



Yosemite for Sale

How Trump Could Privatize America's National Parks

By Nicole Gentile and Matt Lee-Ashley February 10, 2017

In early 2016, Yosemite National Park made headlines when Delaware North, a private company, lost its concession contract in the park. The company had claimed trademarks for the iconic park's half-dome logo and many uses of the park's name. As a result, T-shirts bearing the phrase "Yosemite National Park" were no longer allowed to be sold in park gift shops, and the National Park Service, or NPS, spent \$1.7 million dollars changing signs and logos across the park.¹ At the heart of what is now playing out in a protracted court battle is the meaning of America's national parks: Are they tools for private profit or are they national treasures for the public?

America's national parks should be owned by and managed for the benefit of all Americans. However, corporate interests have been steadily attacking and whittling away at that idea. Hotels, food service providers, gift shops, and other concessionaires, such as Delaware North, are profitable businesses in the national parks. The top-four concession holders in national parks—Aramark Parks and Destinations, Delaware North Companies, Forever Resorts, and Xanterra Parks and Resorts²—also wield immense political power. Aramark³ and Delaware North⁴ have collectively given more than \$500,000 to politicians since 2010. And some concessionaires are fighting, and winning, trademark battles for the names of national parks.

Although these trademark battles have grabbed headlines, a Center for American Progress review finds that concessionaires are quietly reaping the benefits of operating in national parks without fully absorbing the costs. The U.S. government routinely bills taxpayers for the maintenance of the hotels, restaurants, and other infrastructure from which these businesses profit.⁵ A review of the NPS' list of deferred maintenance projects reveals that the NPS requests hundreds of millions of dollars of taxpayer money to finance corporate infrastructure in the parks. This misdirected request for taxpayer funds could reduce the amount of resources available to the NPS and other land management agencies for public-interest infrastructure in the outdoors, such as the maintenance of trails, the upkeep of historic sites, and restoration and conservation projects.

This brief examines the NPS’ maintenance backlog, which the agency claims totals \$11.9 billion, to better understand the extent of critical, high-priority public infrastructure needs in the parks.⁶ Understanding these needs can enable Congress to invest taxpayer money effectively and responsibly in the restoration and protection of national parks. A clearer picture of the projects that make up the backlog also provides context for those who use the NPS’ own maintenance needs against itself: Often this \$11.9 billion backlog is characterized as insurmountable and is used to argue against public land protection and for the privatization of national parks.⁷ A closer look at the projects that make up the backlog, however, reveals that the NPS itself should not be responsible for many of these costs and that some of the projects are higher priority than others. Addressing the backlog is not an indomitable task, and a more modest commitment of funding could go a long way toward maintaining the health and well-being of the nation’s parks and all who enjoy them.

Furthermore, this brief explores the funding for national parks compared to other public land agencies. Although national parks occupy a special place in American society and culture, other areas of public lands are at equal or greater conservation risk. More Americans are getting outdoors every year, and many visit the United States’ other systems of public lands—including national forests, national wildlife refuges, and Bureau of Land Management, or BLM, lands.⁸ As such, when the time comes to fund the NPS and all the other agencies that support the great outdoors, it is important for Congress to remember the variety of public lands that support the burgeoning outdoor economy.

Finally, this brief examines the NPS’ reported maintenance backlog in the context of President Donald Trump’s still-unknown plans for America’s national parks. Will President Trump, with his record as a hotel magnate and private developer, use the NPS maintenance backlog as cover for accelerating the privatization and corporatization in the parks—perhaps even for the benefit of his own companies? Or will the NPS, under the Trump administration, support broad, public-interest investments in national parks, national wildlife refuges, national forests, and other public lands?

Private profits in public parks

Private businesses or concessionaires gross more than \$1 billion in annual revenue from their sales in national parks.⁹ Under the terms of their concession contracts, however, these businesses are responsible for incurring the maintenance costs of the facilities they occupy.¹⁰

In an annual report about its maintenance needs, however, the National Park Service consistently lists concessionaire facilities as having maintenance costs that need to be paid with taxpayer funds. NPS staff explain that ultimately, if a contractor does not pay

to maintain a facility, taxpayers are responsible for these costs so the NPS continues to list these needs.¹¹ A CAP review of NPS maintenance backlog data reveals that the agency has identified \$389 million in maintenance needs at concessionaire-occupied and -operated facilities. These projects include:

- **Yellowstone:** NPS work orders show \$5 million in serious critical deferred maintenance and total deferred maintenance of more than \$10 million.¹²
- **Yosemite:** According to the NPS, the main building of the Ahwahnee Hotel has a critical maintenance backlog of more than \$31 million and a total maintenance backlog of more than \$51 million.¹³

Because concessionaires—rather than U.S. taxpayers—profit from these businesses, the concessionaires should be on the hook for these kinds of maintenance projects. In fact, the contracts already stipulate that concessionaires are responsible for this maintenance, therefore including these costs in the maintenance backlog is misleading at best and a misuse of taxpayer dollars at worst.

Bloated maintenance backlog estimates

A review of the NPS' \$11.9 billion list of so-called deferred maintenance projects indicates that the agency's critical, high-priority maintenance needs are indeed significant but able to be funded through measured and sustained investment. According to the NPS' own criteria, only \$3.5 billion—less than 30 percent—of the National Park Service's \$11.9 billion maintenance backlog is labeled as “critical systems deferred maintenance.” Of that, only \$1.3 billion—or about 10 percent of the total backlog—is serious enough for the agency to consider it a priority for necessary maintenance.¹⁴

It is also worth noting that much of the NPS' stated \$11.9 billion list of maintenance priorities is not for bathrooms, hiking trails, campgrounds, or other infrastructure that helps visitors explore their national parks. Instead, nearly half of the NPS' list of maintenance needs—\$5.9 billion—is for paved roads. Four roads alone—the George Washington Memorial Parkway, the Blue Ridge Parkway, the Natchez Trace Parkway, and the John D. Rockefeller Jr. Memorial Parkway—are responsible for more than \$1.3 billion of maintenance needs, or roughly 10 percent of the agency's entire maintenance backlog.

Although roads and parking lots are indispensable to getting visitors safely in and around the parks, Congress rightly considers and funds transportation infrastructure in national parks differently than maintenance needs that pertain to the protection of the actual natural, cultural, or historic resources that the NPS is charged with preserving. Road projects in the national parks are typically paid for separately in transportation funding bills, whereas NPS core maintenance funding is provided in annual appro-

priations bills for the agency. And among land management agencies, the NPS has traditionally fared well in the amount of transportation investment it has received from Congress; in the 2015 transportation bill, for example, the U.S. Forest Service received 6 cents for every dollar that the NPS received for roads, even though the Forest Service manages 69 times more miles of roads.¹⁵ Still, the NPS combines its paving requests for roads with its traditional maintenance needs to claim that it has what appears to be an insurmountable backlog of maintenance.

By publishing such a large maintenance backlog number, the NPS is unwittingly providing evidence that some members of Congress are using to misleadingly argue against protecting more public lands.¹⁶ In reality, the maintenance backlog could be addressed by recognizing funding from other sources—such as concessionaires and transportation bills—and with more targeted infusions of funding to address the parks' most critical needs.

Funding all of the public lands agencies

Without question, America's national parks need investments to protect historic sites from crumbling, to modernize buildings, and to ensure that both visitors and the parks themselves are protected. The national parks, however, are not the only public lands that need investment. National forests, national wildlife refuges, and lands managed by the Bureau of Land Management are also important places for Americans to get outdoors to hunt, fish, hike, camp, and otherwise enjoy this country's public lands.¹⁷ However, whereas Congress budgeted approximately \$39 in investment per acre in the national parks in 2015, the Fish and Wildlife Service received \$32 per acre, the Forest Service \$29 per acre, and the Bureau of Land Management a mere \$5 per acre.¹⁸ When considering the budgets for all of these important agencies, Congress should consider national parks alongside these other public lands.

National parks in the Trump administration

President Trump's views on the national park system remain unknown. While his son Donald Trump Jr. is an avid outdoorsman and is seen as the president's go-to confidant on these matters,¹⁹ many of Trump Jr.'s experiences in the outdoors are reportedly through highly exclusive hunting expeditions.²⁰ Also, Trump Jr. has publicly supported corporate sponsorships in the national parks,²¹ which could suggest an openness to expanded privatization.

If President Trump intends to pursue a privatization agenda in the national parks, however, he could take action in one or both of the following areas.

First, he could allow companies to financially benefit from the national park brand and name. The “Yosemite National Park” fight is not the only place a park’s name has been at risk of privatization. In 2011, a private company won the trademark to “Hot Springs National Park” in Arkansas. The lawsuit allowed a name that is rightfully owned by the American public to be used for private profit, and the lawsuit consumed taxpayer money in a lengthy and expensive court battle.

Second, he could allow public funding for the National Park Service’s own maintenance backlog to be redirected to line the pockets of big business. CAP’s review finds that only a small fraction—less than \$1 billion—of the supposed \$11.9 billion maintenance backlog goes to maintenance of trails and campgrounds in U.S. parks.²² Much of this so-called backlog is earmarked for renovating facilities where corporate concessionaires bring in gross revenue of \$1.14 billion annually, while the NPS only collects \$70.5 million in franchise fees on behalf of U.S. taxpayers.²³

Recommendations

National parks are part of an important public lands system, but they are not the only place where Americans get outdoors. In making investments for the infrastructure and upkeep of public lands, Congress should consider taking a more even-handed approach. For each dollar invested in national parks, the equivalent could be invested in national forests, wildlife refuges, and other BLM lands. This would ensure that all of the nation’s public lands get the funding they deserve.

To prevent the possibility of private companies reaping the benefits of avoiding maintenance costs to increase their profits, Congress should restrict the use of taxpayer money to pay for maintenance in concessionaire-operated facilities. Concessionaires should be held to a strict standard per their contracts: Maintenance of taxpayer-provided facilities should be paid for with their own dime.²⁴

To support this recommendation, the U.S. Department of the Interior’s Office of Inspector General—whose mission is “to provide independent oversight and promote excellence, integrity, and accountability within the programs, operations, and management of the Department of the Interior”²⁵—should undertake a review of concessionaire-operated NPS facilities. This review should provide a full analysis of necessary maintenance and associated costs and how much each concession operator has contributed to these costs. This type of information would give Congress and the American people clarity and transparency and could support stricter enforcement of NPS concession contracts.

Conclusion

America's national parks, along with the rest of the nation's public lands, are an important investment. Congress and the Trump administration should not make private-sector handouts at the expense of public-interest investments. Concessionaires, not taxpayers, must be responsible for the maintenance of the facilities in which they make billions of dollars each year. Furthermore, the NPS backlog should be understood in context and not used to undercut conservation or bolster calls for privatization. The United States' national parks and all public lands are national treasures. Congress must ensure these special places get the funding they deserve and that they continue to belong to all Americans.

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Endnotes

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- 12 Data on file with the author.
- 13 Data on file with the author.
- 14 Information for this report was gathered using data contained in a spreadsheet provided by the National Park Service. The spreadsheet is on file with the author. Items in the spreadsheet were verified with Mike Seibert, branch chief of the NPS Asset Management Program, in a November 15, 2016, telephone conversation. During that conversation, Seibert directed the authors to include only items in the status column tagged as "Excess," "Inactive," "Operating/Obsolete (OPER/OBSO)," and "Operating." The NPS used this method to reach the cited \$11.923 billion value of total deferred maintenance as seen in National Park Service, "NPS Asset Inventory Summary" (2015), available at <https://www.nps.gov/subjects/plandesignconstruct/upload/FY-2015-NPS-Asset-Inventory-Summary-2016-01-11>. pdf. Deferred maintenance totals for the NPS and associated parks were calculated by sorting the spreadsheet column titled "DM" by the column titled "Park." The critical systems deferred maintenance totals were calculated by sorting by the column titled "CDSM, Optimizer Band" by the column titled "Optimizer Band Final," and ranking by the column titled "Ranking." Columns used to sort the spreadsheet include: "Park," "Occupant," "Status," "LOC Description," "Ranking," "Optimizer Band Final," "DM," and "CDSM." During the November 15, 2016, conversation, Seibert also confirmed that concessionaires are almost always responsible for deferred maintenance costs at facilities they occupy; however, it is ultimately the responsibility of the NPS to ensure they are maintained and are included in the \$11.92 billion total.
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