

**FISCAL YEAR 2005 BUDGET FOR
THE NATIONAL PARK SERVICE
AND BUREAU OF LAND MAN-
AGEMENT AND ONGOING EF-
FORTS TO REDUCE MAIN-
TENANCE BACKLOGS**

OVERSIGHT HEARING

BEFORE THE

SUBCOMMITTEE ON NATIONAL PARKS, RECREATION,
AND PUBLIC LANDS

OF THE

COMMITTEE ON RESOURCES
U.S. HOUSE OF REPRESENTATIVES

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**OVERSIGHT HEARING ON THE FISCAL YEAR
2005 BUDGET FOR THE NATIONAL PARK
SERVICE AND BUREAU OF LAND MANAGE-
MENT AND ONGOING EFFORTS TO REDUCE
MAINTENANCE BACKLOGS**

**Thursday, February 26, 2004
U.S. House of Representatives
Subcommittee on National Parks, Recreation, and Public Lands
Committee on Resources
Washington, DC**

The Subcommittee met, pursuant to notice, at 10:04 a.m., in Room 1334, Longworth House Office Building, Hon. George P. Radanovich [Chairman of the Subcommittee] presiding.

Present: Representatives Radanovich, Souder, Bishop, Christensen, Kind, Mark Udall, Grijalva, and Bordallo.

**STATEMENT OF THE HON. GEORGE P. RADANOVICH, A
REPRESENTATIVE IN CONGRESS FROM THE STATE OF
CALIFORNIA**

Mr. RADANOVICH. Good morning and welcome to the Subcommittee on National Parks, Recreation, and Public Lands hearing. Frankly, this is the first Subcommittee hearing of 2004, so I want to welcome everybody here today.

I want to welcome back my colleague and friend, the Ranking Member from the Virgin Islands, Donna Christensen, with whom I hope to build upon a bipartisan relationship from the previous year. I also welcome back all of my colleagues on the Subcommittee, even those who aren't here yet.

[Laughter.]

Mr. RADANOVICH. This morning, the Subcommittee on National Parks, Recreation, and Public Lands will receive testimony from the Director of the National Park Service, Fran Mainella. Good morning, Fran.

Ms. MAINELLA. Good morning, Mr. Chairman.

Mr. RADANOVICH. And also the Director of the Bureau of Land Management, Kathleen Clarke. Kathleen, welcome to the Subcommittee.

Ms. CLARKE. Thank you.

Mr. RADANOVICH. Good morning to you, too. This is, I think, Kathleen's first time at the Subcommittee, so—

Ms. CLARKE. It is. Thank you.

Mr. RADANOVICH. You know I have a reputation for being very bruising to the people that are here testifying, and I hope to continue that today.

[Laughter.]

Ms. CLARKE. I look forward to that.

Mr. RADANOVICH. Director Mainella and Director Clarke will present testimony on their respective Fiscal Year 2005 budgets as well as their agencies' efforts to reduce maintenance backlogs.

As this is the first Subcommittee hearing on the Presidential Budget since the 2004, or excuse me, the 104th Congress, I imagine that Members will have a lot of questions.

Mr. RADANOVICH. As members of the Subcommittee are well aware, reducing the maintenance backlog within the Department has been a priority for this Administration. For the Park Service, the Subcommittee is very interested in the status of the condition assessment, which will be addressed in its July 2003 Partnering and Managing for Excellence Report to the President and how it will be used.

For the Bureau of Land Management, the Subcommittee is interested as to why the Fiscal Year 2005 budget has increased the land acquisition account by \$5.6 million when the agency already manages 264 million acres of land.

With that, I want to turn to my Ranking Member, Mrs. Christensen, Donna, for any statements, or opening statements, frankly, that you may have.

[The prepared statement of Mr. Radanovich follows:]

**Statement of The Honorable George Radanovich, Chairman,
Subcommittee on National Parks, Recreation and Public Lands**

Good morning. The hearing will come to order.

As this is the first Subcommittee hearing of 2004, I would like to welcome back my colleague and friend, the Ranking Member from the Virgin Islands, Mrs. Christensen, with whom I hope to build upon the bipartisan relationship of the previous year. I also welcome back all my colleagues on the Subcommittee.

This morning the Subcommittee on National Parks, Recreation, and Public Lands will receive testimony from the Director of the National Park Service, Fran Mainella—Good morning Fran—and the Director of the Bureau of Land Management—Kathleen Clark—Good morning Kathleen, and welcome. I believe this is your first time before the Subcommittee.

Director Mainella and Director Clarke will present testimony on their respective Fiscal Year 2005 Budgets, as well as their agencies' efforts to reduce maintenance backlogs. As this is the first Subcommittee hearing on a Presidential Budget since the 104th Congress, I imagine that Members will have a lot of questions.

As Members of the Subcommittee are well aware, reducing the maintenance backlog within the Department has been a priority for this Administration. For the Park Service, the Subcommittee is very interested in the status of the condition assessment, which was addressed in its July 2003 Partnering and Managing for Excellence Report to the President, and how it will be used. For the BLM, the Subcommittee is interested as to why the FY'05 Budget has increased the land acquisition account by \$5.6 million when the agency already manages 264 million acres of land.

I now turn to the Ranking Member, Mrs. Christensen for any opening statement she may have.

**STATEMENT OF THE HON. DONNA M. CHRISTENSEN, A
DELEGATE IN CONGRESS FROM THE VIRGIN ISLANDS**

Mrs. CHRISTENSEN. Thank you, Mr. Chairman, and I look forward to continuing the great relationship we have had on this Subcommittee, as well.

I want to join you also in welcoming our distinguished witnesses, Director Mainella and Director Clarke, and look forward to their testimony.

I want to particularly take this opportunity to thank Director Mainella for her help with the Virgin Islands parks and to assure that what we are here to do today is to ensure that both of you have the resources to continue the good work that needs to be done on behalf of parks and our other public lands.

As they have already told by the National Recreation and Parks Association this morning, though, the budget that the President sent is really not to be commended, the one for 2005. The budget request for the National Park Service provides only a modest increase, while the BLM is cut. These budget requests are in keeping with previous funding levels which have already proved inadequate to meet the needs of our national parks and public lands. The proposed funding levels fail to keep pace with basic cost increases, such as inflation and cost-of-living adjustments for Federal employees, much less provide for any innovative resource protection or land management initiatives.

What is worse, as we look at that budget, several of the Administration's claims regarding the budget rely on questionable accounting. The Land and Water Conservation Fund is not fully funded in this budget and the Administration is only able to claim full funding by a group of a wide variety of unauthorized programs under the LWCF umbrella. This failure to fully fund LWCF translates into insufficient land acquisition programs, both for BLM and the National Park Service.

The Administration's claims regarding the NPS maintenance backlog are also troubling. President Bush campaigned on a pledge to erase what he repeatedly asserted was the National Park Service's \$4.9 billion backlog in 5 years. According to the Administration, they have now spent \$3.9 billion on the backlog, including Fiscal Year 2005 funds. If we are to believe the Administration, the maintenance backlog then within the National Park System should be down to about \$1 billion and erased by next year, but as we discussed, this is really not the case.

The funding levels this Administration has provided represent only incremental increases over the amounts allocated by the previous Administration. As a result, the National Park Service's own facilities condition assessments show that the dollar amount of the maintenance backlog is actually greater than when President Bush took office, and this is a serious problem.

Last evening, we heard about a very exciting partnership between the National Park Service and the Travel and Tourism Industry of America, but unless we can take care of our maintenance backlog, our participation—the expectations of that partnership will not be able to be fully realized. So it is really important that we address that backlog, and to do that, we really need to take a

serious and honest look at it and assess what our needs are and look for ways to fund, fully fund, that program.

Other programs within the National Park Service budget are also shortchanged. The National Heritage Area Program, which is very important to me since I am trying to do one in my district, is cut by 80 percent despite being an excellent example of cooperation and consultation in the name of conservation. The Urban Parks and Recovery Program, which offers matching grants to cities to support green space and recreational opportunities, is again zero-funded. We have some concerns also about how they are funded in the territories.

Further, I am disappointed that the Administration is attempting to zero out the funding for Historically Black Colleges and Universities, something that we worked very hard to do in this Subcommittee and at the Committee last year, and so I am very concerned about the zero funding for that program this year.

The budget situation for the BLM is even worse. While the list of programs receiving modest increases is short, the list of programs being cut is long and strikes at the very heart of the BLM mission. The Administration proposes cuts in range management, soil, water, and air quality management, recreation management, wilderness management, and threatened and endangered species.

Since this oversight hearing is supposed to emphasize the maintenance backlog, it is interesting to note that the Administration is proposing to cut funding for BLM maintenance programs, including annual and deferred maintenance, infrastructure improvement, and maintenance operations. More than interesting, it is troubling. We realize that many of these decisions may have been made over the objections of today's witnesses and we look forward to their insights into what the funding priorities for these two agencies should be.

I finally want to thank and commend Chairman Radanovich for holding this hearing. In our view, a budget oversight hearing should be the first item on the Subcommittee's agenda as a way to set parameters for consideration of the many legislative proposals that will come before us this year and I look forward to working with you to try to address some of the issues I raised in my opening statement.

Mr. RADANOVICH. Thank you, Donna. I appreciate that.

Are there any other opening statements anybody wishes to make?

Ms. BORDALLO. Mr. Chairman, I do not have any opening remarks, but I, too, would like to welcome our witnesses today, in particular Director Mainella, and I look forward to hearing about the proposed budget. Thank you.

Mr. RADANOVICH. Thank you, Ms. Bordallo.

Mr. Grijalva?

STATEMENT OF THE HON. RAUL M. GRIJALVA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ARIZONA

Mr. GRIJALVA. Thank you very much. No specific opening statement, some questions later and I am also submitting statements and further questions for the record.

Mr. RADANOVICH. Not a problem. We will get going here then, and thank you.

[The prepared statement of Mr. Grijalva follows:]

Statement of The Honorable Raul M. Grijalva, a Representative in Congress from the State of Arizona

Organ Pipe National Monument was listed this year in the top ten most endangered parks and monuments in the country by the National Parks Conservation Association. Among other problems, national border policy, and the traffic of border crossers and border patrol caused by that policy, has resulted in untold damage to the land. Recently, the Border Patrol has requested even more access to create additional roads and increase traffic on the monument, which only exacerbates the damage to natural resources.

The Park Service is now constructing a vehicle barrier along the entire length of the Monument's border. I have serious doubts that this barrier will actually decrease overall traffic; indeed even the Park Service itself has stated that no barrier can completely stop border crossing. Vehicular traffic (as opposed to foot traffic that will not be halted by the barrier) will be pushed to other areas nearby, such as the Tohono O'odham Nation and the Cabeza Prieta National Wildlife Refuge, resulting in increased damage in those areas.

The Park Service is paying for the vehicle barrier in Organ Pipe, to the tune of \$7 million. This money will come from the Park's budget, taking away from other needed programs, instead of from the Department of Homeland Security as it should.

Because our national border policy is forcing people into the desert, thereby increasing the need for law enforcement activities there, it is causing untold environmental damage. The Monument staff needs additional resources in order to pay for environmental restoration of the areas that have been damaged, and needs additional rangers to patrol the Monument.

Our national border policy has created this problem, and therefore the Department of Homeland Security is the proper agency to fund these activities, including construction of any border security devices, and increased patrol personnel.

Grand Canyon National Park

The Park Service is currently completing work on the Colorado River Management Plan which would seek to address management of the river, and the permitting for both private and commercial trips on the river. However, recently, I have been informed that the Park Service has been directed to prepare maps and information relating to a proposed wilderness area in Grand Canyon National Park that would exclude the river corridor from the designation, thus enabling the river concessionaires to continue using motorized craft on the river in perpetuity.

I would like to see any consideration of eliminating the river as wilderness postponed until the completion of the management plan. The public process should be allowed to continue, as more than 50,000 people have commented on the plan and are awaiting a result through the National Environmental Policy Act public review process.

STATEMENT ON BUREAU OF LAND MANAGEMENT BUDGET

Late last year, the BLM announced plans to revise its regulations of the Federal Grazing Program. These regulations, like many Bush Administration proposals regarding the environment, will be a step backwards into the past.

Improvements

I am troubled by the section of proposed regulations that would give permittees/lessees the right to own new developments, many constructed in part with public funds, on public lands. This proposal would bring back from the dead an old regulation that the Secretary of Interior abolished back in 1994. The abolished regulation formerly allowed ranchers to claim a private property ownership interest in improvements and developments on federal land where they graze their livestock.

Right now, ranchers can receive compensation for improvements if they no longer are allowed to continue grazing for whatever reason, however, this is far different than actually having an ownership interest. Giving ranchers a private property right would have a chilling effect on federal land managers who are considering discontinuing grazing on a certain parcel, if they know they could be tied up in litigation for years over the "taking" of the private property rights in improvements.

It seems to me and many others that this change would expose the BLM to continuous property rights disputes and could well hinder the agency from exercising control on grazing activities on public lands. This is why the regulation was abolished a decade ago and, contrary to the assertions made at that time, thousands of improvements have continued to be constructed on public lands.

Monitoring of environmental damage

One of the most significant changes that the Bureau wants to make to the Grazing Regulations is the proposal to require long-term monitoring to document environmental damage, then to allow up to two years before the BLM must take corrective action on environmental damage, and finally allowing up to five years before some corrective actions to address that damage must be implemented. This means that officials could wait upwards of seven years before taking action on past or ongoing damage to lands, and on environmentally destructive practices.

Public participation

The Administration is also seeking to eliminate public participation in such important decisions affecting public lands as grazing permit/lease renewals, issuance of new permits/leases, and permit/lease modifications. I am adamantly opposed to the elimination of public participation in these decisions.

The Secretary of the Interior has made a point to say numerous times that the 4C's (consultation, cooperation, communication, all in the service of conservation) are of utmost important. However, when one looks at these regulatory changes, they appear to favor the 4C's for just a select few. It seems that the Department and the BLM are confused about what lands we are talking about here. These are public lands and I would stress the word public. They are to be managed for the public good not the private good.

Mr. RADANOVICH. I also want to recognize Mr. Bruce Sheaffer and Mr. Larry Benna, who are here for support, not to testify but to support the various agencies that they represent, and also Ms. Sue Masica. Welcome to the Subcommittee.

Mrs. CHRISTENSEN. Mr. Chairman, I just wanted to submit the opening remarks of our Ranking Member on the Committee, Representative Nick Rahall, for the record.

Mr. RADANOVICH. There being no objection, so ordered.
[The prepared statement of Mr. Rahall follows:]

**Statement of The Honorable Nick J. Rahall, Ranking Democrat,
Committee on Resources**

Mr. Chairman, the Bush Administration is in a bind. Year after year it sends budgets to Capitol Hill which gut resource protection programs and undermine our system of National Parks and Public Lands. And yet, while this position is wildly popular among the extractive industries, this level of disregard for our natural resource heritage does not sit well with the American people. So, in an attempt to destroy the environment while claiming to save it, the budget arrives festooned with flowery rhetoric designed to tell one story, while the actual numbers tell the truth.

This comes as no surprise from an Administration which claims cutting trees makes them "healthy" and deficit spending is "conservative," but this attempt to fool the public into thinking this budget is adequate ultimately must fail.

The Administration alleges that its budget fully funds the Land and Water Conservation Fund. This is simply not true. By law, only two programs, federal land acquisition and grants to states, are eligible to receive money from the Fund and each year \$900 million is credited into the Fund. It does not require a degree from Yale to grasp that anything less than \$900 million in expenditures for these two programs is not full funding of the LWCF.

The Bush budget includes only \$314 million, or about 35% of the authorized amount credited yearly for these two programs. President Bush may have thought that meeting 35% of his commitment to the Texas Air National Guard was sufficient but it is wholly insufficient as an investment in the protection of land, water and recreational resources in this country.

Similarly, this budget claims to be keeping the President's campaign pledge to erase the National Park Service's maintenance backlog. It does not. The funding levels requested for deferred maintenance under President Bush have shown only incremental increases over the levels provided by the previous Administration and

have never approached the levels promised during the campaign. Given these repeated shortfalls, the Administration is on track to fall more than \$4 billion short of its \$5 billion campaign pledge. This would explain why a recently completed, internal assessment of the condition of NPS facilities concluded that the backlog of deferred maintenance has actually increased during the Bush Administration. To persist in claiming that the promise to erase the backlog is being kept is nonsense.

Our National Park system is at a crossroads. Fewer people are visiting the Parks. Many units have serious air and water quality issues, facilities are failing and wildlife populations are suffering. The Bush Administration's response to these challenges is to continually under fund our Parks, explore outsourcing our Park professionals, and consider further reductions in services. For the crown jewel of our National Park System, Yellowstone, the Bush plan includes increasing the strain on resources by forcing the Park to accommodate more snow machines than ever and to address wildlife management challenges by helping slaughter an American icon, the mighty bison.

For public lands, the situation is no better. The Bush Administration's notion of "multiple use" of public lands seems limited to the idea that we should either drill them, mine them, or graze them. Under the current Administration's policies and budget priorities for the public lands, the BLM should more appropriately be called the Bureau of Livestock and Mining. The Administration seems bent on kowtowing to ranchers and going to the well for oil and gas operators.

Over the past three years I have heard Interior Secretary Norton invoke her claim to public land management based on her 4 C's ("consultation, cooperation, and communication all in the service of conservation"). Those claims ring hollow if you are one of the many local governments or citizen organizations who happen to disagree with a Bush Administration policy or action, in which case you are either ignored or dismissed. It seems that her 4 C's apply only if you happen to agree with what the Administration is proposing to do. It is time for the Administration to release the grip that the commercial interests have on our public lands and return to management for the public good rather than the private sector bottom line.

The Administration's efforts to short-change our National Parks and public lands have become painfully obvious. Vital spending categories such as Land and Water Conservation Fund Programs and the maintenance backlog are receiving just pennies on the dollar. While these choices are within the President's prerogative, this Administration should have the courage of its convictions and be straight with the American people regarding its blatantly irresponsible management practices. If our National Parks are not priorities, simply say so and move on. The American people are not fools and they will not long suffer being treated as if they are.

Mr. RADANOVICH. Fran, we would like to begin with you, if you would like to begin your opening statement. Take 5 minutes or what you need and then we will begin with Ms. Clark's statement, as well.

STATEMENT OF FRAN P. MAINELLA, DIRECTOR, NATIONAL PARK SERVICE, U.S. DEPARTMENT OF THE INTERIOR, WASHINGTON, D.C.; ACCOMPANIED BY LARRY BENNA, SUE MASICA, AND BRUCE SHEAFFER, U.S. DEPARTMENT OF THE INTERIOR

Ms. MAINELLA. Thank you, Mr. Chairman. I am really pleased to be able to be here to share with you our Fiscal Year 2005 budget request and our efforts to address the maintenance backlog. I would request that my full statement, though, be made part of the record as I am going to try to summarize in my comments this morning.

The 2005 budget request has \$2.4 billion as our request. That is a \$100 million increase over the 2004 level, which is about a 5-percent increase. This budget does demonstrate a strong commitment to sustaining the National Park System. Some of the areas we emphasize, though, are on the maintenance backlog, strengthening our law enforcement and improving visitor safety and visitor

experiences, also enhancing the resource management and expanding partnership and volunteer activities.

I do want to mention, though, complementing our budget request is \$310 million that will be found in the Department of Transportation's budget, which is dealing with our roads, and that is a very important part of our needs, particularly under maintenance and dealing with the maintenance of our parks.

Some areas I would like to particularly highlight that you will find within our budget. One is resource protection, and I think many of you are familiar with our Natural Resource Challenge, and we have requested a \$4.6 million increase in that Natural Resource Challenge. I know it helps with water quality issues and invasive species and other things of that nature, so we are very pleased about that.

Also, something that is new that we always are interested in, not only in natural resources but cultural resources. Delegate Christensen, I know, is very familiar with the importance of the cultural resource aspects, and in this budget is a \$10 million request for a new program called Preserve America, which reaches out to communities that preserve historic places and trying to involve, as Delegate Christensen spoke to earlier this morning, tourism, particularly heritage tourism initiatives. That is something that we are very excited about and this is a program that Mrs. Bush has really stepped forward to also help move forward.

Law enforcement is another area of focus, and I know that this is one that I think affects all areas of our country, but we do have an increase of \$12.4 million for law enforcement. This is to respond to a lot of the security issues that are out there, as well as just how life is a bit different today than it has been since September 11.

Just a reminder, we have already added and spent almost \$41 million since September 11, 2001, for Park Police, national icons, border parks, and other law enforcement efforts. So we have been very committed, but we are further enhancing that commitment in this budget.

As you all know, partnerships have been very important, not only to the President and the Secretary, but I think that this is part of what our national parks are known for, going all the way back to Stephen Mather in 1916. We are further enhancing that effort through requesting \$21 million for Cooperative Conservation Initiatives. If you remember, these are the challenge cost share programs. We work with our friends' groups, work with others. So it is a matching program and it does do great leverage.

Also, we have \$94 million for the Land and Water Conservation Stateside Program, which is basically the amount passed last year by Congress. These funds, as you know, for both these partnership programs are ones that leverage dollars and we think that these are important ways to go forth, particularly as the economy is still more difficult and we need to stretch our dollars as much as possible.

Another way that we think is leveraged and stretching our dollars is through an increase in our budget working with volunteers and also working with other partners. So there is \$850,000 in our budget request for that effort, because again, those leverage. Basically, for every dollar we spend, we usually get at least four

back on any of those efforts dealing with volunteers or partnerships.

Another area that I think all of us are getting even more familiar with than ever before is the importance of park operations. Mr. Chairman, I think you know at Yosemite, we need to make sure we continue to move forward to make sure that our folks have enough money to have operations issues that take care of the everyday operations of our parks, and in that, in fact, this budget does have an increase of \$22 million for base operations for parks. That touches 73 parks, one of which is Yosemite, with a \$305,000 increase for everyday operations.

These also, though, this everyday operations includes security, it includes just the general, the small maintenance, where you are painting things, doing small repairs, and also being able to help us out in an area that will help some of the new parks that are coming online, like Flight 93, also have funding, and we are excited about that.

All this, the \$22 million plus additional funding in park operations, make an increase of \$77 million for operations. That is a 5-percent increase over 2004 and I think this is a good direction to be heading for us.

The area that you particularly singled out that we speak to is our deferred maintenance backlog, and I think that what I want to mention to you, we have really made a lot of success here and we have moved forward very successfully.

In this year's budget, we have \$1.1 billion that is being requested, and I want to look over here. Jeff Taylor, our Congressional Affairs person, is going to be, what is it—

Mr. TAYLOR. Vanna.

Ms. MAINELLA. Vanna, thank you. I was trying to think of her name. Thank you.

[Laughter.]

Ms. MAINELLA.—Vanna White today to look at our chart. You can see that—

Mr. RADANOVICH. Mr. Taylor, you are not Vanna White.

[Laughter.]

Ms. MAINELLA. You can see that we have nearly doubled since about 2002 our commitments in the efforts of addressing these investments for maintenance backlog, and so we feel like we are making a very focused commitment.

Also, on the \$4.9 billion that the President said he was going to be spending toward this backlog, which is what you see here, as Delegate Christensen mentioned, we are at \$3.9 billion with the 2005 budget request, definitely on our way to spending the \$4.9 billion that the President promised in the 5 years, which would be at the end of Fiscal Year 2006.

The next chart, Miss Vanna, is to show what we are doing now that will not let us get in this hole again, and that is what is called preventive maintenance, or you will see it in your budget as cyclic maintenance. We have more than tripled what we are committing to making sure our parks don't fall into the hole again of not taking care of what we have. And, in fact, this budget goes all the way. We have a request of \$65 million to reoccur for our cyclic

maintenance. We started in 2002 with only \$22 million. So we have tripled that effort, and that is a very important effort for us.

Also, dealing with the maintenance backlog, believe it or not, and it was shocking to me to come in to find out that we have been in business for 87 years, the National Park System, and for the first time—when I got here, I realized we didn't even know what we had. We didn't know what facilities we actually had. So we have history being made in the sense that this is the first time ever that we actually have an inventory of our standard assets. We actually know what condition they are in and basically have a pretty good idea of what repairs need to be made.

We have gone to a state-of-the-art facility maintenance system called Maximo, and this is one that has helped us now realize that what we need to do is move into, instead of a dollar issue, we need to get down into understanding we need to move so our facilities are in acceptable condition and we need to be grading ourselves on that.

What we have developed, and this gets into a little more technical aspects, the grade is done through a Facility Condition Index, known as FCI, and that is how we are working to grade ourselves as we go forth through our efforts to improve our facilities from a poor condition when we were arriving to an acceptable condition, and that is what we are working for.

Also, part of this that I want to stress is the fact that this is a management decision, as well. It is not just numbers. It is making the decision of how or what you do and where you put your priorities. So we are also, and have accomplished but we are further refining what is known as an API, which is our Asset Priority Index. So we are working on those.

It is really easy to fall into—to have someone say, OK, what is the backlog? Hey, you have been working at this for all these years. What is the backlog? For those of us that have been working with this plus those of us, and I know there are quite a few here in the audience that have been in the field of park and recreation for a long time that could attest to the fact that there is always repairs. There are always things to be done. There is no one number that will capture it. It is instead—it is always evolving. It is not a static number or dollar figure.

For every day, right while we are sitting here, we just heard there is snow down in North Carolina. So we are probably right now having Smokies and others having impacts, and that is going to add to our maintenance backlog as we go.

Instead of using dollars and cents, we are now going into this grading system and making sure that we have visitors that will have a safe experience and the resources will be protected so we meet our mission.

One of the things that we have started to do, you have heard the Secretary talk before about the four “C”s dealing with cooperation and conservation. We are now talking about the four “W”s. We want to say, what is the asset and its management priority, what condition is it in, what will it cost to improve the asset to an acceptable condition, and what are the long-term costs to maintain that asset, and that is that cyclic maintenance that we have been talking about.

What the asset is or what the management priority is, as I said, for the first time, we actually have this inventory, and the industry standard assets that we have inventoried are the buildings, the paved and unpaved roads, the trails, the campgrounds, houses, water, and wastewater plants. And for the first time, we have a systematic system for all our parks minus four that I will mention in a moment that we have this information on.

We know what condition—the next what—what condition it is in. For the first time, we have that. We have a uniform software system that lets us know that. The only four that we are still working on is Gateway, Golden Gate, Yellowstone, and the Appalachian Trail because of the asset-intensive parks that they are. They will be finished hopefully by the end of this fiscal year. We have what it costs to improve the asset to an acceptable condition, and I will explain that a little bit more in an example.

Also, again what we mentioned about is what the long-term costs are to maintain that asset, how much it will cost, but also when we will need to make those investments or if we do those investments at all. Again, a management decision involving the API, which is the Asset Priority Index.

Let me give you an example, because it is a lot of jargon that we have been working on because of the fact that it is science. It is a science that we have done. We have taken the best guess scenarios and gone to science.

Use your house, for example. What we are doing in our management today that was not being done before is that we are knowing now what it takes to put your house in perfect condition. We are looking to be able to decide what priorities you do these things. We may not have all the money at one time to do all these.

So, for example, you know that your roof has a problem in your house. You decide, though, that you really want to get your carpeting changed first because of the fact that this carpeting is, you know, you are really bothered by it and you say, oh, this roof, it will last a little bit longer. So you don't do the roof. You replace the carpeting. That turns out to not—if you had replaced the roof, it would have been maybe a \$5,000 roof. After you do the carpeting and replace that, all of a sudden the roof really goes. Now you have a house that is a \$50,000 problem. Not only is the carpeting messed up, but the ceilings, the electrical, and you have a lot of damage.

We have gone into a management system that allows our superintendents to be able to make these management choices in a way that I think will be very beneficial to all of us. We know now that our trails and campgrounds, while not perfect, are in really acceptable condition. Also, we know that our wastewater treatment facilities, we have been improving on them. Yellowstone and others, we have just been working on, Everglades. They meet code, but still need some more upgrading and we are continuing to work on that. The area that is probably in the worst unacceptable condition are our roads, and that also is hopefully coming through through some of the transportation efforts that lay before us.

We are able to now help our park managers, our superintendents to be able to decide, do we repair something, do we tear it down,

or do we go on to replace it completely because it is not even serving the needs?

Mr. Chairman, this Administration uses a scorecard a lot in the approach to our program management and accomplishments. Several years ago, when I arrived for sure, but much even before that, the National Park Service would have received a red light for its facility management systems. With the progress we have done so far over these last number of years under this President, this Administration, we have gone to a strong yellow. We are on a clear path to going to green.

That concludes my comments, and thank you.

Mr. RADANOVICH. Thank you very much, Director.

[The prepared statement of Ms. Mainella follows:]

**Statement of Fran P. Mainella, Director, National Park Service,
U.S. Department of the Interior**

Mr. Chairman, thank you for the opportunity to appear before your Subcommittee to discuss the Fiscal Year 2005 budget request for the National Park Service and the Service's efforts to address the deferred maintenance backlog in our National Parks.

FY 2005 Budget Request

The FY 2005 budget request of about \$2.4 billion would increase appropriated funding for the National Park Service by over \$100 million above the FY 2004 level, or over four percent. This budget proposal demonstrates a strong commitment to sustaining the National Park System, with emphasis on reducing the maintenance backlog, strengthening law enforcement and improving visitor safety programs, enhancing resource management, and expanding partnership and volunteer activities.

Along with the \$2.4 billion provided through appropriations to the Department of the Interior, other sources of funding also support the National Park System. Under the President's proposed highway authorization bill, through the Federal Lands Highway Program the National Park Service is slated to receive \$310 million for park roads. This funding is provided through the Department of Transportation appropriations bill. We also receive funding from recreational fees, concession fees, donations, and other non-appropriated sources. The transportation funding and non-appropriated revenues contribute significantly to addressing the deferred maintenance backlog. Those sources also enable the National Park Service to carry out many important park-related projects and activities that might otherwise not be possible.

I want to briefly mention a few highlights of the FY 2005 budget request before delving more deeply into park maintenance issues.

- **Resource Protection.** Our budget proposes a \$4.6 million increase for the Natural Resource Challenge, the agency's multi-year effort to increase knowledge about, and protection of, the natural resources under our stewardship. This effort, initiated in 2000, is an integral part of the National Park Service's efforts to develop a scientific base of knowledge about park resources. We also propose, for the first time, \$10 million for "Preserve America" grants, an initiative announced by the First Lady to help communities preserve historic places by integrating them into heritage tourism initiatives and other contemporary uses of historic properties. The new Preserve America grants complement the \$30 million proposed for Save America's Treasures.
- **Law Enforcement.** Along with a \$4.7 million increase requested for law enforcement at specific parks, the budget includes an increase of \$7.7 million to strengthen other law enforcement and protection efforts. This funding increase would support regional special agents, the collection and analysis of law enforcement data, the establishment of central management of law enforcement at our Washington, D.C., office, additional terrorist threat preparedness for the U.S. Park Police, and security for the 2005 Presidential Inauguration. Cumulatively since September 11, 2001, we have enhanced security with additional base funds totaling \$41 million for Park Police, national icons, border protection, and other law enforcement efforts.
- **Partnership Initiatives.**
 - The budget request includes \$21 million for the Cooperative Conservation Initiative. Proposed as part of the Land and Water Conservation

Fund, most of this funding would provide expanded opportunities for partner participation through the Challenge Cost Share Program. The Challenge Cost Share Program under the Cooperative Conservation Initiative, which funds projects based on a one-to-one or better match in funds, helps the National Park Service undertake land restoration and conservation projects that leverage Federal dollars through partnerships. These grants enable the National Park Service to work cooperatively with gateway communities and other partners to advance Secretary Norton's vision of cooperative conservation. In FY 2003, the National Park Service issued 72 CCI challenge cost-share grants to over 200 partners who more than matched \$5 million of Federal funds.

- We propose an increase of \$850,000 for another important partnership initiative, the Volunteers in Parks Program. The additional funding will pay for training, supervising, and utilizing an anticipated increase in volunteers expected in the Senior Ranger program, as well as enhancing our internal coordination and oversight of both volunteer and partnership programs. These partnerships give opportunities for Americans to enjoy and strengthen their ties to the Nation's parks.
- Land and Water Conservation Fund state grants, a matching-fund program to provide open space and recreational facilities, would receive \$91 million.
- Park Operations. Overall park operations and maintenance funding would increase by about \$77 million, nearly five percent, over FY 2004. That figure includes \$22 million in programmatic increases for 73 parks. The majority of that funding would be used for preventive maintenance at parks with high-priority buildings and for increased law enforcement and security at parks along the U.S.-Mexico border and at icon parks, such as the Statue of Liberty National Memorial. About one-third of the \$22 million would be directed to new National Park Service responsibilities, such as establishing operations at the recently created Flight 93 Memorial in Pennsylvania and providing maintenance and visitor services for the new World War II Memorial on the National Mall.
- Land Acquisition. The Federal land acquisition request is \$84 million. Nearly half—\$40 million—is proposed for potential acquisition of a portion of the oil and gas holdings underlying Big Cypress National Preserve. Interior is prepared to continue to work with the mineral rights holder using the Department's new guidelines and procedures for appraisals for land acquisitions and exchanges. Funding would also support acquiring the site for the Flight 93 National Memorial, Civil War battlefield grants, and other high priority acquisitions.
- President's Management Agenda. We propose an increase of \$8 million to meet our commitment to the President's Management Agenda. Funds will help improve management and performance of the National Park Service by supporting information technology improvements and security enhancements, and by strengthening financial management and performance budgeting.

Deferred Maintenance Backlog

In addition to the budget highlights just described, addressing the backlog of deferred maintenance in our National Parks continues as one of the Administration's highest budget priorities for the National Park Service. We again reflect that priority in this year's request of \$1.112 billion to address deferred maintenance of park facilities and roads. This is nearly double the amount for the same categories just seven years ago. With this request, we are on track to exceed the President's goal of investing \$4.9 billion over five years to address the backlog by improving facilities and roads in our parks. In the four budgets of this Administration, nearly \$3.9 billion to date has been proposed to address deferred maintenance in parks. The funds provided are achieving tangible results. The National Park Service has undertaken over 1,300 projects using repair and rehabilitation funding in FY 2001-2003 with another 400 more anticipated to be done in FY 2004.

Examples of major construction and rehabilitation projects include:

- \$4.1 million for Lava Beds National Monument in California to relocate the Visitor Center away from fragile underground resources;
- \$2.1 million for Yellowstone National Park to replace a wastewater treatment plant and relocate sewer lines;
- \$3.3 million for Acadia National Park to rehabilitate the historic carriage road bridges to correct drainage and waterproofing problems; and
- \$1.9 million proposed in the FY 2005 budget for Fort Larned National Historic Site in Kansas to correct structural problems in the Old Commissary and stabilize and restore the North Officers' Quarters.

Park roads make up a significant portion of the deferred maintenance backlog. The President's proposal for the next highway authorization bill contains at least \$300 million annually for National Park Service transportation, which is roughly double the amount of funding made available for park roads under the last six-year authorization. This is the amount needed to raise the overall condition of our road network from mostly poor to acceptable. Current versions of the legislation under consideration in Congress would not enable us to meet this goal. The Administration will be working closely with Congress as the legislative process continues to try to sustain the President's objectives.

Complementing these efforts has been an increase in cyclic maintenance, the funding used for routine, preventive maintenance, to keep facilities from gradually falling into disrepair. Funding for cyclic maintenance, \$22 million in FY 2002, would increase to \$65 million under the FY 2005 request. Other targeted funding increases will protect the improvements achieved with recent investments. For example, the budget contains a base operating increase of \$305,000 at Yosemite to help that park reestablish a preventive maintenance program for roads and trails.

In addition to these investments, the National Park Service now has—for the first time ever—a system to grade the condition of facilities. Over the last three years, the National Park Service has undertaken a full inventory of its industry-standard assets, determined what their condition is, and identified what repairs or changes in facility management are needed. With a facility management system used by commercial property managers across the nation, the National Park Service now has “grades” for its facilities and other assets. These grades result from what is called a facility condition index (FCI). With this system, the National Park Service can set targets each year to improve facility grades and achieve an overall acceptable condition for facilities. Our management changes will enable the National Park Service to take care of park assets far more effectively and efficiently than in the past.

This is in contrast to earlier National Park Service estimates, cited in a 1998 General Accounting Office report (“Efforts to Identify and Manage the Maintenance Backlog” GAO/RCED-98-143), that the deferred maintenance backlog had more than doubled between 1987 and 1997, to an estimated \$4.9 billion. That figure represented just a compilation of desired projects in parks—desires of individual site managers that were not validated by systematic, comprehensive assessments of the true asset conditions or prioritized by NPS.

For many, there is a desire to simplify the issue of the backlog down to one question: “What is the backlog?” We now know that the answer cannot be stated as a static dollar number. Instead, using property management standards, maintenance condition is best defined using a grading system that compares (a) the total cost to completely replace facilities with (b) the total sum of all repairs to put a facility in perfect condition. We can combine that grading system with criteria for determining which facilities are high priorities, what types of improvements are most important to ensure safety and visitor enjoyment, and whether to change the type or scale of a facility as we repair or replace them. These decisions, in combination, give us a roadmap for determining annual resource needs to maintain and manage park facilities. Using this approach, we can determine priorities, set goals, establish funding levels to achieve those goals, and then measure our performance against a baseline set of “grades” and performance goals.

Through our management system, we are answering four basic questions about our facilities. Think of them as “the 4 W’s”. For each building or other asset, we need to know:

- WHAT is the asset and its management priority?
- WHAT condition is it in?
- WHAT will it cost to improve the asset to acceptable condition?
- WHAT are the long-term costs to maintain that asset?

When I arrived nearly three years ago, we didn’t have answers to most of those questions. Under the President’s National Parks Legacy Project, we are now well on our way towards knowing those answers, with more work to be done to achieve full implementation of our asset management system by the end of FY 2006.

What is the asset and what is its management priority? For the first time, we have a comprehensive inventory of our industry-standard assets—which are mainly buildings, paved and unpaved roads, trails, campgrounds, houses, and water and wastewater plants. For the first time, we are using a systematic, interdisciplinary process to set management priorities for our assets on a park-by-park basis.

What condition is it in? For the first time, NPS is using a uniform software system at all the parks, so that everyone is collecting and posting information about their assets in the same way. We have done initial condition assessments at all parks, except for four of the most asset-intensive parks (Gateway, Golden Gate,

Yellowstone, and the Appalachian Trail), which are all on schedule to be completed by October.

What will it cost to improve the asset to acceptable condition? For the first time, we have preliminary estimates of what it will cost to improve the industry-standard assets to acceptable condition. Decisions about what to spend money on will be influenced by management considerations, as well as the condition and priority information.

What are the long-term costs to maintain that asset? For the first time, we are developing preventive maintenance schedules so that we will know not only how much it will cost over the long-term to maintain those assets, but also when we will need to make investments to avoid having them become part of the deferred maintenance backlog.

We have also made other improvements. For example, we have implemented a systematic prioritization process for line-item construction and repair and rehabilitation projects. We expect to make some changes to incorporate the information we are gathering through the inventory and condition assessment processes. We have conducted significant training across the National Park Service on the use of the facility software and cost-estimating systems and to help facility managers and park superintendents understand the new approach to asset management. We are developing, and anticipate issuing later this year, a new Director's Order on facility management that will bring all of these pieces together.

These efforts create a management culture in which park managers think of assets in terms of life cycle, so that we avoid past patterns in which we let things deteriorate and then waited for the next significant influx of funding to make repairs. Put another way, we are trying to shift from a series of crash diets to a sustained healthy lifestyle. Our challenge has been as much about management as about money.

Our new approach moves us away from discussions about project lists and aggregate price tags and moves us toward setting goals and measuring accomplishments. Using the industry-standard measure of a facility condition index, we now have a "grade" for the condition of our facilities. Previously, we tracked projects and dollars spent. Now we are going to track change in overall condition—the true measure of performance management.

It is far more important to know, and measure, that our assets are in better condition than to know only that a project was completed. It is for this reason that the President's FY 2005 budget, for the first time, establishes performance goals for NPS facilities. Our funds will target strategic project investments to improve facility conditions. For example, the FY 2005 budget proposes a multi-year effort to restore the historic Old Faithful Inn at Yellowstone National Park. We anticipate that this first phase alone will result in an improvement of nearly 50 percent in the FCI for that building. Under our new system, once this project is completed, we will know when the major components need to be replaced and can program our work so that the preventive maintenance occurs when it should. This approach sustains the life cycle of the asset. Failure to make those future investments would be evident in a change in the FCI—the "grade" would decline.

The new approach also allows supervisors to prioritize projects, using an asset priority index to show an asset's importance to accomplishing the park mission. We also need to consider health and safety issues, resource preservation requirements, and visitor service needs. With finite resources, National Park Service managers, like all managers of public and private assets, have to make decisions all the time about which assets and which maintenance needs to fund and in what sequence. We are giving managers the necessary tools to make those decisions through a disciplined approach that uses both the FCI and the asset priority index.

Mr. Chairman, I would like to use our homes, and how we manage them, as an analogy. We all know there is always something that needs to be done to put a house in perfect condition. Our houses inevitably experience deterioration over time, even if we provide the right levels of maintenance. No matter how well we take care of an asphalt shingle roof, it will have to be replaced after about twenty years. This phenomenon is called "component renewal." We can plan for these needs and thus minimize emergencies, and, most importantly, limit the scope and the cost of maintenance over time. If we do not replace that roof when we should, other things can go wrong, and before we know it, what started out as a \$5,000 roof replacement is now a \$50,000 rehabilitation project that also encompasses ceilings, walls, and electrical systems. A lack of timely maintenance can lead to more costly repairs.

Based on the work that the Park Service has done to date, we now have key information about the condition of our assets. For example:

- Our trails and campgrounds, while not perfect, are in reasonably acceptable condition. Because of their high public use, this is as it should be.

- Conversely, our wastewater treatment facilities, which are far less visible, meet code but need upgrading.
- Similarly, many parks have paved roads in poor condition and in need of repair.

As a case study to highlight the application of these new tools, we can consider the assets at Shenandoah National Park. The current replacement value for the industry-standard assets (excluding housing) at Shenandoah is \$268 million, with the sum of repairs to bring these assets to perfect condition about \$62 million. This translates to an average FCI for the park of 0.23. Within this data, we know that the building assets have a current replacement value of approximately \$46 million, and the sum of repairs to bring these buildings into perfect condition is a little more than \$14 million, which means Shenandoah’s building average FCI is 0.31. By comparison, Shenandoah’s campgrounds are in much better condition than the buildings in the park—an average FCI of 0.18. Likewise, the trails at Shenandoah are also in acceptable condition—average FCI of 0.09. Thus, in deploying funding at Shenandoah, we would anticipate a greater emphasis on buildings to improve their overall condition.

But we also know that not all buildings will require additional funding. For example, the Dickie Ridge Visitor Center has a relatively high priority (asset priority index of 30 out of 40 possible) and an acceptable level FCI (0.10). We will be able to plan and budget the use of cyclic funding to keep this facility in acceptable condition so that the FCI does not worsen.

Using the information about the priority of the assets and the grade of their condition, the National Park Service will be able to apply its maintenance funding to the most important resources needed to protect the park and serve the public.

Finally, information about asset conditions and priorities does not automatically tell us what to spend. These decisions depend upon overall management goals in relationship to visitor enjoyment and resource protection needs. We still need to decide whether to demolish—rather than repair—redundant facilities, for example. We also will face decisions on whether to repair or, instead, upgrade a facility to larger capacity. The decisions will be made by on-the-ground park managers, but they will be more informed decisions, factoring in the information contained in the FCI and the asset priority index. This illustrates again why there is no single price tag for improving park facilities.

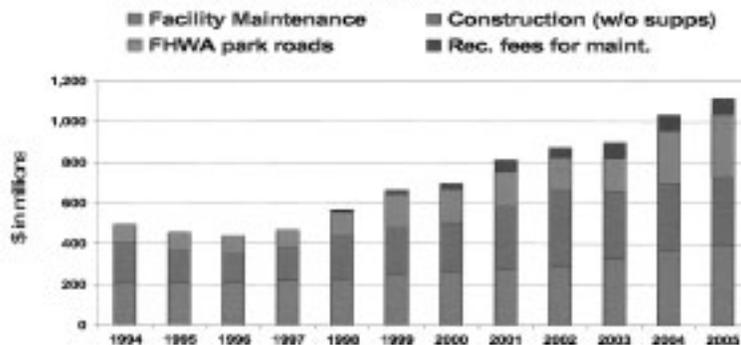
Mr. Chairman, this Administration often uses a scorecard approach on program management and accomplishments. Several years ago, NPS would have received a “red” light for its facility management systems. With the progress in recent years, however, the Service has moved to a strong yellow, with a clear path for how we are going to get to green.

This concludes my prepared testimony. I would be pleased to respond to any questions the Committee may have.



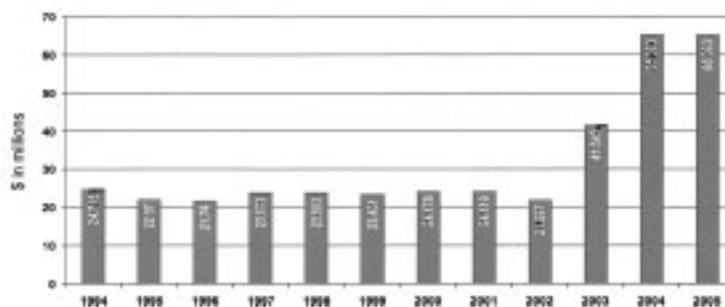
NPS is meeting investment targets to reduce the backlog

NPS Deferred Maintenance Funding 1994-2005





NPS Cycleic Maintenance 1994-2005 Funding



Mr. RADANOVICH. Ms. Clarke, welcome to the Subcommittee and you can begin your testimony now. Thanks.

STATEMENT OF KATHLEEN CLARKE, DIRECTOR, BUREAU OF LAND MANAGEMENT, U.S. DEPARTMENT OF THE INTERIOR, WASHINGTON, D.C.

Ms. CLARKE. Thank you very much, Mr. Chairman and members of the Subcommittee. It is a distinct pleasure for me to be with you today to discuss the Bureau of Land Management's 2005 budget request, as well as our ongoing efforts to reduce the agency's maintenance backlog. In the interest of time, I am also going to summarize my comments.

As you may know, it is the mission of the BLM to sustain the health, diversity, and productivity of the public lands for the use and enjoyment of present and future generations. The public lands certainly contribute in many ways to the wealth of this nation and I believe also to the quality of life of every citizen.

For example, we provide recreation opportunities. We provide access to resources. We protect some of the nation's most significant cultural, historic, and natural places. We serve communities through science, wildland fire fighting, and law enforcement. And the BLM also continues to be one of the few Federal agencies whose actions generate more money than we spend to operate.

Across the country, the BLM is responsible for management of 261 million acres of the public's land. This is more than any other Federal agency and it represents one in every five acres in the intermountain West. We also manage over 700 million acres of sub-surface Federal mineral estate. Our more than 10,000 employees have a lot of ground to cover and they certainly face new challenges every day.

The BLM believes that one of the most important things we do is to assure the health and the productivity of the land. We believe that having healthy lands is essential to providing a robust, multiple-use mission, as was mandated by Congress.

The BLM initiatives to accomplish this include implementing the National Fire Plan; a comprehensive strategy to reduce the risk of catastrophic wildfires; implementing the Healthy Forest Restoration Act, which as you know promotes restoration and hazardous fuels reduction on Federal forest and range land; sustaining working landscapes through grazing regulation reform; and improving recreational opportunities on public lands.

BLM-managed lands also play a pivotal role in addressing the nation's increasing demand for energy production. The BLM continues to aggressively implement the President's National Energy Policy and assist in modernizing the nation's energy infrastructure in order to promote dependable and environmentally sound energy for this nation's future.

BLM lands provide 11 percent of the nation's natural gas and 5 percent of the nation's oil. Furthermore, 90 percent of the oil and gas pipelines and electric transmission rights-of-way in the West cross BLM lands. The development of alternative energy sources, such as wind, hydropower, and geothermal, is also an important component of BLM's diverse portfolio of energy resources.

The BLM's 2005 budget request of \$1.8 billion reflects these priorities. Our 2005 budget request is an increase of \$64.5 million, or 4 percent over the 2004 enacted level of funding.

We are requesting funding increases in Fiscal Year 2005 for some particularly important programs, including the Healthy Forest Initiative, sage grouse and sagebrush habitat conservation, Challenge Cost Share and Cooperative Conservation Initiatives, wild horse and burro program, and other monitoring activities.

In 2005, the BLM estimates that it will produce over \$3.6 billion in receipts. These revenues are particularly important to rural populations in the West because a portion of these receipts that the BLM collects are distributed to local communities.

The BLM also continues to work to reduce the backlog of deferred maintenance projects, which is an important component of President Bush's management initiative to ensure proper care of our public lands facilities systems. These projects include repair work on such things as buildings and administrative facilities, recreation sites, roads, trails, bridges, and dams.

The 2005 funding request for BLM's operations, annual maintenance, deferred maintenance, and infrastructure improvement activities is \$76.5 million.

The President and the Congress have committed significant funds to address both the repair and management aspects of BLM's deferred maintenance efforts. Funds provided to date are achieving tangible results, as the BLM has begun to improve the conditions of hundreds of public land assets. In the past 4 years at various BLM sites, BLM has completed or has underway over 450 repair and rehabilitation projects. These investments have made BLM facilities safer, more efficient, and more enjoyable for visitors and employees, as well.

Mr. Chairman, thank you again for the opportunity to discuss the Bureau's 2005 budget request, our vision for managing the public lands, and the condition of public lands facilities. I look forward to working with you and the Subcommittee on these issues and look forward to your questions.

Mr. RADANOVICH. Thank you, Ms. Clarke, for your testimony. I do appreciate it.

[The prepared statement of Ms. Clarke follows:]

**Statement of Kathleen Clarke, Director, Bureau of Land Management,
United States Department of the Interior**

Mr. Chairman and members of the Subcommittee, I am pleased to appear before you today to discuss the Bureau of Land Management's (BLM) FY 2005 Budget Request and on-going efforts to reduce the Agency's maintenance backlog.

I would like to begin by discussing my ongoing vision for the BLM and its future. It is the mission of the BLM to sustain the health, diversity and productivity of the public lands for the use and enjoyment of present and future generations. The public lands contribute in many different ways to the wealth of the nation and to the quality of life of every American citizen. For example, we provide recreation opportunities; we provide access to resources; and we protect some of the Nation's most significant cultural, historic, and natural places. And, we serve communities through science, wildland firefighting, and law enforcement. The BLM also continues to be one of the few Federal agencies whose actions generate more money than it spends to operate.

Across the country, the BLM is responsible for the management of 261 million surface acres of public land—more than any other Federal agency and represents one of every five acres in the inter-mountain West—as well as over 700 million acres of subsurface Federal mineral estate. Our employees, who number over 10,000, have a lot of ground to cover and face new challenges every day. These new challenges are the same challenges that the communities in which we work are facing.

The population of the West has grown from 17 million to 63 million over the past 50 years. That trend will continue as people move West for the quality of life, including access to the great outdoors. Today, more than 22 million people live within 25 miles of the public lands. The growing wildland urban interface means we will continue to face growing challenges in managing our forests, woodlands and grasslands to reduce the threat of catastrophic wildfires. But we are dealing with more than just population growth. We are also dealing with changes in the way people use the public lands and different kinds of conflicts over changing priorities and values.

The changing condition of the public lands is another challenge facing the agency. Drought, wildland fire, invasive species, and development on adjacent lands have an impact on proper functioning ecosystems. The BLM is responding to these conditions in a variety of ways in order to sustain the health, diversity, and productivity of the public lands for current and future generations.

BLM-managed lands play a pivotal role in addressing the Nation's increasing demand for energy production. The BLM continues to aggressively implement the President's National Energy Policy, and assist in modernizing the Nation's energy infrastructure in order to meet increased demands for the development and delivery of renewable and non-renewable energies. BLM lands provide 11 percent of the Nation's natural gas and five percent of the Nation's oil. Furthermore, ninety percent of the oil and gas pipelines and electric transmission rights-of-ways in the West cross BLM lands. The development of alternative energy sources—such as wind, hydropower, and geothermal—continues to be an important component in the President's National Energy Policy and BLM's diverse portfolio of energy resources.

I believe we can successfully face these challenges and enhance the quality of life for all citizens through the balanced stewardship of America's public lands. The BLM strives to improve the health and productivity of the land to support BLM's multiple-use mission. BLM initiatives to accomplish this include: implementing the National Fire Plan, a 10-year comprehensive strategy to reduce the risk of catastrophic wildfires; implementing the Healthy Forests Restoration Act, which promotes restoration and hazardous fuels reduction on Federal forests and rangelands; supporting the President's National Energy Policy to promote dependable and environmentally-sound energy for the future; sustaining working landscapes through

grazing regulation reforms; and improving recreational opportunities on the public lands.

The BLM is also cultivating community-based conservation, citizen-centered stewardship, and partnerships. We are an “open door” agency and we try to emphasize bringing people into the land management process. This is the philosophy behind the President’s direction to develop policies based on common sense and common ground and the philosophy behind the Secretary’s Four Cs—consultation, cooperation, and communication, all in the service of conservation. For example, the BLM now works to bring states, counties and tribes into the planning and National Environmental Policy Act (NEPA) processes through developing Cooperating Agency relationships. We believe decisions made with local input are decisions that work best.

FY 2005 BLM Budget Overview

The BLM’s FY 2005 Budget Request reflects the trend in changing demographics of the West and addresses many challenges in cooperation with partners to assure healthy forests and rangelands; protection from and prevention of catastrophic wildfires; and the development of renewable and non-renewable energy sources. Inherent in the BLM’s mission is the need to provide for public health and safety, and, as in past years, the BLM’s FY 2005 budget also reflects efforts to continue addressing the deferred maintenance backlog on public lands.

The BLM’s FY 2005 Budget Request is \$1.8 billion for the BLM’s major appropriations, including Management of Lands and Resources, Construction, Land Acquisition, Oregon and California Grant Lands, Range Improvements and Miscellaneous Trust Funds. The BLM’s budget also includes requests for funding for the Department of the Interior’s Wildland Fire Management and the Department’s Central Hazardous Materials Fund. This represents an increase of \$64.5 million, or 4 percent, over the FY 2004 enacted level of funding. The BLM’s total appropriation is \$3 billion when you include receipt-based accounts.

Initiatives to Restore, Maintain, and Improve the Health of the Land—In 2005, the BLM will focus on restoring fish and wildlife habitat, removing excess wild horses and burros from public lands, improving rangeland conditions, and increasing monitoring efforts to assure that desired resource objectives are met. By taking these actions, the BLM hopes to prevent litigation, improve species habitat, and allow for the continued multiple use of public lands. The initiatives for which we are requesting funding increases include:

- *Healthy Forests Initiative*—The FY 2005 BLM Budget Request proposes an increase in funding for improving forest health and implementing the President’s Healthy Forests Initiative and the recently passed Healthy Forests Restoration Act. The BLM is proposing an increase in funding of \$788,000 in the Oregon and California Grant Lands Appropriation, combined with a redirection of \$3.7 million within the Jobs in the Woods Program, to increase thinning in late successional reserves (LSR) in western Oregon. The BLM plans to produce an additional 30 million board feet of timber that will help promote old growth timber characteristics in LSR’s while at the same time increasing economic benefits in timber dependent communities in western Oregon. An additional \$500,000 in the Jobs in the Woods Program will be refocused and used for pre-commercial thinning activities in LSR’s that will also will improve the resource conditions.

Outside of western Oregon the BLM is requesting an increase of \$1 million to promote healthy forests by completing 1,500 acres of forest restoration treatments on public domain forest lands using all the Healthy Forests Restoration Act tools, including stewardship contracts. An estimated 7 million board feet of timber will be produced, including biomass for energy production. In addition to improving forest health, the projects will provide job opportunities in local communities and will help stimulate the development of markets for small-diameter wood byproducts and the nascent biomass industry.

The 2005 budget reflects the Administration’s continued commitment to implementing the National Fire Plan and reducing the loss of life and property and environmental damage caused by catastrophic wild fires. In FY 2005, the BLM, on behalf of the Department of the Interior (DOI), is requesting programmatic increases totaling \$55.2 million—\$25 million for hazardous fuels reduction projects; \$28.6 million for fire suppression activities; and \$6.5 million for fire preparedness activities. These increases will allow DOI to address an additional 45,000 acres of fuels build-up in the wildland urban interface; improve and enhance fire preparedness and readiness capabilities; assure that all personnel and resources are ready to respond to fire emergencies; and fund suppression at the 10-year average. The Wildland Fire Management budget also

includes a proposed decrease in funding of \$4.9 million for the Rural Fire Assistance Program in recognition of the significant expansion of the Federal Emergency Management Administration's local fire assistance program.

- *Sage Grouse & Sagebrush Habitat Conservation*—The BLM is proposing an increase of \$3.2 million to implement actions to improve habitat for the sage grouse and other species dependent on sagebrush ecosystems. By taking aggressive management actions to improve land health by conserving and restoring habitat for the sage grouse and other species, the BLM can help curb the decline of the population of these species and possibly prevent their listing under the Endangered Species Act.
- *Challenge Cost Share (CCS)/Cooperative Conservation Initiative (CCI)*—The BLM's CCS and CCI Programs leverage appropriated funds with private and state funds to conduct conservation efforts that benefit the public lands. CCI principally focuses on on-the-ground restoration activities, while CCS projects focus on all other conservation initiatives. The BLM has partnered with over 100 national and local-level conservation groups in efforts to restore the health of the land. In FY 2003, the BLM funded 486 CCS projects and obtained \$23 million in cash and in-kind contributions of labor and services. The BLM also funded 87 CCI projects and obtained \$10.8 million in cash and in-kind contributions. The BLM's FY 2005 budget builds on these past successes and proposes an increase of \$2.2 million for CCS and an increase of \$2.6 million for CCI. These activities are an important element of BLM's efforts to maintain and restore the public lands in cooperation with partners.
- *Wild Horses & Burros*—The FY 2005 Budget Request includes a proposed increase of \$12.8 million for the management of wild horses and burros. Currently, there are approximately 36,000 wild horses and burros on public lands, and another 24,000 animals are being cared for in long- and short-term holding facilities. This condition is neither ecologically nor financially sustainable over the long-term, and the situation will only worsen if the BLM does not take immediate steps to reach an appropriate management level (AML) of 25,000 animals on the public lands. If left unchecked, the populations of these animals will double every five years. A majority of the requested funding, \$10.5 million, will be reallocated from other BLM resource programs, many of which will benefit in the long-term from reduced animal populations on the range. With the proposed redirection of funds, the BLM anticipates meeting AML by 2006.
- *Columbia Basin Fish Habitat Restoration*—The BLM is proposing an increase of \$1 million to continue restoration actions on an additional 25 miles of riparian habitat in the tributaries of the Columbia River basin.

Initiatives to Monitor & Develop Land Use Plans for Effective Land Management—

Beginning in 2001, the BLM began a major initiative to update and amend its land use plans in an effort to ensure that it was effectively responding to local needs, national priorities, and changing demands of the public land users. The BLM's FY 2005 Budget Request includes a proposed increase to ensure that updated land use plans and the activities they authorize are meeting their intended goals.

- *Monitoring*—A proposed increase of \$4 million is requested to complement and expand on existing on-the-ground monitoring activities by providing a consistent framework for assessing land health conditions, and developing a plan to coordinate and consolidate, whenever possible, existing monitoring data. The goals of this effort will be to develop a broader perspective on the state of land health across BLM, to better quantify the impacts of alternative management options, and to identify data gaps for planning future monitoring work.
- *Land Use Planning in Western Oregon*—In order to settle a long-standing lawsuit, the BLM has committed to revising the six land use plans that provide management direction for lands in western Oregon. These plans, initially developed as part of the Northwest Forest Plan, have led to various lawsuits and prolonged litigation preventing the BLM from reaching key goals of the Northwest Forest Plan, including planned timber harvest levels. The FY 2005 Budget Request proposes an increase of \$7 million to begin the plan revision process, including public scoping, preparing scientific studies, evaluating current plans, and beginning Endangered Species Act consultations.

Utilization of Public Land Resources & Services—

The BLM has a major role, and a major workload, in implementing the President's National Energy Policy, especially its goal of improving access to energy resources located on public lands while continuing to assure the safe, environmentally-sound development of these resources. The BLM is undertaking efforts to more

effectively and efficiently respond to these increased demands and provide for public needs and improved customer service.

- *Energy Development*—In recent years, the BLM’s Energy and Minerals Program has received significant increases in funding to respond to the increasing demand for natural gas, the workload associated with processing applications for permits to drill (APD), and inspection and enforcement activities. The BLM’s FY 2005 budget request maintains the program at the FY 2004 level through a combination of appropriated funds and cost recovery. The BLM will continue to emphasize processing APDs, monitoring to ensure environmentally-sound practices, and implementing the second phase of an inventory of oil and gas resources on Federal lands (the “EPCA inventory”) while beginning to utilize the findings of the initial EPCA study.

The BLM has a major role in developing and delivering the Nation’s renewable and non-renewable sources. The FY 2005 Budget Request includes a proposed increase of \$250,000 to continue studies and processing applications for wind energy and other renewable energy projects on public lands. The request also includes an increase of \$550,000 for processing rights-of-ways for renewable energy projects.

The BLM’s FY 2005 Budget Request also includes a proposed decrease of \$4 million in the Energy and Minerals Program for cost recovery efforts. The BLM will implement regulations to increase current fees to better reflect the costs of the services provided. These regulations are anticipated to raise an additional \$4 million in revenues in FY 2005. The proposed reduction will not have a negative impact on the BLM’s processing of applications.

Customer Service Initiatives—The BLM’s FY 2005 Budget Request also proposes various increases for customer service initiatives that will allow the BLM to more efficiently respond to increased demands for BLM products and services. For example, in support of the President’s “E-Gov initiative,” the BLM is standardizing external websites, developing NEPA and land use planning software and systems (called “E-Planning”), and implementing electronic forms for filing of various applications.

Other Proposed Changes in the FY 2005 BLM Budget “

- *Land Acquisition*—The BLM proposes an increase of \$5.6 million for land acquisition for 14 projects in 9 states. These acquisitions are all on-going projects with willing sellers that focus on access issues and the preservation of critical habitats for fish and wildlife.

FY 2005 BLM Receipts

As mentioned earlier, the BLM continues to be one of the few Federal agencies whose actions generate more money than it spends to operate. In FY 2005, the BLM estimates that it will produce over \$3.6 billion in receipts. In addition, a portion of the receipts that the BLM collects are distributed to local communities and are a significant source of support for rural communities in the West. The largest receipt-generating activity continues to be from the production of BLM onshore mineral leasing. Bonuses, rents, and royalties from these activities will generate approximately \$2.3 billion in FY 2005; however, these receipts are reflected in the Minerals Management Service (MMS) budget.

The sale of public lands and materials, and, in particular, land sales under the Southern Nevada Public Land Management Act (SNPLMA), is the second largest generator of receipts. SNPLMA allows BLM to sell public lands in the Las Vegas Valley, and to use the proceeds to address critical environmental and educational needs in Clark County, Nevada, and elsewhere in the State. In FY 2005, the BLM estimates that it will collect over \$1 billion in receipts from the sale of public lands. Of this amount, SNPLMA will generate over \$900 million. Since its inception in 1998, SNPLMA has generated over \$690 million in receipts. Of the \$900 million expected to be collected in FY 2005, approximately \$149.3 million will be distributed back to the State of Nevada for its use.

The balance of BLM’s estimated FY 2005 receipts, approximately \$350 million, is collected from a variety of other sources and activities, including grazing fees (\$13.2 million); sales of timber and vegetative materials (\$36.6 million); recreation use permits (\$11.2 million); the sale of helium (\$134.5 million); mining claims and holding fees (\$25.9 million); National Petroleum Reserve—Alaska (\$38.1 million, collected by MMS and transferred to the BLM); mineral leasing in the Naval Oil Shale Reserve in Colorado (\$16.4 million); and various other collections, such as filing fees, earnings on investments, and service charges (\$77.1 million).

Deferred Maintenance

Finally, the BLM continues to work to reduce the backlog of deferred maintenance projects, including conducting condition assessments of facilities. These projects include repair work on such things as buildings and administrative facilities, recreation sites, roads, trails, bridges and dams. Currently, the BLM maintains 4,009 buildings and structures, 687 administrative sites, 2,129 recreation sites, 78,123 miles of roads, 896 bridges, 15,457 miles of trails, and 732 dams.

The President and the Congress have committed significant funds to address both the repair and management aspects of BLM's deferred maintenance efforts. The FY 2005 funding request for BLM's Operations, Annual Maintenance, Deferred Maintenance and Infrastructure Improvement activities is \$76.5 million. Currently, the BLM is planning to spend more than \$40 million on Public Land and O&C Land deferred maintenance annually over a five-year period, for a total of \$200 million. In addition, the BLM is planning to expend \$47 million annually—or \$235 million over 5 years—for scheduled and preventive maintenance and operations.

Funds provided to date are achieving tangible results, as the BLM has begun to improve the condition of hundreds of public land assets. In the past 4 years, the BLM has completed, or has underway, over 450 repair and rehabilitation projects at various BLM sites. These projects, including 60 fire safety projects, have enhanced visitor and employee safety. They also have improved health protection by upgrading and repairing 186 water, wastewater, and sewer facilities. These investments have made BLM buildings safer, more efficient and more enjoyable for visitors and employees alike. The BLM also is working to improve its roads—90 percent of which are unpaved—and bridges.

In an effort to move toward improving maintenance decisionmaking, BLM initiated our Stewardship Strategy in FY 2002. This includes implementation of the Facility Asset Management System (FAMS) to plan and track facility-specific maintenance needs and costs, to prioritize and monitor maintenance activities, and to prevent a recurrence of maintenance backlogs in the future. The FAMS maintenance data management system was rolled out in 2003. Once fully underway, FAMS will support the Stewardship Strategy by creating a more proactive approach to BLM maintenance, recording individual facilities' maintenance histories, and documenting annual maintenance needs and costs. FAMS will also greatly improve the data available to BLM to evaluate life-cycle costs for facility investments.

In the second prong of the Stewardship Strategy, in FY 2003, the BLM began a comprehensive, Bureau-wide facilities condition assessment program. We expect to complete a full inventory, condition assessment, and costing of all BLM administrative and recreation sites in the first quarter of FY 2005. Importantly, these condition assessments will provide new and updated information to refine BLM's estimates of our national maintenance backlog.

Finally, the BLM is expanding the condition assessment and deferred maintenance remedy costing of roads and trails. The Bureau has taken a leadership role in working with the Department of the Interior and other agencies to develop a useful facility condition index for our transportation assets. We will also begin condition assessments of BLM's dams and bridges this fiscal year.

Conclusion

Mr. Chairman, thank you again for the opportunity to discuss the Bureau's 2005 Budget request, our vision of enhancing access to the public lands, and the condition of public land facilities. We look forward to continuing to work with your Subcommittee on these and other issues in Fiscal Years 2004 and 2005.

Mr. RADANOVICH. I would like to start off by asking a couple of questions. Ms. Mainella, we discussed, or you did in your testimony, the issue of backlog maintenance and the number that always seems to be out there and some kind of a debate as to whether a snapshot of current backlog maintenance numbers is really an accurate projection, or if not in some cases can be misleading because of the nature of an asset like what is in the Park System, normal wear and tear, instances of floods or natural things.

Ms. MAINELLA. Right.

Mr. RADANOVICH. Can you expand that a little bit please, and also kind of relate that to hearing the increase in intention and

funding that has been made, to at least make the number of the financial number of backlog maintenance a little bit smaller.

Ms. MAINELLA. Yes. We have really made a great deal of success, again, in addressing the backlog, but the backlog is not really a number. It is always, just as you indicated, a snapshot in time. As we go forth—I mean, this morning, it could be, if everything was assessed one moment, it could be one value or it could go to a different. It really needs to be looked at as just an evolving condition of parks. And again, backlog, we are trying to take parks that aren't in good condition and get them into that condition, and management does play an important role.

The way we define the measurement tool that we are using, this grading system, it is called, as I mentioned earlier, a Facility Condition Index, an FCI, and what that involves is actually knowing exactly what the replacement value is of everything, the 17,000 facilities we have in our parks, to the amount that—to what it would take to do repairs to get them into a perfect condition, and I do say perfect, which most of us usually don't—we like everything perfect, but that sometimes is not a realistic aspect within our budget to be able to accomplish, but we can get them so they are acceptable and safe and enjoyable for our visitors.

So we have been able to do over 1,300 projects already under the money that we have done. We are going after another 400 with the projects that are in our 2005 budget. And we are really making history, actually understanding and knowing so our staffs, our superintendents can make management decisions to be able to decide whether you are going to move forward.

Let me give you an example of—I will go back to a house again. The FCI, the grading system that we are working on, talks about the value of what is the replacement value for our standard assets, industry standard assets, and that house could be valued at \$400,000. If we were to say, hey, to make it all perfect, make your house perfect, it would take you \$100,000 to get that house perfect. Well, that would give you an FCI of 0.25. That is not considered as good as we would like it. We want it more—we want the numbers to get a little bit lower.

So what you may decide, well, I am going to sell this house. I am not going to actually improve it. I am not going to stay in it. I am going to sell it. But in doing that, I need to get this house in acceptable condition to sell it. You then decide to spend \$60,000, not \$100,000, you are not going for perfect, but you are going for acceptable condition. You spend \$60,000. In doing that, your grade, your FCI, goes down to 0.10. That is a successful accomplishment and that is—you are going to sell that house very easily and you did not spend the whole \$100,000 that might have been to make it all perfect.

So in essence, what we have done is we have put science into the parks that never existed before, where the first time knowing how we work, how we make these differences, and then being able to see the accomplishments of over 1,300 projects already done and more underway.

Mr. RADANOVICH. So what you are saying is that there is always going to be a backlog maintenance number out there and your Facility Condition Assessment will allow you to prioritize annual

funding to go toward those things that make the most sense to be repaired and brought up—

Ms. MAINELLA. That is correct. There will always be something, just like we had in Guam when we had the storms that came through, or the hurricanes that have come through different areas and stuff. I mean, it is always evolving. Every time we have, as I mentioned, the snow down in North Carolina that is taking place right now, that is impacting our parks and will add on. So it is always an evolving factor. So numbers, it is really better to stay with trying to go after what is an acceptable condition of our parks.

Mr. RADANOVICH. Thank you very much.

Ms. Clarke, do you have something equivalent in BLM for facilities assessment?

Ms. CLARKE. We do. We are a little bit behind the National Park Service in getting that online, but we completed the inventory of the facilities that we have and that we are accountable for in 2003. We are now in the process of going through those condition assessments. Secretary Norton has made this a priority and we are moving forward on a very common platform, so we are all going to be operating under the same system of accountability, having the same methods that we are going to apply to assessing conditions and to determining the cost of bringing those facilities into acceptable condition.

So we are looking—like I say, we are a little further behind the eight ball in terms of getting there, but absolutely, we are moving in the same direction.

Mr. RADANOVICH. Ms. Clarke, can you give me an idea of the status of the management plans for the new monuments that were created under the Clinton Administration and what has been the cost of those so far?

Ms. CLARKE. I am going to ask Mr. Benna to see if he can pull up the costs. I know that we are moving forward on all of those plans. Some of them had Congressionally mandated timeframes. Others, we have set forward on a regular time pacing.

One of the elements that we have applied to all of those plans is a commitment to engage local communities in those plans to assure that those monuments reflected community values, community interests, that those lands continue to be of use to those communities in the way that we are applying the management scheme.

We have had some slow-down in those management plans because of that process, but I think that has been a valuable tradeoff as we have had the benefit of applying the four “C”s, the conservation and communication with those communities to assure that we are making decisions that reflect the intent of the creation of those monuments as well as the values and concerns of local citizens.

Larry, have you got any dollar numbers to share?

Mr. BENNA. Mr. Chairman, I can't give you the total right now. In our budget that we have submitted, we do break out specifically for each of the monuments, each of the land use plans we have in progress in 2005, the amount. So, for example, the Agua Fria National Monument in Arizona, we show a cost of \$440,000 in 2005. We can provide for the record a complete accounting of that.

Mr. RADANOVICH. For the record, yes, if you would provide the total number, that would be wonderful.

Ms. Clarke, can you kind of give me a little bit of your opinion or kind of the conflict between the cost of backlog maintenance as it relates to the additional amount of money that is in BLM's budget for the purchase of new lands and bringing new lands into the BLM system? It can be frustrating when you have—you will always have that backlog maintenance number, you will always have that need for attention to backlog maintenance and at the same time the pressure of bringing new land into the system.

Ms. CLARKE. Let me just assure you that we are committed to responsibly dealing with that backlog. Certainly, the American people and the Congress has a right to expect accountability from all Federal agencies, including this one, and we will work diligently to bring online an appropriate process to make sure we understand what the needs are and that we are addressing those. And there is a bit of tension between that issue of addressing that and then the sometimes very appropriate decision to acquire new lands.

The land acquisition increase in the 2005 budget is really quite small and, in fact, the overall budget request is about half of what has been funded for the last several years, but it represents a small increase over what was in our 2004 budget.

We do have 261 million acres. That is a lot of land. I think that you will find that the land acquisition budget will be focused on some unique situations where we would be buying inholdings, where we need access in order to make an area available for recreation or some other interest or purpose, or it is land that is really critical to an existing conservation unit or designated conservation area to really complement that. And in most cases where we have identified land for acquisition, it has been in consultation with local communities and with their support that that would be an appropriate acquisition for the BLM.

We also are utilizing our opportunities under the Baca legislation to look for opportunities to sell land, to transfer land to local communities if that is helpful. So we are trying to balance our land portfolio and to manage it responsibly.

Mr. RADANOVICH. Great. Thank you very much.

Donna?

Mrs. CHRISTENSEN. Thanks, Mr. Chairman, and thank you both for your testimonies.

Let me go to Director Mainella first. Although I am not satisfied with your budget, I can hear from your testimony and from our prior discussions how hard you worked to get what you did get.

Ms. MAINELLA. Thank you.

Mrs. CHRISTENSEN. Although it is short, in my estimation, and I am sure yours, it is better than some that I have seen.

[Laughter.]

Mrs. CHRISTENSEN. I also want to applaud the increased spending that you demonstrated on maintenance, where you said you doubled the commitment to maintenance and tripled the cycle maintenance.

But was the \$4.9 billion estimate, do you consider that was an accurate estimate? I am going to ask sort of a three-part question. When the President promised to meet that \$4.9 billion, has the increase that you demonstrated kept pace with the needs and can we

assume, then, that we have just \$1 billion, that we are just \$1 billion short of our maintenance budget?

Ms. MAINELLA. Thank you, and I appreciate you always being available and working with us in parks. The \$4.9 billion that the President said he was going to spend toward maintenance backlog was, again, a snapshot in time. In other words, he went with the numbers that were in a GAO report that was done in 1998 even at that point, and he was trying to make a statement in my mind that this is a priority for us, to have parks that are acceptable and in good—in being able to be enjoyed, because it is really exciting to open up new facilities, but to do the sewage treatment and do the repairs of roads is not very exciting. So he took on that less glamorous, and I think we have made a huge impact.

To think in terms of whether, again, because there was no science used, the GAO was only given lists and those lists did not have science to them, and—

Mrs. CHRISTENSEN. So it might have been more than \$4.9 billion?

Ms. MAINELLA. It may have been much more than that, yes. But the GAO report singled out \$4.9 billion and I think that, again, trying to make a commitment to address the backlog to help our parks in the less glamorous ways was what the President was attempting to do here, and this—

Mrs. CHRISTENSEN. May I just interrupt you?

Ms. MAINELLA. Yes.

Mrs. CHRISTENSEN. Did we spend, then, \$3.9—

Ms. MAINELLA. We spent \$3.9—we will spend \$3.9 billion with the 2005 budget and we will be up to the \$4.9 billion by the time the 2006 arrives, at least based on—with your support.

Mrs. CHRISTENSEN. And how short will we be really of the real backlog, the maintenance needs?

Ms. MAINELLA. Well, keep in mind, again, there is not an actual number. We are going to constantly do this little more complicated grading system, but it is the science of what we do, looking at what is the—to be constantly evaluating what is the full cost to do a replacement value—the replacement value, not a cost, replacement value for the industry standards of the parks and then compare it to what would it take to be in perfect condition, what repairs are necessary, and then we add in the management. So that is always an evolving issue. And again, because of things like hurricanes and everything else, it just constantly adds to our issues when we are not expecting it.

Mrs. CHRISTENSEN. OK. And in the budget in brief, you talked about the comprehensive inventory which you talked about this morning.

Ms. MAINELLA. Yes.

Mrs. CHRISTENSEN. I think it would be very helpful if you would provide the Subcommittee with a copy of the survey. We can make informed decisions on the Committee if we have that.

Ms. MAINELLA. Would it be helpful maybe to start with—it is very voluminous, and we can provide all that. I don't know if you just want to see a sample to start with and then decide if you want all, or—

Mrs. CHRISTENSEN. I think—

Ms. MAINELLA. Do you want to do it all?

Mrs. CHRISTENSEN. I would think for the Committee, all would be more appropriate.

Ms. MAINELLA. We will do it. Thank you. I just—

Mrs. CHRISTENSEN. Thank you. Assuming that the—as you said, it is hard to say in one moment in time what your backlog is.

Ms. MAINELLA. That is correct.

Mrs. CHRISTENSEN. And it sounds like it is more than \$1 billion. So what were the figures that the survey you did came up with, the total replacement cost, the cost to return them to perfect condition and to good condition? Can you tell us—

Ms. MAINELLA. Again, I—

Mrs. CHRISTENSEN.—the total numbers?

Ms. MAINELLA. I will put the little parameter. Number one, again, remind that any numbers I am putting out—

Mrs. CHRISTENSEN. Right.

Ms. MAINELLA.—is not the backlog. This is not backlog, but what it is is a, again, an evolving number. So what I am giving you now may change again. But what came out in our recent efforts is that the replacement value, the replacement value for all—if we were to go out and we want to replace everything, all our 17,000 facilities, and based off of the industry standard assets, it would be \$23 billion, to be able to, again, replace it all. And to be able to make everything in perfect condition, to make everything—in other words, again, that is to replace it all.

Mrs. CHRISTENSEN. I have it.

Ms. MAINELLA. To make it in perfect, at 100 percent—remember that house example I gave you—it would be at this point \$5.7 billion. Now again, that is without management decisions. Just like I showed you on the house scenario, most of us will not choose to do \$5.7 because that is 100 percent and we are not—

Mrs. CHRISTENSEN. That would get everything in perfect condition?

Ms. MAINELLA. Right. That is correct. And so what we do is then we manage from that. So we do have science now in place and we will make value decisions based off of those grading system. Again, it is a grading system.

Mrs. CHRISTENSEN. The Chairman has allowed me to ask just one more question. I would like to ask Director Clarke a question. In response to the Chairman's question, you indicated how you had set priorities in terms of land acquisition. I can see it was really well thought out, and I want to also applaud you for your commitment to including communities and to involving them in the development of the management plans for monuments, and I thank you on behalf of my community also for that.

But in terms of the maintenance backlog, I can't imagine—I would like to hear how you plan to manage the maintenance backlog given that your maintenance budget is cut by \$5 million from 2004. So it seems to me about a 6-percent cut in your maintenance budget. I was impressed with how your plans rely on the acquisition. How are you going to manage with that cut in your maintenance?

Ms. CLARKE. We are going to be using an approach that is really parallel to what Fran has just described, and so other than repeat that, let me give you some of the landmarks that we are looking

to proceed toward. We are going to understand and complete condition assessments on all administrative and recreation facilities by the first quarter of 2005, by roads and trails by 2006, and dams and bridges by the fourth quarter in 2006.

And then we go through a process of prioritizing these according to the urgency. Health and safety is always the top priority. So as we assess these and determine that we have an issue that threatens health and safety either of our public or of our employees, that moves to the top. So it is a constant prioritization. Again, it is one that we are very committed to.

We also are finding that our partners have become wonderful assets to us throughout all of the BLM communities in the West. Because we often find ourselves in checkerboard patterns with neighbors on all sides and we are so integral to the lives and livelihoods of Western communities, they engage with us in very positive ways. And more and more, we are able to leverage their passion for the public lands into assisting us, and we also find that we can carry that into the maintenance area.

So we are getting support on trail maintenance. We are getting support on facilities maintenance. And so we are very optimistic that we can responsible. There will be choices that need to be made, but I think we can assure public health and safety and that with this budget we can move forward and make progress.

Mrs. CHRISTENSEN. That is staying within the budget that you have given using your volunteers and your supporters—

Ms. CLARKE. Right.

Mrs. CHRISTENSEN.—but not going into any other budget.

Ms. CLARKE. Working smart, yes. Thank you.

Mrs. CHRISTENSEN. Thank you.

Mr. RADANOVICH. Thank you.

Before I pass on to Mr. Souder, I want to ask Fran basically a yes or no question. Is it useful to establish a number for maintenance backlog?

Ms. MAINELLA. No.

Mr. RADANOVICH. Thanks. Mr. Souder?

STATEMENT OF THE HON. MARK E. SOUDER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF INDIANA

Mr. SOUDER. Thank you, Mr. Chairman. I am sorry I am late. I was scrambling to read through all the testimony. I also knew the number one thing I wanted to focus on, and with Director Mainella in particular, and forgive me if any of this has been covered, but also as a member of the Homeland Security Committee in addition to this Committee, one of my concerns is that the new functions that are being added to the National Park Service are actually going to divert resources.

One of the things I have already talked to several Appropriations Subcommittee Chairmen about, and I know it was in our Subcommittee's report, is to look at whether or not there could be, rather than tapping scarce National Park funds, looking at Homeland Security funds for what would amount to almost like a special forces or special SWAT team, not to divert existing park rangers who are already overwhelmed with all sorts of other challenges. So not necessarily to replicate the Forest Service, where they

consolidate current people in the Service into this, but a supplemental force that if there is an orange alert or some kind of pressure that comes at Washington Monument or Ellis Island or Mount Rushmore, it could be deployed there without messing up the entire Park System and that that wouldn't be viewed as park funding.

A second similar-type thing is I chair the Subcommittee on Narcotics that does drug policy in ONDCP and we have held a hearing down in Organ Pipe, where it seems like their big thrust right now is how not to be overwhelmed by illegal immigrants and narcotics traffickers.

Ms. MAINELLA. Right.

Mr. SOUDER. Trails are shut down. A park ranger was shot there at North Cascades, where we have basically right now Federal personnel in addition to your agency all over the place because of not being able to secure that border. Big Bend is extremely concerned. Padre Island is extremely concerned. Basically anyplace on the border, Glacier potentially could be as things move East, if we squeeze other parts of the border.

I wonder what your reaction is to having, if the funding goes to another Department, those people would theoretically, at least, you pay so the piper picks the tune, to some degree report to those Departments. How would we, if we do that, reconcile some of the concerns about resource protection? Cultural parks are easier to understand than natural parks because some of the assumption was if it was inside the Park Service, you were deploying your own rangers and they would be more sensitive to habitat and other things, as well.

This is a very sticky question but one that is very important in the funding cycle right now when you are, in essence, barely keeping up with inflation with huge new duties, if there is another terrorist attack, it could be catastrophic on how you have to divert resources.

Ms. MAINELLA. Thank you for your sensitivity on this issue. This is a major issue for us with the law enforcement and security needs. We have been talking to Homeland Security to try to see if there is some way, particularly with our border parks and others, that we can work in greater partnership financially or otherwise. So those talks are underway, but so far, we have not been able to achieve that result, but we are working on that.

As you are probably aware, we go to—this year, in fact, every time we went to Code Orange, it was an average of \$55,000 a day beyond which I have in my budget that we do encounter. At this point in time, it is a challenge for us. Just as our natural disasters, hurricanes and others, we send even our law enforcement out in those, you know, in our SED teams to go out to deal with some of those issues and all of those come into play, as well.

But it really is something that I think we need to be able to work to further enhance our law enforcement capabilities, if there is a way to partner. We do work with the Border Patrol right now down—when I was down in Organ Pipe to look at that to see, after our ranger's death, to see what our issues were and what we could do to be able to further help down there. This is a major emphasis.

We are putting in a wall, as you know, right now, and we do need to see if we can partner more with people like the Border Patrol and others, because our role is not actually supposed to be the borders. It is being once they come into the park is our responsibility. But when you have gone down there, you probably have seen there is not even a fence there in places. It has been moved to a rancher's land at times and things of this nature.

I would look forward to working in partnership with Homeland Security on how we could better address some of these issues.

Mr. SOUDER. We will continue to work with you as we go through this process, and with the Chairman and others. But I also want to express concerns about whether Homeland Security, when they go to orange and other alert levels, whether they are uniformly doing it or they are doing a better job like they are on bridges and other things of saying, look, every park isn't at risk for this stuff. We have kind of had this nonsense going around the country, but we are getting better at doing that and we need to do that in the Park Service, as well, a prioritization of which things are actually likely risk targets and how much versus kind of second-tier copycats who aren't going to be as sophisticated, what type of risks, and we need to get some risk assessments in.

I don't believe that capability, while it can be done to a degree inside the Park Service, was the intent of the Park Service, and if you start to reorient your mission too much when you are already budget squeezed—and one last comment on the maintenance backlog. I am one who again this year will push for additional dollars for the National Park Service because I am not convinced that you are reducing the maintenance backlog at a faster rate than it is being added, because it wasn't a number that stays fixed at the beginning. It is something that even the things that you repair start to deteriorate again, and if we don't have adequate—if we are barely keeping up with the additional park expansions, the new expectations, and the cost of inflation, it isn't picking up the backlog.

I am pleased at least the Park Service is getting more than many other discretionary funding, and I appreciate that out of the President. But we have to reconcile in Congress that we can't keep promising the American people that we are going to do something and then not do it, and we have to have some real hard prioritization.

Ms. MAINELLA. I think before you came in, we did talk also about the fact that we have really worked hard to try and not allow ourselves to get back into a hole again. We have more than tripled with the 2005 budget request our cyclic maintenance, which is the preventive maintenance. So we are trying to get so we are building so we don't fall into that hole again.

Also, we have nearly doubled our commitment on dealing with maintenance and deferred issues. It just, as you say, they certainly still continue to evolve and that is why there actually is no real number for backlog. It always is an evolving entity and it is where we have to constantly keep it on our radar screen. The good thing is that for the first time ever, we actually know what we have. We know—we have been able to understand what condition it is in.

It was amazing to me, as I said earlier, that we didn't know that before, and we are actually able to give a science to our staff. Our

superintendents now actually have a tool to work with and make value decisions with science instead of just, well, this would be nice or that would be nice.

Mr. SOUDER. Thank you.

Ms. MAINELLA. Thank you.

Mr. RADANOVICH. Thank you. Ms. Bordallo?

Ms. BORDALLO. Thank you very much, Mr. Chairman.

My question is directed to the Director, Ms. Mainella. As you know, Guam is home to a unique national park, one that honors the bravery and sacrifices of all those who participated in the Pacific theater during World War II. The park was established in 1978. It is very important to our history and offers visitors the opportunity to learn about the events that led to the outbreak of the Pacific War, the occupation and liberation of Guam and the role the Mariana Islands played in the defining war of the 20th century.

Sadly, the War in the Pacific National Historical Park Visitor Center located in leased property was destroyed as a result of a super typhoon. The leased building housed the park's visitors' center, the museum, the contact facility and administrative offices. Despite the significant loss, I want to commend the professionalism of the Park Service's employees on Guam, for they have carried on with the mission of the park in a very, very small maintenance building.

Now it is 14 months later and we are still in the same situation. We are preparing for the 60th anniversary of the liberation of our island. We expect thousands of visitors. There is no visitors' center or museum that stands to greet and educate the visitors to the War in the Pacific National Historical Park. Furthermore, there is no adequate space for park employees.

So I want to register this concern today with you and the Committee. Maybe you can speak to this issue. What does your proposed budget hold for the War in the Pacific National Historical Park on Guam? We have heard a lot about the deferred maintenance and the backlog, but this is a priority to me. This cycle, Fiscal Year 2005, is where I believe we need to address this situation, and I would appreciate your working with me to see that Guam's park isn't lost and overlooked in the budget process.

So can you comment on this? Does your budget contain anything for us? And furthermore, I would like to extend an invitation for you to visit our island and see the tragic situation that we are in.

Ms. MAINELLA. I am very familiar with the situation. I am sorry I have not had a chance to visit Guam, but I know the Secretary was just out there, Secretary Norton.

Ms. BORDALLO. Yes.

Ms. MAINELLA. And she, too, is aware of the concerns and we are trying to address, and I am going to ask Bruce Sheaffer, our comptroller, to speak to what we have in the budget where you might not be able to pick up what we are trying to do. Bruce, could you help me, please?

Mr. SHEAFFER. I would be glad to. The combination of storms last year caused us to—we developed a list including, of course, the replacement for the visitors' center in Guam, a list that totaled some \$150 million. We have prioritized the highest priority \$50

million of that in order to get parks open and operating again, and included in that is the money to replace that visitors' center.

You will see—and that work should be underway, at least the planning portion of that work should be underway now and we are making that money available through a little known provision in our annual appropriation that allows us to borrow funding for emergencies, for such emergencies. And you will see an item in the 2005 budget where we are paying ourselves back for the amount that we are borrowing from the construction account. This is a construction item in the amount of about \$2 million. So we have made that money available, Congresswoman.

Ms. BORDALLO. So it will be a permanent building, then, no longer leased?

Mr. SHEAFFER. They are making such arrangements, as I understand.

Ms. BORDALLO. That is right. And you know, you have to build very strong on Guam. We have to build with concrete and—

Mr. SHEAFFER. A lesson learned, I think.

Ms. BORDALLO. That is right. Thank you. Thank you very much.

Mr. RADANOVICH. Thank you very much.

Mr. Bishop?

**STATEMENT OF THE HON. ROB BISHOP, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF UTAH**

Mr. BISHOP. Thank you. I appreciate the opportunity to be here. I apologize, as usual, for being late.

To all of you, and especially to the great new Director we have at BLM, I want to say I am appreciative of everything you are doing, and any question I ask, I don't want it to imply that I have anything but the highest regards for what you are doing. The actions and the attitudes of the Interior Department have been marvelous and I appreciate the cooperation.

Ms. Clarke, the question I am going to ask is something that is actually outside of the realm of your ability, but since you have ties to Utah indirectly, you understand the situation out there. I think we can put a numerical value on what has happened to education funding with States that are heavily controlled with public lands versus those in the East that are not, and we do not fare well in those regards, and especially a State like Utah, which has such a high proportion of students compared to the number of wage earners and taxpayers.

We have a couple of programs that are out there. In addition to that, also it becomes PILT payments, which are extremely important to counties which have a great deal of public lands and have service, people who use those public lands, and yet have very little private land in which to base their county payments. So PILT becomes extremely important and we still have yet to fully fund what even could rationally be called fair payments to those counties that have to provide those services without the reimbursement.

I recognize, and I am specifically looking at the land acquisition increases in budget, and I realize that those decisions as far as PILT are often not on your desk but higher up. But if you could just talk philosophically about, and I am giving you these just way out, about the tradeoff between land acquisition to increase the

inventory of public lands we have when already we are underfunding the Payment In Lieu of Taxes to counties and obviously the education in the Western States are seriously being hampered in their ability to fund it adequately because we don't have an adequate land tax base.

Ms. CLARKE. Congressman, being a daughter of the West, I fully appreciate the predicament that you have described, the challenges to Western States who, unlike Eastern States, were not allowed to take ownership of a great deal of the land within their borders. That certainly limits the economic opportunities in those States. And so I am absolutely very sensitive to the partnership that needs to exist between public land management agencies, particularly the BLM in the West and State and local governments.

You are correct that the decision on funding on PILT did not sit at my desk, and yet I know that it has been a matter of great importance to the Secretary and I know she has been moving to increase funding in that program.

I will remind you that both the President and the Secretary made a commitment for full funding of the Land and Water Conservation Fund. A small portion of that in the BLM budget is earmarked for acquisition. And again, as I described before you got here, we would certainly be looking at using that portion of the Land and Water Conservation Fund for very discrete acquisitions, such as inholdings, access for appropriate uses that often communities request, and for acquisitions that complement existing conservation areas or that communities have requested.

There are always tradeoffs in budget decisions and this certainly is reflected in this one. We believe that—I can assure you that we are very committed to being very responsible about the acquisition program. Certainly an agency that manages one-fifth of the West could be questioned for the need to have any more land, but let me assure you we are also seeking to augment our utilization of disposal authorities.

I think many of you are aware of the disposal actions in Nevada under the unique authorities that exist there and the benefit that that program has been to not only the communities of the Las Vegas area particularly, but the budget of the State of Nevada.

We also have authority under the Baca bill which allows us for the first time, when we have identified lands for disposal to retain those receipts for other appropriate uses at the BLM. We are working with the Committee to try and expand those authorities so that we can add to the inventory of lands that are eligible for disposal. One of our priorities is to look for disposal opportunities that enhance the needs—that serve the needs of the community and enhance their opportunity for economic improvement, for the enhancement of the rural economies in the States.

So it is a constant challenge. There are many tradeoffs. I assure you that we are sensitive to that and look forward to working with you and with other members of the Committee to hear your ideas on how we can move forward to meet those needs of education and other economic issues that face the Western States.

Mr. BISHOP. Mr. Chairman, if I have just a moment left—I don't have a moment left. You don't care?

[Laughter.]

Mr. BISHOP. No, this will be the end of it. First of all, I appreciate that and I understand the dilemma in which you find yourself. I just hope that you will also be understanding if some of us who are in the Western States look at acquisition and expansion of those areas very carefully until PILT funding and education funding is an adequate level in our particular States.

May I also just say one thing personally, because I know you get a lot of criticism from things that are going on and also people in the field. There is one other particular area that does not necessarily have to do with resources but hits upon resources. In some of the military installations in my district, they are extremely important to me, and I just want you to know that the BLM personnel on the ground in those particular areas in Utah with whom I have been working to try and find some encroachment solutions have been marvelous. They have been extremely helpful. They have understood the situation. They have been very sensitive to both the needs of private land owners as well as to the military as well as to the resource people in our community, and at least for this one time—it may be the only time I congratulate you, but this one time—

[Laughter.]

Mr. BISHOP.—you have some really good people and I want you to know that they were extremely helpful and I was very positive and pleased with the attitude which they brought to the table as we had those discussions.

Ms. CLARKE. Thank you.

Mr. BISHOP. In the meantime, we will talk about grazing at another time when it is convenient for you.

[Laughter.]

Ms. CLARKE. Anytime. Thank you.

Mr. RADANOVICH. Thank you, Mr. Bishop.

Mr. Grijalva?

Mr. GRIJALVA. Thank you, Mr. Chairman.

Some general questions, and first of all, let me concur with my colleague on the unique and demanding situation that our parks find themselves along the border, Organ Pipe being the specific example, Cabeza Prieta, et cetera. As you were speaking, it struck me that I really believe that there has to be a concentration of effort and resources in that area, both on the enforcement side but also, I think, because of the damage that has been done and continues to be done, the vehicle barrier that is going in, the increased requests by Border Patrol for more activities and more access into those parks.

This is a national policy and I think that policy, while we can debate the right or the wrong of it, and I think it is wrong, but it is there now, and I think there has to be within this budget real efforts and resources for restoration and enforcement that aren't there now. We will be submitting to the Chair specific questions about those parks and await your response on that. If there is a comment, that is fine, but that was just in concurrence with the other comments that were made.

Ms. MAINELLA. Thank you, Mr. Chairman. The only comment would be just that these are very important to us, and as I said, we have \$12.4 million in our budget for law enforcement. Bruce, if

there is anything else that we—I know we will continue to work on a lot of the prevention areas. In fact, we are going to go down to Tucson for the National Leadership Council meeting in April and will be heading on down to probably Coronado and others to take a look at some of what is happening in those areas. I have already been to Organ Pipe, as I indicated earlier, but I want to have a better understanding.

We also have created a, and she is here today, Karen Taylor Goodridge, a position on our leadership team which is an associate for visitor and resource protection. It did not exist before September 11. That is a position we have added, and particularly she has spent a lot of time dealing with border issues.

Mr. GRIJALVA. Let me follow up, if I may. The vehicle barrier, the cost for that is incurred by your agency or by Homeland Security?

Ms. MAINELLA. By us. It is in ours.

Mr. GRIJALVA. So you are shifting funds that could be impacting restoration and other issues?

Ms. MAINELLA. Yes, sir.

Mr. GRIJALVA. I think that is an appropriate Homeland Security cost, but that is for another time and another place.

Let me go to, if I may, Director Clarke, more of a comment. I think last year, BLM announced plans to revise its regulations on the Federal grazing program. I have some real concerns about the improvement aspects. I think it opens up a can of worms for property right disputes down the road. I have some concern about the public participation on those, as to where much of it is being eliminated, and the monitoring of environmental damage, where now we are going to wait up to 7 years for corrective action on some of those. Like I had stated earlier to the Chair, I will be submitting those specifically in questions because I am very troubled by those and I think it opens up our public lands to many more disputes than we think we are resolving.

But the specific question to both agencies has to do with one thing and that is the outsourcing initiative that has been going on. What has your agency been required to spend to study potential outsourcing of jobs within your Department? What are the status of these studies? And has this process at this point, that you can share with the Committee, produced any evidence proving what the potential cost savings would be from outsourcing? Either one of you or both.

Ms. CLARKE. We have done one major study and numerous smaller studies at the BLM regarding outsourcing, and to date, almost all of the work that we have studied has remained inhouse. We are waiting for the final report on the one large study that was done on maintenance operations in Oregon that we have yet to have a final resolve there.

So we have not—what the effort has done is, I think, helped highlight to us opportunities for more efficient operation. I think it has made us focus on ourselves and make sure that we are working smart and that we are working effectively, and so there have been some benefits.

This year, we are going to be looking at the mapping function at our science center in Denver and that is a relatively small study.

Is it 12 positions? Just 12 positions. We have requested about a half a million dollars to go through that study.

The Department, I think, is taking a new look at the whole competitive sourcing activity and trying to make sure that it is focused, that it is more strategic, that it complements our human resource planning initiatives, workforce planning, and so that it is weaving into the bigger picture of making sure that we are doing succession planning and that we are capitalizing on those opportunities to perhaps look at the best opportunities to do some outsourcing rather than have it so random.

So it is in our budget this year. There is a request, but it is not a major activity that we are undertaking this year.

Mr. GRIJALVA. Thank you. Something you know already, on those 12 positions, we are looking at a study of \$40,000 per job and the issue of priorities.

Ms. MAINELLA. The National Park Service has been able to look at competitive sourcing through the new revised circular that has come out that has allowed us, instead of actually going to competition against the private sector immediately, we are doing what is known as competitive review involving what is allowed in the circular, preliminary planning, which is good management, good management. You should look at what you do on a regular basis.

So what we are doing at this point, and we have a number of parks, the Great Smokies and others, Golden Gate, that are looking at how they compare themselves with how they are doing their business, analyzing their management, and being able to have a consultant that works with them that does look at the private sector.

But it doesn't go to actual private sector competition until we have looked over all the efficiencies. My belief is our employees are so outstanding that we will be able to find ways to continue to improve ourselves, but not necessarily always have to plan to have bids even come in from the private sector.

Also, just a bit of information and I think it will probably be surprising to many, is that the National Park Service today, and it has been this way since 1916, I believe, but I think probably more enhanced, is 56 percent private sector now, only 44 percent of Federal employees. And when you look at that 56 percent, that is volunteers, that is the concessions that are in our parks, that is our co-operating associations. Those are the contracts we already do. We do a lot of contracting out for work in our parks. Almost all our construction is done through contracts, as well as students and others that come into our parks.

So we are already quite involved with working with the private sector, so this preliminary planning just makes sure that we are doing things as efficient and effective as possible.

Mr. GRIJALVA. Thank you. Mr. Chairman, thank you. Just an observation. There is no funding in any of the budgets for the outsourcing initiative, so every agency has to take that from its own operational budget which impacts some of the things that we are talking about here.

Ms. MAINELLA. I do think that our budget has almost a million dollars in it—Bruce, I will be asking you for clarification—for looking at the competitive reviews, so—

Mr. GRIJALVA. OK.

Ms. CLARKE. Let me also just make one clarification. Mr. Benna brought to my attention that the 12 employees that we are reviewing in Denver right now is for 2004. I will let Larry explain to you what the budget request is for 2005 and how that would be used in the competitive sourcing area.

Mr. BENNA. Thank you, Kathleen. Yes, the 12 FTE that we will be studying is related to a mapping and charting function that is specific to our science center in Denver. The cost of that is somewhere in the neighborhood of \$3,000 per FTE or thereabouts. In 2005, we have a \$570,000 request to support outsourcing, competitive sourcing studies. We are expecting that by the time we get to 2005, we will have spent time in 2004 to do what Director Clarke has said, to develop a more strategic approach to how we do this, to build in workforce planning and some of the challenges we have with an aging workforce, skill mixes, and things like that. So in 2005, we have \$570,000 which will be used to study probably considerably more than 12 FTE, so the cost per FTE is considerably less than the \$40,000 that was suggested.

Mr. GRIJALVA. Thank you. Thank you, Mr. Chairman.

Mr. RADANOVICH. Thank you, Mr. Grijalva.

Mr. Udall?

**STATEMENT OF THE HON. MARK UDALL, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF COLORADO**

Mr. MARK UDALL. Thank you, Mr. Chairman. I want to thank Directors Mainella and Clarke for taking time to be with us here today. I wanted to direct some questions to you, Director Clarke, but I want to also thank Director Mainella for the great work of the Park Service—

Ms. MAINELLA. Thank you, sir.

Mr. MARK UDALL.—and associate myself with the remarks of Mr. Souder. His son, incidentally, has worked for the Park Service, as you may know, and I think he has added additional enlightenment to Congressman Souder's points of view, although he already has religion and he knows how important the parks are. I had an opportunity to interact with his son in Rocky Mountain Park and you have a great team there with Superintendent Baker—

Ms. MAINELLA. Thank you so much.

Mr. MARK UDALL.—and Randy Jones did an excellent job before Ron Baker.

Ms. MAINELLA. Thank you.

Mr. MARK UDALL. I did also just want to add a comment to Congressman Grijalva's line of questioning, which is I was trying to think of an appropriate way to characterize this, but the cohort of the National Park Service has, as you point out, been in place since 1916 and there is a unique element of pride and commitment, particularly in interpretative staff and the full-time rangers.

When I hear people talk about we have to look at what we can do in terms of privatizing or outsourcing those functions, it is a little bit to me like saying the Marines are doing the job and we have to get a new kind of person to be a Marine instead of saying, what do the Marines need to be even more effective?

Of course, you know my bias given my family's involvement with the Park Service and our deep commitment to the Park Service, and as Westerners, the important role that the National Park Service plays, not just in our quality of life, but our economy. So I just wanted to make that point.

Ms. MAINELLA. Thank you, sir.

Mr. MARK UDALL. Director Clarke, I want to talk about one of your favorite subjects, if I might, which is RS-2477, and—

Ms. CLARKE. Congressman, I have to interrupt you because I have been recused from addressing RS-2477. I have not been involved in any of the discussions at the Department and continue to be recused because I was so distinctly involved in it when I was Director of the Department of Natural Resources in the State of Utah.

Mr. MARK UDALL. That is fair enough. Is there anybody in your Department to whom I could direct some questions through the Committee?

Ms. CLARKE. Absolutely. My Deputy for Policy and Programs, Mr. Jim Hughes, has been handling that. I would be happy to direct him to contact your office to get those questions, or if you want to direct them to my office, I will get them to him.

Mr. MARK UDALL. Mr. Chairman, if I could submit those questions to the record—

Ms. CLARKE. We will make sure they are addressed.

Mr. MARK UDALL. I would appreciate it.

Ms. CLARKE. I apologize that I cannot answer those questions.

Mr. MARK UDALL. No, I understand and I will take the opening just to make the comment that I think you were doing what you believe you were required to do, but I do think that the GAO letter that was recently released is cause for us all to pause and step back. And I do think a national policy needs to be forthcoming from the Congress, and I am hoping to work with Congressman Bishop and Chairman Pombo and others to see if we can't move some legislation based on the 1998 resolution that the Congress passed, which said that the Department of Interior as well as the Forest Service couldn't move ahead with resolving these claims until the Congress had weighed in. So that was going to be the line of my questioning.

If I might, let me then move to the Healthy Forests Initiative. I noticed in your testimony you talked about thinning projects, and I am glad to see we are going to begin that process. I hope we can build some trust, particularly the projects in the so-called red zones with which we are all very familiar.

You talk a little bit about Oregon in your testimony. Can you tell me, outside of Oregon, what would the budget total be for thinning projects to reduce wildfire risks?

Ms. CLARKE. Let me ask Mr. Benna to give you those specific numbers. He has got them with him.

Mr. BENNA. Congressman, I don't have a specific total. Our public domain forestry program is funded at about \$9 million. This represents an increase of about a million dollars over last year. Most of that money is counted against the Healthy Forests Initiative and will be used for improving the health of the forests, thinning projects and other types of activities.

Ms. CLARKE. We do not have huge acres of forest. Of course, most of that is managed by the Forest Service and the Department of Agriculture. Most of the forest holdings we have are in the Oregon and California lands in Oregon. Certainly those we have are important and we remind ourselves often that I think the Healthy Forests Initiative also is expected to address issues of range health, and so we will also be looking to improve range conditions.

Mr. MARK UDALL. I think we all understand that range fires can be as destructive in their own way.

Ms. CLARKE. Absolutely.

Mr. MARK UDALL. So if I could—Mr. Benna, you don't have an absolute number, because then I wanted to back into that number, given that we are saying we are going to spend half our resources in the red zones, what that total would be, as well. Can you get those numbers to the Committee?

Ms. CLARKE. We would be pleased to get those numbers for you.

Mr. MARK UDALL. And if I could, I see my time is beginning to expire here, also the number for Colorado would be helpful to me.

Ms. CLARKE. We will get that for you, as well.

Mr. MARK UDALL. I know that we have pinion juniper woodlands in particular that have their own unique ecological characteristics and—

Ms. CLARKE. And that certainly is an area of important focus for the BLM. We will get you those figures.

Mr. MARK UDALL. Mr. Chairman, I see my time has expired, but I have some more questions. I would like to ask unanimous consent that the hearing record remain open so that the members could ask additional questions.

Mr. RADANOVICH. There being no objection, we will keep the record open for 2 weeks.

Mr. MARK UDALL. Thank you.

Ms. CLARKE. Thank you.

Mr. RADANOVICH. Thank you, Mr. Udall.

Director Mainella, I have a couple more questions of you, and also you, Ms. Clarke, regarding the national parks. How do you reconcile a fully funded Federal accounting of the Land and Water Conservation Fund with the Administration's policy recommending the Subcommittee defer action on bills that would authorize the boundary expansion of a park or, say, the establishment of a new unit to the park system? There seems to me to be a dichotomy there.

Ms. MAINELLA. I think that it is really important for us to stay focused again, and you saw the increase of us nearly doubling our efforts to address our maintenance issues and making sure our parks are in good, or acceptable condition. And as long as we are trying to do that, it is difficult to add new parks on or add new additional financial responsibilities.

Now, we do look at boundary adjustments on a case-by-case basis in the sense of the impact that might come forth from some of those—if it is one that is not going to have a major financial impact. It goes back to our operations needs and the fact that we need, a park needs operational dollars, and as we add new parks, it means those operational dollars, if we don't have new dollars, get stretched further and further.

That is why I was pleased the 2005 does have some new dollars in there for Flight 93 and some other areas, but as we add new parks, it really is difficult on operations to be able to take on those responsibilities without having some additional funding.

Mr. RADANOVICH. Thank you. Also, Director Mainella, on behalf of Congressman Walter Jones, could you please address the following question. With respect to the Fiscal Year 2005 budget, what specific actions will the Service be taking toward repairing damage to Cape Hatteras and to Cape Lookout National Seashore as a result of Hurricane Isabel?

Ms. MAINELLA. Again, I think Bruce addressed that already a bit, but I am going to reemphasize that we had about 100—well, including Guam and all the destructions that we have had with storms, about \$150 million worth of damage. We are now going after approximately \$50 million that we are working through, as Bruce had defined, where we kind of borrowing against our construction in hopes that in 2005, I think, we are looking to put more money back in and replace that we have borrowed against to be able to do improvements.

We did make substantial improvements because we were able to have our Centennial of Flight. We have done quite a bit of repairs and we are continuing to move on that effort. But we would be glad to follow up with Congressman Jones for more detail if he has got specific areas that we could address.

Bruce, do you have any other follow-up, or did I cover that?

Mr. SHEAFFER. You covered it well. Mr. Chairman, there are monies in that \$50 million that are going to both those areas and I can certainly provide details for the record as to what those would be.

Mr. RADANOVICH. Yes. Thank you very much.

One final question, and I know that we talked a little bit as far as national parks and the impact of homeland security and the additional cost to it.

Ms. MAINELLA. Right.

Mr. RADANOVICH. I myself in Yosemite share some frustration with the fact that we are bragging or stating that there is an increase in funding for particular projects or in general going to Yosemite National Park when a lot of it can be eaten up when the threat level nationwide goes up one color. So with that in mind, I would ask this question relating to that.

The Service in 2005 proposes and FTE increase of 36 for the U.S. Park Police from 2004. However, it is my understanding that the general inability of the Park Service to reprogram monies within their budget has been a major hurdle in addressing the goal of greater FTEs. If the nation's threat level were elevated to orange for any significant amount of time, how can you be sure that the funds allocated to FTEs will not be absorbed into general operations?

Ms. MAINELLA. We do have a directive that we do give priority called No Net Loss, where we make sure we keep our focus on law enforcement and that those positions are filled first. Now, there is obviously going to be times where, though my regional directors are coming all the way to Washington, where we have a very small

part. You do still have to have somebody that opens the doors and keeps things rolling along.

But we have put a high priority on law enforcement issues so that it is the first positions we are supposed to be filling, and so those dollars—we have also separated out the budget dollars, so we track those for law enforcement and make sure that they stay addressing what they are supposed to be addressing.

Mr. RADANOVICH. Is there any way—my concern, too, is although obviously homeland security is the top priority issue—

Ms. MAINELLA. Right.

Mr. RADANOVICH.—you hate to see money going away from good projects to have to cover this threat level. Is there a way that that can be prevented and is there a way that you can more accurately ensure that money goes to projects, still given this liability of homeland security and any instance where the threat level can be raised and cost additional money? Do you have any way of still preserving money going toward projects and not in that direction if need be?

Ms. MAINELLA. I will give my first shot—

Mr. RADANOVICH. Any suggestions?

Ms. MAINELLA.—and then ask Bruce or anyone else. I think at this point, it is very hard for us. When we go to Code Orange, it is a mandatory—we don't have flexibility in making decisions. We have to send certain people to certain locations, particularly our icons. And in doing that, as soon as that happens, without having a fund that addresses that in some way regularly, all we can do is shift dollars from other locations. But I will turn to Bruce to ask how we have been doing it.

Mr. SHEAFFER. In an ideal situation, Mr. Chairman, we would have some funding source that didn't affect forest operations to deal with these emergencies. But given we don't—

Mr. RADANOVICH. It doesn't happen.

Mr. SHEAFFER.—we are forced to internally reallocate to handle Code Orange in particular, and I will say this—

Mr. RADANOVICH. Can you also, excuse me, Bruce, but while you are talking, let me know, too, who decides when the money goes toward that.

Mr. SHEAFFER. Well, to get into details, I should let our Chief of Law Enforcement handle that question, but let me say this much about the way we handle the funding—

Mr. RADANOVICH. Go ahead.

Mr. SHEAFFER.—and then we can move on, if need be. When the call comes in, the Code Orange comes, we have protocols in place that send teams out that are fundamentally spending money by overtime travel and per diem and the like to cover the—to provide the higher-level security at the icons, at the major icons. We allow those individual parks to capture those costs and we find ways that do not impact their immediate budgets to deal with that.

Now, since 9/11, we have been attempting to boost the budgets of those icons in order to raise their availability of permanent staff and have done so significantly. In fact, out of \$80 million we have received since 9/11 for park operations, a full half of it has gone for law enforcement and a significant portion of that to the Statue

of Liberty, Independence, Washington, D.C. area, and the other icons.

Mr. RADANOVICH. OK. Thank you.

Speaking of icons, Fran, when are we going to open the Statue of Liberty?

Ms. MAINELLA. As you know, Mr. Chairman, we have been working on assessing the options of what it is going to take for us to make sure that that is a safe condition and also one that will be enjoyable for everyone.

We right now, I just want to remind everyone, the island is open and we have actually two million visitors right now a year visiting the island. We do not have a date set yet at this time, but we are working toward different options of consideration. It is not just a financial issue, it is a security-related issue so that there is, going back to when we were talking maintenance, you have to do a management decision to understand where we are.

I certainly would invite you or any of the members of the Committee to go out with us sometime to the Statute to take a look at what items we are having to evaluate.

Mr. RADANOVICH. Thank you, and we will be going up shortly to do just that. Thank you.

Ms. MAINELLA. Thank you, sir.

Mr. RADANOVICH. Director Clarke, if I may, the Fiscal Year 2005 budget increased the wild horse and burro account by \$10 million. Can you tell me what that money is going to be used for?

Ms. CLARKE. The request for an adjustment in our budget to put an additional \$10-plus million into wild horse and burro programs would be used basically to get the program funded to a level to be successful.

We right now have a budget of about \$29 million. We have about 19,000 horses in long-term care, which means that we are spending \$1.33 a day to feed and care for those animals, and we have no choice but to do that. That means that a good portion of our budget is committed and we have very little budget left to manage the challenge of the horses on the range.

The population on the range right now is about 39,000 horses. Ideally, it should be about 25,000 horses. The problem with leaving the horses on the range and allowing them to continue to reproduce is that they affect range health. They affect riparian areas. They challenge our ability to continue grazing because they compete for forage with cattle. They cause a lot of destruction if they are out of proportion and out of management scheme.

So we have a very firm commitment to get the wild horse and burro program down to those appropriate management levels, but we simply do not have the money to meet that objective. What the funding request would do, would allow us to very swiftly get those populations under control. If they are not under control, the horses normally reproduce at the rate of about 20 percent a year. So if we do nothing, the population grows tremendously and we are losing ground right now. We are not gaining on this.

We are kind of at a juncture. We have been gaining on the population, but this year, we are not able to gather all the horses we want because we are short on money. So if we leave them out there, they are, like I say, at risk from damaging the resources. We

also, with drought, may see some of them start to die. There are challenges to this program. The money basically would be used to get us into balance so that we have a successful program.

Our ultimate goal would be to have the horses on the range reproducing at a rate that if we gather the 20 percent increase a year, we can adopt the 20 percent that we gather so that we have a static level of horses coming in and going out. Ultimately, if we can get there over time, we think we could reduce the amount of money needed to run that program. But right now, we have to beef it up to get to a point where the program is manageable and something we can all feel good about.

Mr. RADANOVICH. Thank you very much. One last question. With regard to your budget and backlog maintenance, does the BLM use the Cooperative Conservation Initiative and the funding through that program? Is that applied to backlog maintenance as well?

Ms. CLARKE. Not directly—

Mr. RADANOVICH. OK.

Ms. CLARKE.—but as I indicated earlier, we may have opportunities for trail maintenance, where there are partnerships that will come in and assist us, but that would not typically be through the CCI money. Those would just be goodwill partnerships with folks who are committed to trails. But there may be some projects that we jointly enter into that have a conservation focus or a recreation focus that we are making grants to communities and to other partners to assist them in taking the lead on some of those initiatives that benefit BLM land and possibly some adjacent partnership land.

Mr. RADANOVICH. Very good. Thank you.

Ms. CLARKE. Thank you.

Mr. RADANOVICH. Mr. Souder?

Mr. SOUDER. First, I wanted to ask, I have a brief statement to submit for the record.

Mr. RADANOVICH. Certainly.

[The prepared statement of Mr. Souder follows:]

**Statement of The Honorable Mark Souder, a Representative in Congress
from the State of Indiana**

I would like to thank Directors Mainella and Clarke for being here today, and for testifying before the subcommittee. I do have a couple of concerns regarding the National Park Service budget.

Although the maintenance backlog in the parks has received greater attention and increased funding over the last few years, the funding allocated to address the problem remains inadequate. I believe that the NPS and the Administration should allocate additional resources to address the backlog. As long as funds only trickle down the pipeline, the backlog will continue to be a problem. The structures and infrastructure will only deteriorate further unless a concerted effort, coupled with increased funding, works to restore them.

I realize that funding is tight, especially this year, but shortchanging the NPS now will only result in escalating costs in the future. I would also like to add that as the National Park Service adds additional units and therefore addition maintenance duties, the pressure on already scarce resources will increase.

My second concern has to do with security in the National Parks. As a result of September 11, security concerns are paramount. This is no less true for the National Park Service. Because many of our national parks, such as Organ Pipe and Cascades, are located in border areas, additional measures to monitor these border crossings is necessary. Due to the remote nature of some of these areas, a determined enough person or group could enter the United States without being detected.

I am pleased that the NPS has asked for additional Park Police funding to address security within the parks. I am concerned, however, that the NPS must devote

is already scarce resources to Homeland Security measures. I would like to see the Department of Homeland Security take a greater role in securing the parks.

Mr. SOUDER. I have some additional questions for the Park Service which will be along these lines, so you have a heads up and will work with the staff to try to—because you have addressed some of them in the homeland security follow-up that you just did, but what type of targeting information that you get for equipment and for staffing, how you work with the superintendents to get it bottom-up in addition to top-down, how much of this is coming from the Department of Homeland Security and others versus how much you are generating on presumably the limited information, and actually how much information do they share and when do they share it.

I would really like to the degree by park, if we can get that, and if we don't want to put it in the record individually, how you work at the different parks with Homeland Security, with DEA, with other relevant agencies, and where there are questions that they aren't, where the resource questions would become greatest in the sense of the challenges. For example, along the border, often there is a mile strip where they have, a couple miles where they have flexibility, and then it transfers to the park as you go inland and it is the border-type questions.

And then the broader question that there have been questions about law enforcement rangers and adequacy of police training for a long time, that this is really heightened. That problem existed prior to 9/11 and the professionalization of the force. On the other hand, where that line becomes a kind of regular law enforcement training where you would have low-level watch if somebody is doing suspicious behavior, that it is a tip as opposed to highly specialized training and where the Park Service sees that crossover. Are you going to have special units? Are you going to call in special units? At what point does that occur?

This isn't likely to go away short-term. In fact, it is likely to expand from the few major icons to the others, and this is potentially—if we get a \$120 million—I guess last year we wound up with about \$60 or \$70 million boost-up in the budget and then half of it goes to Homeland Security, we are, in fact, not really boosting the budget. It is just going for a new challenge.

A second point, I wanted to thank you for your statements on privatization. I have long argued that you are probably the most privatized part of the Federal Government. At the same time, you are held in the highest esteem, your workforce is, in that we have had a—as somebody who has backed privatization in studies all over the place, there are some areas where it becomes a demoralizing process if you don't. The final language worked through some of this what you called competitive review, but I remain concerned that good management practices are good management practices. You ought to always be training and reviewing—

Ms. MAINELLA. Exactly.

Mr. SOUDER.—and that is why you have these management things, and if there is something that then in the source of good management practices, you say, hey, maybe this can be contracted out.

On the other hand, the way this has been handled suggests that the bias should be for contracting out and the Administration's broader approach of which the Park Service is merely one part of an OMB larger effort, I think had a tremendously demoralizing effect and that we need to fight that.

Let me be assured and the Park Service be assured, and we are going to watch this in the budget cycle this year, had Chairman Taylor's resolution not been buried in and Congressmen Davis and Sessions' amendment then be withdrawn, their amendment would have been passed and that if Taylor hadn't had the overriding thing in the bill, there would have been an amendment to make sure there wasn't contracting out and it would have been a vote probably as dramatic or more dramatic than the one on Congressman Bereuter's research facility.

It is important that we do good management practices, and I am not against good management practices and there needs to be more of that and more training, and that is why we have the institute down at IU and other places to train and there needs to be professionalization. At the same time, if it looks like our goal is to demoralize when there is only 44 percent of the whole Park Service is in the government already, that, I think, can be counter-productive.

One last thing I wanted to make sure I understood on the record. You stated that you believe with the backlog that while there might be expansions of existing units, you didn't favor the creation of new units. That is the position of the Administration. Does that go for Heritage Areas, too, which is also a faster-growing category? You have, like, 30 studies there, lots of money, lots of Park Service responsibilities. Are you saying your position is no new Heritage Areas either?

Ms. MAINELLA. Let me just speak to both. One, I just want to make sure that our language would be on even new parks, is that we just defer as we continue to address the efforts of making sure that we are taking care of the parks that we have.

But as far as Heritage Areas, again, what we have been looking at and our most recent testimony has been asking for some help to look at some legislation possibly on Heritage Areas to make sure that as they come into the system, they are meeting the, I think the goals that all of us started with, and they are excellent. We believe in Heritage Areas. They are partnership-oriented. We believe in them.

But we, I think, are working right now on legislation, working with some of you on some legislation to possibly help get Heritage Areas defined in a way that everyone can be very supportive of the direction of Heritage Areas.

Mr. SOUDER. I believe there are 30 backlogged at \$10 million each plus the long-term staffing.

Ms. MAINELLA. Right.

Mr. SOUDER. It is one of the only—I mean, I vote for the Heritage Areas and I believe they need to be more confined, but that is a potentially explosive category here—

Ms. MAINELLA. Big dollars.

Mr. SOUDER.—more so than one or two new parks that we add to the system.

Ms. MAINELLA. Right, and then I think that is why the Heritage Area monies were dropped in our 2005 budget, was primarily that we really need some help with some legislation to help us kind of move forward in a way that is manageable for all of us.

Mr. SOUDER. Thank you very much. Thank you, Mr. Chairman.

Mr. RADANOVICH. Thanks, Mark. With that, I think we are done.

I will say one last thing. I need to ask unanimous consent to include in the written record questions from Congresswoman Cubin and Congressman Gibbons to Director Mainella and Director Clarke. Hearing no objection, so ordered.

[NOTE: Responses to questions submitted for the record by the U.S. Department of the Interior have been retained in the Committee's official files.]

And I want to thank Director Mainella—

Ms. MAINELLA. Thank you.

Mr. RADANOVICH.—Director Clarke, thank you for being here, and we do appreciate your comments on this issue.

Ms. CLARKE. Thank you.

Mr. RADANOVICH. With that, the hearing is adjourned.

Ms. MAINELLA. Thank you so much.

Mr. RADANOVICH. You are welcome.

[Whereupon, at 11:50 a.m., the Subcommittee was adjourned.]

