



Highlights of [GAO-04-914T](#), testimony before the Subcommittee on National Parks, 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 comment on how provisions of S. 2543 might affect issues identified in GAO's March 2004 testimony addressing the process for (1) designating heritage areas, (2) determining the amount of federal funding to these areas, (3) overseeing areas' activities and use of federal funds, and (4) determining the effects, if any, they have on private property rights.

What GAO Recommends

The Congress may wish to consider amending S. 2543 to direct the Secretary of the Interior to (1) review areas' financial audit reports and (2) develop results-oriented goals and measures for the Park Service's overall heritage area program.

www.gao.gov/cgi-bin/getrpt?GAO-04-914T.

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.

NATIONAL PARK SERVICE

Comments on Provisions of S. 2543, a Bill to Establish a Federal Program and Criteria for National Heritage Areas

What GAO Found

Provisions of S. 2543 would establish a systematic process for identifying and designating national heritage areas, addressing many of the concerns identified in GAO's March 2004 testimony. At that time, GAO reported that no such systematic process exists, noting that the Congress has, in some instances, designated heritage areas before the Park Service has fully evaluated them. S. 2543 contains provisions that would require that a suitability study be completed and the Park Service determine the area meets certain criteria before the Congress designates a heritage area. While the bill defines heritage areas more specifically in terms of their national significance, the criteria outlined in S. 2543 will benefit from guidance that the Park Service has recently developed to guide the application of the criteria. This guidance will improve the designation process.

Provisions of S. 2543 would limit the amount of federal funds that can be provided to heritage areas through the Park Service's budget. In March 2004, GAO testified that from fiscal years 1997 through 2002 about half of heritage areas' funding came from the federal government. Specifically, for 22 of the 24 heritage areas where data were available, \$156 million of the areas' \$310 million in total funding came from the federal government. Of this, over \$50 million came from Park Service funds dedicated for this purpose, \$44 million from other Park Service programs, and about \$61 million from 11 other federal sources. S. 2543 would restrict annual dedicated Park Service funding for heritage areas to \$15 million. Individual areas may not receive more than \$1 million in a given fiscal year and \$10 million over 15 years.

Furthermore, S. 2543 includes provisions that could enhance the Park Service's ability to hold heritage areas accountable for their use of federal funds. In this regard, S. 2543 (1) establishes a program that would provide the Park Service with the direction and funding needed to manage the agency's and the heritage areas' activities; (2) establishes a schedule and criteria for reviewing and approving heritage areas' management plans; (3) identifies criteria for use in reviewing areas' plans; (4) requires that the plans include information on, among other things, performance goals and the roles and functions of partners; and (5) requires areas to submit annual reports specifying, among other things, performance goals and accomplishments, expenses and income, and amounts and sources of funds. GAO has identified potential amendments to S. 2543 that would further enhance areas' accountability.

S. 2543 includes provisions that address some of the concerns GAO identified in March with regard to heritage areas' potential restrictions on property owners' rights and land use. For example, S. 2543 allows property owners to refrain from participating in any planned project or activity within the heritage area. Furthermore, the bill does not require any owner to permit public access to property and does not alter any existing land use regulation, approved land use plan, or other regulatory authority.