

## **IN FOCUS**

#### January 30, 2025

### The Great American Outdoors Act (GAOA): Frequently Asked Questions

# What Is the Great American Outdoors Act (GAOA)?

The Great American Outdoors Act (GAOA; P.L. 116-152) established in the U.S. Treasury a new fund—the National Parks and Public Land Legacy Restoration Fund (LRF) with mandatory spending authority to address deferred maintenance (DM) needs of five federal agencies. These agencies are the Bureau of Indian Education (BIE), Bureau of Land Management (BLM), National Park Service (NPS), and U.S. Fish and Wildlife Service (FWS), all in the Department of the Interior (DOI), and the U.S. Forest Service (FS), in the Department of Agriculture.

The GAOA also made changes to an existing fund—the Land and Water Conservation Fund (LWCF). The GAOA made \$900.0 million in deposits to the LWCF available as mandatory spending. It also made other changes to the LWCF Act (54 U.S.C. §\$200301 et seq.).

### **Does the GAOA Expire?**

Under current law, the LRF (the new fund established in the GAOA) is to receive funding through FY2025. Provisions of the GAOA pertaining to the LWCF do not expire.

# How Much Funding Did the GAOA Provide for the LRF?

The GAOA provided for the LRF to receive up to \$1.9 billion annually over five years (FY2021-FY2025). More specifically, the fund receives annual deposits equivalent to 50% of all federal energy development revenues (from oil, gas, coal, or renewable energy) credited in the preceding fiscal year as miscellaneous receipts to the Treasury, up to an annual \$1.9 billion cap. For each of FY2021-FY2024, the maximum amount was deposited in the fund. Reported federal energy revenues for FY2024 suggest that the FY2025 deposit also would reach the cap, in which case the five-year total to address DM across the five agencies (BIE, BLM, NPS, FWS, and FS) would be \$9.5 billion.

### How Is DM Defined?

In a 2024 handbook, the Federal Accounting Standards Advisory Board defines *deferred maintenance and repairs* (DM&R) as "maintenance and repairs that were not performed when they should have been or were scheduled to be and which are put off or delayed for a future period." Agencies and Members of Congress often refer to DM&R as *deferred maintenance* (DM, as used herein) or as the *maintenance backlog*. Agencies generally consider DM separately from other types of maintenance (e.g., day-today, cyclic, or emergency) when tracking maintenance needs.

### How Are LRF Funds Allocated Among Agencies?

The GAOA states that, of the amounts deposited in the fund each year, NPS receives a 70% share, FS 15%, FWS 5%, BLM 5%, and BIE 5% (for BIE schools). The agencies must use the funding for "priority deferred maintenance projects." Over the full period of FY2021-FY2025, at least 65% of each agency's funds are to be allocated for "nontransportation projects" (54 U.S.C. §200402(e)).

To allocate the funds, the GAOA generally directs the President to submit lists of priority DM projects to Congress with annual budget justifications. The law specifies that appropriations acts may provide an "alternate allocation" under the percentages defined for each agency (54 U.S.C. §200402(i)). For FY2021-FY2024, annual appropriations laws for Interior, Environment, and Related Agencies and the accompanying explanatory statements allocated the funding to specific DM projects. In general, these allocations have matched those that had been proposed by the Administration, although there have been exceptions. Full-year appropriations for FY2025 had not been enacted as of January 29, 2025.

## Does the LRF Affect Energy Revenue Payments to States or Other Federal Funds?

The GAOA explicitly provides that LRF deposits shall not affect the disposition of energy revenues due to states, trust funds, or special funds (e.g., the LWCF and the Historic Preservation Fund [HPF], 54 U.S.C. §303102). It separately provides that such deposits shall not affect revenues otherwise appropriated under federal law, including appropriations from the LWCF and HPF and under the Gulf of Mexico Energy Security Act (GOMESA; 43 U.S.C. §1331 note) and the Mineral Leasing Act (30 U.S.C. §191).

### What Impact Has the LRF Had on Agency DM?

The impact of the LRF on DM is not clear for a variety of reasons. One is that estimates of DOI DM are current only as of FY2023, although the FS estimate is current as of FY2024. Agency estimates show that DM for BLM, FS, FWS, and NPS—the four main federal land management agencies—increased by approximately \$14.5 billion (56%) in current dollars from FY2020 to FY2023.

Another reason is that the DM estimates are not consistent over time. This is because agencies have changed methods for assessing the condition of assets and estimating DM (e.g., for transportation assets). Additionally, the accuracy of some agency data has been called into question. For instance, reports by the DOI Office of Inspector General in 2023 and 2024 noted inaccuracies in DM data maintained by NPS and BIE. LRF projects also can take multiple years to complete, and agency DM estimates may not reflect a DM reduction until a project is completed. Also, new maintenance needs continue to be added even as existing needs are addressed. Fluctuations in DM also may occur due to economic conditions that are not related to agency efforts or within the control of facility managers. These include inflation and market trends related to materials, fuel and labor, and supply chains; changes in agency asset portfolios; and changes in numbers of visitors to federal lands.

In addition, total available funding (from all sources) to address agency DM is not readily available, nor is the portion of the total that comes from the LRF. Agencies receive DM funding from various sources, including annual discretionary appropriations laws and the Highway Trust Fund (for roads).

# What Are Considerations for Congress in Assessing Whether to Extend the LRF?

Legislation in the 118<sup>th</sup> Congress (S. 5402) proposed to reauthorize funding for the LRF through FY2033 and to increase the annual funding cap to \$2.0 billion. If Congress considers reauthorization proposals going forward, issues may include the availability of federal revenues to fund the LRF, trade-offs in using revenues for the LRF versus other purposes, and options for any alternative sources of funding that might be used for DM.

Congress also may consider the extent to which the LRF has been effective in addressing DM, and whether agency data are sufficient and accurate to inform congressional assessments of effectiveness. A related question could be whether to specify in an LRF reauthorization how agencies are to measure and report DM.

Some committee hearings have addressed agencies' selection criteria for LRF DM projects, including questions related to the geographic distribution of selected projects and the distribution of funds to larger and smaller projects. Congress could consider whether to include additional requirements for project selection in a reauthorization, as well as whether to retain the current percentage allocations among agencies and the required percentage to be used on non-transportation projects. A broader consideration might be the size of agency asset portfolios and the effect of land acquisition and disposal on DM.

### How Did the GAOA Affect the LWCF?

Under the LWCF Act, \$900.0 million is deposited annually into the LWCF. Nearly all of the revenue is derived from offshore oil and gas leasing.

The GAOA made the \$900.0 million in annual deposits under the LWCF Act mandatory spending. Prior to the GAOA, the money was available only if appropriated in subsequent law and thus was considered discretionary spending. The annual appropriations generally were less than \$900.0 million, resulting in an unappropriated balance of more than \$22 billion in the LWCF.

The GAOA specified that the \$900.0 million under the LWCF Act is available "to carry out the purposes of the

Fund," including accounts and programs funded from the LWCF under P.L. 116-94 (54 U.S.C. §200303(a)). Division D of that law contained LWCF funding for federal land acquisition and outdoor recreation grants to states, as well as other purposes, including the Forest Legacy Program (administered by FS), the Cooperative Endangered Species Conservation Fund (administered by FWS), the American Battlefield Protection Program (administered by NPS), and the DOI Appraisal and Valuation Services Office.

Further, the GAOA specified that the \$900.0 million in mandatory spending under the LWCF is in addition to mandatory spending that the LWCF receives under GOMESA of up to \$125 million annually. The GOMESA money can be used only for traditional outdoor recreation grants to states. Thus, more than \$1.0 billion in mandatory spending for LWCF programs may be available each year.

### How Are LWCF Funds Allocated?

To allocate the LWCF funds, the GAOA generally requires the President to submit annually to Congress "detailed account, program, and project allocations" for the full amount available (54 U.S.C. §200303(c)). The GAOA provides for alternate allocations by Congress under a procedure similar to that described above for the LRF.

For each of FY2021-FY2024, the Administration proposed an allocation of \$900.0 million in LWCF mandatory spending among agencies, accounts, programs, and projects. For these years, the appropriations laws for Interior, Environment, and Related Agencies and the accompanying explanatory statements contained allocations for agencies, accounts, programs, or projects that in some cases differed from the Administration's proposals. Fullyear appropriations for FY2025 had not been enacted as of January 29, 2025.

# What Impact Has the GAOA Had on Federal Land Acquisition and State Assistance?

LWCF generally has received more annual funding since the GAOA took effect in FY2021 compared to prior years. Specifically, for each of FY2021-FY2024, the GAOA provided \$900.0 million in mandatory spending under the LWCF Act. Prior to the GAOA—from FY1965 to FY2020—the LWCF received \$900.0 million (or more) in two years, and less than half that amount for most years.

### For Further Reading

CRS Report R43997, *Deferred Maintenance of Federal* Land Management Agencies: FY2013-FY2022 Estimates and Issues.

CRS Report R48136, National Park Service Deferred Maintenance: Overview and Issues.

CRS In Focus IF12256, Land and Water Conservation Fund (LWCF): Frequently Asked Questions.

CRS Report R46563, Land and Water Conservation Fund: Processes and Criteria for Allocating Funds.

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