

Testimony of Thomas C. Kiernan, President

RE: "Legislative Hearing on H.R. 3094 and H.R. 2959, to prepare National Park for their centennial

Before the Subcommittee on National Parks, Forests and Public Lands of the Natural Resources Committee U.S. House of Representatives

August 2, 2007

Mr. Chairman, and members of the subcommittee, I am Tom Kiernan, president of the National Parks Conservation Association (NPCA). Since 1919, NPCA has been the leading independent voice of the American people for protecting and enhancing our National Park System for present and future generations. I am pleased to be here today on behalf of our more than 330,000 members nationwide who visit and care deeply about America's national parks.

Mr. Chairman, I cannot overemphasize how important introduction of H. R. 3094 by you and Chairman Rahall is in terms of creating the critical legislative momentum needed to enact legislation in time to authorize a truly viable centennial program. We applaud and thank you for your leadership in developing a thoughtful legislative proposal that includes mandatory new spending on behalf of our national parks, sets priorities for how those funds should be allocated and encourages contributions from philanthropic sources as we ready the parks for their second century.

I particularly appreciate that the subcommittee has chosen to hold this important hearing on the proposed national parks centennial legislation in this time frame with the press of so much other important business before the Congress. Taking this step in the legislative process now clearly demonstrates that you share our goal of making national parks a national priority as the centennial of the founding of the National Park Service and the unique and magnificent park system the Park Service was created to manage and conserve approaches in 2016. Time is certainly of the essence in launching an ambitious, viable program to help repair and enhance the park system in order for it to begin its second century in the best condition possible, prepared for the challenges of the future. It is a task that requires the Congress, the Administration, philanthropic groups, conservationists, communities, and individual park advocates working together for a common purpose - to harness American pride, patriotism and vision to protect this precious national legacy. Holding this hearing before the impending recess sends an important message to that effect.

NPCA strongly supports the effort to create a special, dedicated fund over and above amounts provided in the regular appropriations process to address priority programmatic and project initiatives to enhance the park system during the years leading up to the centennial. We see this concept not only as an important source of money to pay for important and worthy programs and projects for the parks, but as a way to engage the American people in keeping their own heritage alive.

Let me emphasize at the outset, though, that this proposal alone will not solve the problems and address all the long and short term needs of the parks which have resulted from decades of funding shortfalls during many administrations and Congresses. It must be thought of as one part of a concerted,

comprehensive, multi-faceted, multi-year effort to restore and adequately fund the nation's parks. Substantial increases in park funding, particularly for operations in addition to this bill, sustained over many years will be needed to make the parks whole.

Chronic funding shortfalls continue to be the most pervasive threat to the national parks. Our analysis shows that the shortage of funding for national parks has grown to more than \$800 million every year. The backlog of maintenance and preservation needs exceeds \$7.8 billion dollars, and the Park Service has a backlog of \$1.9 billion in acquiring inholdings located within park boundaries. Many park managers have been forced to reduce their work forces, lower the number of public education programs they are able to offer, shorten visitor center hours or shutter visitor centers altogether, and deny requests from school groups for ranger-led tours. In parks across the country, interpretive displays and signage are outdated, brochures are in short supply or non-existent and interpretive rangers are missing. In many parks, nationally significant lands are subject to development threats. Under these constraints, park managers struggle to engage and inspire visitors, and protect natural and cultural resources

A commitment for sustained funding increases is absolutely necessary to make progress toward eliminating the annual \$800 million operating budget shortfall. We believe without a doubt that, armed with the facts, the American people will agree that the protection and enhancement of the superlative natural, cultural and historic symbols of our shared American experience should indeed be a national priority, particularly in these difficult and unsettling times when the meaning of our heritage is so profound. These places remind us of who we are and how we got here, as a people and as individuals with personal and family connections to special park places.

We are very gratified, and frankly relieved that the administration requested and the full House of Representatives and the Senate Appropriations Committee have approved FY 2008 Interior appropriations bills containing a significant first installment in the increases for park operations that are so essential. It would mean, roughly, that the \$800 million operating shortfall would drop to \$600 million for the 2008 fiscal year. It is a good start and one that needs to be enacted. This increase needs to be sustained as the appropriations process moves forward, and we respectfully solicit your help in achieving that goal. I know that you, Mr. Chairman, and many members of this subcommittee, have consistently supported increased funding for park operations in the appropriations process, and I want to thank you for that.

I would be remiss if I did not also thank Representatives Souder and Baird for the strong leadership they have consistently shown over the past several years. This includes their introduction of the National Park Centennial Act, and the extensive series of hearings Mr. Souder conducted across the country on the future of the National Park System. As co-chairs of the ever-growing House National Parks Caucus, they have both demonstrated a significant and sustained commitment to our national parks and have helped create the opportunity that is now before us.

Nearly one year ago at Yellowstone National Park, Interior Secretary Kempthorne announced an initiative to re-focus attention on the national parks and their needs in anticipation of the 2016 centennial. One of the key elements of that initiative is the so-called "centennial challenge," and how that concept is to be manifest in legislation is, of course, the subject of today's hearing. But before I discuss the legislation, let me say a word about Secretary Kempthorne.

Since his arrival, we have experienced a sea change in receptiveness at the Interior Department to our entreaties about the needs of the parks and the federal responsibility to address them. Clearly, he shares our vision about the value of the National Park System to the American experience, both now and in the future, and I attribute the lion's share of this administration's newfound interest in the national parks to his presence and his commitment to help the parks on his watch. I thank him for his leadership in support of the national parks.

Having an experienced director who has worked her way up through the ranks of the Park Service has also been good for the parks. Let me say for the record that it is a pleasure to work with Director Mary Bomar.

While the central element of the effort to address the needs of the National Park System during the years leading up to the 2016 centennial must be focused on encouraging the federal government to meet its fundamental stewardship responsibility in protecting and adequately funding the national parks, much of the attention surrounding the centennial initiative has been devoted to the idea of creating a program to carry out selected signature or centennial projects and programs. We heartily support this concept so long as the specific projects and programs are integrated into a vision for the National Park System as a whole and will take the parks to a higher standard of excellence in preparation for their next century. As H.R 3094 specifies, the program should consist of new money, and should not result in reduced funding for other important park needs.

Forty years ago, when the Eisenhower administration launched "Mission 66", its commitment of \$1 billion in preparation for the 50th anniversary of the National Park System, it did so in the context of the development of the interstate highway system, with a vision very much influenced by that endeavor. The \$1 billion initiative that President Eisenhower launched and Presidents Kennedy and Johnson continued is worth some \$7 billion in today's dollars. Although that investment was devoted to a smaller national park system serving fewer visitors, it was tremendously important. In hindsight, however, it also resulted in what is now acknowledged to have been too heavy an investment in infrastructure projects, some of which needed to be reworked in later years. Accordingly, the centennial challenge must incorporate a strong set of criteria for project selection that will build on the most beneficial aspects of the Mission 66 experience, meet genuine park system needs, and avoid a repeat of past mistakes. It should articulate a vision and define priorities based upon the mandates of the National Park Service Organic Act and its mission. It must contribute to a compelling case that the Park Service will be better equipped to restore natural and cultural treasures, to protect park resources, to serve park visitors, to enhance park science, to engage the full diversity of our nation in the parks, and better connect them to schools and universities. It is essential that the Park Service focus as well on how it needs to evolve in order to fulfill its mission in the next century and to integrate the parks into the lives of more Americans and keep them relevant to the communities in which we live. If that occurs, Congress can be fully justified in making a ten-year commitment to enhanced park funding.

From its inception, the National Park System has benefited greatly from the generosity of the American people, who have contributed many millions of dollars in support of their parks in order to assure a measure of excellence in the condition of park resources and the quality of park programs for visitors. According to the Park Service, in 2005, the combined value of contributed services, aid and funding to national parks through cooperating associations, volunteers and friends groups, as well as the National Parks Foundation was approximately \$241 million. One of the truly exciting things about the centennial program and project concept is its potential to increase the level of philanthropic support for the park system. We see that as an integral and positive part of the initiative, not just incidental to it.

For its part, the Administration proposes to leverage additional philanthropic activity by creating a required match program whereby federal funds would be made available equal to amounts contributed by non-federal sources, up to \$100 million per year. That is to say, if only \$20 million dollars is raised privately under the program in a year, the federal government would contribute only \$20 million. The "challenge", therefore, would be to raise at least \$100 million in philanthropy every year to ensure that the full \$100 million in federal dollars could be released for centennial projects and programs.

As is so often the case, the devil is in the details.

The administration's bill, introduced in the House by Representative Bishop and Representative Young as H.R. 2959, requires that non-federal contributions be made in cash and paid directly into the Treasury in order to qualify for the federal match.

What we have learned from the various parks friends groups and other charitable organizations with whom we have developed close relationships over many years is that counting only cash contributions which are paid into the treasury is too limiting. In fact, by far the largest share of contributions to the park system is in the form of in kind materials and services. For example, in 2005, friends groups donated \$61 million - \$8.5 million in cash and \$52.5 in non-cash contributions, according to Park Service estimates. It is important to note that non-cash contributions often take the form of turnkey facilities such as museums and visitor centers, materials such as the steel used for the restoration at Yosemite Falls, and other projects providing direct monetary value to benefit a specific park. Because such friends groups can often achieve market efficiencies through project management the Park Service cannot, such in kind contributions often result in substantial cost savings. This should be maintained.

Under the match proposal, parks with particularly active or successful friends groups likely would be disproportionately advantaged since projects or programs they support would have a greater chance of being funded. Today, there are 391 units in the National Park System. There are some 175 friends groups. Some serve more than one park, but many if not most units have no such groups. Some accommodation needs to be made in the match concept to assure that parks without active, successful friends groups are not disadvantaged or forgotten.

Finally, requiring the matching funds to be channeled through the treasury could actually be detrimental to the goal of increasing charitable contributions. Not only does it foreclose giving credit for in-kind or other non-cash contributions, but high-end donors in particular understand that financial gifts made directly to the government do not earn interest but that gifts though intermediary non-profit groups do. Many of those donors also fear that their contributions will not be used as they intend if they write a check to the federal treasury.

The Grijalva/Rahall centennial bill (H.R.3094) would also create a centennial fund to be used for selected projects and programs, but it makes the philanthropic component optional rather than mandatory. By doing so, it obviates several challenges with which we have been struggling since the Secretary took the initiative to propose the centennial challenge concept. For example, by using existing partnership authority, H.R. 3094 avoids the need to create new bureaucratic mechanisms that would be needed to make a philanthropic match requirement work. It ensures, for instance, that parks without active philanthropic partners will receive needed assistance in preparation for the centennial, while enabling friends groups and their national park partners to be as creative as possible in developing additional project or program proposals using the potential federal monetary commitment to leverage additional philanthropic activity. Without the requirement of a match, the bill avoids the need to develop a more encompassing and realistic match definition or to debate the inclusion of appropriate in kind contributions. By using existing partnership authority, it eliminates the need to address whether philanthropists would have to write checks directly to the treasury.

This being said, it will be absolutely critical for the Park Service and its partners to work together to maximize the potential for using this program to attract additional philanthropic support.

Section 5 of H.R. 3094 on partnerships clearly acknowledges that the Secretary may accept donations for any centennial project. Indeed, it provides sufficient flexibility to enable the Park Service to submit proposals to Congress, the vast majority of which would include a match component. It merely prohibits the administration from withholding funds from parks based on the existence or lack of a nonfederal match. Experience shows that park philanthropies generally follow a philosophy of adding value. If the private sector sees itself as supplanting rather than supplementing the federal responsibility to fund the national parks, philanthropy retreats since no added benefit is evident. Potential donors are in general unwilling to pay for things they perceive their tax dollars should already be covering. By the same token, if potential donors recognize an increase in federal government priority for the national parks and an improved federal commitment to adequately funding core park operations, their motivation to add value, including specific park improvements and programs will be invigorated. When coupled with sustained

increases in funding for park operations, creation of the national park centennial fund clearly demonstrates the kind of increased federal attention that can lead to expanded charitable giving for the park system.

One useful clarification relates to the use of unobligated funds. We suggest making it explicit that the availability of unobligated funds for projects in the fiscal years 2009 through 2018 as set out in Section 4(b) is not intended to be limited by fiscal year. That is to say, amounts in the fund that remain unspent should be carried over from year to year, not returned to the treasury.

H.R. 3094 also explicitly addresses the concern we have expressed that amounts spent from the centennial fund on selected projects must be new money, not money taken out of other park programs or budgets or offset against existing appropriations levels. Section 7 on maintenance of effort makes it explicit that money from the fund shall supplement and not replace other annual park service expenditures. The section goes on to direct the Park Service to maintain adequate, permanent-staffing levels, not replacing permanent staff with non-permanent employees hired to carry out projects. That is also very important.

We are also pleased that Section 6 of the bill specifically directs that actions of Park Service employees with regard to any project shall be governed by Director's Order #21. Having that directive in statutory language is an additional safeguard against any potential for over commercialization of the park system that might be created by participation in centennial projects by private entities.

Ever since the idea of creating a dedicated fund for signature or centennial projects and programs was first raised, we have argued that the development of an objective selection process that is guided by clear standards for judging and prioritizing projects is essential if the program is to be politically credible and viable. We believe great care must be taken to ensure that proposals are evaluated objectively and for the value they bring not only to individual parks, but also to the future of the entire park system. By specifically setting out the categories of issues and goals the centennial projects must address and outlining a process for their selection, H.R. 3094 not only provides the program with clarity and stability for its duration, but also increases its political credibility with the Congress. It will also require Congressional discipline in reviewing Park Service proposals to ensure that system needs are being met.

The six categories for centennial projects and programs set out in the bill – Education, Diversity, Supporting Park Professionals, Environmental Leadership, Natural Resource Protection, and Construction are generally in keeping with our own thinking and recommendations, and are basically consistent with categories outlined by the Interior Department in its Report to the President in May. Clearly, they lay a foundation for implementing centennial projects and programs that are truly meaningful and which will contribute to the goal of preparing the National Park System for its next century.

There are a couple of points about specific categories I would like to mention.

First, while the "Natural Resource Protection Initiative" [Section 4(b)(5)] is extremely important, cultural resource needs are not sufficiently addressed in the bill. Each of the 391 units in the National Park System contains significant cultural resources that the Park Service is charged with preserving for present and future generations. More than just bricks and mortar historic structures, cultural resources also include archeology, culturally significant landscapes, ethnographic resources, and museum collections. These valuable resources are not renewable; they cannot be researched or interpreted for future generations if they are lost forever through neglect. The job of putting the National Park System in its best possible condition in time for the centennial would be incomplete if the historic and other cultural sites under the Park Service's care are overlooked. Therefore, we strongly suggest that section 4 of the bill be expanded to include the protection of cultural resources as well.

I also want to call attention to the category titled, "Supporting Park Professionals" [Section 4(b)(3)], which we consider to be very important. One of the most acute complications the Park Service

has faced as funding for the parks has failed to keep up with need has been the ability of the agency to fully train its staff on critical emerging skills and issues. This is particularly problematic with the number of retirements the Park Service has been experiencing. It is our understanding the Park Service now has the smallest budget for training per employee of and of the federal resource management agencies. While many Park Service staff are well trained and experienced in many important areas, park managers also need to be trained to handle the complicated financial, political and managerial responsibilities needed to run an increasingly complex park system, and uphold Park Service management policies. I commend you for recognizing that need in your bill.

Finally, let me say that while the bill's formulation of requiring spending in each category to be allocated in specific percentages seems reasonable in terms of preventing problems such as those encountered in Mission 66 with too much emphasis being placed on brick-and-mortar projects, somewhat more flexibility may be warranted. For example, there might be categories wherein a spending percentage ceiling is required and others that should have a spending floor in order to achieve the desired diverse mix of centennial projects and programs. Requiring adherence to a strict percentage formula for the allocation of funds each year for each category may mean worthy and timely initiatives are forced out of the running without adequate consideration because their relative cost does not fit into the percentage formula.

Again, Mr. Chairman, let me commend you and all the members of the Subcommittee, for your interest in taking substantive action to ensure that our national parks are ready to meet the challenges of their second century. The lead up to the centennial presents an extraordinary opportunity to evaluate and prepare to meet these challenges and to reach the park system's full potential as one of our country's premier resources. Our sleeves are rolled up and we are ready and willing to work with you to perfect this important legislation and see it enacted into law as soon as possible. The national parks should be a national priority. By 2016, the entire National Park System should be a model for the world of American excellence and innovation, grounded in protecting the natural and cultural heritage we hold so dear.

I am happy to respond to any questions you might have.