

**Ruth Pierpont**  
**Director of Historic Preservation, New York Office of Parks, Recreation**  
**and Historic Preservation**  
**New York State Historic Preservation Office**  
**President**  
**National Conference of State Historic Preservation Officers**

**Testimony on “H.R.3534, The Consolidated Land, Energy**  
**and Aquatic Resources Act of 2009.”**  
**For the House Committee on**  
**Natural Resources Committee**  
**United States House of Representatives**  
**September 14, 2009**

I would like to thank Chairman Rahall, Ranking Member Hastings, and the members of the House Natural Resources Committee for the opportunity to provide testimony. I am Ruth Pierpont, Director of the Division for Historic Preservation, New York State Office of Parks, Recreation and Historic Preservation and President of the National Conference of State Historic Preservation Offices. I appreciate this first opportunity to present our thoughts on the proposed legislation.

The National Conference of State Historic Preservation Officers (NCSHPO) is the statutorily recognized, professional association of the State government officials who carry out the national historic preservation program as delegates of the Secretary of Interior pursuant to the National Historic Preservation Act of 1966. The NCSHPO acts as a communications vehicle among the SHPOs and their staffs and represents the SHPOs with Congress, federal agencies and national preservation organizations

**NCSHPO H.R. 3534 Recommendations**

Title IV of The Consolidated Land Energy and Aquatic Resources (CLEAR) Act will make a dramatic difference in improving the quality of recreation and park land in the United States by making the Land and Water Conservation Fund (LWCF) a true trust fund. The NCSHPO proposes expanding that vision to conservation of the total environment including “human habitat” by amending the CLEAR Act to include permanent, guaranteed funding for the Historic Preservation Fund (HPF).

There are many synergies between the LWCF and Historic Preservation Fund (HPF). Historic preservation defines and enhances those aspects of the man-made environment that define our

heritage. Historic preservation and its accompanying programs and incentives encourage the recycling, the use and re-use of buildings, neighborhoods, Main Streets, urban and rural areas. In addition to the educational and community-build advantages of saving our heritage, historic

preservation betters the places people live and work; it provides an attractive and practical alternative to turning open space into subdivisions and strip malls. Historic preservation facilitates reinvestment and stewardship initiatives for the natural environment; it is an essential element to the success of any comprehensive conservation plan. Congress, led by Senator Henry Jackson (D-WA), acknowledged the synergy when it created the Historic Preservation Fund in 1976, following the Land and Water Conservation Fund model and using a portion of the funds from the depletion of non-renewable petroleum resources for the enhancement of non-renewable historic assets. House Natural Resources Chairman Nick Joe Rahall, Rep. Morris Udall (D-AZ), Rep. George Miller (D-CA) and Rep. Don Young (R-CA) reinforced that synergy by including the HPF in their efforts to create permanent funding (American Heritage Trust, Conservation and Reinvestment Act).

The NCSHPO supports the conversion of the HPF (16 USC 470*h*) into a permanent trust fund for the State Historic Preservation Officers and the Tribal Historic Preservation Officers. NCSHPO requests that the following language be a part of whatever bill is reported out by the Committee on Natural Resources, passed by the House of Representatives, adopted by the Congress and signed in to law.

SEC \_\_\_ AVAILABILITY OF AMOUNTS.

Section 108 of the National Historic Preservation Act (16 USC 470*h*) is amended-

- (1) By inserting “(a)” before the first sentence:
- (2) In subsection (a) (as designated by paragraph (1) of this section) by striking “There shall be covered into such fund” and all that follows through “(43 USC 1338),” and inserting “There shall be covered into such fund \$150,000,000 for each fiscal year after fiscal year 2010, from revenues due and payable to the United States as qualified Outer Continental Shelf Revenues (as that term is defined in Section 4 of the Resources 2000 Act),”.
- (3) By striking the third sentence of subsection (a) (as so designated) and all that follows through the end of the subsection and inserting “Such moneys shall be used only to carry out the purposes of this Act.”; and
- (4) By adding at the end the following:
  - (b) Subject to section 5 of the Resources 2000 Act, of amounts credited to the fund, \$150,000,000 shall be made available annually for each fiscal year after September 30, 2010, to States and tribes for obligation or expenditure without further appropriations to carry out the purposes of this Act.

Unlike the LWCF, the federal interest in heritage conservation is one of assistance, not acquisition. As a team effort, historic preservation reaches conservation goals with the private sector and state and local governments. The Historic Preservation Fund supports the identification, evaluation and protection of America's heritage by encouraging property owners to re-use historic places and to conserve archeological heritage through regulatory consideration of preservation in federal planning processes and through commercial redevelopment of historic buildings. Federal ownership, or acquisition, does not play a role in the national program.

### **Support for HPF and SHPOs**

#### *2009 Second Century Commission Report*

The 2009 Second Century Commission Report, released this week, advocates for permanent funding for the Historic Preservation Fund. The report states "a permanent appropriation for the Historic Preservation Fund at the full authorized level is vitally important so that the NPS can provide financial and technical assistance to state, tribal and local governments, and other preservation organizations, and ensure that America's prehistoric and historic resources are projected within and beyond park boundaries."<sup>1</sup>

#### *2007 National Academy of Public Administration Report*

In December 2007 the National Academy of Public Administration (NAPA) released "BACK TO THE FUTURE: A Review of the National Historic Preservation Program." NAPA, a non-profit, independent coalition of top management and organizational leaders, found that the National Historic Preservation Program "stands as a successful example of effective federal-state partnership and is working to realize Congress' original vision to a great extent. And while the program's basic structure is sound, it continues to face a number of notable challenges." The Panel concluded "that a stronger federal leadership role, greater resources, and enhanced management are needed to build upon the existing, successful framework to achieve the full potential of the NHPA on behalf of the American people."<sup>2</sup>

Specific report recommendations included the following:

- increased funding for SHPOs to address the increased workload since Fiscal Year 1981 in Section 106 reviews, National Register eligibility opinions, tax credit reviews, and HPF grants administration and to redress, at least in part, the significant decline in inflation adjusted funding;
- the NPS expand its mission to make building the capacity of State Historic Preservation Officers and Tribal Historic Preservation Officers a top priority and that it pursue this goal aggressively in cooperation with its national partners; and
- the Department of the Interior and the NPS strengthen the performance of the National Historic Preservation program and expand resources based on its demonstrated effectiveness in cooperation with the ACHP;

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<sup>1</sup> National Parks Second Century Commission report "Advancing the National Park Idea" September 2009, p 42

<sup>2</sup> NAPA, "BACK TO THE FUTURE: A Review of the National Historic Preservation Programs" December 2007, p.

*Expert Historic Preservation Panel*

Ten leaders in historic preservation from across the nation were selected to explore improvements in the program structure of the federal preservation program. In their 2009 report “Recommendations to Improve the Structure of the Federal Historic Preservation Program,” the panel recommended fully funding the Historic Preservation Fund and allocating additional funds Tribal Historic Preservation Officers. The panel stated that “the current \$45 million (SHPO) funding level fails to provide adequate resources to fully address the responsibilities and mandates that the NHPA requires.”

*PART Audit*

Under the Administration’s Program Assessment Rating Tool (PART), in 2003 management of historic preservation programs received a score of 89% indicating exemplary performance of mandated activities. The review also indicated that a lack of an independent evaluation of the program was a program deficiency. Following the PART recommendations, the NPS hired NAPA to conduct this review. As stated in the preceding NAPA report section, NAPA found the program to be successful and in need for increased funding to be able to meet increased workloads and to keep pace with inflation.

**Historic Preservation is Economic Development**

Preserving the physical reminders of our past creates a sense of place and community and generates a wide range of economic benefits. Historic preservation creates jobs, brings people to downtowns and Main Streets, supports affordable housing and small businesses and generates tax revenues while revitalizing communities and neighborhoods.

The Federal Historic Rehabilitation Tax Incentives Program (FRTC) has spurred private investment on a 5 to 1 ratio and is a powerful job creation tool. Over \$50.82 billion in private investment has been leveraged from its inception in 1976 and each project approved by the NPS creates, on average, 42 new and principally local jobs. The following statistics are typical of the positive findings of preservation’s economic benefits:

- Historic preservation activities generate more than \$1.4 billion of economic activity in Texas each year.
- Each dollar of Maryland’s historic preservation tax credit leverages \$6.70 of economic activity within that State.
- Massachusetts benefits from historic preservation include a gain of about 87,000 jobs; \$2.6 billion in income, \$3.5 billion in GSP, \$944 million in taxes.
- In New York State, \$1 million spent rehabilitating an historic building ultimately adds \$1.9 million to the state’s economy.<sup>3</sup>

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<sup>3</sup> New York Preservation League, Profiting Through Preservation 2002 pp 6.

Dollar for dollar, historic rehabilitation creates more jobs than most other investments. According to a 1997 study on the economic impacts of historic preservation, “preservation’s benefits surpass those yielded by such alternative investments as infrastructure and new housing construction.”<sup>4</sup> In Michigan, \$1 million in building rehabilitation creates 12 more jobs than manufacturing. In West Virginia, \$1 million of rehabilitation creates 20 more jobs than mining \$1 million worth of coal.<sup>5</sup>

### **Historic Preservation is Conservation and Sustainability**

Historic preservation can – and must – be an important component of any effort to promote sustainable development. The conservation and improvement of our existing natural and built resources, including re-use of historic and older buildings, greening the existing building stock, and reinvestment in older and historic communities, is crucial to using our past to create a better future for generations to come.

The National Historic Preservation Program and SHPOs are responsible for the administration of public and private initiatives that advance sustainability. Environmental responsibility is achieved in the preservation industry through reducing land development pressures, recycling, waste reduction, saving landfill space, saving energy, reducing carbon emissions and promoting renewable resources. The sustainable economic benefits include fiscally viable communities, the use local labor forces, increases in property values and tax bases and heritage tourism. Historic preservation also promotes social and cultural responsibility through creating affordable housing, giving people a sense of place and community and incorporating smart growth principles.

According to the Smart Growth Network, “smart growth invests time, attention, and resources in restoring community and vitality to center cities and older suburbs. It also preserves open space and many other environmental amenities.” Preserving and revitalizing historic buildings provides a key component to smart growth and simultaneously reduces development pressures on land and natural resources, complementing the efforts of the Land and Water Conservation Fund.

### **Conclusion**

Congress stated in 1966 that “The spirit and direction of the nation are founded upon and reflected in its historic heritage.” In 1976, Congress created the Historic Preservation Fund, using proceeds from non-renewable resources to help secure a future for other non-renewable resources – our Nation’s historic heritage. We look forward to working with the Committee to ensure full and guaranteed funding for the Historic Preservation Fund so that our historic heritage will exist fifty, one hundred or five hundred years from now.

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<sup>4</sup> Center for Urban Policy Research at Rutgers University, Economic Impacts of Historic Preservation 1997:11

<sup>5</sup> Rypkema publication 13, pp 11-12.