

**STATEMENT OF CHRISTINA GOLDFUSS, DEPUTY DIRECTOR,
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DEPARTMENT OF THE INTERIOR, BEFORE THE SENATE SUBCOMMITTEE ON
NATIONAL PARKS, COMMITTEE ON ENERGY AND NATURAL RESOURCES,
CONCERNING S. 2318, A BILL TO REAUTHORIZE THE ERIE CANALWAY
NATIONAL HERITAGE CORRIDOR ACT.**

July 23, 2014

Mr. Chairman, thank you for the opportunity to present the views of the Department of the Interior on S. 2318, a bill to reauthorize the Erie Canalway National Heritage Corridor Act.

The Department recognizes the important work of the Erie Canalway National Heritage Corridor Commission (Commission) and its primary partner, the Erie Canalway Heritage Fund, Inc., in preserving, interpreting, and promoting the 524-mile system of historic canals that compose the Erie Canalway. We recommend that S. 2318 be amended to authorize an extension for the Commission until such time as the National Park Service (NPS) has completed an evaluation and report on the accomplishments of the Erie Canalway National Heritage Corridor (Corridor) and the future role of the NPS, and to provide for the transition of management of the Corridor from the Commission to the Erie Canalway Heritage Fund, Inc., during the evaluation period. We further recommend that National Heritage Area (NHA) program legislation be enacted that standardizes timeframes and funding for designated national heritage areas.

The NPS is initiating phase-in of a funding formula for NHAs, which is a merit-based system for allocating heritage area funding that considers a variety of factors based upon criteria related to program goals, accountability, and organizational sustainability. When fully implemented, the NPS funding formula plan will reward NHA entities that bring in additional non-federal investment and that have developed a sustainability plan. The Department would like to work with Congress to determine the future federal role when national heritage areas reach the end of their authorized eligibility for heritage program funding. We recommend that national heritage area program legislation be enacted during this Congress.

There are currently 49 designated national heritage areas, yet there is no authority in law that guides the designation and administration of these areas as a national system. Program legislation would provide a much-needed framework for the evaluation of proposed national heritage areas, offer guidelines for successful planning and management, clarify the roles and responsibilities of all parties, and standardize timeframes and funding for designated areas.

S. 2318, as introduced, would extend the authorization of the Commission for an additional 15 years, until December 21, 2030. The Erie Canalway National Heritage Corridor was designated by Public Law 106-554, enacted on December 21, 2000, to preserve, interpret, promote, and provide access to the Erie Canalway's historical, natural, cultural, scenic, and recreational resources. That law established the Commission to develop and implement the Canalway Plan and foster initiatives within the Corridor, and provided for the Commission to sunset 10 years

after enactment. Section 8203 of Public Law 111-11 extended the authorization for the Commission for an additional five years, until December 21, 2015.

As the designated authority for implementing the Canalway Plan, the Commission serves as the management or local coordinating entity. A more limited extension of the Commission's authorization would enable it to continue beyond December 21, 2015, as the entity able to receive federal heritage area funding while a transition to the local coordinating entity takes place. Through FY 2014, the Corridor has received approximately \$8.4 million.

The Erie Canalway National Heritage Corridor encompasses the most commercially enduring and historically significant system of canals in the United States. This waterway played a key role in turning New York City into a preeminent center for commerce, industry, and finance. Besides being a catalyst for growth in the Mohawk and Hudson Valleys, these canals helped open up western America for settlement and for many years transported much of the Midwest's agricultural and industrial products to domestic and international markets. The Corridor covers 4,834 square miles, includes portions of 23 counties and 234 municipalities, and is home to 2.7 million people across the state of New York. The mission of the Corridor is focused on preserving and sharing the extraordinary heritage of the Erie Canalway, promoting the Corridor as a world-class tourism experience, and fostering vibrant communities connected by the waterway. This is accomplished through close collaboration among the Commission, the Erie Canalway Heritage Fund, Inc., and voluntary partnerships with communities and citizens, and local, state, and federal agencies.

As mentioned earlier in this statement, the Department recommends that S. 2318 be amended to provide for the Erie Canalway Heritage Fund, Inc., (Fund) to be the local coordinating entity for the Corridor. The Fund is a 501(c)(3) nonprofit organization that has been established exclusively for charitable, educational, and civic purposes. It focuses its activities on implementing the vision formed by the citizens of the Erie Canalway National Heritage Corridor and is a key partner with the Commission in helping to implement the Corridor's preservation and management plan. We would be happy to work with the committee on language that would provide for the appropriate transition of management of the Corridor from the Commission to the Fund.

Amending the bill to provide for the nonprofit organization to be the local coordinating entity would be consistent with the general trend of other national heritage areas that were first authorized with commissions as the management entity. As our experience with heritage areas has grown, we have found that nonprofit organizations have certain advantages over federal commissions as local coordinating entities, including the fact that they do not sunset and they are better situated to do the fundraising needed to sustain the heritage area as it moves toward self-sufficiency. At this time, only three of the 49 authorized national heritage areas, including Erie Canalway, have federal commissions serving as their management or local coordinating entities.

Finally, we recommend a technical amendment to the title of the bill to make it clear that the bill would reauthorize the Commission rather than the entire Erie Canalway National Heritage Corridor Act, which suggests that the Corridor designation faces expiration. While the

Commission faces a sunset date in 2015, the Act establishing the Corridor as a national heritage area does not sunset.

Mr. Chairman, this concludes my testimony. I would be pleased to answer any questions you or other members of the committee may have.