

Doubling the National Park Service's Annual Appropriation – the Unique Influence of the National Parks Conservation Association

Staff Report
U.S. House of Representatives
111th Congress
Committee on Oversight and Government Reform

Darrell Issa, Ranking Member February 10, 2009

I. Executive Summary

The National Parks Conservation Association was successful in securing a \$2 billion earmark set aside for the National Park Service in the House economic recovery legislation. This result, however, is clouded by a perception of a conflict of interest between Appropriations Chairman David Obey and his son Craig Obey, the chief lobbyist of the National Parks Conservation Association (NPCA), and false denials by Chairman Obey and the House Appropriations Committee about the lobbying activities of the Chairman's son. Failure to disclose this information in advance of the debate on the stimulus package raises further questions about whether the Association's ability to affect funding streams for the National Park Service are influenced by the relationship of Chairman Obey and his son.

The Senate has proposed \$900 million for the National Park Service, \$1.15 billion less than the amount proposed by the House.

As currently written, the amount earmarked for the National Park Service in the House bill has three fatal flaws:

- The bulk of the National Park Service's appropriation meets the request submitted by Chairman Obey's son. Since the elder Obey assumed the gavel at the Appropriations Committee, his son has achieved significant success in securing federal dollars for the National Park Service. Such success raises the question of whether family ties played a role.
- 2) The bill, as written, doubles the agency's annual appropriation. Furthermore it does not contemplate how the agency will be able to effectively absorb such a significant increase in federal dollars.
- The House bill creates a giant slush fund allowing the National Park Service to shift a majority of stimulus funds to the broad category of "Operations of Park Systems."

II. Craig Obey and the NPCA

The National Parks Conservation Association's influence is on the rise. As the chief outside advocate for the National Park Service, the Association wields considerable clout in the appropriations process. The Association's success with this year's stimulus is staggering. The National Park Service (NPS) is set for a doubling of its annual appropriation through this year's economic recovery package. Under the House version of the stimulus (H.R. 1) NPS is to receive in excess of \$2 billion. This proposed figure nearly doubles the National Park Service's annual appropriation which was \$2.39 billion

¹ H.R. 1, "The American Recovery and Reinvestment Act of 2009" at 113; 151-52; 247.

for FY 2008.² Included in this figure is \$100 million in grant monies, some of which may be awarded to NPCA.³

A. Association Was De Facto Lobbyist for Park Service

Craig Obey successfully lobbied the Appropriations Committee for stimulus dollars. The National Park Service received most, if not all, of the money identified by NPCA in its stimulus request. 11 Its report on the stimulus entitled, "Working Assets: Reinvesting in National Parks to Create Jobs and Protect America's Heritage" is attached as Exhibit 1. According to the Association's January 14 press release, NPCA, "call[ed] for a significant initial investment of \$2.5 billion over an 18-month to 2-year timeframe."¹² The National Park Service's successful lobbying for nearly all of its shovel-ready projects can be compared to the Army Corps of Engineers stimulus funding. The Army Corps received funding for only a third of its shovel-ready backlog. In one of its proposals, the Army Corps "estimate[d] that it can execute \$12 billion on currently authorized projects." The current stimulus funding for the Corps is \$4.5 billion. 14

The stimulus request materials show that NPCA was a *de facto* lobbyist for the National Park Service. Indeed, the stimulus proposal prepared by the NPCA reads as if it was prepared by the National Park Service. Some excerpts from its request include:

² Carol Hardy Vincent, Ross W. Gorte, and Sandra L. Johnson, Congressional Research Service, National Park Mgmt., RL33484, Aug. 15, 2008, at 1.

³ H.R. I, at 152 (\$100 million of stimulus money is for the "Centennial Challenge Matching Grant

The request was communicated with a Report entitled "Working Assets: Reinvesting in National Parks to Create Jobs and Protect America's Heritage," (Jan. 2009).

¹² Jan. 14, 2009 NPCA press release "National Parks, Other Federal Lands Can Benefit From Economic Recovery Funds, Experts Say."

¹³ U.S. Army Corps of Engineers, Economic Stimulus Update (Jan. 14, 2009). ¹⁴ H.R. 1 at 92-96.

The National Park Service could benefit from an investment exceeding \$2.5 billion over an 18-month to 2-year time frame. 15

For the coming year, the National Park Service has identified well over \$1 billion worth of potential investments in ready-to-go projects in national parks in rural and urban communities across the country. 16

* * *

Our National Parks have demonstrated themselves as areas that have important beneficial impacts in local economies.¹⁷

Investments in the parks' ready-to-go projects will help to improve safety and public access, restore our national heritage, and bring immediate economic benefits – including upwards of 57,000 new jobs - above and beyond the federal workforce already managing our national parks.¹⁸

B. House and Senate Stimulus Bills Differ Dramatically for Park Service Funding

The more than \$2 billion the National Park Service would receive under the House bill is dramatically larger than the approximately \$900 million approved by the Senate Appropriations Committee. 19 The wide disparity raises questions about the influence the Association's chief lobbyist has with the committee his father chairs. Tom Schatz, president of Citizens Against Government Waste told the Washington Times the total of the House spending request closely matched the NPCA's own wish-list. "When these numbers come close to somebody's wish-list, I think it's critical to look and follow up on how this money gets spent on the other side," he said.²⁰

Table 1 below shows a comparison of the House and Senate stimulus bill. It demonstrates the reach of the Association's influence with the House Appropriations Committee.

¹⁵ National Parks Conservation Association, Working Assets: Reinvesting in National Parks to Create Jobs and Protect America's Heritage, (Jan. 2009) at 2 (emphasis added).

¹⁶ *Id.* (emphasis added).

¹⁷ *Id.* (emphasis added). ¹⁸ *Id.* (emphasis added).

¹⁹ S. 1, at 114.

²⁰ Stephen Dinan and S.A. Miller, Stimulus Includes Plum for Lawmaker's Son, WASH. TIMES, Jan. 29, 2009.

The House version includes \$100 million for the Centennial Challenge for use on park-specific projects where partners would provide a 1:1 match of Federal/non-Federal funds. The Centennial Challenge is a grant making program – a program that Craig Obey's Association could draw significant money from. The non-Federal share could be in the form of cash, assets, in-kind services, or a pledge of donation guaranteed by an irrevocable letter of credit.

A review of the House bill language shows that a giant slush fund is created with \$1.7 billion of the total funds. H.R. 1 designates these funds, under the heading of "Construction," for "projects to address critical deferred maintenance needs within the National Park System, including roads, bridges and trails, and for other critical infrastructure projects;" an admittedly major funding need for the NPS. 21 A related provision, however, enables these funds to be transferred for the "Operation of the National Park System."²² Therefore, it appears the bill allows these funds to be siphoned away from the specified "deferred maintenance" needs to the ambiguous sphere of "Operations of Park Systems."

In contrast, the Senate language demonstrates a clear intent for allocations to the National Park Service. Deferred maintenance, the crux of the justification for the \$1.7 billion in the House bill, is allocated under the heading "Operation of the Park System" in the amount of \$158 million- considerably smaller than the House bill.²³ Senate report language further recommends for the \$158 million:

\$135,000,000 for deferred maintenance of facilities, with emphasis on cyclic maintenance and other repair and rehabilitation projects currently in the Service's 5-year deferred maintenance plan; and \$23,000,000 for deferred maintenance of trails.²⁴

Under separate headings, the Senate provides \$589 million for "Construction" and \$55 million for the "Historic Preservation Fund", including specific recommendations for the use of these funds (See Table 1).

A final point of distinction is the lifetime of the funds provided. While House language includes no time limit for use, Senate language specifies in each section that funds are "to remain available until September 30, 2010." ²⁵

bin/getdoc.cgi?dbname=111 cong bills&docid=f:s336pcs.txt.pdf) or H.R.1.AS at 115

bin/getdoc.cgi?dbname=111 cong bills&docid=f:s336pcs.txt.pdf) or H.R.1.AS at 115

(http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=111_cong_bills&docid=f:s336pcs.txt.pdf).

²¹ ²¹ H.R. 1 at 153 (ln 21-23 http://frwebgate.access.gpo.gov/cgi-

bin/getdoc.cgi?dbname=111 cong bills&docid=f:h1eh.txt.pdf). H.R. 1 at 153 (ln 21-23 http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=111 cong bills&docid=f:h1eh.txt.pdf).

²³ S.336 at 114 (http://frwebgate.access.gpo.gov/cgi-

⁽http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=111 cong bills&docid=f:s336pcs.txt.pdf).

Senate Report 111-3 at p.46, January 27, 2009 (http://frwebgate.access.gpo.gov/cgi-

bin/getdoc.cgi?dbname=111 cong reports&docid=f:sr003.111.pdf).

²⁵ S.336 at 114 (<u>http://frwebgate.access.gpo.gov/cgi-</u>

Table 1: Senate and House Stimulus Allocations for the National Park Service

NATIONAL PARK SERVICE	SENATE ²⁶	HOUSE ²⁷	
Operations			
Deferred Maintenance.	\$135,000,000	\$1,500,000,000	
Trail Maintenance.	\$23,000,000		
Repair Hist. Structures		\$200,000,000 ²⁸	
Total Operations	\$158,000,000	\$1,700,000,000 ²⁹	
Hist. Pres. Fund			
SHPO's ³⁰	\$50,000,000		
THPO's ³¹	\$5,000,000		
Total Hist. Pres. Fund	\$55,000,000		
Centennial Challenge		\$100,000,000	
Construction			
Roads	\$180,000,000		
Facilities	\$310,000,000		
Park Police	\$9,000,000		
Abandoned Mines	\$50,000,000		
Net Zero Visitor Centers	\$40,000,000		
Total Construction	\$589,000,000		
FEDERAL HIGHWAY ADMINISTRATION			
Highway Infrastructure			
Parks and Parkways	\$100,000,000	\$250,000,000	
Total Highway Infrastructure	\$100,000,000	\$250,000,000	
TOTAL ALLOCATIONS	\$902,000,000	\$2,050,000,000	

²⁶ Numbers based off Senate language from S. 336 (January 27, 2009) as well as H.R.1.AS (January 30,

Numbers based off H.R.1.RDS (January 29, 2009).

28 H.R. 1 provides for \$15,000,000 of this \$200,000,000 to be transferred to the "Historic Preservation" Fund" for preservation projects at historically black colleges and universities.

²⁹ H.R. 1 places "Deferred Maintenance" under the heading "Construction" and can be transferred to "Operations of Park Systems." In contrast, the Senate version includes "Deferred Maintenance" under the heading "Operations of the Park System" and has a separate heading for "Construction."

³⁰ SHPO is State Historic Preservation Offices.

³¹ THPO is Tribal Historic Preservation Offices.

III. Did Craig Obey Lobby The House Appropriations Committee?

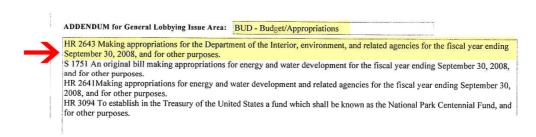
Chairman Obey and his staff have denied that Craig Obey lobbied the Appropriations Committee.³² This, however, does not appear to be true. In NPCA's 2008 lobbying disclosure reports to the House Clerk, Craig Obey is registered as lobbying on issues relating to budget/appropriations.³⁴ Listed below are excerpts from NPCA's lobbying disclosure report dated April 21, 2008. All of NPCA's 2008 lobbying disclosure forms are attached as Exhibit 2.

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³² Mark Halvorsen, *GOP Wants Investigation Into Lobbying by Obey's Son For Obama's Spending Bill*, PIERCE COUNTY HERALD, Jan. 30, 2009; Matthew Daly, Stimulus Bill Has Money Sought by Obey's Son; AP, Jan. 29, 2009.

AP, Jan. 29, 2009.

34 January 2008: http://disclosures.house.gov/ld/pdfform.aspx?id=300115836; April 2008: http://disclosures.house.gov/ld/pdfform.aspx?id=300066794; October 2008: http://disclosures.house.gov/ld/pdfform.aspx?id=300104039.



Furthermore, NPCA's stimulus proposal (asking for \$2.5 billion in the stimulus) document lists Craig Obey as the chief contact on the stimulus proposal. ³⁵ It reads:

More Information



For more information about the opportunity to reinvest in our national parks to create jobs and restore America's heritage, please contact National Parks Conservation Association Senior Vice President for Government Affairs Craig Obey at 202.223.6722, ext. 234.

According to the Laws, Rules, and Standards of Conduct Governing the Outside Employment of Members and All Staff, Members who have lobbying contact with a family member may suffer from a conflict of interest. A conflict of interest may arise in a situation in which an official's official duties conflicts with his personal and private affairs.³⁷ The ultimate concern "is risk of impairment of impartial judgment, a risk which arises whenever there is a temptation to serve personal interests."³⁸

According to House rules on lobbying, "active participation would include participating in decisions about selecting or retaining lobbyists, formulating priorities

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³⁵ National Parks Conservation Association, Working Assets: Reinvesting in National Parks to Create Jobs and Protect America's Heritage (Jan. 2009) at 4.

³⁷ H. Comm. on Standards of Official Conduct, Laws, Rules, and Standards of Conduct Governing the Outside Employment of Members and All Staff, Retrieved Feb. 2, 2009, from http://ethics.house.gov/Subjects/Topics.aspx?Section=152, citing Robert S. Getz, Congressional Ethics 3 (1967); see also Bayless Manning, Federal Conflict of Interest Laws 2-5 (1964); Black's Law Dictionary 319 (8th ed. 2004).

H. Comm. Standards of Official Conduct, Laws, Rules, and Standards of Conduct Governing the Outside Employment of Members and All Staff, Retrieved Feb. 2, 2009, from http://ethics.house.gov/Subjects/Topics.aspx?Section=152, citing Association of the Bar of the City of New York Special Comm. on Congressional Ethics, Congress and the Public Trust 39 (1970).

among legislative issues, designing lobbying strategies, performing a leadership role in forming an ad hoc coalition, and other similarly substantive planning or managerial roles." While Chairman Obey and his staff have denied that the Chairman's son lobbied the Appropriations Committee, Craig Obey and his work on behalf of NPCA interests before the Appropriations Committee clearly fit the definitions of "lobbyist," "lobbying activities," "lobbying contact," "lobbying firm," and "actively participates" provided by the House Clerk. ⁴⁰

The House Clerk's Office provides the following guidance:

Lobbyist

Any individual (1) who is either employed or retained by a <u>client</u> for financial or other compensation (2) whose services include more than one lobbying contact; **and** (3) whose lobbying activities constitute 20 percent or more of his or her services on behalf of that client during any three month period.⁴¹

Lobbying Activities

Lobbying contacts **and** any efforts in support of such contacts, including preparation or planning activities, research and other background work that is intended, at the time of its preparation, for use in contacts and coordination with the lobbying activities of others. 42

Lobbying Contact

Any oral, written or electronic communication to a covered official that is made on behalf of a <u>client</u> with regard to the enumerated subjects at 2 U.S.C. ' 1602(8)(A). Note the exceptions to the definition at 2 U.S.C. ' 1602(8)(B). See Discussion at Section 5 below. ⁴³

Lobbying Firm

A lobbying firm is a <u>person or entity</u> consisting of one or more individuals who meet the definition of a <u>lobbyist</u> with respect to a client other than that person or <u>entity</u>. The definition includes a self-employed lobbyist.⁴⁴

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³⁹ Office of the Clerk, U.S. House of Representatives, *Lobbying Disclosure Act Guidance*, Definition of "Actively Participates."

⁴⁰ Office of the Clerk, U.S. House of Representatives, *Lobbying Disclosure Act Guidance*, § 3, Effective Jan. 1, 2008, *interpreting* The Lobbying Disclosure Act of 1995, 2 U.S.C. § 1601 et seq., (1995).

⁴¹ Office of the Clerk, U.S. House of Representatives, *Lobbying Disclosure Act Guidance*, § 3, Effective Jan. 1, 2008, *interpreting* The Lobbying Disclosure Act of 1995, 2 U.S.C. § 1601 et seq., (1995) (emphasis added).

⁴² *Id.* (emphasis added).

⁴³ *Id.* (emphasis added).

⁴⁴ *Id.* (emphasis added).

Actively Participates

An organization "actively participates" in the planning, supervision, or control of lobbying activities of a client or registrant when that organization (or an employee of the organization in his or her capacity as an employee) engages directly in planning, supervising, or controlling at least some of the lobbying activities of the client or registrant. Examples of activities constituting active participation would include participating in decisions about selecting or retaining lobbying strategies, performing a leadership role in forming an ad hoc coalition, and other similarly substantive planning or managerial roles, such as serving on a committee with responsibility over lobbying decisions.

The claim by Chairman Obey and the Appropriations Committee that Craig Obey does not lobby the panel is disingenuous at best and may be categorically untrue. The discrepancy or parsing of facts raises serious credibility questions about the Committee's assertion that Craig Obey does not lobby his father's Committee in any way.

IV. Conclusion

As currently written, the amount earmarked for the National Park Service has three principal flaws: 1) The lobbying by the National Park Conservation Association's chief lobbyist, son of Appropriations Committee Chair David Obey, raises questions about a conflict of interest or a perceived conflict of interest; 2) the bill, as written, doubles the agency's annual appropriation without regard for whether the agency will be able to effectively absorb such a significant increase in federal dollars; and 3) as it currently stands, the House bill creates a giant slush fund allowing the National Park Service to ultimately transfer the majority of stimulus funds to the broad category of "Operations of Park Systems."

The success of NPCA and Craig Obey in doubling the National Park Service's annual appropriation through the economic recovery legislation raises the question of whether family ties played a role. The seriousness of this potential conflict should have been disclosed to all Members before the vote took place.

⁴⁵ *Id.* (emphasis added).