



Land and Water Conservation Fund: Overview, Funding History, and Issues

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Summary

The Land and Water Conservation Fund (LWCF) Act of 1965 was enacted to help preserve, develop, and assure access to outdoor recreation facilities to strengthen the health of U.S. citizens. The law created the Land and Water Conservation Fund in the U.S. Treasury as a funding source to implement its outdoor recreation goals.

The LWCF has been the principal source of monies for land acquisition for outdoor recreation by the four federal agencies—the National Park Service, Bureau of Land Management, Fish and Wildlife Service, and Forest Service. Congress typically identifies which areas are to be acquired with the funds it provides. The LWCF also funds a matching grant program to assist states in recreational planning, acquiring recreational lands and waters, and developing outdoor recreational facilities. The states award their grant money through a competitive selection process based on statewide recreation plans and establish their own priorities and criteria. Finally, in recent years, beginning in FY1998, LWCF has been used to fund an array of other federal programs with related purposes.

The LWCF is authorized to accumulate \$900 million annually from designated sources, with most of the money derived from oil and gas leasing in the Outer Continental Shelf. Congress determines the level of appropriations each year, and yearly appropriations have fluctuated widely since the origin of the program. Of the total revenues that have accrued throughout the history of the program (\$32.6 billion), less than half have been appropriated (\$15.5 billion). FY2001 marked the highest funding ever, with appropriations exceeding the authorized level by reaching nearly \$1 billion. For FY2010, the most recent fiscal year, the appropriation was \$450.4 million.

The \$15.5 billion appropriated throughout the history of the program has been unevenly allocated among federal land acquisition (63%), the state grant program (26%), and other programs (11%). Similarly, federal land acquisition funds have been allocated unevenly among the four federal agencies. More recent legislation (P.L. 109-432) provided that a portion of revenues from certain OCS leasing are provided to the state grant program. These funds are to supplement any funds appropriated from LWCF.

There is a difference of opinion as to the appropriate level of funds for LWCF and how those funds should be used. Current congressional issues include deciding the amount to appropriate for land acquisition and identifying which lands should be acquired; deciding the level of funding for the state grant program; and determining which, if any, other programs to fund from the LWCF. The primary context for debating these issues is Interior appropriations legislation. Other issues of current debate include whether the LWCF should be permanently appropriated at the authorized level of \$900 million, and whether revenues from additional activities should be directed to the LWCF.

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Introduction

The Land and Water Conservation Fund (LWCF) Act of 1965¹ was enacted to help preserve, develop, and assure access to outdoor recreation resources. A main goal of the law was to facilitate participation in recreation and strengthen the “health and vitality” of U.S. citizens. The law sought to accomplish these goals by “providing funds” for federal acquisition and development of lands and other areas and by “providing funds for and authorizing” federal assistance to states in recreation planning, acquiring lands and waters, and development of recreation facilities.

The law created the Land and Water Conservation Fund in the Treasury as a funding source to implement the outdoor recreation goals it set out. The fund is currently authorized at \$900 million annually through September 30, 2015. The LWCF is a “trust fund” that accumulates revenues from the federal motorboat fuel tax and surplus property sales. To supplement these sources to reach the annual authorized level of \$900 million, the fund accumulates revenues from oil and gas leases on the Outer Continental Shelf (OCS). For many years, the OCS revenues have accounted for almost all of the deposits.²

Monies in the fund are available for outdoor recreation purposes only if appropriated by Congress, and the level of annual appropriations has varied widely since the origin of the fund. One current issue is whether to provide permanent appropriations for LWCF, rather than continue the current procedure of providing appropriations each year. Also of current debate is whether to direct additional monies to LWCF, to be used for purposes provided for in the LWCF Act or for other purposes. Perennial congressional issues include (1) deciding the amount to appropriate for federal land acquisition, determining the level of acquisition funds for each of the four agencies, and identifying which lands should be acquired; (2) deciding the level of funding for the state grant program; and (3) determining what, if any, other programs should be funded through LWCF and at what level. The primary context for debating these issues traditionally has been the annual Interior appropriations legislation. For the most recent action on LWCF, see the “Land and Water Conservation Fund” section of the most recent CRS report on appropriations for Interior, Environment, and Related Agencies.³

How the Fund Works

The LWCF is not a true trust fund in the way “trust fund” is generally understood in the private sector. The fund is credited with revenues totaling \$900 million annually, but these credited monies cannot be spent unless appropriated by Congress. Unappropriated funds remain in the U.S. Treasury and can be spent for other federal activities. From FY1965 through FY2010, about \$32.6 billion has been credited to the LWCF. About half that amount—\$15.5 billion—has been appropriated.⁴ Further, interest is not accrued on the accumulated unappropriated balance that has

¹ Act of Sept. 3, 1964; P.L. 88-578, 78 Stat. 897. 16 U.S.C. §§460l-4, et seq.

² Executive Branch “moratoria” (issued on May 28, 2010, and July 12, 2010) on deepwater drilling are unlikely to affect the availability of OCS revenues for the LWCF.

³ The most recent report is CRS Report R41258, *Interior, Environment, and Related Agencies: FY2011 Appropriations*, coordinated by Carol Hardy Vincent.

⁴ These figures are from the Office of Budget, Department of the Interior, at http://www.doi.gov/budget/budget_general/bgindex.html. Under the entry for the Land and Water Conservation Fund, MSExcels Spreadsheet, see (continued...)

been credited to the LWCF. While some supporters assert that the LWCF was originally intended to be a revolving fund, whereby the money would be maintained in a separate account that could accrue interest, this has not been the case. The fund's basic purpose has not been altered even though the authorizing legislation has been amended, most notably to raise the funding ceiling and to mandate that offshore oil and gas leasing revenues should make up any shortfall from other specified financing sources.

Purposes of LWCF Appropriations

Appropriations from LWCF have been made for three general purposes: (1) federal acquisition of land and waters and interests therein; (2) grants to states for recreational planning; acquiring recreational lands, waters, or related interests; and developing outdoor recreational facilities; and (3) related purposes.⁵ Each year, Congress determines the total appropriations from the Fund, and the amount for each of these three general purposes.

The LWCF Act states that not less than 40% of the appropriations from the fund are to be available for federal purposes. This language resulted from a 1976 amendment, at a time when funds were being appropriated for federal land acquisition and for the stateside program. Funding for other federal purposes did not occur until FY1998. This provision replaced language in the LWCF Act that had provided that, "in the absence of a provision to the contrary in the Act making an appropriation from the fund," the appropriation from the fund was to be 60% for state purposes and 40% for federal purposes. That language had specified that during the first five years in which appropriations were made from the fund, the President could vary these percentages by not more than 15 points to meet the needs of states and the federal government.

Federal Land Acquisition

The LWCF remains the principal source of funds for federal acquisition of lands for outdoor recreation. Most federal lands are acquired (and managed) by four agencies—the Forest Service (FS) in the Department of Agriculture, and the National Park Service (NPS), Fish and Wildlife Service (FWS), and Bureau of Land Management (BLM) in the Department of the Interior.⁶ These four agencies manage about 95% of all federally owned lands. Of these agencies, only the FWS has another significant source of acquisition funding. Specifically, under the Migratory Bird Conservation Fund the FWS has a permanently appropriated source of funding for land acquisition.⁷

The LWCF Act provides that "unless otherwise allotted in the appropriation Act making them available," appropriations from the fund for federal purposes are to be allotted by the President

(...continued)

the table entitled *Land and Water Conservation Fund Receipts, Appropriations and Unappropriated Balances Reported by Treasury*.

⁵ Hereafter, these purposes are referred to respectively as (1) federal land acquisition, (2) the stateside program, and (3) other purposes.

⁶ For an introduction to these agencies and their responsibilities, see CRS Report R40225, *Federal Land Management Agencies: Background on Land and Resources Management*, coordinated by Ross W. Gorte.

⁷ For more information on the Migratory Bird Conservation Fund, see the FWS land acquisition section of CRS Report RL34273, *Federal Land Ownership: Current Acquisition and Disposal Authorities*.

for certain purposes.⁸ These purposes include water development projects with recreational benefits; land acquisition in areas administered by the Secretary of the Interior for recreational purposes; land acquisition in national park, national forest, and national wildlife system units. In practice, the appropriations acts typically identify the purposes for which the federal funds are to be used.

The process for appropriating funds for federal land acquisition is similar from year to year. The annual budget submission from each of the four federal agencies typically has included proposals for lands the agencies seek to acquire with requested LWCF funds. The number of specific acquisitions sought by the agencies varies from year to year. For instance, for FY2011 the three DOI agencies are seeking 93 acquisitions while the FS is seeking 31 acquisitions. By contrast, the FY2009 requests sought to fund relatively few acquisitions—10 for the three DOI agencies and none for the FS. The large backlog of potential acquisitions provides each agency with options in its annual request. Congress reviews agency requests, then determines which areas will be acquired and the funding level it will provide for each acquisition. In general, most of the funds have been earmarked to specific sites. For instance, in FY2010 Congress specified funds for 136 acquisitions by the four federal agencies.

The LWCF Act restricts appropriations to those acquisitions that have been previously authorized by law. However, it allows LWCF appropriations to be used for pre-acquisition work where “authorization is imminent and where substantial monetary savings could be realized.”⁹

In recent years, Congress typically has provided the agencies with a portion of the acquisition funding for one or more related purposes. For instance, funds have been provided for acquisition management to cover the costs of land purchases, such as appraisals and title research. Acquisition funds also have been provided to cover the costs of land exchanges, as well as the acquisition of lands within the boundaries of federal land units (“inholdings”) that may become available throughout the year. Further, in some cases funds have been appropriated for “emergencies” or “hardships,” for acquisition of lands from an owner who must sell quickly and where the agency determines there is a need to purchase the lands quickly.

Appropriations law typically provides that LWCF funds remain available until expended, meaning the funds can be carried over from fiscal year to fiscal year. Often an appropriation is not used in the fiscal year provided, because the process for completing a land acquisition has many components and often takes more than one year.¹⁰

Stateside Program

Another portion of the LWCF, administered by the NPS, provides matching grants to states (including the District of Columbia and U.S. territories) for recreation planning, acquisition of lands and waters, and facility development. Grants are provided for outdoor recreation purposes only, rather than for indoor facilities such as community centers. Through FY2010, 41,425 grants have been provided to state and local governments for outdoor recreation projects. This figure includes 7,517 grants for acquisition; 26,985 grants for developing recreation facilities; 3,009

⁸ 16 U.S.C. §460l-9(a).

⁹ 16 U.S.C. §460l-9(b).

¹⁰ In the past, LWCF funds were among the first to be borrowed for wildland fire fighting when funds appropriated for fire fighting are insufficient. Borrowed funds typically were repaid in a subsequent appropriations bill.

grants for redeveloping older recreational facilities; 677 state planning grants for studies of recreation potential, need, opportunity, and policy; and 3,237 grants for a combination of these activities. Recipients have acquired 2.6 million acres.

Acquisitions funded through LWCF grants must remain in recreation use in perpetuity, unless the Secretary of the Interior approves of the conversion of the land to another use and replacement lands are substituted. Conversions occur due to changing state needs, such as to use park lands to build schools, widen roads, and develop civic facilities. The NPS approves about 50-75 conversions yearly nationwide, according to the agency.

Appropriations to the state grant program typically do not include earmarks or other directions to the NPS to guide how these funds should be distributed or spent. The Secretary of the Interior apportions the appropriation for state grants in accordance with a formula set out in the LWCF Act.¹¹ The formula calls for a portion of the appropriation to be divided equally among the states.¹² The remaining appropriation is to be apportioned based on need, as determined by the Secretary.¹³ Under law, the determination of need is to include the population of the state relative to the population of the United States, the use of outdoor recreation resources within a state by people outside the state, and the federal resources and programs within states. In current practice, population is the biggest factor in determining state need. No state can receive more than 10% of the total appropriation.

States have up to three years to use the money—the federal fiscal year in which the apportionment is made and the next two fiscal years. It is rare for a state not to use the money during this time, according to the NPS. Under law, the Secretary is to reapportion any amount that is not paid or obligated during the three-year period.

To be eligible for a grant, a state must prepare and update a statewide recreation plan. This plan usually addresses the needs and opportunities for recreation and includes a program for reaching recreational goals. It generally does not include specific projects. Under law, the plan is required to be approved by the Secretary, and in practice it is sent to the NPS for approval. The states award their grant money through a competitive process based on their recreation plans and their own priorities and selection criteria. They can use the money for state projects or for pass-through to localities. States send their top-ranked projects to the NPS for formal approval and obligation of grant money. Under law, payments to states are not to cover more than 50% of a project's costs, and in practice states typically receive a 50% federal payment. The remaining cost is to be borne by the state.¹⁴

Additional monies are provided for state grants under provisions of the Gulf of Mexico Energy Security Act of 2006.¹⁵ Specifically, 12.5% of the revenues from certain OCS leasing in the Gulf of Mexico is directed to the stateside program in accordance with the terms of the LWCF Act.

¹¹ 16 U.S.C. §460l-8.

¹² Specifically, the law provides that 40% of the first \$225.0 million, 30% of the next \$275.0 million, and 20% of all additional appropriations are to be apportioned equally among the states.

¹³ The apportionment among states (including the District of Columbia and U.S. territories) for each of the last nine fiscal years—FY2002-FY2010—is on the NPS website at <http://www.nps.gov/ncrc/programs/lwcf/funding.html>.

¹⁴ For more information on the stateside program, see the *Land and Water Conservation Fund State Assistance Program: Federal Financial Assistance Manual* on the NPS website at <http://www.nps.gov/ncrc/programs/lwcf/manual/lwcf.pdf>.

¹⁵ §105, Division C, P.L. 109-432.

The funds are to be in addition to any amounts appropriated by Congress for LWCF. The money is available without further appropriation, and is available until expended. An estimated \$8.2 million in proceeds from pertinent OCS leasing was collected in FY2008 and disbursed to the stateside program in FY2009. Since then, the disbursements to the stateside program under this authority have decreased. An estimated \$0.9 million in revenue from such OCS leasing was dispersed to the stateside program in FY2010, and \$0.7 million is projected to be dispersed in FY2011. The funds are available to the states until expended, unlike the three-year duration of the funds appropriated annually for the stateside program.

Other Purposes

As noted above, the LWCF Act lists the federal purposes to which the President is to allot LWCF funds “unless otherwise allotted in the appropriation Act making them available.”¹⁶ A portion of the LWCF appropriation has been provided for other federal purposes (i.e., other than land acquisition) in FY1998 and each year since FY2000. Because there is no set of “other programs” specified to be funded from LWCF, Presidents have sought funds for a variety of programs and Congress has chosen which, if any, other programs to fund from LWCF. For instance, for FY2008, President George W. Bush sought LWCF funds for 11 programs within the FWS, FS, and other agencies, and Congress provided funding for two of these programs. Since FY1998, the LWCF has been used for a broad array of other programs, including the maintenance needs of the four land management agencies, FS highway rehabilitation and maintenance, the Historic Preservation Fund, the Payments in Lieu of Taxes program, FS State and Private Forestry programs, FWS State and Tribal Wildlife Grants, and FWS Cooperative Endangered Species Grants.

Funding History

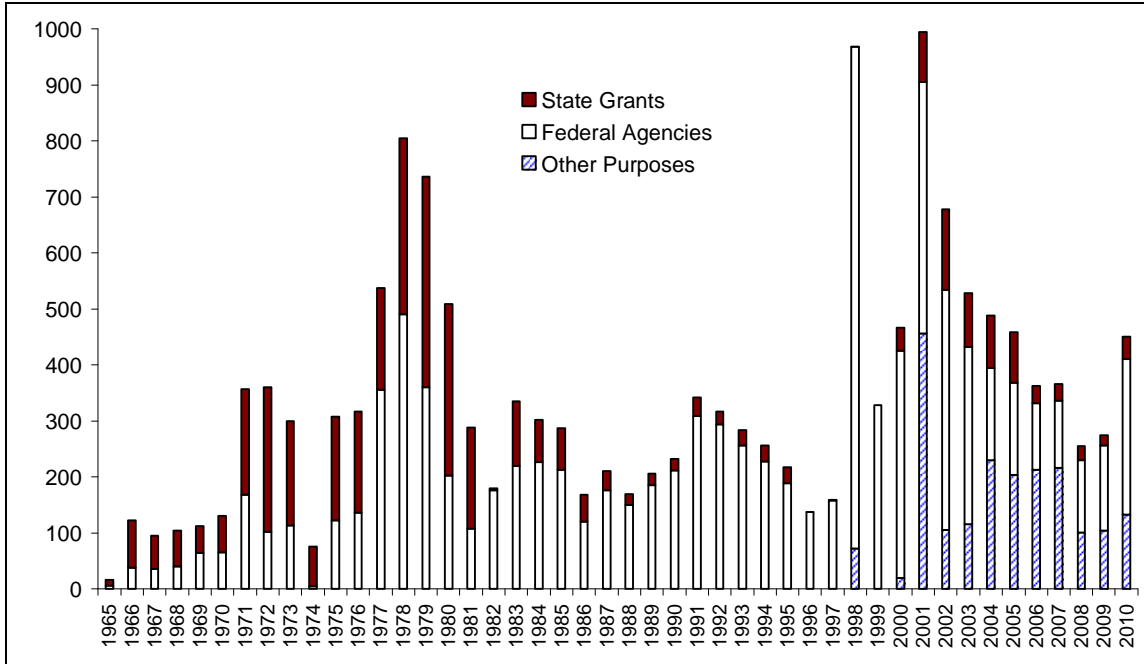
Overview of FY1965-FY2010

Total annual appropriations from the LWCF have fluctuated widely since the origin of the program over four decades ago (see the bar graph in **Figure 1** and **Table 1** below). Until FY1998, LWCF funding rarely exceeded \$400 million; from FY1977-FY1980, funding ranged from \$509 million (FY1980) to \$805 million (FY1978), and averaged \$647 million annually. LWCF appropriations spiked dramatically in FY1998—to \$969 million—from the FY1997 level of \$159 million. FY1998 was the first year that LWCF appropriations exceeded the authorized level of \$900 million.¹⁷ They included \$270 million in the usual funding titles for land acquisition by the four federal land management agencies; an additional \$627 million in a separate title, funding both the acquisition of the Headwaters Forest in California and New World Mine outside Yellowstone National Park; and \$72 million for other programs.

¹⁶ 16 U.S.C. §460I-9(a).

¹⁷ The LWCF had accumulated receipts sufficient to cover an appropriation exceeding the annual authorization. Specifically, in 1997 the LWCF had a balance of \$11.9 billion in unappropriated receipts, which represented the difference between the receipts into the Fund and the appropriations from the Fund since its creation.

Figure I. LWCF Appropriations, FY1965-FY2010
(in millions of dollars)



Source: The primary source for these data is the DOI Budget Office; data updated May 29, 2009. See the Land and Water Conservation Fund, MExcel spreadsheet, on the Budget Office's website at http://www.doi.gov/budget/budget_general/bgindex.html (visited on July 30, 2010).

Notes: The graph does not reflect \$76 million provided for the transition quarter from July 1, 1976, to September 30, 1976.

Table I. LWCF Appropriations, FY1965-FY2010
(in millions of dollars)

Fiscal Year	Land Acquisition	State Grants	Other Programs	Total
1965	\$6	\$10	\$0	\$16
1966	\$38	\$84	\$0	\$122
1967	\$36	\$59	\$0	\$95
1968	\$40	\$64	\$0	\$104
1969	\$64	\$48	\$0	\$112
1970	\$66	\$65	\$0	\$131
1971	\$168	\$189	\$0	\$357
1972	\$102	\$259	\$0	\$361
1973	\$113	\$187	\$0	\$300
1974	\$5	\$71	\$0	\$76
1975	\$122	\$186	\$0	\$308
1976	\$136	\$181	\$0	\$317
1977	\$356	\$182	\$0	\$538

Fiscal Year	Land Acquisition	State Grants	Other Programs	Total
1978	\$491	\$314	\$0	\$805
1979	\$361	\$376	\$0	\$737
1980	\$202	\$307	\$0	\$509
1981	\$108	\$180	\$0	\$288
1982	\$176	\$4	\$0	\$180
1983	\$220	\$115	\$0	\$335
1984	\$227	\$75	\$0	\$302
1985	\$213	\$74	\$0	\$287
1986	\$121	\$47	\$0	\$168
1987	\$176	\$35	\$0	\$211
1988	\$150	\$20	\$0	\$170
1989	\$186	\$20	\$0	\$206
1990	\$212	\$20	\$0	\$232
1991	\$309	\$33	\$0	\$342
1992	\$294	\$23	\$0	\$317
1993	\$256	\$28	\$0	\$284
1994	\$228	\$28	\$0	\$256
1995	\$189	\$28	\$0	\$217
1996	\$137	\$1	\$0	\$138
1997	\$158	\$1	\$0	\$159
1998	\$896	\$1	\$72	\$969
1999	\$328	\$0	\$0	\$328
2000	\$406	\$41	\$20	\$467
2001	\$449	\$90	\$456	\$995
2002	\$429	\$144	\$105	\$677
2003	\$316	\$97	\$116	\$529
2004	\$165	\$94	\$230	\$488
2005	\$164	\$91	\$204	\$459
2006	\$119	\$30	\$213	\$362
2007	\$120	\$30	\$216	\$366
2008	\$129	\$25	\$101	\$255
2009	\$152	\$19	\$104	\$275
2010	\$278	\$40	\$133	\$450

Source: The primary source for this data is the DOI Budget Office; data updated May 29, 2009. See the Land and Water Conservation Fund, MSEXcel spreadsheet, on the Budget Office's website at http://www.doi.gov/budget/budget_general/bgindex.html (visited on July 30, 2010).

Notes: The graph does not reflect \$76 million provided for the transition quarter from July 1, 1976, to September 30, 1976.

Another spike occurred in FY2001, when appropriations again exceeded the authorized level and totaled nearly \$1 billion. This record level of funding was provided partly in response to President Clinton’s Lands Legacy Initiative, which sought \$1.4 billion for 21 resource protection programs including the LWCF. It also was provided in response to some congressional interest in securing increased and more certain funding for the LWCF. The 106th Congress considered legislation to fully fund the LWCF and to make it operate like a private sector trust fund. Such proposals sought to divert offshore oil and gas revenues to a Conservation and Reinvestment Act (CARA) Fund and to permanently appropriate receipts credited to the LWCF, among other related purposes.

When it became clear that CARA legislation would not be enacted, Congress included aspects of the legislation in the FY2001 Interior and Related Agencies Appropriations law (P.L. 106-291). These provisions established the Conservation Spending Category (CSC), with the LWCF as a major component in the CSC. The CSC provisions set a target for total funding for all the component programs in FY2001 at \$1.6 billion, including \$1.2 billion through Interior appropriations and \$400 million through Commerce appropriations. Under law, the target was to increase each year until it reached \$2.4 billion in FY2006. However, Congress generally did not use the CSC structure in appropriating funds to the LWCF and related programs. The CSC was authorized in Interior Appropriations law through FY2006, while the Commerce Appropriations law authorized it for only FY2001.

Total LWCF appropriations, and the funding levels for each federal agency and the stateside program, have declined since the peak in FY2001. **Table 2**, below, lists appropriations from FY2001 to FY2010 and shows this decline for each federal agency and the state grant program. During this decade, appropriations declined by 74% from the FY2001 peak to the FY2008 low, while ending the decade in FY2010 with a 55% decrease.

Table 2. Total LWCF Appropriations, FY2001-FY2010
(in millions of dollars)

Purpose	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010
Land Acquisition										
Bureau of Land Management	\$52.3	\$49.9	\$33.2	\$18.4	\$11.2	\$8.6	\$8.6	\$8.9	\$14.8	\$29.7
Fish and Wildlife Service	\$121.2	\$99.1	\$72.9	\$38.1	\$37.0	\$28.0	\$28.0	\$34.6	\$42.5	\$86.3
National Park Service	\$124.8	\$130.0	\$74.0	\$41.7	\$55.1	\$34.4 ^a	\$34.4	\$44.4	\$45.2	\$86.3
Forest Service	\$150.9	\$149.7	\$132.9	\$66.4	\$61.0	\$40.9	\$41.9	\$41.2	\$49.8	\$63.5
<i>Total Land Acquisition^b</i>	<i>\$449.2</i>	<i>\$428.8</i>	<i>\$316.0^c</i>	<i>\$164.6</i>	<i>\$164.3</i>	<i>\$119.2</i>	<i>\$120.4</i>	<i>\$129.1</i>	<i>\$152.2</i>	<i>\$277.9</i>
State Grants	\$90.3	\$143.9	\$97.4	\$93.8	\$91.2	\$29.6	\$29.6	\$24.6	\$19.0 ^d	\$40.0
Other Programs	\$455.9	\$104.6 ^e	\$115.5 ^f	\$229.7 ^g	\$203.5	\$213.1	\$216.1	\$101.3	\$104.1 ^h	\$132.5
Total	\$995.4	\$677.2^e	\$528.9^c	\$488.1^g	\$459.0	\$361.9^a	\$366.1	\$255.1	\$275.3	\$450.4

Source: The primary source for this data is the DOI Budget Office; data updated May 29, 2009. See the Land and Water Conservation Fund, MSEXcel spreadsheet, on the Budget Office’s website at http://www.doi.gov/budget/budget_general/bgindex.html (visited on July 30, 2010).

a. The NPS land acquisition and total appropriation figures are reduced by \$9.8 million due to the use of prior year funds for NPS federal land acquisition.

- b. Figures for FY2006, FY2007, and FY2010 include appropriations for DOI Departmental Management for land acquisition appraisal services that are not shown in the figures above. The respective amounts are \$7.3 million, \$7.4 million, and \$12.1 million.
- c. This figure includes \$3 million for the Bureau of Indian Affairs for Indian Land and Water Claim Settlements that is not shown in the figures above.
- d. This figure has been reduced by \$1.0 million due to the use of prior-year funds.
- e. This figure reflects a \$25 million rescission of FY2001 funds for State Wildlife Grants.
- f. This figure reflects a \$40 million rescission of FY2002 funds for the Landowner Incentive Program and a \$10 million rescission of FY2002 funds for the Private Stewardship Grants Program.
- g. This figure includes \$5 million for Bureau of Indian Affairs settlements and \$5 million for FWS resource management.
- h. This figure has been reduced by \$8.0 million due to the use of prior-year funds.

Allocation Among Land Acquisition, Stateside, and Other Purposes

The \$15.5 billion appropriated from the fund through FY2010 has been unevenly allocated among federal land acquisition, the stateside program, and other purposes, as shown on the bar graph above. The largest portion of the total—\$9.7 billion (63%)—has been appropriated for federal land acquisition. The four federal land management agencies have received differing portions of this \$9.7 billion. Specifically, the NPS has received \$4.2 billion (43%); the FS, \$2.6 billion (27%); the FWS, \$2.1 billion (21%), and the BLM, \$0.8 billion (8%).

The stateside program has received the second largest portion of LWCF appropriations—\$4.1 billion (26% of the total, which includes funds for grant administration and funds under GOMESA). In the early years, more funds generally went to the stateside program than to the four federal agencies combined. For instance, stateside appropriations exceeded federal land acquisition appropriations during 12 of the 16 years from FY1965 to FY1980. The stateside program has declined as a portion of total LWCF appropriations since the early 1980s, and received no appropriations (except for program administration) from FY1996 through FY1999. Since FY2000, funding for the stateside program has ranged from a low of \$19 million (FY2009) to a high of \$144 million (FY2002). Stateside funding has averaged 13% of total LWCF appropriations since FY2000, and 8% of LWCF funding from FY2006 to FY2010.

Other purposes have received the remaining portion of total LWCF appropriations—\$1.8 billion (11%). No funds were provided for other purposes until FY1998. By contrast, 30% of LWCF appropriations from FY1998 through FY2010 have been for other programs. While the funds have been provided for various purposes to different agencies, the FWS and FS have received the largest shares: about \$1.1 billion and \$436 million respectively of the \$1.8 billion appropriated for other purposes since FY1998.

Both the dollar amount and percentage of LWCF appropriations provided to other purposes have varied widely throughout this period, as shown in **Table 3** below. The current dollar value of the appropriations for other purposes was much higher in FY2001 than any other year, when these appropriations were used to fund programs in the Clinton Administration's Lands Legacy Initiative. The highest percentage of funds provided for other purposes occurred in FY2006 and FY2007, in response to President Bush's request for funding for an array of other programs. In some years, Congress has appropriated significantly less for other purposes than the Administration has requested. For instance, for FY2008 the Bush Administration sought \$313.1

million for other programs of a total request of \$378.7 million. Congress appropriated \$101.3 million for other programs of a total of \$255.1 million.

Table 3. LWCF Appropriations for Other Purposes, FY1998-FY2010
(in millions of dollars)

Fiscal Year	Total LWCF Appropriation	Appropriation for Other Programs	Other Programs as % of Total Appropriation
FY1998	\$969.1	\$72.0	7%
FY1999	\$328.2	\$0	0%
FY2000	\$466.9	\$20.0	4%
FY2001	\$995.4	\$455.9	46%
FY2002	\$677.2	\$104.6	15%
FY2003	\$528.9	\$115.5	22%
FY2004	\$488.1	\$229.7	47%
FY2005	\$459.0	\$203.5	44%
FY2006	\$361.9	\$213.1	59%
FY2007	\$366.1	\$216.1	59%
FY2008	\$255.1	\$101.3	40%
FY2009	\$275.3	\$104.1 ^a	38%
FY2010	\$450.4	\$132.5	29%

Source: The primary source for this data is the DOI Budget Office, data updated May 29, 2009. Visited on July 30, 2010.

a. This figure has been reduced by \$8.0 million due to the use of prior-year funds.

Current Issues

There are differing opinions as to the appropriate level of LWCF appropriations and what these funds should be used for. The LWCF has broad support from resource protection advocates, many of whom seek stable and predictable funding through consistent levels of appropriations or permanent appropriations. Most of these advocates seek higher appropriations in general. The Obama Administration, for instance, proposed increased LWCF funding for FY2010 and FY2011, with the goal of having LWCF appropriations reach \$900 million in FY2014. Some advocates have specific priorities, such as higher acquisition funding for one of the four federal agencies, the state grant program, or a particular site or area. Advocates of higher federal land acquisition funding promote a strong federal role in acquiring and managing sensitive areas and natural resources.

Bills to provide permanent appropriations for LWCF, rather than continue the current procedure of providing appropriations each year, are pending in Congress. Some of the bills, such as H.R. 3534 and S. 2747, provide for permanent appropriations at the authorized level of \$900 million for all years. At least one other bill, S. 3663, would provide for permanent appropriations of \$900 million for FY2011-FY2015. In other fiscal years, either a lesser amount or none of the

appropriations would be permanently appropriated. These bills contain differing provisions as to how the appropriations would be allocated.¹⁸ Numerous other bills contain provisions to direct additional funds to the LWCF. The sources of these additional funds are varied among the bills, and include payments for oil and gas leasing in particular areas of the Outer Continental Shelf, payments for wind and solar energy development on federal land, and a tax on single-use carry out bags. The bills also contain varying provisions on what the additional funds could be used for. They include purposes currently authorized by the LWCF Act, namely land acquisition and the stateside program, as well as new purposes, such as natural resource adaption to the effects of climate change.

Others seek reduced levels of funds for LWCF based on varied concerns. They include concerns about further acquisition of privately owned land by the federal government either generally or at specific sites, especially in the West, where federal ownership is already concentrated. The concerns involve preferences for private ownership, limits that federal agencies may place on uses of private lands, and reduced local tax revenues that result from public ownership. Some opponents believe that maintaining (and rehabilitating) the land and facilities that federal agencies already own should take priority over further acquisitions. Since federal agencies cannot use LWCF funds for maintenance, supporters of this priority favor more funding to other accounts that can be used for maintenance and less for LWCF.

If funding for land acquisition is relatively low, choices may be more difficult and there may be more competition for limited funds. Since the early 1990s, the appropriations debate has grown more complicated as perspectives on resource protection have changed. Alternatives to acquisition which may provide potentially lower levels of protection but at less cost (such as easements) have become more widely used by federal agencies. Also, resource protection is discussed increasingly for either larger areas with multiple landowners—such as ecosystems, landscapes, or watersheds—or for managing systems where only a portion of the land is in public ownership. In these complex situations success depends on cooperation and partnerships, and the LWCF may be viewed as less critical or looked to as one component in cooperative protection efforts.

One area of congressional focus has been the stateside program, with debate over the level of funds for grants. The Bush Administration did not request funds for new stateside grants for several years on the grounds that state and local governments have alternative sources of funding for parkland acquisition and development, the current program could not adequately measure performance or demonstrate results, and large federal deficits require a focus on core federal responsibilities. At least one pending bill (H.R. 2916) seeks to prohibit stateside funds from being used to acquire land or make improvements in state or local parks. Stateside supporters assert that the program contributes significantly to statewide recreation planning; state leadership in protection and development of recreation resources; and long-term outdoor recreation overall, and

¹⁸ For instance, H.R. 3534 states that the House and Senate Appropriations Committees may provide by law for the allocation of monies in the fund to activities eligible under the LWCF Act. S. 3663 would require the President to submit with his annual budget a priority list for federal land acquisition. Appropriations are to be made for those acquisitions unless Congress enacts legislation containing an alternate list. If the congressional list provides for less funding than is available, projects on the President's list will also be funded. By contrast, S. 2747 does not address how the appropriations would be allocated.

particularly through locally sponsored projects that are readily accessible to communities. They see the program as a way to help fiscally constrained local governments and leverage state and local funds for recreation. Further, advocates assert that investments in recreation save money in other areas; for instance, they say that these investments promote healthier lifestyles and thus save health care expenditures.

Another focus has been on which, if any, programs other than land acquisition and stateside grants should be funded through the LWCF. Some seek to channel LWCF funding to a broader array of programs to protect federal lands. For instance, the Bush Administration sought LWCF funds for cooperative conservation programs through which federal land managers partner with other landowners to protect natural resources and improve recreation on lands under diverse ownership. The Obama Administration also has supported the use of LWCF funds for other programs, although generally fewer than the Bush Administration. Traditional fund beneficiaries have expressed concern about expanding the uses of appropriations if that expansion is accompanied by reductions in the amount available for federal land acquisition or state grants.

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