

# RETURN ON THE INVESTMENT FROM THE *LAND & WATER CONSERVATION FUND*

The Trust for Public Land (TPL) conducted an analysis of the return on the investment from Land and Water Conservation Fund (LWCF) dollars for federal land acquisition. LWCF was first established by Congress in 1965 and reauthorized in subsequent years. The Act designates that a portion of receipts from offshore oil and gas leases be placed into a fund annually for land conservation and recreation. For over forty years, LWCF has done much to create and maintain our system of state, local and national parks -- from local parks to Yellowstone National Park -- and to ensure equal access to parks and recreation for all Americans. The program is divided into two distinct funding pots: Federal acquisition for the protection of our national treasures (national parks, forests, wildlife refuges, and Bureau of Land Management areas) and grants for state and local parks, trails and recreation facilities. TPL utilized a methodology similar to our previous studies of the return on investment in land conservation in several states in order to quantify the economic benefits provided by LWCF federal acquisitions.

## Methodology

National data are not currently available for all parcels of federal lands acquired by the agencies through the LWCF program. In absence of this data, TPL collected information for a sample of federal units. The federal units selected span the four federal agencies that receive LWCF monies (i.e., Bureau of Land Management, U.S. Fish and Wildlife Service, U.S. Forest Service, and National Park Service); are geographically representative across the country; and have significant LWCF funded acquisitions. In the 16 federal units analyzed, from 1998 to 2009 a total of 131,000 acres were acquired through LWCF using \$537 million in funding (present value, the value of past investments in today's dollars).

These protected lands provide a multitude of natural goods (e.g., grazing on grasslands) and services (e.g., water filtration and flood protection by wetlands). TPL determined which natural goods and services the conserved lands provide and their monetary value using available literature and studies.

## Results

TPL estimated the return on the present value of \$537 million invested in 131,000 acres of land conservation through LWCF from 1998 to 2009 by comparing this investment to the \$2 billion in economic value of natural goods and services generated by these lands in the past (i.e., 1998 to 2009) and into the future (i.e., over the next ten years). **That is, every \$1 invested returns \$4 in economic value.** These goods and services would continue to be provided well beyond the next ten years increasing the total return on investment beyond that calculated in this analysis.

In addition to providing natural goods and services, these federal lands are key to local recreation and tourism industries. Visitors to these areas spend money on things like food and lodging in the region. **Overall, 11 million tourists visit these 16 federal lands each year, spending \$511 million in the respective local economies annually.**

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