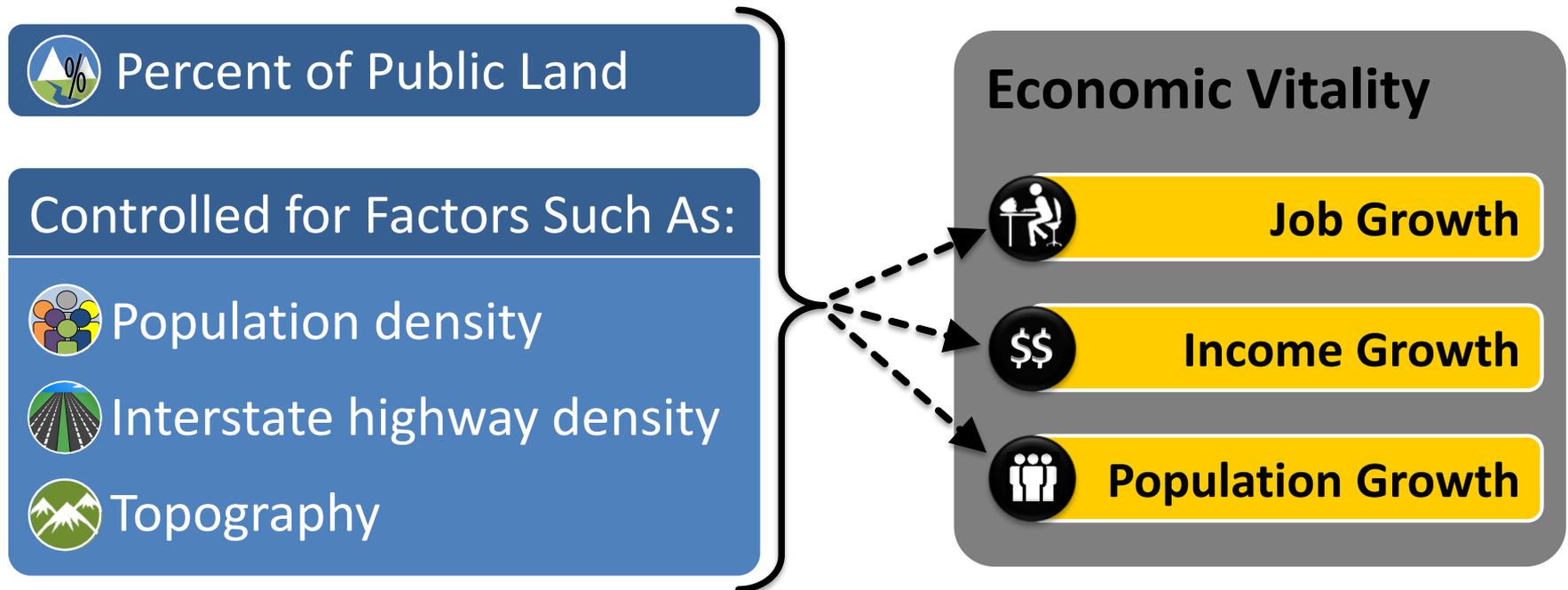
- National Park Service
- U.S. Fish and Wildlife Service
- U.S. Forest Service
- Bureau of Land Management



Source: WSU analysis of data provided by the Recreation and Conservation Office.

# Economists estimated the relationship between public land and economic vitality

They used a statistical tool: regression analysis



# Is more public land detrimental to county economic vitality?

**In general, public land was not detrimental to county economies between 1990-2010**

- Some lands may have a positive relationship to income and jobs
  - Lands managed for habitat, conservation, and recreation (e.g., national parks)
  - Small relationship, may not be causal
- This is consistent with recent academic research

**Regression  
results indicate  
the overall  
effect of public  
lands, not  
specific sites**

**Specific sites  
may have  
positive or negative  
net impacts  
on local jobs and  
business output**

**Case Studies**

# Different uses can generate negative or positive net impacts

## Scenario A



Public  
Cabins &  
Campsites

\$7.5 M

86.3 jobs



Private  
Vacation  
Rentals

\$7.7 M

84.2 jobs



Net  
Impact of  
Public Use

-\$0.2 M

2.1 jobs

## Scenario B



Public  
Cabins &  
Campsites

\$7.5 M

86.3 jobs



Private  
Homes

\$4.7 M

47.1 jobs



Net  
Impact of  
Public Use

\$2.8 M

39.2 jobs

# Estimates depend on amount of land use change, assumptions, and available data

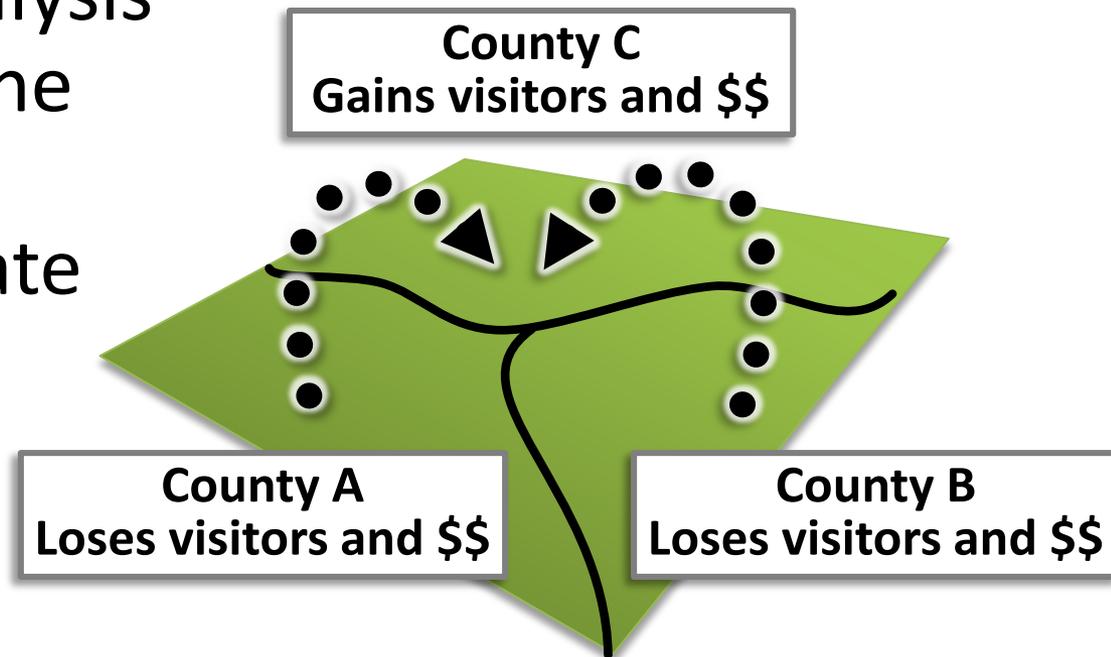
- Land use must change enough to cause a measureable change in the economy
- Changing assumptions can change estimated net impacts from negative to positive
- Assumptions can be more accurate when detailed, site-specific data is available



\$0 M
+ 0.6 jobs

# Economic impact analyses may not capture broader impacts

- Impact analyses may not account for non-economic goals (e.g., habitat preservation)
- A county-level analysis may not identify the impacts to other counties or the state



**County economies:**

**Land use matters more than ownership**

**In General**

**Percent of public natural resource land was not detrimental to county economies**

**Specific Sites**

**Specific sites may have positive or negative net economic impacts**

**Lessons Learned**

**Estimates of economic impacts depend on land use change, data, and assumptions**

# Next Steps and Contacts

## Proposed Final Report

July 2015

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<http://leg.wa.gov/jlarc/reports/2015/PublicLandsEcon/p/default.htm>

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