

Committee on Resources, Subcommittee on National Parks, Recreation, & Public Lands

[parks](#) - - Rep. Joel Hefley, Chairman

U.S. House of Representatives, Washington, D.C. 20515-6207 - - (202) 226-7736

Witness Statement

STATEMENT OF RICHARD G. RING, ASSOCIATE DIRECTOR, PARK OPERATIONS AND EDUCATION, NATIONAL PARK SERVICE, BEFORE THE HOUSE COMMITTEE ON RESOURCES, SUBCOMMITTEE ON NATIONAL PARKS, RECREATION, AND PUBLIC LANDS, CONCERNING H.R. 1461, TO AMEND THE NATIONAL PARKS OMNIBUS MANAGEMENT ACT OF 1998 TO REMOVE THE EXEMPTION FOR NONPROFIT ORGANIZATIONS FROM THE GENERAL REQUIREMENT TO OBTAIN COMMERCIAL USE AUTHORIZATIONS.

JUNE 7, 2001

Mr. Chairman, thank you for the opportunity to present the Department of the Interior's views on H.R. 1461, a bill to amend the National Parks Omnibus Management Act of 1998 to remove the exemption for nonprofit organizations from the general requirement to obtain commercial use authorizations.

The Department does not support H.R. 1461 because of the financial burden it would potentially place on many nonprofit organizations, including educational groups, outdoor clubs, and other nonprofits.

Section 418 of the National Parks Omnibus Management Act of 1998 permits the National Park Service to authorize individuals, corporations, or other entities to provide visitor services in units of the National Park System through a commercial use authorization. Such authorizations are not concessions contracts, and are intended to be used only for services that will have minimal impact on park resources and values and are consistent with the purposes for which the park was established.

Furthermore, the law limits this type of authorization to commercial operations grossing \$25,000 or less annually from services originating and provided solely within a park, or operations whose use of the park is incidental and whose services originate and terminate outside of the park. In addition, the law specifically recognizes commercial use authorizations for uses such as organized children's camps, outdoor clubs, and other nonprofit institutions. However, the law exempts nonprofits from the requirement of obtaining a commercial use authorization unless taxable income is derived from their operations in the park.

H.R. 1461 would remove the provision in the law that exempts nonprofits from having to obtain a commercial use authorization. The effect of this would be to require all nonprofit organizations, even those that do not derive taxable income from their operations in a park, to obtain a commercial use authorization. Potentially, organizations such as outdoor clubs, scout troops, educational groups, and other nonprofits could be required to obtain an authorization, subject to payment of the same fees and other requirements as commercial operators. While the Department strongly supports the concept of requiring commercial operators, including nonprofits that derive taxable income from their park operations, to pay a fee in order to obtain an authorization, we do not believe that this requirement should apply to all nonprofits. Such a change in the law would result in a financial burden being placed on some smaller nonprofits, potentially discouraging or precluding them from being able to conduct their activities in national parks.

For the National Park Service, the financial benefit from additional fee receipts would likely be both minimal and offset by the added administrative requirements to evaluate the commercial value of nonprofit operations that do not generate taxable income. However, the Department would be glad to work with the committee to ensure that this issue is addressed in an appropriate and fair manner.

This concludes my testimony. I would be glad to answer any questions that you or members of the subcommittee might have.

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