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National Parks Traveler

Traveler's View: Surge Pricing For National Parks Doesn't Pencil Out Or Make Sense

By Kurt Repanshek on October 29th, 2017

Having to hand over $70 to gain entrance to Yellowstone National Park for a week's stay is not outrageous. Indeed, there are many who say the fee should be higher. But the problems with Interior Secretary Ryan Zinke's plan to institute surge pricing for 17 national parks during their busiest seasons are many.

* It will hit families whose summer vacation schedules are dictated by school calendars harder than those who can travel to the parks any time of year.

* The contention that this fee structure will help address the $11 billion-$12 billion maintenance backlog in the park system is weak at best, and probably laughable. Even if the new structure, if approved, generates $70 million a year, President Trump wants to cut nearly $400 million a year from the National Park Service's budget. And even if Congress rejects the president's budget, which it likely will, this bump in fees will never make a significant impact on the backlog when you take into consideration inflation and ongoing, and unexpected, needs across the 417 units of the park system. *(**See**: Scotty's Castle, Hurricane Irma and Maria)*

* It's inequitable when you look at other fees assessed across the federal landscape.

* Why would someone spend $70 to enter a park for a week when, for $80, they could purchase a public lands access pass and enter as many parks as they wanted for an entire year?

* The biggest parks will benefit, while smaller ones continue to struggle.

* Why include Canyonlands National Park, which saw 776,218 visitors in 2016, for the higher surge fees and not the Blue Ridge Parkway, which counted 15.1 million, or Cape Cod National Seashore, which saw 4.7 million?

* Wasn't the president's much-ballyhooed infrastructure plan supposed to take care of much of the backlog in the National Park System?

* It gives Congress more reason not to take better care of the National Park System.

How did Secretary Zinke and his staff settle on that $70 fee for a week in Yellowstone, Arches, Bryce Canyon, Canyonlands, Denali, Glacier, Grand Canyon, Grand Teton, Olympic, Sequoia and Kings Canyon, Yosemite, Acadia, Mount Rainier, Joshua Tree, Shenandoah, and Zion national parks? By comparing prices around the marketplace.

"The proposed rates for this seasonal pricing were determined by analyzing historical NPS entrance fee and visitation data along with entrance fees at other park systems and family attractions," said Park Service spokesman Jeff Olson. "The proposed seasonal pricing structure is intended to balance the need to generate revenue to maintain high quality visitor experiences in our busiest national parks while still providing value to our visitors. The proposed pricing structure will likely generate significant new revenues that will positively impact our busiest national parks while maintaining existing prices in the vast majority of national park sites."

One aspect of what's wrong with that justification is that there are many parks struggling with deferred maintenance that are not among the 17. For instance, according to 2016 figures from the National Park Service:

* Petrified Forest National Park in Arizona had a maintenance backlog of $46.9 million;

* Death Valley National Park, $140.1 million;

* Mojave National Preserve, $113.8 million;

* Everglades National Park, $78.2 million;

* Mammoth Cave National Park, $94.5 million;

* Boston National Historic Park, $106.6 million;

* Gateway National Recreation Area, over $811 million when you consider both the New Jersey and New York sides of the NRA.

The list goes on, but you get the point. Even if this proposed surge pricing raised $70 million a year, ***it won't dent the needs of the park system, as just 20 percent, or $14 million, of that $70 million would be redistributed to the other 400 units with needs.***

The ongoing financial plight of the parks can be blamed, largely, on two facts, Dr. Alfred Runte, author of **National Parks: The American Experience** and a ***Traveler*** contributing writer, told me: no one likes to pay more for anything, and the National Park System has never been properly funded.

He's no doubt correct.

And yet, ideally, the parks would be free to enter for all comers. The ideals behind the national parks

movement should demand that, and Congress's role in holding these incredible landscapes and cultural and historical sites in trust for the American people should see that that is possible. The history of the country, its incredible landscapes, and the recuperative benefits of visiting the parks should raise these places above for-profit, commercial models that Congress is pushing them towards by refusing to properly fund them.

Secretary Zinke can work toward that goal rather than proposing a piecemeal approach that stands to serve nothing but to increase the cost of visiting the parks and presumably justify more concessions operations in the park system so the Park Service can get, on average, a single-digit percentage return. He only need look across his entire public lands portfolio -- and other market prices -- when figuring out how to make ends meet. Unfortunately, the secretary, who oversees a public lands kingdom of nearly 500 million acres when you combine the Park Service, U.S. Bureau of Land Management, and U.S. Fish and Wildlife Service holdings, seems to be looking at these agencies separately, not collectively, as he tries to balance his budgets.

Consider, for instance, how little ranchers pay the BLM to graze cattle on public lands in the West. These fees are reflected as AUMs -- Animal Units per Month, which reflect one cow and her calf, one horse, or five sheep or goats for a month. In 1966, the base year for calculating AUMs, the rate was $1.23 per AUM. For 2017, the rate has been $1.87. But if you based the cost of AUMs by the cost of living, the fee should be $9.38 per AUM. And perhaps it should be higher, for when you look at the AUM ranchers are charged to graze their livestock on private lands, the figures can be upwards of $17 per AUM.

Whether or not you agree that $1.87 per AUM on public lands is reasonable, when you consider that there were 12,365,877 AUMs active on BLM lands as of January 2016, you can see that a higher fee could generate a significantly higher return for Interior.

If you play that same cost-of-living game with park entrance fees, you'll see the current rates are perhaps much higher than they should be, especially when you glance back at the AUM scenario. Back in 1966, for example, the fee to drive into Yellowstone was $1 per car, according to park staff. If you used the cost-of-living to adjust that fee from year to year, it would now be $7.63, not the $30 the park currently charges, and far from the $70 Interior Secretary Zinke wants to charge.

When playing with these figures, let's look at what other revenues Interior has to work with. The department also oversees energy development on land and under the sea, and earlier this year the Interior secretary said he would like to use revenues from energy lease auctions to help address the park system's maintenance woes. While Interior has trumpeted its lease sales (here and here), which are generating hundreds of millions of dollars, there has been no mention from the secretary's office that some of the revenues will be applied to the park system's backlog.

Also yet to be tallied by Interior is the relative "haul" it took in this year in senior pass sales. During 2016, the Park Service realized at least $1 million in these sales, according to agency figures. That number surely spiked this year, as there was a rush by those 62 and older to purchase the $10 pass before the price jumped to $80 late in August. So hectic were the sales that the agency is far behind in sending out passes that were purchased in August.

It also would be better to ensure the Park Service's concessions program is accurately and timely recording revenues owed it by concessionaires. As the U.S. Government Accountability Office told the agency earlier this year, "we found that some of these data are incomplete because concessioners did not submit required financial reports or data were reported incorrectly and were not identified in the agency's review of the reports."

For 39 of 485 contracts, concessioners reported gross revenues, but did not report paying

> ***a franchise fee in their 2015 financial report. Under these contracts, a total of about $21 million in gross revenues was reported in 2015. According to Park Service data, a franchise fee should have been paid under these contracts. Park Service officials said that they believed these were instances where the concessioner had paid franchise fees, but had not filled out the annual financial reports properly. They added that these inconsistencies should have been identified by the relevant park unit or the regional office during their review of these financial reports. Some park unit officials said that they are overwhelmed by the number of reports, including financial reports, they receive from concessioners and do not have time to review all of them. In addition, we found that the data from these financial reports are entered into a spreadsheet that does not contain edit checks that could identify possible errors.***

But then, if the administration cuts 1,200 staff from the Park Service as it would like to, this situation might get worse, not better.

Let's not kid ourselves and think Park Service fee revenues alone are going to wipe out the agency's maintenance backlog and remedy all the infrastructure woes across the system. They won't come close. But perhaps if the Interior secretary considered all his revenues and expenses collectively, and if Congress met its responsibility to properly fund the parks, there just might not be a need for a $70 entrance fee that will accomplish little more than discouraging some folks from visiting their parks.