Glacier National Park
BUILT FOR SPEED

As North America’s fastest land mammal, the pronghorn is capable of running at speeds near 60 miles per hour. While cheetahs are faster in a quick sprint spanning a few hundred yards, pronghorns can maintain top speeds for miles at a time, giving them an edge over the competition.
Looking over the horizon

On a crisp morning in May, I found myself at the Buffalo Bill Center of the West in Cody, Wyoming, for a symposium commemorating Yellowstone National Park’s 150th anniversary. Robert Bonnie, the U.S. Agriculture Department’s Undersecretary for Food Production and Conservation, was set to deliver a major speech on the importance of private working lands for wildlife migrations. The undersecretary’s address was historic and profound in its own right.

At an event celebrating America’s single greatest public land conservation achievement—Yellowstone—a high level representative of the federal government was using the occasion to praise the role of ranchers, farmers, and property rights in the stewardship of the large landscapes surrounding the park and the wildlife who call it home. Even better, his eloquent remarks came with this pearl of wisdom:

“Conservation is succeeding where conservation is being done with private landowners, not to them. Conservation, it turns out, is a team game.”

Read that again and let it soak in. Here was a senior-ranking official from a powerful federal agency embracing an ethos that PERC has articulated since our founding more than 42 years ago.
Even more remarkable is that the USDA isn’t alone in embracing these values. PERC’s robust policy agenda this year included successful engagements with the White House, Interior Department, U.S. Forest Service, and the National Park Service among others, plus an array of policymakers, conservation leaders, and state and federal elected officials from across the political spectrum. Before a congressional hearing on increased national parks visitation that featured testimony from our policy director Hannah Downey, committee staff from both Democrat and Republican offices reached out to PERC for ideas. Why are they turning to PERC? Because the world is changing and demanding a new way forward.

“Conservation used to be about slowing down; now it’s about speeding up.”

Conservation used to be about slowing down; now it’s about speeding up. In the race against the megafires that ravage our forests, every second counts. As rapid development threatens to swallow up vital wildlife habitat, the ranchers who keep these lands open and accessible for migratory wildlife face tremendous pressure.

The default tools—political games, complex regulations, and endless litigation—are increasingly inadequate for addressing many of the modern challenges facing land, water, and wildlife.

In their place, PERC is creating a new playbook that harnesses markets, incentives, and partnerships to create lasting conservation solutions. And we’re doing so with urgency and optimism:

— **National park superintendents** have the local expertise critical for implementing creative fixes to address growing repairs and crowd levels, yet they’re mired in bureaucracy. We must empower them.

— **Water markets** can help tribes, farmers, and communities conserve water while mitigating the impact of an epic megadrought on our ecosystems, food production, and quality of life. We must harness them.

— **Agencies, policymakers, and environmentalists** frequently make conservation a liability rather than an asset. We must educate them.

We are at the precipice of a new era of conservation—PERC is leading the charge. Today we’re seizing the moment to explore, explain, and help invent this new reality. In doing so, PERC is charting a new course for leaders and the conservation community.

In 2022, we forged the future by launching a groundbreaking new conservation law and policy center, an innovative new tool for cattle ranchers who provide the winter range for Yellowstone’s elk herds, research that reveals how we can fix America’s forests, and an array of new thinking from some of the brightest minds in the country. Together, these ideas and actions are transforming conservation in America.

As we peer over the horizon, we like what we see and think you will too. Thank you for your support.

Brian Yablonski, Chief Executive Officer, PERC
2022 BY THE NUMBERS

12 REPORTS & PUBLICATIONS

16 VISITING FELLOWS

8 CONGRESSIONAL TESTIMONIES

223 PARTNERSHIPS & ENGAGEMENTS

16 STAFF

4 WORKSHOPS & EVENTS

1,266 MEDIA STORIES

145.9 INCHES OF SNOWFALL IN BOZEMAN
PROTECTING THE FUTURE TOGETHER

Help forge new frontiers with a monthly gift to PERC.

PERC.ORG/MONTHLY
“Bureaucracy is slow. Wildfire is fast. And bureaucracy needs to get a hell of a lot faster if we want to persist and not lose everything we’ve got left.”

Christy Brigham
Chief of Resources Management & Science, Sequoia & Kings Canyon National Parks (to Outside magazine)
Towering up to 275 feet and living more than 3,000 years, giant sequoias are among the most ancient, majestic, and mysterious living organisms on the planet. With two feet of bark encasing their soaring trunks, the gigantic trees are impenetrable fortresses capable of fighting off invading insects and blazing fire. Even if more than 90 percent of their foliage burns, the giants can fully regrow and thrive for centuries. Their armor-like features have helped them outlast every natural threat for the past 180 million years—including the mass extinction event that wiped out the dinosaurs. They are essentially immortal by evolutionary standards.

Yet despite their grandeur and sheer grit, recent megafires have revealed giant sequoias to be extremely vulnerable. As many as 10,000 giants—nearly one-fifth of the entire population—were killed between 2020 and 2021. Given their long-standing track record as survivors, it’s clear the conditions threatening the species today are unprecedented and alarming.

For thousands of years, naturally occurring wildfires would clear out the smaller trees and shrubs surrounding the sequoias, allowing them to flourish. That all changed in the 20th century, however, when federal land managers opted to eliminate all fires in a failed attempt to protect nearby communities. A century later, more than 80 million acres of forests across the West are now overgrown and ready to go up in smoke. The smaller surrounding trees are now reaching the canopies, where sequoias are less fire-resistant. Add in an extreme drought and a changing climate, and within a blink of evolutionary time sequoia groves could disappear forever.

Thankfully, catastrophic megafires are sparking bipartisan interest in active forest management to reduce the risks. In early 2022, the Biden administration unveiled a 10-year strategy to ramp up forest thinning and controlled burns. If fully implemented, the plan would increase these activities by up to four times current levels in the West.

But despite growing recognition of the importance of forest management, significant hurdles remain. Red tape and litigation can hinder even the most-needed projects for years. Partnerships with states, tribes, and the private sector are needed to conduct restoration work at scale. Enter PERC.

Since releasing our “Fix America’s Forests” report in 2021, PERC has become a leading voice in the effort to restore and protect the health of our forests. Ideas that had their genesis at PERC are now playing a role nationwide, informing legislation and a broader mindset that recognizes the urgency this crisis requires. In 2022, we accelerated these efforts with new data that revealed how the environmental review process contributes to forest destruction, new recommendations for encouraging controlled burns on private land, new coalitions to stand up for healthy forests, and a robust policy push to eliminate the bureaucratic roadblocks that delay critical restoration efforts taking place on the ground. Together, this comprehensive approach to wildfire resilience could play a critical role in overcoming the wildfire crisis plaguing our forests.

There is hope for giant sequoias. After an emergency declaration cleared the way for swift action, a coalition of government agencies and conservation groups performed thinning, prescribed burns, and other practices on 4,257 acres of sequoia groves, more than double the goal set for the year. Yet more work remains, and we’re in a race against time. A century from now, will the giant sequoias continue to amaze and inspire future generations? The next few years will determine the answer.
From the forest to the hill

PERC Policy Director Hannah Downey testified before the House Natural Resources Committee Forum on wildfire and forest management, highlighting the need to remove regulatory obstacles that prevent important forest management work. Brian Yablonski participated in a Congressional Western Caucus panel discussing how litigation blocks good forest projects from moving forward.

Key senate committee passes bipartisan forest fix

When the Ninth Circuit Court of Appeals imposed excessively redundant procedures for western forest restoration projects in 2015, the Obama administration said the ruling “has the potential to cripple the Forest Service.” Since then, PERC has been building support for a legislative fix to the ill-conceived Cottonwood ruling that provides necessary safeguards while ensuring critical work continues. Thanks to leadership from Sen. Steve Daines (R-MT), a bipartisan fix now moves one step closer to becoming reality.

Standing up for Sequoias

PERC supported the bipartisan Save Our Sequoias Act. By accelerating forest restoration through key reforms including categorical exclusions, Good Neighbor Authority, and enhanced partnerships, the legislation could play a critical role in protecting the iconic towering giants.
Burn Back Better

Informed by a workshop featuring leading prescribed fire experts, PERC’s “Burn Back Better” report is the most comprehensive analysis of prescribed fire policy in the 11 western states. It identifies what states are doing well and how they can improve the pace and scale of urgently needed forest restoration. Created in collaboration with Tall Timbers, an internationally recognized organization with over 60 years of experience using prescribed fire science to solve land management problems, the report outlines key recommendations that could make a profound difference.

Fiddling While Forests Burn

Environmental reviews intended to protect the environment from potentially harmful projects are suffocating forest restoration efforts, a critical tool for mitigating catastrophic wildfires. PERC found it takes an average of 3.6 years for efforts to clear downed, unhealthy, and too densely grown trees to move from the required environmental review to on-the-ground work. For prescribed burns, the delay is even longer, 4.7 years. Many urgently needed projects take longer still, resulting in overgrown forests—and the wildlife that lives there—going up in smoke while awaiting environmental reviews intended to protect them. Media outlets from The Wall Street Journal to NBC News shared the eye-popping findings, as well as top-ranking Forest Service officials and congressional leaders, building momentum for reform.

PERC Reports Special Issue

The summer edition of our semiannual magazine explored our current age of megafires. Beyond spending money, truly confronting the wildfire crisis will require tackling thorny policy obstacles ranging from red tape and litigation to tribal and private partnerships. No other organization analyzes the complexity of the wildfire crisis with in-depth research, reporting, and analysis. Read it for free at perc.org.
“Our friends at PERC are standing up a really innovative Brucellosis Compensation Fund in the Paradise Valley so that ranchers who protect elk habitat aren’t shooting themselves in the foot. We pledge to look for ways to champion this creativity and experimentation and coordinate to ensure we can leverage off one another’s strengths.”

Robert Bonnie
Under Secretary for Farm Production and Conservation, USDA
Tourists aren’t the only ones who migrate out of the park after summer vacation. Each fall in the Greater Yellowstone Ecosystem, thousands of elk abandon their grassy high-elevation summer ranges in Yellowstone National Park and descend into the surrounding valleys outside the park. Hunkering down here makes sense for the elk, where they are sheltered from Montana’s frigid winters and can bide time until returning to the park each spring.

Along the way, the massive herds support carnivores and scavengers alike, making elk migration a literal life line for an ecosystem teeming with abundant wildlife. Their cultural and economic impact is just as significant, sustaining a thriving wildlife tourism industry that brings millions to the gateway communities outside Yellowstone and attracts thousands of hunters from across the country each fall.

To millions of wildlife watchers, outdoor enthusiasts, sportsmen, and tourists, elk are nature’s rock stars. But to the small community of ranchers in Montana’s Paradise Valley who host the elk each winter, they are uninvited house guests that bring devastating consequences.

When one of North America’s largest land mammals shows up on your land, it can be a nuisance. When hundreds camp out all winter, it can be disastrous. Broken fencing. Damaged crops. Lost forage for cattle. Elk also attract trailing predators and trespassing hunters.

But worst of all is the threat of brucellosis, a reproductive disease transmitted from bison and elk to cattle that brings dire financial consequences for ranchers. A positive case requires an expensive and lengthy quarantine process in which ranchers often have to isolate their entire herd, undergo testing protocols that can last a year or more, or sometimes even depopulate their entire herd. Though cases are rare, the specter of brucellosis looms large with every elk spotting.

While any business operation involves risk, the financial stability of ranches has far-reaching consequences in Montana’s Paradise Valley, located on the northern boundary of Yellowstone. Home to one of the country’s most critical migration corridors, it’s also on the edge of a rapidly growing region that is devouring open space. If a rancher gets wiped out by brucellosis, it increases the odds of that space being sold off and developed into subdivisions, eliminating elk habitat and sending ripple effects throughout the ecosystem.

Population of elk that winter on Paradise Valley’s working ranch lands

6,000
While ranchers and environmentalists are often at odds with one another, PERC recognized the valuable role private landowners in Paradise Valley play in ensuring healthy elk herds. Until now, those ranchers shouldered the burden of elk conservation, while millions of sportsmen, outdoor enthusiasts, and conservationists reaped the benefits.

What if it didn’t need to be that way? What if the costs of brucellosis didn’t fall solely to ranchers? What if conservationists and outdoor lovers—often at odds with ranchers—could directly support them for the habitat they provide? PERC developed an innovative market solution that does exactly that: the Paradise Valley Brucellosis Compensation Fund.

The first of its kind in Montana, the fund provides financial assistance to any Paradise Valley cattle rancher to cover at least half of the costs incurred from a positive brucellosis test. A diverse coalition of conservationists, hunters, and community members stepped up to provide initial funding, illustrating the strong market demand for innovative solutions that protect elk. Equally important, the project demonstrates the largely untapped potential for markets to create powerful opportunities that unite people from all walks of life together to create positive outcomes for people and wildlife.

PERC researchers will work closely with ranchers and conservation partners to monitor the fund and its impact over the initial three-year pilot period, while continuing to develop and implement other innovative conservation solutions in Paradise Valley and beyond. Like the mighty elk herds, PERC remains on the move in pursuit of new horizons.
No paperwork, no kidding

PERC’s researchers developed the model based on input from the ranching community with an aim to keep it as straightforward as possible. Unlike a rigid government program, the fund is flexible and adaptable to the specific needs of ranchers based on how they are impacted by elk herds.

<table>
<thead>
<tr>
<th>Timing</th>
<th>Three-year pilot project beginning in January 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participants</td>
<td>Available to any cattle rancher in Paradise Valley, Montana</td>
</tr>
<tr>
<td>Payouts</td>
<td>75 percent of estimated hay costs, with a maximum payout of 50 percent of the initial fund size for any single quarantine event</td>
</tr>
<tr>
<td>Fund Size</td>
<td>$100,000 – $150,000 available to cover 50-75% of a rancher’s quarantine-related costs following a positive brucellosis test. The partial funding incentivizes ranchers to remain proactive in precautions against the disease.</td>
</tr>
</tbody>
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Diverse support

An array of partners stepped up to launch the fund:

Greater Yellowstone Coalition, a conservation nonprofit dedicated to protecting the lands, waters, and wildlife of the Greater Yellowstone Ecosystem

Rocky Mountain Elk Foundation, a national big game conservation organization fueled by hunters and sportsmen

Spruance Foundation, a community-based nonprofit that supports various nonprofit organizations and charitable causes

Credova, an outdoor recreation financial technology company based in Bozeman
“Markets are a proven way to effectively allocate scarce resources among competing uses through voluntary negotiation instead of legal or political conflict, of which there is no shortage in the world of western water.”

Shawn Regan
PERC Vice President of Research for National Review
Amidst the dry arid dust of the American West, Lake Mead is a glistening oasis. Most of its water accumulates from heavy snowmelt descending from the Rocky Mountains. Spanning across two states, it is the largest reservoir in the country, with enough volume to convert Connecticut into a state-wide swimming pool that runs 10 feet deep. The lake is a power plant, generating 4 billion kilowatt-hours (kWh) of hydroelectric power annually where the Colorado River meets the Hoover Dam. Its water is pumped to 25 million people to supply cities, spur development, and irrigate millions of acres of farmland. In many ways, Lake Mead is the lifeblood of the West.

Last year, the lake measured at its lowest level in history. The federal government declared the first-ever water shortage on the Colorado River, triggering mandatory cuts to water use across several western states, impacting ecosystem health, communities, farmers, and food costs.

Lake Mead’s decline has accelerated the need to encourage conservation. With no end to the megadrought in sight, western communities are going to have to find ways to do more with less water—and do so through cooperation instead of conflict. With so much at stake, PERC is doubling down on our longstanding exploration of water markets as an innovative tool for water conservation through new ideas, policies, and possibilities.
A victory for tribal sovereignty and water markets

PERC’s policy brief “Addressing Institutional Barriers to Native American Water Marketing” explored how empowering tribes can help alleviate the drought plaguing western states. The report called for Congress to pass legislation to uniformly authorize tribes to lease water rights off reservation if they so choose. PERC highlighted the issue through policy and media outreach, complementing the longstanding efforts of tribal leaders.

Months later, that framework started to become a reality. President Biden signed The Colorado River Indian Tribes Water Resiliency Act into law, granting Colorado River Indian Tribes the option to lease or exchange a portion of its apportioned water rights to other water users or municipalities of the Lower Colorado River Basin. This is a crucial step toward restoring Native American sovereignty over tribal resources while also bolstering the Colorado River Basin’s adaptive capacity to drought.

The Colorado River Indian Tribes Water Resiliency Act becomes public law.

January 5, 2023

Practice makes progress

With water resources overdrawn in drought-stricken states in the western U.S., finding ways to manage groundwater sustainably is crucial. PERC’s policy brief “Designing Groundwater Markets in Practice” draws lessons from groundwater markets in several California basins and outlines how similar markets could be replicated throughout the West.

Cover story

A National Review cover story from PERC Vice President of Research Shawn Regan explored how water markets could alleviate drought in the West by effectively allocating scarce water resources among competing users. One key takeaway: “If water markets are allowed to function, prices provide incentives to conserve, and markets enable water to be moved from lower-valued to higher-valued uses.”
Utah scores a win for water conservation

PERC has long worked to fix backward incentive structures that penalize water rights holders for saving water. Following persuasive op-eds from PERC in The Salt Lake City Tribune and Deseret News, the state passed legislation that makes instream flows a “beneficial use” of water. Farmers and other water rights holders can now lease water to keep it in-stream and reach the drought-parched Great Salt Lake. Previously, their only option was to use it or lose it, resulting in wasted water and a missed opportunity to conserve a natural resource. With Great Salt Lake water levels at record lows, this conservation victory could not have come at a better time.

WAVE OF THE FUTURE

PERC’s policy report “The Future of Water Markets: Obstacles and Opportunities” shares a collection of essays by leading scholars that address timely water policy issues and offer ideas to enhance the future of water markets. The report explores harnessing markets for cooperation among competing water users, promoting conservation, and reducing effects of water scarcity.

THE WATER ISSUE

The winter issue of the PERC Reports magazine explored the West’s water crisis and how markets can address today’s shortages.
70 BILLION GALLONS

Amount of water that flowed through the Yellowstone River flood gage between June 11 and June 15, enough to fill more than 100,000 Olympic swimming pools.
The historic 500-year flood that caused widespread damage in and around Yellowstone National Park was truly unprecedented. Floodwaters wiped out bridges, washed away miles of roads and flooded or destroyed more than one hundred homes in surrounding communities, leaving large portions of the park inaccessible to visitors.

It could not have come at a worse time. With the kickoff of the busy summer season underway and the park celebrating its 150th anniversary, attendance was projected to surpass 2021’s record-setting 4.9 million visitors.

As news outlets shared devastating footage of the crisis, the gateway communities that depend on park tourism watched their livelihood wash away. Would-be visitors started canceling their reservations by the thousands.

Recognizing approximately half of the park was off-limits and scrambling to salvage as many trips as possible, the park quickly formed a plan to manage crowds within its new limited footprint. But determining access to a national treasure is fraught with traps and pitfalls. For many visitors, a trip to Yellowstone is a once-in-a-lifetime experience. How do you decide who gets to enjoy the public lands that belong to us all?

Aware of the stakes, Yellowstone Superintendent Cam Sholly sought PERC’s input on a brilliantly simple plan to stagger entry based on license plates, which PERC researchers quickly reviewed and endorsed. Cars with plates that end in an odd number could enter on odd days of the month, and vice-versa. In an uncertain time the simple eloquence of this approach restored certainty. All visitors were guaranteed days in the park, and it was easy to determine when they were. Once critical emergency repairs were made, the park smoothly transitioned back to normal access.

Sholly’s quick-thinking and novel approach was a reminder that the best ideas aren’t the result of long studies and drawn-out bureaucratic approvals but quick thinking creativity on the ground. We need to empower more park superintendents to be responsive and adaptable the way any business owner would.

The need is urgent. Just like Yellowstone, visitor attendance is booming post-pandemic. In 2021, 44 parks set attendance records. Arches National Park had to close 158 times due to crowding. And while other parks aren’t clearing away washed-out roads, they have no shortage of repair work themselves. Last May, the Interior Department quietly acknowledged the National Park Service now faces a $22 billion deferred maintenance backlog, a figure that ballooned 83 percent from the $12 billion reported just five years ago. Park visitors see the consequences firsthand in the form of dilapidated roads and bridges, failing wastewater systems, and closed trails.

In exploring creative solutions to these challenges, PERC has become a respected voice on the topic of outdoor recreation issues. We continue to elevate the need for greater local flexibility and creative funding solutions that harness market-based pricing to address park maintenance needs, crowding, and the overall visitor experience. With problems mounting, our creative solutions are increasingly sought after and put into use.

One thing is certain: Big crowds aren’t going away any time soon, and unmet maintenance will only compound problems. It will take creativity and new thinking. With some of our nation’s greatest natural wonders hanging in the balance, it shouldn’t take a historic flood to get started.
Partnering with America’s first national park

PERC continues to be a valued partner for Yellowstone National Park. Yellowstone’s “State of the Park” report singled out PERC for supporting the park in a variety of key areas including its deferred maintenance backlog, improving employee housing, managing increasing visitation, and 150th anniversary planning efforts. In May, PERC was invited to participate in a new employee housing unveiling event and ribbon cutting ceremony for an improved roadway into the park—two critical infrastructure investments PERC has long supported. Sholly also saluted PERC’s contributions at “Partnership Celebration Day,” which recognizes a small group of nonprofit partners who help address key issues.

Fishing for funding fixes

PERC joined Backcountry Hunters and Anglers to discuss user-pay models for conservation funding with Lance West, Chief of Staff to Sen. Joe Manchin (D-WV). The message? Outdoor advocates are ready to pay for their beloved public lands.

Give them some space

PERC Policy Director Hannah Downey testified before the U.S. House Natural Resources Subcommittee on Oversight and Investigations on ways to address overcrowding in our national parks. Hannah shared the importance of giving national park superintendents the flexibility necessary to meet their park’s needs with creativity and innovation.

$22 BILLION
National Park Service deferred maintenance backlog

12 national parks set visitation records in 2022
IN THE NEWS

Sesquicentennial Symposium

PERC CEO Brian Yablonski presented at the Yellowstone 150th Anniversary Symposium hosted by the University of Wyoming College of Law and the Haub School of Environment and Natural Resources. PERC shared solutions to improve the iconic park’s care and conservation; key officials were spotted taking notes.

Funding the influx

Increased use of public lands raises the question of how to finance them. General revenues, gate fees, and gear taxes are leading candidates, each with strengths and weaknesses. A 2019 PERC workshop explored these issues by combining the fields of public finance and environmental economics, as well as historical and institutional knowledge of how public lands are actually managed. This year, the journal *Land Economics* published the resulting research papers, which creatively address the financing of public lands for recreation.

“CBS SUNDAY MORNING” INVITES PERC FOR A MOMENT IN NATURE

National media outlets increasingly turn to PERC as a leading voice with expertise in outdoor recreation management and operations. “CBS Sunday Morning”, the number one rated weekend news show, kicked off its Memorial Day weekend edition with PERC CEO Brian Yablonski sharing creative approaches to help popular national parks manage crowds. *Outside* magazine quoted PERC Research Fellow Tate Watkins sharing thoughtful solutions to mass tourism on America’s public lands.

Creating a dialogue on wolves

PERC has long been involved with transboundary wildlife issues between Yellowstone National Park and surrounding states. When a controversial issue on wolf hunting emerged this year, PERC played a critical role bringing park and state leaders together to advance an acceptable outcome.

“‘We’re in uncharted territory when it comes to visitation so there’s a lot of room for experimentation and creativity.’”

Brian Yablonski, PERC CEO on “CBS Sunday Morning”
"We don’t impose conservation, we empower conservation."

Jonathan Wood
PERC Vice President
of Law and Policy
Taking flight to unite

PERC’s Conservation Law and Policy Center brings a refreshing new perspective to environmental policy reform.

Conservation should unite, not divide. Yet too often environmental law and policy encourage litigation and regulatory conflict by making healthy land, water, and wildlife a liability for the people who provide it.

PERC research consistently shows that when conservation makes economic sense to those who are conserving, it will be more durable and less subject to political whims. Many leading conservationists have embraced this approach thanks to PERC’s efforts, yet significant policy challenges remain a barrier to greater success.

The quest to address these hurdles led to a milestone moment in PERC’s 42-year evolution and growth: launching the Conservation Law and Policy Center. As a fully integrated extension of PERC, the center serves as an expanded advocacy platform that establishes a direct pipeline from research and idea generation to legal and policy reform.

While PERC will always be deeply rooted in research, the center provides a dedicated policy foothold. It is adding new legal tools to help overcome obstacles and challenges and bringing a fresh perspective to policy reform, cooperation conservation, market solutions, and sound incentives.

“If we want to create lasting wins for the environment that endure beyond political cycles and escape endless litigation, we must reduce barriers to voluntary conservation and remove perverse incentives,” said Jonathan Wood, PERC Vice President of Law and Policy. “That’s what the new center seeks to achieve through creative law and policy reforms.”

**KEY WINS:**

- **Reining** in the wild horse crisis
- **Reforming** endangered species policy
- **Improving** the health of our forests
- **Empower** more effective national park management
The power of together

Standing together sends a powerful message. To make the case for supporting healthy forests through permitting relief, PERC united an unlikely assembly of sportsmen, environmentalists, and policy leaders. To address and persuade key Senate committee leaders, PERC successfully recruited and engaged the National Wild Turkey Federation, Rocky Mountain Elk Foundation, Ruffed Grouse Society, C3 Solutions, Backcountry Hunters & Anglers, ConservAmerica, Theodore Roosevelt Conservation Partnership, and National Deer Association with a unified message and legislative solutions to address the crisis.

Creating a dialogue

PERC team members presented research findings and insights to policymakers throughout the year. PERC’s Jonathan Wood addressed the Congressional Western Caucus Endangered Species Act Forum, sharing critical reforms that would improve incentives for private landowners to restore habitat and undertake other recovery efforts. Research Fellow Catherine Semcer testified before the House Natural Resources Committee on how to prevent pandemics through U.S. wildlife-borne disease surveillance.

Educating the environmental law community

PERC partnered with Coleman P. Burke Center of Environmental Law at Case Western University to share insights on Sackett v. EPA, a major Clean Water Act case that the Supreme Court heard arguments on last fall. PERC filed an amicus brief in the case outlining how the court should interpret the Clean Water Act to make wetlands an asset rather than a liability for private landowners. A clear standard, PERC argues, will better encourage voluntary wetland restoration and state policy innovation.
Improving landowner incentives for wildlife recovery

PERC joined an appeal to defend and restore an Endangered Species Act rule that establishes incentives for landowners to conserve habitat, based on PERC’s 2018 “Road to Recovery” report. If successfully restored, the reform would play a major role in accelerating the recovery of many endangered and threatened species that occupy private lands.

Fewer courtrooms, more conservation

An unending legal war between ranchers and environmentalists is a poor conservation strategy. With that in mind, PERC urged the Department of Agriculture and U.S. Forest Service to embrace innovation and defuse conflict over federal grazing lands by facilitating markets for voluntary conservation. Doing so would incentivize ranchers and permit holders to collaborate with conservation organizations and expand stewardship efforts.

Meet Jonathan Wood and Hannah Downey, PERC’s new Conservation Law and Policy Center leadership team

What are some of your earliest memories of nature?

Jonathan: I grew up on a ranch in north Texas and spent a lot of time outside around livestock and wildlife. My grandfather was also an avid hunter and angler and I enjoyed many mornings fishing with him.

Hannah: I grew up in Wisconsin and Minnesota, but my earliest memories of nature were actually in Montana. My parents loved backpacking and explored the mountains of Montana every summer. I celebrated my first birthday in a tent in the Absaroka-Beartooth Wilderness, and we came back every year.

What makes PERC unique compared to other conservation organizations?

Hannah: Everything we do is driven by solid research. We aren’t just throwing out ideas; we look at the reality on the ground and compare that to the regulatory landscape to find practical, sustainable solutions.

Jonathan: The culture is unique. Every single PERCie is aligned with the mission. It’s energizing to be surrounded by an incredible team looking to achieve positive conservation outcomes in a way that doesn’t vilify someone else.

Why has PERC become a sought-out and respected name in the policy world?

Hannah: We bring a fresh perspective to environmental policy. Currently, it’s based on strict regulations. While there is certainly some need for that, there’s been a realization that we need to bring a fresh approach to address some big challenges. There’s also a benefit to PERC being on the ground in the West. We’re able to raise unique issues and understand stakeholders on the ground in a way that people in the D.C. beltway cannot.

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It’s a hope that the world we leave for future generations will be better due to our present actions. Consider remembering PERC in your will or estate plans to help ensure that they continue to carry out their mission, and to inspire future generations toward creative conservation in caring for the natural world. Those who make a planned gift to PERC become members of the PERC Legacy Society, showing a lasting commitment to free market environmentalism that shapes environmental policy for generations to come.

Contact our Chief Operating Officer, Rupert Munro, for more information.

RUPERT@PERC.ORG
(406) 587-9591
Wild about the West

PERC’s board and leadership convened at Montana’s Crazy Mountain Ranch to review progress, look ahead, and take in the scenery. A few days in the Old West provided the right perspective to shape the future.

Welcome aboard

PERC is fortunate to have a passionate and highly accomplished board of directors who provide invaluable strategic guidance to help advance conservation. In 2022, PERC welcomed two new leaders to its board roster:

**Christopher Costello, Ph.D.**

Chris Costello is a professor of Environmental and Resource Economics at the University of California, Santa Barbara. He is research director of the Environmental Markets Lab and a Research Associate with the National Bureau of Economic Research. Chris is also on the board of Environmental Defense Fund and Global Fishing Watch and serves on the Council of Economic Advisors for California’s Governor. He has published over 100 peer-reviewed papers in journals such as *Science* and *Nature* with PERC involvement dating back to 2008. Chris is widely revered as a leader in environmental markets, fisheries management, and marine policy.

**Brad Levine**

Brad Levine brings significant expertise informed by a successful career building software technology companies in multiple industries, in addition to a real estate and vacation company with properties ranging from Big Sky, Montana to the Florida Keys. He also participates on the advisory board for Hatch, a Montana-based organization designed to find creative ways to make the world a better place. He and his family split their time between Florida and Montana, where he manages a ranch in Shields Valley for conservation. His passion for PERC stems, in part, from his degree in agricultural economics from the University of Florida.

**THE NEWEST SENIOR FELLOW**

Arizona State University’s Dr. Bryan Leonard was promoted to PERC Senior Fellow. Bryan has been directing PERC’s Lone Mountain Fellowship program, which engages leading academics and professionals who share PERC’s passion for market-based conservation efforts related to land, water, and wildlife. Bryan is an associate professor of environmental and natural resource economics in the School of Sustainability and a faculty affiliate in the Economics Department and the Center for Behavior, Institutions, and the Environment at Arizona State University. He has been actively engaged with PERC for the past 11 years, including co-authoring a groundbreaking 2021 paper on conservation leasing published in the journal *Science*.

**A SEAT AT THE TABLE**

PERC Research Fellow Catherine Semcer was voted Chair-Elect of the International Wildlife Management Working Group of The Wildlife Society. Catherine will lead global engagement efforts for North America’s preeminent professional society of wildlife scientists and managers.
Brimming with adventure

PERC’s signature cap is quickly becoming a “must-have” calling card for creative conservationists in the know, with numerous sightings in the wild. Where will it show up next?


On the front lines of the Russian Resistance in Ukraine, with PERC Lone Mountain Fellow Paul Schwennesen defending liberty alongside Ukranian and American fighters.

Field trip

PERC’s annual Student Summit welcomed undergraduate and graduate students who heard from scholars and practitioners in the fields of economics, ecology, and conservation. In addition to sessions that demonstrated firsthand how market incentives can yield incredible conservation outcomes, the immersive experience brought students up close with wolf pups at Ted Turner’s Flying D Ranch.
### STAFF

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brian Yablonski</td>
<td>Chief Executive Officer</td>
</tr>
<tr>
<td>Rupert Munro</td>
<td>Chief Operating Officer</td>
</tr>
<tr>
<td>Shawn Regan</td>
<td>Vice President of Research</td>
</tr>
<tr>
<td>Jonathan Wood</td>
<td>Vice President of Law &amp; Policy</td>
</tr>
<tr>
<td>Jack Wlezien</td>
<td>Vice President of Marketing &amp; Communications</td>
</tr>
<tr>
<td>Sarah Lutiger</td>
<td>Director of Operations</td>
</tr>
<tr>
<td>Hannah Downey</td>
<td>Policy Director</td>
</tr>
<tr>
<td>Kat Dwyer</td>
<td>Marketing &amp; Media Manager</td>
</tr>
<tr>
<td>Amberlee Burrows</td>
<td>Development Manager</td>
</tr>
<tr>
<td>Tate Watkins</td>
<td>Managing Editor, Research Fellow</td>
</tr>
<tr>
<td>Catherine Semcer</td>
<td>Research Fellow</td>
</tr>
<tr>
<td>Colleen Lane</td>
<td>Senior Program Coordinator</td>
</tr>
<tr>
<td>Madison Yablonski</td>
<td>Policy Associate</td>
</tr>
<tr>
<td>Amy Kimmel</td>
<td>Administrative Associate</td>
</tr>
<tr>
<td>Anna Kronk</td>
<td>Administrative Associate</td>
</tr>
</tbody>
</table>

### BOARD OF DIRECTORS

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
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</thead>
<tbody>
<tr>
<td>Loren D. Bough, Chair</td>
<td>Chair</td>
</tr>
<tr>
<td>Reg Brown</td>
<td>Kirkland &amp; Ellis LLP</td>
</tr>
<tr>
<td>Henry N. Butler, Secretary</td>
<td>George Mason University, Antonin Scalia Law School</td>
</tr>
<tr>
<td>Robert Clement</td>
<td>Accenture (retired)</td>
</tr>
<tr>
<td>Chris Corr</td>
<td>Rayonier</td>
</tr>
<tr>
<td>Kimberly Dennis</td>
<td>Searle Freedom Trust</td>
</tr>
<tr>
<td>James Huffman</td>
<td>Lewis &amp; Clark Law School (emeritus)</td>
</tr>
<tr>
<td>Kristina Kendall, Treasurer</td>
<td>Kristi Kendall and Co.</td>
</tr>
<tr>
<td>Kameran Onley</td>
<td>The Nature Conservancy</td>
</tr>
<tr>
<td>Adam Putnam</td>
<td>Ducks Unlimited Inc.</td>
</tr>
<tr>
<td>Gary Rieschel, Vice Chair</td>
<td>Qiming Venture Partners</td>
</tr>
<tr>
<td>K.C. Walsh</td>
<td>Simms Fishing Products</td>
</tr>
<tr>
<td>Chris Wright</td>
<td>Liberty Energy</td>
</tr>
<tr>
<td>Brad M. Levine</td>
<td>Tellus LLC</td>
</tr>
<tr>
<td>Christopher Costello</td>
<td>University of California, Santa Barbara</td>
</tr>
</tbody>
</table>

### SENIOR FELLOWS

- Jonathan H. Adler
- Spencer Banzhaf
- Daniel K. Benjamin
- Christopher Costello
- P.J. Hill
- Bryan Leonard
- Gary D. Libecap
- Robert E. McCormick
- Roger E. Meiners
- Andrew P. Morriss
- Sheila M. Olmstead
- Dominic P. Parker
- Randy R. Rucker
- Randy T. Simmons
- Thomas Stratmann
- Walter N. Thurman
- Matthew A. Turner
- Bart J. Wilson

### SENIOR FELLOWS EMERITUS

- David D. Haddock
- Donald R. Leal
- Jane S. Shaw
- Bruce Yandle

### SENIOR RESEARCH FELLOWS

- Eric Edwards
- Kurt Schnier
- Sara Sutherland

### RESEARCH FELLOWS

- Ben Foster
- Holly L. Fretwell
- Laura E. Huggins
- Michael ‘t Sas-Rolfes
Key Partners

PERC works with leaders across the conservation community to achieve lasting wins for both people and nature. Select partners include:

[Images of logos for various organizations]

Visiting Fellows

**LONE MOUNTAIN FELLOWS**

- Ryan Abman
  - San Diego State University
- Kelly Dunning
  - Auburn University
- Eyal Frank
  - University of Chicago
- Anouch Missirian
  - Toulouse School of Economics
- Sheila Olmstead
  - University of Texas
- Ivan Rudik
  - Cornell University
- Jonathan Thompson
  - Harvard Forest
- Casey Wichman
  - Georgia Tech University

**GRADUATE FELLOWS**

- Ben Chenault
  - University of Virginia
- Micah Elias
  - University of California, Berkeley
- Nathaniel Grimes
  - University of California, Santa Barbara
- Brenna Jungers
  - Arizona State University
- Nicole Karwowski
  - University of Wisconsin, Madison

**JULIAN SIMON FELLOWS**

- Josh Abbott
  - Arizona State University
- Lee Anne Fennell
  - University of Chicago Law School
- Charles Kenny
  - Center for Global Development
IMPROVE OUR LANDS, WATERS, & WILDLIFE

We invite you to become a member of the Lone Mountain Society and join conservationists and outdoor enthusiasts across the country who are dedicated to developing practical solutions to conservation challenges.

<table>
<thead>
<tr>
<th>Membership Level</th>
<th>Donation Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>TRAILHEAD</td>
<td>$1,000 – $4,999</td>
</tr>
<tr>
<td>EXPLORER</td>
<td>$5,000 – $9,999</td>
</tr>
<tr>
<td>ALPINE</td>
<td>$10,000 – $24,999</td>
</tr>
<tr>
<td>SUMMIT CIRCLE</td>
<td>$25,000+</td>
</tr>
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</table>

To learn more, please visit PERC.ORG/LMS
## Financials

### REVENUES

<table>
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<tr>
<th></th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foundation</td>
<td>2,709,931</td>
<td>2,664,968</td>
<td>3,053,985</td>
</tr>
<tr>
<td>Individual</td>
<td>417,864</td>
<td>529,986</td>
<td>843,186</td>
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<tr>
<td>Corporations</td>
<td>--</td>
<td>--</td>
<td>45,000</td>
</tr>
<tr>
<td>Other</td>
<td>41,022</td>
<td>35,331</td>
<td>82,662</td>
</tr>
<tr>
<td><strong>Revenues</strong></td>
<td><strong>3,168,817</strong></td>
<td><strong>3,230,285</strong></td>
<td><strong>4,024,833</strong></td>
</tr>
</tbody>
</table>

| Prior Restricted Program Funds | 864,459 | 1,145,009 | 1,420,532 |
| **Total Revenues** | **4,033,276** | **4,375,294** | **5,445,365** |

### EXPENSES

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program</td>
<td>1,502,078</td>
<td>1,862,929</td>
<td>2,456,585</td>
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<tr>
<td>General/Admin</td>
<td>794,378</td>
<td>627,684</td>
<td>440,028</td>
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<tr>
<td>Fundraising</td>
<td>192,836</td>
<td>322,967</td>
<td>303,083</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td><strong>2,489,292</strong></td>
<td><strong>2,813,580</strong></td>
<td><strong>3,199,696</strong></td>
</tr>
</tbody>
</table>

| Future Restricted Program Funds | 852,699 | 1,183,782 | 1,657,091 |
| **Total Expenses** | **3,341,991** | **3,995,732** | **4,856,787** |

### ASSETS

#### CURRENT ASSETS

- Cash and Cash Equivalents: 3,963,282
- Pledges and Receivables: 1,330,070
- Endowment Fund: 101,864
- Prepaid Expenses and Undeposited Funds: 748,910

**Total Current Assets**: 6,144,126

#### PROPERTY & EQUIPMENT

- Net of Accumulated Depreciation: 1,297,114

**Total Assets**: 7,441,240

### LIABILITIES AND EQUITY

#### LIABILITIES

- Accounts Payable: 26,310
- Accrued Liabilities: 125,706
- **Total Current Liabilities**: 152,016

#### EQUITY

- Without Donor Restrictions: 3,368,349
- Board Designated: 150,028
- **Total Net Assets without Donor Restrictions**: 3,518,377

#### WITH DONOR RESTRICTIONS

- Purpose Restricted: 1,844,334
- Endowment: 114,738
- **Total Net Assets with Donor Restrictions**: 1,959,072

- **Total Net Income**: 1,811,775
- **Total Equity**: 7,289,224
- **Total Liabilities and Equity**: 7,441,240

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To maintain our independence and in line with our principles, we accept no government funding. PERC’s 990 and audited financials are available upon request. Presented revenues and expenses are based on cash accounting methods.
A LETTER FROM RUPERT

Removing barriers

One early June morning, I was up with the sun and heading over to Montana’s Paradise Valley. As I drove through the pass, fresh coffee in hand, the night had fully given way to the clear morning light as the splendor of the valley came into sight.

Turning off the highway, I meandered south with the Yellowstone River, the Absaroka range now towering above me to the left. As I hopped over the river, the rest of the team came into view, and the real work for the day was about to begin.

PERC’s service days have become a real highlight on the calendar. Each year, we get out of the office and back onto the land we all love to enjoy.

That day was no different as we met up with our ranching hosts and started the ascent up, in my case in the back of their flatbed truck. As we crossed the landscape, our target for the day came into sight—a mile and a half of old barbed-wire fence that cut across the property.

We hiked up the final stretch, fence pliers and post pullers in hand, and for the next several hours took on the task of taking the fence back to its composite parts. We discovered, to my immense enjoyment, that the quickest way to get spools of barbed wire back down the terrain is to simply roll them down the avalanche chute and allow gravity to do the work.

But while seeing an old fence cleaned up is satisfying in the moment, it wasn’t until later that evening, when our hosts took a couple of mules back up to collect now-defunct posts, that the real outcome of our work came into focus.

Where once stood an old fence, now crossed a full-curl bighorn sheep.

For me, our service day was a perfect metaphor for all we do at PERC. We remove divisions so that conservation has a new path forward. In removing the barbed-wire, we allowed the sheep to cross from the area it formerly inhabited to a place that had been barred off. We removed the challenge and let nature take its course.

It’s the same when we work with policymakers and our partners on the ground: remove barriers and let people come together, understand the new terrain, and eliminate the impediment.

On that day in June, we removed a barbed-wire fence. Over the course of the year, we removed countless barriers for conservation. Together we’re advancing a movement, and I am so grateful for your support.

Rupert Munro, Chief Operating Officer, PERC