

**STATEMENT OF JONATHAN B. JARVIS, DIRECTOR, NATIONAL PARK SERVICE,  
DEPARTMENT OF THE INTERIOR, 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.**

**July 25, 2013**

---

Mr. Chairman and members of the Committee, thank you for the opportunity to appear before you today at this oversight hearing to consider supplemental funding options to support the National Park Service's efforts to address deferred maintenance and operational needs.

Today's hearing comes three years and one month to the day before the National Park Service's one hundredth anniversary. I think it is appropriate then that we should look back at the words that Congress used when it decided that certain places were so important - so essential to our national character - that they should be protected not for five, or ten, or even one hundred years, but for all time.

The National Park Service's Organic Act, signed into law on August 25, 1916, states: "The service thus established shall promote and regulate the use of Federal areas known as National Parks, monuments, and reservations...by such means and measures conform to [their] fundamental purpose...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 a manner as will leave them unimpaired for the enjoyment of future generations."

These were bold and inspirational words when they were written, and they define the broad mission of the National Park Service. The maintenance of our facilities and roads is an essential part of meeting our mission, but it is only one part among many. Our focus and attention must be directed not only to our existing facilities, but also to visitor education and safety, resource protection, and wildlife management.

Congress charged the National Park Service with protecting these special places in perpetuity, and it is the fundamental responsibility of Congress to provide annual appropriations commensurate with the responsibilities it has given us to manage these special places. We have embraced a number of opportunities to supplement funding through entrance fees, concession generated franchise fees, and new models of public-private land management. However, annual appropriations remain far and away the heart of our operation and are the primary solution for addressing our maintenance backlog. History does not stop, and we must continue to find a way to protect those areas that have already been designated without excluding those stories and places that matter to this and future generations.

A variety of ideas have been proposed regarding ways the National Park Service could raise additional funds. Some of these ideas are realistic, but others are not. Except for the call for large infusions of federal funds via Federal Lands Transportation Program or Outer Continental Shelf (OCS) receipts, many proposals do not come close to stabilizing, let alone paying down the

National Park Service maintenance backlog. Additionally, many of these proposals require legislative action or inter-agency coordination, and cannot be implemented by internal NPS policy changes or initiatives alone. In other words, these proposals are not the answer to the maintenance backlog.

Resolving the backlog is the fundamental responsibility of the Federal government. The potential to raise additional funds should not be viewed as a way to supplant federal funding. Appropriated dollars should continue to serve as the primary means of addressing the deferred maintenance backlog. Understanding the backlog, its scope, and its various components is critical to identifying possible ways to address it.

### **The Deferred Maintenance Backlog**

At the end of Fiscal Year 2012, the National Park Service faced an \$11.5 billion backlog of deferred maintenance. This amount grows annually at a far greater rate than the Service is able to pay down. In order to merely hold the backlog at a steady level of \$11.5 billion, the NPS would have to spend nearly \$700 million per year on deferred maintenance projects. To place this figure in perspective, the annual operating budget of the entire National Park Service in Fiscal Year 2012 was \$2.2 billion.

The National Park Service has endured successive years of reduced appropriations, and by necessity, non-operating accounts have borne the biggest brunt of the reductions. In Fiscal Year 2012, the NPS had \$444 million available to address deferred maintenance projects: \$71 million from our repair and rehabilitation account, \$74 million and \$3 million from our construction and housing accounts respectively, \$168 million from the Federal Highways Appropriation for park roads, \$75 million from NPS-collected recreation fees, and \$53 million from park concession franchise fees. Even at \$444 million, the NPS falls far short of the \$700 million needed to keep the deferred maintenance backlog from growing. At these reduced funding levels, every park unit must make difficult decisions to prioritize which facilities are repaired and which projects are deferred.

Managing this large of a deficiency with limited resources requires that we concentrate our efforts on correcting the most serious deficiencies in the most important assets of the NPS. Through the Facility Management Software System (FMSS), the NPS tracks asset conditions and maintenance activities, giving us improved visibility into Service-wide maintenance needs and the ability to identify the most serious deficiencies. The total needed to address the highest priority non-road facilities is \$4.2 billion and for roads is \$3.3 billion. The NPS prioritizes repairs that are most critical to meeting our mission of protecting resources, ensuring the health and safety of our visitors, and providing rewarding visitor experiences. We also require that each maintenance project pass a financial sustainability test to prove that the park will be able to keep the asset in acceptable condition for the lifespan of the replacement component.

There have been occasions when Congress has provided a one-time boost in funding directed towards reducing the backlog. One recent example is the \$750 million NPS received through the American Recovery and Reinvestment Act of 2009. With those funds, the NPS executed over 800 projects at 260 park units located in 48 states and the District of Columbia, and the majority

of these projects addressed deferred maintenance needs. The NPS obligated all of the funds within 18 months and completed all projects within 4 years of receiving the appropriation. These projects restored or extended the life of roads, popular trails, and critical facilities.

### **Supplemental Funding Proposals**

The National Park Service is open, of course, to ideas that could supply added funding and appreciates the work of the Bipartisan Policy Center, the National Park Conservation Association, and the National Park Hospitality Association to help identify and promote a wide range of ideas. Some of these ideas have been around for some time and have been pursued. For example, the Centennial Challenge was a successful matching fund through which the National Park Service was able to utilize the Fiscal Year 2008 appropriations request to help us incentivize private donations with a Federal match. We are currently reassessing concession services for the 21<sup>st</sup> century, promoting the use of leasing authority, engaging our volunteers, and continuing to invest in energy-saving, cost-cutting technologies.

The Bipartisan Policy Center white paper includes two proposals that identify new revenue sources and would have no net increase in the Federal budget deficit:

- **Increase fee revenue** – There are many ideas presented in the fee proposal, some of which make a lot of sense, such as competitively pricing the NPS annual pass with state park annual passes (i.e., California’s annual state park pass is \$125, while the America the Beautiful pass is only \$80) and looking into peak pricing models for our highly seasonal parks. The NPS collected \$177.7 million in entrance fees in Fiscal Year 2012 and already focuses much of its annual fee revenue on deferred maintenance projects. Of the funds available for projects, the NPS spent, on average, two thirds of its annual fee revenue on deferred maintenance projects from 2010 to 2012.
- **Establish a Public-Private Partnership matching fund with revenue offsets** – As noted above, the experience with the \$25 million Centennial Challenge fund in Fiscal Year 2008 makes us confident that our donors will respond to a Federal matching fund. Already, partners are stepping up to help us prepare for our second century. This past November, the NPS, in partnership with the congressionally-chartered National Park Foundation, kicked off the first phase of a centennial campaign that will culminate in a strategy for introducing the National Park Service to the next generation of Americans. This work is entirely funded by the National Park Foundation through its development efforts.

The repairs currently underway on the Washington Monument provide a visible reminder of the importance and effectiveness of this kind of public-private partnerships. The NPS received \$7.5 million in appropriated funds for earthquake repairs with the understanding that a private philanthropist was prepared to match the figure with a donation made through one of our partners. By working with our partners and friends, we will be able to reopen the monument to visitors by 2015.

The white paper includes a number of other proposals that we are already pursuing. Many of these proposals have practical, legal, and financial limitations, and we are exploring them in a manner that is consistent with existing National Park Service policies, regulations, and laws. In addition, we are supporting legislation proposed in the white paper to authorize commemorative coins celebrating the NPS centennial.

Finally, the white paper identifies some proposals that face significant practical hurdles or would require major legislative efforts and changes. Such proposals include:

- **Penny for the Parks** – This proposal would increase the federal gas tax by one cent and use the revenues for park transportation infrastructure. Our roads, highways and bridges represent some \$5.7 billion, or nearly 50% of the maintenance backlog. These transportation infrastructure needs are addressed through Federal Highway Trust Fund allocations to the Federal Lands Transportation Program. Any decision on park roads funding would have to be addressed when the Highway bill comes up for reauthorization.
- **NPS Endowment** – We support the idea of an endowment. Funding an endowment with non-Federal resources could be done now through our private partners. Funding an endowment with Federal funds would raise a number of issues, including a determination of the appropriate source of funds and related costs.
- **Non-Appropriated Fund Instrumentality (NAFI)** – The NPS could develop a NAFI-based model for managing concession operations, similar to the model used by the Department of Defense to operate its base exchanges and recreational facilities. NAFIs are organizational and fiscal entities that perform a government function utilizing a base of non-appropriated funds from concession-related revenue. The proposed NAFI would function as a governmental organization that would enjoy greater operating flexibility and access to broader financing options. The concept is interesting, and the NPS is working with subject matter experts to better understand the potential operating structure and legislative requirements this idea would entail.
- **Bonds, revolving loans, etc.** – The National Park Service cannot issue or guarantee bonds, but if states or local municipalities choose to issue bonds to support NPS-related projects, we would obviously welcome and encourage that support.

Finally, let me mention the significant impact that sequestration and other budgetary cuts are having on the Department of the Interior and its bureaus, from impacts on water, to protection of species, to energy development, to the management of our federal lands and resources. The sequester was designed to be inflexible, damaging, and indiscriminate, and it is. The process put in place by the sequestration undermines the work we need to do on many fronts, and increases infrastructure and other backlogs across all Department of the Interior bureaus. The bureaus are facing funding cuts that were imposed mid-year through such measures as freezing hiring, eliminating seasonal positions, and cutting back on our programs and services. These steps are not sustainable, however, as these actions which are eroding our workforce, shrinking our summer field season, and deferring important work cannot be continued in future years without further severe consequences to our mission.

## **Conclusion**

The NPS will continue to pursue new and creative ways to address its funding needs, and I want to thank those partners who have come to us with ideas on ways we can do things better. We will always remain open to new ideas when they provide us with an opportunity to better meet our mission. I hope that Congress, in turn, will remain committed to providing us the resources to meet this extraordinary mission.