Tackling the Enormous Deferred Maintenance Backlog for America’s National Parks

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The National Park System is enormous, with a footprint in all 50 states, the District of Columbia, and several U.S. territories. Given the sheer size of the park system, an increased trend in visitation, and aging infrastructure, the National Park System has a deferred maintenance backlog of nearly $12 billion.

Members of Congress have proposed several ways to address the maintenance backlog, one of which is the creation of a National Parks and Public Land Legacy Restoration Fund. Introduced as part of the Great American Outdoors Act (S. 3422), the fund would use revenues collected from energy production on federal lands and authorize the National Park Service director to identify high-priority projects in order to reduce the backlog.1 The bill has bipartisan support and has already received an endorsement from President Donald Trump.2
Policymakers should be commended for taking on this critical issue; however, the proposal is not without its concerns. Primarily, changing a discretionary expenditure into a mandatory program would open the door for Congress to raid the fund for purposes that have nothing to do with tackling the backlog. In addition, the legislation does not contain any spending offsets.

Additionally, Congress should explore other ways to pay for park repairs and to give more authority to park directors, including using existing money in the Land and Water Conservation Fund (LWCF), selling off excess federal land, setting park entrance fees at market rates, and expanding opportunities for concessions. Incorporating market-based policies will provide the park directors with more flexibility and autonomy to improve the state of America’s parks while ensuring necessary transparency and oversight of the use of the funds.

The National Parks and Public Lands’ Deferred Maintenance Problem

Growing visitation and aging infrastructure have put a strain on the National Park System. Over the past five years, there have been an estimated 1.6 billion recreational visits to the national parks, including more than 318 million in 2018 alone. Twenty-eight parks set new visitation records. The increase in visitation has put more wear and tear on the parks and its infrastructure, requiring repair and maintenance of roads, bridges, sewer systems, visitor centers, trails, bathrooms, campgrounds, and housing projects.

On a routine basis, staff at each national park conduct a condition assessment of all assets for more than 200 parks. The national parks have both cyclical and deferred maintenance. Cyclical maintenance is routine, regularly scheduled maintenance, while deferred refers to “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.” The National Park Service has emphasized the importance of addressing cyclical maintenance to prevent additional deferred maintenance. If the parks do not address needed repairs in a timely manner, the problem likely only gets more expensive and time consuming to fix in the future. For example, Congress appropriated nearly $700 million for deferred maintenance in fiscal year (FY) 2018, while the backlog grew by $313 million the same fiscal year.

The Department of the Interior currently estimates its deferred maintenance backlog for the National Park System to be nearly $12 billion, the
vast majority of the Department of the Interior’s backlog. The backlog is not a unique, new crisis, but an ongoing problem. In constant dollars, the change in the size of the National Park System backlog has been relatively flat. In FY 2005, the estimated deferred maintenance was $12.15 billion. Ten years later, it was $12.65 billion, and for FY 2018, it was $11.92 billion. More than half the deferred backlog concerns roadways, bridges, tunnels, and parking lots. Buildings account for $2.2 billion, and the deferred maintenance for water and wastewater systems is $717 million. Park staff use a number of criteria, such as visitor usage, the condition of an asset, threats to public health and safety, and resource protection, to determine maintenance prioritization.

Several reasons explain the size of the backlog. Aging infrastructure is a key contributor. President Ulysses S. Grant made Yellowstone the first national park in 1872, and the National Park System itself is over a century old. The Congressional Research Service points out that the Civilian Conservation Corps and the National Park Service built many of the buildings, roads, bridges, and utilities in the 1930s, 1950s, and 1960s. As of FY 2015, approximately $10.5 billion of the total $11.9 billion deferred maintenance costs were attributed to parks established more than 40 years ago.

The growing size of the park system partially explains the backlog as well. The entire system, which includes “national parks, monuments, battlefields, military parks, historical parks, historic sites, lakeshores, seashores, recreation areas, scenic rivers and trails, and the White House,” has 419 areas on more than 85 million acres. The acreage managed by the National Park Service is more than four times the size of Pennsylvania, and if it were combined together as one state, it would be the fifth-largest state in the country.

Clearly, as more areas become part of the parks system, the higher the number of assets that the National Park Service must manage and maintain. Further, the incentives of politicians may not always align with what is most needed at the park. For instance, it may be more politically appealing to appropriate taxpayer dollars for a new park area or a new trail than fix a leaky pipe.

Closed or partially closed facilities limit visitor access and diminish the overall visitor experience at the parks. Furthermore, reduced access limits economic opportunities for the parks, which threatens the National Park Service’s mission of providing “enjoyment, education, and inspiration of this and future generations.”

Not only can deferred maintenance create unpleasant experiences for visitors, it also creates environmental liabilities. Holly Fretwell, research fellow at the Property and Environment Research Center (PERC) pointed
out in congressional testimony, “Breaking wastewater systems have polluted streams in Yellowstone and Yosemite. Band-aid repairs on Grand Canyon National Park’s water distribution system have caused water shortages and facility closures.”15 The cumulative result is a worse economic and environmental outcome.

Currently, national parks receive specific budget allocations and grants, and can use franchise fees from concessions to address the maintenance backlog.16 In a public-private partnership, the National Park Service’s Commercial Services Program has entered into nearly 500 concession contracts. The concessioners pay a franchise fee and 80 percent of that fee goes to the park in which the concessioners operate, while the other 20 percent goes to the Commercial Services Program.17

In addition to appropriations, private donations can be a significant contributor to improving parks. For instance, in part because of a $40 million private donation, Acadia National Park in Maine upgraded a campground with new bike trails, day-use parking, and a welcome center. Additionally, Congress created the Centennial Challenge, a matching-grant program to reduce the backlog where non-federal sources fund no less than 50 percent of the cost of a project. In total, private organizations have contributed $119 million to the program, and U.S. taxpayers have committed $88 million.18

Establishing a Trust Fund

Senators Cory Gardner (R–CO) and Steve Daines (R–MT) have introduced the Great American Outdoors Act that would establish a National Parks and Public Land Legacy Restoration Fund dedicated to addressing the maintenance backlog. The fund, which would not depend on annual appropriations, can receive private contributions and earn interest.

The bill would set aside up to $9.5 billion in revenues (not exceeding $1.9 billion annually from FY 2021 to FY 2025) from energy production on federal lands that would otherwise go to the Treasury to be used for the National Parks with the expressed purpose of drawing down the maintenance backlog. As stipulated in S. 3422, a minimum of 65 percent of the fund would be dedicated to non-transportation projects. The remaining parts of the fund would be available for roads, bridges, tunnels, and other transportation-related projects. The legislation allocates the specific percentage to deferred maintenance based on agency, with 70 percent going to the National Park Service, 15 percent to the Forest Service, 5 percent to the Fish and Wildlife Service, 5 percent to the Bureau of Land Management, and 5 percent to the Bureau of Indian Education.
Importantly, money from the fund would not be able to be used for public land acquisition. The federal government owns roughly 640 million acres of land, which is almost 30 percent of the country and almost half of the West, not including Alaska. Congress should decrease the size of the federal estate, not increase it, and the prohibition of land acquisition provides a necessary check against exacerbating the problem of deferred maintenance.

The Benefits and Drawbacks of Using Energy Revenues

The use of revenues from energy production on federal land offers advantages and disadvantages. On one hand, tying park maintenance to energy production creates stronger incentives to return to the guiding principles of multi-use land under the Federal Land Policy and Management Act (FLPMA). Federal lands managed by the Department of the Interior and the Forest Service are extensive and diverse, with national park land making up only a small fraction. Ranchers, farmers, tourists, hunters, and other individuals and groups have an interest in how the federal agencies manage federal land and waters. FLPMA was designed by Congress to provide for conservation and wilderness protection in addition to, not to the exclusion of, a wide variety of activities on public lands.

In practice, however, political agendas and bureaucratic priorities often cast interested parties to the side, limiting (and in some instances prohibiting) certain legitimate activities, such as energy development. Binding energy revenues to resources for deferred park maintenance could incentivize better access to the abundance of natural resources beneath federal soil, in that more accessible and productive lands are beneficial to conservation of parkland. Conversely, overly restrictive policies on presumably multi-use federal lands would reduce resources for national parks.

For example, energy production on federal lands and waters generated nearly $12 billion in FY 2019, more than double what it was for FY 2016. Conversely, several Democratic policymakers have called for a moratorium on fossil-fuel extraction on federal lands. Low oil prices have also adversely affected federal revenues from extraction on federal property. This could potentially leave only the revenues generated from renewable generation on public lands for maintenance backlog, which pale in comparison to non-renewable revenues.

Another concerning factor is that tying energy royalties on federal lands to park maintenance resources enshrines a system where the federal government owns the mineral rights that should actually be transferred to states and individuals, and thus the federal government loses the incentive
to ever reduce the size of its estate. Furthermore, by expanding the pool of recipients of revenues from energy production on federal lands, it would likely discourage other positive policy changes, such as opening lease auctions to all interested parties. Currently, only energy companies can bid on lease auctions, and the federal government requires leaseholders to demonstrate intent to develop the resources. Restricting who bids and requiring the winner develop the parcels eliminates competition and fails to assess the relative value of the land. Conservationists, recreationists, alternative energy companies, ranchers, or environmentalists may value the land more for their intended uses than for oil and gas development.\textsuperscript{22} Ostensibly, revenues from conservationists bidding to conserve land could also be allocated to a trust fund, but once revenues start accruing from energy production, enacting such a change could be even more difficult.

The Potential Budget Problems of Creating a New Fund

One concern with creating a new fund is making sure that the funds actually go to improving the parks rather than be subject to budget gimmicking. As has been the case with similar funds, money earmarked for the fund is sometimes more than what can be appropriated over any period for the authorized activities specified by the fund. Consequently, Congress raids the account to increase spending through the creation of a budget gimmick called changes in mandatory programs (CHIMPs).

More specifically, CHIMPs change the level of spending that would have otherwise been provided by its underlying authorizing statute.\textsuperscript{23} Effectively, appropriators will use CHIMPs to offset additional discretionary spending. As explained in The Heritage Foundation’s \textit{Blueprint for Balance}, “The problem is that the vast majority of CHIMPs are rescissions of funds that were never going to be spent in the first place. Thus, the ‘savings’ exist only on paper and do not actually cover the costs of the programs to which they are being shifted.”\textsuperscript{24}

For example, Congress created the Crime Victims Fund in 1984.\textsuperscript{25} The purpose of the fund is to use penalties and fines from federal crimes to compensate victims of crimes (through state and local government grants). However, appropriators used money collected for the fund to offset higher discretionary spending in other parts of the budget. Because receipts accruing to the fund have outpaced spending, the unobligated accounts in the fund have grown and Congress “CHIMP’d” the fund. Congress offset $18 billion in higher spending (over two years) for the Commerce, Justice, Science, and Related Agencies Appropriations bill in FY 2018 and FY 2019 with phantom savings from the unobligated money in the Crime Victims Fund.\textsuperscript{26}
Congress will often use these mandatory programs in larger budget proposals to pay for—on paper—increases in spending on other, unrelated programs, and evade budget scoring rules. For example, Congress will manipulate budgets to accelerate revenues or delay expenditures from a fund to give the appearance of savings which can be used to pay for an increase in spending elsewhere. CHIMPs, time shifts, and double counting are all common budget gimmicks used by Congress to do this. Presumably, Congress could also use private money donated to the proposed National Park Service Legacy Restoration Fund to write off unrelated federal spending, further exacerbating the problem of using budget gimmicks to hide the true cost of government.

Further, though the fund would only collect revenues through FY 2025, Congress has very little incentive to sunset a program that creates new streams of revenue. The LWCF is just one of many such examples. That the proposed fund can accept private donations further complicates setting a true expiration date.

Without any legislative fix to CHIMPs, any national parks fund could fall victim to the same type of budget gimmicking if there were any surplus in the fund. If parks could only address a certain amount of the deferred maintenance in a given year, and the amount of revenues accrued to the fund would be larger, the parks fund would lead to higher levels of discretionary federal spending.

Another budget problem is that legislation to create a fund with mandatory spending would constitute a net increase in spending. While the Great American Outdoors Act does not have a Congressional Budget Office (CBO) score, a relevant data point is the Restore Our Parks and Public Lands Act (H.R. 1225). Introduced in 2019, H.R. 1225 similarly set aside revenues from energy production on federal lands that would otherwise go to the Treasury to be used for deferred maintenance. The language is similar to what has been effectively merged into the Great American Outdoors Act. The CBO estimates that H.R. 1225 would have increased spending by $6.4 billion over 10 years, and the bill did not include spending offsets.27 With $1 trillion deficits occurring regularly, and $23.5 trillion in gross debt, deficit neutrality should be a starting point for any proposal.28

Another potential concern is that Congress can come up with alternative allocations of the money so long as they are consistent with the percentage allocation to the various agencies specified by the bill. If Congress spends less money, or there are no alternate allocations, the remaining available funding will revert to the President for allocation. While the bill provides some accountability, in that the President must submit a list of projects and
the estimated costs in a given fiscal year, and alternative allocations could reduce the potential for aforementioned budget gimmicking, relinquishing the power of the purse to the President could result in allocation of funds to projects that have higher political returns than projects that would best improve public lands.

**Exploring Alternative Ways to Pay for Deferred Maintenance**

Congress should eliminate the use of CHIMPs in appropriations budgeting. Doing so would enforce some fiscal restraint in the budgeting process and allow policymakers to evaluate policies based on their actual costs and benefits.

Just as important, Congress should seek to understand what is driving costs and fix the regulatory impediments to reducing the maintenance backlog. The solution to the National Park System’s deferred maintenance backlog must not simply be to throw more money at the problem. Lawmakers must create a more comprehensive package to address the root causes of the deferred maintenance backlog; otherwise, parks will be forced to push more cyclical maintenance to deferred maintenance. The federal government is bureaucratic, slow to correct problems, and disengaged from proper management. At its worst, there are unclear, overlapping, expensive, and contradictory policies in place at the federal level. Confusing policy and unclear ownership thwarts good stewardship.

For instance, a more comprehensive package to address the backlog should include permanent reforms to the National Environmental Policy Act (NEPA). Interior’s deferred maintenance backlog is mostly comprised of roads, many of which are essential to economic development, rural prosperity, and access to public lands. Streamlining NEPA’s environmental assessment and related provisions would help to expedite projects and allow contractors to address maintenance backlog issues more quickly. Many of the regulatory obstacles that inhibit innovation and investment in America’s infrastructure needs similarly apply to the parks maintenance backlog.29

Policymakers should also explore other ways to finance cyclical and deferred maintenance. These include:

- **Annually appropriating money from the LWCF.** Similar to the proposed National Parks and Public Land Legacy Restoration Fund, the LWCF is funded through oil and gas activities on federal waters. In addition to the creation of the trust fund, S. 3422 proposes to change
the LWCF from a discretionary program to a mandatory program. Making the LWCF mandatory transfers all authority to the executive branch, enables more federal land acquisition, weakens Congress’ power, and makes the program less accountable.  

The LWCF, first enacted in 1965, is the main vehicle by which the federal government acquires land. Over half of LWCF funds go toward purchasing new federal lands, exactly what the federal government should not be doing. The federal government cannot effectively manage the land that it already owns, and more land will only lead to an even larger maintenance backlog at Interior. A small portion of the LWCF has also gone to state grants for projects that are related to recreation, such as soccer fields, snowmobile trails, and boat ramps. While these projects may be politically appealing, local recreation is not a federal responsibility but should be debated and prioritized by states and communities.

Congress should draw from existing funds in the LWCF to address the national park and public lands maintenance backlog. Park directors could submit budget requests similar to the way they do now. Appropriators would fund the most high-priority projects using the parks’ criteria that identify such projects. Appropriators could allocate funds for high-priority projects and contractors to tackle in a given year, while reducing spending elsewhere to stay under the Budget Control Act caps.

- Empowering National Park Service directors to use funds for priority-deferred maintenance or cyclical maintenance. Taking care of cyclical maintenance is critical for parks to address to prevent both economic and environmental problems, as unaddressed cyclical maintenance will only exacerbate the deferred maintenance backlog. It may make sense for a park director to dedicate funds to routine maintenance to prevent accelerated deterioration and costs from increasing in the future. That way, local authorities would have the authority to prioritize projects no matter which category of maintenance the projects fall under.

A goal of Congress should be to place more authority and flexibility in the hands of the people most accountable for spending the money responsibly while providing oversight through the appropriations
process. Ideally, empowering park directors means that priority projects, whether for cyclical or deferred maintenance, are the ones that receive the funds, rather than political ones where certain Members of Congress may stand to benefit from how the funds are allocated.

- **Setting market rates for park entrances.** The Federal Lands Recreation Enhancement Act (FLREA) authorizes the National Park Service (and other agencies) to collect fees and retain 80 percent of the revenue without additional appropriation. Parks charge entrance fees and fees for other activities, such as the use of a campsite. Only 111 of the 419 park units charge an entrance fee. Entry to the most popular parks is quite cheap. For instance, a seven-day vehicle pass for Yellowstone is $35. A four-day ticket to the four Disney World parks for a family of four is $1,340. Though not directly comparable, the price disparity is striking.

According to the FLREA, “The amount of the recreation fee shall be commensurate with the benefits and services provided to the visitor.” Park managers should set a market price for park entrance fees that reflects consumers’ value of their parks and their willingness to pay. Setting more competitive prices for park entrances would generate more revenue, and the FLREA gives park directors the flexibility and discretion to use those funds to best meet the needs of the park. Prices could provide a useful tool to manage over-crowding and other stressors on infrastructure. If concerns arise that higher prices would price low-income families out of visiting the national parks, the parks could provide vouchers for certain income thresholds or explore similar programs.

While the FLREA empowers park directors to modify entrance fees, the law also creates disincentives for the park managers to do so. Changing a fee is time-consuming, requiring a six-month public notification, and can require a lot of resources. According to a 2015 Inspector General report, “It can take well over a year from the time a park unit asks to engage in public outreach to the time it implements the new fee.” Park staff have said they did not want to go through the fee change again because the process was too time-consuming and onerous. Furthermore, the FLREA does prohibit fees for certain activities and places; for example, scenic overlooks and the Flight 93 Memorial. Others require legislative changes. Congress should
reauthorize the FLREA, expand opportunities for parks to charge market rates for entrance fees, and streamline the processes to make those changes.

- **Charging foreign visitors higher fees and increasing the availability of concessions.** Parks should also consider increasing fees for non-U.S. visitors. In 2015, 13.6 million overseas travelers visited America’s national parks. They contribute to the costs of using a national park but do not pay taxes for their upkeep. Charging higher entrance fees for international travelers is routine practice in many other countries.

  Private concessions in parks are another useful tool to increase the enjoyment of the visitor experience while also generating revenue. Parks should expand opportunities to contract with the private sector to provide food, lodging, and recreation needs of the visitors.

- **Selling off excess lands and including revenues from other activities on federal lands.** The federal government already owns 640 million acres—nearly 30 percent of the entire country and nearly half of the western United States—and hundreds of millions more below the surface and offshore. Selling lands and property already designated as unwanted in land-use plans would provide a source of revenue and an opportunity for better management.

  **Engaging the private sector.** Beyond the Centennial Challenge, which is meant to encourage private philanthropy, the parks could engage with the private sector to generate additional funds for the parks. Individual parks could collaborate with local and regional businesses as well as fishing, hunting, hiking, and sporting goods stores to expand corporate partnerships. The National Park Foundation could collaborate with customers from outdoor stores to donate to the parks. While this already occurs, expanded campaigns could bring in more private philanthropy.

**Conclusion**

Policymakers should address the maintenance backlog in the National Park System, but must also take fiscal and budgeting considerations into account. Tackling the parks’ infrastructure needs will improve visitor access
and the visitor experience, while reducing any environmental liabilities caused by the maintenance backlog.

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Endnotes


4. Ibid.


9. Ibid.


19. S. 3422 does have a problematic title in that it would permanently authorize the LWCF without the fund being subject to congressional appropriation. Permanent reauthorization of the LWCF and turning it into a mandatory program legitimizes the notion that the federal government should be empowered to acquire more lands in perpetuity. For more, see Katie Tubb, “Senate Conservation Bill Can’t Offset Its Billions in Spending,” Heritage Foundation Issue Brief No. 5082, June 5, 2020, https://www.heritage.org/sites/default/files/2020-06/IB5082.pdf.


39. Ibid.


