



Pay-to-Play, General Revenues, and Everything In Between: Funding Public Lands in the United States

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Resources for the Future

2025 Otago Tourism Policy School

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US Federal Lands... National Parks



Lake Clark National Park and Preserve,
Alaska



Thomas Jefferson Memorial, National Park
Service, Washington, DC



US Federal Lands... Others



Chincoteague National Wildlife Refuge (US Fish & Wildlife Service), Virginia

Arapaho National Forest (US Forest Service), Colorado

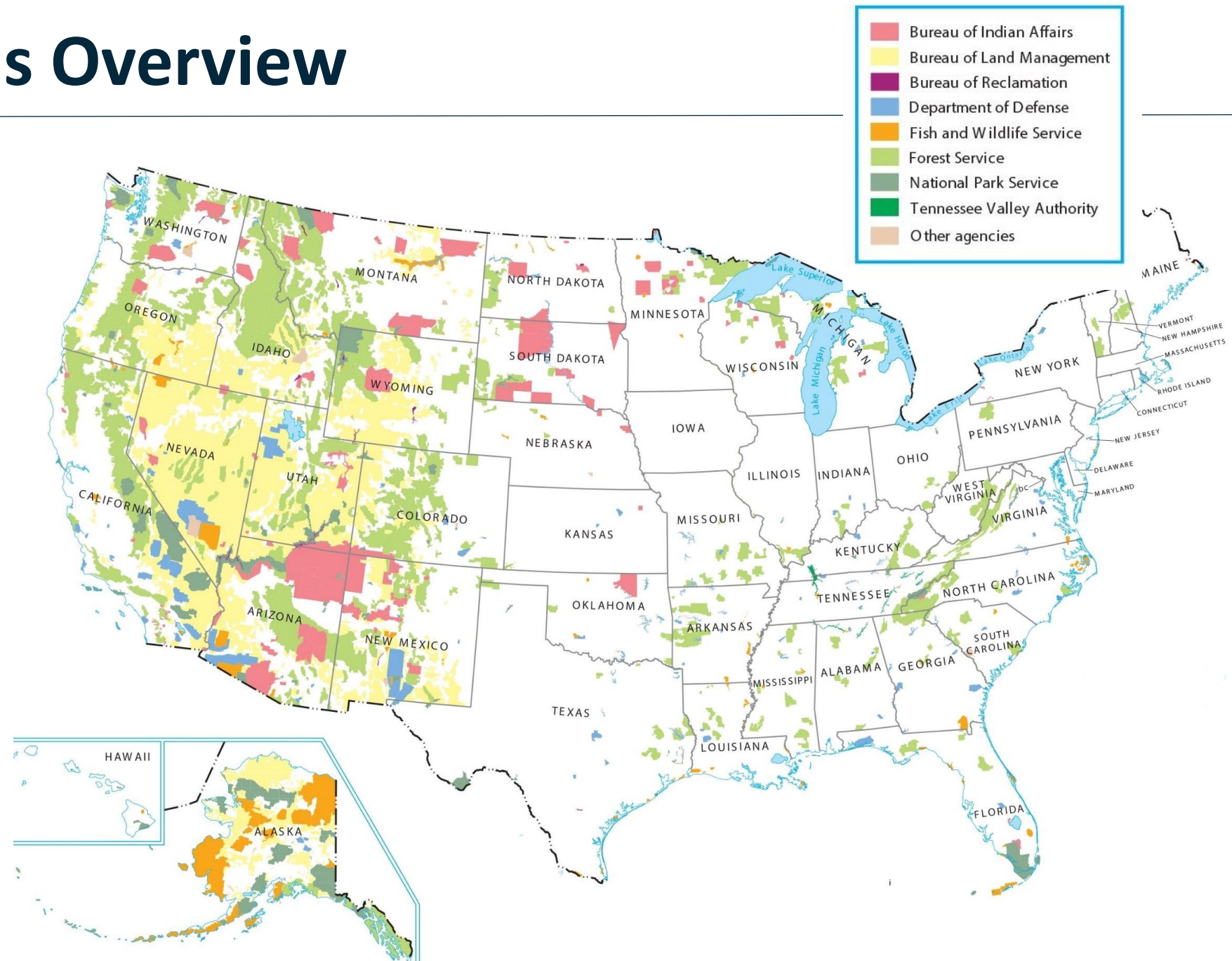


Black Rock Desert (Bureau of Land Management), Nevada; home to Burning Man for 9 days/year



US Federal Lands Overview

- 259 million hectares
- 28% of US land area
 - in 13 western states, 51% of land area
- Largest landholders:
 - BLM 99 million hectares
 - Forest Service 78 million hectares
 - These are multi-use lands



US National Park System

- 1st national park: Yellowstone, established in 1872
- National Park Service created in 1916



Point Reyes National Seashore, California



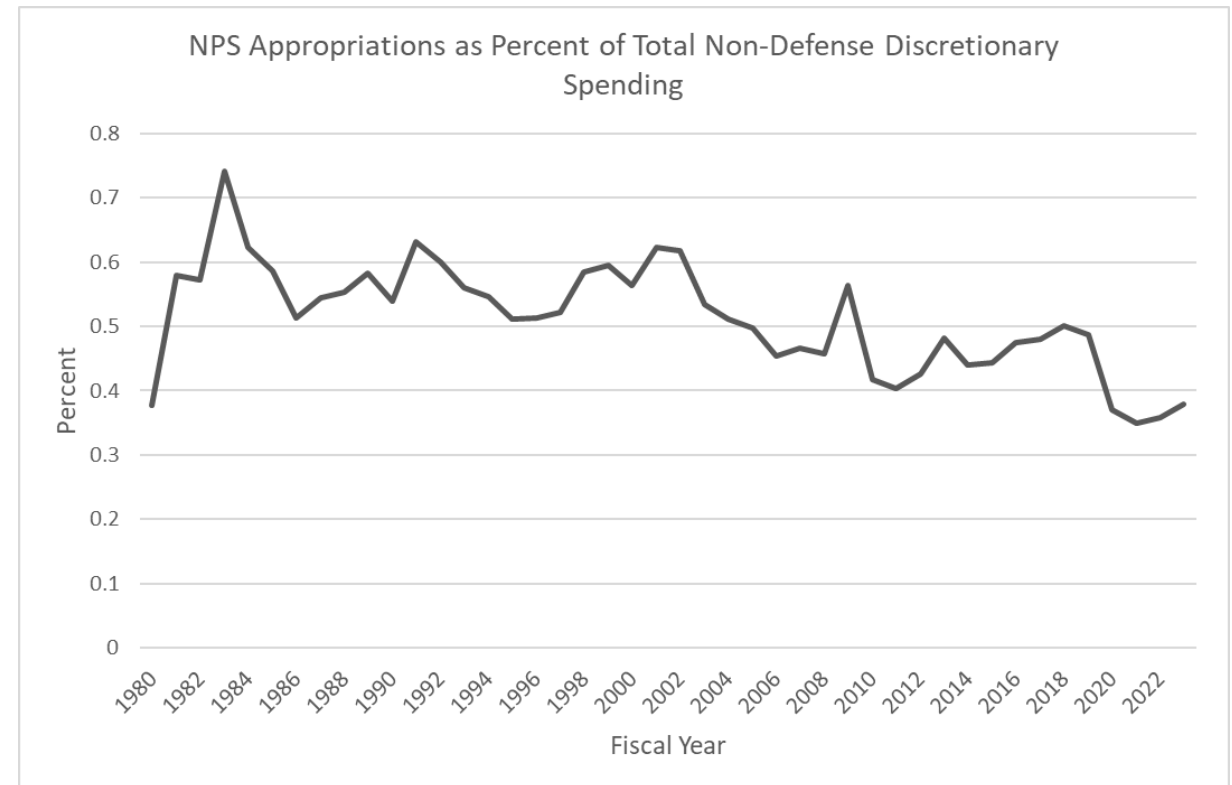
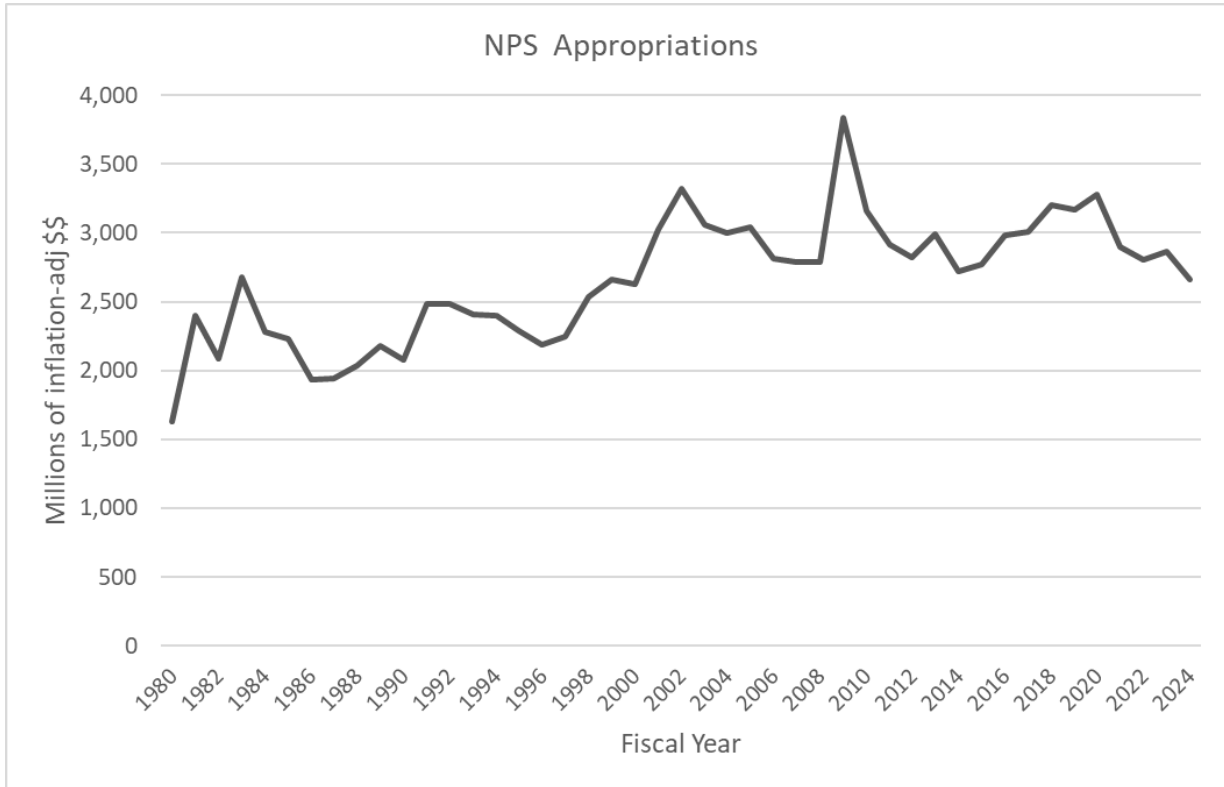
Yellowstone National Park, Wyoming

Today...

- 34 million hectares
- 433 units across 19 different types of sites (e.g., national parks, national monuments, national recreation areas, national historical parks, national seashores, etc)
 - 63 national parks

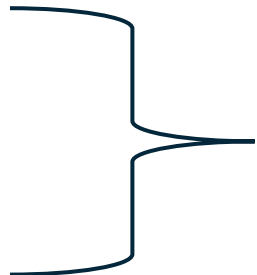


US National Park Service Funding, 1980-2024



National Park Funding Basics

- Appropriations from general tax revenues account for most of NPS funding
- Entrance fees charged at 109 NPS units, others free
 - Typical fee = \$35/vehicle for a 7-day visit
 - Annual pass = \$80
 - Senior citizen (age 62+) lifetime pass = \$80
- \$1.24 billion in FY2024 (27% of total NPS budget)
- Philanthropy... National Park Foundation (\$169 mill in 2022); many individual “friends of the park” groups and conservancies



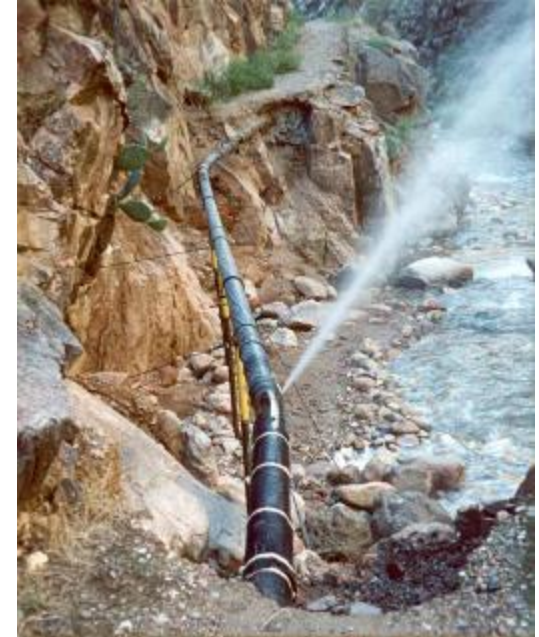
Honestly... this is a bargain



US National Park Service Funding Challenges

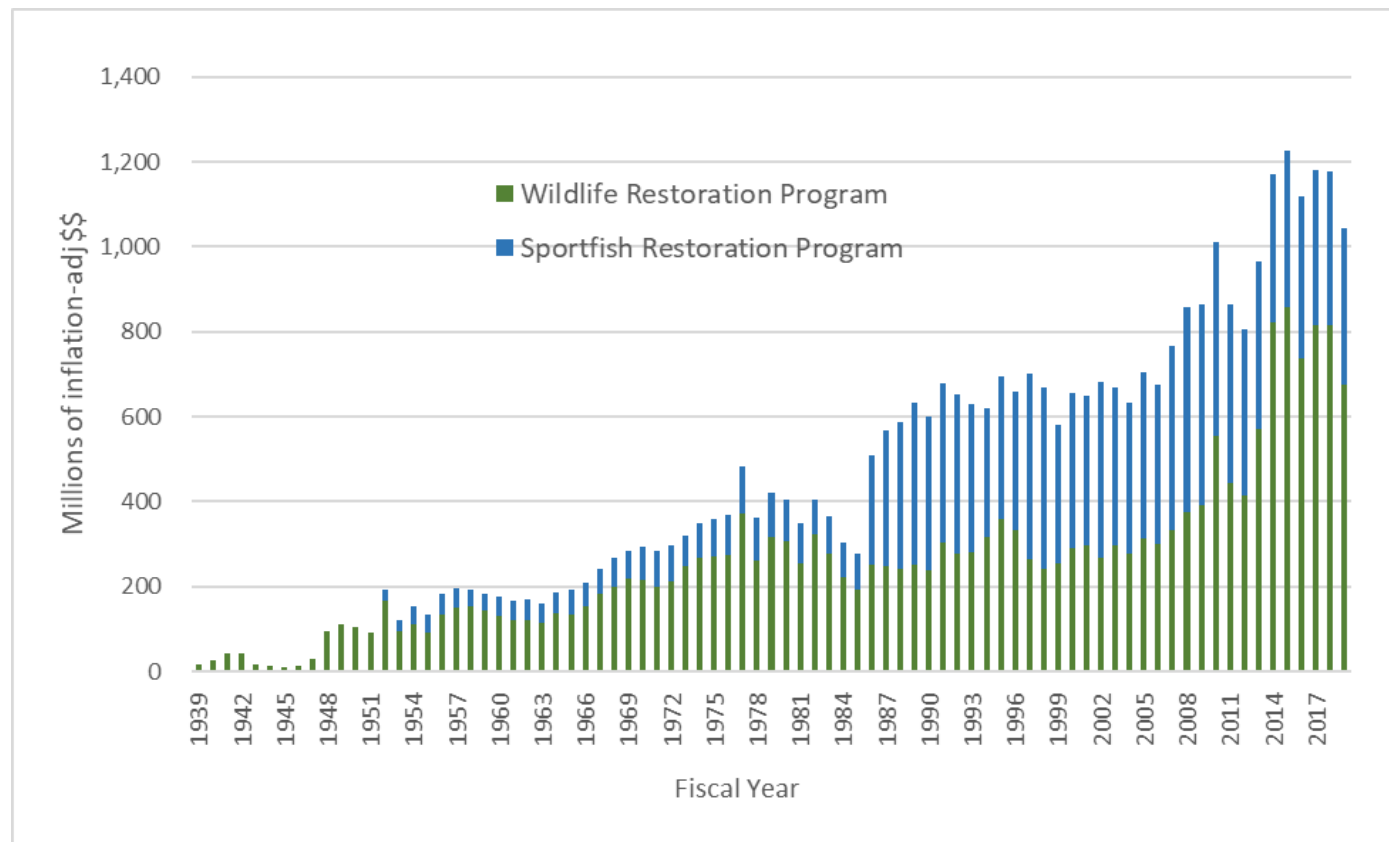
Persistent problem: large and growing deferred maintenance backlog
Currently = \$23 billion

- NPS does not get enough money every year to adequately fund operations and maintenance
- Potential solutions?
 - Increase entrance (and other) fees
 - Raise dedicated revenue from somewhere
 - Energy revenues from production on public lands
 - Tax on outdoor recreation equipment



A Long-Standing Federal “Pay to Play” Program

- Federal excise tax on hunting and fishing equipment
- Revenues go to states based on formulas
- Money is combined with state hunting/fishing license revenue
- Used for wildlife conservation programs



Broadening to Include All Outdoor Gear?

- Results from study of 5% tax on all outdoor recreation equipment
 - Would raise \$4.6 billion/year in revenue
 - Efficiency loss of 4% of tax revenue raised (this is pretty small)
 - Average household would pay \$12/year in taxes
 - Very slightly regressive (less so than most sales taxes)
- To raise same revenue...
 - Increase national park entrance fees by 5X + impose \$150 surcharge on international visitors
- But lots of industry opposition



Margaret Walls and Matthew Ashenfarb, "[Efficiency and Equity of an Outdoor Recreation Equipment Tax to Fund Public Lands](#)," *Land Economics* Aug. 2022



State Lands

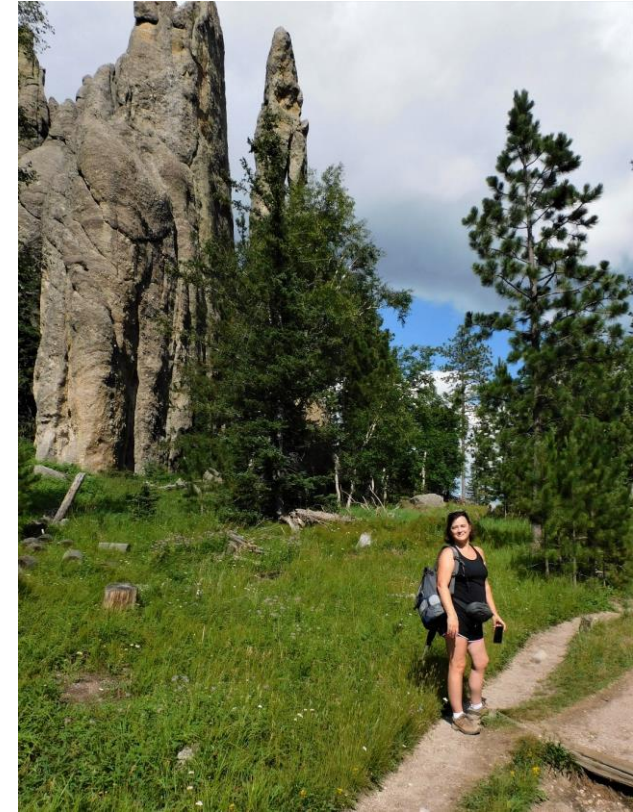
Every state has a state park system

- 8.2 million hectares
- 9,800 individual parks
- 867 million visits per year
- Compare to 332 million to national parks
- Closer-to-home option, especially in eastern half of the country
- Systems vary a lot state-to-state

Most states also have state forests, wildlife management areas and some other public lands



Blackwater Falls State Park,
West Virginia

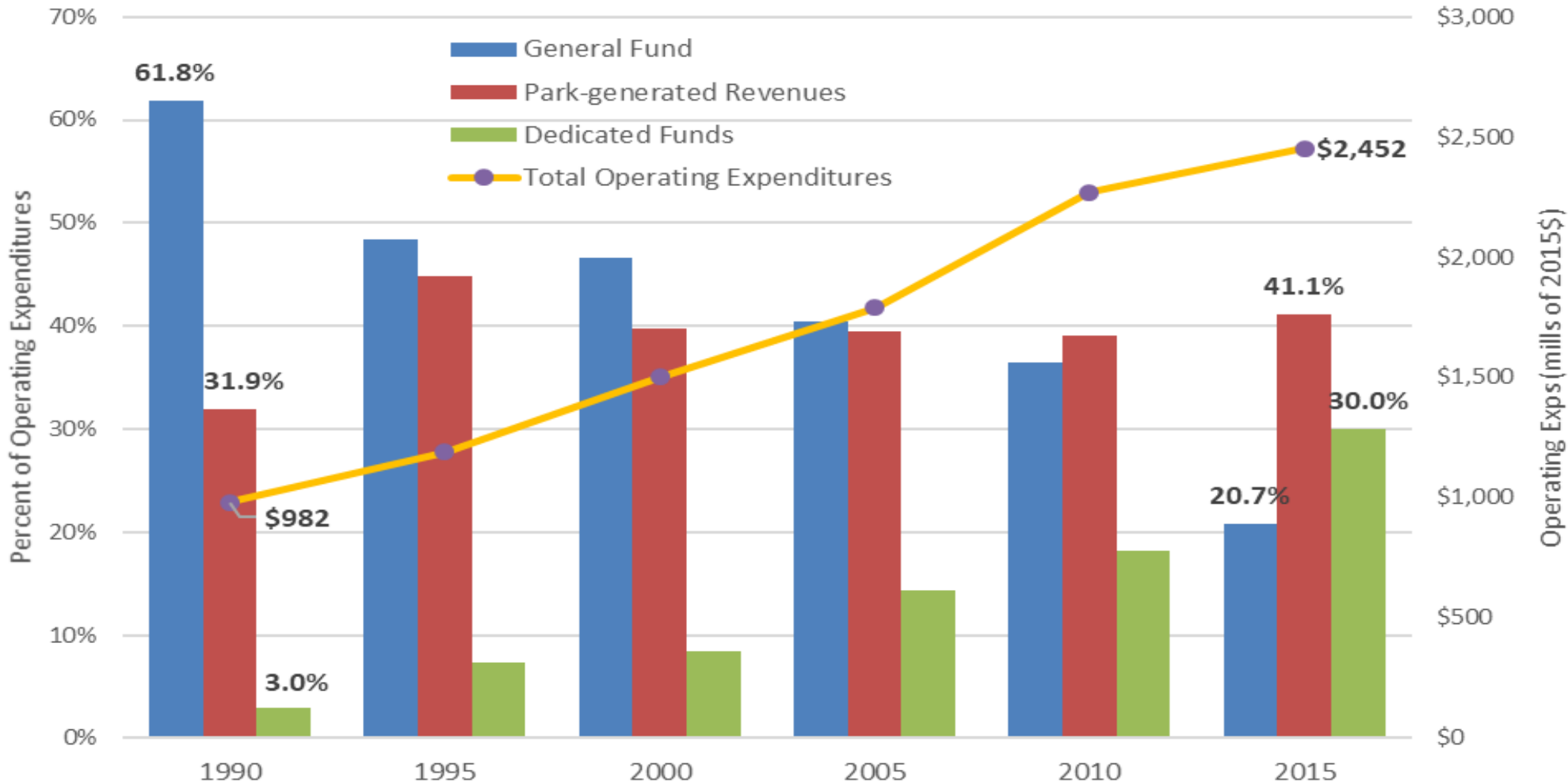


Custer State Park, South Dakota



State Park Funding

States have shifted away from general revenues to dedicated funding sources

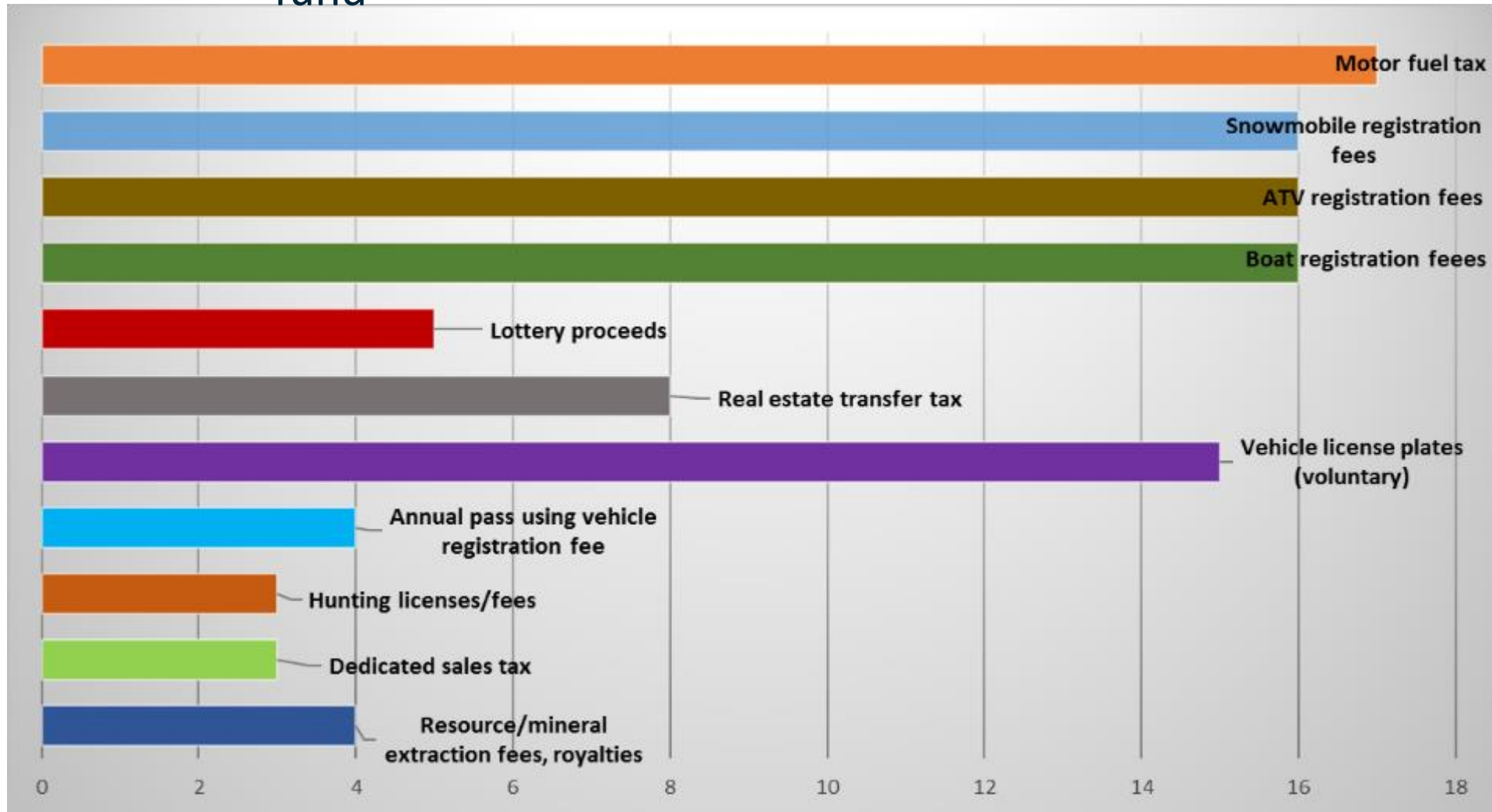


Data source: National Association of State Park Directors



Sources of Dedicated Funds for State Parks

Number of states with each type of dedicated fund



Some Principles for Robust, Sustainable, Efficient Funding

- Keep user fee revenues in the park system
- Avoid overreliance on user fees
 - Fees ration use
 - Should be used for “rival” goods, e.g., campsites, equipment rentals
 - Be creative with park entrance fees to address congestion and overcrowding
 - But avoid setting entrance fees too high in off-peak periods and at low-demand sites
 - Can create inequities



Queue at entrance to Yellowstone National Park



Some Principles (cont.)

- Dedicated taxes/fees need a broad base
 - Allows the tax rate to stay relatively low, lessening the burden on each taxpayer
 - Avoids ups and downs in sales/revenues with specific goods & services
 - Avoids “capture” by narrow group of users
- Beware: a new dedicated funding source will inevitably reduce funding from general revenues
- Don't hold out hope for large, sustainable \$\$ from philanthropy and voluntary arrangements with private partners





Thank you!

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For more of my research on conservation and public lands:

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