

Updated February 19, 2019

Legislative Proposals for a National Park Service Deferred Maintenance Fund

Congress has debated ways to address the National Park Service's (NPS's) substantial backlog of *deferred maintenance*—maintenance that was not performed as scheduled or as needed. NPS's maintenance backlog has grown over the past two decades and is estimated for FY2017 at \$11.6 billion. The backlog's impacts on park resources and on visitor enjoyment and safety have been ongoing issues of concern for some Members of Congress and other stakeholders, as they seek to preserve the parks as "crown jewels" of the nation's public lands system and to ensure their continued contribution to the outdoor recreation economy. Legislative interest has focused primarily on federal funding sources to address the backlog, although some stakeholders have suggested that the backlog could be meaningfully reduced without major federal funding increases—for example, by reprioritizing current uses of NPS discretionary appropriations, improving the agency's capital investment strategies, or increasing the role of nonfederal partners in park funding and management.

Legislative Proposals for an NPS Fund

Multiple bills in the 115th Congress would have established a special fund to address NPS deferred maintenance. Two bills that were reported from committee with bipartisan support—H.R. 6510 and S. 3172—have been reintroduced in the 116th Congress as H.R. 1225 and S. 500. Several other 115th Congress bills—H.R. 5210, H.R. 2584, and S. 1460 (Section 5101)—received hearings but did not advance further. Additional bills were introduced that did not see committee action.

All of the proposals would draw on revenues from energy development on offshore and/or onshore federal lands as the primary source of funding to address the backlog. Depending on the funding source specified in a given bill, these revenues could be derived from both conventional and renewable natural resources, including oil, gas, coal, wind, solar, and others. Federal energy revenues are collected under various laws, at several stages of the development process. For example, companies may pay bonus bids to secure leases for energy development, rents on energy leases prior to production, and royalties during production.

Federal energy revenues currently are disbursed to multiple recipients under various laws. Some of the revenues are shared with states and tribes; other portions go to federal funds, including the Land and Water Conservation Fund (LWCF; 54 U.S.C. §§200301 et seq.), the Reclamation Fund (43 U.S.C. §§391 et seq.), and the Historic Preservation Fund (54 U.S.C. §§300101 et seq.). After

these and other distributions, the remainder of federal energy revenues are deposited in the General Fund of the Treasury as miscellaneous receipts. Many of the NPS funding proposals would draw the monies for NPS deferred maintenance from the energy revenues that are credited to the Treasury as miscellaneous receipts after other distributions are made.

The 116th Congress bills (H.R. 1225 and S. 500) would provide NPS with 50% of federal energy revenues that remain after other distributions are made, with a cap of \$1.3 billion annually, for five years. The Senate bill would provide the deferred maintenance funding to NPS only, whereas the House bill also includes some amounts for other agencies: the U.S. Fish and Wildlife Service, the Bureau of Land Management, and the Bureau of Indian Education.

Budget and Appropriations Issues

The 116th Congress bills would make the deferred maintenance funding available to the NPS and/or other agencies without the need for further appropriations (i.e., as direct, or mandatory, spending). Budget enforcement requirements present procedural hurdles for these proposals. In scoring the 115th Congress versions of the proposals (H.R. 6510 and S. 3172 in the 115th Congress), the Congressional Budget Office estimated that they would increase net direct spending by more than \$6 billion over 10 years. Therefore, given existing budget rules, these bills would have been subject to certain budget points of order if not offset (for example, by cuts in direct spending or increases in revenue). Neither of the 115th Congress bills as reported from committee, nor the 116th Congress bills as introduced, contained spending offsets.

In contrast, S. 1460 (Section 5101) in the 115th Congress would have created an NPS fund in which amounts would be available to NPS only to the extent appropriated in annual discretionary appropriations laws. Although this approach would have avoided budget enforcement requirements associated with mandatory spending, any monies appropriated from the NPS fund in annual appropriations laws would have counted against limits to discretionary spending, such as the statutory limits established under the Budget Control Act (P.L. 112-25).

A number of stakeholders have contended that NPS maintenance projects, which often require multiyear investments, are hampered by the agency's heavy reliance on discretionary appropriations, which are uncertain from

year to year. These stakeholders seek greater funding certainty through mandatory appropriations for NPS deferred maintenance. Others contend that discretionary funding provides an important level of congressional oversight over each year's funding that would not be present if funds were provided outside that annual process.

Tradeoffs in Uses of Energy Revenues

All of the bills described above share the basic concept of addressing deferred maintenance through federal energy development revenues, as noted. Supporters of such proposals have expressed the broad principle that federal land conservation and maintenance are appropriate uses of monies derived from federal land development. In this respect, supporters have likened the proposed NPS funding to other congressionally mandated uses of federal energy revenues related to conservation purposes, such as the LWCF and the Historic Preservation Fund. In particular, they contend that NPS maintenance is a worthy use for these revenues given the park system's highly valued natural and cultural resources and its contributions to the outdoor recreation economy. Supporters have further emphasized that these types of proposals would not reduce energy revenues shared with the states or funds for other federal programs that draw on energy revenues. They have pointed out that, based on past years' revenues, amounts remaining after currently mandated distributions would allow for a meaningful impact on NPS's backlog.

Opponents of proposals to use federal energy revenues for an NPS deferred maintenance fund have cited varying reasons. Some support using these revenues for other federal programs and purposes benefiting the nation. Other stakeholders have questioned the concept of funding NPS maintenance with energy revenues on the basis of environmental concerns, particularly related to the potential contributions of fossil fuel development to climate change. They have contended that this approach may incentivize activities whose climate impacts would have negative consequences for parks over time. Conflicts have centered especially on proposals (such as H.R. 5210 and S. 2509 in the 115th Congress) that would condition NPS funding on the extent to which energy revenues exceed certain thresholds.

Still others have contended that energy revenues currently going to the Treasury, a majority of which come from offshore energy development, should be shared in higher proportions with coastal states, given costs incurred by these states to support extraction industries and to address environmental challenges such as wetland loss. They point out that coastal states receive a lower share of offshore revenues than is provided to states hosting onshore federal energy production. Some Members of Congress, along with the Obama and Trump Administrations, have countered with the view that revenues generated in federal waters belong equally to all Americans and that their distribution should reflect national needs regardless of geographic location.

Is a Deferred Maintenance Fund Needed?

NPS currently uses a number of different funding sources to address deferred maintenance, including discretionary appropriations, allocations from the Department of Transportation, park entrance fees, and donations. The agency does not aggregate the total amount it receives and uses each year for deferred maintenance, but agency officials, as well as some Members and other stakeholders, have stated repeatedly that available funding has been inadequate to meet maintenance needs. In recent years, Congress has increased NPS's discretionary appropriations to address deferred maintenance. NPS has stated that these funding increases, while helping the agency with some of its most urgent needs, have been insufficient to address the total problem.

Although many observers agree that further action is needed, not all support addressing deferred maintenance through overall NPS funding increases. For instance, some recommend reorienting existing funding to prioritize deferred maintenance over other purposes. In particular, some Members have suggested that Congress appropriate more funds for unmet NPS maintenance needs and less from the LWCF for NPS land acquisition and/or that Congress amend the LWCF Act to expressly authorize or require use of LWCF funds for deferred maintenance. For more information on the LWCF Act, see CRS Report RL33531, *Land and Water Conservation Fund: Overview, Funding History, and Issues*.

Some observers also have suggested that NPS deferred maintenance could be at least partly reduced through improved asset management strategies. NPS has taken steps over the past two decades to improve its asset management systems and strategies. The Government Accountability Office, in its report GAO-17-136, has recommended further improvements. In the 115th Congress, H.R. 1577 would have required an evaluation of NPS's Capital Investment Strategy, including a determination of whether the strategy is achieving its intended outcomes and any recommendations for changes.

Other recommendations that might not require additional federal funding include those to incentivize private donations to NPS, address obstacles to NPS asset disposal, or increase the role of nonfederal partners in park maintenance and management, among others. Some Members of Congress have expressed a preference for actions along these lines, whereas other Members, along with both the Obama and Trump Administrations, have questioned whether changes that do not include a significant funding increase would be sufficient to address a backlog that stands at multiple billions of dollars.

Further Reading

For additional information on NPS deferred maintenance, see CRS Report R44924, *The National Park Service's Maintenance Backlog: Frequently Asked Questions*, and CRS Report R43997, *Deferred Maintenance of Federal Land Management Agencies: FY2007-FY2016 Estimates and Issues*.

Laura B. Comay, Specialist in Natural Resources Policy

Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.