The Coalition To Protect America's National Parks

Voices of Experience

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November 13, 2017

Christine Williamson
National Park Service
1849 C Street, NW
Mail Stop: 2346
Washington, DC 20240

Subject: Comments on Proposed Targeted Fee Increases at 17 National Parks

Dear Ms. Williamson:

I am writing to you on behalf of over 1,400 members of the Coalition to Protect America's National Parks (Coalition). Our membership is composed entirely of retired, former, or current salaried employees of the National Park Service (NPS). As a group, we collectively represent more than 35,000 years of national park management experience. The Coalition studies, educates, speaks, and acts for the preservation of America's National Park System.

In general, we are quite concerned about the proposed targeted fee increases at 17 national parks. In brief, we believe that

1) NPS has failed to follow its legal public input obligations as required by section 804 of the Federal Lands Recreation Enhancement Act, (16 U.S. Code § 6803);
2) The amount of revenue estimated to be raised by the proposed fee increases and the benefit towards addressing the NPS deferred maintenance backlog is greatly overstated; and
3) The proposed fee increases will exclude visitors who cannot afford to visit the targeted parks and could have significant adverse impacts to gateway communities surrounding those parks.

We offer the following detailed comments regarding our three major concerns.

1) Public Input Obligations

The Federal Lands Recreation Enhancement Act of 2004 (FLREA) authorized five agencies, including the NPS, to charge and retain fees at their sites, effective until September 2019. The Act includes a specific "public participation" requirement that the agencies engage the public whenever a fee change is proposed by the agency. Specifically, 16 U.S. Code, Chapter 87, § 6803 Public Participation states:

> **(a) In general**
>
> As required in this section, the Secretary shall provide the public with opportunities to participate in the development of or changing of a recreation fee established under this chapter.

(b) Advance notice

> The Secretary shall publish a notice in the Federal Register of the establishment of a new recreation fee area for each agency 6 months before establishment. The Secretary shall publish notice of a new recreation fee or a change to an existing recreation fee established under this chapter in local newspapers and publications located near the site at which the recreation fee would be established or changed *(emphasis added)*.

While the Federal Register Notice for the proposed increases appears to meet the "general" requirement of sub-section (a), it clearly fails to meet the "advance notice" requirements of sub-section (b). NPS has not published notice of the proposed fee changes in "local newspapers and publications located near the site at which the recreation fee would be changed." Furthermore, NPS recreation fee policy also requires the agency to conduct thorough vetting with the public before changing, increasing, or establishing new fees. The policy recommends a variety of ways to engage the public and local, regional, and Federal representatives including meetings, social media, press releases, and other creative venues.

NPS's failure to comply with FLREA's public notice requirements and related NPS policy recommendations is not a trivial oversight. By not notifying the affected park communities through the required local notices, NPS is diluting the impact of local feedback and shortchanging the opportunity for comment by the parties most affected by the proposed fee increases at any particular park, including local residents, businesses, interest groups, and other stakeholders. In the past when proposed fee increases have been vetted at the local level, depending on the feedback received, parks have typically had options to retain current fee rates, phase in an increase, and/or reduce the increase or delay it. That flexibility and responsive to local feedback is not the case with the proposed 17-park fee increase. As a result, the Coalition believes the process, as required by law, has not been adequately followed in this case.

2) The Estimated Revenue Is Insufficient to Address Deferred Maintenance and Other Park Needs

Shortly after FLREA became law, the NPS developed a standard pricing model based on four groupings and included a per vehicle rate, a park annual pass rate, and a per person rate that was intended to simplify rates across the NPS. Motorcycle rates were added later. The most expensive grouping was to charge a $30 per vehicle fee, $60 for an annual pass, $15 per person and $20 for motorcycles. The model was launched with the intent to move all parks into a pricing group over time based on public input and to increase fees over time as needed to meet cost of living adjustments.

During the economic downturn in 2008, a moratorium was placed on raising fees to allow time for the economy to improve. After the moratorium was lifted, nine parks implemented a $30 per vehicle fee in 2015 or 2016. Denali revised its fee structure to charge $10 per person in 2014. The remaining seven parks implemented rates of up to $25 in either 2015, 2016, or 2017 based on public input. Consequently, to propose more than a doubling of the fee in such a short time frame will not be accepted by the public. In fact, the Coalition feels that it is likely that the revenue will drop due to decreased visitation and/or to the majority of visitors purchasing the $80 annual pass.

It is our understanding that earlier this year the NPS Washington Fee Office requested input from each region to identify the parks that had not yet attained their grouping level fee rates and the reasons for this. Zion, Sequoia, Shenandoah, Joshua Tree, Glacier, Bryce Canyon, Mount Rainer, and Olympic National Parks were identified in this process and all reported significant negative feedback during the public comment process to raising rates for the park annual pass or the per person rate. Those parks did not raise their rates while also proposing to possibly increase rates at a later date.

Data showed that when the NPS announced the Senior Pass would be increased to $80 for a lifetime pass instead of $10, sales spiked dramatically. The typical contractor online sales rose from an average of 33,000 passes per year to over 900,000 in 2017. The day after the NPS proposal was announced, 754 Senior passes were sold on-line in one day. The average daily sales had been 40-50 passes a day. If the proposed rates are approved, then more and more Senior, park-specific annual passes, and service-wide annual passes will be sold, which will result in decreased revenue overall.

The NPS pays for the cost of fee collection from the fee revenues. In FY 2017, the cost of collection was 12.17 percent. The cost of collection was not considered when the $70 million estimate in the current proposal was made; therefore, the estimated revenue is actually 12-13 percent lower than the projection. The top ten fee-revenue parks collect 47 percent of the total fee revenue. The top 25 fee-revenue parks account for 74% of the revenue, so visitation loss at the 17 targeted fee parks will drastically reduce the targeted fee parks' revenue.

The fact sheet published by the National Park Service states the following:

> As part of its commitment to improve the visitor experience and increase revenue to help address the deferred maintenance backlog *(emphasis added)*, the National Park Service is proposing to implement peak season entrance fees at 17 of its busiest national parks.

We seriously doubt the validity of that statement; the math simply doesn't add up. NPS asset inventory data indicates the total Deferred Maintenance (DM) cost for these 17 parks is $2.765 billion, which represents 24% of the total NPS DM backlog. (See Appendix A) The fact sheet provided by NPS indicates that the proposed increase will yield an additional $68.6 million annually. Assuming that 80% of the increased revenues remain with these 17 park units, this will provide an additional $54.9 million that could potentially address DM within these parks. While the increase in available funding seems significant, it represents less than 2% of the total DM. The actual impact on deferred maintenance is further reduced when you consider the following:

- While fee revenue can be used to address deferred maintenance, it can only be used to fund DM projects associated with assets that have a direct connection to the visitor experience (visitor centers, campgrounds, picnic grounds, comfort stations, trails).
- Fees are also used to address other park needs that are not related to deferred maintenance reduction such as:
    - Interpretation, visitor information, visitor services, and visitor needs assessments;
    - Habitat restoration directly related to wildlife-dependent recreation including hunting, fishing, wildlife observation, and photography;
    - Law enforcement related to public use and recreation;
    - Direct operating or capital costs associated with the recreation fee program; and
    - Fee management agreements.
- Eight of the park units targeted for the increase are collecting a portion of the entrance fee as a transportation fee, which is used to operate the park transportation system and would not be available to fund DM projects.
- NPS typically has dedicated less than an optimum amount of fee revenues on deferred maintenance, in part, due to a variety of other expenses eligible for fee funding. For example, from FY 2004 through FY 2014, NPS spent an average of 46% of its total fee revenue on DM projects. See Appendix B for details.
- The amount/percentage of fee revenue dedicated to DM projects could increase somewhat in FY2018 when NPS is expected to begin implementing policy that requires parks to expend a minimum of 55% of the fee revenue on deferred maintenance. The remaining 45%, therefore, can be utilized to address non-DM needs such as those listed above.
- The proposed President's budget for FY18 includes a $98 million decrease for NPS facility operations and maintenance as does the House and Senate budgets.

Furthermore, as important context for this discussion, the Administration's FY 2018 budget calls for a 13% reduction in the NPS budget while the House of Representatives has passed a FY 2018 Interior appropriations bill that reduces NPS funding once again. This equates to a cut of nearly $400 million in the NPS's $3 billion annual budget. We believe it is disingenuous for the Department of the Interior and the NPS to sell the entrance fee increase, which by NPS's own estimate might generate $68 million per year, as a legitimate method for reducing the backlog of deferred maintenance while the Administration is simultaneously proposing massive cuts to the NPS annual budget.

Given these facts, it is clear that increasing entrance fees as proposed will not have any significant impact on the NPS DM backlog. Actually, absent Congressional intervention, the backlog will continue to grow.

3) Economic Impact to Gateway Communities

In general, parks have long been economic engines for park gateway communities. In 2016, the National Park System received an estimated 330,971,689 recreation visits. Visitors to National Parks spent an estimated $18.4 billion in local gateway regions (defined as communities within 60 miles of a park). The contribution of this spending to the national economy was 318,100 jobs, $12.0 billion in labor income, $19.9 billion in value added, and $34.9 billion in economic output. The lodging sector saw the highest direct contributions with $5.7 billion in economic output directly contributed to local gateway economies nationally. The sector with the next greatest direct contributions was the restaurants and bars sector, with $3.7 billion in economic output directly contributed to local gateway economies nationally. (2016 National Park Visitor Spending Effects Economic Contributions to Local Communities, States, and the Nation Natural Resource Report NPS/NRSS/EQD/NRR—2017/1421 Catherine Cullinane Thomas1 and Lynne Koontz2)

Specifically, the 17 parks where fee increases are proposed contributed a total $6.8 billion in economic output to their local communities in 2016. See Appendix C for details. As a result, should visitation decline at these parks as a consequence of the proposed fee increases, the economies of gateway communities could also decline. A 5% reduction in visitation would result in $342.6 million in economic losses and even a smaller decline of 1% could result in $68.5 million in economic losses. The risk associated with potential economic losses simply cannot justify these large fee increases.

The NPS press release issued on October 24, 2017, stated that the fee proposal would, "would generate badly needed revenue for improvements to the aging infrastructure of national parks. This includes roads, bridges, campgrounds, water lines, bathrooms, and other visitor services." As mentioned previously, the Coalition believes that the proposed fee increase will NOT provide sufficient revenue to address the aging infrastructure and visitor services. Yet, the same increases will inevitably exclude visitors from the targeted parks and adversely impact the local economies of gateway communities. Further, this is all being done while the public's normal opportunity to comment about specific park fee increase is obviously diminished and confusing because all the increases are lumped into one proposal.

As a result, the proposal fails both the National Park Service and the American public by not adequately addressing the deferred maintenance issue, while at the same time reducing the public's ability to enjoy the targeted parks and reducing the ability to protect park resources through fee revenues.

To effectively address the deferred maintenance backlog and to provide sufficient funding for the NPS to achieve its fundamental mission, it is clear that additional appropriations must be provided. Toward that end, we strongly support the proposed National Park Service Legacy Act of 2017, which would provide substantial recurring funding dedicated to reducing the deferred maintenance backlog. Increases in fees, private fund-raising, relying more on volunteers, and contracting-out more visitor services will not provide the NPS with the financial resources it needs. The NPS budget is only 1/15 of one percent of the overall federal budget. It is up to Congress to ensure sufficient appropriations are provided so that America can afford to take care of its national parks.

For all of the reasons described above, the Coalition to Protect America's National Parks urges the National Park Service to defer action on the proposed fee increases. We appreciate the opportunity to comment on this important issue.

Sincerely,

Maureen Finnerty

Maureen Finnerty, Chair
Coalition to Protect America's National Parks

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Appendices

Appendix A **Asset Inventory Data for the 17 Parks**

The following table provides asset inventory data for the 17 park units that are targeted to have entrance fee increases. Data includes the total amount of deferred maintenance (DM); total current replacement value of the inventory (CRV); and the facility condition index of the inventory (FCI), which is the ratio of deferred maintenance to the current replacement value. The closer the FCI is to 1, the worse the condition of the inventory.

FCI = Deferred Maintenance Costs ÷ Current Replacement Value

Current Replacement Value

Park	DM	CRV	FCI
Arches National Park	$24,678,598	$83,258,487	0.296
Acadia National Park	$71,029,341	$1,047,567,822	0.068
Bryce Canyon National Park	$27,478,963	$209,113,256	0.131
Canyonlands National Park	$45,179,991	$171,118,158	0.264
Denali National Park and Preserve	$50,336,451	$508,717,097	0.099
Glacier National Park	$148,262,903	$1,422,465,948	0.104
Grand Canyon National Park	$353,354,524	$2,644,532,797	0.134
Grand Teton National Park	$190,800,484	$978,682,687	0.195
Joshua Tree National Park	$35,494,526	$682,253,775	0.052
Mount Rainier National Park	$152,128,455	$1,266,022,131	0.120
Olympic National Park	$152,227,794	$1,216,279,504	0.125
Rocky Mountain National Park	$75,073,266	$744,097,000	0.101
Sequoia and Kings Canyon National Park	$145,379,039	$1,225,261,599	0.119
Shenandoah National Park	$75,679,764	$756,335,477	0.100
Yellowstone National Park	$663,268,389	$3,376,930,770	0.196
Yosemite National Park	$555,086,179	$4,052,165,278	0.137
Zion National Park	$70,044,815	$761,355,341	0.092
Total	**$2,765,458,666**	**$21,146,157,125**	**0.131**

Appendix B Percent of NPS Fee Revenues Spent on Deferred Maintenance FY2003 - 2014

	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	Total
Facilities Deferred Maintenance	$77,257	$77,783	$67,500	$72,500	$101,828	$87,409	$100,000	$93,334	$88,000	$75,103	$ 46,748.00	$50,000	$937,462
Total Expenditures (Outlays)	$119,282	$137,563	$123,830	$148,511	$150,030	$183,656	$200,546	$213,990	$243,046	$206,151	$172,599	$157,160	$2,056,364
% of program spent on DM	65%	57%	55%	49%	68%	48%	50%	44%	36%	36%	27%	32%	46%
Trend		↓	↓	↓	↑	↓	↑	↓	↓	↔	↓	↑	↑

Appendix C 2016 Economic Output of the 17 Parks

Park	Economic Output (millions)
Arches	$ 251.6
Acadia	332.8
Bryce	244.7
Canyonlands	57.6
Denali	864.4
Glacier	339
Grand Canyon	904.3
Grand Teton	779.5
Joshua Tree	164.5
Mount Rainier	64.8
Olympic	398.7
Rocky Mountain	455.8
Sequoia and Kings Canyon	114
Shenandoah	180.6
Yellowstone	680.4
Yosemite	686.3
Zion	333.2
Total	$ 6,852.2
5% reduction in output due to fee increase	$ 342.6
1% reduction in output	$ 68.5