



As Difficult as Possible:
The National Park Service's Implementation
Of Government Shutdown

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October 16, 2013



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**Joint Hearing of House Committees on
Oversight & Government Reform and Natural Resources**

“As Difficult As Possible: The National Park Service’s Implementation of the Government Shutdown”

Full Testimonial Statement

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October 16, 2013, 9:30 a.m.

Thank you Chairmen Issa and Hastings, Ranking Members Cummings and DeFazio, and Committee Members for the opportunity to testify on behalf of National Tour Association members related to the shutdown of the National Park Service.

The National Tour Association is a nonprofit trade association representing the packaged travel industry, and membership includes 700 tour operators who package and sell travel and tours to, from and within North America. They move about 10 million travelers annually and represent \$6 billion in annual sales. Our members bring visitors to every jurisdiction in the United States, including every state and U.S. territory represented on these two committees.

We have about 3,000 members in total, the balance of which are suppliers of travel components (hotels, attractions, restaurants, retail, and transportation companies) and destination organizations (national, state and city tourism boards and convention and visitors bureaus).

While NTA is an international organization with members in 44 countries, the majority of our members are in the U.S. Additionally, 74 percent of our tour operators work domestically and 36 percent serve international visitors to the U.S. They serve both groups and individuals and travelers of all age groups, from students to seniors and various special interest and ethnic markets. Finally, the majority of our members are small businesses.

Tour operators and their customers plan their trips between six and 18 months in advance, so an abrupt shutdown of 401 national park units – some of the most attractive destinations to visit throughout the country – cannot come without significant

disruptions and costs. Beginning October 1, tour operators and their supplier partners have been scrambling to reroute itineraries and find alternative destinations and activities on a daily basis. And given the uncertainty of when the shutdown will end, they continue to redesign future tours.

NTA has had a long-standing relationship with the National Park Service, given its importance to the American tour product. In fact, NPS recognizes the planning cycle and needs of the packaged travel industry and for more than two decades has committed to providing NTA and tour operators at least 18-months advance notice to fee increases.

In the case of this comprehensive shutdown, neither NTA nor its tour operator members were advised about what park units would be closed during the shutdown. Upon closure, it was difficult to locate information on what was closed, including roads through and around federal lands. In many cases, our members and their customers discovered closures upon arrival or had to send a colleague to the site in advance. Our association and members incorrectly speculated that some of the units would remain open, particularly those that had no limited hours, no admission desk, no security checkpoint, and generally speaking, no specific point of entry.

As a result, our tour operators have spent the last two weeks constantly dealing with myriad challenges. This inventory of issues includes refunds demanded by customers, cancelled departures, alternative activity selection and bookings, displacement from national park-based hotels and restaurants and postponed trips. Businesses have had to handle requests relating to all of these matters around the clock.

Many groups and individuals purchased their tours based on the National Parks. From one of our tour operator members in Utah:

*"We are experiencing mass cancellations. It's been tough as we've decided to run the tours and substitute attractions and reroute some of the itineraries. It's still a beautiful time of year to see the 'Canyonlands' area regardless of getting in the National Parks. And we really wanted to support our suppliers and their communities, who also must be hit hard with financial obligations in this shutdown. **However, our customers booked a "National Parks Tour of the West" –and they're closed.**"*
(Michele Michalewicz, Western Leisure)

NTA surveyed its members about the shutdown, and 82 percent reported an impact from the shutdown; 85 percent reported rerouting and changes to itineraries. Another 46 percent reported cancellations, and 57 percent reported refunding fees and deposits. Some of our members are the suppliers and destinations that are dependent on the national parks in their areas, and they experienced an immediate decline in business: 91

percent reported cancelled or postponed tours, and 56 percent were already seeing fewer visitors in their areas.

Here are some excerpts from the survey:

“We laid off employees and closed for the year a month early.”

“These (international) visitors will return to China, Japan, Korea, France, Italy, Germany, and the UK with bad feelings towards U.S. tourism and towards our tour operators and bus companies for not accommodating them (at our national parks).”

“Our business as a tour operator revolves around national parks, sites, etc. Not having access to these items has crippled us.”

“We are dying.”

“This shutdown has made it very difficult for us to operate tours. We could easily lose present or future clients.”

In addition to the immediate losses, the shutdown will have lasting effects on both the U.S. travel industry and international visitation. The closure of the national parks is a big part of the reason that countries such as the United Kingdom, Germany, and Australia have issued travel warnings about travel to the United States. The U.S. Travel Association estimates that we are losing \$152 million daily.

And then there’s the China market. NTA plays a role in facilitating the Memorandum of Understanding signed in 2007 between the United States and China by the U.S. Department of Commerce and the China National Tourism Administration, because we volunteered to certify inbound receptive tour operators handling group leisure visitors from China. I offer this information to help establish a frame of reference for my testimony and following comments.

The beginning of October was “Golden Week” in China, which is a major vacation week, and the U.S. is a major “dream” destination for the Chinese. NTA tour operators serving this rapidly growing inbound market have reported disappointed and angry Chinese customers who were unable to visit the national parks during their once-in-a-lifetime trip to the U.S. Many of these inbound China operators were not familiar with what parks and attractions were federal versus state and local, and thus had an even greater challenge finding information about their planned tours.

We recognize that it’s impossible to predict whether or not there will be an actual government shutdown, as negotiations can go into the final moments as they did in this case. However, we recommend that there be a communications plan that pushes out

information to the travel trade and the public. NTA would be happy to serve as a conduit for such information to ensure that tour operators and visitors within and to the U.S. receive timely and accurate information.

This is a summary of the issues facing the tour operator community, the travel sector of our economy and our customers, both domestic and international, as a result of the closure of the national parks system with no specific notice, which resulted in some unanticipated decisions at open-air sites. Thank you for allowing me to testify today, and we appreciate the committees' efforts in understanding the needs of the travel and tourism industry and the millions of travelers that visit the National Parks each year. I look forward to your questions.