

## **STATEMENT OF THE NATIONAL PARK HOSPITALITY ASSOCIATION ON PROPOSALS BY THE US DEPARTMENT OF THE INTERIOR TO IMPROVE VISITOR EXPERIENCES THROUGH CONCESSIONER-PROVIDED SERVICES AND INFRASTRUCTURE**

We appreciate the U.S. Department of the Interior's invitation to comment on proposed actions to improve the enjoyment and safety of national park visitors in ways which support the protection of natural and historic park assets. We strongly support these goals and will offer comments on the specific actions.

America's national parks are a global treasure and an inspiration to all who believe in mankind's ability to demonstrate vision. Generations of Americans have had lives shaped by exposure to these special areas. Concessioners are proud of our partnership role in these experiences. We have supported the National Park Service for more than one hundred years, providing billions of memories treasured by park visitors across those years, usually seamlessly to the public. We applaud the spirit of the proposed changes which is to make minor modifications to a proven program to encourage excellence by the agency's business partners in meeting the public's needs.

Concessioners operate under thousands of agreements administered by the National Park Service. By law, concessioner services have always been and will continue to be limited to "necessary and appropriate" services for visitors as determined solely by the National Park Service. These services include lodging and food services, transportation and sale and rental of recreation equipment, souvenir sales, guide and recreation services and more. Concessioners include leaders in the national hospitality industry as well as hundreds of small businesses that are often multi-generational and very specialized. Most operate in very challenging environments: locations that are often distant from traditional labor markets and subject to seasonality, weather, wildfires and even government shutdowns.

We believe that the proposals by the Department will permit concessioners to better serve park visitors for generations to come, especially by facilitating appropriate investments to modernize, maintain and, where appropriate in the view of the agency, expand visitor services using best practices and contemporary skills. Importantly, the proposals adhere to a core principal: all structures in parks, even those that rely on concessioner funds for their existence, will remain the property of the American people and will be administered solely by the National Park Service.

**1/19/2020**

## **ADDENDUM TO NPHA STATEMENT ON VISITOR SERVICES IMPROVEMENT PROPOSAL**

### **Some Key Questions and Answers:**

#### **Will these proposed changes price Americans out of their parks?**

*No. Whether in food services, transportation, guided adventures or lodging, we are committed to great experiences widely available to all Americans. In food service, our goal is great, affordable food for snacks, casual meals or fine dining. The proposals will continue a policy of offering core menus of traditional foods in most locations that are as affordable as possible – but also offering diverse and innovative food options to our visitors. For lodging, we believe that Americans deserve great value in a wide range of overnight experience choices ... from world class stays in historic lodges to inexpensive stays in tents at some of the world's most scenic locations. We can and will encourage visiting loved areas during non-peak seasons and even extending operating seasons. But some things will never be compromised – safety, for example. And clean, working restrooms. Today and long into the future, concessioners will demonstrate our expertise in the hospitality industry.*

#### **Are concessioners committed to protecting America's national parks?**

*Yes. NPHA is proud to play a role in helping the National Park Service fulfill its important mission, which states, "The National Park Service preserves unimpaired the natural and cultural resources and values of the National Park System for the enjoyment, education, and inspiration of this and future generations. The Park Service cooperates with partners to extend the benefits of natural and cultural resource conservation and outdoor recreation throughout this country and the world." NPHA members are some of those partners.*

*In addition to it being the right thing to do, concessioners are further driven to protect and enhance our parks because our economic future depends on their preservation. And proof comes from our proud history – partners in park protection for over a century.*

*As individual companies, we embrace – and are honored for – extraordinary commitments to green operations in special places, from LEED Platinum building certification to recycling and zero refuse operations, and we partner with the National Park Foundation and other park partners to generate millions annually through guest donation programs and more.*

#### **Did the National Park Hospitality Association recommend changes to the NPS concessions program?**

*Yes, in an effort to implement lessons learned since 1998. The National Parks Hospitality Association (NPHA) has always worked closely with the U.S. Department of the Interior and the National Park Service on concessions program operations. The concessions program has been shaped by two sets of laws and regulations – first in 1965 and then in 1998 – and has evolved over time. NPHA regularly offers modifications to the program. For example, NPHA urged improvements to annual reviews of concessioner performance to eliminate a pass/fail system and recognize outstanding operations and requested action to mitigate the impact of the government shutdown in 2013.*

*After more than 20 years of experiences under the most recent law, NPHA began suggesting means to make concessions operations nimbler and more responsive to growth in the US population and the national park system more than ten years ago. Over those 20 years, we have seen dramatic changes in technology and travel patterns. The first iPhone was released in 2007, and civilian access to GPS was in its infancy in 1998. Expedia had just been launched by Microsoft, and services like WiFi, Uber, Airbnb and more have all emerged since the last major review of concessions regulations.*

*We have held dozens of meetings with department and agency officials and together, we have found areas of agreement on topics including rewarding excellence in operations and support for broad park goals. In mid-2018, NPHA submitted a series of recommendations to the U.S. Department of Interior aimed at promoting more accessible visitation and responsible enjoyment of our public lands for all Americans. We are pleased that the proposed actions address some of these suggestions.*

*NPHA appreciates the opportunity to comment on the proposals for the future of our majestic and priceless national parks. We look forward to a robust dialogue with the agency and its many constituents to support “great visitor experiences in great places.”*

**Will these changes privatize and commercialize national parks? Will National Park Service jobs be lost?**

*No. National parks never have been and never should be privatized or commercialized. Concessioners cherish the special skills of National Park Service employees – including education and interpretation and protection of wildlife, natural, historic and cultural resources and orchestrating the efforts of concessioners, other federal agencies and park partners and even gateway communities. We have supported efforts to maintain and expand agency resources and personnel through appropriations, fees and more. The jobs concessioners do – from piloting vessels to the Statue of Liberty to preparing food to serving the needs of motor vehicles in parks – free up National Park Service staff to do what they do best. National Park Service concessioners today proudly serve about one in every three visitors to the system, providing an estimated 25,000 jobs and more than \$150 million in direct franchise fee payments to NPS annually. Our companies have invested billions in private capital in parks – in lodges, water systems, green power systems and more – because we believe in long-term, sustainable operations in our parks. And we are an important part of the outdoor recreation industry, recently measured by the federal Bureau of Economic Analysis as responsible for \$787 Billion in Gross Output annually, an astonishing 5.2 million jobs and much faster growth than the US economy overall.*

**What is LSI and why are changes being proposed?**

*LSI is the abbreviation of Leasehold Surrender Interest. LSI was created by the Congress in 1998 to recognize that private investment without private ownership in visitor services needed a strategy for pay-back. Concessioners are generally not in favor or against LSI, but it is the law currently. The current means of obtaining LSI credit is administratively cumbersome and in some cases LSI eligibility may prevent certain projects that can improve visitor services or facilities from being approved. Concessioners would welcome an opportunity to address capital investment policies that allow for a reasonable rate of return to concessioners and support appropriate, NPS-approved investment in facilities. A change in the method for managing and crediting concessioners for their capital investments can help to cure deferred maintenance and provide*

*enhanced services to park visitors while reducing the administrative burden on both concessioners and the government.*

**Will these changes have any impact on the terrible \$12 Billion backlog in park maintenance?**

*Yes. NPHA takes seriously our role in helping the National Park Service address the agency's multibillion-dollar maintenance backlog, which threatens the health of our parks and safety of parks visitors. These changes will complement other changes underway to provide the funds needed to sustainably operate our parks. Concessions agreements require concessioners to perform all normal maintenance and, in many cases, require investments in needed upgrades and major repairs for the park buildings and infrastructure they utilize. This substantially reduces competition for monies appropriated to the agency. In addition, concessioners make annual payments of more than \$150 Million to the agency in franchise payments available for maintenance and operations.*

**America's National Parks belong to all Americans and are a wonderful forum for telling the world about key American values and experiences. Will these actions support these roles?**

*Yes, indeed. The association believes strongly that if all segments of the American public do not experience the parks, they will not grow to love them and support the resources needed to protect our parks for future generations. Our members work with youth through school, church and other entities to facilitate visits and hire large numbers of diverse youth directly and through conservation and service corps to connect our parks with segments of the population that traditionally visit parks less frequently. We are excited and celebrate new connections – as when urban youth from Baltimore worked for four months in Shenandoah National Park on a project to reconstruct a historic stable complex and, through their time in the park, became ambassadors for national parks in their home community. We also actively market national parks to international visitors through trade shows and active engagement in the travel industry. Because of our use of contemporary hospitality skills, we have top-notch information on many domestic and international park visitors and potential visitors, and share this information with key federal officials to help forecast needs and to develop collaborative efforts to match visitor desires with park unit capabilities and features.*

**The National Park Service is also publishing proposed regulations for a new visitor services program, the Visitor Experience Improvement Authority (VEIA). Does NPHA support VEIA?**

*NPHA fully supports the purpose behind the creation of VEIA, which was to give NPS additional contracting flexibility to allow it to modernize and improve the condition of commercial visitor facilities and services. As partners in ensuring the public's needs in our National Parks is met, NPHA and NPS are united in this ultimate goal. To the extent the proposed regulations carry out this goal, we fully support them. However, NPHA has not yet had a chance to review the proposed regulations but will be happy to provide its comments once that review occurs.*

**Do concessioners want to manage all the campgrounds in national parks?**

*No. There are many campgrounds in the national parks that have no need for concessioners. But concessioners can play a role in taking care of the maintenance needed to ensure developed campgrounds meet visitors' needs. NPHA wants good campgrounds in national parks that are safe, enjoyable and provide appropriate experiences to those planning to stay in our parks.*

*Overnight stays in national park campgrounds have produced generations of park champions. But this tradition is at risk. Between 1987 and 2016, the US population grew by 33%. During that same period total overnight stays in park campgrounds dropped by 12% -- two million fewer experiences every year. Why the drop? Partly because of campgrounds closures prompted by budget challenges. And those that remain – there are now 1421 campgrounds – suffer from more than \$330 million in deferred maintenance. Concessioners now manage 81 of those campgrounds in developed, front country areas and would like to invest in better bathrooms, ADA-compliance, amphitheaters (only 60 of all 1420 now have them!), showers (only 130 year-round hot showers today), basic electrical service (now at only 36 campgrounds), WiFi (now at only 33 campgrounds) other basic camper support -- plus operate for longer seasons. Public/private partnership can restore campgrounds to world-class status but does not mean cookie-cutter campgrounds, all with the latest amenities. Some campgrounds – and some loops of some campgrounds -- should remain low-amenity zones, meeting the expectations of some campers and emphasizing affordability. But we should not deny enjoyable stays, and stays over longer seasons, by other campers who are willing to pay for the increased costs of selected services.*

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