# Great American Outdoors Act Fiscal Year 2024 projects support over 17,000 jobs and contribute $1.9 billion to the economy

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The U.S. Department of the Interior's deferred maintenance projects funded by Great American Outdoors Act for Fiscal Year 2024 are projected to support over 17,000 jobs and contribute $1.9 billion to the U.S. economy. The investments will advance the Biden-Harris administration's goal to create good-paying, union jobs and to build back better by addressing critical deferred maintenance needs in America's national parks, national wildlife refuges, recreation areas, national forests, grasslands, and Bureau of Indian Education schools.

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The Great American Outdoors Act (GAOA) established the National Parks and Public Land Legacy Restoration Fund (LRF), which provides Federal agencies up to $1.9 billion annually from Fiscal Year 2021 to Fiscal Year 2025 to help address a multi-billion-dollar deferred maintenance backlog at national parks, on other public lands, and at Tribal schools. In Fiscal Year 2024 the Department of the Interior (DOI) will invest $1.6 billion to improve recreation facilities, water and utility infrastructure, schools, and other historic structures, as well projects that aim to increase visitor access by restoring and repairing roads, trails, bridges, and parking areas. This analysis provides estimates of the economic contributions of the DOI's Fiscal Year 2024 LRF expenditures.

Economic contributions capture the economic activity associated with the DOI's Fiscal Year 2024 LRF expenditures as the dollars cycle through the Nation's economy. Total economic contributions equal the sum of direct, indirect, and induced effects, defined as follows.

- *Direct Effect*: Economic activity that occurs as a result of the DOI's GAOA spending in Fiscal Year 2024. This includes activities such as construction, repairs and remediation from the businesses which receive GAOA funds. These direct businesses are represented in the sectors listed in Appendix A, Table A.1.

- *Indirect Effect*: Business-to-business transactions in the supply chain. This includes inputs that suppliers must purchase from other industries and provide to the direct business (see table A.1) in order for the direct business to produce its goods and services.

- *Induced Effect*: Household spending on goods and services as a result of people's income related to their work in businesses that satisfy both the direct and indirect effects of the DOI activity. Indirect and induced effects of spending are considered secondary effects, capturing how the direct effect of DOI expenditures "ripples" through the U.S. economy as money is respent.

The economic contributions from the DOI's Fiscal Year 2024 LRF expenditures are measured as follows:

- *Supported Jobs*: The total number of annualized full and part-time jobs accumulated over the duration of the LRF related expenditures. This is a measure of the quantity of employment supported by the Fiscal Year 2025 LRF expenditures and is not a measure of the number of workers.

- *Value Added*: The total estimated contribution of the Fiscal Year 2024 GAOA expenditures to the Gross Domestic Product (GDP) of the national economy

## Results

DOI's Fiscal Year 2024 GAOA funding can be broken down by bureau (Table 1).

**Table 1.** DOI GAOA LRF Fiscal Year 2024 Funding and Estimated Economic Contributions, by Bureau

| Bureau | FY24 Funding[1] | Jobs Supported | Value Added (m$) |
|---|---|---|---|
| **BIE** | $92,150,000 | 1,135 | $124 |
| **BLM** | $92,150,000 | 1,132 | $124 |
| **FWS** | $92,150,000 | 1,167 | $126 |
| **NPS**[2] | $1,130,050,000 | 14,160 | $1,535 |
| **Total** | **$1,406,500,000** | **17,872** | **$1,909** |

## Methods

The total DOI contributions are estimated using the methodology developed by the U.S. Geological Survey and the National Park Service.[3] This methodology employs activity-level response coefficients estimated using IMPLAN (an input-output software and data system) to derive economic multipliers. The economic data for IMPLAN come from the system of national accounts for the United States: data collected by the U.S. Department of Commerce's Bureau of Economic Analysis, the U.S. Department of Labor's Bureau of Labor Statistics, and other federal and state government agencies. Given the estimates reflect activity in a future period, assumptions must be made about the economic structure and supply chains. The IMPLAN economic model is static and assumes that for purposes on Fiscal Year 2024 the structure of the economy will be similar to the structure captured in the pre-COVID 2019 IMPLAN model year. The IMPLAN deflators were used to adjust dollar values to $2024. The methodology also assumes all supply chain requirements are satisfied by U.S.-based businesses.

To derive multipliers, the U.S. Geological Survey and the National Park Service methodology "bridges" each primary GAOA activity (i.e., building & structures, demolition, recreational assets, transportation, and water & utilities) to IMPLAN sectors. This step crosswalks the proportion of each GAOA activity relative to sectors of construction, maintenance and repair, and waste management, using historic DOI spending pattern data derived in the USGS and NPS 2021 methodology (Appendix Table A.1).

Fiscal Year 2024 program administration and management activities are considered out of scope of the economic contribution estimates because they are predominantly performed by DOI employees and not producing new economic contribution.

However, the Fiscal Year 2024 contributions included $117.6 million in contingency set-asides. These funds were established to help bureaus address fluctuations in construction costs to accomplish the original project scope. As such, the contingency set asides are assumed to be spent on Fiscal Year 2024 projects and are accounted for in the economic contributions. To do so, these contingency funds are distributed to GAOA activity types using each Bureau's Fiscal Year 2024 project portfolio as a proxy.

## Acknowledgements

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[1] Fiscal Year 2024 funding reported in table 1 excludes program administration and project management expenditures. These are considered out of scope of economic contribution estimates.
[2] NPS contributions are estimated directly by NPS.
[3] Cullinane Thomas, C., and L. Koontz. 2021. Great American Outdoors Act Legacy Restoration Fund for national parks: Economic impacts of fiscal year 2021 funding. Natural Resource Report NPS/NRSS/EQD/NRDS—2021/1319.National Park Service, Fort Collins, Colorado.

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## Peer Review

This *Analysis* was reviewed for technical merit by the Chief Economist of the Department of the Interior. The GAOA Project Management Office (Policy, Management, and Budget, Office of the Secretary) reviewed the report for overall framing and presentation.

## Disclaimer

Any use of trade, firm, or product names is for descriptive purposes only and does not imply endorsement by the U.S. Government.

## Literature Cited

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## Appendix A. IMPLAN sector bridge by primary activity

***Table A.1. Bridge between IMPLAN sector and primary Great American Outdoors Act activity.***

| | Great American Outdoors Act Spending Activity | | | | | |
|---|---|---|---|---|---|---|
| **IMPLAN Sector - Number and Description** | **Transportation** | **Buildings & Structures** | **Water & Utilities** | **Recreational Assets** | **Demolition** | **Contingency Set Aside** |
| 56 - Construction of other new nonresidential structures | | | 33.9% | | | Varies by DOI bureau based on bureau's proportion of funding for each GAOA activity |
| 60 - Maintenance and repair construction of nonresidential struc-tures | | 85.0% | 66.1% | 100% | | |
| 61 - Maintenance and re-pairconstruction of resi-dential structures | | 15.0% | | | | |
| 62 - Maintenance and re-pairconstruction of high-ways, streets, bridges, and tunnels | 100% | | | | | |
| 479 - Waste manage-mentand remediation services | | | | | 100% | |
| Total | 100% | 100% | 100% | 100% | 100% | |