Amendment 4519 -- Requires one percent of the new spending authorized in the bill to be used to dispose of excess, unused and unneeded Federal property to offset some of the costs of the bill

S. 2739, the Consolidated Natural Resources Act of 2007, authorizes the creation of three new national heritage areas (NHAs), increases the funding authorization of eight existing "temporary authorizations," modifies five existing NHA authorizations, and initiates two studies for the creation of new NHAs.

This bill authorizes at least \$380 million in new spending, which only represents a fraction of the total unknown price tag of the bill as there are eight other provisions with no cost limits.

This amendment directs a mere one percent of any funds appropriated for the purposes of this bill to be spent on the disposal of unneeded National Park Service property assets. This will help offset some of the new costs of the bill by raising revenue from the sale of government property and by reducing the costs of maintaining unneeded and unused property.

This Amendment Would Help Offset The Hundreds Of Millions Of Dollars Of New Spending Authorized By This Bill

While S. 2739 authorizes over \$380 million in new spending, the bill does not offset any of these increased costs.

This amendment directs one percent of any funds appropriated for the purposes of this bill to be spent on the disposal of unused and unneeded National Park Service property assets.

This one percent will not significantly impact or compromise any of the projects in the bill, but it will go a long way in reducing costs of maintaining unneeded property and raising revenues from property sales that could help offset some of the new costs created by this bill. Given our nation's \$9 trillion national debt and the overwhelming burdens facing the National Park Service, this amendment provides a commonsense approach that requires little, if any, real sacrifice.

The National Park Service Has Over 2,000 Property Assets That Have Been Slated For Disposal That Can Not Be Sold Off Due Solely To Lack Of Funding

This bill adds hundreds of millions of new projects and new property liabilities to the National Park Service, which is currently facing tremendous property management challenges.

The National Park Service possesses between a \$5 billion and \$12 billion maintenance backlog. Included in this backlog, the National Park Service currently has 2,217 property assets that have been slated for disposal that cannot be sold off or cleared solely due to a lack of funding.¹

In other words, the National Park Service is now forced to hold on to assets it no longer needs, which in and of itself requires the expenditure of funds. This siphons away funds from scare resources that could better be spent to care for true national treasures, such as the Statue of Liberty, the Grand Canyon, and Yosemite.

Since the National Park Service has a work order so vast and a limited number of funds and resources available, it is unable to dispose of even simple assets.

These assets include chicken coops, excess gazebos, a bath house, outhouses, an oyster shucking shed, a car wash, car ports and even a gingerbread house.

It makes little sense to pay to maintain an unneeded car wash or chicken coop, when the resources to do so could be better spent fixing a sewer system that is leaking on visitors at Carlsbad Caverns or maintaining the Statue of Liberty.

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¹ National Park Service FY 2007 Candidate Asset Disposition List

The excess asset disposition list also includes items that still have value and whose final disposition would infuse new capital into an agency struggling to maintain the great historic and natural sites throughout our nation.

These include smaller items like excess kiosks and windmills, to mobile homes, aging sheds and water/wastewater systems. The disposition list includes barns, sheds and outhouses. By completing the disposition of these assets, the parks service could gain a valuable new source of funding for our parks and historic sites.

Yet, the National Park Service is unable to rid itself of properties that could generate millions of dollars in sales and reduce maintenance backlogs by billions of dollars because Congress is directing the agency's funding towards new acquisitions. This misplaced prioritization add new costs to the Park Service and make it more difficult to rid it of unneeded holdings which would save and even raise money for national parks.

It is unclear how much the agency would save by disposing of these excess assets. Though it is in the process of trying to do so, the agency currently lacks the capability to track total operations and maintenance costs per asset.

While many of the identified 2,650 candidates for disposal are deteriorated, there will be obvious savings, both in terms of reduced maintenance costs (one estimate assumes \$12 million in savings) and in realized gains from the sale of marketable assets. In addition to the previously mentioned assets, such as car washes and car ports, other potential items with remaining value include: 52 barns, 192 sheds, and 11 mobiles homes. The list includes numerous water and wastewater systems (which may be outdated, but with value in individual parts).

The Federal Government Owns \$18 Billion In Unneeded Property

This problem of unneeded and excess properties is not isolated to the National Park Service.

The federal government has \$18 billion in unneeded property that has been slated for disposal, according to the Office of Management and Budget.

Every two years, the Government Accountability Office (GAO) comes out with a list of the problems in government so large that immediate action must be taken. Federal real property disposal has been on the list since 2003.²

GAO reports that "Many of these assets and organizational structures are no longer needed; others are not effectively aligned with, or responsive to, agencies' changing missions. At the same time, technological advances have changed workplace needs, and many of the older buildings are not configured to accommodate new technologies."

GAO further reports the following:

- NASA has more than 10 percent of its property is either underutilized or not utilized at all.
- GSA has identified 279 buildings accounting for more than 14.5 million square feet – as either excess or as ready for disposal or demolition.
- The Department of Defense has indicated that its property holdings are so large that it is going to take a long time before it can even finish counting its excess property.

The process for property disposal is typically conducted in the following way:

Step One: An agency decides that it no longer needs a piece of property for any number of reasons, such as not supporting mission, too costly, or office move. At that point, the property is declared to be "excess."

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² http://www.gao.gov/new.items/d07310.pdf

Step Two: All excess property is made available to every other federal agency to see if those agencies could use the property.

Step Three: If no other agency needs the property, it is declared to be "surplus" and prepared for disposal.

Step Four: The agency that owns the property is then required to spend the requisite money to prepare the building for sale. This involves environmental screenings, and upkeep.

Step Five: The agency has to ensure that the property would not be suitable for a number of "public benefit conveyances" whereby the property is given away to a good cause.

Step Six: If all of these qualifications are met and still no one wants it, it goes for sale on the open market. Any money made is put directly into the treasury.

<u>Holding Onto Properties With Maintenance Issues Can Increase</u> <u>Costs</u>

Drastically increasing the urgency of disposing of property with maintenance issues is the fact that neglecting these properties invariably compounds problems and costs.

For example, if a roof needs to be patched due to a leak but is neglected, the problem could grow until the roofs integrity could become compromised and it needs to be completely replaced. The price on that one piece of property consequently increases dramatically.

<u>The Federal Government Is Overwhelmed By Its Real Property</u> Assets

The federal government owns 411,415 buildings with a total of almost 3 billion square feet of building area, acquired at a cost of about \$327 billion.³

The federal government also has 59,036 leases on 45,261 buildings with an annual rental cost to the taxpayers of just over \$6 billion.⁴

The majority of federal land within the United States is controlled by the Department of the Interior and the Department of Agriculture. Forest and Wildlife account for 30.42 percent of the land, grazing accounts for 22.2 percent, and parks and historic sites account for 15.5 percent.

Only 2.16 percent of federal land in the United States is used for military purposes, plus only another .06 percent for airfields. The cost of acquiring all this land: \$24.5 billion.⁵

Additionally, the United States leases property in 167 foreign countries. The U.S. government also has 12,738 leases on 12,446 buildings on foreign soil with an annual rental cost to U.S. taxpayers of over \$523 million. There are 4,437 buildings sitting on this land that occupy over 35 million square feet of building area.⁶

Clearly increasing the amount of properties for the federal government to manage without disposing of unneeded properties is unwise and irresponsible.

A Budget Management Review Has Warned That National Park Service Funding Needs To Be More Efficiently Allocated

Every year, the Office of Management and Budget conducts a thorough evaluation of the performance and effectiveness of all agencies programs and proposes room for improvement. For the National Park Service's facility maintenance, the first recommendation was to reform how it manages its property assets.

³ http://www.lewrockwell.com/vance/vance53.html

⁴ http://www.lewrockwell.com/vance/vance53.html

⁵ http://www.lewrockwell.com/vance/vance53.html

⁶ http://www.lewrockwell.com/vance/vance53.html

The recommendation concluded that "as the existing infrastructure gets older and the number of parks goes up, NPS will not be able to keep up unless it systematically and efficiently allocates available funding."⁷

The National Park Service's mission statement is to "preserve unimpaired the natural and cultural resources and values of the national park system for the enjoyment, education, and inspiration of this and future generations." To fulfill this mission, the National Park Service adheres to 9 guiding principals in its operation of the agency.

Two of these guiding principals are wise decisions and effective management. According to the NPS, wise decisions entails "integrating social, economic, environmental, and ethical considerations into the decision-making process," while effective management means "instilling a performance management philosophy that fosters creativity, focuses on results, and requires accountability at all levels." ¹⁰

This amendment ensures that the National Park Service mission is better adhered to and OMB's management review recommendations are carried out.

The Federal Government Can Not Afford New Costs And Responsibilities Without Offsets From Existing Holdings

Without corresponding offsets from existing holdings, it is irresponsible to add new property management responsibilities and costs to the federal government when it is unable to properly its existing inventory and assets.

Faced with a \$9 trillion national debt and the looming insolvency of Social Security and Medicare, it is especially shortsighted to increase the National Park Service's cost to taxpayers.

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⁷ http://www.whitehouse.gov/omb/expectmore/summary/10000146.2003.html

⁸ http://www.nps.gov/aboutus/mission.htm

⁹ http://www.nps.gov/aboutus/mission.htm

¹⁰ http://www.nps.gov/aboutus/mission.htm

A recent USA Today article entitled "USA Debt: \$30,000 per American" noted that "Like a ticking time bomb, the national debt is an explosion waiting to happen. It's expanding by about \$1.4 billion a day — or nearly \$1 million a minute."11

Foreign governments and investors now hold some \$2.23 trillion — or about 44 percent — of all publicly held U.S. debt. That is up 9.5 percent from a year ago. 12

 $^{^{11}}$ www.usatoday.com/news/washington/2007-12-03-debt_N.htm 12 www.usatoday.com/news/washington/2007-12-03-debt_N.htm

Posted: April 16, 2005 1:00 a.m. Eastern

The fight against government land ownership

By Henry Lamb

Why does the federal government own 65 percent of all the land west of Denver and less than 2 percent of the land east of Denver? Who cares?

Everyone should care. The federal government was not created to be the owner of the land; it was created expressly to get the "right of soil" out of the hands of a king – that is, out of the hands of government.

The sovereign right of the king to own, to tax and control the use of land led directly to the Declaration of Independence in 1776, and, after six years of bloody war, to the Treaty of Paris in 1783. This treaty was not with the federal government, which did not yet exist. The treaty was between the king of England and each of the enumerated states. The treaty specifically recognizes these states:

...to be free sovereign and independent states, that he [the king] treats with them as such, and for himself, his heirs, and successors, relinquishes all claims to the government, propriety, and territorial rights of the same and every part thereof.

Among the many great controversies resolved by the U.S. Constitution was the question of equality among the states that constituted the original United States of America. The principle that emerged was known as the "Equal Footing Doctrine," which supposedly insured that all states were equal in their sovereign power. Article I, Section 8 specified how the federal government might acquire land and the purposes for which it could be acquired from the states. The 10th Amendment further declared that powers not explicitly granted to the federal government were retained by the states and the people.

Where, then, is the equality for the states west of the 100th meridian?

The federal government owns about 98 percent of the land in Alaska and about 86 percent of Nevada land. Overall, the feds own 65 percent of all the land west of the 100th meridian. This fact makes a mockery of the Equal Footing Doctrine that was so important to the founders.

How this situation evolved over two centuries is the subject of many books and court battles. Much can be learned about the bumpy road to the present from the <u>U.S.</u> <u>Constitution Annotated</u>. However we got to this point is not as important as the fact that

despite the intentions of the founders and the clear intent of the Equal Footing Doctrine, the states east of the 100th meridian are vastly "more equal" than the states to the west.

There is no valid reason why the federal government should own this land. Originally, it was purchased, or won, as a security measure for the eastern states. Originally, the federal government's objective was to get the newly acquired land into private hands as quickly as possible. The sale of the land was helpful in retiring debts that accumulated during the Revolutionary War. Toward the end of the 19th century and throughout the 20th century, the goals and objectives of the federal government changed, due to the growing influence in the east of people who bought into the socialist ideal.

The foundation of socialism is the idea that government should own the sources of production and distribute its benefits "from each according to his ability, to each according to his need."

The land owned by the federal government is rich in resources, which should be the property of the states and the people who live there. The states and the people who live there should decide how the land and its resources are used.

But no. In the West, the federal government not only dictates how the land will be used, it also dictates how the law will be enforced. Duly elected county sheriffs are forced to stand aside while law-enforcement officers of the U.S. Forest Service confiscate the private property of ranchers who allow their cattle to eat grass that the federal government claims as its own – despite a hundred years of undisputed ownership by the rancher's family.

The federal government should not own land other than that authorized in the Constitution. It should not be dictating how land is used in any state, and it should not be enforcing its will over the authority of local elected officials.

Several efforts to change this situation in the past have failed. The problem only worsens, and the tension between government and private land ownership is inspiring a new, better-organized effort to get the government out of the real estate business. Perhaps a new revolution is in the air.

This Land Is Not Your Land

by Laurence M. Vance

This land is your land, this land is my land, From California, to the New York Island, From the redwood forest, to the Gulf Stream waters, This land was made for you and me.

~ Woody Guthrie, "This Land is Your Land"

My fellow Americans – this land is *not* your land. This land belongs to the federal government. And what it doesn't own it can take through its power of <u>eminent domain</u>.

The FY2004 Federal Real Property Profile has now been released. In it we see that the federal government owns more than 653 million acres of land. This is almost 29 percent of all the land in the United States. The federal government owns land in all fifty states, with ownership exceeding 50 percent in some states.

The following table shows what percentage of land the federal government owns in each state.

| State | Fed Owned | State | Fed Owned |
|-------------|-----------|----------------|-----------|
| Alabama | 1.57% | Montana | 29.92% |
| Alaska | 69.09% | Nebraska | 1.36% |
| Arizona | 48.06% | Nevada | 84.48% |
| Arkansas | 7.17% | New Hampshire | 13.45% |
| California | 45.3% | New Jersey | 3.08% |
| Colorado | 36.63% | New Mexico | 41.77% |
| Connecticut | 0.44% | New York | 0.76% |
| Delaware | 2.04% | North Carolina | 11.82% |
| Florida | 8.23% | North Dakota | 2.67% |
| Georgia | 3.78% | Ohio | 1.71% |
| Hawaii | 19.41% | Oklahoma | 3.60% |
| Idaho | 50.19% | Oregon | 53.11% |

| Illinois | 1.79% | Pennsylvania | 2.50% |
|---------------|-------|----------------|--------|
| Indiana | 2.00% | Rhode Island | 0.43% |
| lowa | 0.76% | South Carolina | 2.90% |
| Kansas | 1.20% | South Dakota | 6.19% |
| Kentucky | 5.40% | Tennessee | 3.24% |
| Louisiana | 5.11% | Texas | 1.86% |
| Maine | 1.05% | Utah | 57.45% |
| Maryland | 2.83% | Vermont | 7.47% |
| Massachusetts | 1.87% | Virginia | 9.94% |
| Michigan | 9.97% | Washington | 30.33% |
| Minnesota | 5.61% | West Virginia | 7.44% |
| Mississippi | 7.27% | Wisconsin | 5.63% |
| Missouri | 5.03% | Wyoming | 42.33% |

The federal government also owns 24.67 percent of the land in the District of Columbia.

Yes, the federal government only owns a small amount of land in some states. This, however, can still amount to a chunk of land. For example, the federal government owns 1.57% of the land in Alabama. That is still 513,913 acres.

In addition to all this land, the federal government owns 411,415 buildings with a total of almost 3 billion sq. ft. of building area all acquired at a cost of about \$327 billion. The federal government also has 59,036 leases on 45,261 buildings with an annual rental cost to the taxpayers of just over \$6 billion.

What is all this property used for? The majority of federal land is controlled by the Department of the Interior and the Department of Agriculture. Forest and Wildlife account for 30.42 percent of the land, grazing accounts for 22.2 percent, and parks and historic sites account for 15.5 percent. Only 2.16 percent of federal land in the United States is used for military purposes, plus only another .06 percent for airfields. The cost of acquiring all this land: only \$24.5 billion.

Even the world is not safe from the tentacles of the federal leviathan. The U.S. government owns approximately 1.5 million acres of land outside the United States. There are 4,437 buildings sitting on this land that occupy over 35 million sq. ft. of building area. The U.S. government also has 12,738 leases on 12,446 buildings on foreign soil with an annual rental cost to U.S. taxpayers of over \$523 million. The United States leases property in 167 foreign countries.

Why does the U.S. government lease 733,627 sq. ft. of building area in Bolivia and 790,704 sq. ft. of building area in Colombia? Is this necessary? Do any members of Congress know about this? Do any members of Congress care about this?

To say that our government is too big would be the understatement of the century, but that is really the most accurate way to describe it. Yes, the federal government is too wasteful. And yes, the federal government is too expensive. And yes again, the federal government is too intrusive. But these things are true in a large part because the government is just plain too big.

The first step toward taming the federal leviathan is to confine it to Washington D.C. Nothing short of the largest land sale in history will bring this about.

August 15, 2005