

**STATEMENT BY FRAN P. MAINELLA, DIRECTOR OF THE NATIONAL PARK SERVICE BEFORE THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON INTERIOR, ENVIRONMENT, AND RELATED AGENCIES CONSIDERING THE NATIONAL PARK SERVICE BUDGET FOR FISCAL YEAR 2006**

**APRIL 13, 2005**

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Mr. Chairman and members of the Subcommittee, first and foremost, I want to thank you for your support of the National Park Service and the budget we received for FY 2005. I also want to thank you today for the opportunity to present the FY 2006 budget proposal of the National Park Service and let you know how much we appreciate your continued support.

Parks represent our national story. Within the parks dwell the memories of great accomplishments, victories, and national pride, as well as difficult hardships, tragedy, and shame. We preserve “unimpaired the natural and cultural resources and values of the national park system for the enjoyment, education, and inspiration of this and future generations.” With this mission, I present the FY 2006 budget proposal.

For FY 2006, the President’s budget proposes \$2.2 billion in overall discretionary spending authority for the National Park Service. While the operating account will receive an increase of nearly \$51 million, the overall budget proposal is \$65.6 million below the FY 2005 enacted level. The budget proposal reflects four guiding priorities for FY 2006. The first priority is to sustain our core mission: to preserve and operate the many units of the Park System. I thank the Congress for its strong support for this mission in FY 2005. The FY 2006 budget proposes to build even further upon that base. The second priority is President Bush’s commitment to reduce the Park Service’s long standing maintenance backlog. The FY 2006 budget proposal will fulfill his promise to commit \$4.9 billion over five years toward addressing the backlog. The third priority is Secretary Norton’s commitment to conservation through cooperation, consultation, and communication. The budget proposal includes strong funding for programs and grants that bring local communities into the conservation process. The fourth and final priority is my own personal commitment to innovative management. The budget proposal includes a wide variety of improvements and reforms to the way the Service manages the public’s natural, cultural, and financial resources.

**Maintaining Park Operations**

The National Park Service must ensure that the day-to-day operational needs of our parks are met. To fulfill this commitment, the budget proposes \$1.8 billion in FY 2006 for park operations in the Operation of the National Park System and U.S. Park Police Appropriations. This represents an increase of \$50.8 million, or 2.9 percent, over the FY 2005 enacted level. The majority of the funding within these Appropriations is provided directly to park managers. This “park base” funding is vital because it enables the 388 park units in the National Park System to carry out the core mission of the Park Service. Nearly \$1.069 billion is requested for park base funding, a \$21.9 million increase from FY 2005. This park base request sustains the significant \$60 million increase in FY 2005 and will allow the parks to maintain their current level of

services. The President's budget seeks full funding for pay and other fixed costs and I hope the Congress will concur with this important proposal.

### **Reducing the Maintenance Backlog**

The FY 2006 budget proposal meets the President's goal of investing \$4.9 billion over five years to improve National Park Service facilities and roads. For FY 2006, the budget proposes over \$1.1 billion to address the deferred maintenance backlog. This request represents an increase of \$144 million over the FY 2005 enacted level and includes \$717 million in NPS appropriations, \$320 million for park roads within the Department of Transportation's Federal Lands Highway Program, and an estimated \$108 million in funding dedicated to maintenance from recreational fees. Park roads funding depends upon enactment of the Administration's proposed reauthorization of the Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21).

Of the portion provided for facility maintenance and construction, \$98.5 million will be directed toward the Repair and Rehabilitation Program. This includes an increase of \$3.4 million specifically for historic buildings. A Program Assessment Rating Tool (PART) review indicated that dollars invested in historic buildings can significantly improve the overall condition of the park system's historic structures over a short period of time. A total of \$62.8 million is proposed for our regional maintenance programs to perform preventive maintenance in parks, including \$10 million for cyclic maintenance for historic structures. The budget proposes \$324.4 million for construction with the majority of the funding (\$221.2 million) slated for Line-Item Construction projects that improve facility conditions.

### **Fostering Partnership Initiatives**

In response to the concerns expressed by this Subcommittee, the Park Service has undertaken a complete inventory of all partnership construction projects of more than \$1 million over the past year. From this analysis, we have created and implemented a comprehensive project review process that will ensure that projects are mission-essential and achievable. As elements of this process, the Service has instituted service-wide training, a project tracking system, and an accountability system that will be incorporated into the performance plans of regional directors and superintendents.

The Park Service has identified 45 projects valued at \$5 million or more at all stages of planning. Identification does not mean concurrence. The Park Service will only send projects to Congress after I, my Washington staff, and my regional directors have determined:

- that the proposed projects address Park Service priorities and are consistent with park general management plans,
- that partners have the capability to raise promised funding,
- that any expected capital contributions from the Service have been prioritized in the five-year capital plan,
- that ongoing operation and maintenance costs are known and can be sustained over time.

Additionally, the Service has initiated a standard policy of including language in all agreements with partners that specifically prohibits the solicitation of funding from Congress outside of the budget process. Only projects that pass a review by both my office and the Assistant Secretary

of Policy, Management, and Budget will be submitted to the Subcommittee. I assure you that when partnership construction projects are now recommended to Congress for approval, they will be of the highest quality, feasible, and sustainable.

The Park Service will hire a Partnership Program Coordinator to manage and support the newly established Partnership Construction Process (Building Better Partnerships Program). The Service will secure outside expertise to assess the capacity of partners to raise funds and evaluate business models for economic development. The \$0.31 million increase will also be used to manage the Monitoring and Tracking Database System to monitor fundraising efforts and partner construction projects, generate reports, and maintain the partnership webpage.

The National Park Service will continue its longstanding relationships with State, Territory, and Tribal partners through grants from the Historic Preservation Fund. From the Historic Preservation Fund, the budget proposes \$66.2 million for FY 2006. This request includes \$38.7 million for Grants-in-Aid programs to support State and Tribal Historic Preservation Offices, \$15 million for Save America's Treasures, and \$12.5 million for a new program, Preserve America. The Save America's Treasures program addresses the urgent preservation needs of the nation's most significant historic sites and collections. Each grant requires a 1:1 match of non-Federal funds. This has stimulated contributions from states, localities, corporations, foundations, and individuals who value our shared heritage. Preserve America grants will support heritage tourism and complement Save America's Treasures grants by competitively awarding one-time assistance to communities initiating long-term approaches to using historic resources in an economically sustainable manner.

As part of the President's effort to cut the budget deficit in half by 2009, the Interior Department has made difficult choices in its FY 2006 budget request to reduce funding for some programs. Funding for LWCF State grants is not being requested, with the exception of \$1.6 million to administer prior year grants. The LWCF grant program went through an extensive review by the Office of Management and Budget as part of their evaluation of the effectiveness of all federal programs and they concluded that the program needs to improve in its measures of performance and demonstration of results. The budget request, however, continues funding for land acquisition on the federal side by proposing nearly \$53 million for the NPS portion of the Federal land acquisition program, including \$2 million to continue the Civil War Battlefield Preservation Grants program.

### **Continuing Management Reform Actions**

The National Park Service is working toward innovation and reform in the way it manages natural and cultural resources, as well as the way it manages money and information. The NPS Natural Resource Challenge (NRC) continues to make progress towards its goal of developing a scientific base of knowledge about park resources. The NRC is an initiative that has expanded existing inventory programs and developed efficient ways to monitor the vital signs of natural systems, enlisted others in the scientific community to help, and expanded natural resources preservation activities in parks. The FY 2006 budget proposal includes a \$4.9 million increase to allow for the monitoring of park vital signs and water quality in all 32 multi-park networks for the first time. In order to accommodate this critical need, \$3.9 million in project funding will be reallocated from the Natural Resources Preservation Program (NRPP). NPS vital signs

monitoring provides park managers with key information on the status and trends in park ecosystem health, defines normal limits of variation in measurable features, provides early warning of situations that require management intervention, suggests remedial treatments and frames planning alternatives, and in some cases determines compliance with laws and regulations.

In an attempt to move toward greater levels of budget and performance accountability, the NPS continues to expand the use of the PART, activity-based costing, and preliminary planning efforts associated with competitive reviews. PART evaluations and recommendations continue to inform both budget formulation and program management decisions.

This Subcommittee, as well as the Administration, has been urging us to improve our budget formulation process, particularly related to park specifics, by making it more transparent. We have initiated two new processes to meet this requirement. First, we have developed a park scorecard. The scorecard is an indicator of park financial, operational, and managerial health used to aid in the identification and evaluation of base budget increases for park units. It provides an overarching snapshot of each park's current situation by offering a way to analyze individual park needs and to compare parks based on broad criteria. The process by which we set priorities now incorporates the scorecard, in conjunction with performance metrics and the Operations Formulation System (OFS), to better determine relative park needs and the potential for improving performance. The scorecard will be continually evaluated and expanded to meet park performance and budget needs and I anticipate that its use, in time, will aid the Park Service in evaluating all base programs, as well as incremental changes.

Second, we have developed a core operations analysis process that integrates management tools to improve park efficiency. The process is designed to assist park management in making fully informed decisions on staffing and funding alternatives that tie to core mission goals. This will ensure that funds are spent in support of a park's purpose, that funds are spent in an efficient manner, that a park's request for funding is credible, and that there are adequate funds and staff to preserve and protect the resources for which parks are responsible. The Intermountain Region has been successfully using these analyses and we are already taking steps to implement the process throughout the entire Service.

The NPS maintains its support for the President's Management Agenda and has funding in the FY 2006 budget for improving information technology (IT), financial accountability, and other management reforms. The budget proposal includes funds totaling \$6 million for fee program data analysis improvements, a dozen assorted IT initiatives, including security upgrades and the implementation of an enterprise services network, and reform of the Federal Land Acquisition administrative function. The budget also proposes a series of management actions, including rental space consolidation and fleet management reforms that will bring over \$4 million in savings to the government.

I thank you again for the opportunity to present our proposal for the FY 2006 budget for your consideration. My senior management and I welcome any questions that you may have concerning the National Park Service and the FY 2006 budget proposal.