

Why GAO Did This Study

Each year, federal agencies collect billions of dollars in dedicated user fee revenue from fees charged to users of federal goods and services, which are dedicated by law for a specific purpose or program. The COVID-19 pandemic disrupted critical government operations for agencies that rely on these revenues.

The CARES Act included a provision for GAO to review the effects of the pandemic on public institutions of the U.S. This report examines how dedicated user fee revenues have changed since the onset of the pandemic and how selected agencies managed revenue changes related to the pandemic, among other objectives.

To determine revenue changes, GAO compared dedicated user fee revenues in fiscal years 2020 and 2021 to amounts from prior years. GAO selected three agencies to review—FAA, NPS, and USCIS—based on whether they relied on dedicated user fee revenue to a high (FAA and USCIS) or low (NPS) extent, among other factors. GAO interviewed officials at the selected agencies and reviewed relevant documents to determine how these agencies managed revenue changes, and compared those actions to internal control standards and leading practices for fee design.

What GAO Recommends

GAO is recommending that FAA and NPS review their cash management plan and target carryover balance policy, respectively, and document processes to review the plan and policy in the future. The Departments of Transportation and the Interior concurred with GAO's recommendations.

View [GAO-21-104325](#). For more information, contact Jeff Arkin at (202) 512-6806 or arkinj@gao.gov.

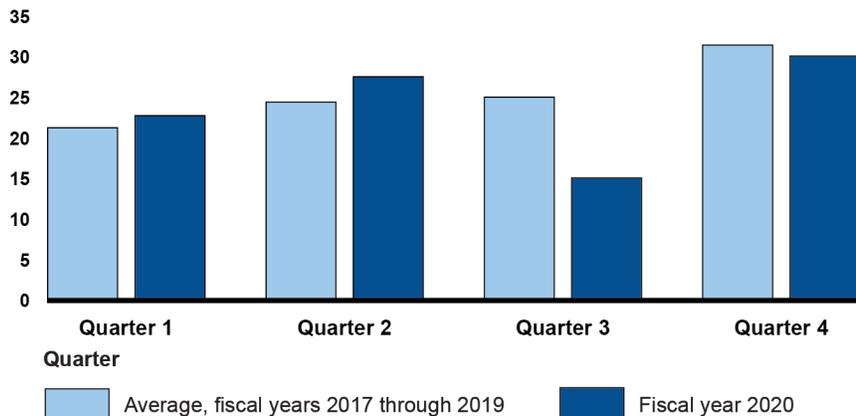
COVID-19

Reviewing Existing Policies Could Help Selected Agencies Better Prepare for Dedicated User Fee Revenue Fluctuations

What GAO Found

Executive branch agencies' revenues from dedicated user fees were lower in fiscal year 2020 and in the first half of fiscal year 2021 compared to average annual revenues in fiscal years 2017 through 2019, the 3 fiscal years prior to the start of the COVID-19 pandemic. Following the declaration of the pandemic as a national emergency in March 2020, these revenues were about 39 percent lower than the previous 3-year average during the same period.

Executive Branch Agencies' Revenue from Dedicated User Fees in Fiscal Year 2020 Was Lower Overall than the Previous 3-year Average Revenue (billions of dollars)



Source: GAO analysis of Department of the Treasury data. | GAO-21-104325

Note: For more details, see figure 2 in GAO-21-104325.

The Federal Aviation Administration (FAA), National Park Service (NPS), and U.S. Citizenship and Immigration Services (USCIS) all prioritized spending on essential expenses, sought to increase available funds or operational flexibilities, and relied on carryover balances to cover essential expenses during the pandemic. However, FAA and NPS have not documented plans to review certain management plans and policies.

- FAA drafted a cash management plan containing measures to help it carry out mission-critical functions in a time of Airport and Airway Trust Fund (AATF) revenue instability. FAA officials told GAO they may revisit the plan to align it with leadership priorities in case of future AATF revenue instability. However, FAA has not documented plans to conduct such a review, which could help FAA better prepare for future periods of revenue instability.
- NPS parks relied on funds carried over from previous years during the pandemic to various extents, depending on local circumstances. NPS requires many fee-collecting parks to carry over no more than 35 percent of the previous year's revenue from certain fees. The agency has not completed an analysis to determine the efficacy of this policy since its implementation in 2010. Because of this, NPS may not be maintaining its carryover balances in the most effective way.