

United States Department of the Interior

National Park Service 1849 C Street NW Washington, DC 20240

Date:

September 17, 2019

Subject:

Release of the FY2019 LWCF Apportionment

On September 5 Secretary Bernhardt officially announced the apportionment of \$170.6 million for the State Assistance Program. This amount is comprised of \$100 million appropriated by the Congress pursuant to P.L. 116-6, Consolidated Appropriations Act, 2019 and \$70,623,713 from qualified revenues authorized pursuant to the Gulf of Mexico Energy Security Act (GOMESA). The amount for GOMESA reflects a reduction of 6.2% as mandated by the Budget Control Act of 2011. The actual signed apportionment letters are on their way to your Governors, but I am passing along a copy of the letter and the signed apportionment certificate for your benefit.

Including this year's apportionment, in the last 4 years over half a billion dollars in LWCF funds have been dedicated to state and local outdoor recreation projects. FY2020 is shaping up to top this year's apportionment amount. As I have noted previously, I believe this increasing trend will remain positive in the coming years, ushering in a new renaissance for the program. Much of this change in fortune can be attributed to your efforts, and that of NASPD, NASORLO, and other supporters, to achieve permanent reauthorization of the Land and Water Conservation Fund with the passage of the John D. Dingell, Jr., Conservation, Management and Recreation Act (P.L. 116-9).

With this positive outlook though comes the very real added responsibility of demonstrating to Congress that the funding is needed, by ensuring it is obligated to new grants in a timely manner. This is a task that concerns me, and one we all need to focus our attention towards. We are projecting that about \$6 million in unobligated apportionments from FY2017 will be returned to the program this year, on top of a total of \$4 million from the last 4 years. Each year for the last 5 years our carryover balance has increased; it has exceeded \$100 million for the last 3 years. These balances do not go unnoticed by the White House Office of Management and Budget nor Congressional Appropriations Committee staff. We recognize that there are a number of challenges to obligating funding on appropriate projects within 3 years provided by the LWCF Act. This includes late appropriations and later apportionments, but also things like insufficient staffing and processes that are not adapting quickly enough to these substantial new funding amounts. We nevertheless all need to continue to think and talk about what we individually and collectively can do to make sure the LWCF funding gets spent. One idea we have discussed with you is a process to fund additional submitted project applications from States that have used up all their LWCF balances by reapportioning lapsed apportionment and unused SRA funding from other States, on a first come-first served basis. As we formulate ideas we will share them with NASORLO leadership and of course communicate any program changes. Our goal is to put more projects on the ground in those states that can demonstrate they have the need.

FY2020 Apportionment Processes

The Dingell Act also notably amended the LWCF formula to stipulate that DC and the territories will now each be treated as a "state" for the purposes of the equal apportionment. What this means is that the first 40% of the appropriation will now be split 56 ways instead of 51. Prior to this change, DC and the territories were treated as a single "state." This will be implemented with the FY20 Apportionment and will result in a significant increase in funding for DC and the territories and decreases for everyone else. As an example, had we effected the change this year, each state's apportionment would have been reduced somewhere in the range of \$85,000 to up to \$135,000. Going forward however, with GOMESA funds continuing to increase, we expect that states should not perceive a significant impact.

As we begin FY 2020 we already know we're going to be challenged in getting the FY2020 apportionment on an improved track. There is already talk of a Continuing Resolution (CR), which delays an appropriation bill and LWCF funding. In addition, the mandatory funding provided through GOMESA continues to be subject to sequestration. The proportion of sequestration is subject to adjustment in FY2020 as the result of Congressional action. The timing of this adjustment is likely to be determined after January, thus delaying the GOMESA apportionment. We are working with our Budget Office to explore reserving an estimated sequestration amount so we can proceed with apportionment. We will not know the feasibility of this idea until sometime later this fall, however. We are also looking to set up another conversation with the Department of the Interior to continue to explore how to improve the overall apportionment process, which has been taking an average of over 3 months to complete.

Application Submission Deadlines

Barring unforeseen complications like another shutdown, we expect for FY2020 we will continue to accept and process grant project applications on a three cycle basis. One change we plan to experiment with this year is to shorten the length of the Grants.gov window to ~45 days from 60, to provide a little more time for processing. For example, we expect to open the first cycle around December 1 and close it on January 17. As a reminder, you can submit draft applications to your program officer for review regardless of whether an application window is open in Grants.gov. Grants.gov is open only to accept final applications that have already been reviewed and found to be actionable; the process assumes that drafts will arrive before when Grants.gov is opened. Please observe any dates provided by the Regional Manager or your Program Officer for the final date by which drafts can be submitted for a given cycle. This is to ensure that everyone's applications can get reviewed in time for you to make any needed revisions and still meet the Grants.gov closing date. It is difficult to manage a draft that arrives the day before (or even the day of!) the window closes. If your draft arrives after the target date, please understand that it may be held until the next funding cycle.

Outdoor Recreation Legacy Program (ORLP)

We have just about wrapped up the review phase of the previous competition round and expect to route the proposed ranked list to the Acting NPS Director for his signature very soon. The next Notice of Funding Opportunity has been released by the Department's Financial Assistance review queue and we plan to post it as soon as the list is announced, so that there is awareness of what projects were funded or not. Like last time, we expect the application period to be roughly 5 months.

We really appreciate your commitment and diligence in queueing up projects that could use this funding despite the late timing of this year's apportionment.

If you have any questions please reach out either to me your program officer.

Attachments: