

**DEFERRED MAINTENANCE AND OPERATIONAL
NEEDS OF THE NATIONAL PARK SERVICE**

HEARING
BEFORE THE
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DEFERRED MAINTENANCE AND OPERATIONAL NEEDS OF THE NATIONAL PARK SERVICE

TUESDAY, APRIL 17, 2018

U.S. SENATE,
COMMITTEE ON ENERGY AND NATURAL RESOURCES,
Washington, DC.

The Committee met, pursuant to notice, at 10:06 a.m. in Room SD-366, Dirksen Senate Office Building, Hon. Lisa Murkowski, Chairman of the Committee, presiding.

OPENING STATEMENT OF HON. LISA MURKOWSKI, U.S. SENATOR FROM ALASKA

The CHAIRMAN. Good morning, the Committee will come to order. We are here to examine a priority for members on both sides of the Committee and that is deferred maintenance and the operational needs of the National Park Service.

As the agency moves into its second century, the deferred maintenance backlog, which now stands at \$11.6 billion, is one of the most significant challenges to its ability to provide quality visitor experiences. Today we will take a deeper dive into what that number means, how we got here and what Congress, the Department of the Interior and stakeholders can do to address it.

We can all relate to deferred maintenance in national parks. It is, perhaps, a little bit of what we might experience in our own homes, on obviously a much broader scale however. We all have a list of things that need patching or updating whether it is a leaky faucet, old carpet, a roof that is in pretty tough shape. But deferred maintenance, I think we recognize, is more than just that, because the problem has gone on for so long. It is now the sink that no longer works because of a failure in the plumbing line, the carpet that is worn through to the subfloor and the roof now with gaping holes.

Just about every state, and for that matter just about every park unit, is affected by the deferred maintenance backlog.

At Denali National Park, which is one of the most highly visited parks in my state, several bridges and culverts on the park road have made the deferred maintenance list as well as restrooms and water lines in the front country, all obviously very problematic. Don Striker, who is our Park Superintendent out there, is doing the best job that he can to manage them. But Polychrome Pass, which is the most dangerous part of the road, is just now being studied, and it is not on the list. I had an opportunity just last week to look at some pictures of the status and the situation of

that road with heavy snows and a subsidence underneath it. This is a safety issue. This is a situation that will require more than just patching. This is a situation that will eventually require a re-routing of the road. You just cannot backfill with gravel and hope that everything is going to be okay.

For those who have not had an opportunity to visit Denali, this is a spectacular part of the park. But the road is not a lane-and-a-half, it is barely a lane. When you are in a bus it seems like it is less than a lane, and the drop down is not quite a ninety-degree angle; I think it was described as a seventy- or an eighty-degree angle. But when you are on it, it is breathtaking, not because of the beauty but because you are holding your breath literally as you are going through this portion. So making sure that we address that is absolutely a priority.

I certainly enjoy our national parks, I know that everyone on the Committee does. I have my national park passport. I am trying to get it full up.

In Alaska, we have about 60 percent of the National Park Service acreage, total acreage, just in my state alone. We are all about working to protect and certainly welcome the contribution to our economy that our parks bring, but we also need to recognize that we have a multifaceted problem here and that it will take more than just federal dollars to resolve this over the long-term.

One part of the answer is to be judicious around here, as we consider parks legislation. There have been some times when it makes sense to add to the system or to designate new units, but this is not always the case. Because every time, or nearly every time, we create a new unit, we are stretching the existing operations budget that much farther. In most cases, there are no additional dedicated funds for these units, and that only compounds the deferred maintenance backlog which we are trying to resolve.

We can also build on the steps we have already taken. We dedicated \$50 million from helium sales back in 2013. We have increased funding for the Volunteers in Parks Programs and authorized donor recognition in parks. In 2016, we passed the Centennial Act which established the Challenge Fund to finance signature projects and programs as well as an endowment for the National Park Foundation which promotes public-private philanthropy. Then just last month, in my section of the Omnibus, we included \$180 million for construction and deferred maintenance. This was the largest ever percentage increase in an annual appropriations bill, and we know that money will be well spent.

In addition to the work that Congress has done, this Administration has been very clear, since Secretary Zinke's confirmation hearing, that reducing the deferred maintenance backlog is a top priority, as it should be. The Administration has put forth a legislative proposal to address the backlog, and then last week the National Park Service announced a fee update. There had been one previously that generated a lot of concern and consternation. The Park Service took the public comments to heart, so what we have in front of us now is a proposed increase of \$5 per vehicle on average. Again, I think that was more responsive to public comment. While fee hikes are never ideal, it is my understanding that all of

the revenue from this increase will be used to address deferred maintenance needs in our parks, and I think that is a good thing.

As part of our conversation today, we will talk more about other potential revenue sources for deferred maintenance in our parks, like philanthropic donations and public-private partnerships. We will talk about the need for a strategy to better prioritize routine and cyclic maintenance to prevent projects from becoming deferred maintenance in the first place. Then in the weeks ahead, we will come back and hold a legislative hearing, likely at the Subcommittee level, Senator Daines, I believe that you are the Chairman of that Subcommittee, and we have bills from members of this Committee, both Senator Portman and Senator Alexander have bipartisan bills, that are focused on these very important areas.

Today, we are here to conduct oversight, to learn, to understand, and to raise this as a priority for action this year.

I welcome all of our witnesses. I especially welcome Ms. Leonard, who leads the Alaska Travel Industry Association. You have come a long way this morning, and we appreciate you being here.

But to all of you, thank you for your contributions this morning. I will now turn to Senator Cantwell for her opening statement.

**STATEMENT OF HON. MARIA CANTWELL,
U.S. SENATOR FROM WASHINGTON**

Senator CANTWELL. Thank you, Madam Chair, and thank you for mentioning Denali. I think between yourself and our colleague from Montana and the parks in Washington, that is a lot of dough to our economy.

[Laughter.]

We certainly want to do everything we can to make sure that we are increasing access and giving a quality experience. So thank you so much for holding this hearing.

You mentioned Secretary Zinke's, what I thought, ill-conceived proposal to raise park fees to \$70. I am glad that the public responded to that and basically said that we were against it because, I think, in reality it just shows you how much the citizens of our country value parks and how much they are paying attention to this.

I am pleased that we are having this hearing and that we are trying to tackle the backlog of deferred maintenance. As you know, we have been talking about this issue for a long time because we want to enhance the public's experience, we want to rehabilitate these buildings, and we want to make sure that there are park rangers there to keep the public safe.

We know that shortfalls do really erode the user experience, hurt the gateway communities, or as you said, threaten visitors as they travel through our parks.

We need to invest in the national parks. It is not only good for the outdoor economy and our citizens, but it is part of what helps our U.S. economy. The Bureau of Economic Analysis shows that it is an important opportunity, creating over \$887 billion in annual consumer spending and supporting 7.6 million jobs. If you look at what is the key ingredient to that economy, it is access to public lands, access to parks. So we want to continue with our investment.

With over 330 million visitors annually, the National Park System is a huge outdoor economy. And according to the Park Service, visitors are responsible for \$35 billion in economic output, and they spend over \$18 billion a year in our gateway communities.

And the number of visitors is growing. In the past decade alone, national park visitation was up 20 percent. I think that it is very important for us to understand why that happened, what were the drivers, and what would continue to help us grow that.

The two most visited national parks in my state are no exception. Last year, Mount Rainier National Park had nearly 1.4 million visitors who spent \$50 million in our gateway communities and generated an economic benefit of \$65 million. 3.4 million visitors went to Olympic National Park and had an even larger economic impact. The nearby communities in the rural part of our state benefited with almost \$287 million of spending. That supported over 3,800 local jobs and generated an economic benefit of almost \$4 million. To say that this is important to my state is an understatement.

That is why I am so pleased that we are joined by Marc Berejka, who is from REI, who will be testifying today. Just like REI, who gives back to their customers, I hope we will jointly look at our national parks as something that we give back to because that helps us move forward.

As you mentioned, the Park Service is not unique in the inadequate investment in underfunded infrastructure. We certainly have a major issue with the backlog. But half of that backlog being roads and bridges, I hope that the Congress writ large can discuss why infrastructure investment inside the parks and outside the parks is a national priority and what we would be doing to increase that investment.

Clearly, we think that increasing the investment here generates economic benefit. I am sure the rest of infrastructure thinks so as well, but I hope that there is a way we could continue to think about this and codify this so our colleagues, not here in this Committee, but those who are making those appropriation decisions would help us get this infrastructure investment for the future. We do need to make smart investments and we need to make sure that we are enhancing the visitor experience.

One of those key drivers is the Land and Water Conservation Fund (LWCF) and it has supported so many enhancements to our national parks over the years. I know it has helped us with improvements as it related to Mount Rainier—just as you were mentioning, roads that wash out because they are not in the right place. Then we have to do something. Either we have to keep coming up with hundreds of thousands of dollars every few years or make the major investment to make sure that it is applicable to the circumstances that we are facing and, again, gives visitors the opportunity to get access to the parks in the way that we want them to.

I know that you and I, in the Energy bill, working with our colleagues, made some improvements to the National Park Maintenance and Revitalization Conservation Fund as we tried to prioritize this within our legislation and within LWCF.

I hope we will continue to work with Committee members. As you mentioned, there are several that are there, but I hope the work we did before in continuing the focus of this will help our colleagues see why this is such an important comprehensive issue to be addressed by this Committee.

As we have been talking about, robust growth in our outdoor economy would provide more outdoor recreation, jobs, opportunities for all Americans and, I think, continuing to focus on this would help us move forward. I know that during the Eisenhower era, they had a Mission 66 initiative to increase park funding by \$1 billion over a decade. Back then that was really a major investment. But Mission 66 recognized that we needed to improve the parks and make them accessible for rapid growth and visitation and outdoor recreation. I feel that we are now at that point where we should make a similar major mission investment.

I look forward to working with you and other members of this Committee on this important issue.

Thank you.

The CHAIRMAN. Thank you, Senator Cantwell.

We will now turn to our panel of witnesses.

We are joined this morning by Ms. Lena McDowall. She is the Deputy Director for Management and Administration at the National Park Service at the Department of the Interior.

Mr. Will Shafroth is the President and the CEO for the National Parks Foundation. Thank you for being here.

As Senator Cantwell noted, Mr. Marc Berejka is the Director for Government and Community Affairs at REI, Recreational Equipment, Incorporated. I think we all just know it as REI, the Co-op.

Sarah Leonard, I mentioned, is from Alaska. She is President and CEO for the Alaska Travel Industry Association.

Mr. Shawn Regan is the Director of Publications and the Research Fellow at the Property and Environment Research Center. Welcome to the Committee.

Finally, Mr. Richard Ring, who is with the Executive Council for the Coalition to Protect America's National Parks.

We appreciate the time that you are giving the Committee this morning. We would ask you to try to keep your comments to about five minutes. Your full statements will be included as part of the record. We will go down the panel beginning with Ms. McDowall, and when you have all concluded your statements, the Committee will have an opportunity to ask their questions.

So, welcome to you all.

Ms. McDowall, if you would like to lead off, please.

STATEMENT OF LENA MCDOWALL, DEPUTY DIRECTOR FOR MANAGEMENT AND ADMINISTRATION, NATIONAL PARK SERVICE, U.S. DEPARTMENT OF THE INTERIOR

Ms. MCDOWALL. Thank you.

Chairman Murkowski, Ranking Member Cantwell, and members of the Committee, thank you for the opportunity to present the views of the Department of the Interior on the deferred maintenance backlog and operational needs of the National Park Service.

I would like to submit our full statement for the record and summarize the National Park Service's views.

I am Lena McDowall, the Deputy Director for Management and Administration for the National Park Service. My statement will address the National Park Service's deferred maintenance backlog, which is the focus of many of our budgetary and programmatic efforts. As the Deputy Director who oversees the National Park Service's budget, I am prepared to respond to questions about the operational needs of our parks and programs as well as the maintenance backlog.

Since Secretary Zinke's confirmation, tackling the deferred maintenance backlog has been a top priority. The Department manages roughly 500 million acres of land and possesses an infrastructure asset portfolio valued at over \$300 billion. Roads, bridges, trails, water systems and visitor centers, even bathrooms, campgrounds and drinking fountains, are all part of this critical framework. After years of increased visitation and use, aging facilities and other vital structures are in urgent need of restoration.

The Department has a total of about \$16 billion worth of deferred maintenance. Of that amount, the National Park Service has the largest share at \$11.6 billion in 2017.

Here are just a few examples. At Denali National Park and Preserve the only road in the park is 92 miles long. For more than 640,000 annual visitors, this road is the primary way to see this expansive park. This essential road has over \$32 million in deferred maintenance which is over half of the park's total deferred maintenance of \$54 million. Correcting deficiencies on the road will help provide safer conditions and a better experience for visitors traveling throughout the park.

Known as three parks in one, Washington's Olympic National Park protects a vast wilderness, thousands of years of human history, ecosystems including glacier-capped mountains, old growth temperate rainforests, and wild coastline. However, with the \$121 million in deferred maintenance, including water systems, roadways, buildings, and campgrounds, the annual visitation of over 3.4 million could see their experience and their safety suffer.

In 2017, more than 3.5 million visited Maine's Acadia National Park to experience its rocky headlands along the Atlantic coastline, abundance of habitats with robust biodiversity, clean air and water, and rich cultural heritage. The park currently has a deferred maintenance backlog of \$60 million. The power line to support the Schoodic Education and Research Center, the drinking water supply, the wastewater treatment system, and 54 public buildings are well past their intended life span. Replacing the 2.6 miles of power line will enhance park operations, employee and visitor safety, and the visitor experience across the Schoodic peninsula.

Appropriated funds are currently the primary source of funding for deferred maintenance. However, we know that we cannot rely on appropriated dollars alone to address this problem, so we are looking at multiple avenues for making additional funds available through other means.

New proposals, including the proposed Public Lands Infrastructure Fund outlined in the President's 2019 budget, would address repairs and improvements in national parks, national wildlife refuges, and Bureau of Indian Education schools. The Administra-

tion's proposal would set aside a portion of unallocated federal energy revenues for infrastructure needs. This bold investment would significantly improve the nation's most visible and visited public facilities that support a multibillion dollar outdoor recreation economy.

We greatly appreciate the effort of this Committee and your colleagues who have sought to craft real solutions to our maintenance backlog. We look forward to continuing collaborative efforts that preserve and maintain our national treasures.

Madam Chairman, this concludes my statement. I would be pleased to answer any questions you may have.

[The prepared statement of Ms. McDowall follows:]

STATEMENT OF LENA McDOWALL, DEPUTY DIRECTOR FOR MANAGEMENT AND ADMINISTRATION, NATIONAL PARK SERVICE, U.S. DEPARTMENT OF THE INTERIOR, BEFORE THE SENATE ENERGY & NATURAL RESOURCES COMMITTEE, REGARDING THE DEFERRED MAINTENANCE AND OPERATIONAL NEEDS OF THE NATIONAL PARK SERVICE.

April 17, 2018

Chairman Murkowski, Ranking Member Cantwell, and members of the Committee, thank you for the opportunity to present the views of the Department of the Interior (Department) on the deferred maintenance and operational needs of the National Park Service (NPS). I am Lena McDowall and I serve as Deputy Director, Management and Administration for the National Park Service.

My statement will address the National Park Service's deferred maintenance backlog, which is the focus of many of our budgetary and programmatic efforts within the Department. As the Deputy Director who oversees the National Park Service's budget, I am prepared to respond to questions about the operational needs of our parks, programs, and maintenance backlog.

Since Secretary Zinke's confirmation, tackling the Department's deferred maintenance backlog has been one of his top priorities. The Department manages roughly 500 million acres of land and possesses an infrastructure asset portfolio valued at over \$300 billion. Roads, bridges, trails, water systems, visitor centers, and student dorms -- even bathrooms, campgrounds, and drinking fountains -- are all part of this critical, but often unnoticed, framework. After years of increased visitation and use, aging facilities and other vital structures are in urgent need of restoration.

The Department has a total of about \$16 billion worth of deferred maintenance. Of that amount, the National Park Service (NPS) has the largest share -- \$11.6 billion in 2017.

Here are just a few examples of needed repairs in our nation's national parks. Glacier National Park, one of the NPS's crown jewels, is home to the headwaters for streams that flow to the Pacific Ocean, the Gulf of Mexico and Hudson's Bay. This popular Montana park has more than \$154 million in maintenance needs alone, including projects to repair bridges and culverts, roads, and employee housing.

In Alaska, Denali National Park and Preserve is well known for its low-elevation taiga forest, high alpine tundra, snowy mountains, and North America's tallest peak, 20,310 foot Denali. In 2017, more than 640,000 people visited the park. The park has \$55 million in deferred maintenance spread across a variety of assets such as buildings, roads, campgrounds, trails, and other asset types. Of this total, over \$32 million is for repair and replacement of culverts and pavement, and for mitigating rockfall hazards along Denali Park Road, the only road in the park.

With its incredible range of precipitation and elevation, diversity is the hallmark of Washington's Olympic National Park. The park protects a vast wilderness, thousands of years of human history, and several distinctly different ecosystems including glacier-capped mountains, old-

growth temperate rain forests, and over 70 miles of wild coastline. 3.4 million visitors experienced the park's diverse landscapes in 2017 alone. However, the park's \$121 million deferred maintenance backlog threatens the visitor experience with assets such as water systems, roadways, buildings, and campgrounds, such as the Heart O'the Hills Campground, in need of repair.

In 2017, more than 3.5 million people visited Maine's Acadia National Park to experience its rocky headlands along the Atlantic coastline, abundance of habitats with robust biodiversity, clean air and water, and rich cultural heritage. The park currently has a deferred maintenance backlog of \$60 million.

Known for its scenic views and vibrant autumns, Great Smoky Mountains National Park welcomes millions of visitors each year. The park has \$215 million in deferred maintenance needs. A key destination for park visitors, Sugarlands Visitor Center houses exhibits on wildlife, geology, and history, and is in need of total reconstruction that will cost roughly \$25 million. The park is also well known for its historic buildings -- from churches, barns, and smokehouses to a working grist mill--but many of them need rehabilitation to ensure they remain safe and welcoming destinations.

Roads and other transportation assets account for \$5.9 billion -- about half -- of the NPS deferred maintenance backlog. The NPS maintains over 5,500 miles of paved roads, including historic routes such as the Blue Ridge Parkway, Natchez Trace Parkway, and Skyline Drive in Shenandoah National Park. Congress provides for a significant portion of transportation maintenance and repair through the Department of Transportation, primarily through the Federal Lands Transportation Program, which includes \$292 million for NPS projects in FY 2019 alone. Additional funding for maintaining transportation assets is provided through NPS operations and construction appropriations.

Appropriated funds are currently the primary source of funding for deferred maintenance. However, as the Secretary made clear at his budget hearing before this committee, we know that we cannot rely on appropriated dollars alone to address this problem, so we are looking at multiple avenues for making additional funds available through other means.

For example, the Department's Fiscal Year 2019 budget proposes to permanently reauthorize the Federal Lands Recreation Enhancement Act (FLREA), which expires in September 2019. The revenues collected from these recreation fees across several DOI bureaus --\$318.8 million in 2017--are an important source of funding for land management operations, maintenance, and improvements to recreation facilities on public lands.

Most importantly, we are looking at a new proposal to raise funds for this purpose by dedicating a portion of Federal energy revenues to address this problem. The proposed Public Lands Infrastructure Fund (Fund) outlined in the President's 2019 budget would address repairs and improvement in national parks, national wildlife refuges, and Bureau of Indian Education (BIE) schools. The Administration's proposal would set aside for infrastructure needs a portion of unallocated Federal energy revenues exceeding FY 2018 Budget baseline projections. These receipts would be derived from Federal energy revenues, including mineral leasing, e.g., oil, gas and coal, under the Mineral Leasing Act and Outer Continental Shelf Lands Act, as well as solar,

wind, and geothermal development. While the budget estimate assumes this initiative would result in \$6.8 billion in expenditures from the Fund over 10 years, the proposal allows for as much as \$18 billion to be available through this legislation. The Department would distribute funds using established criteria, such as consideration of asset condition and mission criticality, and would measure and report on agency-wide progress. This bold investment would significantly improve the Nation's most visible and visited public facilities that support a multibillion dollar outdoor recreation economy.

While the NPS is the focus of this proposal, the Fund would also be used for deferred maintenance at Bureau of Indian Education (BIE) schools and national wildlife refuges. The Assistant Secretary for Indian Affairs and its bureaus have maintenance responsibilities for over 169 elementary and secondary schools and 14 dormitories which service nearly 47,000 students. The estimated deferred maintenance backlog for BIE schools is \$634 million, which does not include the cost for school replacement projects. Major projects to address deferred maintenance are reviewed by the Indian Affairs Construction Investment Review Board and are prioritized as part of the Five-Year Deferred Maintenance and Construction plan.

Schools that could potentially benefit from these investments would include the BIE operated Cheyenne Eagle Butte School, which is one of the largest schools serving Indian tribes in South Dakota. The school promotes academic achievement along with traditional Lakota cultural, language, and extracurricular activities in two of the poorest counties in the state and nation. Cheyenne Eagle Butte is in urgent need of a variety of repairs, especially structural. For example, classrooms have been closed due to the presence of dangerous mold, numerous roof leaks allow water to seep through three floors of classrooms, and repetitive heating system failures have caused two weeks of lost instruction during the current academic year. Kindergarten students alone have been displaced from their regular classrooms for three years.

Deferred maintenance issues are not unique to Cheyenne Eagle Butte School. As reported in a 2016 Government Accountability Office (GAO) report, the Department's ability to adequately address maintenance issues have been inhibited, even for those schools which pose great risk to the health and safety of students. Highlighted in the same GAO report is a frightening example where seven of a school's eleven boilers failed inspection due to natural gas leaks and elevated carbon monoxide levels. The boilers were in such bad condition that the school was evacuated for approximately two weeks to conduct emergency repairs. Overall, the Department, the Bureau of Indian Affairs, and the BIE are working closely to address outstanding GAO recommendations and improve operations and service delivery in BIE-funded schools.

The U.S. Fish and Wildlife Service (FWS) manages 566 national wildlife refuges and 38 wetland management areas and operates national fish hatcheries, fish technology centers and fish health centers. FWS is responsible for over \$46 billion in constructed real property assets that include over 25,000 structures (e.g., buildings and water management structures) as well as nearly 14,000 roads, bridges, and dams. The estimated deferred maintenance backlog for FWS facilities is \$1.4 billion.

National wildlife refuges are a hub for outdoor recreation and conservation and are valued destinations for local residents as well as vacationers. Every state and territory has wildlife refuges, and over 50 million people visit FWS refuges and hatcheries each year. They are places where families go on a weekend day to spend quality time outdoors, through activities such as hunting, fishing and birding. FWS lands generate over \$2 billion for local economies and support tens of thousands of private-sector jobs.

Examples of refuges that could benefit from the Fund include Big Oaks refuge in Indiana and Wallkill River refuge in New York and New Jersey. Big Oaks is home to more than 200 species of birds and 46 species of mammals, and the refuge has been designated as a “Globally Important Bird Area” because of its value to migratory birds. However, public access to Big Oaks is impaired because a deteriorated, unsafe bridge with trees growing through it on the refuge has been closed since 2001. Wallkill River refuge has many grassland birds, migrating waterfowl, wintering raptors, and endangered species. Public access to this refuge is also significantly reduced because its Papakating Valley Rail Trail has been closed since 2010 due to extensive, dangerous degradation. Rehabilitating it will expand 9.5 miles of former railroad beds into multi-purpose public trails.

As Secretary Zinke said when announcing the 2019 budget, “President Trump is absolutely right to call for a robust infrastructure plan that rebuilds our national parks, refuges, and Indian schools, and I look forward to helping him deliver on that historic mission. Our parks and refuges are being loved to death, but the real heartbreak is the condition of the schools in Indian Country. We can and must do better for these young scholars. This is not a Republican or Democrat issue, this is an American issue, and the President and I are ready to work with absolutely anyone in Congress who is willing to get the work done.” Whether it is our national parks, national wildlife refuges, or BIE schools, we have a responsibility to be good stewards of the land and resources we manage. The Department’s needs span all the way from Maine to Alaska to Guam. We greatly appreciate the effort of this Committee and your colleagues in Congress who have sought to craft real solutions to our maintenance backlog. We look forward to continuing those efforts by working with each of you in a collaborative manner that preserves and maintains our national treasures.

Chairman Murkowski, this concludes the Department’s statement. I would be pleased to answer any questions you or other members of the Committee may have.

The CHAIRMAN. Thank you, Ms. McDowall.
Mr. Shafroth, welcome.

**STATEMENT OF WILL SHAFROTH, PRESIDENT & CEO,
NATIONAL PARK FOUNDATION**

Mr. SHAFROTH. Chairman Murkowski, Ranking Member Cantwell, members of the Committee, thank you for inviting me to testify at today's important hearing. My name is Will Shafroth. I am President and CEO of the National Park Foundation, the Congressionally-chartered philanthropic partner of the National Park Service.

As you know, 2016 was the 100th anniversary of the National Park Service. The National Park Service and the Foundation worked together to take advantage of this once in a lifetime opportunity, at least once in my lifetime, to bring all Americans together to celebrate the Centennial and look forward to the second century of our national parks through our Find Your Park/Encuentra Tu Parque campaign.

Thanks in part to these efforts, 2016 saw a record 330 million visits to our national parks, and in 2017, those numbers just out, the park visitation numbers showed a similar number of visits to our 417 national park units. That level of visitation is a testament to the love and importance of our national parks to our citizens. However, that increased and sustained visitation to our national parks increases the strain on them.

Secretary Zinke and many members of this Committee as well as in the House have made tackling the \$11.6 million deferred maintenance backlog a high priority.

The focus of my testimony is the role of how private funding can help address the maintenance backlog.

The National Park Foundation launched the Centennial Campaign for America's National Parks in early 2016 with a \$350 million goal. As of today, the Foundation has exceeded the new updated goal of \$500 million and we have done it 10 months early.

Working together with the Park Service, this money has been spent with an eye toward improving visitor experience through the rehabilitation and repair of trails and facilities, protecting and restoring wildlife habitat, connecting young people and their families to national parks, and supporting the work of youth and veteran's corps to enhance our parks.

The need to restore and modernize our parks is a top priority for our nation. As we see increased visitation, we see increased strain on facilities, the trails, the roads, the bridges and the staff, all of which can have a negative impact on visitor experience, as well as the financial health of hundreds of gateway communities that rely on parks for their survival. In fact, in 2016, as Senator Cantwell noted, 331 million visits to our parks resulted in \$18.4 billion in spending and the support of 318,000 jobs. Significant.

As we all consider how to tackle the deferred maintenance backlog, I'd like to share what role philanthropy can play in helping to do so. Philanthropy can play a role, but it's limited to specific areas.

Through our fundraising campaign, the Foundation has found that donors are enthusiastic about projects in national parks that

rehabilitate, repair, and build trails as well as restoring buildings and other memorials. On the other hand, we haven't found that our donors are willing to support roads, bridges, sewer systems, water pipes and other hard infrastructure. This type of maintenance is generally viewed by donors as an inherently government responsibility. So they prefer to provide, sort of, that margin of excellence that the Park Service can't sometimes because of lack of funds or because of the length and uncertainty of the appropriations process.

Additionally, in contrast to the \$500 million that we've raised over the last four and a half years, the FY'18 Omnibus bill that Congress recently passed, provides \$3.2 billion for the Park Service. You see the relative amount of money that we're contributing is still small compared to that that Congress provides.

The National Park Foundation is committed to continuing to work with Congress and our partners at the Park Service to do what we do best, raise private, philanthropic funds from our parks, for our parks, and match donor interest with Park Service needs, including the deferred maintenance backlog.

It's important to note that while the Foundation and local Friends groups, of which there are 275 around the country, have raised hundreds of millions of dollars for projects and programs and while philanthropic enthusiasm for parks has never been higher, philanthropy is not a panacea for deferred maintenance. There are a lot of tools that must be utilized to begin the process of improving the visitor experience for everyone. We look forward to working with this Committee to do our part.

Thank you and I look forward to answering your questions.
[The prepared statement of Mr. Shafroth follows:]

TESTIMONY OF
WILL SHAFROTH
PRESIDENT & CEO
NATIONAL PARK FOUNDATION
Before the U.S. Senate Committee on Energy and Natural Resources
April 17, 2018
“To Examine Deferred Maintenance and Operational Needs of the National Park Service”

Chairman Murkowski, Ranking Member Cantwell, and Members of the Committee, thank you for holding this hearing “to Examine Deferred Maintenance and Operational Needs of the National Park Service” and inviting me to testify. My name is Will Shafroth and I am the President & CEO at the National Park Foundation, the Congressionally-chartered philanthropic partner of the National Park Service.

Chartered by Congress in 1967, the National Park Foundation was founded on a legacy that began more than a century ago, when private citizens from all walks of life acted to establish and protect our national parks. As we celebrate our 50th anniversary throughout this year, the National Park Foundation carries on that tradition as the only national charitable nonprofit whose sole mission is to directly support the National Park Service.

As you know, 2016 was the 100th anniversary of the National Park Service. The National Park Service and National Park Foundation worked together hand in hand to take advantage of this ‘once in a lifetime’ opportunity to bring all Americans together to celebrate the Centennial and look forward to the second century of our national parks.

Thanks in part to these efforts 2016 saw a record level of visitation to our parks with 331 million visits. And that level of visitation continued last year. NPS recently released visitation numbers for 2017, which showed a similar number of visits to our 417 national parks. In fact, according to NPS, there were only 88,000 fewer visits to our parks in 2017 from the record setting number we saw in 2016.

That visitation has risen and maintained these levels is a testament to the love and importance of our national parks for Americans and people from around the world. Our national parks tell the story of America – including important and difficult stories in our history.

However, increased and sustained visitation to our national parks increases the already high strain on the facilities, roads, bridges, trails as well as hurting the visitor experience by creating traffic jams and not having enough staff to effectively interact with visitors.

Secretary Zinke and many members of this Committee have made tackling the nearly \$11.6 billion deferred maintenance backlog (as of September 30, 2017) a priority.

The focus of my testimony today is the role of philanthropy in tackling the maintenance backlog – basically what can philanthropy do and what is best done with federal dollars.

Centennial Campaign for America's National Parks

As many of you are aware, one of the National Park Foundation's priorities over the several years has been to capitalize on the enthusiasm for our parks as part of our Centennial Campaign for America's National Parks. Launched in February 2016 with an initial goal of \$350 million, the campaign has now exceeded our updated goal of \$500 million, and done so ten months early.

This money has been spent in close consultation with the National Park Service with an eye toward improving the visitor experience through the rehabilitation and repair of trails and facilities, protecting and restoring wildlife habitat, connecting 4th graders and their families to parks, and supporting the work of youth and veterans corps to enhance our parks.

Deferred Maintenance

The need to restore and modernize our national parks is a top priority. As we see increased visitation we see increased strain on our parks – the facilities, the trails, the roads, the bridges, and the staff – all of which can have a negative impact on the visitor experience.

The National Park Foundation's Find Your Park/Encuentra Tu Parque campaign continues to target the millennial generation as the next generation of park visitors, many of whom may be first time or infrequent visitors. Imagine being a first time visitor to a park and encountering closed bathrooms, washed out trails, and impassable roads. Needless to say that may impact whether you return to the park. And that doesn't just impact the park. It also plays a role in the financial health of the hundreds of gateway communities that rely on park visitors for their survival.

In 2016 the 331 million visits to our national parks resulted in \$18.4 billion in spending and supported 318,000 jobs.

Philanthropic Role in Deferred Maintenance

As the conversation has increased around how to tackle the deferred maintenance backlog there has been more discussion about what role philanthropy can play in helping to do so. Philanthropy can play a role but it is limited to specific areas and often provides the margin of excellence. Philanthropy is not a panacea for deferred maintenance.

Through our fundraising campaign, the Foundation has found that donors are enthusiastic about projects in national parks that rehabilitate, repair, and build trails as well as restoring historic buildings and Memorials – like the Lincoln Memorial and Washington Monument.

A few projects include:

- \$189,885 to date to support restoration and preservation of **Grand Canyon National Park's** historic Train Depot. This ongoing project will address accessibility to the Depot for people with disabilities and support structural repairs to the Depot's foundation.
- \$174,355 to rehabilitate and reconstruct two and half miles of **Rocky Mountain National Park's** Bierstadt Lake Trail. This project was completed by 60 youth, including members of the Rocky Mountain Conservancy Conservation Corps, other youth corps, and park volunteers.
- \$26,000 for a 2015 Centennial Challenge project at **Florissant Fossil Beds National Monument**. NPF's support was matched with \$26,000 in federal funds to help the park establish an interdisciplinary Youth Conservation Corps crew. The crew consisted of nine underserved youth from Colorado Springs who developed skills in trail maintenance, trail design and safety features, and protecting and monitoring paleontological sites.
- \$150,000 to restore the helical staircase and replicate and install the original light fixtures at **Glacier National Park's** historic Many Glacier Hotel. In partnership with Glacier National Park Conservancy, NPF's funds helped restore the lobby to its historical significance.
- Over \$110,000 to support work on highly trafficked trails at **Glacier National Park**, including funding for a 21st Century Conservation Corps to reconstruct the park's iconic Hidden Lake Trail at Logan Pass in 2016.
- Over \$400,000 to support Conservation Corps at **Olympic National Park** since 2016. NPF's support has allowed the Olympic Conservation Corps to tackle deferred maintenance projects within the park's varied landscapes, including vegetation and debris removal, re-grading of trail tread, foot bridge maintenance, and drainage system repairs. Youth engaged in this work gain valuable job skills, an appreciation and life-long love of national parks, and knowledge of natural resource stewardship.
- \$324,495 to support youth Conservation Corps at **Mount Rainier National Park** since 2016. Corps members helped complete deferred maintenance projects on Mount Rainier's Wonderland Trail and protected sub-alpine meadow vegetation along trails in the park's Sunrise area.
- \$350,320 to reroute and repair sections of **Zion National Park's** Middle and Lower Emerald Pools Trail. Matched with \$346,337 in Centennial Challenge program funds, NPF's support will allow the park to repair washed out trails and retaining walls, and reroute one mile of the trail to more stable rock layers. The resulting trails will allow visitors a loop hike in Zion Canyon and will better disperse the Emerald Pools' 600,000 annual visitors.
- \$160,000 to rehabilitate **Great Smoky Mountain's** Chimney Tops Trail, which stretches two miles from its trailhead off Newfound Gap Road. Climbing 1,600 feet in elevation, the Chimney Tops Trail is one of the park's most popular hikes, averaging some 80,000 hikers a year. This project was completed in partnership with Friends of the Great Smokies.

- \$121,250 to support a five-year grant for **Yellowstone National Park's** Youth Conservation Corps in partnership with Groundwork USA. In August 2017, participants created 60 feet of buck and rail fence, built and installed 20 bumper guards, revitalized four campsites, maintained six miles of trail, revegetated 50 yards of steep mountain, and installed and maintained 47 bear proof boxes.
- \$18.5 million for the rehabilitation and restoration of and expanded public space at **The Lincoln Memorial**
- \$12.35 million for the full restoration of **Arlington House, The Robert E. Lee Memorial**
- \$5.3 million to renovate and rehabilitate the **Marine Corps War Memorial (Iwo Jima)**
- \$3 million to renovate the elevator at the **Washington Monument**

What we haven't found in our fundraising is donors who are willing to support roads, bridges, sewer systems, water pipes, or other hard infrastructure. This type of maintenance is viewed by donors as inherently governmental responsibilities that should be funded by Congress.

Donors understand that our parks need their support but also understand that our parks belong to all of us and that the government has a responsibility to fund them. Donors prefer to provide that margin of excellence that NPS can't provide because of lack of funds or because it will take too long.

Another important note on the role of philanthropy's limitations is the overall dollars raised. NPF is very proud of our Centennial Campaign for America's National Parks, which has raised more than \$500 million in about four and a half years. In contrast, the Fiscal Year 2018 Omnibus Appropriations spending bill passed by Congress provides \$3.2 billion for the National Park Service. Even if donors were willing to fund hard infrastructure, the dollars aren't there to cover the needs.

Conclusion

The National Park Foundation is committed to continuing to work with Congress, our partners at the National Park Service, and friends groups to raise philanthropic funds to support key projects and programs throughout the park system including those that help with the deferred maintenance backlog.

It's important to note though that while NPF and local friends groups around the country have raised hundreds of millions of dollars for projects and programs and while philanthropic enthusiasm for our parks has never been higher, philanthropy is not a panacea for deferred maintenance.

There are a lot of tools that must be utilized to begin the process of improving the visitor experience for everyone. We look forward to working with this committee to do so.

Thank you for the opportunity to testify.

The CHAIRMAN. Thank you, sir.

Mr. Berejka.

Mr. BEREJKA. Berejka.

The CHAIRMAN. Berejka.

Mr. BEREJKA. Yes.

The CHAIRMAN. I think I got closer this time than I did the first time.

[Laughter.]

I apologize for that.

Mr. BEREJKA. It's an issue that tracks me throughout life.

[Laughter.]

The CHAIRMAN. We will try. Berejka.

Mr. BEREJKA. Yes.

STATEMENT OF MARC BEREJKA, DIRECTOR, GOVERNMENT & COMMUNITY AFFAIRS, RECREATIONAL EQUIPMENT, INC. (REI CO-OP)

Mr. BEREJKA. Chair Murkowski, Ranking Member Cantwell, members of the Committee, thank you for the chance to testify for REI alongside colleagues who share the co-op's deep concern about the future of the national parks.

REI was founded 80 years ago when 23 climbers came together as a buying co-op for great gear. They loved to adventure into Mount Rainier and Olympic National Parks. So you really could say that REI was born in the national parks.

Jump ahead to today, REI has over 150 stores in 36 states, a robust online platform, plus 17 million co-op members. We get Americans of all backgrounds out into the outdoors via our classes, programs, and trips. Many REI adventures go into national parks. These connections in the parks create bonds and memories that last a lifetime.

To show our appreciation, we were top-tier sponsors of the park Centennial. We provided the Park Foundation significant financial and in-kind support, and much of that support was for stewardship projects staffed by our employees, by members, and by youth corps funded by REI. The co-op's fate and that of the parks has been intertwined for decades.

For these reasons, we thank the Committee for your work supporting the parks, in particular for passing the Centennial Act last Congress. We were pleased to see the bipartisan commitment to the parks' next century. And going forward, REI will maximize our use of those matching funds to address backlog projects.

Today, I want to highlight two points. First, the recreation sector is surprisingly large, or at least surprising to some, and the national parks play a keystone role in that ecosystem. Second, we need to realize the failure to address the backlog is harmful both to the economy and to the parks' overarching vision.

On the first point, you might recall that in 2016 Congress also passed the Outdoor Rec Act. It requires the Commerce Department's Bureau of Economic Analysis (BEA) to create an account that measures the recreation sector's size. And just this February BEA released preliminary findings. A few early headlines. The recreation economy accounts for two percent of GDP. That's more than many industrial sectors. And importantly, this data is likely

understated because the early BEA numbers don't include close to home recreation. Also important, these contributions are overwhelmingly driven by non-federal sectors. For instance, for every dollar of GDP generated by federal spending, the private sector and state and local governments generate \$135 for GDP.

As to wages, federal expenditures are about \$1.7 billion per BEA and that's just 0.8 of 1 percent of the hundreds of billions of wages that go into the outdoor recreation sector.

Given the beltway's tendency to focus on federal responsibilities, it's eye opening to see how our hard-fought federal spending, much of it on national parks, is in many ways a catalyst. Federal spending seems to be a small percentage of the whole of the recreation economy, but our national parks and public lands clearly inspire Americans across the country to embrace the outdoors.

This is why failure to address the backlog risks diminishing us as a nation. Maintenance challenges degrade the experience when visitor centers are subpar, when campgrounds and trails are in disrepair, American and overseas travelers face frustration and disappointment. In these cases, the park experience doesn't deliver on the inspiration and connection that people hope for and deserve, the entire vision for the park suffers.

As we see the legislative needs, they are these. One, continue the ongoing full accounting of the outdoor recreation sector's economic benefits, especially the parks. Pursue bipartisan solutions. Prioritize the maintenance backlog within the budget and without raiding other programs vital to existing and future recreation opportunities. Finally, continue to work toward innovative public-private partnerships.

In many respects our public lands and parks are our collective backyard, and we are the collective owners. If we allow our assets to languish in disrepair, it will cost more to bring them back. In the meantime, the value of the American experience will suffer. For a country committed to life, liberty and the pursuit of happiness for all, we cannot afford retreat.

Let me close by applauding the Committee for continuing to work together. We all have a role to play. REI appreciates being part of the conversation.

At the co-op we have a saying that, "a life outdoors is a life well lived." Together, we can make that a reality for the people, the communities and the businesses that cherish our national parks.

Thank you.

[The prepared statement of Mr. Berejka follows:]

Before the U.S. Senate Committee on Energy & Natural Resources

Hearing to Examine

“Deferred Maintenance and Operational Needs of the National Park Service”

April 17, 2018

Written Testimony of

Marc Berejka

Recreational Equipment, Inc. (REI Co-op)

Director, Government & Community Affairs

Chair Murkowski, Ranking Member Cantwell and Members of the Committee: Thank you for the chance to testify on behalf of REI Co-op. I’m proud to appear alongside colleagues who share the co-op’s love of our National Parks and who care deeply about their future.

REI was founded 80 years ago when 23 climbers came together to find better deals on great gear from Europe. Their shared passion was to adventure into Mount Rainier and Olympic National Parks. So, in many ways you can say that the co-op was born in our National Parks. Since then, our members’ and employees’ connection to them has only grown.

Today, REI has over 150 stores in 36 states, a robust online platform, plus over 17 million co-op members. We source our gear and apparel from over 1,000 companies. We get Americans of all backgrounds into the outdoors via our own classes, outings and trips. Many REI adventures go into National Parks. Last year alone, after rallying them in gateway communities, we brought 3,000 people into the parks for multi-day adventures of a lifetime.

To show our appreciation for the Parks, we were top-tier sponsors of the Centennial. We provided the National Park Foundation almost \$5 million in cash, and at least as much in in-kind support. Some of that support was to promote the Centennial. Much was for stewardship projects staffed by our employees or members, or youth corps funded by REI.

In short, since the co-op’s inception, we have adventured into the Park, have provided them support in many ways and have helped create economic vitality in gateway communities. We feel we know the Parks’ opportunities and needs quite well.

In that vein, we thank this committee for your work in supporting the Parks; in particular for passing the Centennial Act last Congress. As a company that invested heavily in the Centennial, we were pleased to see your own bipartisan commitment to the Park’s next century. In our ongoing philanthropy, we look to maximize our use of those matching funds to address backlog projects.

If there are two thoughts I want to leave you with today, they are:

- First, experts in the field are just beginning to understand the full economic contribution of outdoor recreation, whether that's recreating at a National Park, state park or in your home town. The economic benefit of time outdoors already is bigger than many expected. Yet, as we learn more about how the outdoors provides measurable health and community benefits, we're likely to see our public lands and natural places as even more important assets.
- Second, when compared to the full economic contribution of our country's natural spaces, the federal investment in outdoor recreation actually may turn out to be relatively small. Many in Congress may feel accustomed to discussions about how the Parks and their backlogs are "burdens." The data is still emerging, but early indications suggest that public investment – and especially federal investment – is comparatively low-cost and generates outsized returns.

As we learn more, we need to evolve our thinking. Our natural spaces, especially our National Parks, are extraordinary economic assets. They are not nice-to-haves, but must-haves. Sustaining them is not a nice-to-do, but a must-do. Based on an emerging body of evidence, one could argue that failure to protect and cultivate our green spaces – and especially our gems, our National Parks -- is tantamount to economic malpractice.

BEA's Preliminary Data Show the Rec Sector to be Large, with the Federal Government's Contributions Multiplied Many-Fold

Let's start with the relatively new news. The Committee will recall that in 2016 Congress also passed, by unanimous consent in both chambers, the Outdoor Recreation Jobs and Economic Impact Act (the OUTDOOR Rec Act). It requires the Bureau of Economic Analysis at the Commerce Department, for the first time, to create a satellite account and to authoritatively measure the recreation sector's size. Just this past February, BEA released its preliminary findings, with a complete version of its first analysis due out this fall. A few early highlights:

- The recreation economy accounts for 2.0% of GDP.
- That's a full 30% larger contribution than the entire utilities sector.
- It's 40% larger than all mining, which includes oil and gas extraction and support services.
- Moreover, the preliminary BEA data excludes close-to-home recreation because, as we understand it, BEA has yet to develop the appropriate data set.

Close-to-home recreation (e.g., within 50 miles of your home) makes up a substantial portion of all outdoor activities. If you live in Tacoma, it's a trip to Mt. Rainier. If you live in Anchorage, it's any recreation activity in-town or just outside the city limits. When BEA closes the data gap and includes close-to-home, we'll likely see outdoor recreation's contribution to GDP well exceed 2.0%.

It's also important to recognize that these economic contributions are overwhelmingly driven by the private sector. Americans love to get outdoors and go on adventures. The outdoor sector is made up of thousands of Main Street businesses and entrepreneurs. The sector is spread across gear, apparel, recreation vehicles, boating, hunting, fishing, other human-powered activity, plus the travel and tourism businesses that cater to the nation's millions of adventurers.

As a corollary, it appears that the federal government may not be a major economic actor, at least as far as the numbers are concerned. Again, the BEA data are preliminary, but in the recreation sector:

- The federal GDP contribution is \$2.7 billion in comparison to \$374 billion for all of recreation. I.e., for every dollar of GDP generated by federal spending on outdoor recreation, the private sector and state and local governments generate \$135.
- This phenomenon also emerges when you look at wages. BEA finds over \$200 billion in wages for the whole sector. Federal government expenditures are \$1.7 billion or 0.8%.

Given the tendency inside the Beltway to focus on the U.S. government's responsibilities, it's eye-opening, to say the least, to see that hard-fought government spending in a sector can help spawn substantial economic activity across the rest of the country.

We'd have to do more unpacking of the data over time, but I suspect the underlying reason will prove obvious. These hard-fought federal expenditures are catalytic. Everyone in this room knows that our public lands -- especially our National Parks -- are our keystones. They inspire people from around the world to visit the U.S. and adventure into rural America. They are destinations for American families looking to create bonds and memories that last a lifetime. Our National Parks deliver awe and solace, fun and challenge, reconnection with our humanity. So, while the U.S. government's contribution relative to the whole might be modest, and a struggle to muster, it's role is pivotal.

Additional Research Shows Even Greater Economic Potential for the Nation's Outdoors

As we look towards future battles for funding our National Parks and supporting public lands, it's also important to recognize that recreating in nature generates additional benefits. Here, too, the research is in early stages, but the analyses are showing great promise:

- An increasing body of science shows that time outdoors -- exercising or rejuvenating -- is low-cost preventative medicine. In some exciting REI-backed research, thought leaders at the University of Washington are finding that PTSD suffering vets who adventure into, say, Mt. Rainier may be able to meaningfully reduce their reliance on pill regimens.
- Outdoor recreation opportunities also foster positive community development. We know that gateway towns with the right range of assets can attract a wider assortment of new businesses, both in the outdoor sector and beyond. Access to the outdoors can make communities more cohesive, with a stronger social fabric.
- The outdoors can even be part of childhood development. An increasing body of research shows that kids open their minds in unique ways when they can explore and play outdoors. Adventures in National Parks can be some of the most positive transformative experiences a child can have.

All of these attributes, in the long run, contribute not just to healthier people and healthier communities -- but also a stronger economy and country. As these analyses mature, we urge the Committee to integrate into its deliberations these multiple sources of benefit from time outdoors -- especially in our National Parks, which, again, play a keystone role in the recreation ecosystem.

Failure to Address the Backlog Diminishes the Nation

This is why REI is so dedicated to stewardship of our National Park and recreation infrastructure – why it is important to continue to build recreation opportunities as the nation grows and urbanizes. And with respect to the National Parks, it’s why the chronic overhang of the maintenance backlog is of such great concern to the co-op and our members. Ongoing maintenance challenges take away from the National Park visitor experience. When transportation and visitors’ centers are subpar, when campground facilities are lacking, when trails are out-of-service, Americans and overseas visitors spending their hard-earned dollars and vacations face frustration and disappointment. The Park experience does not deliver on the inspiration and connection to our country that our citizens and visitors hope for and deserve. Degraded experiences degrade the vision for the Park System.

If we had to lay out the legislative challenges, we see the need for:

- Ongoing, full accounting of the outdoors’, and especially the National Parks’, benefits
- Bipartisan solutions like the Centennial Act
- Prioritization of the maintenance backlog within the budget
- Prioritization that does not “steal from Peter to pay Paul” by raiding other programs that are vital to our public lands and are creating new outdoor recreation opportunities.
- Continued work on innovative ways to attack the backlog via public-private partnerships.

Delays will lead to more costly solutions. In many respects, our public lands and National Parks are the nation’s collective backyard. We are the collective homeowners. If we allow our collective backyard to fall deeper and deeper into disrepair, it will cost more over time to bring it back up to par. And in the meantime, the value of the American experience in our backcountry will deteriorate. For a country that aims to deliver on the promise of “life, liberty and the pursuit of happiness” for all, we can no longer afford retreat.

Let me close by applauding this committee and Congress for continuing to work together – across party lines – to address the challenges facing our National Parks. We all have a role to play in protecting these national treasures. We cannot sit idly by hoping that someone else will stand up, find the funding and address the problem. It’s a priority for all of us, and REI greatly appreciates being part of this vital conversation.

While we have limited time today, REI looks forward to continuing the dialogue with this committee. At REI, we say, “a life outdoors is a life well lived.” Together, we can make that a reality for more people, more communities and more businesses that cherish our National Parks.

Thank you.

The CHAIRMAN. Thank you, Mr. Berejka.
Ms. Leonard, welcome.

**STATEMENT OF SARAH LEONARD, PRESIDENT & CEO,
ALASKA TRAVEL INDUSTRY ASSOCIATION**

Ms. LEONARD. Thank you, Chairman Murkowski, Ranking Member Cantwell, and members of the Senate Energy and Natural Resources Committee for this opportunity to testify about deferred maintenance in Alaska's national parks.

I want to thank Chairman Murkowski, Ranking Member Cantwell, Senators Portman and Alexander and others on this Committee for your work to address funding for park maintenance.

My name is Sarah Leonard, and I'm the President of the Alaska Travel Industry Association, ATIA. We are a 650-member trade organization representing tourism businesses and promoting the economic impact of tourism in Alaska. Many of our members rely on the national parks for their livelihoods. Deferred maintenance and park infrastructure, the backbone supporting visitor experiences in our national parks, are of critical importance.

Tourism is Alaska's second largest private sector employer, and national parks contribute significantly to the health of our industry. For many people, Alaska is a trip of a lifetime. National parks like Denali, Glacier Bay, Kenai Fjords, Katmai, and Wrangell-St. Elias are iconic places that are featured strongly in visitors' itineraries.

The majority of Alaska's two million visitors each year go to one or more of our national park sites as either independent visitors or as part of a larger tour package. National park visitation alone generates nearly \$1.7 billion in annual economic activity for Alaska and supports more than 17,000 jobs. Approximately 60 percent of the National Park Service's total acreage is in Alaska. Many of our parks are inaccessible and have little permanent infrastructure. Our more accessible parks are another story.

In 2016 the Klondike Goldrush National Park in Skagway saw more than 900,000 visitors. Skagway, by the way, has a permanent population of 900 people.

Visitation at Alaska's national parks is expected to grow, and a robust and well-maintained infrastructure is essential to a positive visitor experience.

Park staff, quality infrastructure and services help create those memorable visitor experiences. Unfortunately, annual operations budgets make it challenging to hire qualified, skilled maintenance staff to maintain existing infrastructure. This leads to more projects showing up on deferred maintenance lists.

At nearly \$106 million, the backlog in Alaska's parks is at best an inconvenience and, at worst, a threat to human safety, our businesses, and our communities.

I'd like to share examples from two parks.

More than 580,000 visitors came to Denali in 2016 hoping to see North America's highest mountain. Denali National Park and Preserve represents nearly half of Alaska's total estimated maintenance backlog budget. Issues include deteriorating wastewater and water lines at the heavily used east end of the park. Should either of those systems fail completely during peak season, the impact

would be devastating. Significant investment is also needed on the park road already mentioned, a 92-mile, mostly gravel road leading into the heart of the park. It is the only road in or out of Denali. In 2016, a freeze-thaw cycle and unseasonably heavy rains created a 100-foot-long, 10-foot-deep mudslide, which closed the road in the middle of peak summer season. The closure limited guest access and required significant logistical and transportation alternatives to ferry guests back to the park entrance. One business reported losing more than \$20,000 over the nine-day road closure. If the road were to close completely for any length of time, visitors would not be able to access the park and the hotels, tour operators, restaurants, and businesses at the park entrance would see dramatic cancellations. The economic impacts would ripple throughout our state.

Glacier Bay National Park in Southeast Alaska is one of the world's largest international protected areas. It is also home to a historic lodge suffering from more than 30 years of deferred maintenance. Gustavus, Glacier Bay's gateway community, has a population of 544, and the park-owned lodge is the community's anchor business. Currently 25 percent of the lodge's 65 rooms are unavailable to guests because of water damage or other structural issues. The concessionaire is disinclined to invest in maintenance because of the building's condition and low profit margin, and the building's condition continues to deteriorate. It's a vicious cycle threatening not only the lodge and the visitor experience but the economic future of the community.

Our parks need a consistent funding source to address both current and deferred maintenance needs. If visitors can't visit our parks because they are inaccessible or unsafe or lack basic amenities, they stop coming.

Alaska's tourism industry supports our national parks and the dialogue about how to remedy the maintenance backlog. Functional, stable facilities benefit not only visitors, but also tourism businesses, park concessionaires, gateway communities and our state.

On behalf of the Alaska Travel Industry Association, thank you for your time and the opportunity to share our story.

[The prepared statement of Ms. Leonard follows:]



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The Honorable Lisa Murkowski
Chairman
Senate Committee on Energy and Natural Resources
304 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Maria Cantwell
Ranking Member
Senate Committee on Energy and Natural Resources
304 Dirksen Senate Office Building
Washington, DC 20510

Dear Senator Murkowski, Ranking Member Cantwell, and Members of the committee:

On behalf of the nearly 650 members of Alaska Travel Industry Association (ATIA), thank you for the opportunity to testify regarding the issue of deferred maintenance in our national parks. ATIA is Alaska's leading industry organization for travel-related businesses, working to increase the economic impact of tourism in our great State. Many of our members rely on the national parks directly or indirectly for their livelihoods, and adequate park infrastructure is a substantial issue for ATIA's members.

Tourism is Alaska's second largest private sector employer, and national parks contribute significantly to our industry's success. For many people, Alaska is a trip of a lifetime and the result of many years of planning. National Parks like Denali, Glacier Bay, Kenai Fjords, Katmai, and Wrangell-St. Elias feature strongly in visitors' tour itineraries.

The majority of Alaska's 2 million visitors each year go to one or more of Alaska's national parks, preserves, historic sites, and monuments as either independent visitors or as part of a larger tour package. National park visitation alone generates nearly \$1.7 billion in annual economic activity for Alaska and supports more than 17,000 jobs.

Approximately 60 percent of the National Park Service's total acreage is in Alaska. Visitation at Alaska's national parks is expected to grow, and a robust and well-maintained infrastructure contributes greatly to a positive visitor experience.

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Park staff, quality infrastructure and services help create superior visitor experiences. Unfortunately, the structure of annual operations and maintenance budgets in Alaska's national parks makes it challenging for park administrators to hire qualified, skilled maintenance staff and maintain existing infrastructure adequately, leading to more and more projects showing up on deferred maintenance lists. At nearly \$106 million, the current maintenance backlog in Alaska's parks is at best an inconvenience and, at its worst, a threat to human safety, our businesses, and our communities. The backlog is expected to grow due to pressure from increased visitation as well as weather and climate-related changes.

For instance:

Denali is the Great One. At 6 million acres **Denali National Park and Preserve** is larger than the state of New Hampshire. More than 580,000 visitors came to Denali in 2016 hoping to see North America's highest mountain. Denali National Park and Preserve has a \$54 million maintenance backlog alone, nearly half Alaska's total estimated budget. Deferred maintenance items include replacing waste water lines and a failing water line at the East end, the most heavily used area of the park. Should either of those systems fail completely during peak season, the impact of having no potable water or toilets would be devastating to the park and park visitors.

Half of Denali's deferred maintenance budget is associated with the park road – the 92-mile mostly gravel road leading into the heart of the park. It is the only road in or out of Denali, and only 10,500 vehicles are allowed in the park between May and September. More than 270,000 guests used the park's bus system in 2016.

Deteriorating road conditions are a safety hazard to visitors and staff and threaten business operations at lodges operating at the end of the park road. In 2016, an exacerbated freeze/thaw cycle and unseasonably heavy rains created a 100-foot-long, 10-foot-deep mudslide, which closed the road in the middle of peak summer season. Fortunately, no one was injured. But the road closure and restricted openings limited guest access to and from remote lodges and required significant logistical and expensive transportation alternatives to ferry guests back to the park entrance. One ATIA member business reported losing more than \$20,000 over the 9-day restricted access period. The company hired charter flights to fly guests to and from the lodge at significant cost. Lodge guests were unable to access trails and other activities because of the construction activities. And day-trip guests, normally 75 per day, cancelled their bookings because they were not able to have the full tour experience.

This was the second time in the same year that road-closing slides occurred, and more damage to the road is anticipated due to slope instability from melting permafrost, frost heaves, erosion, and more extreme weather events. Bridges, culverts, and other structures are equally at risk.

Maintenance-related costs to visitors are also increasing because of poor road conditions. Lodge staff are strongly encouraging their guests purchase extra travel insurance to cover unforeseen transportation costs in case of another, more severe road closure. If the Denali Park Road were to close completely, for any length of time, visitors would not be able to see the iconic views and wildlife for which Denali is world-famous. Hotels, tour operators, restaurants, and businesses at



the park entrance would see a dramatic falloff in sales. Large tour operators would have to cancel land-based excursions, an action that would trickle down to the hundreds of small businesses that provide tour support to the larger companies. The economic impacts due to cancellations and lost bookings would have ripple throughout the state.

Glacier Bay National Park in Southeast Alaska's Inside Passage, is part of a 25-million-acre World Heritage Site and one of the world's largest international protected areas. It is also home to a park-owned historic lodge suffering from more than 30 years of deferred maintenance. Gustavus, the gateway community for Glacier Bay National Park, has a population of 544, and the park-owned lodge is the community's anchor business. Currently 25 percent of the lodge's 65 rooms are unavailable because of water damage or other structural issues. The concessionaire is disinclined to invest in maintenance because of the building's condition and low profit margin, and the building's condition continues to deteriorate due to lack of maintenance. It's a vicious cycle that threatens not only the lodge, but the future of the community. The only way to get to Gustavus is by air or boat. The only large carrier that flies directly to Gustavus is Alaska Airlines—and only for a few months during the summer. The lack of adequate park facilities means fewer independent travelers requiring air transport to Gustavus. If air service is cancelled, tour providers, bed and breakfast operators, and support businesses throughout the community will suffer.

In total, Glacier Bay National Park has a nearly \$10 million maintenance backlog including not just the lodge, but also safety improvements to rotting wood boardwalks, structural repairs to the administration building, and the need for basic infrastructure that is status quo in other national parks. Glacier Bay's remoteness, even by Alaska standards, increases costs above those in other locations. An estimated \$1 million repair easily means \$2.5 million for Glacier Bay Lodge. Repairs that might take a single construction season elsewhere require a multi-year mobilization during a construction season that overlaps with the lodge's seasonal operations. The cost of shipping construction materials from Seattle via barge increases costs exponentially.

These are only a sample of Alaska projects where maintenance has been deferred due to funding restrictions or reductions. Park superintendents are challenged when it comes to annual maintenance programs, which results in more projects added to deferred maintenance lists. Investment in ongoing maintenance reduces the likelihood of emergency repairs, potential risk to human safety, and economic hits to the Park and tour operators alike. If visitors can't visit our parks because they are inaccessible or unsafe, they stop coming. A decline in visitation has serious, tangible economic and social impacts to our businesses, our communities, and our state.

ATIA members are pleased that Congress and the Senate Energy and Natural Resources Committee are interested in and recognize the economic importance of healthy National Park infrastructure. Functional, stable facilities benefit not only visitors but also the businesses providers, park concessionaires, and local gateway communities. With Alaska's intense summer tourism season, generally May through September, many of our communities and livelihoods are reliant on seasonal visitation for jobs and tax revenue. Alaska's tourism industry wholeheartedly

supports our national parks for their intrinsic value and the economic benefit they bring to businesses and communities.

The Department of the Interior, National Park Service recently recommended modest fee increases at 117 national parks (including Denali) with funds directed toward improving the visitor experience by addressing the maintenance backlog. This decision reflects extensive stakeholder comment, and ATIA supports this reasonable approach. Of the estimated \$60 million to be raised, \$48 million will stay in the park where the fee was collected and \$26 million of that will be directed to deferred maintenance.

Public-private partnerships are also an option, but infrastructure isn't an easy sell. New buildings named after donors are wonderful, but renovations to older facilities are harder to fund, especially the less glamorous, more utilitarian amenities like sewers, watermain, fire suppression systems, or mold abatement. While some projects might benefit from private support, many necessary maintenance and repairs would remain unfunded.

The solution, in part, relies on dedicated federal funding. The Park Service's construction account for large repair projects has fallen 60 percent nationally since FY 2002. The Budget Control Act further challenged park appropriations. There are opportunities, however, including two national park funding bills already introduced. Another funding mechanism, the Highway Trust Fund, could support park-specific transportation projects, which make up more than half the Park Service's projects nationally. Ultimately, what our parks need is a sustainable, constant funding source to address current and deferred maintenance needs.

These are not small projects or concerns. These are issues of safety, economic development, lives, and communities. The long-term disinvestment in the National Park system has and will continue to have long-ranging negative economic impacts. Ultimately, what's bad for the parks is bad for business.

On behalf of the board, staff, and members of the Alaska Travel Industry Association, thank you for this opportunity to submit our comments. Alaska's national parks are a tremendous national resource and an inspiration to the world. Park visitors deserve safe and reliable infrastructure that reflects that ideal.

Sincerely,



Sarah Leonard
ATIA President & CEO

The CHAIRMAN. Thank you, Ms. Leonard.
Mr. Regan.

STATEMENT OF SHAWN REGAN, RESEARCH FELLOW AND DIRECTOR OF PUBLICATIONS, PROPERTY AND ENVIRONMENT RESEARCH CENTER (PERC)

Mr. REGAN. Thank you, Chairman Murkowski, Ranking Member Cantwell, and members of the Committee for the opportunity to appear before you today to discuss the maintenance and operational needs of the National Park Service.

My name is Shawn Regan, and I'm a research fellow at PERC, the Property and Environment Research Center, a non-profit research institute in Bozeman, Montana, where I study public land policy.

The topic of this hearing is directly related to my research at PERC but is also of immense importance to me personally. For four years I worked as a backcountry ranger in Olympic National Park in Washington State where I helped maintain trails, patrol wilderness areas, and assist park visitors.

During my time in the Park Service I witnessed firsthand the maintenance and operational challenges the agency faces from the dilapidated infrastructure and visitor facilities to the funding shortfalls that often hinder the ability of local managers to carry out the agency's mission.

And perhaps, most importantly, as a Montanan who is a frequent visitor of parks such as Yellowstone and Glacier, I thank the Committee for taking up this important issue.

As you know, the Park Service recently celebrated its 100-year anniversary, but as the agency embarks on its second century, decades of neglect have left a glaring blemish on a Park System known for its crown jewels.

Today, the agency faces an \$11.6 billion maintenance backlog, an amount that is five times higher than its latest budget from Congress. The effects of this backlog can be seen throughout the Park System, including a leaky wastewater system in Yosemite that at a time spilled sewage into the park streams, a failing water pipeline in the Grand Canyon that often leaves visitors without potable water, and campgrounds and lodges in the Everglades that have been left in disrepair for more than a decade.

The important efforts of this Committee notwithstanding, the Congress has not secured adequate funding for park maintenance through budgetary appropriations regardless of the political party in power. A recent report published by PERC found that Congress appropriated about \$520 million each year, on average, to deferred maintenance between 2004 and 2014, but the Park Service estimates it would need to spend at least \$700 million each year on deferred maintenance just to keep the backlog from growing. And yet, while appropriations for maintenance fall short, Congress continues to create new parks and expand existing ones.

Since 2000, 35 new park units have been added to the National Park System, but they have not come with corresponding increases in appropriations. With more parks but no additional funding, the Park Service has been stretched thin and as a result the backlog has shown no signs of declining.

As a former park ranger, I know that no one understands the maintenance and operational needs of parks better than the local park managers themselves. In recent years, Congress has allowed park managers to charge and retain user fees from visitors and reinvest those revenues in projects that enhance the visitor experience. These revenues are important because they allow park managers to address critical needs, including deferred maintenance, without relying entirely on conventional appropriations. They also connect visitors with the long-term sustainability of our parks and encourage local managers to be responsive and accountable to visitors. Yet, since the recreation fee program was established in 2004, the National Park Service has imposed various internal restrictions on fee expenditures by local park managers, including costly approval processes and requirements that fines be spent on specific purposes determined by officials in Washington rather than local managers on the ground.

As one example, park managers are generally prohibited from spending fee revenues on recurring or cyclic maintenance and operational needs. That means fee revenues cannot be used for regular upkeep of visitor facilities, to ditch roads, to prevent costly long-term damage, or to support permanent employees to conduct or oversee routine maintenance. These and other restrictions undermine the effectiveness of the park's fee program and contribute to the overall maintenance backlog problem.

Conservation, at its core, is about preserving and maintaining what you already own. Congress and the Interior Department are right to explore various ways to reduce the deferred maintenance backlog, but an even more fundamental challenge remains and that is to prioritize the routine or cyclic maintenance that is necessary to prevent projects from becoming deferred in the first place.

My written testimony provides further details on how Congress and the Park Service can address the backlog problem by focusing on the needs of existing parks before considering additional expansions to the Park System, by providing more decision-making authority to local park managers, something that Interior Secretary, Ryan Zinke, has outlined as a priority and by investing in the routine maintenance that is necessary to prevent future increases in the deferred maintenance backlog.

I hope that the ideas I've described would be helpful as the Committee explores ways to tackle this important problem.

Thank you again for the opportunity to present my views on this subject and I look forward to answering any questions you might have.

[The prepared statement of Mr. Regan follows:]

Prepared Statement of

**Shawn Regan
Research Fellow and Director of Publications
Property and Environment Research Center (PERC)¹**

U.S. Senate Committee on Energy & Natural Resources

**Hearing to Examine Deferred Maintenance and Operational Needs of the National
Park Service**

April 17, 2018

1. Main points

- Congress has prioritized the acquisition of new parks over the care and maintenance of existing parks. Since 2000, 35 park units have been added to the National Park System without corresponding increases in appropriations. As a result, the National Park Service's deferred maintenance backlog has grown to \$11.6 billion while the agency's budget has been stretched thinner and thinner.
- Although Congress has granted parks the authority to retain recreation fees, the National Park Service has often restricted the ability of local park managers to use those receipts to effectively address the maintenance challenges and operational needs that matter most to visitors.
- Local managers know best how to address their maintenance and operational challenges. The Secretary of the Interior has emphasized the importance of putting more decision-making authority in the hands of local managers rather than distant bureaucracies in Washington, D.C. Congress could help by clarifying the authority of local park managers to fund critical maintenance or operational challenges from fee revenues without further restrictions and red tape from Washington.
- Conservation, at its core, is about preserving and maintaining what you already own. Reducing the deferred maintenance backlog should be a top priority, but the more fundamental challenge is to prioritize the routine or cyclic maintenance that is necessary to prevent maintenance projects from becoming deferred in the first place.

¹ PERC—the Property and Environment Research Center—is a nonprofit research institute located in Bozeman, Montana, dedicated to improving environmental quality through markets and property rights. PERC's staff and associated scholars conduct original research that applies market principles to resolving environmental problems.

2. Introduction

Chairman Murkowski, Ranking Member Cantwell, members of the committee, thank you for the opportunity to appear before you to provide testimony on the deferred maintenance and operational needs of the National Park Service. My name is Shawn Regan, and I am a research fellow and the director of publications at PERC—the Property and Environment Research Center—a nonprofit institute in Bozeman, Montana, where I study public land policy and conservation issues. PERC is the nation’s leading organization dedicated to exploring market-based solutions to environmental problems.

The topic of this hearing is directly related to my research at PERC, but it is also important to me personally. For four years, I worked as a backcountry ranger for the National Park Service in Olympic National Park, where I regularly assisted and informed park visitors, monitored and maintained the park’s resources, and ensured visitor safety and compliance with park policies. During my time working for the Park Service, I witnessed first-hand the maintenance and operational challenges the agency faces, from dilapidated transportation infrastructure and outdated visitor facilities that undermine the visitor experience to the operational shortfalls and excessive red tape that hamstrings the agency and limits its ability to sufficiently carry out its mission.

In short, today I will provide my perspective on how the National Park Service has become burdened by an \$11.6 billion backlog of deferred maintenance and why Congress and the Park Service have so far been unable to significantly reduce that backlog. I will offer some ideas on how Congress and the agency can effectively address the backlog problem. In particular, I will explore ways to enable local park managers to better address the maintenance and operational needs that matter most to visitors, and I will emphasize that Congress should focus on the critical maintenance and operational needs of our existing national parks while investing in the routine maintenance that is necessary to prevent projects from becoming deferred in the first place.

3. Decades of neglect and misplaced priorities have contributed to a \$11.6 billion backlog of deferred maintenance in national parks.

The National Park Service recently celebrated its 100-year anniversary in 2016. But as the agency embarks on its second century, decades of neglect and misplaced priorities have left a glaring blemish on a National Park System known for its crown jewels such as Yellowstone and Yosemite. Today, the Park Service faces an \$11.6 billion backlog in deferred maintenance projects, an amount five times higher than the agency’s latest budget from Congress.²

The deferred maintenance backlog refers to the total cost of all maintenance projects that were not completed on schedule and therefore have been put off or delayed. The effects of the backlog show up throughout the National Park System in the form of dilapidated

² National Park Service, “Planning, Design, and Construction Management,” NPS Deferred Maintenance Report for FY2017. Available at <https://www.nps.gov/subjects/plandesignconstruct/defermain.htm>.

visitor centers, deteriorating wastewater systems, and crumbling roads, bridges, and trails. Two-fifths of all paved roads in national parks are rated in “fair” or “poor condition.” Dozens of bridges are considered “structurally deficient” and in need of rehabilitation or reconstruction.³ And thousands of miles of trails are in “poor” or “seriously deficient” condition.⁴ More than half of the backlog is transportation-related assets.

In some cases, the deferred maintenance backlog threatens the very resources the National Park Service was created to protect. According to the agency’s recent budget justifications, a leaky wastewater system in Yosemite National Park has caused raw sewage to spill into the park’s streams. In Grand Canyon National Park, an 85-year-old water distribution system frequently breaks, leading to water shortages and facility closures. And campgrounds and lodges at Everglades National Park have been left in disrepair for more than a decade after being destroyed at by a hurricane. From the Great Smoky Mountains to Glacier National Park, roads and culverts, historic buildings, and visitor facilities are in need of rehabilitation or replacement.⁵

Various sources of funding are used to address deferred maintenance projects in national parks. The majority comes from discretionary congressional appropriations. Other sources include Highway Trust Fund allocations, park entrance and recreation fees, concessions fees, and donations.⁶

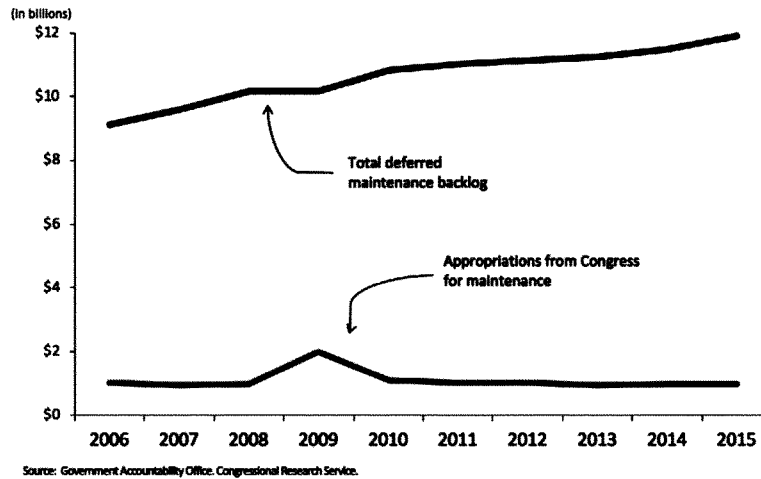
³ Federal Highway Administration, “2015 Status of the Nation’s Highways, Bridges, and Transit: Conditions & Performance,” Transportation Serving Federal and Tribal Lands. Available at <https://www.fhwa.dot.gov/policy/2015cpr/es.cfm#12>.

⁴ National Park Service, “Restoring National Park Trails,” Trail Conditions. Available at https://www.nps.gov/transportation/activities_trails.html.

⁵ Department of the Interior, Office of Congressional and Legislative Affairs, “DOI Maintenance Backlog: Exploring Innovative Solutions to Reduce the Department of the Interior’s Maintenance Backlog,” (March 26, 2018). Available at <https://www.doi.gov/ocl/doi-maintenance-backlog>.

⁶ Laura B. Comay, “The National Park Service’s Maintenance Backlog: Frequently Asked Questions,” Congressional Research Service Report R44924, (August 23, 2017). p. 9. Available at <https://fas.org/sgp/crs/misc/R44924.pdf>.

Figure 1: Congressional Appropriations to Maintenance in National Parks



Although congressional appropriations make up the vast majority of deferred maintenance funding, Congress is unlikely to solve the problem through budgetary appropriations alone. Funding for the deferred maintenance backlog makes up only a small fraction of the National Park Service's annual appropriations from Congress. A recent report by PERC found that from 2004 to 2014, Congress appropriated an average of \$521 million each year to projects related to deferred maintenance, or approximately 4 percent of the agency's total backlog (see Figure 1).⁷ The agency has estimated that it would have to spend \$700 million per year on deferred maintenance just to keep the backlog from growing.⁸

⁷ See Property and Environment Research Center, "Breaking the Backlog: 7 Ideas to Address the National Park Deferred Maintenance Problem," *PERC Public Lands Report*, (February 2016). Determining the exact amount of funding allocated to deferred maintenance each year is difficult because funding comes from a variety of budget sources, each of which are also used to fund other activities as well. Moreover, the NPS does not report the total funding allocated to deferred maintenance each year. Figure 1 reports GAO data on the annual amounts allocated for all NPS maintenance, including deferred, cyclic, and other day-to-day maintenance, which averaged \$1.2 billion per year between 2006 and 2015. See GAO, "National Park Service: Process Exists for Prioritizing Asset Maintenance Decisions, but Evaluation Could Improve Efforts," GAO-17-136, (December 13, 2016). Available at <http://www.gao.gov/products/GAO-17-136>.

⁸ "Statement of Jonathan B. Jarvis, Director, National Park Service, Before the Senate Committee on Energy and Natural Resources, for an Oversight Hearing to Consider Supplemental Funding Options to Support the National Park Service's Efforts to Address Deferred Maintenance and Operational Needs," (Testimony of Jonathan B. Jarvis). (July 25, 2013). Available at https://www.energy.senate.gov/public/index.cfm/files/serve?File_id=6D4ED073-B1F5-42CF-A61A-122BE71E67B9.

4. Instead of maintaining existing parks, Congress has continually expanded the National Park System without corresponding increases in funding.

Park units established more than 40 years ago account for the vast majority of deferred maintenance, yet Congress continues to create new parks rather than allocate funds for existing needs.⁹ While recently added parks may not immediately add to the deferred maintenance backlog, the focus on new acquisitions comes at the expense of existing assets. Moreover, today's new facilities eventually become tomorrow's deferred maintenance, especially when routine maintenance is neglected.¹⁰

The basic problem is one of incentives. The National Park Service relies on appropriations from Congress for the vast majority of its funding.¹¹ But despite providing some annual funding for maintenance, Congress continues to create new parks or acquire more land, further exacerbating routine and backlogged maintenance issues. As former congressman Ralph S. Regula put it, "It's not very sexy to fix a sewer system or maintain a trail. You don't get headlines for that."¹² Since 2000, 35 new park units have been added to the National Park System, yet discretionary appropriations from Congress have remained relatively flat.

Simply put, relying on congressional appropriations alone is not a practical solution to fix the parks' backlog problem. In fact, an over-reliance on Congress is likely to make the problem worse because it has been difficult for Congress to secure adequate funding for maintenance needs in national parks, regardless of the political party in power. As a result, the deferred maintenance backlog has remained high for the past decade, with no sign of decreasing. With more parks but little or no additional funding, the National Park System is stretched thin. Unless drastic changes are made, the National Park Service estimates the backlog will continue to increase as new parks are created and existing facilities continue to deteriorate (see Figure 2).¹³

⁹ GAO, "National Park Service: Process Exists for Prioritizing Asset Maintenance Decisions, but Evaluation Could Improve Efforts," GAO-17-136, (December 13, 2016). Available at <https://www.gao.gov/products/GAO-17-136>.

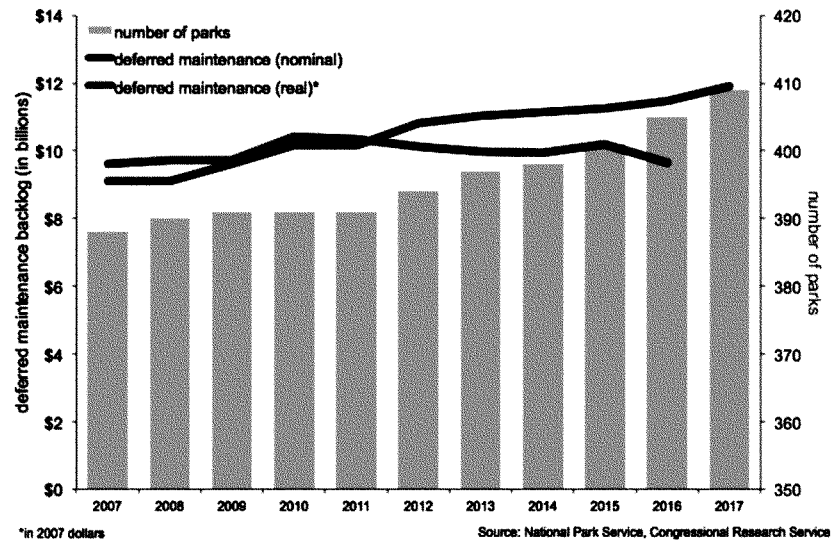
¹⁰ "The National Park Service's Maintenance Backlog: Frequently Asked Questions," p. 5. Available at <https://fas.org/sgp/crs/misc/R44924.pdf>.

¹¹ Appropriations from Congress comprised 88 percent of total funding on average for the National Park Service between FY2005 and FY2014. See GAO, "National Park Service: Revenues from Fees and Donations Increased, but Some Enhancements Are Needed to Continue This Trend," GAO-16-166, (December 15, 2015). Available at <https://www.gao.gov/products/GAO-16-166>.

¹² Michael Janofsky, "National Parks, Strained by Record Crowds, Face a Crisis," *The New York Times*, (July 25, 1999).

¹³ National Park Service, "Deferred Maintenance Backlog," Park Facility Management Division, (September 24, 2014). Available at <http://www.nps.gov/transportation/pdfs/DeferredMaintenancePaper.pdf>.

Figure 2: Park Units and the Deferred Maintenance Backlog



In recent years, several attempts have been made to increase appropriations to deferred maintenance. The National Park Service has repeatedly requested additional funding for deferred maintenance projects, but the amounts appropriated by Congress have been small relative to the size of the backlog. A special Centennial Challenge fund, established by Congress in 2008 to support park improvements, has received approximately \$75 million in appropriations to date. These discretionary funds are used to match non-federal donations for “signature” park projects. In 2016, the National Park Service Centennial Act directed senior-pass revenues in excess of \$10 million into the fund as well, with deferred maintenance projects a priority.¹⁴ These funding increases, while important, have been insufficient to reverse the deferred maintenance problem.

5. Local managers know best how to address their maintenance and operational challenges, but they are often restricted in their ability to do so.

No one understands the maintenance challenges in national parks better than park managers themselves. Since the mid-1990s, Congress has granted park officials the authority to address critical maintenance and operational needs without having to rely entirely on annual congressional appropriations. This is done by allowing parks to charge

¹⁴ Laura B. Comay, “National Park Service: FY2017 Appropriations and Ten-Year Trends,” Congressional Research Service Report R42757, (March 14, 2017). p. 3. Available at <https://fas.org/sgp/crs/misc/R42757.pdf>; National Park Service, “Budget Justifications and Performance Information Fiscal Year 2019,” p. Overview-3. Available at <https://www.nps.gov/aboutus/upload/FY2019-NPS-Budget-Justification.pdf>.

recreation fees and retain the revenues onsite to reinvest in park infrastructure and enhance recreation services that benefit visitors.

National parks have charged recreation fees, such as entrance fees, since before the creation of the National Park Service in 1916. At the start, under the National Park Service's first director, Stephen Mather, those fees were kept in a special account by the Park Service for road maintenance, park development, and administration. But that soon changed. For much of the agency's first century, the majority of fees collected at parks were deposited into the U.S. Treasury. Each year, parks relied on Congress to appropriate funds back to the agency. These appropriations were often spent on politically determined projects rather than on the repairs and renovations necessary to adequately maintain parks.

In 1996, Congress passed legislation enabling the National Park Service to keep a portion of the fees collected in parks. Today, the Federal Lands Recreation Enhancement Act (FLREA) authorizes the agency to retain all park fees within the National Park Service.¹⁵ Under FLREA, at least 80 percent of the fees remain in the individual parks where they were collected, while the remaining amount is used agency-wide without additional approval from Congress.

Fees revenues are important because they provide park managers with a significant and reliable source of funding to address critical needs without relying entirely on Congress for appropriations.¹⁶ They also connect park users with these treasured lands and encourage park managers to be responsive and accountable to visitor demands. In 2017, the National Park Service funded 1,918 projects through FLREA, 840 of which addressed deferred maintenance and improved facilities.¹⁷ In total, the agency has collected approximately \$3 billion through its recreation fee program. Last week, in another positive step, the Interior Department announced a modest fee increase at 117 park units, effective later this year, that it estimates will generate an additional \$60 million each year.¹⁸

FLREA was intended to allow park managers to decide how fee revenues should be spent to adequately maintain parks. Yet, in practice, local park managers often face restrictions from the National Park Service on the use of fee revenues for certain maintenance and

¹⁵ 16 U.S.C. §§ 6801-6814. For more information, see Carol Hardy Vincent, "Federal Lands Recreation Act: Overview and Issues," Congressional Research Service In Focus IF10151, (March 17, 2015). Available at

https://www.everycrsreport.com/files/20150317_IF10151_86c751e704f73fe374be70469d7932d9554689bd.pdf.

¹⁶ The NPS estimates entrance and recreation fee collections of \$260 million for FY2018. See National Park Service, "Budget Justifications and Performance Information Fiscal Year 2018," p. Rec Fee-1. Available at <https://www.nps.gov/aboutus/upload/FY-2018-NPS-Greenbook.pdf>.

¹⁷ National Park Service, "Budget Justifications and Performance Information Fiscal Year 2019," p. Rec Fee-2. Available at <https://www.nps.gov/aboutus/upload/FY2019-NPS-Budget-Justification.pdf>.

¹⁸ National Park Service, "National Park Service Announces Plan to Address Infrastructure Needs & Improve Visitor Experience," (April 12, 2018). Available at <https://www.nps.gov/orgs/1207/04-12-2018-entrance-fees.htm>.

operational purposes. The agency imposes a variety of internal controls and red tape that complicate the use of fee revenue by park superintendents—limitations that are not described in the FLREA statute. These include prohibiting the use of fee revenues to support permanent employees, various costly approval processes for fee revenue expenditures, and requirements that certain amounts be spent on specific purposes determined by agency officials in Washington rather than local managers on the ground.¹⁹ NPS policy also generally prohibits the use of fee revenues on recurring maintenance and operational needs (as opposed to one-off deferred maintenance projects).

Recreation fees alone will not solve the Park Service's budgetary problems—fee revenue represents about 8 percent of the agency's total budget in 2017.²⁰ But if local park officials are able to freely use the funds they generate, user fees can help improve visitor services, maintain and enhance park resources, and reduce project backlogs. Increasing the flexibility and autonomy of the fee program would also align with the Secretary's efforts to grant more decision-making authority to local managers rather than concentrating power in Washington.

6. To reduce the deferred maintenance backlog, Congress and the National Park Service must prioritize cyclic maintenance to prevent projects from becoming deferred in the first place.

At \$11.6 billion, the National Park Service deferred maintenance backlog has the potential to overwhelm the agency during its second century. When maintenance is not completed on schedule, it accelerates the rates at which facilities deteriorate. This diminishes the value of park assets and increases repair costs, often as much as three to five times more than if the resources were maintained properly.²¹

Ultimately, to reduce the deferred maintenance backlog, Congress and the National Park Service must prioritize the cyclical maintenance that is necessary to prevent projects from becoming deferred maintenance in the first place.²² For instance, replacing a roof or

¹⁹ For example, the National Park Service recently imposed a internal requirement that at least 55 percent of the fee revenues collected in a park must be spent on deferred maintenance projects. While such a requirement is intended to prioritize deferred maintenance, in practice it limits the authority of local managers to decide how to best spend fee revenues—whether on cyclic or deferred maintenance projects—and could have the perverse effect of creating more deferred maintenance by leaving important routine maintenance projects unfunded.

²⁰ See National Park Service, "Budget Justifications and Performance Information Fiscal Year 2019." Available at <https://www.nps.gov/aboutus/upload/FY2019-NPS-Budget-Justification.pdf>.

²¹ National Park Service, "Deferred Maintenance Backlog," Park Facility Management Division, (September 24, 2014). Available at <http://www.nps.gov/transportation/pdfs/DeferredMaintenancePaper.pdf>.

²² GAO defines cyclic maintenance as "significant, regularly occurring maintenance projects designed to prevent assets from degrading to the point that they need to be repaired." GAO, "National Park Service: Process Exists for Prioritizing Asset Maintenance Decisions, but Evaluation Could Improve Efforts," GAO-17-136, (December 13, 2016). p. 11. Available at <http://www.gao.gov/products/GAO-17-136>.

upgrading an electrical system at its scheduled time can prevent the assets from falling into disrepair, and therefore prevent them from being added to the deferred maintenance backlog. If prioritized, this cyclic maintenance can be addressed in a far more cost-effective way than if assets are neglected to the point that they become deferred maintenance.

While fee authority can be used to address “one-off” deferred maintenance projects, it does little to address the root of the backlog problem: the continued neglect of routine, cyclic maintenance projects that eventually become deferred maintenance. NPS policy generally prohibits fee revenues from being spent on recurring operational or maintenance needs, instead requiring that the revenues be spent on non-recurring projects (including deferred maintenance). This means that fee revenues generally cannot be used for purposes such as performing regular maintenance of visitor facilities, ditching roads to prevent long-term infrastructure damage, or supporting permanent employees to conduct and oversee routine maintenance. Such restrictions can have the overall effect of exacerbating the deferred maintenance backlog by leaving routine maintenance and operational needs unaddressed.

By restricting the use of fee revenue for non-recurring, non-cyclic projects, the National Park Service is undermining the effectiveness of its fee authority granted by Congress. Park managers can generally only spend their base appropriated funds on routine maintenance and cannot tap their fee revenues until maintenance projects become deferred. As a result, park officials are not making adequate use of fee revenues for everyday operational tasks such as plowing roads, maintaining roads for safe visitor access, and other recurring operational and maintenance needs.

7. Conclusion

As the National Park Service embarks on its second century, it is clear that new approaches are needed to reduce the agency’s deferred maintenance backlog. Congress should consider several changes to help address the backlog challenge, including 1) prioritizing the care and maintenance of existing parks over new acquisitions and 2) clarifying the fee authority of local park managers to fund maintenance and operations needs of all types on their own without further approval or red tape from Washington.

Conservation, at its core, is about preserving and maintaining what you already own. Congress should seek ways to enhance the care and maintenance of its existing parks before considering additional expansions of the National Park System. In its latest budget proposals, the administration has emphasized its priority to preserve and maintain existing parks and other public lands over new land acquisitions or expansions. Congress should support these efforts to ensure that our nation’s crown jewels are adequately protected before taking on additional maintenance and operational costs through new acquisitions.

In addition, Congress and the National Park Service should clarify that local park managers have the authority to spend fee revenues in a manner similar to how those local

officials manage their other appropriated accounts—namely, by leaving it up to the discretion of the park managers on the ground. Local park managers, not Congress or agency officials in Washington, know best how to spend those revenues to adequately maintain and operate parks to enhance the visitor experience. In particular, they should have the flexibility to use fee revenues for cyclic maintenance and other operations that could prevent future increases in the deferred maintenance backlog.

Reducing the deferred maintenance backlog should be a top priority for the National Park Service and for Congress, but the more fundamental challenge is to address the routine or cyclic maintenance that is necessary to prevent park maintenance projects from becoming deferred in the first place.

Thank you again for the opportunity to appear before you today to present my views on this important topic. I hope my perspective has been helpful, and I am happy to answer any questions you might have.

The CHAIRMAN. Thank you very much, Mr. Regan.
Mr. Ring, welcome.

**STATEMENT OF RICHARD G. RING, MEMBER, EXECUTIVE
COUNCIL, THE COALITION TO PROTECT AMERICA'S NA-
TIONAL PARKS**

Mr. RING. Chairman Murkowski, Ranking Member Cantwell, and other members of the Committee, thank you for the opportunity to appear before you on behalf of the Coalition to Protect America's National Parks to help examine the deferred maintenance and operational needs of the National Park Service.

I'm a long-time member of the Coalition. I've served on the Executive Council for five years. Before that, though, I spent 35 years in government service, 33 with the National Park Service. And during that time, I spent 20 years, I was a Park Superintendent, and 4 years as an Associate Director of the Service.

Much has been written and discussed about the facility condition and maintenance backlog of our national parks and deservedly so, but that's not the only backlog the National Park Service faces. We have to remember that our national parks require both protection of their resources and making them open and accessible for the enjoyment of visitors. Adequate funding via annual appropriations is needed to do that.

Even with the passage of the recent Consolidated Appropriations Act, parks continue to face challenges with some only open seasonally due to inadequate operational funding and staffing. Lands also within current park boundaries identified in land protection plans also need to be acquired. There is a backlog there. Inadequate appropriations from the Land and Water Conservation Fund and the Administration's Freeze the Footprint goal threaten these lands. Inability to get long-term extension of the Land and Water Conservation Fund increases these threats. I'm not talking—I'm talking about lands inside existing national parks, not the lands to expand or add national parks.

The National Park Service continues to have dedicated individuals who work for the organization and do their best to welcome visitors while protecting resources entrusted to their care and to carry out programs that touch individual and partner organizations and communities throughout the country.

The Park Service has already taken a number of steps to bring in more revenue focused on the deferred maintenance backlog, though, through increased entrance fees in certain parks, increased franchise fees in concession operations, joining with the National Park Foundation in a \$500 million capital campaign, identifying partner donations and match Centennial Challenge Fund dollars—and we believe that they will continue to do so.

However, we cannot kid ourselves into thinking that the deferred maintenance backlog will be addressed using only current programs and funding. Continuing to place the burden on our visitors by increasing fees will only exclude people from the places that bind us together as a country and that remind us of who we are as Americans and the values we cherish.

To address the backlog in a meaningful way, a dedicated source of funding is needed. Many ways have been discussed to get this

dedicated funding through the years, including the recent legislation that's been introduced in the Senate and the House.

The Coalition believes it is imperative that this dedicated funding, (1) be large enough to make a meaningful impact toward reducing the backlog, (2) be dependable, (3) be sustainable, and (4) be additive to annual appropriations and other funding the National Park Service already receives.

We urge the Committee to work toward identifying the best program that the country can support in order to preserve our natural, cultural, and historic resources found in our national parks. We will continue to help increase awareness of the importance of this dedicated source of funding to address the park's backlog, and we will be glad to work with you on any legislation that achieves this goal.

[The prepared statement of Mr. Ring follows:]

Executive Council
 Brenda Barret
 Maria Baris
 Mark Butler
 Phil Francis
 David Groher
 Rebecca L. Harriott
 Donald J. Hellmann
 Bob MacIver
 Doug Morris
 Mike Murray
 Dick Ring
 Sheridan Steele



The Coalition To Protect America's National Parks

Voices of Experience

**Statement of Richard G. Ring
 Coalition to Protect America's National Parks
 Committee on Energy and Natural Resources
 United States Senate
 Hearing to Examine Deferred Maintenance and Operational Needs
 of the National Park Service**

April 17, 2018

Chairman Murkowski, Ranking Member Cantwell, and members of the committee, thank you for the opportunity to appear before you today on behalf of the Coalition to Protect America's National Parks (Coalition) to examine the deferred maintenance and operational needs of the National Park Service. I am a long-time member of the Coalition, including having served on the Executive Council for the last five years. I retired in 2004 after 35 years of government service, including 33 with the National Park Service (NPS). This work included my service as superintendent of Gates of the Arctic National Park and Preserve, Delaware Water Gap National Recreation Area, Everglades and Dry Tortugas National Parks, and as associate director, park operations and education, and associate director of administration, business practices, and workforce development. The Coalition is comprised of more than 1,500 members who collectively have more than 35,000 years of experience managing and protecting national parks. We believe that our parks and public lands represent the very best of America, and advocate for their protection.

In 2016, during the National Park Service's Centennial year, a record-breaking 324 million people visited the 417 national park sites throughout our nation. The visitation numbers for 2017 were almost as high, which reflects the importance of these natural, cultural, and historic places to the people of our country. Along with the parks, the National Park Service touches the lives of even more of our citizens through a number of grant and technical assistance programs, which assist in the preservation of our nation's natural, cultural, and historic resources in a partnership between the National Park Service and hundreds of individuals and organizations throughout the country.

This work would not be possible without regular, annual appropriations from Congress to support over 23,000 employees and 400,000 volunteers who are dedicated to the enjoyment of these special places by the American public. The Coalition was extremely pleased that Congress rejected the large budget cuts presented by the administration in its FY 18 budget, and instead, produced a bipartisan Department of the Interior Appropriations Act as part of the Consolidated Appropriations Act, which provided \$3.2 billion for NPS, which is \$270 million over the current

FY 2017/Continuing Resolution (CR) levels, and \$648 million over the president's request. This funding level provided NPS with fixed costs, which helps ensure that the funding increases will not be swallowed up by annual recurring costs beyond the control of NPS.

The coalition was particularly pleased to see a boost of \$18 million for historic preservation programs, which will help toward the revitalization of historic neighborhoods and the protection of a number of significant historic structures throughout our nation. Additionally, Congress appropriated an additional \$150 million to the construction account over the FY 2017/CR levels, with the increased money to help address the deferred maintenance backlog. We appreciate the role that the chairman of this committee played in providing this increased funding in her other position as chairman of the Interior Appropriations Subcommittee, with the support of her colleagues on both sides of the aisle who have been long-time supporters of the national parks.

Much has been written and discussed about the maintenance backlog of the national park service, which is estimated by the National Park Service to be approximately \$11.6 billion in FY 2017. In fact, we sometimes fear that the deferred maintenance backlog is the only issue facing the NPS that gets attention from members of Congress and the public. If we truly want to protect these important natural, historic, and cultural resources under the care of the Park Service, and provide for a worthwhile visitor experience, adequate levels of annual appropriations are needed. It does no good for the visitor experience to reduce funding in other parts of the park and program budget in order to address the maintenance backlog. Funding for both is needed and one cannot be sacrificed at the expense of the other.

Even with the increased appropriations provided in the recent Consolidated Appropriations Act, parks continue to face challenges. For example, among the various park units found in the metropolitan area of Boston, MA, several of them are only open seasonally due to a lack of appropriations and staffing. The John Fitzgerald Kennedy National Historic Site, the Longfellow House-Washington Headquarters National Historic Site, and the Frederick Law Olmsted National Historic Site are closed for several months in the winter with the public being unable to visit these areas. Along with the lack of appropriations, the recent crackdown of the Office of Personnel Management on the number of hours worked by seasonal employees has led the parks to be unable to hire the needed seasonal staff for the full period that the site is open and has delayed timely hiring because of the convoluted hiring process that requires sign-off by the Washington office.

And there are a number of grant and technical assistance programs that continue to be shortchanged every time the administration presents a new budget to Congress. NPS continues to have a large backlog in land acquisition. At the end of 2016, this number was \$2.1 billion. These are lands within current park boundaries that have been identified in land protection plans that represent the minimum interest necessary to protect the area and the resources within the park. This administration has adopted a freeze-the-footprint goal, which results in key properties not being acquired. And this continues to go on even though \$900 million a year is being placed in the Land and Water Conservation Fund (LWCF) solely for land acquisition purposes.

In a similar manner, a number of historic structures across the country are in danger of being lost because of inadequate appropriations from the Historic Preservation Fund (HPF). As required by

law, \$150 million a year goes into the fund, but appropriations have not kept pace with the need. The increased money Congress provided in FY 2018, is appreciated, but the need is much greater.

Likewise, the NPS relies on partnerships with a number of groups and organizations, including educational institutions to carry out cooperative agreements, technical assistance, and grant programs. Unfortunately, grant programs are constantly the target for reductions or being defunded during the annual budget request sent to Congress, which contributes to uncertainty among many long-standing partners.

But funding alone is not the only challenge the NPS these programs are facing. These partnerships are now being threatened by a new process established within the Department of the Interior that creates an unnecessary and unwise layer of political screening of all grants and cooperative agreements. It appears that the goal of imposing these new review requirements is not intended to ensure the wise use of our federal dollars, but rather as a way of imposing a political litmus test on those applying for federal grants or those entering into a cooperative agreement with the federal government. The impact of these new requirements remains in question but we are worried that they will contribute toward a decline in the effectiveness of the operation of these programs within the Park Service.

Further, we were dismayed to hear recently that the department is engaging in censorship of scientific documents to remove any mention of humans' role in climate change, despite the secretary denying before this committee recently that there was censorship taking place. It is no secret that this administration is in denial about the impact of climate change and seems to want to put its head in the sand on ways to address this issue. For the Park Service; however, the issue is very real as there are 118 units of the park system that are along the coasts of this country and for which the impact of climate change remains at the forefront. If NPS is forced to delay or ignore its potential impact, our country stands to lose a number of important natural, cultural, and historic resources along the way.

We urge the committee not to lose sight of these issues while making an effort to address the deferred maintenance backlog as they all contribute toward the health of our parks, the visitor experience that is provided, and the way the NPS interacts with the communities it works in every day.

Additionally, the coalition believes it is important to recognize the efforts NPS has made over the past several years to bring more resources to our parks and the deferred maintenance backlog. For example, the NPS undertook the Call to Action, carrying out hundreds of projects and programs to engage youth, invest in the visitor experience, increase volunteerism, support local communities, and preserve natural and cultural resources. Several projects and programs used non-federal resources to accomplish park objectives, thus saving taxpayer dollars.

NPS also launched the Find Your Park campaign for its Centennial, which led to increased visitation and increased fee revenue, concession sales, and gift shop purchases. Additionally, the National Park Foundation undertook a capital campaign, raising over \$500 million to benefit the parks.

The Park Service also matched each of the amounts Congress provided as Centennial Challenge funding over the past several years and permanently enshrined this matching program through the Challenge Fund established as part of the National Park Service Centennial Act. Finally, NPS brought greater order to its fee program by standardizing the tiers of fees across the parks so that similar-sized parks charged similar fees. This revenue, along with private money generated through the Challenge Fund, is focused on addressing the deferred maintenance backlog, along with facilities that provide visitor services, and trail maintenance. We believe the fee program existing within NPS is a much more reasonable for ensuring parks are accessible to all people instead of the large fee increases proposed by the administration at a number of our largest parks. We are pleased this idea has been abandoned after the large public outcry with more modest increases in its place.

While the increased appropriations for construction in the FY 2018 Consolidated Appropriations Act will help make a dent in the deferred maintenance backlog, funding remains inadequate to reduce the backlog in a meaningful way. With a backlog of \$11.6 billion, more needs to be done. Half of this backlog is the result of thousands of miles of roads, bridges, and other supporting structures that are in dire need of repair. The Arlington Memorial Bridge is just one example of this backlog.

And it is this large group of assets, with many being decades old, which has contributed to the rising maintenance backlog. With more visitors coming to the parks, this only puts additional stress on the structures found in the parks.

Unfortunately, the Park Service continues to add to the backlog of maintenance as there is inadequate funding available to address it. Superintendents of parks are often faced with bad choices as fixing park buildings and other assets will mean nothing if they do not have the annual funding that is needed to maintain the structures. Over the last several years, annual maintenance funds have not kept up, resulting in further backsliding in addressing the backlog. There are projects ready to go all across the country. The only thing lacking is funding. Completing these projects with an infusion of funding could make an immediate and tangible difference in the parks.

The National Park Service had previously estimated in its FY 2017 budget that \$400 million a year was needed to restore and maintain in good condition all of its highest-priority non-transportation assets within ten years. Because it is unlikely that annual appropriations will increase by this much, the National Park Service needs a dedicated source of funding to address the backlog. Similar to the structure of the Land and Water Conservation Fund and the Historic Preservation Fund, the coalition believes a dedicated source of revenue for a maintenance backlog fund is required. There will be no reduction in the backlog if the revenue is unreliable from year to year. And this revenue must be in addition to current annual appropriations and not supplant annual funding.

Various proposals are now pending in the Senate and House and this appears to be an issue that members of both parties can get behind to find a solution. We are concerned about some of the pending proposals, including one being promoted by the administration, which seem to rely on

opening up as many public lands as possible to oil and gas drilling in order to generate revenues to go toward a maintenance backlog fund. This appears to be a myopic view by this administration toward nearly every issue that comes up. We rarely, if ever, hear of the importance of preserving the natural, cultural, and historic resources of the national parks. On the contrary, developing energy, regardless of the impact on the existing public lands seems to be the only priority.

We understand the committee will be looking at specific bills to address the maintenance backlog at a later date. We will be glad to continue to work with you during this process in order to help ensure a dedicated source of revenue to move the Park Service ahead in addressing the backlog.

That concludes my statement. I would be glad to respond to any questions you might have.

The CHAIRMAN. Thank you, Mr. Ring.

Thank you, all, for your testimony this morning.

I will begin with a question. I think I will start with you, Ms. McDowall, trying to understand what gets included into this deferred maintenance category and, kind of, the prioritization because, Mr. Regan, you made a statement here that when it comes to the reoccurring and the cyclic needs that, effectively, decisions are being made out of Washington, DC rather than the ability of the local folks on the ground to help prioritize this.

Let me use just a specific example, Ms. McDowall. You heard me mention Polychrome Pass. You have noted it in your comments. Ms. Leonard has spoken to what has happened with the mudslide and just all that we are facing there. I think it is clear that we have a situation where we are going to have to do something aggressive here and rerouting a road in this area is extraordinarily difficult, extraordinarily timely, and extraordinarily expensive. But instead of coming up with a rerouting plan, we are basically using cycling funds to just, kind of, patch it. We now have a deferred maintenance budget out of the park and certain areas of the park road are considered to be in that deferred maintenance budget, but the Polychrome Pass area is not.

So the question is, why is that the case and then how is that determined and, ultimately, where is the accountability for the deferred maintenance number? Is it with the Superintendent? Is it with the Regional Director? Is it with the folks back here in Washington, DC?

Ms. MCDOWALL. Sure, thank you for that question.

In looking at what is considered DM, so deferred maintenance has a technical definition. It is work that was not completed as scheduled. So if you were supposed to replace a roof every seven years or repair it every seven years and that repair is delayed, then the cost of that repair is included as part of our deferred maintenance number.

If there are some, a different problem, let's say that there's a, something falls on the roof, the roof gets damaged for some reason, those repairs are high priority repairs, but they would not technically be considered deferred maintenance because they're not the result of maintenance work that was not completed.

The CHAIRMAN. So then with Polychrome Pass, it is work that is not in that category of not having been completed, but it is an example of something bad has happened or could happen so we need to get on it sooner than later.

Ms. MCDOWALL. Correct.

The CHAIRMAN. What category, then, does that go into?

Ms. MCDOWALL. It falls into a high priority, critical repair that needs to happen.

When the Park Service looks at how it prioritizes its investment dollars, it's not just looking at items that fall into deferred maintenance. It's looking at health and safety—

The CHAIRMAN. So then?

Ms. MCDOWALL. And criticality for the park mission.

The CHAIRMAN. Good to know.

So if it is in that high priority category, is that in the Alaska maintenance, deferred maintenance budget? What do we have?

Fifty-four million dollars that comes to Alaska for our deferred maintenance. We have acknowledged that half of that is within the park. I don't recall what the ballpark is for this, but how do you balance that? You have the water and sewer issue that Ms. Leonard spoke to that is critical and pending, and now you have this. Tell me how you are prioritizing all of these critical projects?

Ms. MCDOWALL. So there are a number of different fund sources that the Park Service uses to address these large projects that would be beyond the scope of, usually beyond the scope of, any one park to deal with.

So—

The CHAIRMAN. Does Superintendent Striker have the ability to direct those funds?

Ms. MCDOWALL. He has the ability to apply for those funds or for the Park Service or the region to prioritize that particular project out of these other fund sources that are available for all parks.

So the Park Service uses a scoring system that we use to look at the various merits of projects across the system. There's out of line item construction or out of recreation fee dollars that are held at the Washington level for parks that may not collect fees. We use a similar scoring mechanism across the board so that we can try to compare apples to apples.

For projects like the Polychrome Pass road or some of these other critical wastewater treatment systems that, particularly at our larger parks where we have large numbers of visitors relying on them, those projects score very well and usually end up at the top of many of our lists.

The CHAIRMAN. Well, I am going to want to understand a little bit more, because I know that Senator Cantwell feels very strongly about her parks and Senator Hirono and Senator Portman, everyone feels very strongly about our parks. I am going to tell you that my priority is higher than your priority because I have a situation here.

We all recognize that the dollars that are needed are not sufficient. Making sure that you have a prioritization system that makes sense, again, I think that what Mr. Regan has raised, with the ability of your local superintendent to be able to address some of these more reoccurring issues with the dollars that come directly to those parks, works in many of our parks. But then, we have some parks in the State of Alaska that, quite honestly, don't have much visitation so you don't see much revenue coming in.

Anyway, I am talking too long. I am going to go to Senator Cantwell.

Senator CANTWELL. Thank you.

The CHAIRMAN. You can continue asking my question.

[Laughter.]

Senator CANTWELL. Yes, actually, Madam Chair, I am going to—

The CHAIRMAN. Good.

Senator CANTWELL. —because there probably should be a little footnote here when it comes to Alaska parks. I am pretty sure there is a lot of Washington revenue that comes from that and that many visitors to Alaska come through Washington and, as Mr.

Berejka said, it is an ecosystem. And so, the more of the ecosystem that has a major employer like REI in Washington State, it is kind of like aerospace. You have a supply chain and you have people that are all part of that, so the more that you can create a visitor experience, the more that economy grows. I am just a big fan. It is great to know that it is two percent of GDP. It's very good to know. I think that should make our task easier when it comes to these numbers, but I think we have some work to do.

You pointed out, Mr. Berejka, that you think we do need better accounting. My sense is you have a lot of information and data on what is making consumer activity happen, whether that is visitation or what have you. The notion that we can do better accounting here, I think, is really important. I think it should be pretty basic. At this level, a park fee increase means the visitation is going to drop off, and we should know that. That is a very knowable thing.

At the same time, to Senator Murkowski's point about Denali, we also should be able to know if we make this road improvement in Denali, chances are visits to Denali are going to go up because you are going to enable a better consumer experience.

Do you agree that that is possible? That we should be able to have, even if they are guesstimates, a pretty good understanding of what our investments or policies can do to restrict visitors?

Mr. BEREJKA. So, I agree completely with the sentiment, Senator. I'm sure that's not a surprise.

But I also would comment that we are in the early days of understanding the full economic benefit of time outdoors. We, at REI, have supported our trade association in doing economic analyses going back to 2006 and there are actually only three of those—2006, 2011, and one in the past year.

But now, what's exciting is that the Federal Government, as a result of the Outdoor Rec Act, is in the game. And BEA is looking closely at the economic impact of the outdoors and these professional economists are just beginning to flush out what the economic impact is. We ought to be continuing to work with BEA on what they can find out deeper in the data.

One thing I ask people to reflect on that I called out in my testimony is that at least at this early stage, BEA says that for a \$1 contribution from federal spending into GDP, there is \$135 of GDP generated by the private sector and by local and state government. And so, if you have an investment of federal dollars and along the line that spawns activity and ecosystem that generates \$135, I would argue you ought to be spending more federal dollars not less.

Senator CANTWELL. Do you have an idea why we have seen the 20 percent increase in visitation?

Mr. BEREJKA. So, the outdoor sector is a growth sector. Going back to the BEA data, they found that the economy as a whole in the past couple years has grown at an average of 2.8 percent. Whereas, the recreation economy has grown at 3.8 percent. That full percentage growth advantage on a big economy is actually a lot of dollars and that's a lot of Americans reconnecting with the outdoors, a lot of Americans going to stores, buying their gear and apparel but then the lion's share of dollars are spent on trips and travel.

And so, we just find that Americans, while we're urbanizing as a country, are finding more and more time, more and more reason to get out into the outdoors for solace, for connecting with family/friends, having adventures of a lifetime.

Senator CANTWELL. Thank you.

Ms. Leonard, I only have a few minutes left, but you said something I thought was really important, and that was connecting the deferred maintenance and staffing issue, both in the sense of not having a place for staff to stay and in enhancing the visitor experience. Besides increasing access which is, just say, visitation, I think we really need to focus on the quality of the experience. Could you just comment about what you are referring to?

Ms. LEONARD. Thank you, Ranking Member Cantwell.

Exactly. Some of the deferred maintenance projects are invisible to the visitor and support the park staff that are there—so in park maintenance or park buildings, park facilities, but also having qualified experienced staff. That's another resource for our national parks to be able to have qualified staff who can carry on and coordinate the projects, the deferred maintenance projects, and have the skills to be able to comment to that. And so not being able to keep or hire a qualified staff that knows those projects on a long-term basis adds to projects showing up on deferred maintenance lists. And then, having that staff have to make decisions on projects, whether it's supporting a safety issue, an infrastructure issue, or an issue that lends to a visitor experience.

We support having the park staff have that flexibility. It's some of those invisible projects that the visitor doesn't even realize is happening that really adds to having a memorable experience. They don't have to worry about basic amenities. If there's one extreme basic amenities having a wastewater system that works, to some of the real safety issues we're talking about and related to the Denali road, in particular.

Senator CANTWELL. Thank you.

Thank you, Madam Chair.

The CHAIRMAN. Thank you, Senator Cantwell.

Senator Capito.

Senator CAPITO. Thank you, Madam Chair, thank the Ranking Member, and thank all of you. I apologize for not being here for all of your testimony, but it is an area of interest for me.

I am a co-sponsor of S. 2509, which is the National Park Restoration Act. We just rolled it out with Senator Alexander and others the other day because I believe it could and has the potential to play a significant role in the deferred maintenance issue. That is where you would take some of the tax revenues generated by oil and gas on federal lands and offshore and put it into a mandatory fund for the parks. So I want to talk about that a little bit.

I have two national parks in West Virginia, nothing like what many of the folks here on the dais have, but we have Harpers Ferry, which obviously is a big tourist attraction for many folks in the DC and surrounding area, and we also have the New River Gorge National River which is beautiful and I hope many people visit there as well.

We are talking about the economic benefits of the Pew Charitable Trust estimates that we have over 335,000 visitors to Harp-

ers Ferry, generating about \$24.2 million in revenues and, I think, probably, that is low compared to the surrounding areas. So I know that deficit funding for the National Park Service has had different effects in different communities. I wanted to ask you, Ms. McDowall, we have an issue, a local issue, we sent over to your staff. I don't know if you have the direct impact on this, but basically what it looks like, it is a public service district where the New River Gorge bridge, the New River Gorge National River comes in, and you are using the local public service district for water and wastewater. And we are having a rate dispute. I don't know if you are aware of that?

Apparently the response by the National Park Service is that there is an existing agreement that they would pay a certain rate in perpetuity. I would like to get an agreement that tells me I am going to pay anything in perpetuity, but anyway, I would like to ask you if you are aware of this, number one, and then if you could assist us with this? I have a letter here that I think we sent over to you all.

Ms. MCDOWALL. So we recently became aware of the situation and are working to resolve it, and we'll make sure that we work closely with your office and keep you up to date on where we are with that discussion and its resolution.

Senator CAPITO. I think it comes to another, a bigger, question really probably throughout the Park System is that your communities that are supportive of the Park System, many times are small communities because you are in rural areas, you are in outdoor areas. And they are really having difficulties as well meeting their, sort of, bottom lines. I know the partnerships between communities and the National Park Service are extremely important. But in order to keep them viable and growing, you have to make sure that we are taking care of communities at the same time.

I am going to, kind of, throw it open from here because I am interested to know if there is any reaction that anybody would like to express on S. 2509, which is the National Park Restoration Act.

We will start right there, with you. You are next after that.

Mr. SHAFROTH. Thank you, Senator Capito. Will Shafroth, from the National Park Foundation.

We actually don't take positions on these bills. I just want to make an observation, if I could though.

Senator CAPITO. Yes.

Mr. SHAFROTH. Between the bill that you're focusing on and the one that Senator Portman is also working on, it's a great indication to me that this has become a priority of Congress, just as back in the '60s when the Land and Water Conservation Fund was established it became a priority of Congress to look at dealing with inholdings and additional federal land acquisition and using a similar source of funding.

So what I really hope, as Mr. Berejka mentioned in his testimony, is that there could be a meeting of the minds to try to find some way through it, because I think Congress is recognizing the critical nature of the maintenance backlog challenge that we have and it is now more a matter of how we do that than whether we do that.

Senator CAPITO. I would imagine when we get to this it would really help you and your Foundation to attract more private dollars because of, sort of, the ball rolling down the hill, things are picking up steam.

Mr. SHAFROTH. Exactly. Our donors are much more likely to contribute more money if they see that the Federal Government has skin in the game.

Senator CAPITO. Right.

Mr. SHAFROTH. And as opposed to it being asked to fund 100 percent of a project.

Senator CAPITO. Right.

I am going to go back to Ms. McDowall really quickly, because I did want to mention the name of the public service district, and that is the Meadow Creek Public Service District, just in case you didn't get it the first time.

Would anybody else like to talk about the public parks restoration, National Parks Restoration Act? Is anybody else familiar with that? Yes?

Mr. BEREJKA. Thank you, Senator.

I would echo Will's comment. There are a number of innovative solutions that have been put on the table. Each one attempts to address the immense challenges facing the parks.

And I think our perspective is that ultimately it may require a combination of these solutions or these proposals, but what's really exciting is to see the commitment from this Committee again.

Senator CAPITO. Right.

Mr. BEREJKA. To come back at this big challenge that overhangs, not just the national parks, but as everybody has recognized, the communities around the national parks.

Senator CAPITO. Right.

Mr. BEREJKA. And then all that the national parks mean to the American people.

Senator CAPITO. Right. Right.

Thank you. Thank you, Madam Chair.

The CHAIRMAN. Thank you, Senator.

Senator Smith.

Senator SMITH. Here we go. Thank you, Madam Chair.

I am so grateful for this Committee hearing. This is something I feel very strongly about, and I very much appreciate all of your testimony.

I was reminded that I spent the Bicentennial in Denali National Park when I was 18 years old, so it brings back fond, very fond, memories. We were camping. We were not staying at any lodges. Of course, in Minnesota we have five national parks and monuments, including Voyageurs National Park where I know, Will, you love to spend summertime there.

So it is very important and it is, as you say, Mr. Berejka, it is also very important to our economy.

My notes tell me that a million people visited national parks and monuments in Minnesota, that although we don't have parks the size of Denali or Olympic, generating revenue, they spent around \$56 million in the surrounding communities at the time. So it is very important.

I am gathering from this testimony that we have lots of ideas for what we could be doing better to address the deferred maintenance need. I am hearing also how, as part of that, it is important that we get decision-making at the right level about what gets prioritized and how that gets prioritized. That is, I think, a theme that I have heard from Ms. Leonard and Mr. Regan and also Mr. Ring.

Let me ask you this, Mr. Ring. In your testimony you talk about something I wanted to follow up on. You talk about how, kind of, these partnerships that we have for funding are now being threatened, you say, by a new process established within the Department of the Interior that creates an unnecessary and unwise layer of political screening for grants and cooperative agreements. And it appears that this has the goal of imposing new review requirements that could affect how dollars are allocated and imposing, sort of, a political litmus test. That is very concerning to me because I think these decisions should be based on non-political concerns. Could you just talk a little bit about that? Then Ms. McDowall, I will ask you about that.

Mr. RING. Certainly. I'd make two observations with regards to the partnership programs.

One is they are often cumbersome to establish because of the levels of review and the approval and the procedures associated with it. There are certainly cautions to make sure you get those partnerships right, because if you don't you can get into some difficulties both with the partner and on behalf of the park. Nonetheless, the ability to enter into those cooperative agreements and partnerships needs to be expedited and the opportunities at the field level, that superintendents can take advantage of, need to be facilitated.

The second is that the reviews should be based solely on what is the benefit to the park, not who the partner is. And we certainly have some concerns that a good system to accomplish that is not in place at the moment.

Senator SMITH. Ms. McDowall, would you like to comment?

Ms. MCDOWALL. So I would say that on the financial assistance review process, the review is designed to ensure that the financial assistance being provided is in line with the Secretary's priorities for the National Park Service.

Senator SMITH. What does that mean?

Ms. MCDOWALL. So the Secretary has laid out a set of priorities that—for the National Park Service related to items like deferred maintenance, recreational access and a number of other areas that he has said are his top priorities for the Park Service. When the Department does review financial assistance opportunities for the National Park Service, it is looking at it with that lens.

There are plenty of projects that are being approved that are not necessarily directly in line with those top 10, but it is something that they do want to emphasize for parks and that the review process is designed to ensure that those priorities are taken into account when those decisions are being made.

Senator SMITH. Okay.

Madam Chair, I think this is an interesting and important issue. As we grapple with it, you know, we will never have enough money. We need more resources, clearly, in deferred maintenance,

but I think it also is really worthwhile for us to spend time thinking about how those dollars get allocated. It seems to be at the root of the questions that you were asking as well.

Thank you.

The CHAIRMAN. Thank you, Senator Smith.

Senator Daines.

Senator DAINES. Thank you, Chair Murkowski and Ranking Member Cantwell, for holding this hearing today. Addressing our national parks' deferred maintenance backlog, in fact, is one of the main reasons I chose to chair the National Parks Subcommittee.

Our national parks make us uniquely American and while the deferred maintenance has been escalating in recent years, I truly am optimistic that we have a window of opportunity right now with Secretary Zinke and President Trump's leadership to actually solve the problem.

I was happy to introduce with Senator Alexander, Subcommittee Ranking Member King, and several others on this Committee the National Park Restoration Act to implement the Administration's proposal to dedicate energy revenue for the National Park Service maintenance backlog. I know other programs like the Land and Water Conservation Fund also have an interest in mineral revenue and it still needs permanent reauthorization and full funding, but I believe we can keep our commitment to both—but we must not hold back one priority at the expense of the other.

Finally, this hearing is timely as we introduce a resolution to recognize National Park Week and look ahead to events planned across the country to celebrate our national parks next week.

Ms. McDowall, could you explain how the Administration has used tools the Congress has already provided like the Centennial Act, mandatory funding from helium sales, or other measures to reduce the deferred maintenance backlog?

Ms. MCDOWALL. Thanks for that question.

On the Centennial Initiative, there were a number of elements in that bill that will help the Park Service address deferred maintenance.

So first was the increase in the price of the Senior Pass which the first \$10 million each year funds an endowment with the National Park Foundation that will eventually provide a steady source of funds for parks into the future. Any additional revenue above that \$10 million that's earned every year goes into a matching fund or a challenge fund that the Park Service can use to match public dollars with private dollars.

We have a similar program in the Centennial Challenge program which has proved very successful over the last number of years. Last year our private partners matched \$20 million in federal funding with about \$33 million in private dollars. So that is a program that as those revenues and that fund source grows over the years will be a very helpful fund source.

The other element of the Centennial package that should provide some additional resources for the Park Service is a pilot contracting authority that the Park Service received to look at different ways to contract for commercial services in parks. So thinking about the lodge in Gustavus, for example, as one of our, maybe, more challenging properties that might benefit from a larger set of con-

tracting tools to perhaps attract in the future different companies that might be willing to enter into a different kind of arrangement with the Park Service than our traditional concession program.

So we're looking at that as an opportunity where we might be able to do some new things that would bring new investment into a park, commercially focused facilities.

The Helium Act, we are focusing that funding on facilities projects. So it's one more fund that we can use to address the many needs that we have across the Park Service.

Senator DAINES. Yes, it is a great precedent in many ways, set here, what we are trying to do here next to address the \$11.6 billion.

Mr. Shafroth, I recognize the huge success of the National Park Foundation in raising philanthropic dollars for the National Park Service, for the success of Find Your Park campaign has brought a new generation of visitors to our parks.

We are seeing record levels of visitors, of course, in many of our parks, including my two home parks here, Yellowstone National Park and Glacier National Park, which will continue to ensure our country values these special places for years to come. I was happy we enacted the Centennial Act to help bring the Park Service into this next century.

However, we must find ways for our philanthropic dollars to support more critical infrastructure projects like roads and water systems. After all, no one wants to visit a national park with these facilities in such dire conditions and roads in disrepair because it cannot sustain the influx of visitors. We are seeing we are loving our national parks to the point where we need help right now in infrastructure.

I was happy to introduce the National Park Restoration Act to help dedicate revenue into fund-less projects, but I don't believe we can stop exploring other ways, certainly, to augment, supplement that legislation.

My question for you is what has the National Park Foundation done to try to attract investment in critical infrastructure like roads, bridges, and water systems?

Mr. SHAFROTH. Thank you for your question, Senator Daines, and thanks also for your sponsorship of the National Park Week recognition for next week.

As I said during my testimony, we have not found a lot of philanthropic interest in supporting, sort of, what I call heart infrastructure, roads, bridges, water systems, septic systems. The donors that I speak to, whether they be individuals, families, foundations, or even corporations fundamentally share a view that they think those are governmental functions. And so the interest that they have would be more in things that they see as, you know, on trails, around improving historic buildings, the work done here on the Mall that David Rubenstein has been a big supporter of. Lincoln Memorial, Washington Monument, et cetera, are great examples of where we find philanthropists that are interested in those kinds of enhancements and restoration projects to parks. We have not found interest in helping to repave roads or do water systems. It's just, it seems to be a gap between what people want to do.

Senator DAINES. You don't have, like, a "fix the wastewater system campaign" then, huh?

[Laughter.]

Mr. SHAFROTH. We haven't had a lot of luck in that.

Senator DAINES. You could use some help, it sounds like.

Mr. SHAFROTH. Yeah, we could.

Senator DAINES. Alright. Okay. Thank you.

I am out of time.

The CHAIRMAN. Thank you, Senator Daines.

Senator Hirono.

Senator HIRONO. Thank you, Madam Chair.

I note that Mr. Regan mentioned that the use of fee revenues for just routine and cyclical maintenance needs to be streamlined and that those decisions should be made at the local level.

I wanted to get a commitment from Ms. McDowall that you will get back to this Committee as to how we can make some changes to this process so that we can streamline and get the resources that are necessary to the parks in a more timely manner. Can you make that commitment?

Ms. MCDOWALL. Yes, we can.

Actually, there were policy changes in the recreation fee program in the last number of years that have done away with a prohibition on operational expenses out of recreation fees. The Park Service policy does allow parks to spend funding on those operational requirements.

Senator HIRONO. So, Mr. Regan, since those changes have been made are you saying that there is still more that needs to be done to streamline these processes?

Mr. REGAN. There are. Thank you for the question.

Senator HIRONO. Okay, well, I will follow up with you.

Mr. REGAN. Sure.

Senator HIRONO. As we evaluate different ways to cut the deferred maintenance backlog, I want to note that the oil and gas industry gets about \$5 billion a year in tax breaks. It is set in statute. They get this amount year after year, come hell or high water.

And at a time when there is recognition of the dangers posed by global warming and climate change, to encourage more drilling for oil and gas on public lands and offshore to pay for park deferred maintenance is, in my view, shortsighted and not the way to go. I just wanted to point that out because at a time when we ought to be moving away from fossil fuel development and stop giving the fossil fuel industry \$5 billion every single year, think what we can do with \$5 billion a year for deferred maintenance. Something I wanted to point out.

Mr. Ring, in your testimony you mentioned that a large land acquisition backlog exists at the NPS. While I recognize that yes, we should care about the maintenance of what we already have, there is still this concern about, for example, funding the Land and Water Conservation Fund in an authorized way because it has never received the kind of funding that it should get. It is authorized at \$900 million a year and, unlike the oil and gas industry, that is not forthcoming.

I recently went to the Big Island and participated in a small celebration of the acquisition of land for the Island Forest At Risk pro-

posal. This was land that the landowner had been waiting, literally, for years and years and years to be acquired through the Land and Water Conservation Fund and this is land that would have otherwise gone into development.

So I think there needs to be a balance between acquiring these kinds of lands for preservation for future generations and, of course, the issue of the deferred maintenance. Would you agree with that, Mr. Ring?

Mr. REGAN. Thank you, Senator.

Certainly. I think there is a place for acquisition and the LWCF does provide, of course, funding for the Federal Government to acquire inholdings at times that reduce management costs. So, that's certainly a good thing, but I think that—

Senator HIRONO. Okay. I was asking Mr. Ring.

Mr. REGAN. Oh, I'm sorry.

[Laughter.]

Senator HIRONO. Because you mentioned the importance of Land and Water Conservation Fund.

Mr. RING. I wholeheartedly agree. It's a concern. And I would just say that in the search for a solution to the maintenance backlog, to find a program and a source that gives it a steady and permanent level of funding, I think, understanding and learning the lessons of the Land and Water Conservation Fund program are very important.

And it may be that at the same time the maintenance backlog is addressed legislatively, the problems of the promise of the LWCF and then the subsequent lack of funding of it could be cured as well.

Senator HIRONO. I totally agree with that.

Ms. McDowall, I think, would acknowledge the importance of NPS reliance on partnerships with a number of groups and organizations, including educational institution incentives to carry out cooperative agreements and technical assistance, et cetera. And Mr. Ring notes in his testimony that these partnerships are now being threatened by a new process established within the Department of the Interior that creates an unnecessary and unwise layer of political screening of all grants and cooperative agreements, and that there is a political litmus test to the continuance of MOUs and these kinds of agreements. Now the impact of these new requirements do not help in terms of support for our parks.

Mr. Ring, did you want to elaborate a little bit more on your concern about what you characterize as political screening that is necessary?

Mr. RING. Again, I'd make two comments.

One is the level of centralization of approval of each and every partnership going into the Secretary's office of the Department is a level of centralization that takes time, adds layers and oftentimes results in missed opportunities. Our partners who get frustrated and walk away. Equally, the level of, it is unclear to us, what the screening is because there's not an established set of criteria, as Ms. McDowall began to identify with the prioritization of the backlog projects.

I think an objective set of criteria on how a partnership benefits the park should be the only set of criteria used in entering into a

partnership for the benefit of the parks. And with such an established set of criteria, that the authority to enter into these partnerships could be decentralized to the field level and function a lot more effectively and a lot quicker.

Senator HIRONO. Thank you for pointing out these additional screenings.

I am going to want to follow up with you, Ms. McDowall, but I am out of time, as to why these new screenings were implemented and to the extent that they seem to be motivated by political considerations.

I would be very much interested in how you would justify it.

Thank you.

The CHAIRMAN. Thank you, Senator Hirono.

Senator Hoeven.

Senator HOEVEN. Thank you, Madam Chairman.

I appreciate all of you being here.

Mr. Shafroth, you mention that the National Park Foundation provides a margin of excellence and that really makes a difference in terms of developing some of these projects through philanthropic resources on our national parks.

One that we are working on in my state is for the Theodore Roosevelt National Park, you are probably aware of it, and that is a library for Teddy Roosevelt who ranched there and was out there before he became President. That obviously had a huge impact on his life and so forth. We are trying to put together a coalition to develop that library and we have approved state funding for it, and we are talking to the Park Service and Department of the Interior about funding for it as well.

How would you recommend that from your perspective and in terms of your ability to help partner with resources? What role can you play in helping us accomplish that?

Mr. SHAFROTH. Senator Hoeven, thank you for the question.

Senator HOEVEN. I would guess our Governor, maybe, has been in contact with you on this subject as well.

Mr. SHAFROTH. Well actually we're all actually knee deep into it at this point, I would say.

Senator HOEVEN. Knee deep.

Mr. SHAFROTH. Knee deep.

Senator HOEVEN. Okay, well we want to get you like——

Mr. SHAFROTH. I understand. I understand that side of information of the question.

We have been, actually, I have been out there a couple of times already and I had a number of conversations with Governor Burgum.

Senator, I feel like the opportunity here is unique in that this is, I gather, the number one tourist attraction in the State of North Dakota. It's an amazing landscape. The Badlands are, if you haven't been there, I would suggest everybody go there. There's a powerfulness about them that you just have to be in there for a bit and you know what we're talking about. And obviously, it affected Teddy Roosevelt in a big way.

But the combination of the Theodore Roosevelt Medora Foundation, the Theodore Roosevelt Presidential Library Foundation and the National Park Foundation is a triumvirate of non-profit organi-

zations working with the state and with the Park Service. I think there's a once in a lifetime opportunity to do something really significant here to tell the story of Teddy Roosevelt in a profound way, both in terms of how he lived his life and where he lived his life and to do the kind of thing that a Presidential library can only do in terms of the depth of the interpretation. So I think we're all in. One of our board members has made a significant pledge to begin to do some work there on behalf of the Foundation. I look forward to any of your thoughts and ideas about how we can do even more.

Senator HOEVEN. Well, we appreciate your involvement, and we are very serious about putting this together, including with state resources.

Mr. SHAFROTH. Right.

Senator HOEVEN. We want to work closely with you because, as you say, it is an incredible attraction already with Medora as well as the national park. I sponsored legislation, of course, the bison is now our national mammal and they roam free and wild there in the park.

There is just this confluence of things coming together, and we really do need your help to make it happen and it is an amazing project.

Mr. SHAFROTH. Looking forward to doing it.

Senator HOEVEN. We appreciate it. Thank you very much.

Ms. McDowall, talk for a minute. One of the things that has come up is the road maintenance, a number of people have mentioned it, and that is what we see too. Where are you as far as FY18 in starting to make some progress on some of those basic infrastructure issues, primarily the road reconstruction and updating issue?

Ms. MCDOWALL. Roads in general or——?

Senator HOEVEN. Yes, just roads in the parks in general.

Ms. MCDOWALL. Okay.

Senator HOEVEN. For us that is a real issue in the Roosevelt National Park.

Ms. MCDOWALL. So I have to apologize. I don't have the number in front of me that is going for roads specifically in FY18, but I would be happy to provide that number for the record.

Senator HOEVEN. I guess my question is, are you going to start to cut into that backlog a little bit and what are you doing besides just traditional funding to try to accomplish that upkeep maintenance for basic infrastructure given the backlog?

Ms. MCDOWALL. So besides just from regular appropriated funding there are a couple of things that the Park Service is doing to address DM, not just in roads, but across the board.

The first is really, you know, not to make the situation worse. The Department has a policy of not building new things that we don't have the operational funding to maintain into the future. The Department discourages Congress from creating new units that might come with significant additional facilities, responsibilities that we can't afford. We are better prioritizing the funding that we do have through various strategies to make sure that that funding is focused on higher priority assets, and that investments are, again, made in facilities that we know that we can maintain.

Partnerships are also a big element of it. I spoke earlier about our Centennial Challenge program which matches private and federal dollars. Philanthropy is a key part at the park level, specifically, in allowing us to address DM. And then, the Department has an administrative proposal in the FY'19 budget for the President's, excuse me, for the Public Lands Infrastructure Fund which could provide up to \$18 billion over 10 years for deferred maintenance and facilities needs.

Senator HOEVEN. Well, I see my friend, the Senator from Ohio is here.

What about diverting funds from the Ohio parks to North Dakota? Is that a possibility?

[Laughter.]

I am sure he would be supportive.

Okay, kidding.

Thank you, Madam Chairman.

The CHAIRMAN. I think we will turn to Senator Portman for a rebuttal.

[Laughter.]

Senator PORTMAN. Yes, all I can say is North Dakota already gets more than their share per capita.

[Laughter.]

Well, thank you all very much for being here and I was here earlier, as you know, a couple times. I had to run in and out, but I really enjoyed the testimony.

The deferred maintenance backlog is something we all care deeply about and I appreciate the Chair and Ranking Member focusing on this during its second hundred years. This is our biggest challenge, as I see it, and it is huge.

We have a number of park units in Ohio, as my colleague from North Dakota has indicated. One is Cuyahoga Valley National Park, the number 11th most visited park in the nation, and we are very proud of that.

We don't have as many parks as North Dakota, but even with us that \$12 billion maintenance nationally means in Ohio it is about a \$75 million backlog. So it is a big deal which is one reason we did pass, as you indicated, Ms. McDowall, this notion that we should be able to get more money through a Centennial Challenge and also to give the Foundation the ability to have an endowment. Senators Murkowski and Cantwell were very involved in this. We passed our National Park Centennial Act at the end of December 2016, and then we also provided the Park's Foundation with the endowment to start reducing the backlog. And it has helped.

We have been getting consistently about \$20 million in appropriations every year. This last year in the 2018 Omnibus spending bill, just a few weeks ago, we got the \$23 million.

We have leveraged a total of about \$107 million in federal dollars into an additional \$125 million in non-federal funds. In other words, better than one-to-one. So we have done better than the one-to-one match that we set out to do, and that is important.

Just briefly, Will, why don't you talk about what the endowment has meant for you all and how you have used the endowment to reduce the backlog?

Mr. SHAFROTH. Thank you, Senator Portman.

And to be clear, Senator Portman was the last man standing at 6:38 in the morning when the bill passed.

[Laughter.]

We thank him, especially for staying up all night on our behalf.

So the endowment. We've actually received \$12.5 million to date, Senator, from the endowment. And we are working hard as the bill and our understanding was to match that. The whole point is that this is a piece of what we want to have on the endowment. We're trying to raise private money around that. We've begun to do that.

Actually, our planned gifts have increased dramatically during the Centennial Campaign and more baby boomers are looking for ways in which to give their money away upon their death or even before then to invest in our national parks. So we see it as a catalyst for the kind of work that we want to do.

Senator PORTMAN. That is great. We love the private dollars and leveraging it.

So the Centennial Act annual appropriations are good, but alone, not enough. I mean, we just have these huge numbers we talked about today. So we have to do more.

Over the last few years I have worked with Mark Warner to put together a bipartisan proposal to find additional funding streams, and that is the legislation that many of you have helped us with which enables us to take some of the oil and gas revenue and put it toward maintenance backlog projects. It is called the National Park Service Legacy Act. We have 19 co-sponsors. It is bipartisan. We are encouraged by this hearing because, thanks to the Chair and Ranking Member, we are getting more emphasis on it.

I noticed that the Administration also supports this in terms of putting more money against it. Their proposal is a little different. It is in their budget. It does not provide a stable guaranteed funding source as we do because we just stipulate there will be funding that will be coming out of this. It does not affect Land and Water Conservation Fund. Mr. Ring will be happy to hear, but it does guarantee the funding. And I noticed earlier, Ms. Leonard, you talked about the need for consistent, certain funding. Mr. Ring, you talked about dependable and sustainable funding in your testimonies. And that is what our bill does.

The funding in the President's proposal is only there if the estimates are wrong, you know. The Treasury makes estimates of how much revenue is going to come from oil and gas, and if their estimates are wrong, then there could be some funding for this. If the estimates are wrong on the upside, there will be funding. If they are on the downside, there will be no funding. If it is accurate, if the estimate is accurate, there will be zero funding. So, just so we know, that is the difference between our bill and the Administration's bill.

I just ask you about this—

Mr. Berejka, would you believe stable funding resources from Congress is an important element in leveraging private investment to address the backlog?

Mr. BEREJKA. Thank you, Senator.

From the REI perspective, as I mentioned in testimony and other comments, we see outdoor recreation as a growth sector, but that

growth sector, that growth, cannot continue if the support for our national parks, in particular, is inconsistent.

Senator PORTMAN. So you think it ought to be consistent.

How about you, Mr. Ring?

Mr. RING. I would agree that it's incredibly important that the source of federal funding to deal with the infrastructure of the parks be adequate and permanent and on top of which the annual appropriations associated with operating and maintaining those facilities be adequate as well, unless we expect to see another backlog created with the facilities that we're building with these funds.

Senator PORTMAN. Well, look, I appreciate it.

My time is expired.

What Ms. McDowall said earlier, Mr. Shafroth, Mr. Berejka, Ms. Leonard, Mr. Regan, Mr. Ring, is that you guys are looking for stable funding, certainty. I would just suggest we have a bipartisan proposal to do that, and we ought to move forward with it.

Thank you.

The CHAIRMAN. Thank you, Senator Portman.

Senator Alexander.

Senator ALEXANDER. Thank you, Madam Chairman.

While Senator Portman is still here, I would like to congratulate him for his work on his proposal and its 19 co-sponsors. It is a terrific idea because, as I look at our backlog maintenance, in parochial terms, we have the Great Smoky Mountains, 11 million visitors, \$20 million appropriation every year but a \$220 million backlog. We have our Look Rock Campground closed because there is not enough money to open it. Half our backlog, at least, is roads, maybe more than half in the Smokies. So there are ten times the amount of appropriation that we get every year in our backlog, or four times the amount of appropriation that the national parks get every year in the backlog, and I see no way that we are going to make a serious dent in the backlog unless something like Senator Portman's bill passes.

I have introduced, with Senator King, Senator Heinrich, and Senator Tillis another bipartisan bill which I hope this Committee will also consider at the same time. I did it at the request of Secretary Zinke. So the Administration does support that bill.

I agree that we want funding to be as stable as we can, but we also want funding. And to get a bill passed, we will have to get the President to sign it.

My hope would be that the Chairman can take both those bills and let the Committee look at them very carefully and try to deal with that this year while we have the President's interest and the Secretary's interest, Senator Portman's bill with 19 co-sponsors and this other bill as well.

It would be good to have a certain level of mandatory funding but, you know, it would have been good to have that for the Land and Water Conservation Fund in 1962. We never got it. I think if we can get it, fine. If we can't get it, let's take what we can get. And if we can get several billion dollars over the next several years, even if it is up a little one year and down a little the next year, that is several billion more dollars than we otherwise would get. So I hope this is something we can work on together and succeed in.

Ms. McDowall, would you agree that unless we take some sort of extraordinary action, like the effort described by Senator Portman's bill or the bill like that Senator Zinke supports and has asked us to introduce, that it would be hard to see how we could deal with the existing deferred maintenance backlog in the National Park System?

Ms. MCDOWALL. So, \$11.9 billion is a big number as everyone on this Committee has mentioned in various ways, and I think Secretary Zinke's proposal recognizes that that is a big number in looking at something like a public lands infrastructure fund.

I would say that the proposal is still being crafted and the Department would be very happy to work with the members of this Committee to turn it into the best product possible and would be interested in all of your various perspectives.

Senator ALEXANDER. Well, thank you for that.

I would say that while we have an Office of Management and Budget that is willing to allow the use of mandatory funding for deferred maintenance on the National Park System, and Senator Portman knows a little bit about that office having run it at one time. I think we ought to grab it while we can.

So I would hope, Madam Chairman, that this is a subject that we have enough Senators interested in on this Committee and in the Congress that we ought to try to address this year, if we possibly can.

Thank you for your time.

The CHAIRMAN. Thank you, Senator Alexander.

I want to thank both of you gentlemen for your leadership on this very important issue, how we address the maintenance backlog that we recognize as a Committee, but really, as members of Congress, is so significant and how we get in front of it.

As Chairman of the Interior Appropriations Subcommittee and I know, Senator Alexander, this was your Subcommittee a few years ago just before I took it over, we recognize we have good faith efforts as appropriators trying to allocate sufficient revenues to just try to get ahead, but we just can't even get ahead.

And so, how we are creative, how we are, we think, a little bit out of the box in terms of how to address this in a way, in a manner that is meaningful and significant is going to be very important.

I mentioned in my opening statement we will have an opportunity to schedule before, probably the Subcommittee, but if not the Subcommittee, then the full Committee, a review of both of the proposals that are out there, as well as anything else that might be there because I agree with you, Senator Alexander. I think there is an imperative out there. I think that this is a priority of the Secretary's. He has made that clear. And I think we all recognize that while we all know and love the parks in our areas and are very passionate and perhaps parochial about that, that collectively we know that this is a system of parks and we want to do right by all of them.

I can't flex my muscle to say I want to prioritize everything so that we fix Polychrome Road and we also fix the water and the sewer issues in my park ahead of your park. Don't tell people back home that I said that I am not going to do that, because I am going

to advocate that we address these, but it has to be a broader, really more comprehensive strategy. So I thank you both for your initiative with that.

And also, with working with us previously in setting forth the endowment, reaching out to other areas, not just the government sector but what we can do more to bring in all Americans to support our parks, I think it is clear that these are our treasures and we want to be able to support them.

I do think, Mr. Shafroth, we need to be a little more creative. You see these signs on the roads saying, this section of the road is cleaned up by the Fairbanks Rotary Club. Maybe we need to have little signs on, I don't know, your wastewater treatment building that says this is brought to you by Senators Portman and Alexander, personally.

[Laughter.]

I don't know.

But it does cause me to worry that some of the basic needs, the invisible issues, as Ms. Leonard has pointed out, the underpinnings that make our parks a livable place, that we are not able to garner that support that we would want.

I would note that as we talk about some of these ideas, as we talk about how we prioritize deferred maintenance, cyclical maintenance, what authorities we give to the local superintendents for use of fees or revenues that are collected there versus everything going back to Washington, DC, and then being redirected to the respective areas or respective parks. But we are talking about this at a time that we do not have a Director of our national parks. I know that the Department of the Interior, the Secretary, is looking to fill this position, but I would urge, and if you can take the message back, Ms. McDowall, I would urge that the Administration place a priority on this nomination, just as they are clearly placing a priority on how we are going to address the backlog because we on the Appropriations Committee can figure out how to direct dollars.

We, as an authorizing committee, can figure out different strategies but you need to have the implementor. You need to have the Director. I would hope that we would be seeing a name come forward soon. I do think that that is important.

I have a whole host of different questions that I will ask folks for the record. Although, I think between the Committee members that were here, we covered a lot of ground in terms of the ideas.

But I just want to throw a little bit of a wild card out there, and this will be directed to you, Mr. Berejka. When we think about different mechanisms for funding, I mean, obviously, Interior looked at raising the fees for individuals, families, seniors, kids, to come in, and laid out a pretty aggressive fee schedule that nobody liked. They have retracted that. But fees clearly are one avenue that you can bring in more revenues, but not enough to correct the maintenance backlog. I think we all recognize that. But fees do help.

But I thought about the role that Pittman-Robertson model follows. It basically uses the excise tax that is levied on firearms, on ammunition, on archery equipment, to fund wildlife restoration projects. In fact, in Alaska I am told that the Pittman-Roberts dollars that we have now that are directed to our state, have been

really quite important, and we have seen an increase in those and that helps us with the wildlife restoration projects.

You have indicated in your testimony today, you know, the stepped-up activity in the outdoor industry and what it is meaning from a revenue perspective. And that is good. I think that is important that we are seeing it.

But do you think that REI or others that benefit from access to our federal lands would be open to a small fee or a tax on outdoor retailers to help sustain the parks? Is this something that has been out there for discussion, similar again, to the Pittman-Robertson model?

Mr. BEREJKA. Thank you for the question and the observation, Chair Murkowski.

For sure, the question you raise has been whispered about for many years. I have several observations, and I can go deep and long on the topic. And so, maybe the depth and the length is better saved for a conversation with you and/or your staff. But a couple high-level observations.

One, the excise taxes on what we refer to as hook and bullet, as my understanding, they came into being in the '30s and '40s when fish stocks and the wildlife were at risk of being overhunted or overfished. And so, the fees were about, assessed against those who were interested in putting back into the environment or preventing the overfishing and overhunting of certain wildlife.

When Americans at large go into the outdoors, I don't think they're necessarily overusing the dirt that they walk on, so you don't have the same question around extraction of a resource as you have in the hunting and fishing community. So that's one observation.

A second observation is if you unpack the economic data you'll find that the outdoor recreation economy as an ecosystem is uniquely main street and small business. It has spread an inch deep and a nation wide. For one example, REI is considered a large player in the outdoor recreation sector. Our revenue is \$2.6 billion. So as a large player, our market share is less than one third of one percent. There are lots and lots and lots of small businesses that would be impacted by a proposal such as the one that you highlight.

And importantly, if you also parse the data, 80 percent of the revenue in outdoor recreation is actually in trips and travel. So people who sell gear, who sell apparel like we do, we're only 20 percent of the total.

If you actually wanted to think about it as a sector that is hundreds of billions and distribute the fee, if you will, equitably, you'd be again taxing hotels, lodges, who themselves already face an extraordinary amount of taxes on top of their hotel bills.

So, you know, it's a more, I think it's a more complicated question than it might seem at the surface.

I just leave with one point, one final point, which is, you know, in most states they don't tax milk because milk is good for you and we feel that the outdoors is good for you. So there's no reason to make it harder for people to acquire the things that make their lives better.

The CHAIRMAN. Well, I appreciate your comments. It is worth asking, I think, again, these are part of a broader discussion about how we can address the issues that we are facing.

There was not much discussion by any of you about the fee increase that has been proposed. Perhaps if the old one was still in place that is what this whole hearing would have been about, because I have yet to find anybody that supported it.

Although, I have heard from some that they just don't feel that we should be increasing the fees because, to use your analogy here, we want to get you out in the parks, so we don't want to overprice it. I think we recognize that.

But making sure that we do have an opportunity for people to contribute that is certainly fair to look at, because I think we recognize that if we fail to do right by our parks, we will have those that will say, okay, you encouraged me to come and visit my park. I did, and it was not positive. I waited too long. The facilities were really miserable. The road was horrible. You don't want to have the bad experience.

Ms. Leonard, in your written testimony and a little bit in what you shared with the Committee here today, you outlined what happens when the only way into the park is blocked. But then, I think there is more to that story. When the person who has been blocked on the other side has had their trip delayed or inconvenienced in any way because they can't get on the other side, they have to pay far more to get out now whether it is to fly out, basically to fly out or to wait. And then, they don't come back. In addition to not coming back, they tell their neighbor.

So do we have any statistics, Ms. Leonard, in terms of what we are seeing regarding the return visitors when the park experience, or let's go broader, just the visitor experience, has not been what they had dreamed of? I don't know whether ATIA tracks that.

Ms. LEONARD. Thank you, Senator Murkowski.

We do track, through the Alaska Visitor Statistics Program, visitor numbers and we know that in that recent study, 60 percent of visitors said they were very likely or likely to return to Alaska within the next five years. Forty percent of our visitors have been to Alaska previously.

But I think to your comment, you touched on it, that in marketing to potential visitors and to our visitors that visit our national parks in Alaska, we can't always control word of mouth marketing. And if their visitor experience is impacted at one extreme or one level of, maybe missing connections or not being able to go on a bus tour in the park and see wildlife viewing, to the other extreme of having safety hazards on that road, in particular, will certainly impact their decisions in the future to return to Alaska and to other destinations, other national parks, I think.

I think overall, beyond Alaska's national parks which I wholeheartedly agree with you, I think, are the best national parks in our country, but knowing overall that there are deferred maintenance and issues throughout our Park System, it's the intrinsic value that we should hold our national parks to that standard to having high quality infrastructure and services for those memorable visitor experiences.

The CHAIRMAN. Well, I concur.

I do think that we have some solutions. We have been breathing some life into some good things.

I think the Foundation, certainly, is one that we all want to be counting on and that may be where we utilize Foundation dollars for these less glamorous but most important and these underpinnings of the functionality of our parks.

But we have a lot of work to do. I think that what we have gained here has been helpful for the record.

I will note that there is a lot going on on the Hill this morning, and we have had members popping in and out, but I think the fair takeaway is that there is a great deal of interest in addressing this.

I would agree with Senator Alexander, I think we have an opportunity with this window to be focused on something that can unite us as members of Congress to do something good and something positive for our country and the outdoor experience.

With that, the Committee stands adjourned. I thank you very much.

[Whereupon, at 11:59 a.m. the hearing was adjourned.]

APPENDIX MATERIAL SUBMITTED

U.S. Senate Committee on Energy and Natural Resources
April 17, 2018 Hearing
Deferred Maintenance and Operational Needs of the National Park Service
Questions for the Record Submitted to Ms. Lena McDowall

Questions from Chairman Lisa Murkowski

Question 1: Who ultimately has accountability for the deferred maintenance number in each park? Is it the superintendent, the regional director, or someone in the Washington office? How does reduction in the deferred maintenance number impact this individual's job performance rating, if at all.

Response: A great deal of accountability for addressing deferred maintenance rests at the superintendent or park manager level. Yearly, performance standards are established for superintendents and park managers. These standards encompass the full spectrum of their responsibilities, including management of the park's real property assets. To effectively manage these assets, the superintendent or manager needs to understand the composition of the park's asset portfolio, including the extent of deferred maintenance, and to be able to prioritize needs in order to compete in the agency's annual call for project funding requests. A superintendent or park manager's effectiveness in managing these assets will be reflected in his or her performance evaluation.

Question 2: According to a March 2016 GAO report, NPS officials have noted that "resources directed toward repair needs may be in direct competition with resources need for disposals or co-locations." To be clear, this report was looking at older, unutilized buildings (e.g., warehouses) that could be candidates for disposal.

- a. Are there any legal barriers that the NPS faces when considering disposing of unneeded assets?

Response: No. When a park determines that an asset is unneeded, the NPS identifies the asset to be a candidate for disposal. The asset then moves into a formal asset disposal process that includes reviews under the McKinney-Vento Act, the National Historic Preservation Act (Section 106), and the National Environmental Policy Act.

- b. What role does the McKinney-Vento Act play in this determination?

Response: Title V of the McKinney-Vento Act (McKinney Act) provides a process for making usable housing available to assist the homeless through suitable unneeded federal properties (buildings, structures or vacant land) categorized as unutilized, underutilized, excess, or surplus. The program provides no funding, and the properties are made available on an "as is" basis to states, units of local government, and non-profit organizations for shelter, services, storage, or other uses. For buildings and structures on NPS lands, this means assets that are suitable for the homeless must be removed offsite.

The NPS review process includes internal reviews at the park, regional and Washington level. Those reviews are then passed through to the General Services Administration (GSA) and Housing and Urban Development (HUD). The entire McKinney Act process typically takes eight or more months to complete. NPS records indicate that no NPS assets have ever been utilized by others through the McKinney Act.

Question 3: A December 2016 GAO report found that the Park Service, at that time, did not have a plan or timeframe for evaluating whether the Capital Investment Strategy had been successful. As you are aware, programs from the Capital Investment Strategy were first funded in Fiscal Year 2015.

- a. Does the agency have a plan at this time to review the Capital Investment Strategy?
- b. Can you provide us with an update or timeline?

Response: The primary finding from the GAO report stated the Capital Investment Strategy (CIS) is effectively directing available NPS funding into the highest-priority assets from most major fund sources. The review also stated that certain goals of the CIS have not yet been fully realized but can be achieved through minor adjustments.

After the GAO's recommendation, the NPS reviewed the CIS and found that currently, it aligns to the missions of the NPS. The NPS will continue to evaluate the CIS to determine how effective it is at meeting the strategic objectives laid out as part of the CIS documentation. Updates will be made only if the evaluation proves it is not meeting its intended goals. At this time, a timeline for the next formal review has not been determined.

Questions from Senator John Barrasso

Question 1: Last week, the agency announced a fee increase of approximately \$5 at most parks where fees are currently paid. This announcement differed significantly from the October 2017 proposal. How did the agency determine the appropriate level for the fee increase?

Response: The NPS received approximately 109,000 public comments to the October 2017 proposal for peak-season entrance fees at 17 highly visited national parks. The decision to raise fees by a lesser amount at all entrance fee-charging parks was based on the concerns and ideas provided by the public on how best to address fee revenue for parks.

Question 2: The agency estimated that once fully implemented across the fee-paying parks, the proposal would increase annual revenue by about \$60 million, of which 80 percent (approximately \$48 million) would stay in the parks where the fee was collected. Considering the scope of the \$11.6 billion backlog, how will the National Park Service prioritize deferred maintenance among the various park needs to ensure the prospective \$48 million addresses the most pressing needs first?

Response: The NPS relies on its fee expenditure requirements and its project scoring systems to ensure the funds are used to address high-priority needs. Since 2015, the NPS has required parks

to spend at least 55 percent of their available Recreation Fee dollars on deferred maintenance projects. Parks and regions rely on the CIS to rank and prioritize projects, which ensures that available funds are directed to the needs of high priority, mission critical assets.

Question 3: In its Fiscal Year 2019 Budget Request, the Department proposed to create a Public Lands Infrastructure Fund. The fund would help pay for repairs and other infrastructure needs of the national parks, Bureau of Indian Education schools, and wildlife refuges. The fund would be financed by revenues from federal energy leasing and development that exceed Fiscal Year 2018 budget projections.

There is no question infrastructure needs require creative solutions and significant funding. I am concerned that the Department's proposal is going to divert revenues away from existing priorities.

As you know, federal energy revenues are currently divided among the federal government, states, Indian tribes, the Reclamation fund, Land and Water Conservation Fund, and the Historic Preservation Fund. Many of the funds have balances on the books that are in the billions of dollars. These balances have accumulated over the years, and continue to grow as money is recorded on the books but is not appropriated. It is also important to note that the need for these funds, particularly when it comes to Reclamation fund projects, has continued to increase.

As I understand the Department's proposal, all of the energy revenues above the Fiscal Year 2018 baseline would be split between the proposed infrastructure fund and the federal treasury. None of these additional funds would go toward the state share or to reduce the growing unobligated balances in the funds which currently receive energy revenues.

The Department already has significant obligations on the books for programs they administer. How does the Department propose to ensure that these existing obligations for energy revenues are met first, before funds are redirected for the newly-proposed Public Lands Infrastructure Fund? Are you concerned the proposed fund will suffer the same fate as other funds that are designated recipients of federal mineral revenues (i.e., revenue recorded on the books but never appropriated)?

Response: The Administration's proposal to create a Public Lands Infrastructure Fund includes a carefully designed funding mechanism to avoid using revenues from energy development on federal lands and waters that are intended for other programs. S. 2509, the National Park Restoration Act, adopted that funding mechanism, and that feature was carried over in S. 3172, the Restore Our Parks Act. S. 3172 states that the revenue generated for the National Park Legacy Restoration Fund will not affect the disposition of mineral and energy development revenues that are due to the United States, special funds, trust funds, or States, or that have been otherwise appropriated under Federal law, including the Gulf of Mexico Energy Security Act (GOMESA), the Mineral Leasing Act, and the Land and Water Conservation Fund Act. In addition, the fund created by S. 3172 would not be subject to appropriations, providing the consistent, dedicated funding needed to address the maintenance backlog.

Questions from Senator Joe Manchin III

Question 1: The Land and Water Conservation Fund (LWCF) is essential to expanding recreation access for our sportsmen and women, to maintain a vibrant outdoor economy, and to honor the deep connection Americans have with our national parks and public lands. For more than 50 years, LWCF has been a success for some of the most cherished public lands and the communities that depend on them. In fact, in West Virginia, LWCF is the reason the National Park Service has incomparable public assets such as the Harpers Ferry and the Gauley and New Rivers National Recreation Area.

In September 2017, the Department announced \$94.3 million in grants to be distributed through the stateside grant program, including just over \$1 million to West Virginia. These funds are used for all sorts of upgrades that will make West Virginia outdoors even more wild and wonderful. But I am concerned by the Administration's FY19 budget recommendation for LWCF at only \$8.1 million. Last year, the FY2018 budget proposed \$74 million for LWCF, a decrease of \$400 million. The budget in brief says "the Administration will review options for reauthorization, including consideration of a range of conservation-related investments that could be funded through the LWCF."

Can you please elaborate on what options the administration is reviewing for reauthorization.

Response: The President's budget supports the LWCF and calls for its reauthorization. The budget did not request funding for new Federal land acquisition projects because the Department places a high priority on taking care of the land and assets that we currently manage rather than adding to the federal estate. However, the budget does include State-side funding derived from the LWCF to ensure that States continue their implementation of LWCF programs. The Department stands ready to work with Congress to pass a reauthorization of LWCF.

Question 2: West Virginia communities that neighbor and surround our National Park units rely on a steady stream of visitors for income. These are rural communities, and in West Virginia, because of the downturn of the coal industry, they have been hit hard the last few years. The economic effects will be even more devastating if we see a decrease in visitors because of a failure to address deferred maintenance.

Can you please discuss how decreased visitors to National Park units will impact surrounding communities?

Response: The NPS is aware of how vital the national parks are to the economy of West Virginia, where tourism is a leading industry. In 2017, visitors to national park sites in West Virginia generated an estimated \$72.8 million in total visitor spending across the state. If visitation decreased, the impact would be felt throughout the state, and especially in the park gateway communities.

The Administration is strongly supporting legislation, initially proposed as part of the President's FY 2019 budget, that would help ensure that visitation to parks continues to thrive by investing

\$6.5 billion in bringing deteriorated facilities up to the standards that visitors expect. Enactment of this legislation is Secretary Zinke's highest legislative priority.

Questions from Senator Mazie Hirono

Question 1: Last year the Department was undergoing a review of youth programs all across the different bureaus, including the National Park Service. Last month during the budget hearing I asked Secretary Zinke in a question for the record if that review is complete, and have not yet received his response.

Can you tell me if the review is complete and if so, what are the results?

Response: The Department continues to review all of the Department's youth programs to ensure use of the most cost-effective strategies for engaging children, youth, and young adults in our nation's great outdoors. We will continue working on an ongoing basis, through our budget process and as other decisions are needed, to assess the value of each of our various youth-engagement programs and to determine whether there might be other ways to accomplish the goals of these programs more efficiently and effectively.

Question 2: I want to follow up on my mention of the Department of Interior's review process of grants and cooperative agreements, as discussed in a December 28, 2017 Department memo. During the hearing I noted that Mr. Ring's testimony stated that partnerships are being threatened by the Department's "unnecessary and unwise layer of political screening of all grant and cooperative agreements" and that it is "a way of imposing a political litmus test on those applying for federal grants or those entering into a cooperative agreement with the federal government." Please provide the following information:

- a. Rationale for why the Department is requiring this new review process for grants and cooperative agreements,

Response: For the NPS, final approval of a grant and cooperative agreement is required from the NPS Director if it is under \$50,000, and by the Senior Advisor to the Assistant Secretary for Policy, Management, and Budget if it is over \$50,000. The purpose for requiring the review process is to ensure appropriate review and oversight of the Department's financial assistance programs and to ensure that discretionary grants and cooperative agreements better align with the Secretary's priorities.

- b. Who at the Department is conducting these reviews and whether or not they are a political appointee,

Response: Both of the final reviewers – the NPS Deputy Director exercising the authority of the Director and the Senior Advisor to the Assistant Secretary for Policy, Management, and Budget – are political appointees; however, the entire review and approval process is done in coordination with both political and career officials at each of the bureaus.

- c. A list of criteria utilized in screening grants and cooperative agreements,

Response: When each grant or cooperative agreement entered into the internal database, the following information is collected: the category of recipient organization such as youth or veteran employment, the catalog of federal domestic assistance (CFDA) number, the type of non-profit organization that can legally engage in advocacy, project purpose and work to be accomplished to ensure they meet NPS and Departmental priorities, and the dollar amount.

d. A timeline that the Department has established for these reviews,

Response: Each review is done as quickly, efficiently and thoroughly as possible. The complexity of the grant or cooperative agreement may affect the time required for review of the submission. The Department continues to refine and perfect this process to make sure taxpayer dollars are used in the most effective and appropriate manner.

e. How many grants and cooperative agreements require these reviews, and

Response: Based on fiscal year 2017 financial assistance submissions, the NPS estimates that there will be over 3,000 NPS financial assistance requests for approval in FY 2018.

f. The amount of funding impacted by these reviews.

Response: Based on fiscal year 2017 financial assistance activity, the NPS estimates that there will be over \$300 million in financial assistance funding for fiscal year 2018 that will fall within the requirements established by the review process.

Question 3: I also want to follow up on our discussion about how NPS has made changes to streamline the process of using fees collected by parks for cyclic and routine maintenance. You mentioned that there have been changes in recent years that allow the use of fees for operational purposes. Can you explain the changes recently made to better allow park employees to utilize those fees for maintenance within their specific parks and any other efforts underway to help streamline that process?

Response: Parks that collect fees are required to spend at least 55 percent of their retained Recreation Fee dollars on deferred maintenance projects. Park managers determine the best use for the other 45 percent, within certain parameters, and may opt to use that funding on additional deferred maintenance or on cyclic or routine maintenance.

Questions from Senator Catherine Cortez Masto

Question 1: The National Park Service advised against holding a lease sale for drilling near Zion National Park last year. In a March 2017 memo to BLM, Zion superintendent Jeff Bradybaugh wrote "Development of oil and gas operations may not be the most appropriate or best use of public lands at the gateway to Zion National Park." Would your agency's outlook on the lease sale be altered if a portion of the money from that sale were potentially going to the national parks maintenance backlog?

Response: The NPS outlook on a lease sale would not be altered if a portion of the revenue was going to be directed to a national parks maintenance fund. The NPS would assess potential impacts of a lease without regard to the use of revenue from that lease, as it does now.

Question 2: Secretary Zinke's proposed budget would have slashed your overall budget by 7 percent and resulted in the elimination of up to 2,000 park rangers. What impacts do you think that kind of cut to the workforce might have on visitor services or other activities?

Response: The FY 2019 Budget Policy Addendum requests \$2.43 billion for the Operation of the National Park System (ONPS), an increase of \$270.9 million from the initial FY 2019 Request. The increase in requested funding is the result of the higher cap levels enacted in the Bipartisan Budget Act of 2018. The addendum includes the restoration of 1,639 Full Time Equivalents (FTE) in reductions initially proposed.

Question 3: The Administration's maintenance backlog proposal would direct funds to NPS, U.S. Fish and Wildlife, and to Bureau of Indian Schools, but not to BLM's National Conservation Lands System, which contains many of the nation's crown jewel National Monuments and National Conservation Areas, including Nevada's Sloan Canyon, Red Rock Canyon, and Gold Butte. Why does the Administration's proposal not include all public land management agencies?

Response: In its FY 2019 Budget, the Administration chose to prioritize its efforts to address the Department's deferred maintenance backlog within the two bureaus that are the most involved with serving visitors, and on Indian schools, where there is a serious need for improved facilities.

Question 4: I am concerned about the lack of hiring for the agency, and the Department's intentional plan to reduce the number of employees by leaving positions vacant from attrition, especially when those positions encompass maintenance and design. We can't starve the parks financially, but also starve them through necessary human capital – especially with the rising number of visitors each year. How do you intend to increase your internal quality, human capital, and required expertise to fully tackle the deferred maintenance backlog, while also preserving visitor experience and normal operations, without increasing the number of employees to handle increasing need?

Response: A significant portion of deferred maintenance work is handled by the Denver Service Center (DSC), the NPS's central planning, design, and construction office. DSC manages over \$1 billion in projects at any point in time. Projects are mostly accomplished through design/construction contracts. Funding to support DSC staffing needs is included within the funds allocated for each project. Similarly, for projects accomplished at the park or regional office level, limited funding to support project management services is included within the funds allocated for each project.

For employees whose costs are not covered by project dollars, the NPS maintains reasonable flexibility within the Operation of the National Park System (ONPS) appropriations to align staffing decisions with highest priority needs.

U. S. Senate Committee on Energy and Natural Resources
April 17, 2018 Hearing
Deferred Maintenance and Operational Needs of the National Park Service
Additional Information Provided for the Record

Two questions were asked of Deputy Director McDowall during the hearing that required follow up information. That information is provided here.

Senator Capito asked the NPS to look into and resolve an issue between the Meadow Creek Public Service District and the New River Gorge National River's Sandstone Visitor Center and the monthly utility rate.

Answer: New River Gorge is aware of the payment error and is working with the local authorities to resolve the issue and bring the payments up to date.

Senator Hoeven asked for information on the FY18 budget related to infrastructure projects, specifically how much are we spending on roads projects.

Answer: Disbursement for the NPS FY 2018 Federal Lands Transportation Program (FLTP) is still in progress, so final funding allocations are not yet available. In FY 2017, the total program obligation was \$253.5 million. About five percent of the total program was used to support alternative transportation (transit, bicycle, and ferry dock related projects) while another five percent was dedicated to nationwide road data collection and analysis, long range transportation planning, and bridge safety inspections. The remaining 90 percent went to road, bridge and parking lot improvements across the system. The FLTP total authority for NPS was increased by \$8 million for FY 2018. This funding is expected to be obligated in similar proportions to those used in FY 2017.



U.S. Senate Committee on Energy and Natural Resources
April 17, 2018 Hearing
Deferred Maintenance and Operational Needs of the National Park Service
Question for the Record Submitted to Mr. Will Shafer

Questions from Senator Mazie Hirono

Question 1: I know that NPF encourages youth programs at National Park system units, including Youth Conservation Corps activities like what the Hawaii based organization Kupu does in Hawaii. NPF's Centennial fundraising campaign was very successful in leveraging additional partnerships with groups like Kupu for both fundraising and getting backlog projects done.

Can you elaborate on the success of those partnerships and how we can expand those partnerships to develop the next generation of park stewards? Do you think that the Corps network can play a significant role in helping to address the deferred maintenance backlog?

Will Shafer: As you have noted NPF's funding and partnerships with Conservation Corps throughout the country have had great success in addressing the deferred maintenance backlog as well as getting young people invested in our parks. Corps are essential in helping parks tackle trail and footbridge maintenance and repair and restore key vegetation. From 2015 through today, NPF has granted more than \$3.2 million to support Corps and Crews throughout the .

For example, over the last several years NPF has provided:

- \$303,034 to Sequoia & Kings Canyon National Parks and Sequoia Parks Conservancy to fund the parks' 21st Century Conservation Service Corps since 2015. The Corps recruits disadvantaged young adults from Fresno and Los Angeles to work in the front and back country, gaining a deep connection with the park and valuable training while completing projects such as wilderness trail maintenance, watering and care of restoration area plantings, interpretive services for visitors, boundary fencing assessment and repair, exotic vegetation removal, and more.
- Over \$110,000 to support work on highly trafficked trails at Glacier National Park, including funding for a 21st Century Conservation Corps to reconstruct the park's iconic Hidden Lake Trail at Logan Pass in 2016.
- \$174,355 to rehabilitate and reconstruct two and half miles of Rocky Mountain National Park's Bierstadt Lake Trail. This project was completed by 60 youth, including members of the Rocky Mountain Conservancy Conservation Corps, other youth corps, and park volunteers.
- Over \$400,000 to support Conservation Corps at Olympic National Park since 2016, which has allowed the Olympic Conservation Corps to tackle deferred maintenance projects within the park's varied landscapes, including vegetation and debris removal, re-grading of trail tread, foot bridge maintenance, and drainage system repairs. Youth engaged in this work gain valuable job skills, an appreciation and life-long love of national parks, and knowledge of natural resource stewardship.
- Nearly \$325,000 to support youth Conservation Corps at Mount Rainier National Park since 2016. Corps members helped complete deferred maintenance projects on Mount

Rainier's Wonderland Trail and protected sub-alpine meadow vegetation along trails in the park's Sunrise area.

Corps – comprised of young people, volunteers, veterans, and others – do invaluable work to support our parks and tackle maintenance backlog projects. Additionally, Corps have the added benefit of inspiring their members to forge strong connections with parks and the great outdoors. While Corps can't be relied on to complete major infrastructure projects like roads, bridges, or water systems, their role in helping our parks is vital. NPF is proud of our work to support Corps in the past and will continue to do so moving forward.

Questions from Senator Catherine Cortez Masto

Question 1: Mr. Shafroth, thank you for the feedback on philanthropic engagement in our parks. I come from a state where the big business of tourism certainly plays a critical role in our state economy. But we also host a lot of remote public lands. Do you see an opportunity to connect urban business with remote investments as a nod to preserving the last of our "quiet, serene" places? Is that purity of place marketable for somewhere like Great Basin National Park, as a counterpoint to the hustle of urban tourism?

Will Shafroth: Absolutely. NPF and our corporate partners are committed to preserving and promoting our national parks as places for learning, improving health, experiencing history, and as refuges where one can enjoy nature's silence and serenity.

We are also committed to helping people visit and experience these places through efforts like the Every Kid in a Park program and the Find Your Park / Encuentra Tu Parque public engagement and education campaign. Find Your Park continues to focus on promoting lesser-known and infrequently visited sites like Great Basin National Park. In fact, visits to Great Basin increased 69% from 2015 to 2017. We understand that to preserve these special places, people must feel invested in them.

NPF's corporate partners are committed to help protect and promote our national parks, including remote places that offer more solitary experiences than the most well-known parks. NPF remains dedicated to continuing to working with our partners and NPS to do this work.

U.S. Senate Committee on Energy and Natural Resources
April 17, 2018 Hearing
Deferred Maintenance and Operational Needs of the National Park Service
Questions for the Record Submitted to Mr. Marc Berejka
And his Responses of May 22, 2018

Question from Senator Ron Wyden

Question: In your written testimony, you noted that the recreation economy accounts for over 2% of the U.S. Gross Domestic Product. And as you mentioned, experts are only beginning to understand the economic benefits that our storied national parks provide. However, I am very concerned about the impact of the \$11.6 billion maintenance backlog, particularly in rural communities. This has led to hiking trails that people can't use, roads people can't access, and restaurants that need restoration to feed visitors at our national parks every year.

How does the National Park Service maintenance backlog affect the economies of rural communities that rely on healthy national parks?

Response: As you note in your question, preliminary data from the Bureau of Economic Analysis shows that the outdoor recreation economy is 2% of GDP. This doesn't include, for example, activities within 50 miles of home. So, I actually anticipate that as the Commerce Department evolves its methodology, this number should grow. In short, the outdoor recreation economy is strong and growing.

Moreover, as I mentioned in my testimony, our industry and many adjacent industries greatly rely on access to our public lands, especially our national parks. When these public lands suffer from maintenance issues like the ones you mention in your question, it can lessen the experience for those who are visiting and, unfortunately, reduce their likelihood that they return.

While I haven't seen specific data on this point, you would have to assume that this not only could impact retailers and guide services, but also the economies of gateway communities, including hotels, restaurants, and the many small business that provide good and services to those visiting our national parks. As your question suggests, many of those gateway communities are in more rural parts of the country, so failure to address the backlog would certainly impair their economic prospects.

Questions from Senator Catherine Cortez Masto

Question 1: Secretary Zinke has proposed addressing the National Park Service maintenance backlog with new revenues from mining and drilling in America's public lands and coastal waters. Would you support a proposal to fund the NPS's maintenance backlog that expanded oil and gas rigs outside of our national parks, monuments, and wilderness areas?

Response: First and foremost, we are grateful that policymakers, and especially this committee, are seeking solutions to our maintenance backlog. I have yet to see a single solution that will effectively solve the issue now and going forward.

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Ultimately, this is a funding issue, and we believe that the House and Senate can play a large role in prioritizing the elimination of the backlog within annual appropriations bills. But I also know that there are a lot of competing priorities and funding, alone, is unlikely to solve the entire problem.

In terms of the proposal you mention in your question, I understand there are multiple bills that would essentially utilize a portion of revenues from energy development to help address the maintenance backlog. We will continue to monitor these proposals - and any others - as they move through the legislative process. REI has not taken a position at this time on any specific proposal.

I will also mention that innovative solutions to the backlog are important. We have seen this maintenance backlog continue to grow, and I strongly believe that the longer this issue remains unresolved, the more it will impact the experience of visitors and the more expensive it will become to resolve. In short, I welcome innovative thinking around how to solve the issue beyond relying exclusively on the appropriations process.

Question 2: Investing in wildlife refuges, forests, and BLM conservation lands is another way to relieve pressure from National Park facilities. However, the Administration's proposal does not include BLM lands - and their budget request would cut funding to the best places for the public to visit BLM National Monuments and Conservation Areas. Would you support deferred maintenance proposals if it included public lands from these other agencies? And have you found that the Land and Water Conservation Fund has been successful in expanding recreational opportunities of these kind?

Response: Unfortunately, maintenance backlogs are not exclusive to our national parks. Other public lands are experiencing backlogs that require attention, funding and innovative solutions, and we strongly support addressing those problems as well. We strongly support greater investments to maintain all public lands so that they remain accessible to everyone and to ensure a quality visitor experience.

In terms of the Land and Water Conservation Fund, we do believe that it has provided important recreation and conservation benefits through both its federal program and its state program. We believe the LWCF is a bipartisan priority that should be permanently reauthorized and fully funded.

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Questions from Chairman Lisa Murkowski

Question 1: As your testimony mentioned, 35 new units have been added to the National Park System since 2000. Can you expand on how prioritizing maintenance over land acquisition or the addition of new park units will reduce deferred maintenance over the long run?

As the National Park System has expanded without corresponding increases in appropriations, it has the effect of what former National Park Service director James Ridenour called “thinning the blood” of the park system. With more parks but little or no additional funding, the agency’s budget gets stretched thinner, meaning that critical maintenance and operational needs go unfunded. This constant expansion of the National Park System without additional funds only exacerbates the deferred maintenance backlog problem.

By prioritizing maintenance over land acquisition, Congress could make progress at reducing the deferred maintenance backlog over the long run. Adding new parks or expanding existing parks may be worthwhile, but given the reality of limited budgetary resources, such expansions necessarily come at the expense of much-needed maintenance and operational needs in existing parks. Congress should ensure that the critical unfunded maintenance and operational needs in existing parks are addressed before considering additional expansions to the park system. Otherwise, the backlog will continue to grow as new park units are created or expanded. If additional land acquisitions are made, Congress should ensure they are done in a way that does not place additional financial burdens on already-overburdened land agencies.

Question 2: Your testimony highlights the need to make additional investments in cyclic maintenance, as well as the need for more local control over park assets at the superintendent or park level. If more local authority were granted, how would you foresee implementation of accountability measures working?

When it comes to national park management, local control and accountability go hand in hand. The Federal Lands Recreation Enhancement Act (FLREA) gives the National Park Service the authority to collect and retain user fees collected in parks, with at least 80 percent of the fees retained in the parks in which they were collected to be spent on projects that directly benefit visitors. These revenues are important because they allow park managers to address critical needs, including deferred maintenance, without relying entirely on congressional appropriations. By tying park revenues to park visitation in this way, park managers are directly accountable to visitor demands. For example, if park managers do not invest in the routine, cyclic maintenance projects that are needed to adequately maintain trails, visitor centers, restrooms, and other visitor facilities, then visitation will likely decline. However, if managers do prioritize such upkeep and spend fee revenues in ways that truly enhance the visitor experience, visitation will increase.

In other words, by providing more local authority for park managers through the recreation fee program, Congress has implemented a strong and effective form of accountability to the group that matters most when it comes to our national parks: the park visitors themselves. By providing

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even more authority to local park managers to spend fee revenues on the projects that matter most on the ground – whether that’s on deferred or routine maintenance or operations – Congress would be further strengthening the accountability of park managers to their park visitors.

Question 3: As we consider new and innovative ways to address the deferred maintenance backlog, we are interested to understand how the outdoor recreation economy can play a part. Do you feel that a small tax or tariff on outdoor gear and apparel could serve as an appropriate means of funding deferred maintenance on all public lands, particularly trails and parks frequented by outdoor enthusiasts?

As Congress explores new ways to help fund the management, maintenance, and operations of our parks and other public lands, it should seek ways to rely more directly on the individuals who benefit most from – and have the greatest stake in the management of – those lands, and that is the public-land users themselves. There are indeed important lessons that could be learned from the successful model used by hunters and anglers with the Pittman-Robertson Act, which created a direct funding source from an excise tax imposed on the sale of sporting arms and ammunition to support state wildlife conservation. Similarly, some have proposed a small tax on outdoor recreation equipment that would fund recreation and conservation on public lands.

I think this is an idea that Congress should indeed consider as a practical way to address funding shortfalls on our public lands. The outdoor recreation economy is clearly a formidable economic force, and as we have seen recently, the outdoor recreation industry has become an increasingly vocal interest group seeking to influence the management of public lands. Yet despite the recent growth in the outdoor recreation industry, it has contributed relatively little funding to the maintenance and conservation of public lands. Congress should explore ways to rely more on the users of public lands to help fund public lands, and outdoor recreationists clearly make up a growing and significant portion of public land users.

That said, a similar and perhaps more fair and efficient way for outdoor recreationists to contribute financially to the management of public lands is through user fees, such as entrance fees to national parks. As I described in my written testimony, user fees play a critical role in park management by allowing park managers to address critical maintenance and operational needs without relying entirely on congressional appropriations and by making park managers more accountable to park visitors. As opposed to an excise tax on outdoor equipment such as backpacks, tents, and outdoor apparel that may or may not be used on public lands, user fees are a more direct way to charge those outdoor recreationists that recreate on public lands and thus contribute to the operations and maintenance costs.

The Federal Lands Recreation Enhancement Act (FLREA) is set to expire in 2019. Congress should consider expanding the FLREA fee program to increase revenues for routine and deferred maintenance on public lands, as well as public land conservation. In particular, Congress should consider providing long-term or permanent fee authority to public land agencies to enable public land agencies to plan for long-term fee expenditures.

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Questions from Senator Steve Daines

Question 1: In your organization's report outlining seven ways to address the backlog, you mention how states have been successful in raising philanthropic dollars to support things like roads. How do you think we can adopt that model for the National Park Service?

Roads make up roughly half of the deferred maintenance backlog in our national parks. Yet, as was noted during the hearing, philanthropic donations are unlikely to address such core infrastructure projects because private donors are typically uninterested in funding such projects, which are often viewed as fundamentally governmental responsibilities.

Public-private partnerships, however, do provide one promising way to address such infrastructure needs. Creative partnerships with the private sector could help ensure that park infrastructure is sustainable and not marred by chronic deterioration. In particular, Congress and the National Park Service should look to states and local government for lessons on how to address these infrastructure challenges. Over the past several decades, state and local governments have used such partnerships to tap into private-sector capital and expertise, allowing them to stretch limited tax dollars further. This is often done by outsourcing maintenance activities to the private sector as lower cost and bundling various maintenance projects together at once.

The National Park Service should consider similar public-private partnerships, and Congress should ensure that the agency's authorizing legislation and policies are modernized to give the agency the flexibility it needs to craft innovative partnerships with the private sector to address infrastructure.

Question 2: You mentioned statutory reforms may be necessary to allow the National Park Service more flexibility to leverage these resources. What reforms do you think Congress needs to take action on in order to help raise philanthropic investment for critical infrastructure like roads and water systems in our National Parks?

Philanthropic investment in critical infrastructure like roads and water systems is possible, but as testimony from the National Park Foundation has indicated, donors are often unwilling to support roads, bridges, sewer and water systems, and other hard infrastructure projects. As indicated above, public-private partnerships that tap private sector capital and expertise to address core infrastructure needs are a more promising area for Congress to consider statutory reform that would provide the National Park Service more flexibility to enter into such partnerships. A 2013 NPS report on public-private partnerships noted that "federal statutes and NPS policies place limitations on these types of partnerships," suggesting a need to reduce red tape and provide greater flexibility for the agency in this area.

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Question from Senator Mazie Hirono

Question: I wanted to follow up on our discussion at the hearing about your comment that NPS needs to streamline the process of using fees collected by parks for cyclic and routine maintenance. Ms. McDowall had mentioned that changes had recently been made to make the process better, including allowing those fees collected to be utilized for operational purposes, and in response you noted that additional improvements still need to be made. Can you provide more information on what is still needed within NPS to improve and streamline that process?

Fee revenues provide an important funding source for local park managers to address critical on-the-ground needs in parks without relying entirely on appropriated dollars from Congress. As I described in my written testimony, various restrictions and barriers on the use of those revenues by local park managers, including restrictions on using fee revenues for recurring maintenance projects or routine operational needs, have contributed to the deferred maintenance problem. Other restrictions include prohibitions on the use of fee revenues to support permanent employees, purchase equipment items, and requirements that certain amounts of fee revenue be spent on specific purposes determined by agency officials in Washington rather than local managers.

The National Park Service recently revised several of its internal policies on fee-revenue expenditures. For example, effective this year, fee revenues can be used for operational purposes. Yet other important restrictions remain, including burdensome requirements that park superintendents must obtain approval from Washington to spend fee revenues, the prohibitions on the use of fee revenues to support permanent employees, and requirements that fee expenditures be used for certain purposes. For example, the National Park Service recently imposed an internal requirement that at least 55 percent of the fee revenues collected in a park must be spent on deferred maintenance. While such a requirement is intended to prioritize deferred maintenance, in practice it limits the authority of local managers to decide how to best spend fee revenues—whether on cyclic or deferred maintenance projects—and could have the perverse effect of creating more deferred maintenance by leaving important routine maintenance projects unfunded.

These internal restrictions on fee expenditures are inconsistent with the Federal Lands Recreation Enhancement Act, the statute that grants the National Park Service's fee authority. Congress could enhance the fee authority provided to park managers by clarifying that fee expenditures authorized by FLREA can be used to fund maintenance and operational needs of all types without further approval or red tape from Washington. Moreover, Congress could provide the National Park Service with long-term or permanent fee authority, allowing the agency to plan for such revenues to be spent for long-term purposes such as permanent hires and ongoing routine maintenance.

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Questions from Senator Catherine Cortez Masto

Questions: Your organization has suggested franchising national parks, outsourcing park operations to private businesses, and allowing parks - that may be run by these private companies - to hike entrance fees without approval from Congress. Your organization has also proposed selling nationally-owned public land to private interests in order to pay for the park maintenance backlog. Do you think these proposals are popular with the American public that owns these public lands? And do you think these are proposals are popular enough to address the backlog situation?

With a maintenance backlog of nearly \$12 billion in our national parks, Congress is unlikely to solve the problem through budgetary appropriations alone. In fact, an over-reliance on Congress for appropriations is likely to make the backlog problem worse since Congress has demonstrated that it is more interested in creating new parks or expanding existing ones than it is in funding the routine maintenance needed to reduce the backlog.

It is clear that creative solutions are needed to address the backlog problem—and especially solutions that do not rely on unreliable Congressional appropriations. To that end, PERC has proposed several creative ideas to address the critical maintenance needs in our parks, including an innovative park franchising system, outsourcing certain park operations to the private sector while retaining federal ownership and control, and granting local park managers more fee authority to address critical maintenance and operational needs on their own.

Many of these ideas are already implemented to some extent or have been successful in other areas of public land management. For instance, unlike national park campgrounds, many U.S. Forest Service campgrounds are run in partnership with a private lessee. These public-private partnerships are performance-based contracts designed by the public land agency, which defines the rules, parameters for visitor fees, management goals, and maintenance expectations. The lessee collects visitor fees, maintains the area and facilities, and even pays a portion of the receipts back to the agency. Today, more than 1,000 Forest Service campgrounds are leased to private operators in this way.

Likewise, the franchising model we have proposed is not unlike an approach that is already used in some national parks today, in which nonfederal lands within park boundaries are owned by state or local governments and private landowners and managed cooperatively with the National Park Service. For instance, Tallgrass Prairie National Preserve in Kansas is jointly managed by the Nature Conservancy and the National Park Service. The vast majority of the 11,000-acre preserve is owned by the Nature Conservancy and managed with the National Park Service.

Regarding the sale of public lands to pay for maintenance in national parks, the proposal that PERC has put forth is simply to reauthorize the popular bipartisan land disposal program known as the Federal Land Transaction Facilitation Act (FLTFA)—something Congress just did with bipartisan support and little or no controversy. That's because the act simply facilitates the same

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of isolated parcels of federal lands that have been identified by federal agencies as suitable for disposal. FLTFA allows the government to retain the proceeds in a special account that can be used by the federal government to purchase other higher-priority lands. PERC has proposed that FLTFA be reauthorized and amended to enable the proceeds from land sales to go toward addressing critical maintenance projects on existing federal lands, instead of limiting the use of those funds for land acquisition.

While none of these proposals alone will be enough to address the backlog problem, it is clear that a multi-faceted approach is necessary. To that end, PERC has offered a range of solutions that policymakers should consider to effectively reduce the national park deferred maintenance backlog.

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Question from Senator Joe Manchin III

Question: In Secretary Zinke's confirmation hearing, he said that he would like to find ways to engage youth in the outdoors. I agree we should be pursuing ways to get kids outside and create a new generation of conservationists.

What sort of role do you believe programs like the Youth Conservation Corps (YCC), which gets young people outside to work on projects like trails in National Parks, may have in addressing the backlog?

Answer: *Youth programs are very important to the National Parks. They not only provide much needed assistance to the NPS, they also impart a strong sense of stewardship to the next generation. Programs like the Youth Conservation Corps (YCC), however, would have limited impact on the NPS backlog. Because the participants are 18 years old or younger, they are restricted from the use of power tools for safety reasons. They also have limited training in technical skills that are often needed to work on backlog projects. Other youth programs like the Young Adult Conservation Corps (YACC), Job Corps, or Student Conservation Corps, often do not have these limitations because the participants are older. They can be much more effective in addressing backlog projects, particularly when participants are matched with skilled NPS maintenance craftsmen.*

Questions from Senator Mazie Hirono

Questions: I noticed in your testimony you mention your coalition's concerns about the recent reports of editing climate change reports at the National Park Service. I share those concerns and have asked the Department's Deputy Inspector General to look into the matter.

This administration places a heavy emphasis on managing our National Parks for the next 100 years. How important is it for National Park Service employees to have access to unbiased science to manage our public resources today and for the future? Can we afford to delay action on climate change like we have delayed addressing our infrastructure maintenance needs?

Answer: *It is critically important that NPS employees have access to unbiased peer reviewed science. It plays a key role in almost every decision the NPS makes that affects park resources. Without it, would be like guessing at answers in a dark room and would greatly increase the likelihood of incorrect decisions. The cost in addressing the unintended consequences of such decisions would be orders of magnitude greater without the best scientific information available. Science allows managers to better understand how park ecosystems work and better ensures that resources are left unimpaired for future generations. It is a critical component in meeting the Service's mandate.*

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It is equally important to have a comprehensive strategy to address both the causes and the effects of climate change on the National Park System. Parks are feeling the effects already and these are projected to become even more severe. Without action at the park level to address the effects, and a comprehensive national strategy to address the causes, we face the irreparable damage to or the complete loss of the Park resources the NPS is charged to preserve unimpaired.

Questions from Senator Catherine Cortez Masto

Question 1: Secretary Zinke has proposed addressing the National Park Service maintenance backlog with new revenues from mining and drilling in America's public lands and coastal waters. Would you support a proposal to fund the NPS' maintenance backlog that expanded oil and gas rigs outside of our national parks, monuments, and wilderness areas?

Answer: *We fully support a comprehensive solution to address the NPS backlog. It is critically needed. However, we believe a solution that funds this effort by adding to the use of fossil fuels, the chief cause of climate change, is at best short sighted. It would be paying to fix park facilities while contributing to the damaging effects that will cause the irreparable impacts to the very park resources these facilities provide access to. A better solution to funding the cost of addressing the backlog would be one that draws on the broad support of all the American people for our National Parks and does not contribute to added carbon emissions or other negative impacts to the environment.*

Question 2: Investing in wildlife refuges, forests, and BLM conservation lands is another way to relieve pressure from National Park facilities. However, the Administration's proposal does not include BLM lands – and their budget request would cut funding to the best places for the public to visit BLM National Monuments and Conservation Areas. Would you support deferred maintenance proposals if it included public lands from these other agencies? – And have you found that the Land and Water Conservation Fund has been successful in expanding recreational opportunities of these kind?

Answer: *We would support deferred maintenance proposals for other federal agencies if the funding levels were adequate to address the backlog and the funding stream was guaranteed. The Land and Water Conservation Fund has made a significant contribution to land acquisition and recreational facilities over the years, but it has never been adequately funded to address the need. As a result the NPS has a \$2.1 billion backlog of land acquisition needs to complete units of the National Park System.*

Question 3: You note in your testimony that appropriations and backlog funding are BOTH necessary and one must not supplant the other. Can you explain a little more about why that is? Why can't we simply increase our appropriations over time to slowly address the backlog? What's the risk of this attempt?

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Answer: *If a large capital investment is made to repair and/or replace deteriorated facilities without then providing adequate operational funding each year to maintain these facilities, we would be setting ourselves up for another backlog crisis. For example, a new or replaced facility with a 50 year normal useful life expectancy, if it is not adequately maintained, is likely to last only 20 years or so before it must be replaced. The NPS has not been adequately funded to operate and maintain its facilities over the last several decades. This is largely what has led to the current backlog crisis. We believe that any professional engineering analysis will show that properly maintaining a well- built facility is far more cost effective than replacing a poorly maintained facility far more frequently.*

The level of capital funding to address the backlog must be high enough to stay well ahead of the deterioration of facilities throughout the National Park System. Equally, the levels of annual operating funding must be high enough to properly maintain them to industry standards for their full design life.

We do agree that a substantial increase in the capital investment must be made strategically. The investment must provide for the NPS to add capacity, first to allow for planning and design to be completed, followed by capacity for contracting and oversight for completing the increased number of funded projects.



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**SENATE ENERGY AND NATURAL RESOURCES COMMITTEE
366 DIRKSEN SENATE OFFICE BUILDING
HEARING TO EXAMINE DEFERRED MAINTENANCE AND
OPERATIONAL NEEDS OF THE NATIONAL PARK SERVICE**

APRIL 17, 2018

TESTIMONY OF THE NATIONAL TRUST FOR HISTORIC PRESERVATION

Chairman Murkowski, Ranking Member Cantwell and members of the Committee, I appreciate the opportunity to share the National Trust for Historic Preservation's perspectives on deferred maintenance and operational needs of the National Park Service. My name is Pam Bowman and I am the Director of Public Lands Policy.

The National Trust for Historic Preservation is a privately-funded charitable, educational and nonprofit organization chartered by Congress in 1949 in order to "facilitate public participation in historic preservation" and to further the purposes of federal historic preservation laws.¹ The intent of Congress was for the National Trust "to mobilize and coordinate public interest, participation and resources in the preservation and interpretation of sites and buildings."² With headquarters in Washington, D.C., nine field offices, 27 historic sites, more than one million members and supporters and a national network of partners in states, territories, and the District of Columbia, the National Trust works to save America's historic places and advocates for historic preservation as a fundamental value in programs and policies at all levels of government.

We appreciate the Committee scheduling this hearing to discuss the deferred maintenance backlog of the National Park Service and thereby preserve the ability for Americans and visitors to enjoy and experience iconic historic resources and natural wonders on federal lands.

The Need

The National Park System, in particular, is one of our nation's best ideas – a network of 417 parks and sites that protect spectacular historic, cultural, and natural resources and tell the stories of remarkable people and events in our country's history. The National Park Service (NPS) is responsible for maintaining a system comprised of more than 84 million acres across all 50 states, the District of Columbia, and many U.S. territories.

The National Park System tells an incredible story at sites as diverse as Gettysburg National Military Park, the Statue of Liberty, Shenandoah National Park, the Martin Luther King Jr. National Historical Park, and Native American cultural sites like those at Chaco Culture National Historical Park and Mesa Verde National Park. National parks, and the historic and cultural sites they protect, are some of our nation's most popular attractions and were visited by over 330 million people last year. According to FY16 data, visitation to the national park system generated an estimated \$18 billion in spending for nearby communities and regions, spending that supported 318,000 jobs and provided a \$35 billion boost to the national economy.

¹ 54 U.S.C. §§ 312102(a), 320101.

² S. Rep. No. 1110, 81st Cong., 1st Sess. 4 (1949).

The size and complexity of the NPS infrastructure and the importance of preserving our parks' invaluable resources represent a significant challenge. Unfortunately, after 100 years of operation and inconsistent public funding, the National Park System faces a deferred maintenance backlog estimated at \$11.6 billion, and according to FY16 data, 47% of the backlog is attributed to historic assets.³

Deferred maintenance in our national parks puts historic and cultural sites at risk of permanent damage or loss, and in the absence of funding, the condition of these assets will continue to deteriorate and become more expensive to repair and preserve in the future. Some of the National Park Service's most significant historic sites are at risk of falling into disrepair. For example, the Statue of Liberty National Monument in New York Harbor, which includes Ellis Island – an iconic symbol of American freedom and immigration – has repair needs of over \$160 million.

Direct Federal Investments

The NPS maintenance backlog of \$11.6 billion demonstrates that additional investments and new strategies are necessary if NPS is to meet their stewardship responsibilities. We are encouraged by the many statements of support by Secretary Zinke, members of this committee, and others for reducing the maintenance backlog and prioritizing this issue as part of policy proposals seeking to make investments in our nation's infrastructure.

We believe that congressional appropriations providing sustained and robust funding levels for Repair and Rehabilitation, Cyclic Maintenance, and Line-Item Construction are needed to alleviate the maintenance backlog and ensure adequate preservation and protection of resources in our parks. After years of level funding or modest increases for both Repair and Rehabilitation and Cyclic Maintenance, we were pleased to see increases for FY16 enacted of \$35 million for both accounts, an additional increase of \$39 million for FY17, and increases in the FY18 omnibus of \$10 million and \$15 million, respectively. Unfortunately, the President's budget request proposes substantial decreases for these two key accounts that address the deferred maintenance backlog, with Repair and Rehabilitation seeing a \$25 million decrease and Cyclic Maintenance a \$13.6 million decrease. As Congress considers FY19 allocations, we believe that additional investments will contribute to the successful preservation of historic sites and other resources in the National Park System.

Additionally, a reliable, dedicated federal funding source distinct from annual appropriations to address the deferred maintenance backlog, along with providing sufficient staffing capacity would ensure that we preserve historic sites, maintain buildings and infrastructure in safe condition, and keep our parks open and accessible. Along with the Pew Charitable Trusts, National Parks Conservation Association, and other partners, the National Trust has focused intently on pursuing dedicated funding for this important issue. We strongly support the bipartisan legislative efforts to introduce the National Park Service Legacy Act (S. 751) by Senators Warner and Portman. We thank them and the over 80 cosponsors of both the Senate and House bills for their leadership and support.

The National Park Service Legacy Act provides dedicated funding of more than \$11 billion to address the maintenance backlog through receipts from onshore and offshore energy development that are not otherwise allocated to other purposes. Also included in the legislation are components promoting public-private partnerships that leverage private funding for maintenance projects and discretion for congressional appropriators to evaluate priority

³ National Park Service data, FY16

projects. The National Trust also strongly supports a provision that provides funding parity between non-transportation and transportation-related maintenance needs, which ensures that funds are available for the preservation of historic structures and cultural artifacts.

We also appreciate the Administration's proposal to establish a Public Lands Infrastructure Fund that would direct funds toward addressing the Department of the Interior's maintenance backlog, as well as the National Park Restoration Act (S. 2509) introduced by Senators Alexander, King, Heinrich, Daines, Gardner, Tillis, Moore Capito, and Manchin that demonstrate a recognition this is a pressing issue that must be addressed. As the committee considers these proposals, we urge support for a solution that includes reliable, dedicated funding and provides certainty for park units about the availability of funds for high priority projects. We look forward to an open dialogue with the Administration, this committee, and other key stakeholders as we pursue a bipartisan legislative solution in the coming months.

The nation faces a challenging fiscal environment, and the National Trust recognizes there is a need for fiscal restraint and cost-effective federal investments. However, we do not believe that preservation and conservation programs should suffer from disproportionate funding reductions, or that a successful solution to address the maintenance backlog can omit significant financial investments. Given the magnitude of the maintenance backlog, we understand the need to explore complementary proposals and opportunities, and we offer two such options for your consideration.

Historic Leasing

Leasing of historic buildings in the National Park System to private parties is an effective and proven public-private partnership that can be used as part of a suite of options to mitigate the deferred maintenance backlog in our national parks. Historic leases alleviate the burden on the National Park Service to maintain historic buildings and for long-term commercial leases of 60 years, an incentive is available for the lessee to utilize the federal 20% historic tax credit and invest in qualified rehabilitation expenses.

Congressional support for this approach has long existed, as evidenced by grants of authority to enter into public-private partnerships and historic leases, which Congress has extended to the NPS over the years. The House Appropriations Committee has also noted, in part, that "leasing of historic park buildings has proven to be an effective public-private partnership that has brought private investment to the repair and maintenance of historic park resources."⁴

The Department of the Interior reported to Congress in January 2017 that among the 27,000 assets on the List of Classified Structures (LCS), potentially 9,000 structures could be evaluated for re-use through leasing. Even with the availability of leasing authority included in the National Historic Preservation Act and the Concessions Management Act, along with Congressional encouragement, the NPS has struggled to fully use its authority to preserve historic structures and cultural resources. Barriers to full use of this authority—including unduly restrictive policy interpretations, statutory and regulatory hurdles, and a lack of experienced leasing professionals—have often stood in the way.

⁴ House Report 114-170, accompanying the Department of the Interior, Environment and Related Agencies Appropriation Bill, FY2016; House Conference Report 114-632, Department of the Interior, Environment, and Related Agencies Appropriations Bill, 2017 and Consolidated Appropriations Act, FY2017

Despite these obstacles, there are numerous examples where historic leasing and public-private partnership agreements have been used to authorize non-federal entities to operate businesses, provide services and housing, and manage event spaces in historic structures within the national park system. In many cases, the involvement of non-federal entities has meant the difference between preservation and reuse, or deterioration and neglect of irreplaceable historic resources. The American public has directly benefited from these private investments through increased opportunities to enjoy historic properties that otherwise would have been unavailable.

Successful examples of historic leasing being used to rehabilitate historic structures exist in almost every NPS region, such as a Montessori school at Valley Forge National Historical Park, several bathhouses at Hot Springs National Park, and the Argonaut Hotel within the San Francisco Maritime National Historic Park. However, some Superintendents have not used the NPS's leasing authorities to their full extent. Other issues, such as a lack of leasing expertise, staff capacity, and more general policy concerns also stand in the way. As part of our continued work to address the deferred maintenance backlog, The National Trust will convene experts from this field in Washington D.C. this summer to explore these issues, ways to maximize the use of this innovative strategy, and potential legislative and regulatory improvements. We will extend an invitation to this committee in the coming days.

Specific examples of historic leasing and recommendations for its utilization by the National Park Service are outlined in a report⁵ produced by the National Trust that also includes several policy recommendations to expand and enhance the use of this entrepreneurial tool. While not a solution to the entire maintenance backlog, expanding leasing authority and implementation by park superintendents, as well as providing comprehensive guidance and encouragement for the use of historic leasing, paves the way for collaborative, cost-effective arrangements that improve park maintenance and enhance visitor experience.

Volunteerism

Efforts to increase the exposure of our national parks to young people – particularly those from underserved communities – include public-private partnerships that provide opportunities for youth corps and other groups to engage in interactive experiences within the National Park System.

As part of our commitment to these initiatives and to assist the NPS in reducing the maintenance backlog of historic properties, the National Trust launched the HOPE (Hands-On Preservation Experience) Crew initiative in 2014 to train young adults in preservation skills, while helping to protect and restore historic sites. Youth and veterans are trained in the preservation skills necessary to perform preservation work in the parks and other federal lands through a cooperative agreement between the NPS, other federal land management agencies, and several NGOs including the Student Conservation Association and The Corps Network.

In the first four years of the program, HOPE Crews have logged 120,000 hours in over 150 projects, helping to support \$18 million in historic preservation work, as well as engaging 3,000 volunteers and 700 youth and veterans. This work includes rehabilitating structures at Martin Luther King Jr. National Historical Park, Little Big Horn Battlefield National Monument, Golden Gate National Recreation Area, and Shenandoah National Park. Projects like these help reduce the deferred maintenance backlog while also providing job skills and education for the next generation of stewards of America's most important historic sites.

⁵ Historic Leasing in the National Park System: Preserving History Through Effective Partnerships; <http://forum.savingplaces.org/viewdocument/historic-leasing-in-the-national-pa?>; September 2013.

Conclusion

Thank you again for the opportunity to present the National Trust's perspectives on these issues, and we look forward to working with the committee and other stakeholders as you consider policy proposals to address the deferred maintenance backlog. We hope that these critical investments continue to sustain our nation's rich heritage of cultural and historic resources that generate lasting economic vitality for communities throughout the nation.



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**Written Statement Submitted by The Pew Charitable Trusts to the
Senate Energy and Natural Resources Committee
April 17, 2018
"Deferred Maintenance and Operational Needs of the National Park Service"**

Chairman Murkowski, Ranking Member Cantwell, and Members of the Committee, thank you for holding a hearing on the critical deferred maintenance backlog issue and operational needs of the National Park Service. The Pew Charitable Trusts asks that this written statement, and accompanying documents, be submitted for the hearing record.

The Restore America's Parks campaign at The Pew Charitable Trusts seeks to conserve the natural and cultural assets of the National Park System by providing common sense, long-term solutions to the deferred maintenance challenge facing the National Park Service (NPS).

The Deferred Maintenance Challenge within the National Park System

Our statement speaks specifically to the backlog challenges within our National Park System. At present, NPS estimates that repairs at its more than 400-plus sites total \$11.6 billion. At these diverse sites—national parks, historic sites, national monuments, battlefields, seashores and lakeshores, national recreation areas—the agency is responsible for the care and operation of over 75,000 assets.

These assets include over 12,000 miles of roads (over 5,000 of which are paved), nearly 1,500 bridges and 60 tunnels, 18,000 miles of trails, more than 28,000 buildings and historic structures, nearly 2,000 waste water systems, former military installations, parking lots, waterfronts, campgrounds, electrical and water systems, interpretive facilities, and iconic monuments and memorials. Pew has completed case studies that document the breadth of maintenance challenges plaguing our parks, as well as testimonials from local officials, community leaders, and businesses that depend on well-maintained, safe, and accessible parks to help sustain healthy local economies. The case studies and testimonials can be viewed on our webpage:
<http://www.pewtrusts.org/en/research-and-analysis/fact-sheets/2017/05/national-park-case-studies>

Aside from the Department of Defense, NPS maintains more assets than any other federal agency. Over half of these assets have deferred maintenance, with “highest” and “high” priority assets accounting for over 70% of the total backlog. These assets are considered core to the mission of the agency.

The Causes of Deferred Maintenance

Due to aging facilities, strain on resources caused by increased visitation at many park sites, and unreliable funding, NPS has been unable to keep pace with necessary infrastructure repairs.

Aging Infrastructure: Our National Park System is over 100 years old and many park units are showing their age. According to a December 2016 Government Accounting Office (GAO)

report, most of the NPS maintenance backlog is attributed to older park sites, stating specifically that “about \$10.5 billion in deferred maintenance was for park units established more than 40 years ago.” Most infrastructure has a finite lifespan, due to factors such as material longevity, weather, use, and design.

Denali National Park in Alaska has \$54.7 million in deferred maintenance and its most pressing need is the 92-mile Denali Park Road, the only way to access the heart of the park. The harsh freeze-and-thaw cycles of the Alaskan climate have caused the paved and non-paved sections to deteriorate, requiring \$26 million in repairs (FY2015 data). In Olympic National Park in Washington, the most visited park in the Pacific Northwest, the park has \$120 million in deferred maintenance and one of the highest cost needs is millions of dollars in repairs to a section of Highway 101 (the primary route through the Olympic Peninsula) around the popular Lake Crescent area of the park.

Visitation Pressures: In addition to aging infrastructure, the high level of visitors that many park sites have been experiencing in recent years is placing increasing pressures on resources that are often already showing signs of deterioration.

Inconsistent Funding: Years of underfunding compound the challenges of preserving the physical integrity of NPS assets. From FY2006-FY2015, federal funding for the repair and rehabilitation, cyclic maintenance, and line-item construction portions of the NPS budget declined by 33 percent. The agency is typically \$250 - \$320 million short of the \$800 million it estimates it needs each year to maintain transportation and non-transportation assets at existing conditions. We greatly appreciate the increased allocations Congress has provided for NPS maintenance accounts in FY2016, FY2017, and FY2018; these increases are a step forward, though more will need to be done to close the maintenance gap and prevent its growth.

Why We Need To Address Deferred Maintenance

Following is a link to a list of nearly 3,000 organizations across the nation that support directing more resources to fixing our parks: <http://www.pewtrusts.org/en/research-and-analysis/blogs/compass-points/2018/04/18/calls-mount-for-congress-to-fix-our-parks>. These groups—counties and cities, local officials, businesses, veterans, the hotel and restaurant industry, conservation groups, unions, the recreation industry, infrastructure groups, state tourism societies—recognize the importance of investing in park maintenance for the following reasons:

- *Preservation of history and culture.* Restoring our parks preserves and documents our nation’s history for future generations.
- *Local Economies.* Parks are economic engines for rural and urban communities. Based on FY2016 records, 330 million park visits translated to \$18 billion in direct spending to local communities and regions, generating nearly \$35 billion in national economic output and 318,000 jobs. A Pew study commissioned last year found that fully addressing the national park backlog has the potential to create and support more than 110,000 additional infrastructure-related jobs nationwide: <http://www.pewtrusts.org/en/research-and-analysis/blogs/compass-points/2017/12/01/job-creation-potential-if-we-restore-our-parks>.

- *Access and safety.* Safe and accessible roads, trails and facilities are needed so visitors can access and enjoy park resources.
- *Cost-savings.* Investing in park maintenance provides a cost-savings, as postponement of projects can lead to more costly and extensive repairs.

The Path Forward

Drawing down and preventing the escalation of the NPS maintenance backlog that has accrued over decades is not an insurmountable feat. But Congress and the Administration must pursue multiple approaches to ensure success, including dedicated annual federal funding, policy reforms, cost-efficiencies, and increased opportunities for public-private partnerships.

1. Federal Funding

In addition to annual appropriations funding, dedicated annual federal funding is core to ensuring that the NPS can keep pace with priority repairs and keep deferred maintenance from growing. When Congress established the Park Service over 100 years ago, it mandated the agency “...to conserve the scenery and the natural and historic objects and the wild life therein and to provide for the enjoyment of the same in such manner and by such means as will leave them unimpaired for the enjoyment of future generations.” Congress has a responsibility to ensure that NPS has adequate resources to fulfill the mission it gave the agency.

Several bipartisan bills have been introduced this Congress to provide dedicated funding to address the deferred maintenance challenge within our parks: the National Park Service Legacy Act (H.R. 2584/S.751), the National Park Restoration Act (H.R. 5210/S.2509) and the Land and National Park Deferred Maintenance Act, or LAND Act (H.R. 2863). We applaud the sponsors and co-sponsors of these measures for their commitment to our national parks and for responding to the diverse voices across the nation calling on Congress to dedicate more resources to fixing our parks.

2. User Fees. Pew supports the Administration’s recently released park entry fee plan, which increases fees by approximately \$5 for a seven-day pass at park units that currently collect admission, and updates the commercial vehicle entry fee to reflect the number of individuals per vehicle. In addition to these modifications, we recommend: better use of online pass purchases and entrance-fee collection technology; an increase in the cost of the America the Beautiful annual pass; and an analysis of potential impacts from charging daily fees in lieu of weekly fees and from charging international visitors a higher fee for the America the Beautiful annual pass.

3. Volunteerism. NPS’s largest volunteer initiative, the Volunteer in the Park (VIP) program, had over 330,000 participants who contributed over eight million hours of volunteer work, with over 1.16 million of those hours spent on maintenance in 2016. This translates to a savings of \$27.3 million to NPS, based on an independent sector model of \$23.56 per hour for each volunteer hour contributed. Reducing obstacles to volunteering (liability issues, duplication of paperwork, and lack of one portal with volunteer opportunities listed by date/site/skill level) could increase the cost benefit NPS is already receiving from this growing force.

4. Leveraging Partnerships. NPS currently has authority to enter into various types of partnerships and agreements, which has led to alliances with Park Friends Groups, corporations, and non-governmental organizations. These opportunities need to occur more broadly throughout the

National Park System, achieving cost-savings while reducing the maintenance backlog. The Restore America's Parks campaign produced a four-part series that highlights a number of these examples: <http://www.pewtrusts.org/en/research-and-analysis/blogs/compass-points/2017/08/10/innovative-public-private-partnerships-can-help-fix-our-parks>.

The *This American Lands* television program has also run segments documenting the synergy between public-private partnership and maintenance: <http://www.pewtrusts.org/en/research-and-analysis/blogs/compass-points/2018/02/05/national-park-service-turns-to-partnerships-to-tackle-repairs>.

4. Historic Leasing Credit. Over 46 percent of the assets on the deferred maintenance list are considered historic (based on 2016 data). We support the increased use of historic leasing to repurpose and reuse park sites. One successful example is the block of historic houses within the Martin Luther King, Jr. National Historic Site in Atlanta. NPS funds the maintenance for all of the federally-owned houses within the park unit with revenue generated by leasing 29 of the federally-owned historic buildings for private residential purposes. These structures include apartments, duplexes and single family homes and the leasing program has proven to be very popular.

5. New Technologies. As NPS enters its second century, the agency should be a showcase for smart technology and sustainable practices. Implementation of new technologies can also provide an opportunity for more efficient management, cost savings, and revenue generation.

In February, Pew hosted a "Parks and Tech Challenge" in Silicon Valley, bringing together technology and data experts, project managers, business owners, energy experts, and park enthusiasts to brainstorm technology-based solutions to the national park backlog. Top recommendations included a park "key pass" that would allow users to electronically pay entrance and amenities (such as campground reservations and food), access park information including real-time congestion alerts, and easily donate to park projects of their choice. Additional ideas involved platforms for creating, analyzing, and visualizing deferred maintenance work orders in the field, which would help save park staff processing time. The more efficient platforms would enable staff to put repair data into the system more quickly and efficiently, thereby facilitating the maintenance prioritization decisions based on up-to-date, real-time information.

Thank you for the Committee's interest in the maintenance backlog plaguing our national parks, and for your consideration of Pew's views and ideas.

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