



## Professional Report Series – Number 5

### The Future of Fees and Their Connection to Visitation

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#### Abstract

The Coalition of National Park Service Retirees calls for a complete review of the requirement for visitors to pay fees to enter and to partake in certain activities in national parks. This paper presents some of the current pitfalls and inequities of fees and describes the expansion of fees, particularly for interpretive and education programs, as well as the increase in the amounts of fees.

#### The Coalition

The Coalition of National Park Service Retirees (CNPSR) is an organization comprised of nearly 700 former National Park Service employees who, collectively, have served almost 20,000 years within the agency in every capacity and at all grades, including a substantial number of former Directors and Deputy Directors, former regional Directors or Deputy Regional Directors, former Associate or Assistant Directors at the national or regional office level, former Division Chiefs at the national or regional office level, and former Superintendents or Assistant Superintendents. In our personal lives, we come from the broad spectrum of political affiliations. As park managers, rangers and employees in the National Park Service's many disciplines, however, we devoted our professional lives to a common goal – maintaining and protecting our national parks for the benefit of all Americans, both living and those yet to be born. We remain committed to that goal.

This paper is one of a series on critical issues facing the National Park Service as it enters its second century. A complete listing of all current or planned papers appears at the end of this report.

#### The Author

The paper was prepared for and with the concurrence of CNPSR by J. W. "Bill" Wade, a 32-year veteran of the National Park Service who retired in July, 1997. He served at 10 different parks in a wide variety of positions and had several assignments in foreign countries. He ended his career as superintendent of Shenandoah National Park

## **BACKGROUND:**

In the last two decades, debate on fees in the National Park System has gradually moved away from whether there should be fees and towards a discussion of what those fees should be. There have been many recurring themes in this debate. Those who speak against fees call them a double tax on the public, with visitors to the parks paying fees on top of the taxes paid by the population at-large. The opposing argument is that park visitors derive an additional benefit from actually going to the park and should therefore pay some portion of the costs.

Fees in national parks have been in existence for a long time – since 1908, in fact, as shown here:

- 1908 – Mount Rainier begins issuing auto permits. Other sites, including Yellowstone and Yosemite, soon follow.
- 1917 – Most fees for auto permits are abolished or greatly reduced.
- 1918 – Congress mandates that all fee revenues will be deposited into the Treasury account.
- 1927 – An amendment added to the 1928 Interior Appropriations bill would require the NPS to use a yearlong, all park auto permit costing two dollars. The amendment was ultimately removed.
- 1938 – A fee prohibition is enacted at Mount Rushmore.
- 1939 – Fee structures expand to include not only additional auto permit fees but some motorcycle permit fees, parking fees, and guide service fees.
- 1953 – Pressure for parks to raise more revenue leads to higher fees and the sale of 15-day and annual passes to individual parks.
- 1965 – Land and Water Conservation Act is enacted. The Golden Eagle pass is established. Prohibition on campground fees is abolished.
- 1968 – Legislation is enacted to repeal uniform fee structure. This eliminates the Golden Eagle pass and allows each agency to establish individual fee structures. Repeal is extended to 1971.
- 1972 – New congressionally mandated fee structure established. Entrance fees are allowed only at those NPS sites designated by DOI and at National Recreation Areas administered by USDA. The Golden Eagle pass is reinstated. The Golden Age Pass is established.
- 1974 – The Forest Service stops charging entrance fees, leaving the National Park Service as the only agency charging them.
- 1977 – NPS Director Whalen proposes changes in the system's fee structure for FY 1980 with the goal of establishing a more uniform system of fees.
- 1978 – NPS begins charging fees on some visitor transportation systems.
- 1979 – A freeze on all NPS entrance fees is enacted.
- 1981 – Golden Access Pass is established. Fee revenues are deposited into the Land and Water Conservation Fund instead of the Treasury. Funds can only be expended for land acquisition and state planning and development grants.
- 1986 – Higher entrance fees are enacted.
- 1996 – Fee Demonstration Program begins.
- 2004 – Federal Lands Recreation Enhancement Act is passed.

Because of this extensive history, it would be easy to continue to “take them for granted” and assume that they should be maintained, or even be expanded. We don't necessarily believe that to be in the best interests of the American people, nor of the National Park System. In fact, we believe that the current fee system and structure is out of control, complicated and inequitable.

We hope to raise some new thoughts about fees to be considered as part of an entire process of preparing our National Park System to be managed in the best possible way as the National Park Service enters its second century eight years from now.

## **CURRENT CONCERNS ABOUT FEES**

### The Dilemma of Entrance Fees

Many arguments have been made against charging entrance (access) fees at public lands. One argument is that fees could have implications for public political support for conservation because fees introduce an exclusionary element to park visitation and those who cannot afford to pay could adopt a negative view of public lands. A similar view has also been presented by those who believe that public lands should be treated as pure public goods and therefore should be both non-exclusive and non-rival. They argue that charging fees goes against the very principles on which public lands were founded. They believe that parks, wildlife refuges, and the other public lands are an amenity that a civilized nation should provide to its citizens freely for all to enjoy.

Some suggest that a visit to a site with a low or no entrance fee might induce great respect. People may assign a significantly high value on the resource or experience if they reason that society has elected to subsidize it entirely because of its importance. Some of our most valued icons: the Liberty Bell and the Lincoln Memorial, for instance, are free to visitors. But providing something for free can open the door to a moral hazard. Some visitors won't have a stake in the well being of the site. And lacking a barrier to participation (e.g. a fee), there is a chance that some visitors' attitudes will lead to negative behaviors. Conversely, there is a belief that if a fee is charged, visitors will perceive they have more freedom, ownership, privileges, or rights; leading some to believe they can do whatever they wish at the site, including the abuses such as graffiti, littering, and vandalism. Some believe that these abuses may increasingly occur because visitors aren't paying for their use of a public facility; that is, "deadbeat" visitors will not be filtered out.

What we do know is that entrance fees in many NPS areas have escalated significantly in the past few years, and in a number of areas are now as high as \$25 per car, for those who don't possess the interagency annual pass. We also know that there has been recent public opposition to this continuing escalation (e.g., in Yosemite National Park last year) and that earlier this year, the NPS Director issued a memorandum freezing entrance fees at the 2007 levels and not implementing any new entrance or expanded amenity fees in 2008 (with a few exceptions). The public is making its concerns about fees in national parks known.

The issue of whether or not there should be entrance fees to national parks is a philosophical one, but one which deserves public dialogue to resolve as we approach the Centennial of the National Park Service in 2016.

To the extent that entrance fees do exist, they are subject to many other considerations, some of which are expanded on below.

### Fees Discriminate

Without a doubt, price discriminates. Offer something at no cost, and participation will rise (generally). Offer something at a high cost, and participation usually declines. So in principle, if you want to encourage participation, offer a low cost - or none at all. While an NPS study in 2001 showed that 80 percent of visitors believe that fees are priced correctly, other research argues that fees can moderate park use, usually in a negative way.

We believe it is possible that the current fee structure accounts, to some extent, for why visitation to national parks has declined slightly over the past decade. More worrisome is the higher probability that low income citizens (especially minority populations and young families) are choosing not to visit parks or participate in certain activities (such as fee interpretation) in parks. These citizens therefore lose the opportunity to learn about America's heritage areas and the importance of protecting them.

Another example of fee discrimination is permits for "river running" in places like Grand Canyon National Park and Dinosaur National Monument. Permit fees for these places are burgeoning and in some cases are quite complex and complicated. Superintendents have resorted to these fees to "manage the river program" in these parks, in the absence of sufficient appropriations to do that job. There is no question that only the "well-heeled" can afford these experiences.

#### The Federal Lands Recreation Enhancement Act (FLREA) and the America the Beautiful Pass

FLREA created an interagency national pass called "America the Beautiful - the National Parks and Federal Recreational Lands Pass" (also known as the "America the Beautiful Pass" or simply "ATB") which covers Entrance and Standard Amenity Fees for all Federal recreational lands. Currently, the Annual Pass sells for \$80, but variations are available at a discounted rate. The ATB significantly increased the cost of the annual fee to visit national park units, with little or no more revenue coming to the national parks.

FLREA also contributes to recent political efforts to making the National Park Service more "homogeneous" with other federal land management agencies. It not only did away with the National Parks Pass, but it did away with the distinctive "free day" for visiting national parks - traditionally on August 25, the date the NPS was established - in favor of a free day on "public lands day." This has been yet another in the many political efforts evidently aimed at minimizing or diminishing the "specialness" of the National Park Service and System.

#### Fees Are Being Used More and More to Offset Reduced Appropriations

Despite the fact that there has been strong sentiment in the Congress that fees would augment, rather than replace appropriations, that sentiment has not been realized. Since 2002, the inflation-adjusted appropriations for the NPS have gone down by over 20%.

As public service as a category of civil society has been degraded, diluted, outsourced, and corporatized the National Park Service, starved of public funding, like most agencies and institutions of government these days, must either compromise its service to the public and its management and protection of its national treasures, natural and cultural, or it must offset these deficiencies with other sources of funding.

To try to "make ends meet," Superintendents have little choice but to rely more and more heavily on fees to meet operational obligations in parks.

More and more, Park Superintendents are being put in the uncomfortable and unacceptable position of having to "raise" money, through fees and private donations to keep even minimal park operations funded. Although this varies by park, the result is a steady (sometimes drastic) increase in fees and an increase in the types of fees collected in parks. As a consequence, fees are proliferating and visitors are being charged for activities, including interpretive programs that are mission-related programs. One of our members describes this problem:

Straightforward, accurate, and unbiased explanation of a park's resources, especially those constituting its reason for being, is fundamental to the NPS mission and one of

the things that set the NPS apart from other agencies. But why do we do it? It's not for entertainment, although it is no sin to make an interpretive presentation entertaining. We do it I think because we see a payback whereby visitors, once they understand the value and importance of park resources will treat them with greater respect and even pass on the information to friends and family after they've left the park. It is really the public face of resource protection. Placing a fee on such programs creates a disincentive to attend them and thus a hindrance to the National Park Service to carry out its mission while dividing visitors into "haves" and "have-nots," (or "informed" and "not informed"). It would seem similar to sending kids to primary school, then charging them for places to sit in class. Placing fees on programs seems to me also to be a step towards entertainment and away from education. Once we begin charging fees for interpretive activities we have set the table for the private-sector entertainment gang to sit. When that happens, the market mentality can take over with "interpretive" programs that don't fill the seats being moved aside for programs that do and we drift away from talks on the geology of Grand Canyon to who knows? Maybe a musical comedy about Brighty of Bright Angel.

The National Park Service Guideline (Director's Order #22) on Recreation Fees states (in Section 5.2): "Section 3(g) of PL 91-383 (16 USC 1a-2(g) allows parks to charge fees (known as 1a-2(g) fees) for products and services that are **directly related to the park's living exhibits and interpretive demonstrations.**" [Emphasis added.] Subsection "a" of that Section further states: "The 1a-2(g) authority may not be used to charge fees for core interpretive tours, including cave tours, historic home tours, and other programs that are not related to living history exhibits and interpretive demonstrations."

Yet some parks seem to be in violation of these guidelines. Examples:

- In Mesa Verde National Park (where there is a \$10 per car entrance fee), self-guided tours are offered free of charge in two of its cliff dwellings. Yet to tour three others, including the most famous and largest cliff dwelling in the world - Cliff Palace - you must go with a ranger-guided tour and pay \$3 per person.
- In Mammoth Cave National Park (where there is no entrance fee), fees ranging from \$5 to \$48 per person are charged for all cave tours.
- In Apostle Islands National Lakeshore, a minimum fee of \$3 to \$5 per person is charged for any interpretive program the park offers.

Certainly no one can dispute the fact that the archeological cliff dwellings in Mesa Verde and the cave in Mammoth Cave are the very purposes for which these parks were established; and therefore are central to the mission of those parks. Why should visitors have to pay fees to experience these core resources?

Aside from the fact that these fees evidently violate the NPS's own guidelines, in the cases of Mesa Verde and Apostle Islands (and others in the System) at least, the fees were initiated for one reason - to generate revenue to supplement the parks' diminishing operational budgets so they could hire additional rangers to protect the parks resources and provide for these tours.

Another concern arises over the fact that in some parks, concessioners are now providing interpretive programs. For example, in Yosemite National Park, a substantial number of the total interpretive programs given each day are those given by the park concessioner. Visitors must pay for these programs. There seems to be a corresponding reduction in the numbers of interpretive programs provided by the NPS in these areas.

In an attempt to augment their budgets and offset appropriations deficits, superintendents have to become more entrepreneurial, not always a good thing. The result can sometimes have unintended consequences. A prime example can be seen at Gettysburg National Military Park,

where the superintendent recently entered into an agreement with a private Foundation to build and operate a new visitor center and interpretive complex. Although there were huge advantages to the NPS and to the cultural resources of the park to this arrangement, it required the park to sever its long-standing affiliation with the Eastern National Parks and Monuments Association<sup>i</sup>. Because Gettysburg had been one of Eastern National's best revenue sources, their withdrawal had the effect of starving Eastern, which in turn resulted in starving smaller and lesser-known units that Eastern also supports.

Another concern is that the funding pressure on park managers sometimes results in skewed or completely changed priorities—services that are much more important but not appropriate for fees are not provided and others less essential are provided in order to earn fees to plow into other unfunded needs.

### Fee Revenue Inequity

Parks are allowed to keep 80 percent of the revenue they collect from Entrance Fees and Expanded Amenity Fees. The remaining 20 percent is deposited into a “Servicewide Pot.” All units of the NPS compete for this “20 percent money.” We believe this policy to be unjust to the public and the agency itself.

Equity should be a critical consideration in making fee and pricing decisions. A purely equitable system would empower all parks to establish, operate, and maintain (i.e. supply) public services and facilities at levels that match public consumption (i.e. demand). All else being equal, the opportunity available to Park ‘A’ to meet demand should be equitable to the opportunity available to Park ‘B’ to meet the same demand.

We are not arguing that every park should receive the same amount of money. Nor do we suggest that fee revenues should be prorated and distributed across the System. However, we do argue that an inequity occurs when a park’s eligibility to compete for funding is restricted because of reasonably unavoidable physical or political barriers. Examples can help illustrate this concept:

- At Delaware Water Gap National Recreation Area, too many visitor access points make it infeasible to collect entrance fees.
- A deed restriction at Great Smoky Mountains National Park prohibits the collection of an entrance fee. This represents a reasonably unavoidable political barrier.
- The decision to forgo collecting fees at Palo Alto Battlefield National Historic Site has been made by NPS administrators because of managers’ perception of limited amenities and desire to induce visitation.

Case-by-case, it is extremely challenging to determine if park managers have reasonable control over physical or political circumstances that would allow/prevent fee collection. Palo Alto provides an example where politics and geography are certainly factors that have contributed to this decision, but only in part. The National Park Service could institute a fee if it wanted to. This, however, is not necessarily true for all non-fee parks. Due to circumstances beyond the control of park management (circumstances which, one might argue, actually contribute to its national significance), such parks are hampered in their ability to provide as secure and as robust funding as other fee-collecting parks can provide.

We cannot always judge if the political and physical barriers are reasonably unavoidable or not. We believe it is inequitable to implement a fixed “80/20 rule” based solely on the question of whether a park collects fees or not. Ideally, parks would not lose the ability to compete for fee revenue as they increasingly (and voluntarily) opt out of fee collection.

### Confusion and Conflicts

Parking fees – If you drive a car to Apostle Islands National Lakeshore, Gateway National Recreation Area, Christiansted National Historic Site, or certain other parks, you will have to be prepared to pay for parking – or will you? Some parks have designated parking fees as a type of entrance fee, meaning that owners of the America the Beautiful Pass (or other entrance pass) do not have to pay anything extra. But, other parks define them as Expanded Amenity Fees, so you would have to pay regardless of having a pass. Moreover, it's up to the park to decide if they will observe the 50 percent discount on Expanded Amenity Fees entitled to holders of the Senior Pass or Access Pass. To further complicate matters, many concession-operated facilities charge for parking. Should concessioners be expected to waive their parking fees for those having annual park entrance passes? Should they be required to offer the 50 percent discount for the Senior Pass or Access Pass? If so, why aren't concessioners required to accept these passes and discounts for their other services? Then again, is it fair for visitors to experience different parking fee rules at different parks?

An Example: Mount Rushmore National Memorial is prohibited by legislation from charging an entrance fee. But it's almost impossible to visit there without paying the \$10 "special use" parking fee. Because it is not an entrance fee, the America the Beautiful Pass, National Park Passes, Golden Eagle and Golden Age Passports are not accepted.

Transportation fees – currently there are ten parks charging transportation fees. These fees are customarily included in entrance fee prices. This approach of conjoining entrance and transportation fees has caused some conflict among decision-makers in the National Park Service. Technically, holders of the America the Beautiful or other annual passes are only exempt from paying entrance fees, not other fees. Should they pay the difference to cover the Transportation Fee amount? But if such passes are honored for both fees (as current NPS policy states), doesn't this provide a disincentive for parks to sell annual passes?

An example: visitors to Zion National Park purchasing a \$25 seven-day entrance pass are actually paying two fees: a Recreation Fee (park keeps 80 percent) and a Transportation Fee (park keeps 100 percent). Park managers decide year-by-year what percentage of the \$25 will be considered a Transportation Fee, earmarked exclusively to offset visitor transportation costs.

### **WHEN SHOULD THE NPS CHARGE FEES?**

We believe the federal government, acting on behalf of all citizens, has an inherent responsibility to properly provide for protection and public enjoyment of national parklands. National parklands are a birthright of American citizens passed from generation to generation and deserve the same support as the other hallmarks of American democracy such as homeland security, equal opportunity, and constitutional rights under a rule of law. This inherent responsibility to support our national parklands must provide for essential services that assure protection of the resource, access for the public and institutional capacity to protect the investments of the American people and provide for future generations. Fees may complement this inherent responsibility but must not substitute for it. Amenities that are provided beyond inherent federal responsibility may benefit both private individuals and society at the same time and may warrant subsidy from individual users and the community alike. For example, non-essential amenities such as campgrounds, launch ramps and public showers are not critical to park management in absolute terms. Any unit of the National Park System lacking one or all of these features would, in fact, still be found to be in compliance with the Organic Act. It is logical to expect the National Park Service to provide these services and facilities in some parks;

but logic also suggests that the burden of providing them should be shared between society and individual users.

## **RECOMMENDATIONS**

- The present fee program has assumed an improper level of importance and agency dependence. The trend by Congress and this Administration is to seemingly encourage and develop a fee system to replace, rather than complement, the inherent federal responsibility of Congress to properly fund our national parklands. This has created excessive entrepreneurial disparities, inequities, and conflicts in our national parks that now seem to outweigh the benefits of a reasonable and appropriate program. This trend must be reversed.
- The issue of entrance (access) fees to units of the National Park System should receive national dialogue between now and the National Park Service Centennial in 2016.
- Provisions of the Federal Lands Recreation Enhancement Act that lump the National Park System in with other “public land management agencies” should be rescinded.
- Fees should never be allowed to discriminate against the involvement of low-income visitors to national parks.
- Fees should not be charged for core mission-based interpretive programs in national parks.
- Confusion and inconsistencies in the NPS fee program should be eliminated.

## **Endnotes:**

<sup>i</sup> According to its website, EASTERN NATIONAL promotes the public's understanding and support of America's national parks and other public trusts.

Eastern National, chartered in 1948, is an association operating in more than 130 national parks and other public trusts. Its policies and programs are guided by an elected board of directors. The board, the members and the staff are dedicated to the preservation and use of the parks for the benefit of all Americans, visitors from all nations and future generations.

Eastern National currently operates educational retail outlets in 30 states, from Maine to the Caribbean. All of the products, programs and publications offered to visitors have a strong educational value and assist the educational programs of the Service. In fact, the profits from our activity are donated to the National Park Service and our other partners to further support these programs. Since 1947, we have donated over \$95 million to the National Park Service.

During the last 60 years, Eastern National's contributions have benefited the parks and visitors in many ways. We have supported research in cultural and natural resources to provide a sound basis for educational and park management activities. Our publications program has produced an array of distinguished and informative books and hundreds of folders, many distributed free of charge. We have underwritten production of many fine audiovisual programs used in the parks and in homes and schools.