

THE QUESTION OF THE VALIDITY OF COST-PER-VISITOR ANALYSIS
FOR DETERMINING ALLOCATION OF APPROPRIATIONS TO NATIONAL PARKS

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on the "Degradation of the National Parks" - April 7, 1976

"...While inflation has taken its toll, the real dollars provided to the Park Service per park visit is up substantially. . . We examined the period between 1970 and 1977, and we found that in current dollars the funding of the Park Service increased by 197%. We found that during the same period, the number of visitors increased by 51%. We adjusted the increase of 197% in current dollars to real dollars and reduced it by 35% which was the inflation rate over that period of time, and divided it by the increased number of visitors. The net total of this . . . is that the dollars in real terms over that seven year period has increased 28% per visitor. This may not be the best measure. . . but it indicates to me that there has been increasing support in real terms, at least on a per visitor basis, over the last seven years.

We believe, however, that funding is a more appropriate measure of the level of resources than is employment, since funding reflects the increasing value of services obtained through contract."

Formal OMB policy statement: "The substantial interest in and visitation to units of the park system certainly are considered important by the OMB. The level of fiscal and personnel resources needed by the NPS to meet their responsibilities in serving park visitors depends substantially upon the number of park visitors. Other things being equal, we recognize that as the number of park visitors increases, the resources needed to serve the visitors will also increase. As I indicated in my testimony, between 1970 and fiscal 1977, the real amount spent by the NPS has not only kept pace with the increase in visitation, but has actually increased faster than the increase in visitation."

Former Cong. Gilbert Gude (R-MD) took exception to this OMB policy statement:

"I do not see how you can take all that money and figure out so much money per visitor. I mean, when you restore a structure, it does not seem to me that this should be allocated or tied in with visitors to the parks. I think that is a capital improvement, and logically, if you are going to talk about cost per visitor, you ought to talk about operating personnel."

In response to Mr. Gude's criticism of this OMB criteria for determining the relative increase in a specific park's operating budget, Mitchell conceded "I would be the first to admit that it (the OMB dollars

per visitor indicator) is an extremely gross, inaccurate, perhaps misleading, measure of what resources are appropriated."

"But parks do not cost \$20 million. They cost a lot more because you have got to maintain them, you have got to resotre certain areas in them. You have very substantial capital expenses at the outset usually, and heavy operating costs throughout the lifetime of that park. To my knowledge, those kinds of costs are almost never built in at the outset. And so, the Congress buys for \$20 million a new park area, and we saddle in effect the claim on federal resources for probably ten times the amount. But no provision is made at that time and traded off against other claims. . . we ought to face up to what the costs are."

"We believe that new additions to the National Park System should meet the test of embodying unique natural or historical resources of national significance."