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**Statement of Erik Hein, Executive Director
National Conference of State Historic Preservation Officers
Historic and Cultural Preservation Roundtable
The Honorable Raúl M. Grijalva, Ranking Member, House Natural Resources Committee**

November 29, 2023

**The importance of historic preservation and
recommendations for Congress**

- Reauthorization of the Historic Preservation Fund
- Additional funding for State Historic Preservation Offices (SHPOs)
- Avoiding exemptions from the National Historic Preservation Act in the environmental review process
- Establish mechanism for the Federal Permitting Steering Council and other federal agencies to provide support to State and Tribal Historic Preservation Offices to expedite project review
- Funding for State Historic Preservation Offices to invest in updated survey, GIS and data systems
- Support for the Historic Tax Credit Growth and Opportunity Act

Introduction

Ranking Member Grijalva and Members of the Committee, thank you for the opportunity today to talk about our nation's historic preservation program, and thank you for your leadership. I am Erik Hein, Executive Director of the National Conference of State Historic Preservation Officers (NCSHPO). NCSHPO is a nonprofit organization whose members are the State government officials (State Historic Preservation Officers, or SHPOs) and their staff who carry out the national historic preservation program as delegates of the Secretary of the Interior as outlined in the National Historic Preservation Act of 1966 (NHPA). NCSHPO serves as a communications vehicle between SHPOs, federal agencies and other organizations. It also educates the public and elected officials about the national historic preservation program, legislation, policies, and regulations.

Unique and Successful Federal-State Partnership

In mid-century America, much like today, infrastructure and housing development were on everyone's radar. Unprecedented federal investments in transportation, urban renewal and other infrastructure projects transformed our landscape – forever altering communities and the way we move from place-to-place. This, however, came at great public cost – and people began to realize that they had very little voice to protect the places that matter to them. Their own tax dollars, in

many cases, were demolishing their homes, building barriers across neighborhoods, and destroying our shared heritage.

It was in this environment that the National Historic Preservation Act of 1966 (Title 54 U.S.C. 300101 *et seq*) was passed. Unlike any other country, our national historic preservation program was designed to be informed from the ground up – from citizens, local, state and tribal governments instead of from the top down. We have no “ministry of culture,” or other similar authority dictating preservation policy. Instead, we have a system created to include the voices of people when recognizing our historic places and, when federal projects are undertaken, their impact on those places. It is meant to be participatory. It is designed as a partnership.

It is in this spirit that NHPA included the establishment of State Historic Preservation Offices, and later, Tribal Historic Preservation Offices (SHPOs and THPOs). Working in partnership with the federal government, SHPOs are responsible for the survey and inventory of the historic properties within their jurisdictions, the review of federal undertakings, the administration of the federal historic tax credit program, the distribution of federal grant funds, the administration of certified local government programs, the interpretation of the Secretary of the Interior’s Standards for historic properties, the creation of state historic preservation plans and more.

Historic Preservation Fund

To help pay for this work, in 1976, congress established the Historic Preservation Fund (HPF) – with then Senator Joseph Biden as a cosponsor. Modeled after the Land and Water Conservation Fund, the HPF is funded through annually depositing \$150 million in lease revenues from the outer continental shelf. Unfortunately, the authorization for the HPF expired on September 30th of this year. It is crucial to us that the HPF be reauthorized – continuing the demonstrated commitment to preserving our shared, and sometimes overlooked, history. H.R. 3350, co-sponsored by Rep. Michael Turner (R-OH) and Rep. Earl Blumenauer (D-OR) aims to reauthorize the HPF for 10 years at an increased level of \$250 million – recognizing that current HPF appropriations already exceed \$150 million.

Subject to appropriation, HPF funding supports not only SHPOs and THPOs, but is the source for several grant programs, including Save America’s Treasures, that provide funding for historic preservation projects nationwide. While overall HPF funding has increased, the funding provided to SHPOs, which is awarded through a formula that must be matched by a minimum of 40%, has not kept pace with inflation. Even with drastic cuts to SHPO funding in 1981 from \$47 million (\$181 million in today’s money) to \$24 million (\$82 million in today’s money), this means that SHPOs technically received more funding in 1981 than they do today (\$62 million) despite vast growths in workload. In 2022 alone, in addition to educating and advising the public, each SHPO reviewed more than 2,000 (median) federal projects under Section 106, averaged 92 historic tax credit project reviews, and considered more than 1,500 nominations to the National Register. To fulfill these federally delegated responsibilities, they receive on average \$1 million from the HPF. Tight funding levels and increased workloads have, unfortunately, taken their toll on SHPO staffing levels – with some reporting vacancy rates as high as thirty percent.

We hope we can count on Congressional support for additional funding for SHPOs so that they can continue to fulfill their responsibilities and work with their state and local governments to save and protect our historic places.

Infrastructure Spending; Legislative Exemptions

With the passage of the 2021 Infrastructure bill and the 2022 Inflation Reduction Act, massive amounts of federal funding has been made available to agencies and communities for investment in transformative energy and construction projects. While federal agencies, in many cases, received funding to help administer and implement these projects, SHPOs and THPOs did not. This means that as federal projects are increasing, SHPOs in many cases do not have the additional resources they need to keep up while they are under pressure to review things faster. Even if sympathetic federal agencies, such as the Federal Permitting Steering Council have funding to help with expediting environmental and other reviews, they consistently point out that they have no mechanism to provide that funding to SHPOs or THPOs.

In an effort to “speed up” the review process, sometimes we see bills introduced to “exempt” certain projects or mandate certain review timeframes. Currently, for example, there are several industry-backed bills that would seek to eliminate Section 106 reviews for certain broadband or other telecom projects. In our view, these bills attempt to achieve short-term wins instead of addressing the underlying funding and resource challenges at the heart of project review delays – and at the expense of the collaborative process envisioned by the NHPA. They also overlook the programmatic solutions already available and outlined in the Advisory Council on Historic Preservation’s regulations.

We seek the House Natural Resources Committee’s support to find ways for large infrastructure projects to include additional resources for SHPOs and THPOs so that they can play their part in the review process, and to resist legislative exemptions that take citizen’s voices out of federal decision-making.

Investments in Modern Survey and Data Technologies – A True Streamlining Measure

The first step in preserving and protecting America’s heritage is identifying it – which requires the survey, documentation, stewardship and sharing of historic place data. These places represent in turn the many people and events that shape our collective national identity. Adequate funding is essential for SHPOs to meet these goals. Longstanding funding shortfalls mean that many states must continue to rely upon outdated paper records and project submission processes. Having accurate, up-to-date, and digitally accessible information about our Nation’s historic resources and electronic project submission systems would dramatically increase the efficiency of and foster a balanced approach for all local, state, and federal projects. From decisions on the design of local infill development, to state transportation planning projects, to federal large-scale energy projects and disaster recovery efforts – every single project that could impact historic places, and by extension, the American people, benefit from enhanced and accessible historic resource databases.

To help bring SHPOs up to a baseline of digital record and project submission system functionality, we ask your support to establish a competitive grant program within the HPF.

Jobs, Economic Development & Community Revitalization

Historic preservation has stimulated economic growth, promoted community education and pride, and rescued and rehabilitated significant historic resources throughout the country. By positively combatting the effects of blight and vacancy through respectful repurposing of existing historic building stock, historic preservation is frequently a catalyst for positive community change –

resulting in dynamic destinations for visitors and residents alike. Further, preservation incentives and programs such as the Historic Tax Credit help create affordable housing.

The Federal Rehabilitation Tax Credit (HTC) program, administered by the State Historic Preservation Offices in cooperation with the National Park Service, is an important driver for economic development. Throughout the program's history, the HTC has driven completion of nearly 48,000 individual projects since 1976, generated over \$122.90 billion in private investment nationwide, and created 192,314 low-and moderate-income housing units¹. On average, the HTC leverages \$5 dollars in private investment for every \$1 dollar in federal funding, cultivating highly effective public-private partnerships and community focused re-investment. State tax credit programs (currently 39 states offer a historic tax credit program²) complement the federal HTC program incentives and provide additional opportunities for community revitalization and saving historic places for the use and enjoyment of future generations of Americans.

With today's need for affordable housing, now is the time to make the Historic Tax Credit go even further to improve access and to assist smaller projects. We respectfully ask members of the committee to support the Historic Tax Credit Growth and Opportunity Act (HTC-GO, S. 639 and H.R. 1785). introduced by Representatives LaHood (R-IL), Blumenauer (D-OR), Kelly (R-PA), Sewell (D-AL), Turner (R-OH), and Higgins (D- NY) in the House and by Senators Cardin (D-MD), Cassidy (R-LA), Cantwell (D-WA), and Collins (R-ME) in the Senate.

Why SHPOs Do This Work

In today's complex and sometimes polarized world, one thing that helps bind us together is our history. The very words of the NHPA open with a declaration by Congress that "...the spirit and direction of the Nation are found upon and reflected in hist historic heritage," and the preservation of "...the historical and cultural foundations of the Nation should be preserved...to give a sense of orientation to the American people." Certainly, our history isn't always easy and, in truth, we have learned that sometimes it can be both something to celebrate and something to regret. We recognize that we need to do more to recognize our diverse history, and the HPF has helped to provide resources to do this work. After all, as our society changes, so must our approach to history if we want to tell the whole story.

Our historic places, through their preservation, provide us with a physical connection to our past. SHPOs, in partnership with both federal and local governments, and through directly engaging communities, work to recognize and protect the irreplaceable places that tell our story AND provide us with a sense of place for future generations. They strive to balance multiple public, regulatory and corporate interests to do this work. Whether it is infrastructure, development, energy production, climate change, equity and inclusion, or other policy goals, SHPOs do their best to make sure our past can inform our future and our future includes the past.

On behalf of all 59 SHPOs, I'd like to thank you, Ranking Member Grijalva, for the opportunity to join this roundtable discussion and to submit this statement in support of historic preservation.

¹ 2023. National Park Service, U.S. Department of the Interior, Technical Preservation Services. [Federal Tax Incentives for Rehabilitating Historic Buildings | Annual Report for Fiscal Year 2022](#).

² 2022. National Trust for Historic Preservation. [Preservation & State Historic Tax Credits](#).