

United States Senate

WASHINGTON, DC 20510

December 19, 2014

The Honorable Sally Jewell
Secretary
U.S. Department of the Interior
1849 C Street, NW
Washington, DC 20240

Dear Secretary Jewell:

We write in regard to the concessions services at our National Parks. The Committee on Energy and Natural Resources has oversight over the National Park Service (Park Service) and maintains a distinct role with respect to these services. The National Parks Omnibus Management Act of 1998 sought to improve and maintain a quality experience for visitors both by ensuring competition among bidders for concessions contracts and establishing a fee-based mechanism to provide funding for maintenance. Through a means known as Leasehold Surrender Interest, or LSI, the law also encourages financial investment by concessioners in the facilities they operate and ensures that concessioners may recoup such investments in the event they do not retain a contract during future bidding.

The system laid out in the National Parks Omnibus Management Act has worked, with varying degrees of success. In recent years, however, it has become increasingly clear that competition in the bidding process and the ability of the Park Service to attract new bidders have both significantly diminished. Last year, at Glacier Bay in Alaska and most recently at the Grand Canyon in Arizona, the Park Service failed to attract a single new concessions bid, nearly resulting in a complete disruption of visitor services.

The situation at the Grand Canyon is particularly problematic. The current concessions contract will expire on December 31, and yet the prospectus for a new contract has, as of this late date, attracted no bidders, despite having been amended ten separate times. In order to make the Grand Canyon contract more attractive, the Park Service is proposing to pay a portion of the more than \$100 million in LSI by “borrowing” an estimated \$50 million from the maintenance accounts of up to 88 parks, or almost 25 percent of the units in the Park Service system. This concerns us because the system is already under duress as the maintenance backlog – now at a record \$11 billion – continues to increase.

We understand that the concessions bidding system is not working effectively and the Park Service is doing what it can under the constraints of law to attract bidders. Yet we also believe the practice of “borrowing” funds from parks maintenance accounts is not an adequate solution. We believe this practice should not continue, and we urge you to intervene and stop this practice.

We intend to work with you and the Park Service to address this and other challenges in the 114th Congress. As we begin that important work, we welcome your engagement.

Sincerely,



Lisa Murkowski
U.S. Senator



Michael F. Bennet
U.S. Senator

Cc: Jon Jarvis, Director, National Park Service