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Testimony before the Committee on Appropriations, Subcommittee on Interior, Environment,
and Related Agencies of the U. S. Senate
The Honorable Jeff Merkley, Chairman

May 24, 2023

**Fiscal Year 2024 Historic Preservation Fund (HPF)
Apportionment Total Request:**

\$70 million for State Historic Preservation Offices (SHPOs)
\$40 million for the Save America's Treasures grant program
\$34 million for Tribal Historic Preservation Offices (THPOs)
\$28 million for the African American Civil Rights grant program
\$17 million for the Paul Bruhn Historic Revitalization grant program
\$13 million Historically Black Colleges and Universities (HBCUs) grant program
\$11 million for the Semiquincentennial grant program
\$7 million for the History of Equal Rights grant program
\$5 million for the Underrepresented Community grant program

Funded through withdrawals from the Historic Preservation Fund (16 USC 470h), U. S. Department of the Interior's National Park Service.

Unique and Successful Federal-State Partnership

Understanding the importance of our national heritage, in 1966 Congress passed the National Historic Preservation Act ([NHPA, Title 54](#) U.S.C. 300101 *et seq*), which established historic preservation as a national priority, particularly in the face of widespread loss of historic buildings and places that represent the American identity in communities throughout the country. Recognizing that State officials have local expertise and knowledge with the ability to work most directly with and for constituents, the Act's authors directed federal entities charged with its implementation – the Department of the Interior and the Advisory Council on Historic Preservation – to partner with the States to fulfill this vital national priority through a remarkably successful exercise in federalism.

Federal NHPA duties delegated to the SHPOs include: 1) locating and recording historic resources; 2) nominating significant historic resources to the National Register of Historic Places; 3) cultivating historic preservation programs at the local government level; 4) providing funds for preservation activities; 5) commenting on federal rehabilitation tax credit projects; 6) review of all federal projects for their impact on historic properties; and 7) providing technical assistance to federal agencies, state and local governments and the private sector.

Ten years later in 1976, Congress established the Historic Preservation Fund (HPF) to assist the states in accomplishing this federally delegated work. Congress at that time opted to fund the HPF from outer-continental shelf lease revenues (rather than tax dollars), based on an initial

premise that the depletion of one non-renewable resource could be used to help preserve another non-renewable resource – our heritage. The states also contribute to the current funding mechanism, matching at least 40 percent of the federal HPF funding they receive.

Saving America's Heritage

The foundational step in preserving and protecting America's heritage is to identify it – through the survey, documentation, stewardship and sharing of historic place data. Adequate funding is essential for SHPOs to do this work in a way that takes advantage of and reflects advances in technology. Recent shortfalls in funding mean that many states must continue to rely upon outdated paper records and inefficient manual processes. Having accurate, up-to-date, and digitally accessible information about our Nation's historic resources dramatically increases the efficiency of project consultation as well as builds a permanent record of our nation's physical heritage. 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 maps and databases.

Once identified and documented, America's historic resources are primarily recognized at the local, state, and national levels by listing on both the National Register as well as state and local historic registers with varying degrees of protection, consideration, and recognition. SHPOs, through the authority of the NHPA assist, support, and encourage communities with their preservation efforts and are the gateway to listing on the National Register of Historic Places. National Register recognition by the Secretary of the Interior confirms citizens' belief in the significance of their communities' historic places as well as provides incentives for the further preservation of these irreplaceable places, often through public-private partnerships.

Allow me to underscore that the National Historic Preservation program is primarily one of assistance, not acquisition. The federal government does not own, manage, or maintain responsibility for the vast majority of the historic assets aided by the National Historic Preservation program. Rather, the program, through the States and SHPOs, provides individual Americans and communities, together with local, state, and federal governments with the tools they need to identify, preserve, and utilize the historic assets of importance to them. SHPOs are constituent-oriented and constituent-focused, and working closely and cooperatively with individual Americans to preserve historic places across the nation is a fundamental role.

Directing \$70 million for FY 2024 to SHPO offices will provide much needed operational funding to aid in increased capacity and efficiency to maximize constituent assistance and responsiveness. Specifically, with the recent \$500 billion in new federal infrastructure spending, SHPOs are in dire need of resources to operate programs as they continue to fulfill responsibilities to review and comment on increasing numbers of federal undertakings under NHPA. Likewise, Tribal Historic Preservation Offices (THPOs) assume many of the responsibilities of the SHPO on their respective Tribal lands. The number of THPOs continues to increase annually, requiring funding to keep pace with expanding needs. With over 200 THPOs in place, funding of \$34 million for THPO offices is necessary to prevent a decrease in the average THPO grant.

HPF funds also support competitive grant programs aimed at protecting and promoting the nation's historic and cultural resources, while furthering efforts to tell the full scope of America's history through recognition and preservation of our irreplaceable historic places. As such, NCSHPO encourages HPF funding of \$40 million for the Save America's Treasures grant program; \$28 million for the African American Civil Rights grant program; \$17 million for the Paul Bruhn Historic Revitalization grant program to support historic preservation in rural communities; \$13 million to assist in the preservation and rehabilitation of buildings on the campuses of Historically Black Colleges and Universities (HBCUs);

\$11 million to support the Semiquincentennial grant program to commemorate the nation's 250th anniversary; \$7 million for the History of Equal Rights grant program; and \$5 million for competitive grants to identify, recognize and preserve the sites and stories related to Underrepresented Communities.

The FY23 omnibus spending level for the HPF in the amount of \$204.5 million underscores Congresses commitment to the need of having appropriate funds to protect and promote our historic and cultural assets. This historic allocation exceeded the previously authorized level for the HPF of \$150 million, a sum that has gone unchanged since the program's inception five decades ago.

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 foster affordable housing and solutions to the challenge of climate change.

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, and leveraged 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. 39 states currently offer a historic tax credit program², including my own state of North Carolina. State tax credit programs 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.

As an example of return on the federal HPF investment in my own state of North Carolina, the modest federal funding provided to our office of less than \$1.5 million in the last fiscal year helped our professional staff to facilitate in that one year approximately \$200 million of historic tax credit-fueled private investment in historic buildings, which employs local workers at the construction and post-rehab stage, brought about local construction material spending, generated new sources of local, state, and federal tax revenue, and enhanced community pride through the renewal of historic building stock for a new generation of productive use.

Historic preservation also stimulates economic development through heritage tourism. SHPOs are essential local partners in identifying and interpreting the historic places that attract and inspire visitors. A modest increase in SHPO funding would allow SHPOs to expand their public outreach and assistance efforts, enabling communities to take greater advantage of heritage tourism opportunities which likewise lead to job creation, new business development and strong community identity.

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](#).

State Historic Preservation Offices' Accomplishments

The HPF has facilitated nearly 100,000 listings to the National Register, with over 1.9 million contributing resources, and the survey of millions of acres for cultural resources. The HPF has also provided SHPOs with the administrative capacity for constituent access to the Federal Historic Preservation Tax Credit program, which has generated more than \$39.4 billion in federal tax revenue from historic rehabilitation projects from inception through FY 2020². In FY 2021, HPF funding also enabled SHPOs to review 124,300 federal undertakings, and in so doing, aid in a conscientious public consideration of how to balance two fundamental needs – public investments for the future and preservation of America's historic places.

Many SHPOs have also made extensive use of HPF grant programs that are intended to make sure that a wide variety of historic places are preserved. In North Carolina, over the last several years, we have applied for and received grants under several of these grant programs. A 2015 Underrepresented Communities grant yielded National Register nominations and listings for eight Rosenwald School nominations, two historic African American cemeteries, and the College Heights Historic District, which is associated with the HBCU North Carolina Central University; a 2022 award through this program will survey and nominate to the National Register extant Green Book properties, as examples of Black entrepreneurship during the difficult segregation era. A 2020 Civil Rights grant is currently underway with a study to gather and document oral histories, background research, and places associated with the Civil Right Movement in northeastern North Carolina. The North Carolina Division of State Historic Sites has also recently received a Civil Rights grant to rehabilitate the home of Civil Rights leader Golden Frinks in Edenton and update the existing National Register listing for the home to capture its Civil Rights significance. A current American Battlefield Protection Program planning grant is providing needed funding to study the combat role of US Colored Troops in North Carolina with an eye to strategizing battlefield preservation priorities in the future.

Conclusion

Historic preservation recognizes that what was common and ordinary in the past is often rare and precious today, and what is common and ordinary today may be extraordinary, whether it is fifty, one hundred or five hundred years from now. The national network of State Historic Preservation Offices, employing public history professionals in service to American citizens, helps to ensure that the places associated with the history of all Americans are recognized and preserved. To that end, I would like to thank the committee sincerely for its commitment to historic preservation. The federal government plays an invaluable role in preserving our nation's history and our collective sense of place. Through our federalism partnership, SHPOs remain committed to working together to identify, protect, and maintain our Nation's heritage and in doing so, provide Americans with a strong sense of orientation towards our common history.

On behalf of all 59 SHPOs, I'd like to thank you, Chairman Merkley, Ranking Member Murkowski, and members of the U.S. Senate Committee on Appropriations, Subcommittee on Interior, Environment, and Related Agencies for the opportunity to submit testimony.