Statement of Craig Obey,
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Before the Senate Committee on Energy and Natural Resources
On Funding the National Park System for the Next Century
July 25, 2013

Chairman Wyden, Ranking Member Murkowski and members of the committee, I am Craig Obey, Senior Vice President for Government Affairs for the National Parks Conservation Association (NPCA). On behalf of our approximately 800,000 members and supporters across the country, I thank you for inviting me to testify today at this important hearing. Founded in 1919, NPCA is the leading, independent, private citizen voice in support of promoting, protecting and enhancing America's national parks for present and future generations.

We appreciate your attention to the fiscal needs of our national parks, including your focus on the National Park Service's deferred maintenance backlog, which is now $11.5 billion and growing; half of this is roads and bridges. Approximately $4.5 billion of that is needed to address systems the National Park Service defines as critical in both the roads and facilities categories. These are projects critical to health and safety and to essential resource protection. Examples are roof repair, replacing pavement to improve safety, and bridge repair. The Park Service has indicated that the gap between what it receives and needs in order to keep the backlog from growing is between $250 million and $350 million. Actually reducing the backlog would require even more.

There is a parallel and related operations problem, with the National Park Service receiving an estimated $600 million less than it needs to most effectively operate the parks every year. As the parks are bled of essential operating funds, they are less able to serve the public and provide the cyclic maintenance and other basic protection necessary to maintain park resources.

Years of underinvestment in maintaining and replacing important assets, which continues today, have compounded a situation that is unsustainable. As the Centennial of the National Park Service and System approaches in 2016, now is the time to reinvest in our national parks, through both traditional and creative new approaches.

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We were pleased in March of this year to partner with the National Park Hospitality Association (NPHA) and the Bipartisan Policy Center to explore 16 concepts that could provide additional non-appropriated funding to support the park service. These concepts, which represent the ideas of white paper authors and not necessarily the institutional positions of the sponsoring organizations, have been provided for the record. They are attempts to foster creative dialog about ways to create a multi-faceted approach to addressing the parks' fiscal woes.

NPCA is particularly interested in those options that have the potential to provide significant additional resources for our national parks, especially those that leverage expenditures of federal dollars in order to maximize the potential for partnerships with non-federal sources of funds. The examples I explore in my testimony include a Park Legacy Partnership that matches private and public dollars, providing a "Penny for Parks" from any enhanced investment in the nation's transportation infrastructure, establishing a national parks endowment, enhancing the use of volunteer service and stipend-supported community service work in the parks, and reauthorizing and improving entrance and recreational fee authorities.

Our National Investment in National Parks

It is worth taking a moment to consider why the subject of today's hearing is so important. Starting with Yellowstone and then, nearly 100 years ago with the creation of the National Park Service, our nation has invested in a National Park System that is beloved here at home and the envy of many throughout the world. Our National Park System encompasses magnificent natural cathedrals like Denali, Zion and Crater Lake; hallowed ground like Gettysburg and Fort Sumter; tremendous scientific accomplishments by innovators like Thomas Edison; triumphs, tragedies and moral challenges we have faced as a nation, from Fort Monroe to Minidoka to the Trail of Tears; and tremendous urban recreational assets across the nation, from Gateway to Cuyahoga Valley to Golden Gate.

These are all places judged, with almost universal public support, to be nationally significant and important to protect for our children and grandchildren—as well as ourselves. Collectively, after a century of investment, our parks have become economic assets and job producers for local communities, many of them in rural locations, and for our national recreation and tourism economies. For example, in 2011, visitors spent over $50.2 million in the towns of Grand Junction and Montrose surrounding Black Canyon of the Gunnison National Park and Curecanti National Recreation Area in Colorado, which support almost 700 area jobs. These places are educational assets, provide extensive opportunities for outdoor recreation, contribute to public health, and support basic community infrastructure. Our national parks are investments worth preserving.

Yet, for decades now, successive congresses and administrations have put park resources at risk through underinvestment. Any homeowner knows that failing to maintain the roof or replace it in a timely manner has a cumulative effect, putting the entire structure in jeopardy. When needed investments are not made in roads or bridges, they deteriorate or collapse. Our national parks, representing a century of commitment and investment by this nation, are no different. Whether the subject is funding to maintain trails or visitor centers, to replace sewage treatment plants, or to maintain or replace roads or bridges, the problem is compounded with every year of insufficient investment.

Although our current level of national investments is not sufficient, the national investments we have made in our parks over a century are significant, and have come in times of war and peace as well as economic prosperity and challenge. The achievements and investments during the Great Depression through the Civilian Conservation Corps are well known: millions of trees planted, roads, bridges, trails and other facilities constructed; hundreds of national and state parks created; and a legacy left that continues to benefit millions of visitors and hundreds of communities. More than 50 years ago, the Eisenhower administration launched *Mission 66,* its commitment of $1 billion in preparation for the 50th anniversary of the National Park System, as part of a vision influenced by the development of the interstate highway system. The $1 billion initiative that President Eisenhower launched and Presidents Kennedy and Johnson continued is worth more than $7 billion in today's dollars.

Those cumulative investments have produced assets with enormous value—both psychic and economic. Collectively, our National Park System comprises assets worth nearly $200 billion. That figure shows the enormous financial investment that we have made over the years, which we should be protecting. The Blue Ridge Parkway alone has a total asset value estimated at more than $5 billion. When basic preventive maintenance is not conducted, that asset and local economies are put at risk. The park's backlog exceeds $400 million, about 75% of which is road-related. The staff available for maintenance activities has been reduced to 40 from 80. The lack of sufficient maintenance staff makes it increasingly difficult for the parkway to maintain the drainages, road shoulders, and other structures necessary to prevent landslides from occurring and keep the parkway and its trails in good repair. Recently, a landslide occurred north of Asheville, North Carolina that likely will close that portion of the parkway for months, at significant cost to nearby communities, and with a repair cost that is likely to amount to millions of dollars.

And, of course, despite their economic benefits, we preserve our national parks because they have value far beyond economics. Polling NPCA and NPHA jointly commissioned with Hart Research Associates and Northstar Opinion Research indicates that public attitudes about our national parks are unique as compared to virtually any other topic. Ninety-five percent of voters—including 98% of Democrats, 91% of Republications, and 93% of Independents— believe the protection of our national parks is an appropriate role for the federal government. And when provided with context about the National Park Service budget, 92 percent indicate park funding should not be cut. The polling experts indicated that national parks are unique in their bipartisan support and in the potential for public support for bipartisan action. In addition, the National Association of Counties and the US Conference of Mayors have both recently passed resolutions in support of national park funding.

Partnership Opportunities

The 2016 Centennial of the National Park Service is an opportunity for Congress to come together to help reverse the declining funding for our national parks. In an era when the electorate and Congress are divided on so many issues, we are hopeful that when it comes to our nation's treasures—so deeply loved by the American people across the political spectrum—Congress can find a way to work together in a bipartisan fashion to support "America's best idea."

Preserving our national parks for future generations and protecting our national investment in them requires a new dedication to the parks' core funding as well as creative additions to the mix that can leverage federal investments. National park operations funding is down 13% in today's dollars from where it was only three years ago, and the construction budget has declined by nearly 70% over the last decade in today's dollars. Current budget rules, unless changed, likely will result in further reductions. The annual appropriations process, although an important part of the solution, should be complemented with some new sources of revenue. These innovations could augment the traditional funding our parks receive and preserve our long-term investment in them.

Action this committee has already taken in the aftermath of the damaging budget sequester buoys our hopes. We greatly appreciate Chairman Wyden's and Ranking Member Murkowski's recent agreement to include national park partnership funding in the Helium Stewardship Act, which would direct $50 million in revenue generated in that bill towards the needs of our national parks, to be matched from non-federal sources. As Chairman Wyden acknowledged, these funds are a small first step in addressing the need. However, this type of partnership holds promise as part of a diverse, multi-faced approach to address park funding needs in partnership with the American people.

Varieties of potential partnerships exist and should be explored. NPCA strongly supported one such partnership when it was proposed by the George W. Bush administration, which recognized the extraordinary opportunity and imperative presented by the upcoming centennial. The Bush administration came to recognize the fundamental need to provide the core operating resources the parks needed and proposed an additional $100 million per hear. It also saw the opportunity for partnerships and proposed a Centennial Challenge—an anticipated 10-year effort to leverage private dollars with federal investments. The Department of the Interior received pledges exceeding $300 million from non-federal parties when it announced the program, demonstrating the significant public interest in such a partnership. The downpayment on the program, which stalled upon the change in administration, yielded approximately $79 million—including $35 million in federal commitments that leveraged $44 million from nonfederal sources. This investment—far short of the proposed $2 billion, 10-year partnership—supported projects in the areas of stewardship, environmental leadership, recreational experience, education and professional excellence. Examples of completed projects under the Challenge include:

a. Point Reyes National Seashore, California: Improved trail and extended access to the Abbotts Lagoon and North Beach areas to reduce trail impacts to surrounding wetland and endangered native Sonoma shortawn foxtail plant habitat while accommodating better visitor access to reduce erosion. Total cost: $100,000; partner pledge: 50%.
b. Boston National Historical Park, Massachusetts: Completed critically-needed restoration of wooden cupola section of the Old State House, replaced outdated heating, ventilation, and air conditioning system, and provided handicap accessibility to the building. Total cost: $1,409,200; partner pledge 50%.
c. Hagerman Fossil Beds National Monument, Idaho: Install a colorized cement walkway and amphitheater area at the Oregon Trail Overlook to accommodate visitors. Total cost: $39,627; partner pledge 51%.

During its brief existence, the Challenge effectively served as a pilot project that yielded lessons for what could be strong new partnership opportunities leading up to and beyond the centennial.

Matching federal and non-federal dollars. As one possible new partnership approach, Peter Kiefhaber and I drafted a white paper for the Bipartisan Policy Center symposium proposing a new Park Legacy Partnership Fund that would provide for both core infrastructure needs where matching might be difficult, and for matching to leverage significant non-federal funds with a federal investment. Our paper builds on the lessons learned from the Centennial Challenge and proposes a modified partnership construct going forward. If one's goal is to address the backlog, a matching partnership can provide a partial, not complete, solution. The ongoing restoration of the National Mall and the Washington Monument provides examples of how private money can be leveraged. At the same time, however, repairs to the sewage treatment infrastructure at Yellowstone are less likely to yield significant matching and will likely require a stronger federal commitment. We suggest that the Legacy Partnership be designed to accommodate both scenarios.

Fee authorities. Another partnership approach involves fees. The Federal Lands Recreation Enhancement Act (FLREA), which allows national parks to retain the fees they collect in order to fund maintenance and other needed projects, yields nearly $200 million per year across the National Park System. It is scheduled to expire effective December 2014.

Unless FLREA is reauthorized soon, our national parks stand to lose every penny they collect in entrance and recreation fees. This amount is roughly equivalent to the size of the damaging sequester and more than the park service's annual construction budget in recent years. We are pleased that the House Natural Resources Committee has begun hearings on this issue, and encourage this committee to do the same. We also support the administration's request for a short-term extension of FLREA while the authorizing committees work to enact a reauthorization bill. In addition to preserving this critical source of revenue by reauthorizing or replacing FLREA, there are a variety of ways that fee revenue might be enhanced, from fees charged for group tours to adjustments to the senior pass or differential charges for international visitors.

Long-term endowment. An endowment for our national parks is another long-discussed partnership concept recommended by the National Parks Second Century Commission. We would like to see an endowment authorized before the centennial so it can benefit from the attention the centennial brings and grow to provide meaningful support for parks within the decade. However, we also recognize that the endowment issue is complicated and that it will likely take some time to build the corpus of the endowment to a level required to make it effective.

An endowment should be created for the long-term, not necessarily as a solution to the backlog. We believe there are other solutions with more short-term impact on the backlog, while an endowment could be particularly well-suited to address other traditionally underfunded needs, such as critically-needed investments in science, education and interpretation, and resource protection. We suggest that the Congress direct the National Park Service to design an endowment, including an assessment of its feasibility, with the goal of launching the endowment by January 2016.

A Penny for Parks Transportation. Approximately half of the National Park Service's backlog is attributable to transportation infrastructure, some of which is an integral part of the basic national highway infrastructure system. While the Park Service provides for some transportation needs through its operations account, the most significant source of relevant revenue is the $240 million our parks receive every year from the transportation bill. "Penny for Parks" would be a partnership with the American people to dedicate one cent from any adjustment to the federal gas tax index towards addressing the transportation infrastructure in national parks and other public lands.

The Park Service estimates that approximately 40 percent of its 9,450 miles of park roads are in poor to fair condition, based upon Federal Highway Administration standards. This is a vast improvement over the truly sorry state of park roads in 2008 when 90 percent were rated in poor to fair condition. Thanks to an infusion of $318 million from the American Reinvestment and Recovery Act, the NPS was able to make some short-term fixes to preserve pavement. More intensive and costly rehabilitation, however, will be required in the near future.

Forty-two national park bridges have been rated as structurally deficient by Federal Highway Administration engineers using National Bridge Inventory standards. This includes the Memorial Bridge between Virginia and Washington, DC, that serves as a major commuter artery for thousands daily. The cost to rehabilitate the bridge is estimated to be between $125 million and $240 million, depending on if it is reduced to a basic bridge or if its current grand architectural design is preserved.

Using the Federal Highway Administration's Sound Asset Management Analysis System, the NPS has estimated that it will need $770 million annually over six years to bring its roads, bridges and transit systems into optimal condition that minimizes maintenance costs. As Congress begins its work to reauthorize MAP-21, now scheduled to expire in October 2014, it should stop treating national parks and public lands as incidental or secondary assets, but rather as the core federal assets that they are, including significant transportation systems that serve states, communities, and park visitors. How Congress and the Administration will choose to fund a reauthorization is an open question. But NPCA believes Congress should devote a user fee equivalent to a penny per gallon from the gas tax for our national parks. The park transportation infrastructure backlog could be reduced within approximately six years to a level that can be addressed through annual DOT surface transportation appropriations and NPS cyclical maintenance.

Service work. We support the Veterans Conservation Corps Act of 2013, which would help our veterans transition to civilian life by employing them in a variety of sectors, including conservation, resource management, and historic preservation projects on public lands. This bill, which proposes $600 million for FY14 to FY18, could contribute to addressing the backlog of projects in national parks and other public lands, while providing important opportunities for veterans. Unemployment for post-9/11 veterans remains high at nearly 7.2% overall, and approaching nearly 9 percent for female vets. At the same time, unemployment for young Americans under the age of 25 remains at about 16 percent. The National Park Service has seen significant savings from the use of conservation corps for various tasks. Given the ability of such strategies to stretch scarce dollars, we believe that more should be done to foster them among veterans, young Americans, and the many older Americans who are interested in deploying the skills they learned through a lifetime of work on behalf of our national parks.

Historic leasing. Although the subject was not examined in depth in the white papers used for the Bipartisan Policy Center discussion, historic leasing is another area worth greater attention. In instances where the National Park Service determines that it does not need to use particular historic buildings for interpretive programs, exhibits, or administrative means, historic leasing can provide a means to assure the long term care of historic structures while also taking their required maintenance off of the backlog.

Park Service Backlog Investments

A part of the growth in the deferred maintenance backlog has resulted from the sharp decline in the park service construction budget, with that account declining in today's dollars by nearly 70% over the last decade. An account that in FY03 had $406 million in today's dollars offers only $120 million in FY13, an amount that is insufficient to support the highest priority projects. Because this is a central account in addressing the $687 million per year needed to keep the backlog from growing, the impact of these reductions is substantial.

The cuts in FY13 went deeper than the sequester, with deep cuts to the construction budget as well as a damaging cut to park operations. The park operating budget is critical to ensure the protection of our national treasures and the enjoyment of the visiting public, providing for the seasonal rangers and maintenance staff critical to the day-to-day maintenance of our parks. With 1,900 fewer staff in parks this summer as a result of the sequester, we expect even greater challenges in keeping up with the deferred maintenance backlog. The Repair and Rehabilitation Program directs funds to high priority mission critical and mission-dependent assets but requires an investment in park operations including the staff to do the work.

The Cyclic Maintenance Program allows for preventative maintenance work that ensures resources can be maintained in good or fair condition. Absent funding to maintain resources, degradation occurs, and problems are compounded. Investments in cyclic maintenance are fiscally responsible by preventing the long-term cost increases that can accompany substantial disrepair. It has not been helpful that the administration has been requesting decreases in the Facility Operations and Maintenance budget subactivity that funds these important programs.

The impact of natural disasters is also adversely affecting the maintenance backlog. For example, two years ago, parks absorbed $37 million in damages stemming from Hurricane Irene and other natural disasters. Road and other facility closures from these events compromise local commerce when people are unable to visit areas of parks, and requiring parks to absorb such costs strains already stretched budgets.. We were deeply grateful for the investment Congress ultimately provided after Hurricane Sandy, which among other things recently led to the reopening of the Statue of Liberty on Independence Day. But disasters will continue to occur, and as was the case with Sandy and Irene, the National Park Service will need assistance to address resulting damage or will otherwise have to forego even more maintenance and operational activity. One particularly important issue for this committee is how to address funding for wildland fires, which over the last four years, have averaged $700 million in the Wildland Fire Account and $76 million in the FLAME Wildfire Suppression Reserve Fund. This has the potential to further reduce other accounts in the Interior appropriations bill.

The National Park Service has been working to do “more with less” for some time. Consequently, they continue to enhance efficiencies wherever possible, in order to use their funds wisely. We therefore found it appropriate for them to include in their *Call to Action* centennial planning document an action item calling for correcting deferred maintenance deficiencies in the top 25% of facilities most important to the visitor experience and resource protection. We were also pleased to see the focus in *A Call to Action* on ensuring that NPS employees receive the training they need to run efficient, effective national parks and on improving the cooperative agreements process. Additionally, since FY11, the park service has saved more than $46 million through management efficiencies and administrative cost savings including savings in supplies and materials, travel reductions, consolidation of IT services, strategic sourcing reductions and implementation of energy efficiency retrofits.

Federal Budget Considerations

The continuing budget impasse within Congress and with the administration is leading to death-by-a-thousand-cuts for our national parks. This must be resolved if our nation's nationally-significant natural, historic and cultural places are to recover and serve the public for the next hundred years and beyond. Sequester cuts affecting maintenance have, for example, postponed maintenance on trails and roads at Golden Gate, delayed boat repairs at Assateague, eliminated maintenance positions at Olympic and other parks, and produced other impacts that threaten the visiting experience and the economies of gateway communities. Without a significant deal on the budget, it is difficult to see how either the everyday operational or long-term backlog-related needs of the parks get sufficiently addressed.

Today, the National Park Service budget is $1/15^{th}$ of one percent of the federal budget. In 1981, it was $1/7^{th}$ of one percent. In that interval we have halved the share of federal revenue spent on National Parks. Our national parks are not causing our deficits. Rather, they are investments in our future. We cannot meaningfully address the deficit by cutting funds for national parks or the other nondefense domestic funding that comprises only 16% of the federal budget pie.

As Congress and the Administration work to address these very important fiscal issues, they should be investing in things that produce jobs and help our economy, and enhance our quality of life. National parks are such investments. The national parks are core contributors to a $646 billion outdoor recreation economy and provide more than $30 billion in direct economic benefit annually, as well as more than a quarter of a million jobs. They are also magnets that attract tourists from the rest of the world. The Administration's 2012 National Travel and Tourism Strategy notes that: "Park rangers are among America's most recognizable and beloved public figures." The strategy also observes that: "Overseas travelers to the United States who visit national parks or tribal lands tend to stay longer in the United States, to visit more destinations within the country, and are more likely to be repeat visitors to the United States. As the manager of many of these destinations, the Federal government is in a unique position to reach these high-value customers."

National Park Service sites accounted for a third of the top 25 domestic travel destinations listed by *Forbes*. As this nation strives to restore jobs, great opportunities lie in marketing our national parks to attract more international visitors to invest in our recovering economy. This system of popular and inspiring lands defines America and is a proven economic generator. The $30 billion in annual spending our parks produce compares to the annual revenue of some of the top hundred Fortune 500 companies including Google and American Express. Our national parks are clearly economic assets to communities around the country.

This economic benefit is coming with a comparably small investment that is nowhere close to commensurate with what Second Century Commissioner Linda Bilmes has called the parks' footprint on the American mind. Yet, we know there are ten dollars generated in economic activity for each dollar invested in the National Park System.

We look forward to working with you to identify funding concepts that can augment—but do not replace—appropriated funding. We urge Congress and the Administration to identify ways to work together to support supplemental funding that can have purchase in a divided government and provide meaningful financial reform. And we want to be sure that the federal government provides its share of the investments so that private philanthropists and other national park constituents can be motivated by our government doing its share.