

WESTERN BUSINESS ROUNDTABLE

In January I was privileged to be invited to participate in a Western Business Round Table conference in Phoenix. Other participants included CEO's from major industries including energy, oil and gas, mining, and coal. Also participating were several U.S. Senators, Congressmen, and State Legislators from several Western States. You might ask why the CEO of the Off-Road Business Association was invited to participate with giants of industry and government. Could it be that the off-highway vehicle recreation industry is finally being recognized as a serious contributor to the U.S. economy?

The Western Business Round Table is an association of businesses active in Western states. A common link between these businesses is the fact that they all require access to public lands in order to conduct their business activity. 27 years ago these businesses formed this association in order to better promote their common goals and interests. Over the past 10 years their common focus has been directed to the myriad of problems associated with obtaining access to public lands. Costs of doing business for these companies have escalated as more and more state and federal regulations have been put into place. Hoops that these companies must jump through just to obtain permits to operate their businesses are, in many cases, insurmountable. Sometimes the permitting process can take years to complete.

To add to the frustration of these companies, and to their cost of doing business, anti-growth environmental groups are challenging these legitimate businesses every day with public relation scare tactics and frivolous legal actions. Many small companies in these vital industries have been driven out of business when the costs to satisfy government agencies and to fight off those anti-growth organizations made their operations unprofitable.

As I listened to presentations from industry experts I realized that the off-highway vehicle recreation industry is facing the exact same problems as many of the other major industries in the western United States. In fact, we are struggling with the very same government regulations and the very same anti-access groups that the oil and gas industry, the energy creation and distribution industry, and the mining industry are dealing with.

In the area of Government regulations, the Endangered Species Act (ESA) was a major topic of discussion. Congressman Richard Pombo, Chairman of the House Resources Committee, explained his position on the need to reform the Endangered Species Act to make it more user and business friendly and to do a better job of protecting species. Pombo's staff answered questions from conference participants. I was surprised to learn that so many western industries are being impacted by court interpretations of ESA requirements and by the very same anti-access groups that are committed to closing down OHV recreation.

A presentation made by a representative from the natural gas industry showed that there are huge deposits of natural gas in Rocky Mountain states. Horizontal underground drilling techniques have been developed that are available for extensive underground extraction of natural gas with negligible surface impacts. In spite of these new drilling techniques only a small portion of the natural gas deposits, which are mostly located on BLM property, are available for access by natural gas companies. Even for those deposits, the permitting process takes several years. It appears that the natural gas industry is at least a step ahead of the OHV recreation industry since not even a small portion of BLM lands available have been opened for new OHV recreation opportunities.

With regard to bad press, there is a perfect parallel between the mining industry and the OHV recreation industry.

A representative from second largest gold mining company in the world talked about the unwarranted bad rap that gold is getting from the anti-access groups. This should sound familiar to OHV recreation enthusiasts. How can anyone not like gold? - you ask. Just like a few worst case examples from OHV recreation are used to give our sport and our industry bad press, the same anti-everything groups have found a way to make gold sound dirty.

You may not know that the chemical cyanide is used in the gold extraction process. During the 1800's, cyanide was allowed to run into streams and rivers where it polluted the water. Many years ago the gold mining industry realized that this was creating a problem and they cleaned up their act. Today, not a single drop of cyanide finds a path into our waterways. Nevertheless, the anti-growth, anti-development, organizations have mounted a campaign to convince the public that they must make a choice between having gold or having clean drinking water. They are even putting pressure on retail jewelry stores to convince them that selling gold products is evil and is destroying the environment. Isn't it fortunate that dirt bikes and Jeeps are not made out of gold?

One serious issue of concern that participants discussed at length is a new bill, about to be presented to Congress, called "The Clear Sky Initiative." This new law deals with dust pollution. Basically, it requires that all areas in the U.S. have limits on the amount of particulate matter (dust) ten microns in size or less. At the present time there are many areas that are not able to attain this level of clean air due to natural dust sources, leaving no room for any man-generated dust. Also there are some areas, like OHV recreation areas, that, during a short time period, have much more dust pollution in the air.

A representative from the coal mining industry gave a presentation praising the virtues of the Clear Sky Act. He sees this act as a benefit to the coal industry since it would replace the many stringent regulations that currently limit the content of exhaust gases from coal-fired electricity generating plants. Furthermore, according to him, most generating plants have already

implemented air purification systems that will meet the requirements of the Clear Sky Act.

U.S. Senators, Congressman, and the business representatives who participated in the Western Business Round Table, all seemed to support the Clear Sky Bill. Also, many stakeholders were involved in the development of this new bill. The OHV recreation industry was not asked to be involved as a stakeholder.

What does this mean to OHV recreation and to the OHV recreation industry? Well, more research on the bill is needed before I can answer that question. In the worst case, it appears that any activity that causes dust that exceeds the limits of the Clear Sky Initiative could be terminated under this new law.

John Shanahan, Counsel to U.S. Senate Environment & Public Works Committee Chair, Senator James Inhofe, was video conferenced into the session. When he was asked about OHV recreation, and the fact that we were not asked to be stakeholders in the development process for this new bill, he said that the bill has been debated for a long time and is in its final form and will not likely be revisited. He expressed the hope that, by significantly reducing the air pollution caused today, by major polluters, casual polluters (like OHV users) will be permitted to do their thing since over-all air pollution would not be significantly increased.

We will be taking this problem to our friends in Congress to attempt to get assurances that the Clear Sky Act will not be used as another weapon to negatively impact, or totally eliminate, OHV recreation, and the OHV recreation industry in this country.