

STATEMENT OF U.S. DEPARTMENT OF THE INTERIOR, BEFORE THE HOUSE NATURAL RESOURCES COMMITTEE, ON EXPLORING INNOVATIVE SOLUTIONS TO REDUCE THE DEPARTMENT OF THE INTERIOR'S MAINTENANCE BACKLOG.

March 6, 2018

Chairman Bishop, Ranking Member Grijalva, and members of the Committee, thank you for the opportunity to present the Department of the Interior's (Department) views on potential solutions to reducing the deferred maintenance backlog of the Department of the Interior. Representing the Department at today's hearing are P. Daniel Smith, Deputy Director of the National Park Service, and Steve Guertin, Deputy Director of the U.S. Fish and Wildlife Service.

Since Secretary Zinke's confirmation, tackling the Department's deferred maintenance backlog has been one of his top priorities. The Department manages roughly 500 million acres of land and possesses an infrastructure asset portfolio valued at over \$300 billion. Roads, bridges, trails, water systems, visitor centers, and student dorms -- even bathrooms, campgrounds, and drinking fountains -- are all part of this critical, but often unnoticed, framework. After years of increased visitation and use, aging facilities and other vital structures are in urgent need of restoration.

The Department has a total of about \$16 billion worth of deferred maintenance. Of that amount, the National Park Service (NPS) has the largest share -- \$11.6 billion in 2017.

Here are just a few examples of needed repairs in our nation's national parks. Glacier National Park, one of the NPS's crown jewels, is home to the headwaters for streams that flow to the Pacific Ocean, the Gulf of Mexico and Hudson's Bay. This popular Montana park has more than \$154 million in maintenance needs alone, including projects to repair bridges and culverts, roads, and employee housing.

In California, Point Reyes National Seashore is home to majestic marine mammals and multi-generational beef and dairy ranches. The park has roughly \$99 million dollars in deferred maintenance, including single projects that include the historic Platform Bridge. This bridge, built in 1927, carried both people and automotive traffic, but due to the lack of ongoing necessary rehabilitation work, \$1.6 million is needed for this project alone.

Roads and other transportation assets account for \$5.9 billion -- about half -- of the NPS deferred maintenance backlog. The NPS maintains over 5,500 miles of paved roads, including historic routes such as the Blue Ridge Parkway, Natchez Trace Parkway, and Skyline Drive in Shenandoah National Park. Congress provides for a significant portion of transportation maintenance and repair through the Department of Transportation, primarily through the Federal Lands Transportation Program, which includes \$292 million for NPS projects in FY 2019 alone. Additional funding for maintaining transportation assets is provided through NPS operations and construction appropriations.

Just like some of its other more famous parkway sites, Colonial Parkway in Tidewater Virginia was designed in the 1930s to provide a scenic, pleasurable driving experience between historic

Jamestown, Yorktown, and Williamsburg. Today, the parkway is an important commuter route with the busiest sections carrying between 1.9 million and 2.2 million vehicles per year. In addition, large tour buses use the route, adding weight and capacity that was not envisioned when it was designed. The total cost to repair the parkway is \$270 million.

Known for its scenic views and vibrant autumns, Great Smoky Mountains National Park welcomes millions of visitors each year. The park has \$215 million in deferred maintenance needs. A key destination for park visitors, Sugarlands Visitor Center houses exhibits on wildlife, geology, and history, and is in need of total reconstruction that will cost roughly \$25 million. The park is also well known for its historic buildings -- from churches, barns, and smokehouses to a working grist mill--but many of them need rehabilitation to ensure they remain safe and welcoming destinations.

Appropriated funds are currently the primary source of funding for deferred maintenance. However, we know that we cannot rely on appropriated dollars alone to address this problem, so we are looking at multiple avenues for making additional funds available through other means.

For example, the Department's Fiscal Year 2019 budget proposes to permanently reauthorize the Federal Lands Recreation Enhancement Act (FLREA), which expires in September 2019. As a precaution, the budget also proposes appropriations language to provide a two-year extension of FLREA through September 2021. The revenues collected from these recreation fees across several DOI bureaus —\$318.8 million in 2017—are an important source of funding for land management operations, maintenance, and improvements to recreation facilities on public lands.

Most importantly, we are looking at a new proposal to raise funds for this purpose by dedicating a portion of Federal energy revenues to address this problem. The proposed Public Lands Infrastructure Fund (Fund) outlined in the President's 2019 budget would address repairs and improvement in national parks, national wildlife refuges, and Bureau of Indian Education (BIE) schools. The Administration's proposal would set aside for infrastructure needs a portion of unallocated Federal energy revenues exceeding FY 2018 Budget baseline projections. These receipts would be derived from Federal energy revenues, including mineral leasing, e.g., oil, gas and coal, under the Mineral Leasing Act and Outer Continental Shelf Lands Act, as well as solar, wind, and geothermal development. While the budget estimate assumes this initiative would result in \$6.8 billion in expenditures from the Fund over 10 years, the proposal allows for as much as \$18 billion to be available through this legislation. The Department would distribute funds using established criteria, such as consideration of asset condition and mission criticality, and would measure and report on agency-wide progress. This bold investment would significantly improve the Nation's most visible and visited public facilities that support a multibillion dollar outdoor recreation economy.

While the NPS is the focus of this proposal, the Fund would also be used for deferred maintenance at Bureau of Indian Education (BIE) schools and national wildlife refuges. The Assistant Secretary for Indian Affairs and its bureaus have maintenance responsibilities for over 169 elementary and secondary schools and 14 dormitories which service nearly 47,000 students. The estimated deferred maintenance backlog for BIE schools is \$634 million, which does not include the cost for school replacement projects. Major projects to address deferred maintenance

are reviewed by the Indian Affairs Construction Investment Review Board and are prioritized as part of the Five-Year Deferred Maintenance and Construction plan.

Schools that could potentially benefit from these investments would include the BIE operated Cheyenne Eagle Butte School, which is one of the largest schools serving Indian tribes in South Dakota. The school promotes academic achievement along with traditional Lakota cultural, language, and extracurricular activities in two of the poorest counties in the state and nation. Cheyenne Eagle Butte is in urgent need of a variety of repairs, especially structural. For example, classrooms have been closed due to the presence of dangerous mold, numerous roof leaks allow water to seep through three floors of classrooms, and repetitive heating system failures have caused two weeks of lost instruction during the current academic year. Kindergarten students alone have been displaced from their regular classrooms for three years.

Deferred maintenance issues are not unique to Cheyenne Eagle Butte School. As reported in a 2016 Government Accountability Office (GAO) report, the Department's ability to adequately address maintenance issues have been inhibited, even for those schools which pose great risk to the health and safety of students. Highlighted in the same GAO report is a frightening example where seven of a school's eleven boilers failed inspection due to natural gas leaks and elevated carbon monoxide levels. The boilers were in such bad condition that the school was evacuated for approximately two weeks to conduct emergency repairs. Overall, the Department, the Bureau of Indian Affairs, and the BIE are working closely to address outstanding GAO recommendations and improve operations and service delivery in BIE-funded schools.

The Fish and Wildlife Service (FWS) manages 566 national wildlife refuges and 38 wetland management areas and operates national fish hatcheries, fish technology centers and fish health centers. FWS is responsible for over \$46 billion in constructed real property assets that include over 25,000 structures (e.g., buildings and water management structures) as well as nearly 14,000 roads, bridges, and dams. The estimated deferred maintenance backlog for FWS facilities is \$1.4 billion.

National wildlife refuges are a hub for outdoor recreation and conservation and are valued destinations for local residents as well as vacationers. Every state and territory has wildlife refuges, and over 50 million people visit FWS refuges and hatcheries each year. They are places where families go on a weekend day to spend quality time outdoors, through activities such as hunting, fishing and birding. FWS lands generate over \$2 billion for local economies and support tens of thousands of private-sector jobs. Examples of refuges that could benefit from the Fund include Big Oaks refuge in Indiana and Wallkill River refuge in New York and New Jersey. Big Oaks is home to more than 200 species of birds and 46 species of mammals, and the refuge has been designated as a "Globally Important Bird Area" because of its value to migratory birds. However, public access to Big Oaks is impaired because a deteriorated, unsafe bridge with trees growing through it on the refuge has been closed since 2001. Wallkill River refuge has many grassland birds, migrating waterfowl, wintering raptors, and endangered species. Public access to this refuge is also significantly reduced because its Papakating Valley Rail Trail has been closed since 2010 due to extensive, dangerous degradation. Rehabilitating it will expand 9.5 miles of former railroad beds into multi-purpose public trails.

Another way Congress can help reduce the FWS's maintenance backlog—in addition to enacting the proposed Fund—is to enact the Administration's 2019 Budget legislative proposal to provide FWS with authority to seek compensation from responsible parties who injure or destroy national wildlife refuges or other FWS resources. This new authority would be similar to that of the NPS and the National Oceanic and Atmospheric Administration. Under current law, when FWS resources are injured or destroyed, the costs of repair and restoration must be addressed through appropriations and are added to the FWS's maintenance backlog. These damages are not uncommon. Each year vandalism, trespassing, and other violations damage FWS assets. One example is a case of illegally created roads through Sequoyah refuge, Oklahoma, causing over \$175,000 in estimated damages; another is a trespass and illegal excavation of a pipeline at San Bernard refuge, Texas, with estimated response and repair costs of \$7.5 million.

As Secretary Zinke said when announcing the 2019 budget, "President Trump is absolutely right to call for a robust infrastructure plan that rebuilds our national parks, refuges, and Indian schools, and I look forward to helping him deliver on that historic mission. Our parks and refuges are being loved to death, but the real heart break is the condition of the schools in Indian Country. We can and must do better for these young scholars. This is not a Republican or Democrat issue, this is an American issue, and the President and I are ready to work with absolutely anyone in Congress who is willing to get the work done." Whether it is our national parks, national wildlife refuges, or BIE schools, we have a responsibility to be good stewards of the land and resources we manage. The Department's needs span all the way from Massachusetts to Alaska to Guam. We greatly appreciate the effort of this Committee and your colleagues in Congress who have sought to craft real solutions to our maintenance backlog. We look forward to continuing those efforts by working with each of you in a collaborative manner that preserves and maintains our national treasures.

Mr. Chairman, this concludes the Department's statement. We would be pleased to answer any questions you or other members of the Committee may have.