The NPS Franchise: A Better Way to Protect Our Heritage

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As the National Park Service (NPS) nears its centennial, it is time to find better ways to protect and conserve the national park units for future generations. To properly honor our parks in their hundredth year, any celebration should include reform. Decades of neglect have left the national parks crumbling in disrepair. Rundown infrastructure; encroaching non-native invasive species; unarchived artifacts; poor air quality; dilapidated roads, trails, and public transportation; and overcrowding plague units in the system. While the agency struggles to make ends meet, the size of the agency, the acreage under its control, and number of units it manages continue to grow. Instead of continually adding more acreage for the agency to steward, what if NPS offered a franchise for entrepreneurs to run new park sites that were deemed of national significance? The land and structures would remain in private hands but be given "national park" stature.

Improved methods

Don't misunderstand. This is not the April Fool's joke depicting McDonald's Golden Arches National Park or the Nike swoosh on Yosemite's Half Dome.[1] It is quite the opposite. This is a serious strategy to add value to the NPS brand and protect new areas without spreading the NPS budget any thinner. Franchising opportunities would allow individuals advocating for a new park area to drive the management of that park. Rather than hand newly protected areas to a struggling federal agency, conservationists could take responsibility to ensure its protection. A close look at America's federal land agencies reveals that they don't have the

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budgets, flexibility, or even—at times—the proper incentives to be the great resource stewards we would like.[2]

A National Park Service franchise provides a new method to motivate increased protection for additional park areas by those who care most about the resources. With the centennial spotlight on "America's best idea," we have a unique opportunity to demonstrate better ways to ensure America's national parks are worthy for the next 100 years.

A host of challenges

As it enters its second century, NPS faces a host of challenges. In 2014, the budget of the National Park Service was $2.6 billion. The maintenance backlog is four times that, at $11.5 billion and growing.[3] According to the National Parks Conservation Association (NCPA), about one-third of the shortfall is for "critical systems" that are essential for park function. Without upgrades, many park water and sewer systems are at risk.[4] A water pipe failure in Grand Canyon National Park during the spring of 2014 cost $25,000 for a quick fix to keep water flowing, but is estimated to cost about $200 million to replace.[5] Yellowstone also has antiquated water and wastewater facilities where past failures have caused environmental degradation.[6] Sewer system upgrades in Yosemite and Grand Teton are necessary to prevent raw sewage from spilling into nearby rivers. Deteriorating electrical cables have caused failures in Gateway National Recreation Area and in Glacier's historic hotels.[7] Roads are crumbling in many parks. They are patched rather than restored for longevity. Only 10% of park roads are considered to be in better than "fair" condition. At least 28 bridges in the system are "structurally deficient," and more than one-third of park trails are in "poor" or "seriously deficient" condition.[8]

Cultural heritage resources that the parks are set aside to protect are also at risk. Only 40% of park historic structures are considered to be in "good" or better condition and they need continual maintenance to remain that way.[9] Exterior walls are weakening on historic structures such as Perry's Victory and International Peace Memorial in Ohio, the Vanderbilt Mansion in New York, and the cellhouse in Golden Gate National Recreation Area in California.[10] Weather, unmonitored visitation, and leaky roofs are degrading cultural artifacts. Many of the artifacts and museum collections have never been catalogued. According to James Nations, an ecological anthropologist and NPCA member, "We've got stuff, and we don't even know what we've got, and we don't have places to store it. We're missing opportunities to tell the story of America through our national parks."[11]

Even though the NPS maintenance backlog is four times the annual discretionary budget, rather than focus funding on maintaining what NPS already has, the system continues to grow. The Land and Water Conservation Fund (LWCF), passed in 1965, provides up to $900 million annually for preservation and recreation projects, though its average funding is closer to $100 million. Much of this funding goes to federal land acquisition. None of the federal allocation can be used for resource management and maintenance. In addition, the Antiquities Act gives the president authority to proclaim national monuments that are often added to the national park system. The continual expansion of park units and acreage without corresponding funding is what former NPS Director James Ridenour called "thinning the blood." It is important to consider new areas worthy of protection. Without sufficient funding and management priorities, however, NPS can't care for what it already has.

The political impact

The political incentive is to add new units to the system instead of caring for those that exist. Supporting new NPS areas is like a vote for the environment—it is a politically appealing stance. New park creation provides visible benefits that are heightened with ribbon-cutting ceremonies. The additional costs to manage the new units are hidden behind the curtain of time. Politicians are praised for this perceived "protection." Yet, applause is rarely given for spending to maintain and protect through day-to-day management or reducing deferred maintenance—that is, until a crisis occurs. When sewage is overflowing into the headwaters of the Yellowstone River or pipes break in the Grand Canyon, Congress makes an emergency budget allocation and is celebrated for saving the day.

Presidents, too, benefit from park creation. An informal "parks of the presidents club" ranks presidents by the number of NPS units they have created and the acres of land they have administratively set aside for protection. Such ratings pay no heed to how those resources are actually cared for.[12]

How much is enough when you can't manage what you've got? The national park system has grown from 25.7 million acres and about 200 units in 1960 to 84.5 million acres and 407 units in 2015. Seven new parks were added under the 2014 National Defense Authorization Act and nine parks were expanded. The growth came with no additional funding for operations or maintenance—more "thinning the blood." The estimated management cost of adding the 120,000 new acres to the park system is $75 million over the next five years.[13]

It is unclear if these sites would be considered worthy of "national park" stature if each had to stand on its own merit through either operational self-sufficiency or required management appropriations. Only when the full costs of operations and maintenance are considered are the tradeoffs for park inclusion realized. As it stands, the choice to designate more parkland is a political one. The costs are buried, as NPS managers decide how to allocate limited funds across additional NPS units. It is a game of robbing Peter to pay Paul. Without additional funding for the additional NPS units, thinning the blood is the result.

Consider a family that has trouble paying their home mortgage and upkeep. Few would advise the family to take on the liability of a second home, but that is exactly what is happening in NPS.

It is true that the NPS budget is a pittance compared with the overall federal budget. The $2.6 billion NPS annual budget is a large sum of money, but it is only about one-fifteenth of 1% of the total federal budget. Expecting Congress to continually dole out more money for day-to-day maintenance to maintain these national landscapes, however, is not realistic. Given the huge budget deficit and growing national concerns over deficit reduction, health care, infrastructure, and education, there is little political will for increased park funding. Whether Congress should or could allocate the funds to improve our national parks is not the question. History demonstrates that politicians are not allocating sufficient funds to meet park management priorities and reduce the backlog. We must find a better way to ensure well-stewarded parks for the future.

Recall the political incentives: politicians seeking re-election vie to demonstrate visible benefits, such as new park units, with hidden or deferred costs. When Congress holds the purse strings, appropriations often direct funding toward politically attractive projects over resource needs and chief management concerns. Until park funding is reformed, politics is part and parcel of NPS growth and spending priorities.

Covering costs

As much as Americans claim to love their national parks, not enough of us voluntarily fork out more money or time to make up the lack in political funding. There is a disconnect between what the American public pays and what it costs to run the parks.

There are better ways to manage the national parks and get the incentives right. Collecting reasonable user fees, retaining fees onsite, and generally running the parks more like a business streamlines financial resources towards areas that managers and visitors prioritize and encourages cost containment as long as unspent resources can be retained onsite for future use. Retaining park revenues in the park links management priorities to visitor desires. Managers more directly connect the benefits provided with the costs of provision. The authority to use revenues earned onsite and the direct communication with visitors sends signals to resource managers about visitor priorities. Generating and retaining revenues within the unit where collected increases managerial autonomy and reduces the political influence.

The Fee Demonstration Program that passed in 1996 and was extended by the Federal Land Recreation Enhancement Act of 2004 is one example of better aligning the incentives between park managers and visitors. The act allows 80% of park fee revenues to be retained onsite. The act was set to expire in 2014 but has been extended until September 2016. Even so, most parks don't charge entrance fees and those that do collect a tiny fraction of total operating costs.[14]

Numerous parks have increased user and entrance fees for the 2015 summer season after seeking public input and Washington approval. Even with the higher fees, a visit to destination parks like Grand Canyon and Yellowstone costs $30 for a seven-day vehicle permit, or just over $1 per person per day for a family of four. That is still a small price to pay compared with other recreation activities. A family night out to the movies costs more, not to mention a visit to Disneyland or other theme parks whose cost reaches upwards of $100 per person per day. The current low fees to enter units of the national park system typically make up a small portion of the total park visit expense. It has been estimated that the entry fee is less than 2% of park visit costs for visitors to Yellowstone and Yosemite.[15] The bulk of the expenditures when visiting destination parks go to lodging, travel, and food. Higher fees have little effect on visitation to most parks.[16]

It makes sense for parks to collect and retain fees. The fees help pay to maintain visitor facilities and provide a feedback mechanism for park managers to understand visitor needs and desires. Even modest fees (though sometimes large fee increases) could cover the operating costs of some destination parks. About $5 per person per day could cover operations in Grand Canyon National Park, as would just over $10 in Yellowstone.[17]

No doubt, there are some NPS units that do not have sufficient visitation to pay their way. Parks that are difficult to access may protect critical habitats and species but have little visitation. Many Alaskan parks are examples where per-person entry fees would have to reach into hundreds, even thousands of dollars for operational self-sufficiency.[18] Given the multitude of park types under NPS jurisdiction, there is no single best method to manage all units of the system.

Nonetheless, the perception that Congress does or will appropriate budgets in a manner sufficient to cover the costs of protecting America's national parks is erroneous. Park funding ends up being a subsidy from all taxpayers to park visitors, who are, on average, wealthier than the average American—a regressive tax, if you will.[19] And political inclinations get in the way of sufficient budgets and efficient spending on park management priorities.

New methods to manage new parks

As NPS moves into its second century, it is time to think outside the box. In fact, new ideas are necessary to ensure the parks of today are maintained and that potential future parks have a place. NPS cannot spend the next 100 years acquiring more acreage, resources, and structures and effectively manage them on a shoestring budget that gets pulled thinner and thinner with each new park proclamation and political priority.

It is time for a new strategy to get out from under the burden of park politics and let park constituents create and maintain new park areas. Following the successful charter schools model, why not allow proponents of new parks a method to get under the NPS umbrella without requiring full federal management? Similar to a charter, interested parties could design and create a new park. Operating more like a franchise, the private proponent, whether it be a non-profit organization, business, or individual, would maintain ownership and manage the unit. Consider an NPS franchise model for expanding protected areas through independently managed national parks.

NPS, as franchisor, would provide a license for other entities to do business under the NPS name. In doing so it also would provide the franchisee use of the brand and general support. A franchise is a relationship between franchisor (NPS) and franchisee (the new park unit owner). A franchise is about leveraging a reputation and maintaining and supporting the brand value. Who better to support the value of the national park system brand than those that have a great interest and stake in the areas they propose for inclusion?

There would, no doubt, still be a political component to specifying park franchise requirements. Just as the restaurant chain Dunkin' Donuts requires a drive-thru and high-visibility location with easy ingress and egress, to be a franchise NPS would define the necessary parameters.[20] Rather than spend resources on political lobbying, interested parties would invest in creating a business plan that is in line with NPS franchise requirements.

To be a franchise park, the unit would have to be self-sufficient. NPS and the franchisee would negotiate brand use and service fees. Most franchisors require a one-time initiation fee and continuing fees, or royalties that cover the costs of brand management and enforcing standards. Maintaining a high-quality park unit would be aligned with the franchisee's interest to stay in business, whether funds are acquired through user fees, partnerships, or donations.

There are multiple ways a unit could be financially independent and even supportive of NPS for the services it provides. Many private landowners and nonprofit organizations already steward nationally significant places. In those that rely on user fees and donations, reputation matters for success. They must demonstrate consistent conservation while realizing the tradeoffs of various uses. This provides a type of permanency relevant to changing needs, conditions, and social desires. Consider the following examples that demonstrate ways an NPS franchise unit could be managed.

- The Mount Vernon Ladies' Association has managed and maintained George Washington's Mount Vernon home for 160 years. They accept no government funding. Entry fees, concession revenues, and donations cover the cost to protect, maintain, and restore the estate of our first president.[21]
- The Nature Conservancy (TNC) manages over one million acres within the United States; some through easements and partnerships, others through ownership. Some of these areas are portions of or adjacent to national parks and other public lands. TNC owns 1,000 acres of Tallgrass Prairie National Preserve, for example, and manages it in partnership with the National Park Service. TNC generates about half of its funding through donations and membership dues and another 20% comes from investment income.[22]
- The American Prairie Reserve (APR) is a private, non-profit organization with a mission to create a prairie-based wildlife reserve in eastern Montana. The preserve is intended to protect unique habitat and provide recreation access on 3.5 million acres of public and private prairie land. APR plans to acquire about 500,000 private acres and manage them together with the scattered public parcels in the area. Currently the reserve consists of more than 305,000 acres of both deeded private and leased public land. The reserve is funded mostly from individual private donations.[23]
- Many parks already use partnerships and friends groups for day-to-day management and maintenance funding. Friends groups raise money for capital maintenance and infrastructure projects. They run concessions, help advertise, manage facilities, and help protect and restore natural resources. Friends group members volunteer for work crews to repair trails, act as interpretive guides, and operate visitor centers.
- As already occurs in some national parks, historic structures could be leased to help pay for their upkeep.

Compared with the organizations listed above, park franchisees would be at an advantage, as the NPS brand would provide these new units leverage for funding. The brand demonstrates national park-worthiness. A franchise model demonstrates that supporters value a new park unit enough to take responsibility to ensure its management and protection. Rather than new parks being a political statement, with little to no accounting for the costs of park management, newly franchised parks would be grassroots creations with a realistic understanding of park costs and benefits. A franchise model would give new park advocates a bigger stake in park management. Preservation groups that push for NPS to expand its boundaries and include new units are likely to best know the value and therefore would be most effective at protecting and fundraising for these sites.

The bottom line

There is no one-size-fits-all solution to park management. An NPS franchise will not suit all park types equally well. It could provide some new park units with the flexibility required to manage for onsite priorities, the protection and funding leverage provided by the NPS brand, and the incentives to manage in accordance with visitor desires at low cost. Franchising new parks requires supporters and politicians to consider the full cost of park operations. Because franchise parks would not rely on political funding, they would not "thin the blood" of the national park system.

What really must be done to help our existing and future national parks is to replace the centralized, one-size-fits-all model reliant on congressional appropriations and subject to Congress' control with a variety of management methods that allow flexibility to adapt to changing knowledge and interests and align the incentives for park managers with the desired outcomes of protection and visitor use. Let's make the NPS centennial a celebration of park areas by allowing new ways to improve the stewardship of America's parks for today and tomorrow.

Endnotes

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