



Highlights of [GAO-04-593T](#), testimony before the Committee on Energy and Natural Resources, U.S. Senate

## Why GAO Did This Study

The Congress has established, or "designated," 24 national heritage areas to recognize the value of their local traditions, history, and resources to the nation's heritage. These areas, including public and private lands, receive funds and assistance through cooperative agreements with the National Park Service, which has no formal program for them. They also receive funds from other agencies and nonfederal sources, and are managed by local entities. Growing interest in new areas has raised concerns about rising federal costs and the risk of limits on private land use.

GAO was asked to review the (1) process for designating heritage areas, (2) amount of federal funding to these areas, (3) process for overseeing areas' activities and use of federal funds, and (4) effects, if any, they have on private property rights.

## What GAO Recommends

GAO recommends that the Park Service (1) develop consistent standards and processes for reviewing areas' management plans; (2) require regions to review areas' financial audit reports, and (3) develop results-oriented goals and measures for the agency's activities and require areas to adopt a similar approach.

[www.gao.gov/cgi-bin/getrpt?GAO-04-593T](http://www.gao.gov/cgi-bin/getrpt?GAO-04-593T).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Barry T. Hill at (202) 512-3841 or [hillbt@gao.gov](mailto:hillbt@gao.gov).

## NATIONAL PARK SERVICE

# A More Systematic Process for Establishing National Heritage Areas and Actions to Improve Their Accountability Are Needed

## What GAO Found

No systematic process currently exists for identifying qualified sites and designating them as national heritage areas. While the Congress generally has designated heritage areas with the Park Service's advice, it designated 10 of the 24 areas without a thorough agency review; in 6 of these 10 cases, the agency recommended deferring action. Even when the agency fully studied sites, it found few that were unsuitable. The agency's criteria are very general. For example, one criterion states that a proposed area should reflect "traditions, customs, beliefs, and folk life that are a valuable part of the national story." These criteria are open to interpretation and, using them, the agency has eliminated few sites as prospective heritage areas.

According to data from 22 of the 24 heritage areas, in fiscal years 1997 through 2002, the areas received about \$310 million in total funding. Of this total, about \$154 million came from state and local governments and private sources and another \$156 million came from the federal government. Over \$50 million was dedicated heritage area funds provided through the Park Service, with another \$44 million coming from other Park Service programs and about \$61 million from 11 other federal sources. Generally, each area's designating legislation imposes matching requirements and sunset provisions to limit the federal funds. However, since 1984, five areas that reached their sunset dates had their funding extended.

The Park Service oversees heritage areas' activities by monitoring their implementation of the terms set forth in the cooperative agreements. These terms, however, do not include several key management controls. That is, the agency has not (1) always reviewed areas' financial audit reports, (2) developed consistent standards for reviewing areas' management plans, and (3) developed results-oriented goals and measures for the agency's heritage area activities, or required the areas to adopt a similar approach. Park Service officials said that the agency has not taken these actions because, without a program, it lacks adequate direction and funding.

Heritage areas do not appear to have affected property owners' rights. In fact, the designating legislation of 13 areas and the management plans of at least 6 provide assurances that such rights will be protected. However, property rights advocates fear the effects of provisions in some management plans. These provisions encourage local governments to implement land use policies that are consistent with the heritage areas' plans, which may allow the heritage areas to indirectly influence zoning and land use planning in ways that could restrict owners' use of their property. Nevertheless, heritage area officials, Park Service headquarters and regional staff, and representatives of national property rights groups that we contacted were unable to provide us with any examples of a heritage area directly affecting—positively or negatively—private property values or use.