



Highlights of GAO-06-468, a report to congressional requesters

May 2006

NATIONAL PARKS AIR TOUR FEES

Effective Verification and Enforcement Are Needed to Improve Compliance

Why GAO Did This Study

The Omnibus Budget Reconciliation Act of 1993 (the fees legislation) required the National Park Service to begin collecting fees from operators that conduct air tours over national park units that meet certain criteria.

Currently, only Grand Canyon, Haleakala, and Hawaii Volcanoes National Parks meet the criteria to charge air tour fees. The Federal Aviation Administration (FAA), in cooperation with the Park Service, also regulates air tours over park units pursuant to the National Parks Overflights Act of 1987 and the National Parks Air Tour Management Act of 2000.

GAO was asked to (1) assess the Park Service's collection of air tour fees and (2) identify what factors, if any, hinder the collection of air tour fees. GAO is also providing information on the possible expansion of air tour fees to additional park units.

What GAO Recommends

Congress should consider amending the fees legislation or the 2000 air tour act to reconcile their geographic applicability. In addition, GAO recommends that FAA (1) ensure the Park Service receives data on air tours at Grand Canyon and (2) report to Congress on the effects that fees are likely to have on operators.

The Departments of the Interior and Transportation generally agreed with our findings and recommendations, as revised.

www.gao.gov/cgi-bin/getrpt?GAO-06-468.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Robin M. Nazzaro at (202) 512-3841 or nazzaror@gao.gov.

What GAO Found

Relying largely on voluntary compliance, the Park Service has collected some, but not all, fees from air tour operators at Grand Canyon, Haleakala, and Hawaii Volcanoes National Parks. After passage of the fees legislation, these three park units instituted air tour fees in 1994 by requesting operators to voluntarily report their air tours and pay appropriate fees monthly. Since then, the Park Service has collected about \$19 million at the three park units (in inflation-adjusted 2005 dollars). However, voluntary compliance with the air tour fee requirement has been inconsistent, and several operators are not paying the required fees. For example, GAO found that 13 of the 21 operators conducting air tours over Grand Canyon underpaid their air tour fees for calendar years 2000 through 2003 by more than \$1.5 million.

The Park Service's ability to collect air tour fees is hindered by several factors, as follows:

- *The Park Service cannot verify air tour activity over the three park units.* Air tour operators are not required to record and report to either the Park Service or FAA their number of air tours over park units, except for Grand Canyon. Operators at Grand Canyon are required to report their air tours only to FAA. Consequently, the Park Service relies on operators to voluntarily report their air tours and pay the required fees. A GAO January 2006 report recommended that FAA take steps to require operators to report to both agencies their air tours over park units under the 2000 air tour act, including Haleakala and Hawaii Volcanoes.
- *The Park Service cannot effectively enforce compliance due to the lack of air tour data.* The Park Service has limited ability to enforce compliance because it does not have jurisdiction over airspace and lacks sufficient air tour data. Conversely, FAA is not required to assist with collecting, or enforcing the collection of, air tour fees. As a result, both Park Service and FAA officials told GAO, the agencies have little or no ability to take enforcement action against noncompliant operators.
- *Different geographic applicability of two laws complicates efforts to collect air tour fees.* The fees legislation and the 2000 air tour act have different geographic applicability, which has complicated the Park Service's collection efforts.

Air tour fees are currently charged at only 3 of the 86 park units with air tours, based on the criteria established in the fees legislation. Expanding air tour fees to other park units could generate additional funding for the Park Service, but such an expansion would require a legislative change and should be balanced against potential impacts on air tour operators.

Legislation could explicitly provide that the additional funding may be used to develop the air tour management plans required by the 2000 air tour act. Regarding the potential impacts on air tour operators, the 2000 air tour act directed FAA to prepare a report to Congress on this subject by October 2000. FAA has drafted the report but has not submitted it to Congress.