The U.S. government supports environmental conservation through a number of federal agencies that in turn partner with state and local governments, nongovernment organizations, and private land owners. At the national level, financing for protected areas is allocated by Congress to the land and natural resource management agencies. Those agencies administer funds through their own financial departments and through their partnerships with state and local governments and nongovernment organizations, or foreign governments in the case of some international programs.

While public lands are the most visible examples of protected areas in the U.S., the government can also influence how private landowners manage their properties, primarily through incentive and educational programs as opposed to regulations and restrictions.

Budgets for protected areas are always considered and determined in the context of the government’s other responsibilities. Although public support of protected areas is very high in the United States, changes in funding levels for public areas do not necessarily attract a lot of public concern, which makes the funding susceptible to cuts. Programs with little public visibility, such as facility maintenance, are often affected most severely by funding cuts.

One way to counter these cuts is through partnerships. Another way is through better communication with the Congress, the media, and most importantly the American public, about funding needs and the benefits that are derived from well-managed public lands.

There are generally three sources of financing for protected areas and the surrounding communities:

- government funding;
- support from nongovernment organizations; and
- income from user fees and donations.

Government funding

The government role can be very positive, although taxpayer funding can be insufficient to carry out necessary activities on federal lands. For example, funding to treat the build up of excessive fuel in national forests and grasslands is below what some studies have estimated as necessary. During bad fire seasons, in part because of this excessive fuel, the funding that is available is sometimes sidetracked into fire suppression.
NGO support

The Forest Service and other land management agencies in the United States typically have national foundations that help support a system of land units such as the National Forest System. These foundations are typically nonprofit groups with specific goals that exist at the national level. There usually are local level “friends of” organizations that support individual land units such as a single forest. Both types of organizations provide funds and other services like volunteers or special events. There are also nongovernment organizations such as The Nature Conservancy and Trust for Public Lands that help acquire lands for protected areas. These groups accomplish their goals through fundraising strategies and working with a range of partners.

User fees and other private sector fees

Different funding streams are used for each of the IUCN categories of protected areas in the U.S. User fees are rarely applied to Category I protected areas. Other protected area categories do rely heavily on user fees, such as mineral, timber, and grazing receipts. Fees are also received from tourists and outdoor recreation enthusiasts.

Some of these revenue streams go directly into the federal treasury rather than back to the local land unit. Therefore, while a ski area on a local forest might generate a major revenue stream, the forest does not benefit directly from the activity even though the activity directly impacts the forest. In the case of campgrounds, they can be managed by concessionaires or by agency personnel. In some cases, it might be more cost-effective to contract with concessionaires, however local units may choose to manage the area themselves because they can recover most of the fees.

Funding streams to communities

A current challenge for the Forest Service is to find more effective ways for local communities to benefit economically from the management of nearby protected areas. For many years, communities received money from timber harvests which helped to support schools and roads in small communities. With most of that revenue no longer available to them, the Forest Service has looked for other ways to partner with local communities.

There are several programs in place right now that benefit local economies:

- Payments in lieu of tax revenue the lands might have generated had they been in private ownership and developed.
- Payments to states where local communities receive federal funding to help make up for loss of timber receipts from national forests left unharvested.
- National Fire Plan – one component of this plan allocates money to volunteer fire departments that assist federal agencies in fire suppression or fire prevention.

Ecological services

The Forest Service is seeking additional ways to generate revenue streams from protected areas in exchange for ecological services such as clean air, clean water, and biodiversity. There are government programs already in place that purchase conservation easements from private landowners or provide other monetary incentives in exchange for ecological services.
In conclusion …

There are three main streams of funding and a raft of needs for protected areas and the surrounding local communities. Historically, the government’s role has been to acquire land and then set it aside to be managed for different types of protection and use. In this new century, management of protected areas will, if anything, be more complex than it has been over the last 100 years. To care for the land adequately, federal land-management agencies will increasingly rely on partnerships and collaboration with NGO’s and private citizens to get the most out of available funding. Through such partnerships, funding streams will better complement each other, communities will increasingly benefit, and natural areas will be more adequately protected.