

U.S. House of Representatives
Committee on Natural Resources
Washington, DC 20515

April 21, 2023

The Hon. Shannon A. Estenoz
Assistant Secretary for Fish and Wildlife and Parks
U.S. Department of the Interior
1849 C Street NW
Washington, D.C. 20240

Dear Assistant Secretary Estenoz,

The Committee on Natural Resources (Committee) is concerned about the distribution and stewardship of taxpayer resources appropriated to the Department of the Interior (Department) to address deferred maintenance and repairs, specifically at the National Park Service (NPS). As such, the Committee will be conducting ongoing oversight into the distribution and use of these funds.

During a Subcommittee on Federal Lands (Subcommittee) oversight hearing held on Tuesday, April 18, NPS Director Chuck Sams testified that you personally directed the transfer of \$200 million in funding provided in the Inflation Reduction Act (IRA) to address deferred maintenance to the Presidio Trust, despite the fact that this was not consistent with standard agency practices for selecting priority deferred maintenance projects.¹ As part of its oversight activities, the Committee is now examining this transfer of funds to the Presidio Trust.

As you are aware, the National Park System currently reports approximately \$22.3 billion in deferred maintenance and repairs.² In addition to other discretionary and mandatory funding sources, the NPS was provided with approximately \$1.53 billion this fiscal year, including \$1.33 billion through the Great American Outdoors Act (GAOA) and \$200 million in the IRA, to

¹ *Inflation Reduction Act of 2022*, P.L. 117-169. Section 50224 provided the Secretary of the Interior with \$200,000,000 through September 30, 2026, to “carry out priority deferred maintenance projects” within the boundaries of the National Park System. Statement of Director Charles F. Sams before the Subcommittee on Federal Lands, April 18, 2023, Oversight Hearing on “*Examining the Implementation of the Great American Outdoors Act and the Growing National Park Service Deferred Maintenance Backlog*”. In response to a question from Chairman Westerman about whether the Department applied the same methodology for selecting priority deferred maintenance projects for the IRA as it does with GAOA, Director Sams replied: “No sir, the funding that came through IRA for the \$200 million we understand was Congressional intent for us to send that to the Presidio Trust since they were not eligible for [Great American Outdoors Act] funding”.

² National Park Service, Budget Justifications and Performance Information, Fiscal Year 2024, SpecEx-1, <https://www.doi.gov/sites/doi.gov/files/fy2024-nps-greenbook.pdf-508.pdf>.

address priority deferred maintenance projects across the nation.³ Concerningly, nearly 24 percent of that funding went to one Congressional district, represented by former Speaker of the House Nancy Pelosi, including the entire \$200 million provided for deferred maintenance in the IRA.⁴ Prior to this transfer, the Committee raised concerns and conducted oversight inquiries into the disproportionate amount of funding allocated to former Speaker Pelosi's district compared to the rest of the National Park System.⁵

Director Sams' testimony before the Subcommittee raised numerous questions about whether the hundreds of millions of dollars in taxpayer funding transferred to the Presidio in San Francisco will be appropriately utilized for deferred maintenance and repairs. The Presidio of San Francisco is a 1,500-acre former military installation now used as a public recreation area within the Golden Gate National Recreation Area with pristine golf courses, high-end hotels, and luxury private homes and apartments.⁶ During the hearing, Director Sams testified that the Department transferred funding to the Presidio without stipulations or restrictions on whether the Presidio's golf courses or luxury hotels would be eligible federal funding for deferred maintenance or improvements.⁷ Additionally, according to a press release posted on the official government webpage of the Presidio Trust, Chief Executive Jean Fraser said this funding will "lay the foundation for the Presidio to be a 'zero climate impact' park."⁸ Director Sams testified that this is not a recognized category of deferred maintenance used by the NPS when selecting priority deferred maintenance projects under laws such as GAOA.⁹

³ *Id.* *Great American Outdoors Act*, P.L. 116-152, Section 2.

⁴ U.S. DEP'T OF THE INTERIOR, GREAT AMERICAN OUTDOORS ACT (GAOA) – NAT'L PARKS AND PUBLIC LAND LEGACY RESTORATION FUND, Nat'l Park Service – FY 23 Project List, (March 28, 2022) at 5-6 (Congressional district CA-12 is proposed to receive \$165,866,000) available at https://doi.gov/sites/doi.gov/files/doi-fy23-gaoa-dm-project-list-rev1-508_0.pdf. Information on the Inflation Reduction Act provided to the Committee on Natural Resources during a briefing from Department of the Interior, April 13, 2023.

⁵ Letter from Westerman, et al. to Secretaries Haaland and Vilsack, May 17, 2022, accessible here:

https://naturalresources.house.gov/uploadedfiles/2022-05-17_westerman_et_al_to_haaland_doi_vilsack_usda_re_allocation_of_legacy_restoration_funds.pdf. Letter from Westerman, et al. to Secretaries Haaland and Vilsack, July 15, 2022, accessible here:

https://naturalresources.house.gov/uploadedfiles/2022-07-15_westerman_moore_fulcher_bentz_obernolte_stauber_to_haaland_doi_vilsack_usda_re_follow_up_on_legacy_restoration_fund_allocations.pdf.

⁶ Presidio, "History of the Presidio," <https://www.presidio.gov/visit/history-of-the-presidio>. Last accessed on April 18, 2023.

⁷ *Id.* In response to Chairman Westerman's question "When you transferred this money to the Presidio, did you put any restrictions in place stipulating that taxpayer funding could not be used to improve the Presidio's golf courses or luxury hotels?", Director Sams responded, "Not that I'm aware of."

⁸ The Presidio Trust, "Press Release: Pelosi Announces Landmark \$200 Million New Federal Investment for the Presidio of San Francisco," February 1, 2023, <https://www.presidio.gov/presidio-trust/press/pelosi-announces-landmark-200-million-new-federal-investment-for-the-presidio>. Originally posted on the website of Congresswoman Nancy Pelosi (<https://pelosi.house.gov/news/press-releases/pelosi-announces-landmark-200-million-new-federal-investment-for-the-presidio-of>). Last accessed on April 18, 2023. In response to questions about whether a Congressional office had ever announced deferred maintenance project instead of NPS or whether NPS had ever posted a partisan press release from a Congressional office on its website, Director Sams answered in the negative for both.

⁹ *Id.* In response to Chairman Westerman's question "Is creating a 'zero-climate impact' park a recognized category of deferred maintenance used by the National Park Service?" Director Sams responded, "It is not with the GAOA

Further, despite the fact that both GAOA and the IRA statutorily direct funding to be spent on “priority deferred maintenance projects” within the boundaries of the National Park System, both the Department and NPS failed to adhere to their established criteria and methodology used to select projects eligible for funding. As described in Director Sams’ written testimony, NPS typically prioritizes funding to ensure it “is distributed to meet *the most critical needs* across parks.”¹⁰ [emphasis added] Director Sams’ testimony explains the importance of this established criteria by stating:

“The criteria the NPS uses when selecting [Legacy Restoration Fund] projects, which it implemented in FY 2021, are similar to the criteria used by other bureaus in the Department and include addressing a significant amount of deferred maintenance, maximizing return on investment, and safeguarding those we serve—our workforce, volunteers, visitors, and partners. Projects that meet the criteria must ensure funds are used to rehabilitate assets to support conservation and recreational opportunities for years to come.”¹¹

This “project selection process is built from the ground up” and must be evaluated and approved by regional directors, the NPS Bureau Investment Review Board, a committee of senior managers from the National Leadership Council, and agency and Departmental leadership.¹² According to Director Sams, the \$200 million transfer to the Presidio underwent none of these reviews and was not even a decision made by the NPS.¹³ Failing to adhere to the standard practice of selecting priority deferred maintenance raises serious concerns about why Congresswoman Pelosi’s district is receiving special treatment from the Department and the level of oversight conducted prior to this transfer to ensure taxpayer funding continues to be distributed in a transparent and appropriate manner.

Finally, the testimony provided to the Subcommittee yesterday left unanswered questions about the decision making used and transparency of the transfer of \$200 million in taxpayer funding to the Presidio. In September of 2021, the Committee held a markup of budget reconciliation instructions (legislation that would eventually become known as the “Inflation Reduction Act” or “IRA”) that explicitly provided \$200 million “to the Presidio Trust ... for carrying out projects identified by the Presidio Trust.”¹⁴ In the final version of the IRA, however,

money that we use.” He later added, “The Great American Outdoors [Act] funding that we implement – that is not one of the priority areas that we are using that for.”

¹⁰ Statement of Charles F. Sams III, Director, National Park Service, U.S. Department of the Interior, Before the House Natural Resources Subcommittee on Federal Lands, Regarding “Examining the Implementation of the Great American Outdoors Act and the Growing National Park Service Deferred Maintenance Backlog”. April 18, 2023.

¹¹ *Id.*

¹² *Id.*

¹³ *Id.* In response to Chairman Westerman’s question, “Did the National Park Service apply the same standards and methodology for selecting priority deferred maintenance projects with the \$200 million provided in the IRA that was used for the Presidio as you do with projects that receive funding under the Great American Outdoors Act?”, Director Sams responded, “No sir.”

¹⁴ H.R. 5376 in the 117th Congress, as reported in the U.S. House of Representatives on September 27, 2021, Section 70203.

this language was modified to remove all references to the Presidio and generally address deferred maintenance within the boundaries of the National Park System.¹⁵ Despite the fact the final language in the IRA does not explicitly state this funding shall be used for the Presidio, the Presidio Trust's press release announcing the funding repeatedly credits former Speaker Nancy Pelosi for "securing" this money, including in direct quotes from Presidio Trust Chief Executive Officer Jean Fraser.¹⁶

Director Sams testified multiple times throughout the oversight hearing that he understood it was "Congressional intent" that the funding be transferred to the Presidio Trust and that "direction came through the Department."¹⁷ This raises serious questions about the Department's determination of "Congressional intent", given the fact that Congress *specifically* chose to replace language previously earmarking this funding for the Presidio Trust to instead direct the funds to general deferred maintenance needs in the National Park System as a whole. Further, it raises questions about whether the administration engaged in conversations to modify the final language in the IRA to disguise from the American public that the funding labeled as "deferred maintenance" would ultimately be used for the Presidio. When asked who in the Department directed the National Park Service to transfer \$200 million to the Presidio Trust, in accordance with this supposed "Congressional intent", Director Sams responded that he received this direction from the "Assistant Secretary."¹⁸

As the Assistant Secretary directly overseeing the NPS, the Committee is requesting the following records, documents, or communications, to assist with the Committee's oversight activities, no later than May 5, 2023:

1. All documents and communications between or among any employee at the Department of the Interior, including yourself, the White House, the National Park Service and the Presidio Trust referring or relating to the transfer of \$200 million in Inflation Reduction Act funds to the Presidio Trust.
2. All documents and communications between or among any employee at the Department of the Interior, including yourself, the White House, the National Park Service, the Presidio Trust and any other public or private office or individual referring or relating to the following topics:
 - a. Funding for the Presidio Trust in the Inflation Reduction Act or similar budget reconciliation legislation.

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ *Id.* Quote from Director Sams: "No sir, the funding that came through IRA for the \$200 million we understand was Congressional intent for us to send that to the Presidio Trust since they were not eligible for [Great American Outdoors Act]".

¹⁸ *Id.* In response to Chairman Tiffany's question, "The Assistant Secretary directed you to send that \$200 million to the Presidio?", Director Sams responded, "That's correct, sir."

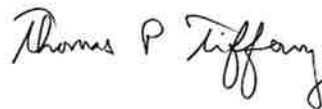
- b. Funding for deferred maintenance in the Inflation Reduction Act or similar budget reconciliation legislation.
 - c. The “Congressional intent” of the deferred maintenance funding provided in the Inflation Reduction Act.
3. All documents and communications between or among any employee at the Department of the Interior, including yourself, the White House, the National Park Service, and the Presidio Trust referring or relating to the transfer of \$200 million from the Inflation Reduction Act to the Presidio Trust including, but not limited to, information regarding:
 - a. The date in which the funding from the Inflation Reduction Act was transferred to the Presidio Trust.
 - b. Any restrictions or stipulations on the funding transferred to the Presidio Trust.
 - c. Any reporting requirements associated with the funding to determine whether the funding is being spent on priority deferred maintenance projects.
4. Documents sufficient to show the criteria and process used to select priority deferred maintenance projects funded under the Great American Outdoors Act and the Inflation Reduction Act.

Please deliver your response to room 1324 of the Longworth House Office Building. The Committees prefer, if possible, to receive all documents in electronic format. Please contact the House Committee on Natural Resources Majority Staff at HNRR.Oversight@mail.house.gov. Thank you for your attention to this matter.

Sincerely,



Bruce Westerman
Chairman
Committee on Natural Resources



Tom Tiffany
Chairman
Subcommittee on Federal Lands
Committee on Natural Resources

cc: The Hon. Raul Grijalva, Ranking Member, Committee on Natural Resources
The Hon. Deb Haaland, Secretary, U.S. Department of the Interior
Mr. Chuck Sams, Director, National Park Service
Ms. Jean Fraser, Chief Executive Officer, Presidio Trust