

Report for Congress

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Appropriations for FY2003: Interior and Related Agencies

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Appropriations are one part of a complex federal budget process that includes budget resolutions, appropriations (regular, supplemental, consolidated, and continuing) bills, rescissions, and budget reconciliation bills. The process begins with the President's budget request and is bound by the rules of the House and Senate, the Congressional Budget and Impoundment Control Act of 1974 (as amended), the Budget Enforcement Act of 1990, and current program authorizations.

This report is a guide to one of the 13 regular appropriations bills that Congress considers each year. It is designed to supplement the information provided by the House and Senate Interior Appropriations Subcommittees. It summarizes the current legislative status of the bill, its scope, major issues, funding levels, and related legislative activity. The report lists the key CRS staff relevant to the issues covered and related CRS products.

This report is updated as soon as possible after major legislative developments, especially following legislative action in the committees and on the floor of the House and Senate.

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Appropriations for FY2003: Interior and Related Agencies

Summary

The Interior and Related Agencies Appropriations bill includes funds for the Department of the Interior (DOI), except for the Bureau of Reclamation, and funds for some agencies or programs within three other departments—Agriculture, Energy, and Health and Human Services. It also funds numerous smaller related agencies.

On February 4, 2002, President Bush submitted his FY2003 budget for Interior and related agencies, totaling \$18.94 billion compared to \$19.17 billion enacted for FY2002 (P.L.107-63). On June 28, 2002, the Senate Committee on Appropriations reported S. 2708, and on July 17, 2002, the House passed H.R. 5093, the FY2003 Interior bill. The Senate did not pass an Interior appropriations bill in the 107th Congress. Due to incomplete consideration of the FY2003 Interior bill in the 107th Congress, resolutions have been enacted to continue funding at FY2002 levels. Most recently, P.L.108-4 provides funds at FY2002 levels until February 7th, 2003.

On January 23rd, 2003, the Senate passed H.J.Res. 2, the Omnibus Appropriations bill for FY2003 that included funding for Interior and related agencies and 10 other appropriations bills not enacted for FY2003. For Interior and related agencies, the Senate bill contains \$18.97 billion for FY2003, plus an \$825 million fire supplemental for FY2002, for a bill total of \$19.80 billion. These figures do not reflect across-the-board cuts contained in the omnibus measure, as it is unclear how they would be calculated for the Interior and related agencies bill. The House-passed measure (H.R. 5093, 107th Congress) contained \$19.71 billion for FY2003, plus a \$700 million fire supplemental for FY2002, for a bill total of \$20.41 billion. Both the House and Senate-passed bills supported more money for DOI and related agencies than the Administration.

Although the Senate-passed bill did not specifically fund the Conservation Spending Category, the House bill provides \$1.44 billion for FY2003, higher than the Administration (\$1.32 billion). The House-passed bill provides higher funding for wildland fire fighting than the Senate or the Administration. Both the House and Senate proposed increases over the Administration for the U.S. Geological Survey. The House-passed bill contained increases over the Administration's and Senate's levels for the Bureau of Land Management, National Park Service, Fish and Wildlife Service, Forest Service, Energy Department programs, and Indian Health Service.

Issues addressed during Interior bill consideration included: fire management and funding (see FS); drought assistance; federal recognition of Indian tribes; Everglades restoration and implementation of a flood protection plan; (see NPS and cross-cutting issues); development of oil and gas leases off the California coast (see MMS); the renewal of grazing permits and leases (See BLM); funding for land acquisition and conservation (see cross-cutting issues); and management of the Indian tribes' trust funds and trust assets (see BIA and OST).

The House and Senate have appointed conferees on H.J.Res. 2, but to date no conference has been held.

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^a Division abbreviations: DSP = Domestic Social Policy; G&F = Government and Finance; RSI = Resources, Science, and Industry.

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Appropriations for FY2003: Interior and Related Agencies

Most Recent Developments

On January 23rd, 2003, the Senate passed H.J.Res.2, the Omnibus Appropriations bill for FY2003 that included funding for Interior and related agencies and the other appropriations bills not enacted for FY2003. The Senate bill contained \$18.97 billion for FY2003, plus \$825 million for FY2002 to replace monies spent on firefighting. These figures do not reflect an across-the-board rescission of 1.6%, or another cut to offset \$5 billion in additional education spending. According to the Congressional Budget Office (CBO), this latter cut could generate an additional 1.252% reduction, for a total reduction currently estimated at 2.852%. It is unclear how these reductions would affect the Interior appropriations bill. The House and Senate have appointed conferees on H.J.Res. 2, but no conference has been held.

Interior and related agencies are operating under laws enacted to continue funds at FY2002 levels; P.L. 108-4 continues funds at FY2002 levels until February 7, 2003. Continuing funding is needed to fund on-going projects and activities because Congress had not enacted the regular funding bill for Interior and related agencies.

Introduction

The annual Interior and related agencies appropriations bill includes funding for agencies and programs in four separate federal departments, as well as numerous smaller agencies and bureaus. The bill includes funding for the Interior Department, except for the Bureau of Reclamation (funded by Energy and Water Development Appropriations laws), and funds for some agencies or programs in three other departments—Agriculture, Energy, and Health and Human Services. Title I of the bill includes agencies within the Department of the Interior which manage land and other natural resource or regulatory programs, the Bureau of Indian Affairs, and insular areas. Title II of the bill includes the Forest Service of the Department of Agriculture; several activities within the Department of Energy, including research and development programs, the Naval Petroleum and Oil Shale Reserves, and the Strategic Petroleum Reserve; and the Indian Health Service in the Department of Health and Human Services. In addition, Title II includes a variety of related agencies, such as the Smithsonian Institution, National Gallery of Art, John F. Kennedy Center for the Performing Arts, the National Endowment for the Arts, the National Endowment for the Humanities, and the Holocaust Memorial Council.

Status

Table 1. Status of Department of the Interior and Related Agencies Appropriations, FY2003

Subcommittee Markup		House Report	House Passage	Senate Report	Senate Passage	Conf. Report	Conference Report Approval		Public Law
House	Senate						House	Senate	
6/25/02	—	7/11/02 (H.Rept. 107-564)	7/17/02 (377-46)	6/28/02 S.Rept. 107-201	1/23/03 H.J.Res.2 (69-29)	—	—	—	—

On February 4th, 2002, President Bush submitted his FY2003 budget to Congress. The FY2003 request for Interior and related agencies totaled \$18.94 billion compared to the \$19.17 billion enacted for FY2002 (P.L. 107-63), a decrease of \$221.0 million. For agencies within DOI, the Administration requested a total of \$9.45 billion, including \$2.36 billion for the National Park Service; \$2.25 billion for the Bureau of Indian Affairs; \$1.83 billion for the Bureau of Land Management; \$1.28 billion for the U.S. Fish and Wildlife Service; \$867.3 million for the U.S. Geological Survey; \$423.5 million for Departmental Offices (including \$159.0 million for the Special Trustee for American Indians); \$279.4 million for the Office of Surface Mining Reclamation and Enforcement; and \$170.3 million for the Minerals Management Service. For related agencies, the FY2003 budget requested \$3.95 billion for the Forest Service; \$2.82 billion for the Indian Health Service; and \$1.72 billion for Energy programs. For other related agencies, the Smithsonian Institution would have received \$528.0 million; the National Endowment for the Humanities \$125.8 million; and the National Endowment for the Arts, \$99.5 million.

In this report, the FY2003 budget totals do *not* include amounts for President Bush's proposal to shift to agencies the full cost of federal employee pensions and health benefits.¹ The term "appropriations" generally represents total funds available, including regular annual and supplemental appropriations, as well as rescissions, transfers, and deferrals. Increases and decreases generally are calculated on comparisons between the funding levels appropriated for FY2002 and requested by the President or recommended by Congress for FY2003. The FY2003 requests contained some substantial changes in agencies' budgets from the FY2002 levels. *Increases* were proposed for some agencies, including the Indian Health Service (\$+57.3 million), Bureau of Indian Affairs (\$+22.9 million), Minerals Management Service (\$+13.6 million), Smithsonian Institution (\$+ 9.1 million), and the U.S. Fish and Wildlife Service (\$+6.9 million). *Decreases* were proposed for other agencies, such as Forest Service (\$-181.7 million), Department of Energy (\$-49.2 million), U.S. Geological Survey (\$-46.7 million), Bureau of Land Management (\$-47.2

¹ The FY2003 Administration proposal to shift the full cost of the Civil Service Retirement System and the Federal Employees Health Benefits program to salaries and expenses accounts of agencies would likely have added \$246 million to DOI's budget request for FY2003 (excluding the Bureau of Reclamation). For an explanation of this proposal, see CRS Report RL30023, *Federal Employee Retirement Programs: Budget and Trust Fund Issues*.

million), Office of Surface Mining Reclamation and Enforcement (\$-27.1 million), and National Park Service (\$-24.5 million).

On February 27th, 2002 the House Appropriations Interior Subcommittee began hearings on the FY2003 budget for Interior and related agencies. Interior Secretary Norton testified on topics including the Cooperative Conservation Initiative, landowner partnerships and other conservation tools, Indian trust funds, Indian education, the maintenance backlog of the National Park Service, Everglades restoration, funds for the National Wildlife Refuge System, the Cooperative Endangered Species Conservation Fund, energy programs and activities, land use planning, wildland fire management, homeland security, and assistance to territories and freely associated states. Members also questioned the Secretary regarding proposed cuts to the U.S. Geological Survey and the proposed transfer of its toxic substances program to the National Science Foundation, and the Administration's examination of workforce restructuring and privatizing jobs. Also addressed during questioning were the strategic petroleum reserve; oil and gas exploration, including the Arctic National Wildlife Refuge; the Klamath Basin; and the proposed elimination of the Urban Park and Recreation Recovery program. Subcommittee hearings continued from February through April, 2002.

On June 25, 2002, the House Appropriations Interior Subcommittee marked up and ordered reported to the full Committee on Appropriations its FY2003 funding recommendations. On July 9, 2002, the Committee marked up these recommendations, and on July 11, 2002, H.R. 5093 was reported (H.Rept. 107-564). The measure was debated in the House on July 16 and 17, and passed, amended, on July 17, 2002 (377-46). A number of the amendments considered by the House are discussed in the pertinent sections of this report. The House bill was sent to the Senate and placed on the Senate calendar on July 18, 2002.

The Senate development of its Interior appropriations bill began when the Senate Appropriations Interior Subcommittee held a hearing on June 13, 2002. Interior Secretary Norton testified, voicing similar concerns as in her House testimony. The Secretary also emphasized that the Administration requested funds for enhanced security measures, including \$23.7 million for the National Park Service to begin construction of enhanced security systems at the Washington Monument and the Lincoln and Jefferson Memorials. Bypassing subcommittee markup, on June 27, 2002, the Senate Committee on Appropriations marked up and ordered reported its FY2003 funding recommendations. On June 28, 2002, the bill was reported (S. 2708, S.Rept. 107-201) and placed on the Senate calendar.

On September 4, 2002, the Senate began consideration of H.R. 5093, the House funding bill, with the Senate version as a substitute amendment. The Senate debated the bill for 10 days, agreeing to a number of amendments, but discontinued debate on September 25, 2002. The Senate did not pass an Interior funding bill in the 107th Congress. Controversies involving funding for, and management of, wildfires were largely responsible for the protracted debate and lack of a vote on final passage. There were unsuccessful attempts to invoke cloture on a wildland fire amendment offered by Sen. Byrd (No. 4480) to provide \$825 million in FY2002 emergency funds for firefighting costs. An amendment by Sen. Craig (No. 4518) on forest thinning was a major focus of the floor debate, with no resolution. Both fire

amendments remained pending when the Senate discontinued debate on the bill. (For more information, see “U.S. Forest Service” below.)

The Senate debated other contentious issues. On September 10, 2002, the Senate adopted a second degree amendment (No. 4481) to provide an estimated \$6 billion in farm disaster/drought relief assistance. (For more information, see the CRS Electronic Briefing Book section on Farm Disaster Assistance at: [<http://www.congress.gov/brbk/html/ebagr48.html>].) Another controversy involved an amendment by Sen. Dodd (No. 4522) on federal recognition of Indian tribes, which was tabled.

Other issues that generated significant discussion during House and/or Senate consideration included: the Interior Department’s role in Everglades restoration, and implementation of a flood protection plan for the “8.5 Square Mile Area” as part of the restoration (see NPS and cross-cutting issues sections); development of oil and gas leases off the California coast (see MMS); the automatic renewal of expiring grazing permits and leases related to BLM and the Forest Service (see BLM); funding for land acquisition and conservation (see cross-cutting issues); and management of the Indian tribes’ trust funds and trust assets (see BIA section and OST). Several issues that have been the focus of attention in previous years, including funding for the National Endowment for the Arts and energy conservation and weatherization programs, appear to have generated less controversy in this appropriation cycle.

On January 23rd, 2003, the Senate passed H.J.Res. 2, the Omnibus Appropriations bill for FY2003 that included funding for Interior and related agencies and the 10 other FY2003 appropriations bills that have not been enacted. For Interior and related agencies, the Senate bill contains \$18.97 billion for FY2003, and \$825 million for FY2002 to replace monies spent on wildfire fighting, for a bill total of \$19.80 billion. These figures do not reflect across-the-board cuts contained in the omnibus measure, as it is unclear how they would be calculated for the Interior and related agencies bill overall and for particular departments, agencies, and programs in the bill. Specifically, the omnibus bill contains an across-the-board rescission of 1.6%. Another section of the bill requires an increase to that rescission by the amount necessary to offset \$5 billion in additional education spending. According to CBO, this amount could generate an additional 1.252% reduction, for a total reduction in the Senate-passed bill currently estimated at 2.852%.

The Senate omnibus bill, like the House-passed bill of last year, contains more money for DOI and related agencies for FY2003 than the Administration. The House-passed bill has the highest total amount—\$19.71 billion for FY2003, plus a \$700 million fire supplemental for FY2002, for a bill total of \$20.41 billion. Although the Senate-passed bill did not specifically fund the Conservation Spending Category (**Table 19**), the House bill provides \$1.44 billion for FY2003, higher than the Administration (\$1.32 billion). The House-passed bill provides higher funding for wildland fire fighting in FY2003 than the Senate or the Administration. Both the House and Senate proposed increases over FY2002 for the U.S. Geological Survey, while the Administration proposed a sizeable decrease for that agency. The House-passed bill also contained increases over the Administration’s and Senate’s levels for the Bureau of Land Management, National Park Service, Fish and Wildlife Service, Forest Service, Energy Department programs, and Indian Health Service.

Conferees on H.J.Res. 2 were appointed by the Senate on January 23, 2003, and by the House on January 29, 2003. To date no conference has occurred. The House-passed version of the Interior bill is contained in H.R. 5093 (107th Congress).

Currently, Interior and related agencies are receiving funds at FY2002 levels, under a continuing funding resolution (P.L. 108-4). This is the seventh law providing interim funding for agency operations, and it extends until February 7, 2003. If the omnibus appropriations law is not enacted before that time, it is likely that Congress will enact another continuing resolution, maintaining funds at FY2002 levels.

Continuing to fund agencies at FY2002 levels during FY2003 may require agencies to cut programs in order to absorb “mandatory” increases, such as inflation and pay raises for federal employees that took effect in January, 2003. Further, agencies and programs that had anticipated substantial increases in FY2003 based on the President’s request and congressional action may be particularly hard hit by the flat funding. For instance, the National Park Service was slated for increases for a range of park management programs, which include resource protection, visitor services, and facility operation and maintenance. The Office of Special Trustee for American Indians sought an increase to enhance numerous trust reform activities and meet court requirements. DOE’s Energy Star Program, while small, had been expected to expand as recommended by the President’s national energy plan, including increased market share for appliances, windows, and water heaters. DOE’s weatherization program was to receive additional funding to accelerate the rate of installation for eligible low-income households.

Perhaps the most serious effect of continued funding at the FY2002 level is the lack of additional funds for FY2002 for wildland firefighting. The 2002 fire season has been particularly severe, requiring the BLM and Forest Service to borrow money from other accounts once they exhausted their budgets for fire suppression. The President and Congress had sought additional fire funds for FY2002, particularly for suppression, as part of the legislation providing funds for FY2003 for wildland fire management. The supplemental funds were to be used to replace the money agencies have borrowed from other accounts, estimated at more than \$1 billion.

Major Funding Trends

Table 2. Interior and Related Agencies Appropriations, FY1998 to FY2002

(budget authority in billions of current dollars)

FY1998	FY1999	FY2000	FY2001	FY2002
\$13.8	\$14.3	\$14.9	\$18.9	\$19.2

Note: These figures exclude permanent budget authorities, and generally do not reflect scorekeeping adjustments. However, they reflect rescissions.

During the ten year period from FY1993 to FY2002, Interior and related agencies appropriations increased by 57% in current dollars, from \$12.2 billion to \$19.2 billion. In constant dollars, which adjusts for inflation, the appropriation increased 26%. Most of the growth occurred during the latter years. For instance,

during the five year period from FY1993 to FY1997, appropriations increased by 8% in current dollars, from \$12.2 billion to \$13.1 billion, but decreased by 3% in constant dollars. By contrast, during the most recent five years, from FY1998 to FY2002, funding increased by 39% in current dollars, from \$13.8 billion to \$19.2 billion, or 27% in constant dollars. The single biggest increase during the decade occurred from FY2000 to FY2001, when the total appropriation rose 27% in current dollars, from \$14.9 billion to \$18.9 billion, or slightly less—22%—in constant dollars. Much of the increase was provided to land management agencies for land conservation and wildland fire management. See **Table 18** for a comparison of FY2001-FY2003 Interior Appropriations, and **Table 20** for a budgetary history of each agency, bureau, and program from FY1997 to FY2002.

Funding to Combat Terrorism

FY2001 and FY2002 Regular Appropriations to Combat Terrorism.

It is not clear what level of funding for anti-terrorism came from the regular FY2001 and FY2002 Interior appropriations laws. The annual appropriations laws, as well as agency budgets, typically include money for combating terrorism as part of larger line items or program requests. One example is the \$3.0 million provided to the Bureau of Land Management in FY2002 to identify and evaluate oil and gas resources and reserves on public lands in light of terrorist attacks on the United States. The Administration asserted that such attacks have potential for disruptions to America's energy supply.

FY2001 and FY2002 Supplemental Appropriations. On September 18, 2001, Congress enacted a \$40 billion Emergency Supplemental Appropriation for FY2001, P.L.107-38,² in response to the terrorist attacks on the United States on September 11th, 2001. The \$40 billion package was distributed in three phases. First, \$10 billion was to be immediately available and dispersed by the President in consultation with the House and Senate Appropriations Committee leaders. Second, an additional \$10 billion was available to be obligated following a 15-day notification to the Congress. Third, a final \$20 billion could be obligated only after money was allocated in another emergency appropriations act (P.L. 107-117). For more information on the FY2001 supplemental, see CRS Report RL31173, *Terrorism Funding: Emergency Supplemental Appropriations-Distribution of Funds to Departments and Agencies*.

Of the \$20 billion provided by P.L. 107-38 that did not need additional legislation, programs under the jurisdiction of the Department of Interior and Related agencies appropriations received \$3.1 million. Specifically, there was \$1.7 million for the National Park Service, Operations of the National Park System, and \$1.4 million for the U.S. Park Police (National Park Service) for emergency response costs in New York City and Washington, D.C.³

² Emergency Supplemental Appropriations Act for Recovery from and Response to Terrorist Attacks on the United States.

³ The U.S. Park Police are authorized to prevent acts of terrorism at monuments and buildings owned and managed by the NPS, including monuments, memorials, and associated (continued...)

P.L. 107-38 also required OMB to submit to Congress a proposal for the allocation of the \$20 billion that needed to be specified in another appropriations act. The OMB submitted its \$20 billion proposal on October 17, 2001. On January 10, 2002, Congress enacted P.L. 107-117, providing emergency supplemental funds for FY2002.⁴ The law contained \$88.1 million in total appropriations for anti-terrorism activities for the programs in the Department of the Interior⁵ and related agencies appropriations bills.

Further FY2002 Emergency Supplemental Funding (P.L.107-206).

On August 2, 2002, President Bush signed into law (P.L. 107-206) the FY2002 Supplemental Appropriations Act for Further Recovery From and Response to Terrorist Attacks on the United States. The law contained \$30 billion for anti-terrorism, defense, homeland security, and economic revitalization, and \$5.1 billion for contingent emergency spending. Included in the “contingent” amount were funds for several agencies funded through the DOI and related agencies bills, but those funds were not obligated. Under §1404 of P.L. 107-206, the President had 30 days within enactment to decide whether to designate all or none of the \$5.1 billion as emergency spending in accordance with the Balanced Budget and Emergency Deficit Control Act of 1985. The money was not to be obligated unless the President designated it as emergency funding. On August 13th, 2002, President Bush announced his rejection of the \$5.1 billion in contingent emergency spending, remarking that some of the money has “nothing to do with a national emergency.” The President indicated he would seek, in a separate supplemental request, \$1 billion of the \$5.1 billion for selected programs.

On September 3, 2002, President Bush submitted a supplemental FY2003 request for \$1.0 billion that would fund some of the activities left unfunded when he rejected the \$5.1 billion contingent emergency appropriations for FY2002. The request did not include funds for DOI and related agencies. (For more information on supplemental funding, see CRS Report RL31406, *Supplemental Appropriations for FY2002: Combating Terrorism and Other Issues*. For general information on terrorism issues, see the CRS Electronic Briefing Book on Terrorism at [<http://www.congress.gov/brbk/html/ebter1.shtml>].)

The FY2003 Budget to Combat Terrorism. For FY2003, the Administration sought \$37.7 billion for homeland security of which \$25.2 billion was

³ (...continued)

facilities in Washington D.C., New York City, and San Francisco. Among the protected entities are the White House, Lincoln Memorial, Jefferson Memorial, Washington Monument, Statue of Liberty, Presidio, and areas around the U.S. Capitol.

⁴ Department of Defense (Division A) and Emergency Supplemental Appropriations (Division B) for Recovery from and Response to Terrorist Attacks on the U.S. Act.

⁵ The Bureau of Reclamation (receiving \$30.2 million in the FY2002 supplemental) is not discussed in this report because although it is part of the Department of the Interior, it is not funded by Interior and related agencies appropriations bills. For a discussion of funding for the Bureau of Reclamation, see CRS Report RL31307, *Appropriations for FY2003: Energy and Water Development*.

discretionary budget authority for non-Department of Defense operations.⁶ Among the categories for homeland security funding were: supporting first responders, defending against bio-terrorism, securing our borders, sharing information and using technology, aviation security and “other homeland security.” However, the FY2003 budget did not specify the homeland security responsibilities that would be carried out by agencies funded in the Interior and related agencies bill.

According to DOI, “additional” funding in the FY2003 budget for combating terrorism totaled \$88.8 million. The additional funding was divided among the National Park Service, Office of the Secretary of the Interior, and Bureau of Reclamation. Specifically, of the \$88.8 million, \$56.5 million was for the National Park Service for heightened security and terrorist prevention in the operation of parks, to protect “the symbols and icons of American Freedom that are contained in the National Park System.” Part of the NPS funding was to be used by the U.S. Park Police for counter-terrorism activities and to augment security in urban areas. Another \$5.6 million of the \$88.8 million was for law enforcement and physical security for the Office of the Secretary of the Interior. The remaining \$26.7 million was for the Bureau of Reclamation, which is funded in Energy and Water Appropriations laws.

Department of Homeland Security. On November 25, 2002, a measure (H.R. 5005) to create the Department of Homeland Security (DHS) became law (P.L. 107-296). The Department was created to coordinate federal activities related to combating terrorism, combining and supplying transfer authority for approximately 30 activities currently conducted in various departments and agencies. There is no specific mention in the law of the transfer to the new department of any programs funded in the Interior and related agencies bill. There was only one reference in the House report language (accompanying H.R. 5005) to the Secretary of the Interior’s identification of Indian tribes that perform law enforcement functions. See CRS Report RL31493, *Homeland Security: Department Organization and Management*. The Secretary of Homeland Security received certain authority to transfer appropriations to aid in the establishment of the department (P.L. 107-294). For information on transfer authority as related to the Homeland Security Department, see CRS Report RL31514, *Department of Homeland Security: Appropriations Transfer Authority*.

Key Policy Issues

Title I: Department of the Interior

For further information on the *Department of the Interior*, see its World Wide Web site at [<http://www.doi.gov>].

Bureau of Land Management. The Bureau of Land Management (BLM) manages approximately 264 million acres of public land for diverse, and at times

⁶ See *The Budget of the U.S. Government, FY2003*, table S-5, p. 399.

conflicting uses, such as minerals development, energy development, livestock grazing, recreation, and preservation. The agency also is responsible for about 700 million acres of federal subsurface mineral resources throughout the nation, and supervises the mineral operations on an estimated 56 million acres of Indian Trust lands. Another key BLM function is wildland fire management on about 370 million acres of DOI, other federal, and certain non-federal land.

For FY2003, the Senate passed \$1.86 billion for the BLM, and the House passed \$1.91 billion, while the Administration had requested \$1.83 billion. For FY2002, Congress enacted \$1.87 billion. See **Table 3**.

Management of Lands and Resources. For Management of Lands and Resources, the Senate passed \$816.1 million, the House passed \$826.9 million, and the Administration had requested \$813.0 million. These levels all provide increases over FY2002 (\$775.6 million). The House rejected two floor amendments to cut this line item by \$162.2 million and \$51.3 million respectively. This line item funds an array of BLM land programs, including protection, recreational use, improvement, development, disposal, and general BLM administration.

Energy and Minerals. For the energy and minerals program, including Alaska minerals, the Senate approved \$109.6 million, the House passed \$109.1 million, and the Administration sought \$107.1 million. These amounts would provide an increase over FY2002 (\$99.6 million). The Administration sought the additional funds to increase the availability of oil and gas on federal lands—a goal of the President’s National Energy Plan—including Alaska North Slope oil and gas development. In particular, the Administration requested additional monies to expedite the permitting and rights of way processes, increase oil and gas lease sales, evaluate and eliminate barriers to energy production, and increase environmental inspections. The Senate provided funds over the President’s request for permitting of geothermal energy applications, processing of wind-energy rights of way, and the minerals at risk program (Alaska). The House Committee on Appropriations agreed to report language stating that no funds are included in the bill “for activity related to potential energy development within the Arctic National Wildlife Refuge.”

The Senate bill has two provisions pertaining to controversial rights of way across federal lands. It includes a provision prohibiting appropriations for DOI from being used to issue a right of way for a pipeline related to the Cadiz Groundwater Storage and Dry-Year Supply Program. The Cadiz project was developed to store Colorado River water, for later use, in the groundwater basin underlying parts of San Bernardino County in California. The Senate measure also contains a floor amendment pertaining to the Final Environmental Impact Statement (EIS) for the renewal of the right of way for the Trans-Alaska Pipeline. The language deems that EIS to be sufficient to meet the requirements of §102(2)(C) of the National Environmental Policy Act, to preclude legal challenges to the document’s sufficiency for that purpose.

The Senate- and House-passed bills for FY2003 would bar funds in the bill from being used for energy leasing activities within the boundaries of national monuments, as they were on January 20, 2001, except where allowed by the presidential proclamations that created the monuments. Supporters fear that the Administration

could adjust the boundaries of national monuments in order to allow energy leasing, while opponents assert that the language would preclude development of needed energy resources. An identical provision was enacted in FY2002.

Grazing. The Senate-passed bill and the House-passed bill for FY2003 provided for the automatic renewal of grazing permits and leases that expire, are transferred, or waived during FY2003 and that were issued by the Secretary of the Interior or the Secretary of Agriculture. The automatic renewal continues until the permit renewal process is completed under applicable laws and regulations, including any necessary environmental analyses. The terms and conditions in expiring permits or leases would continue under the new permit or lease until the renewal process is completed (except for certain Agriculture permits under the Senate bill). A provision in previous appropriations laws contained similar language for the Secretary of the Interior but not for the Secretary of Agriculture. This controversial provision is advocated as necessary to address heavy agency workloads in processing the grazing permits and leases that are up for renewal. Opponents fear that permits with possibly detrimental terms or conditions could continue. The House agreed to a floor amendment to add \$5 million to the Forest Service's grazing management account to address the backlog in processing expiring grazing permits, particularly conducting environmental analyses.

Land Use Planning. The Senate, House, and Administration sought increased funds over FY2002 for BLM land use planning. All BLM lands (except some in Alaska) are covered by a land use plan, and plans are to be amended or revised as new issues arise and conditions change. The Senate approved \$48.1 million, the House passed \$47.6 million, and the Administration sought \$47.3 million, compared with \$33.0 million enacted for FY2002. The additional funds are to be used to initiate new land use plans and to accelerate the development or amendment of land use plans that are underway to reflect current conditions, requirements, and issues. The Administration's priority is to address issues including increased energy development, enhanced protection from wildfire, and resolution of resource conflicts. The additional funds are being sought as part of a multi-year effort to update land use plans, about half of which are out of date, according to the BLM.

Wildland Fire Management. For wildland fire management for FY2003, the Senate approved \$654.3 million, the House passed \$655.3 million, and the Administration requested \$653.8 million, all reductions from the FY2002 level (\$678.4 million). The House rejected a floor amendment that sought to increase funds for wildland fire management by \$23.1 million while reducing funds for land acquisition by \$36.0 million. In addition, the House- and Senate-passed bills include supplemental funds for fire fighting in FY2002 to replenish monies borrowed from other accounts. The House bill contains \$200 million in supplemental funds, while the Senate bill has \$189 million. The wildland fire funds appropriated to BLM are used for fire fighting on all Interior Department lands. Interior appropriations laws also provide funds for wildland fire management to the Forest Service (Department of Agriculture) for fire programs primarily on its lands. A focus of both departments is the National Fire Plan, developed after the 2000 fire season, which emphasizes reducing hazardous fuels, among other provisions. (For more information, see "U.S. Forest Service" below.)

Payments in Lieu of Taxes Program (PILT). For PILT, the Administration sought \$165.0 million for FY2003, a decline of \$45.0 million (21%) from FY2002 (\$210.0 million). By contrast, the Senate passed \$210.0 million, and the House approved an increase to \$230.0 million for FY2003. The PILT program compensates local governments for federal land within their jurisdictions, and has been controversial because in recent years appropriations have been substantially less than authorized amounts.

Land Acquisition. For Land Acquisition, the Administration recommended \$44.7 million for FY2003, divided among 22 projects in 11 states. The Senate passed \$30.2 million for 14 projects in 8 states, and the House approved \$47.5 million for 27 projects in 11 states. These FY2003 levels are a reduction from FY2002 (\$49.9 million). The money would be appropriated from the Land and Water Conservation Fund. The BLM seeks to emphasize alternatives to fee title land purchases, such as land exchanges and purchase of conservation easements and development rights, which it asserts are less expensive approaches. (For more information, see the “Land Acquisition” section below.)

Table 3. Appropriations for BLM, FY2001-FY2003
(\$ in millions)

Bureau of Land Management	FY2001 Approp.	FY2002 Approp.	FY2003 Request	FY2003 Senate Passed	FY2003 House Passed
Management of Lands and Resources	\$753.3	\$775.6	\$813.0	\$816.1	\$826.9
Wildland Fire Management	977.1	678.4	653.8 ^b	654.3 ^b	655.3 ^b
Central Hazardous Materials Fund	10.0	10.0	10.0	10.0	10.0
Construction	16.8	13.1	11.0	13.0	11.0
Payments in Lieu of Taxes	199.6	210.0	165.0	210.0	230.0
Land Acquisition	56.5	49.9	44.7	30.2	47.5
Oregon and California Grant Lands	104.0	105.2	105.6	105.6	105.6
Range Improvements	10.0	10.0	10.0	10.0	10.0
Service Charges, Deposits, and Forfeitures ^c	7.5	8.0	0	0	0
Miscellaneous Trust Funds	12.4	12.4	12.4	12.4	12.4
Total Appropriations	2,147^a	1,873^a	\$1,825	1,861	1,909

^a Includes contingent emergency appropriations.

^b Do not include FY2002 supplemental funds requested by the Administration and passed by the chambers as part of the FY2003 bills.

^c The FY2003 figures of “0” are a result of a recommended appropriation of \$7.9 million with \$7.9 million in offsetting fees.

For further information on the *Bureau of Land Management*, see its World Wide Web site at [<http://www.blm.gov/nhp/index.htm>].

CRS Issue Brief IB89130. *Mining on Federal Lands*, by Marc Humphries.

CRS Report RS20902. *National Monument Issues*, by Carol Hardy Vincent.

CRS Report RL31392. *PILT (Payments in Lieu of Taxes): Somewhat Simplified*, by M. Lynne Corn.

CRS Issue Brief IB10076. *Public (BLM) Lands and National Forests*, by Ross W. Gorte and Carol Hardy Vincent, coordinators.

Fish and Wildlife Service. For FY2003, the Administration requested \$1.28 billion for the Fish and Wildlife Service (FWS), a slight increase (0.5%) over FY2002. With the addition of some large accounts that are permanently appropriated (and therefore do not require action in an annual appropriation bill), the Administration's proposed total FWS spending would remain flat, at \$1.94 billion. The Senate passed \$1.21 billion for FWS for FY2003 in annual appropriations. The House-passed version was \$1.40 billion.

By far the largest portion of the FWS annual appropriation is for the Resources Management account. The Senate's bill contained \$902.7 million for FY2003, down \$0.9 million from the Administration's FY2003 budget request but up \$52.1 million from FY2002. The House approved \$918.4 million.

Endangered Species Funding. Funding for the Endangered Species program is one of the perennially controversial portions of the FWS budget. For FY2003, the Administration proposed that the program remain at the FY2002 level of \$125.7 million, although its subprograms would show significant changes from previous years. The Senate rejected the proposed amount, and raised the program by \$5.7 million over FY2002 (\$131.5 million). The House approved \$130.2 million. (See **Table 4**.)

A number of related programs also benefit conservation of species that are listed or proposed for listing under the Endangered Species Act. The Cooperative Endangered Species Conservation Fund (for grants to states and territories) would decrease from \$96.2 million to \$91.0 million under the President's request. The Senate approved \$81.0 million while the House increased the program to \$121.4 million. The Landowner Incentive Program would increase by \$10 million to \$50 million under the President's proposal; it would be cut to \$0.6 million by the Senate, though the House approved flat funding of \$40.0 million. The Senate Committee report is critical of this program, and provides only sufficient funds for its evaluation and the distribution of previously appropriated funds. Stewardship Grants would remain at \$10 million under the President's proposal and House bill, but would be cut to \$0.2 million by the Senate. The Senate Committee report is critical of this program as well, and likewise provides only sufficient funds for its evaluation and

the distribution of previously appropriated funds.⁷ Overall, funding for the Endangered Species program and related programs within the FWS budget would increase by 1.7%, from \$272.0 million to \$276.7 million under the President's request but would decrease by 21.6% in the Senate bill, and increase by 10.9% in the House bill.

Table 4. Funding for Endangered Species Programs, FY2001-FY2003

(\$ in thousands)

	FY2001 Approp.	FY2002 Approp.	FY2003 Request	FY2003 Senate Passed	FY2003 House Passed
Endangered Species Program					
Candidate Conservation	\$7,052	\$7,620	\$8,682	\$9,982	\$8,682
Listing	6,341	9,000	9,077	9,077	9,077
Consultation	42,750	45,501	47,770	47,970	47,770
Recovery	59,835	63,617	60,215	64,427	64,715
<i>Subtotal</i>	<i>115,978</i>	<i>125,738</i>	<i>125,744</i>	<i>131,456</i>	<i>130,244</i>
Related Programs					
Cooperative Endangered Species Conservation Fund	104,694	96,235	91,000	81,000	121,400
Landowner Incentive Program	4,969 ^a	40,000	50,000	600	40,000
Stewardship Grants	0	10,000	10,000	200	10,000
Total	225,641	271,973	276,744	213,256	301,644

^a In FY2001, this program was funded through the Endangered Species Program itself. In the following year, while the purpose was the same, it became a grant program to states.

The Senate also included Amendment 186⁸, expressing the sense of Congress that various parties in a dispute over management of the Missouri River (and the resulting effects on chicks and nests of two listed species — least tern and piping plover) should reach agreement on a flow schedule for the river as soon as possible in 2003. The amendment does not address the surrounding controversy about two proposals by the Corps of Engineers. Both proposals would modify the flow regime of the river, to the benefit of the barge industry, but both, according to FWS, would

⁷ The primary criticism of this and the Landowner Incentive Program was the amount of time it took to issue regulations for these new programs. The extent to which this interval is substantially longer than that for other new programs is unclear, however. There was also a concern that the two programs may overlap existing programs.

⁸ A version of this amendment was printed in the *Congressional Record* (Jan. 23, 2003, p. S1428) and agreed to; along with a number of other amendments, it was modified by unanimous consent on Jan. 28, 2003 (see p. S1509-S1512) after H.J.Res. 2 was passed. The latter version is discussed above.

harm the two listed species. One of the proposals would require moving the chicks and nests off Missouri River sandbars and into a captive rearing facility; the other proposal would not risk flooding of nests, but would avoid that by simply flooding much suitable habitat continuously during the nesting season. The amendment does not insulate Corps activities from citizen suits under the Endangered Species Act (ESA), and some environmental groups, alleging harm to listed species from past transfers of nests, already have indicated their intention to sue the Corps under ESA for its management of Missouri River flows. The House bill contains no similar language. The conference committee could adopt the House position, dropping the language; adopt the Senate's position on the sense of the Congress; or attempt to develop other language to address the controversy directly.

National Wildlife Refuge System. On March 14, 2003, the nation will observe the centennial of the creation by President Theodore Roosevelt of the first National Wildlife Refuge on Pelican Island in Florida. Accordingly, various renovations, improvements, and activities are planned to celebrate this event. For FY2003, the Administration, House, and Senate proposed overall increases for the National Wildlife Refuge System (NWRS) at 17.7%, 17.7%, and 13.1% respectively. See **Table 5.**⁹ With respect to the operations and maintenance component of the System, the President proposed an increase of 7.6%, which the House approved. The Senate passed a 22.7% increase for operations and maintenance. For NWRS infrastructure improvements, the Administration recommended \$52.0 million, more than double the previous year; the proposal was supported by the House. The Senate passed no specific funding for this program. The House and Senate also continued an existing prohibition on expenditures to establish a new unit of the NWRS unless the purchase is approved in advance by the House and Senate Appropriations Committees. This prohibition would not apply to creation of new refuges approved by the Migratory Bird Conservation Commission, since its acquisition funds are permanently appropriated.

While interest in energy development in the Arctic National Wildlife Refuge (ANWR) in Alaska is intense, no money is earmarked in the FWS budget to support studies or preparation for such legislation. Further, the House Committee on Appropriations sought to assure that no funds were spent on ANWR development, by any agency funded by the bill, by including report language stating that the bill did not contain funds for "activity related to potential energy development within [ANWR]." However, it proposed that the allocation for management of ANWR increase from \$2.19 million to \$2.38 million. As is usually the case, no specific earmark is provided for ANWR management, nor for any other specific refuge, in the Senate Committee report.

⁹ Spending for the NWRS is under the "Refuges and Wildlife" budget activity, which includes programs which are not directly tied to the NWRS: recovery of the Salton Sea (in California), management of migratory birds throughout the country and in cooperation with other nations, and law enforcement operations around the country. These programs are not included here, but are contained in tables in Appropriations committee reports.

Table 5. Funding for National Wildlife Refuge System
(\$ in millions)

Refuge Program	FY2002 Approp.	FY 2003 Request	FY2003 House Passed	FY2003 Senate Passed
Operations and Maintenance	294.0	316.5	316.5	360.9
Cooperative Conservation Initiative	0.0	5.0	0.0	0.0
Infrastructure Improvement	23.0	52.0	52.0	0.0
Youth Conservation Corps	2.0	2.0	2.0	0.0
Challenge Cost-sharing and Invasive Species	0.0	0.0	5.0	0.0
Total	319.0	375.5	375.5	360.9

The FY2003 Budget Justification also addresses the impact on FWS law enforcement of recent terrorist attacks in the United States. It states:

The September 11, 2001 terrorist attacks continue to have rippling effects on law enforcement programs throughout the country, including the [NWRS], which has increased security at refuge facilities. The refuge system has responsibilities to provide protection for the resources, visitors, and facilities along coastal areas, the Mexico and Canada borders, and urban areas. In addition, many refuge officers are being sent on temporary assignments throughout the U.S. to support the Department of the Interior's national security efforts to protect employees and visitors, and other facilities. [p. 119.]

There are several refuges along U.S. coasts. One Refuge—Cabeza Prieta—is bounded by the Mexican border, and several are near the Canadian border. It is not clear what portion of the NWRS request is to be spent on increased security in these border areas or in general. The President proposed \$49.9 million for Law Enforcement (up \$1.5 million over FY2002), plus \$2.0 million for infrastructure improvement, which the House approved. The Senate passed \$51.9 million, with no set-aside for infrastructure.

Wildlife Refuge Fund. The National Wildlife Refuge Fund (also called the Refuge Revenue Sharing Fund) compensates counties for the presence of the non-taxable federal lands of the NWRS. A portion of the Fund is supported by the permanent appropriation of receipts from various activities carried out on the NWRS. However, these receipts are not sufficient for full funding of authorized amounts. Congress generally makes up some of the difference in annual appropriations. The Administration requested \$14.4 million for FY2003, identical to the FY2002 level; this amount also was approved by the Senate. When combined with the receipts, the appropriation would cover 55% of the authorized full payment. The House approved \$19.4 million for the fund (about 77.1% of full payment).

Land Acquisition. For FY2003, the Administration proposed \$70.4 million, a 29.0% decrease from the FY2002 level of \$99.1 million, while the Senate approved \$81.5 million, and the House passed \$82.2 million. For FY2003, the Senate allocated 77.9% of the total to specified refuges, while the House allocated 78.7%. The remainder is for acquisition management, land exchanges, emergency acquisitions, etc. (For more information, see the “Land Acquisition” section below.)

Multinational Species Conservation Fund (MSCF). The MSCF has generated considerable constituent interest despite the small size of the program. It benefits Asian and African elephants, tigers, the six species of rhinoceroses, and great apes. The President’s budget proposed to move the funding for the Neotropical Migratory Bird Conservation Fund (NMBCF) into the MSCF. For FY2003, the President proposes \$5.0 million for the MSCF. Older portions of the MSCF would receive level funding while the NMBCF portion would be reduced 67%—from \$3.0 million in FY2002 to \$1.0 million in FY2003. See **Table 6**. The Senate and House rejected the proposed transfer for FY2003. The Senate recommended \$2.0 million for the Migratory Bird program, while increasing the allocation to the conservation of tigers and rhinoceroses. The House would increase funding for all four subprograms as well as for the Neotropical Migratory Bird program.

Table 6. Funding for Multinational Species Conservation Fund and Migratory Bird Fund, FY2001-2003
(\$ in thousands)

Multinational Species Conservation Fund	FY2001 Approp.	FY2002 Approp.	FY2003 Request	FY2003 Senate Passed	FY2003 House Passed
African elephant	\$999	\$1,000	\$1,000	\$1,000	\$1,200
Tiger and Rhinos	748	1,000	1,000	1,200	1,200
Asian elephant	748	1,000	1,000	1,000	1,200
Great Apes	748	1,000	1,000	1,000	1,200
Neotropical Migratory Birds ^a	NA	[3,000]	1,000	[2,000]	[5,000]
Total	3,243	4,000	5,000	4,200	4,800

^a This program was first authorized in FY2002, and at that time was not part of the MSCF. For this reason, the FY2002 appropriation of \$3 million is not included in the FY2002 column total.

For further information on the *Fish and Wildlife Service*, see its World Wide Web site at [<http://www.fws.gov/>].

CRS Report RL31278. *Arctic National Wildlife Refuge: Background and Issues*. M. Lynne Corn, coordinator.

CRS Issue Brief IB10111. *Arctic National Wildlife Refuge: Controversies for the 108th Congress*, by M. Lynne Corn, Bernard A. Gelb, and Pamela Baldwin.

CRS Issue Brief IB10072. *Endangered Species: Difficult Choices*, by Eugene H. Buck and M. Lynne Corn.

CRS Report 90-192. *Fish and Wildlife Service: Compensation to Local Governments*, by M. Lynne Corn.

CRS Report RS21157. *Multinational Species Conservation Fund*, by M. Lynne Corn.

National Park Service. The National Park Service (NPS) has stewardship responsibilities for a park system currently comprising 388 separate and diverse units covering 84 million acres. In addition to the national park designation, the park system has more than 20 other types of designations used to classify park sites. The NPS protects, interprets, and administers the park system's diversity of natural and historic areas representing the cultural identity of the American people. The NPS also provides limited, temporary funding support and technical assistance to 23 national heritage areas outside of the park system. An estimated 276 million people visited park units in 2002.

The Administration requested a total of \$2.36 billion for the NPS for FY2003, a \$24.5 million decrease from the FY2002 level (\$2.38 billion). See **Table 7**. The President pledged to eliminate the NPS multi-billion dollar maintenance backlog over the next few years, improve security at NPS sites in response to terrorist attacks on the United States, and get more non-government, partnership groups involved in park support. The Senate approved \$2.29 billion for the National Park Service, while the House approved \$2.40 billion.

Operation of the National Park System. The park operations line item accounts for roughly two-thirds of the total NPS budget. It covers resource protection, visitors' services, facility operations, facility maintenance, and park support programs. For FY2003, the Administration requested \$1.58 billion, the Senate approved \$1.57 billion, and the House approved \$1.61 billion. These levels are all roughly \$100 million above the FY2002 level of \$1.49 billion.

An environmental coalition comprised of some 27 Members of Congress and park support and environmental groups—Americans for National Parks—sought a \$280 million increase in the NPS operating budget to fund science, resource protection, and education programs, in addition to repair and enhancement of park infrastructure, an Administration priority.¹⁰ On October 16, 2002, the Senate agreed to a Sense of the Senate amendment to the Interior appropriations bill (H.R. 5093) that Congress should continue efforts to increase funding for operations of the National Park Service and seek to eliminate the deferred maintenance backlog by FY2007. However, that bill was not enacted into law.

The President included funds for a proposed Cooperative Conservation Initiative (CCI) which would provide matching funds for park projects, and some other DOI

¹⁰ Ron Tipton, *Interior's Parks Budget Inches Forward, Falls Short of Need*, National Parks Conservation Association, Press Release, Feb. 4, 2002, [http://www.eparks.org/media_center/PressReleaseDetail.asp?id=83].

agency projects, undertaken by nonprofit and private entities. (For more information on CCI, see the “LWCF” section below under Cross-Cutting Topics.) The Senate rejected the idea of the proposed CCI; the Senate Committee on Appropriations asserted that the establishment of another grant program could not be justified when many existing needs are not being met. The House did not specify funding for the CCI as proposed, but supported the concept of conservation partnerships.

Table 7. Appropriations for NPS, FY2001-FY2003
(\$ in millions)

National Park Service	FY2001 Approp.	FY2002 Approp.	FY2003 Request	FY2003 Senate Passed	FY2003 House Passed
Operation of the National Park System	\$1,386.2	\$1,487.1	\$1,584.6	\$1,571.0	\$1,605.6
U.S. Park Police	79.6	90.6	78.4	78.4	78.4
National Recreation and Preservation	59.8	66.2	46.8	63.0	56.3
Urban Park and Recreation Fund	29.9	30.0	0.3	10.0	30.0
Historic Preservation Fund	94.2	74.5	67.0	67.0	76.5
Construction	300.3	387.7	322.4	322.8	325.2
Land and Water Conservation Fund ^a	-30.0	-30.0	-30.0	-30.0	-30.0
<i>Land Acquisition and State Assistance</i>					
Assistance to States	90.3	144.0	200.0	115.0	154.0
NPS Acquisition	124.8	130.1	86.1	89.0	99.1
<i>Total</i>	215.1	274.1	286.1	204.0	253.1
Total Appropriations	2,135	2,380	2,356	2,286	2,395

^a Figures reflect a rescission of contract authority.

Construction and Maintenance. The construction line item funds the construction, rehabilitation, and replacement of park facilities. For this line item, for FY2003 the Administration requested \$322.4 million, a decrease of \$65.3 million from the FY2002 level (\$387.7 million). Funds for the construction line item have tended to be substantially increased during the appropriations process. The Senate approved \$322.8 million for NPS construction, while the House approved \$325.2 million. The Administration requested an additional \$529.4 million for facility operation and maintenance, an activity funded within the Operation of the National Park System Line Item. The Senate approved \$528.8 million, and the House approved \$537.7 million. Combined, the Administration requested \$851.8 million for construction and facility operation and maintenance, a decrease of \$15.1 million from FY2002 (\$866.9). Excluding the request for facility operation, the Administration sought some \$663 million for FY2003 for construction and facility

maintenance, including annual and deferred maintenance.¹¹ Combined, the Senate approved \$851.6 million, \$15.2 million below FY2002 appropriations. The House total was \$862.8 million.

The estimated range of deferred maintenance for the NPS is \$4.1 billion to \$6.8 billion according to the DOI Budget Office. In his FY2002 budget, President Bush proposed to fulfill his campaign promise to eliminate NPS deferred maintenance within five years through a combination of new appropriations, transportation fund money, and revenues from recreation fees. While the FY2003 budget contained a statement renewing this commitment, park and environmental groups have criticized as low the amount of new money committed to eliminating the backlog.

United States Park Police (USPP). This line item supports the programs of the U.S. Park Police who operate primarily in urban park areas. The USPP also provides investigative, forensic, and other services to support law enforcement trained rangers working in the park units system-wide. The FY2003 request was \$78.4 million, an increase of \$13.1 million over the initial FY2002 appropriation (\$65.3 million) but a decrease of \$12.1 million from the total FY2002 appropriation (\$90.6 million). After the regular FY2002 appropriation, the NPS received \$25.3 million in emergency appropriations for increased security following the September 11, 2001, terrorist attacks. The Administration's FY2003 budget emphasizes anti-terrorism protection at national icon sites in Washington, D.C., New York, Philadelphia, and other locations. The Senate and House both approved \$78.4 million, the full amount of the Administration's request.

National Recreation and Preservation. This line item funds park recreation and resource protection programs, as well as programs connected with local community efforts to preserve natural and cultural resources. The FY2003 request of \$46.8 million was \$19.3 million less than FY2002 funding (\$66.2 million). The primary decreases were a \$5.5 million reduction for the heritage partnerships program and a \$12.9 reduction to the statutory and contractual aid program. The Senate approved \$63.0 million, \$3.2 million less than FY2002 but an increase of \$16.2 million above the budget request, that would mostly restore funding for the heritage partnership program and statutory and contractual aid. The House approved \$56.3 million, with a significant increase over the request for heritage partnership programs but a sizeable decrease from the FY2002 enacted level for statutory and contractual aid.

Urban Park and Recreation Recovery (UPARR). Citing the need to support "higher priorities," in FY2003 the Administration did not request funds for the UPARR program except for \$300,000 for the administration of previously awarded grants. This locally popular matching grant program was designed to help low income inner city neighborhoods rehabilitate recreational facilities. Although the President did not request funds for UPARR in FY2002, last year Congress restored funding at \$30.0 million, the same as provided in FY2001. The Senate

¹¹ This figure is derived by summing the entire FY2003 construction request (\$322.4 million), and the facility maintenance portion only of the facility operation and maintenance activity (\$340.7 million). The Senate- and House-passed bills did not breakout facility operation and maintenance separately.

approved \$10.0 million for FY2003, \$20.0 million less than FY2002 Appropriations. The House approved \$30.0 million.

Land Acquisition and State Assistance. The FY2003 budget proposed funding NPS Land Acquisition and State Assistance at \$286.1 million, an increase of \$11.9 million over the FY2002 appropriation (\$274.1 million). This included \$86.1 million for the NPS federal land acquisition program, a decrease of \$44.1 million from the FY2002 appropriation (\$130.1 million). This program provides funds to acquire lands, or interests in lands, for inclusion within the National Park System. The Administration's request for Land and Water Conservation Fund (LWCF) state assistance, a park land acquisition program for States, was \$200 million, including \$50 million for grants under its proposed Cooperative Conservation Initiative and \$150 million for the traditional LWCF state grants program (compared with \$144 million for FY2002). State-side funds would continue to be awarded through a formula allocation. The Senate approved \$204 million for NPS land acquisition and state assistance, consisting of \$89 million for NPS federal land acquisition and \$115 million for state land acquisition assistance. The House approved \$253.1 million for NPS land acquisition and state assistance, including \$99.1 million for federal land acquisition and \$154.0 million for the state-side program.

Recreational Fee Demonstration Program (Fee Demo). Under this program, the four major federal land management agencies retain and spend receipts from entrance and user fees. The receipts are available without further appropriation for projects at the collecting sites, with a portion distributed to other agency sites. The NPS estimates Fee Demo receipts of \$149.0 million for FY2003, and the FY2003 budget states that at least half of the receipts will be used for deferred maintenance. Fee Demo was begun in FY1996 and extended in appropriations laws, most recently through FY2004. The Administration's FY2003 budget stated an intent to propose legislation to make the program permanent and remove it from the appropriations process, and the agencies have collaborated on developing a permanent program. Several 107th Congress bills proposed differing forms of fee program permanence but none were enacted. While there have been few objections to new and higher fees for the National Park System, many citizens have objected to paying fees for previously free or low cost recreation in national forests.

Everglades Restoration. Two provisions of the House version of the FY2003 Interior appropriations bill (H.R. 5093) pertaining to restoration in the Everglades and the South Florida ecosystem were stricken when points of order were raised against them on July 16, 2002. One provision had sought to make the DOI an equal partner on the Restoration Coordination and Verification Team (RECOVER). RECOVER is responsible for evaluating and assessing the performance of restoration activities implemented by the Comprehensive Everglades Restoration Plan (CERP), and recommending improvements to this plan. According to the House Appropriations Committee (H.Rept. 107-564), the language specified that DOI would be a full partner with the U.S. Army Corps of Engineers (Corps) on RECOVER to ensure that the DOI's technical experience with restoration is incorporated into the functioning of RECOVER, and that the government's primary interest in restoration is achieved.

The second provision had sought to allow the Corps to implement a flood protection plan (Alternative 6D) for the “8.5 Square Mile Area” as part of the Modified Waters Deliveries Project (authorized in P.L. 101-229). The Modified Water Deliveries Project seeks to improve water deliveries to Everglades National Park (ENP) and, to the extent possible, restore the natural hydrological conditions within ENP. To complete this project under the current plan, land within the “8.5 Square Mile Area” would have to be acquired to be used for flood protection for the entire community. Some of the owners are unwilling to sell their land and have pursued legal action to prevent the acquisition of their land. If this land is not acquired by the Corps, the Modified Water Deliveries Project as well as portions of CERP could not be implemented under the Corps’ current plan. Legislation authorizing CERP provides that the Modified Water Deliveries Project must be completed before several CERP projects involving water flows on the east side of ENP can receive appropriations (§601(b)(2)(D)(iv) of Title IV, P.L. 106-541). Lastly, a point of order was sustained against a House floor amendment that sought to restore the language providing for the Corps flood protection plan in the “8.5 Square Mile Area”, which included the acquisition of lands or interests in lands. All the points of order related to legislating on an appropriations bill.

By contrast, on January 23, 2003, the Senate passed an omnibus appropriations bill that included an amendment authorizing the Corps to implement its flood protection plan, under Alternative 6D, for the "8.5 Square Mile Area" (Amendment 139). The amendment also specifies that the Corps is to pay 100% of the cost of land acquisitions associated with Alternative 6D. For more information on the modified water deliveries project, see CRS Report RS21331, *Everglades Restoration: Modified Water Deliveries Project*.

For information on funding for Everglades restoration, see “Everglades Restoration” under cross-cutting issues.

For further information on the *National Park Service*, see its World Wide Web site at [<http://www.nps.gov/>].

CRS Issue Brief IB10093. *National Park Management and Recreation*, by Carol Hardy Vincent and David Whiteman, coordinators.

Historic Preservation. The Historic Preservation fund (HPF), administered by the NPS, provides grants-in-aid to states (primarily through State Historic Preservation Offices (SHPOs), certified local governments, and territories and the Federated States of Micronesia for activities specified in the National Historic Preservation Act. These activities include protection of cultural resources and restoration of historic districts, sites, buildings, and objects significant in American history and culture. Preservation grants are normally funded on a 60% federal- 40% state matching share basis. The National Historic Preservation Act (NHPA) Amendments of 2000, P.L. 106-208, reauthorized the Historic Preservation Fund through FY2005.

The FY2003 Bush Administration’s budget would have provided \$67.0 million in funding for the Historic Preservation Fund, the same as the Senate-passed level. First, it recommended funding the grants-in-aid to states and territories at \$34.0

million. Second, it would have funded cultural heritage projects for Indian tribes, Alaska Natives and Native Hawaiians (\$3.0 million). Third, it would have funded Save America's Treasures at \$30.0 million. The budget estimate for FY2003 was a decrease of \$27.2 million from the FY2001 level (\$94.2 million). It was a decrease of \$7.5 million from the FY2002 appropriation (\$74.5 million), including a decrease of nearly \$5 million in the grants-in-aid program to states and territories, and a decrease of \$2.5 million to eliminate the one-time funding for the National Trust for Historic Preservation's aid to its endowment for endangered historic properties. See **Table 8**.

Now funded in tandem with the Historic Preservation Fund is former President Clinton's Millennium initiative, Save America's Treasures. Save America's Treasures grants are given to preserve "nationally significant intellectual and cultural artifacts and historic structures" including monuments, historic sites, artifacts, collections, artwork, documents, manuscripts, photographs, maps, journals, film and sound recordings. The appropriation for Save America's Treasures has been used, for example, for restoration of the Star Spangled Banner; properties throughout the U.S., including the Rosa Parks Museum in Alabama and the Mark Twain House in Connecticut; repair and restoration of the Sewall-Belmont House; the National Women's Party headquarters; and the Declaration of Independence and the U.S. Constitution located in the National Archives. Although the program was funded in FY2001 (\$34.9 million) and FY2002 (\$30.0 million), it was criticized for not reflecting geographic diversity. As a result, the FY2001 Interior appropriations law (P.L. 106-291) required that any project recommendations would be subject to formal approval by the House and Senate Committees on Appropriations prior to distribution of funds. Projects require a 50% cost share, and no single project can receive more than one grant from this program.

In the past, the HPF account has included the preservation and restoration of historic buildings and structures on Historically Black Colleges and Universities (HBCU) campuses. Funds in Section 507 of P.L. 104-333 (the Omnibus Parks and Public Lands Management Act of 1996) were earmarked for preservation projects for specific colleges and universities. Grants were awarded to complete repairs on HBCU buildings, particularly those listed in the National Register of Historic Places that required immediate repairs. An appropriation in FY2001 of \$7.2 million represented the unused authorization remaining from P.L. 104-333. There was no funding for HBCU's under HPF for FY2002, and it was eliminated from the FY2003 Bush Administration budget because technically the authorized funding has been expended.

There is no longer direct federal funding for the National Trust for Historic Preservation, previously funded as part of the Historic Preservation Fund Account. The National Trust was chartered by Congress in 1949 to "protect and preserve" historic American sites significant to our cultural heritage. It is a private non-profit corporation. With the exception of a one-time appropriation in FY2002, the National Trust has generally not received federal funding since FY1998, in keeping with Congress' plan to replace federal funds with private funding and to make the Trust self-supporting. The National Trust still maintains several financial assistance programs including the Preservation Services Fund, a program of matching grants to initiate preservation projects, and the National Preservation Loan Fund, providing

below-market-rate loans to nonprofit organizations and public agencies to preserve properties listed in the National Register of Historic places, particularly those on the “Most Endangered Historic Places” list. In FY2002, \$2.5 million was appropriated to the endowment for the National Trust Historic Sites Fund, to be matched dollar for dollar with non-federal funds, for the care and maintenance of the most endangered historic places. The FY2003 budget recommended eliminating that one-time grant for the National Trust. The House-passed appropriation for FY2003 included \$2.5 million for the Historic Sites Fund endowment.

The Senate-passed bill for FY2003 would provide the same amount (\$67.0 million) for the Historic Preservation Fund as the FY2003 budget request. The House-passed bill would have provided \$76.5 million for the Historic Preservation Fund, \$9.5 million above the budget request and \$2 million above the FY2002 enacted level. See **Table 8**.

**Table 8. Appropriations for the Historic Preservation Fund
(FY2001-FY2003)**
(\$ in thousands)

Historic Preservation	FY2001 Approp.	FY2002 Approp.	FY2003 Request	FY2003 Senate Passed	FY2003 House Passed
Grants in aid to State Historic Preservation Offices ^a	\$46,495	\$39,000	\$34,000	\$34,000	\$40,000
Tribal grants	5,560	3,000	3,000	3,000	4,000
Save America’s Treasures	34,923	30,000	30,000	30,000	30,000
HBCU’s	7,161	—	—	—	—
National Historic Trust Endowment grant/Historic Sites Fund	—	2,500	—	—	2,500
Massillon Heritage Foundation	100	—	—	—	—
HPF (total)	94,239^b	74,500	67,000	67,000	76,500

^a The term “grants in aid to States and Territories” is used in conjunction with the budget and refers to the same program as Grants in aid to State Historic Preservation Offices.

^b The FY2001 Interior appropriations law provided \$14.97 million from a new Title VIII in the law, referred to as the “Conservation Spending Category.” Funding for all programs in this category are shown in **Table 19** in this report.

For further information on *Historic Preservation*, see its World Wide Web site at [<http://www2.cr.nps.gov/>].

CRS Report 96-123. *Historic Preservation: Background and Funding*, by Susan Boren.

U.S. Geological Survey. The U.S. Geological Survey (USGS) is the nation's primary science agency in providing earth and biological science information related to natural hazards; certain aspects of the environment; and energy, mineral, water, and biological sciences. In addition it is the federal government's principal civilian mapping agency and a primary source of data on the quality of the nation's water resources.

The traditional presentation of the budget for the USGS is in the line item *Surveys, Investigations, and Research*, with six activities falling under that heading: National Mapping Program; Geologic Hazards, Resources, and Processes; Water Resources and Investigations; Biological Research; Science Support; and Facilities. The Administration proposed a FY2003 budget of \$867.3 million, \$46.7 million below the FY2002 enacted level of \$914.0 million, with each of the Survey's six activities showing a decrease. The House approved \$928.4 million—an increase of \$61.1 million above the request and \$14.4 million over FY2002. That House amount included \$25.0 million in the conservation spending category for the USGS for State Planning Partnerships, an amount \$11.4 million more than the budget request but equal to FY2002. The Senate approved \$914.6 million—an increase of \$47.3 million above the request and \$0.6 million above FY2002. The Senate did not include any money in the conservation spending category for State Planning Partnerships.

National Mapping Program. For the National Mapping Program activity, the Administration requested \$129.3 million for FY2003—\$4.0 million below FY2002 (\$133.3 million). Decreases of \$4.8 million were proposed to eliminate funding for national mapping improved internet access, high performance computing and high speed communication, and urban dynamics studies. The request included an increase of \$1.0 million to produce digital map data, map products, and base maps of Alaska, focusing first on areas of potential energy development within the National Petroleum Reserve in Alaska. The House approved \$135.1 million—\$5.8 million above the request and \$1.8 million above FY2002. In report language, the House Appropriations Committee strongly encouraged the USGS to make a high priority the completion and maintenance of the digital database known as The National Map. The Senate passed \$131.1 million for this program, \$1.8 million above the request but \$2.2 million below FY2002. The Senate Committee on Appropriations had recommended restoring funding for urban dynamics studies and concurred with the \$1.0 million increase for digital map products of Alaska.

Geologic Hazards, Resources, and Processes. For the Geologic Hazards, Resources, and Processes activity, the Administration requested \$224.6 million—a reduction of \$8.2 million below FY2002 (\$232.8 million). Proposed decreases totaled \$13.7 million and covered no fewer than twelve line item programs across the three budget subactivities: Hazard Assessments, Landscape and Coastal Assessments, and Resource Assessments. The largest reductions were seen in the National Cooperative Geologic Mapping program, the Alaska minerals information project, three projects on aggregate minerals, and the Volcano Hazards program. The FY2003 budget proposed an increase of \$4.0 million to the Earth Surface Dynamics program that would have funded interdisciplinary science to meet the priority research needs of the Critical Ecosystem Studies Initiative (CESI) dealing with the Everglades National Park. Those needs focused on three components: adaptive assessment, baseline ecosystem research, and simulation models/decision support

tools. Another proposed increase of \$1.7 million to the Energy Resources program would have enabled the USGS to expand its estimation of volumes of undiscovered oil and gas resources on federal lands and to produce an updated national assessment of available geothermal resources in the United States.

The House approved \$234.7 million—\$10.1 million over the request and \$1.9 million more than FY2002. Increases above FY2002 were included for the National Coastal Program, a scientific study into the impact of global dust events impacting the continental United States, oil and gas resource assessments, and geothermal resource assessments. Decreases targeted the Lake Mojave Study, the North Carolina Coastal Erosion Study, the Alaska Minerals Project, the Yukon Flats Study, and monitoring equipment at Shemya, Alaska. The Senate approved \$234.9 million for this program, \$10.2 million above the request and \$2.1 million over FY2002. The Senate Committee had not agreed with many of the program reductions assumed in the budget request and restored a number of them. (For details, see Congressional Record, January 15, 2003, S574). The Senate Committee had concurred with the increases for the CESI dealing with Everglades National Park, but did not concur with the requested increase for expanded activities in oil, gas, and geothermal assessments.

Water Resources and Investigations. For the Water Resources and Investigations activity, the Administration requested \$177.8 million—a decrease of \$28.0 million from FY2002 (\$205.8 million). Decreases were sought to discontinue USGS financial support for the Toxic Substances Hydrology Program and to reduce funding for the National Water Quality Assessment Program. For the former, the USGS would have transferred \$10.0 million to the National Science Foundation (NSF) and worked with the NSF and with stakeholders to plan a three-year transition period for the phase-out of USGS long-term research, focused field investigations and field laboratories, and watershed-scale investigations. For the latter, the USGS would have pursued cost-sharing from the program's stakeholders to maintain its current scope and schedule of data collection and interpretation activities. The budget proposed a decrease of \$2.1 million to the National Streamflow Information program from the funds provided under the Conservation Spending Category. As with the FY2002 budget request, the FY2003 request sought to discontinue USGS support for Water Resources Research Institutes based on the finding that most institutes have been very successful in leveraging funding for program activities from non-USGS sources.

The balance of the decreases in the President's FY2003 budget either discontinued funding for congressional add-ons or eliminated funding for completed studies and projects. An increase of \$1.0 million was sought for interdisciplinary core science related to a study of environmental health issues in the U.S.-Mexico border region. Conducted with the National Institute of Environmental Health Sciences, this study was to have focused on understanding disease-causing agents in the environment and their specific exposure pathways in water, air, and soil.

The House approved \$209.7 million—an increase of \$31.8 million over the request and \$3.8 million more than FY2002. Increases over FY2002 were realized for the U.S./Mexican Border Initiative, the Lake Pontchartrain Study, a Potomac River Basin Ground Water Study, and the Long-Term Estuary Assessment. Water

Resources Research Institutes spending was restored with a small increase of +\$0.4 million to \$6.4 million, and the National Streamflow Information Program funding was brought back up +\$2.1 million to match its FY2002 level of \$14.3 million. Decreases targeted the Berkeley Pit, the Lake Champlain Study, Hawaii Ground Water and the Noyes Slough. The Senate passed \$206.6 million for water resources investigations—\$28.8 million over the request and \$0.8 million above FY2002. The Senate Committee had not concurred with the proposed reductions and restored funding for the National Water Quality Assessment Program, Toxic Substances Hydrology Program, National Streamflow Information Program, and Water Resources Research Institutes.

Biological Research. For Biological Research, the Administration requested \$160.5 million for FY2003—\$5.9 million below FY2002 (\$166.4 million). The request funded USGS fire ecology research through the Interior Department's Wildland Fire Management Account; therefore, that funding realignment shows up as a \$2.8 million reduction in funding for the Biological Research and Monitoring subaccount. The balance of the funding decreases sought were for unrequested FY2002 funding increases and congressional add-ons. The House approved \$170.4 million for Biological Research—\$9.9 million more than the request and \$4.0 million over FY2002. The Senate approved \$166.9 million, \$6.4 million above the request and \$0.5 million over FY2002. The Senate Committee had not agreed with many of the proposed reductions, restoring funding for several activities. The Senate increased funding by some \$1.0 million above the request for the National Biological Information Infrastructure Program.

Science Support and Facilities. Science Support focuses on those costs associated with modernizing the infrastructure for management and dissemination of scientific information. The FY2003 request of \$86.1 million is \$0.2 million below the FY2002 level (\$86.3 million). There was a proposed increase of \$1.0 million to develop enterprise GIS tools, bringing together geospatially referenced hydrologic, biologic, geologic, and topographic data into a common decision support system. That increase was tempered, however, with a reduction of \$1.6 million from the funds provided under the Conservation Spending Category for accessible data transfer to expand the capacity of USGS network efforts to deliver scientific information over the internet.

The House approved \$87.4 million—\$1.3 million above the request and \$1.1 million more than FY2002. The Senate agreed to \$85.7 million, \$0.4 million below the request and \$0.5 million less than FY2002. The Senate Committee had included decreases of \$1.6 million for accessible data transfer work and \$1.0 million for the Enterprise GIS proposal.

Facilities Funding. Facilities focuses on the costs for maintenance and repair of facilities. The President's FY2003 budget for Facilities—\$89.0 million—was slightly below FY2002 (\$89.4 million). The proposal would have eliminated phase one funding for the Leetown research center expansion and funding for the Center for Coastal Geology in St. Petersburg, Florida and deferred maintenance at the Wellsboro biological field station. The House approved \$91.2 million—some \$2.2 million over the request and \$1.7 million above FY2002. Increases were logged for the Center for Coastal and Regional Studies in Florida and

for the Tunison Laboratory. Decreases targeted the Leetown expansion, the Wellsboro Laboratory, and one-time construction funds for the Coastal Center in Florida. The Senate passed \$89.4 million for Facilities.

Table 9. Appropriations for the U.S. Geological Survey, FY2001-FY2003

(\$ in millions)

U.S. Geological Survey	FY2001 Enacted	FY2002 Enacted	FY2003 Request	FY2003 Senate Passed	FY2003 House Passed
National Mapping Program	\$130.4	\$133.3	\$129.3	\$131.1	\$135.1
Geologic Hazards, Resources, and Processes	225.3	232.8	224.7	234.9	234.7
Water Resources Investigations	203.5	205.8	177.8	206.6	209.7
Biological Research	160.6	166.4	160.5	166.9	170.4
Science Support	73.7	86.3	86.1	85.7	87.4
Facilities	89.2	89.4	88.9	89.4	91.2
Total Appropriations	882.8	914.0	867.3	914.6	928.4

For further information on the *U.S. Geological Survey*, see its World Wide Web site at [<http://www.usgs.gov/>].

Minerals Management Service. The Minerals Management Service (MMS) administers two programs: the Offshore Minerals Management (OMM) Program and the Minerals Revenue Management (MRM) Program, formerly known as the Royalty Management Program. OMM administers competitive leasing on outer continental shelf lands and oversees production of offshore oil, gas and other minerals. MRM collects and disburses bonuses, rents, and royalties paid on federal onshore and Outer Continental Shelf (OCS) leases and Indian mineral leases. MMS anticipates collecting about \$4.2 billion in revenues in FY2003 from offshore and onshore federal leases. Revenues from onshore leases are distributed to states in which they were collected, the General Fund of the U.S. Treasury, and various designated programs. Revenues from the offshore leases are allocated among the coastal states, Land and Water Conservation Fund, the Historic Preservation Fund, and the U.S. Treasury.

The Administration's proposed budget for MMS for FY2003 was \$270.3 million. This budget included \$6.1 million for oil spill research, and \$264.2 million for Royalty and Offshore Minerals Management (including \$137.5 million for OMM activities and \$83.3 million for MRM programs). Of the total budget, \$170.3 million would derive from appropriations, and \$100.2 million from offsetting collections which MMS has been retaining from OCS receipts since 1994. The FY2003 total is about 4% higher than the \$259.5 million total budget for FY2002. Offsetting collections would decline by \$2.5 million from FY2002 to FY2003. The Senate supported a total of \$270.7 million for MMS, including \$137.6 million for OMM and \$83.3 million for MRM programs (with \$100.2 million from offsetting collections).

The House approved \$271.1 million for MMS, including \$138 million for OMM and \$83.3 million for MRM, and would spend \$100.2 million from offsetting collections.

The MMS revised its mineral leasing revenue estimates downward by 40% in FY2003 from the FY2002 estimates. For instance, in the FY2002 budget request, mineral leasing revenues were estimated to be \$7.9 billion in FY2002 and \$7.3 billion in FY2003. Current revenue estimates for these years are \$5.1 billion and \$4.2 billion respectively. Price fluctuation is the most significant factor in the revenue swings. Oil prices that were in the \$26-\$30 per barrel range came down dramatically to the \$20-\$22 per barrel range in 2001. Also, natural gas prices fell significantly during the past year in part because of the relatively mild winter. Over the past decade, royalties from natural gas production have accounted for between 40%-45% of MMS receipts, while oil accounts for not more than 25%. Below is a discussion of related issues of interest to Congress that have been considered within the context of the appropriations process.

The Outer Continental Shelf Lands Act of 1953 (OCSLA, 43 U.S.C. 1331) requires the Secretary of the Interior to submit a 5-year leasing program that specifies the time, location and size of lease sales to be held during that period. The new 5-year leasing program (2002 -2007) went into effect July 1, 2002. MMS will conduct 20 oil and natural gas lease sales during the five year period. Half of those sales will be in the Western or Central Gulf of Mexico (GOM), two in the Eastern GOM and the remainder around Alaska. Sales in the Eastern GOM are especially controversial. Industry groups contend that the sales are too limited given what they say is an enormous resource potential while environmental groups and some state officials argue that the risks to the ecology and the economy are too great.

A controversial oil and gas development issue in offshore California involving MMS drew congressional interest. A breach-of-contract lawsuit was filed by nine oil companies seeking \$1.2 billion in compensation for their undeveloped leases. The companies claim that MMS failed to conduct consistency determinations required by the court. A federal statute, the Coastal Zone Management Act of 1972 (16 U.S.C. 1451) was amended in 1990 to allow for consistency determinations. Using this Act, the state of California could determine whether development of oil and gas leases are consistent with the state's coastal zone management plan. In 1999, the MMS extended 36 out of the 40 leases at issue by granting lease suspensions. However, in June 2001 the Ninth Circuit Court struck down the MMS suspensions arguing that MMS failed to show consistency with the state's coastal zone management plan. The Bush Administration appealed this decision January 11, 2002, in the Ninth Circuit and proposed a more limited lease development plan that involves 20 leases using existing platforms. The Court however upheld its decision favoring California. The Administration has now appealed the decision to the U.S. Court of Appeals in San Francisco. The leases are in effect, pending the appeal.

On July 17, 2002, the House approved an amendment to the Interior appropriations bill to prohibit funding in the bill from being used to develop the 36 leases that were extended by the MMS. The amendment seeks a permanent prohibition on new drilling in the contested area. On September 10, 2002, the Senate agreed to a Sense of the Senate amendment to bar Interior bill funding for any exploration and development of the above mentioned 36 leases, but the bill was not

passed by the Senate. A similar sense of the Senate amendment (no.110) was approved by the Senate on January 23, 2003, and included in the Senate-passed omnibus bill.

Also, 107th Congress legislation (S. 1952) by Senators Boxer (D-CA) and Landrieu (D-LA) sought to compensate the companies for surrendering all undeveloped leases off California's coast with financial credits to acquire oil and gas leases in the Gulf of Mexico. The credits could be as much as \$3 billion.

In May 2002, the Administration announced its plans to buy back oil and gas leases from Chevron, Conoco and Murphy oil companies off Pensacola, Florida for \$115 million in an area known as Destin Dome. Included in the announcement were oil and gas lease buybacks in the Everglades National Park, Big Cypress National Preserve and the Ten Thousand Islands National Wildlife Refuge that would require approval by Congress.

For further information on the *Minerals Management Service*, see its World Wide Web site at [<http://www.mms.gov/>].

Office of Surface Mining Reclamation and Enforcement. The Surface Mining Control and Reclamation Act of 1977 (SMCRA, P.L. 95-87) established the Office of Surface Mining Reclamation and Enforcement (OSM) to ensure that land mined for coal would be returned to a condition capable of supporting its pre-mining land use. SMCRA also established an Abandoned Mine Lands (AML) fund, with fees levied on coal production, to reclaim abandoned sites that pose serious health or safety hazards. Congress's intention was that individual states and Indian tribes would develop their own regulatory programs incorporating minimum standards established by law and regulations. OSM is required to maintain oversight of state regulatory programs. In some instances states have no approved program, and in these instances OSM directs reclamation in the state.

The Administration, Senate, and House all recommended a decrease in funds for OSM from the FY2002 level. The Administration's request for the Office of Surface Mining for FY2003—at \$279.4 million—reflected a drop of \$27.1 million from the FY2002 level of \$306.5 million. The Senate passed \$297.1 million, and the House approved \$290.1 million.

The OSM budget has two components: Regulation and Technology programs and Abandoned Mine Lands (AML, or Abandoned Mine Reclamation Fund). For Regulation and Technology, the Administration sought \$105.4 million, an increase of roughly \$2.3 million from the FY2002 level (\$103.1 million). Included in the FY2003 request is \$10 million in funding for the Appalachian Clean Streams Initiative (ACSI), the same level as in FY2002, and \$1.5 million for the Small Operators Assistance Program (SOAP). For the AML Fund, the Administration sought \$174.0 million for FY2003, a reduction of \$29.4 million from the \$203.4 enacted for FY2002. Major components of this reduction include a decrease of \$17 million for State and Tribal conventional AML grants, and a reduction of nearly \$11 million described as a “one time reduction to Federal emergency projects.”

Both the Senate and House concurred with the Administration request of \$105.4 million for Regulation and Technology. The House approved \$184.7 million for AML, \$10.7 million more than the Administration request, but a reduction still of \$18.7 million from the FY2002 enacted level for AML. The House Committee on Appropriations specifically rejected the Administration's proposal to make any cuts in spending for Federal high priority projects. However, the Senate Committee recommended \$191.7 million for AML, more than restoring the \$17 million cut by the Administration for State and Tribal conventional AML grants. Specifically, the Senate Committee included \$17.5 million for these grants and \$210,000 for federal high priority reclamation projects. The Committee also agreed to the request of \$10 million for ACSI and \$1.5 million for SOAP. The omnibus appropriations legislation approved by the Senate on January 23, 2003, adopted the Committee's recommendation.

Grants to the states from annual AML appropriations are based on states' current and historic coal production. "Minimum program states" are states with significant AML problems, but with insufficient levels of current coal production to generate significant fees to the AML fund. The minimum funding level for each of these states was increased to \$2 million in 1992. However, over the objection of these states, Congress has appropriated \$1.5 million to minimum program states since FY1996, and the FY2003 request proposed no change. The Senate and House concurred.

In general, several states have been pressing in recent years for increases in the AML appropriations. The unappropriated balance of AML collections in the fund is expected to be roughly \$1.65 billion by the end of FY2003.

For further information on the *Office of Surface Mining Reclamation and Enforcement*, see its World Wide Web site at [<http://www.osmre.gov/osm.htm>].

Bureau of Indian Affairs. The Bureau of Indian Affairs (BIA) provides a variety of services to federally recognized American Indian and Alaska Native tribes and their members, and historically has been the lead agency in federal dealings with tribes. Programs provided or funded through the BIA include government operations, courts, law enforcement, fire protection, social programs, education, roads, economic development, employment assistance, housing repair, dams, Indian rights protection, implementation of land and water settlements, management of trust assets (real estate and natural resources), and partial gaming oversight.

BIA's FY2002 direct appropriations were \$2.22 billion (including supplemental appropriations). For FY2003, the Administration proposed \$2.25 billion, an increase of 1% over FY2002. The Senate approved \$2.27 billion, an increase of 2% over FY2002 and 1% over the Administration's proposal. The House approved almost the same amount. **Table 10** below presents FY2002 and FY2003 Administration, Senate, and House figures for the BIA and its major budget components; selected BIA programs are shown in italics.

For trust management improvement (see discussions below), the Administration requested a total BIA-wide increase of \$34.8 million, spread across such programs as tribal courts, probate, real estate services and appraisals, social services, security,

forestry, and executive oversight. The Senate approved the full requested amount.

For the BIA office handling petitions for federal recognition of tribes (the Branch of Acknowledgment and Research, or BAR), an activity criticized for lack of resources, the Administration proposed an additional \$0.05 million (5%) over FY2002. The Senate agreed with the Administration's request, while the House approved an additional \$0.55 million over FY2002, a 52% increase. Related to tribal recognition (and Indian gaming), a House Committee provision for a study commission on Native American policy was dropped by the full House; and a Senate floor proposal to place a moratorium on BAR tribal recognition approvals or denials pending certain procedural changes was tabled in the 107th Congress.

The Senate, in 108th Congress floor consideration of the FY2003 omnibus appropriations bill, added a new title that would enact a settlement of an Indian land claim by Sandia Pueblo of New Mexico involving Cibola National Forest.

Table 10. Appropriations for the Bureau of Indian Affairs, FY2002-FY2003

(\$ in thousands)

	FY2002 Approp.	FY2003 Request	FY2003 Senate Passed	Senate compared with:		FY2003 House Passed	House compared with:	
				FY2002 Approp.	FY2003 Request		FY2002 Approp.	FY2003 Request
Operation of Indian Programs	\$1,799,809	\$1,837,110	\$1,855,635	3%	1%	\$1,859,064	3%	1%
Tribal Priority Allocations	752,156	775,534	775,534	3%	–	780,654	4%	1%
<i>Contract Support Costs</i>	<i>130,209</i>	<i>133,209</i>	<i>133,209</i>	<i>2%</i>	<i>–</i>	<i>133,209</i>	<i>2%</i>	<i>–</i>
Other Recurring Programs	586,968	596,192	595,642	1%	–	607,196	3%	2%
<i>School Operations</i>	<i>504,015</i>	<i>522,816</i>	<i>510,916</i>	<i>1%</i>	<i>(2%)</i>	<i>524,817</i>	<i>4%</i>	<i>–</i>
<i>Tribally-controlled colleges</i>	<i>41,118</i>	<i>39,118</i>	<i>43,118</i>	<i>5%</i>	<i>10%</i>	<i>41,118</i>	<i>–</i>	<i>5%</i>
Non-Recurring Programs	72,798	67,510	72,360	(1%)	7%	70,824	(3%)	5%
Central and Regional Office Operations	120,785	136,713	136,713	13%	–	134,258	11%	(2%)
<i>Branch of Acknowledgment and Research</i>	<i>1,050</i>	<i>1,100</i>	<i>1,100</i>	<i>5%</i>	<i>–</i>	<i>1,600</i>	<i>52%</i>	<i>45%</i>

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	FY2002 Approp.	FY2003 Request	FY2003 Senate Passed	Senate compared with:		FY2003 House Passed	House compared with:	
				FY2002 Approp.	FY2003 Request		FY2002 Approp.	FY2003 Request
Special Programs and Pooled Overhead	267,102	261,161	275,386	3%	5%	266,132	–	2%
<i>Public Safety and Justice</i>	<i>160,652</i>	<i>161,368</i>	<i>166,543</i>	<i>4%</i>	<i>3%</i>	<i>161,368</i>	–	–
Construction	357,132	345,252	348,252	(2%)	1%	345,252	(3%)	–
<i>Education construction</i>	<i>292,503</i>	<i>292,717</i>	<i>295,717</i>	<i>1%</i>	<i>1%</i>	<i>292,717</i>	–	–
Land and Water Claim Settlements and Misc. Payments	60,949	57,949	57,949	(5%)	–	60,949	–	5%
Indian Guaranteed Loan Program	4,986	5,493	5,493	10%	–	5,493	10%	–
Total BIA	2,222,876	2,245,804	2,267,329	2%	1%	2,270,758	2%	1%

Key issues for the BIA include the proposed reorganization of the Bureau's trust asset management functions, the movement toward greater tribal influence on BIA programs and expenditures (especially the role of contract support costs), and problems in the BIA school system.

BIA Reorganization. Historically, the BIA has been responsible for managing Indian tribes' and individuals' trust funds and trust assets. Trust assets include trust lands and the lands' surface and subsurface economic resources (e.g., timber, grazing lands, or minerals). Management of trust funds was transferred to the Office of Special Trustee for American Indians (OST) in 1966 (see below). In late November 2001, the Secretary of the Interior proposed to split off BIA's trust asset management responsibilities into a new Bureau of Indian Trust Asset Management (BITAM).

In early December 2001, the Secretary requested approval from both Appropriations Committees for a reprogramming of funds to carry out the BITAM reorganization. The Committees did not approve the reprogramming request, instead directing the Secretary to consult with Indian tribes. The consultation process took place during much of 2002 through a joint tribal-DOI Trust Reform Task Force. The great majority of commenting tribes opposed the BITAM proposal and many tribes and tribal organizations offered alternative plans. While the BIA's proposed FY2003 budget did not include the BITAM reorganization proposal (or a reprogramming request), many tribes were concerned that the Secretary might again submit a reprogramming request to Congress. The Senate Appropriations Committee's June 2002 report (S.Rept. 107-201) forbade the Secretary to implement the BITAM proposal or to use FY2003 funds for any action that would alter the BIA's tribal or individual trust authority. In the fall of 2002, the tribal members of the Trust Reform Task Force decided that they could not agree with the Department on trust standards and oversight. In December 2002 the head of the BIA announced a new proposed reorganization of BIA and OST trust management structures. Tribes and tribal organizations have been critical of the new proposal.

The BIA reorganization proposals arose from issues and events related to trust funds and assets management. The BIA had, historically, mismanaged Indian trust funds and non-monetary trust assets (land, minerals, etc.), leading to a legislative reform act in 1994 and an extensive court case in 1996. (See below under "Office of Special Trustee for American Indians" for more discussion.) Oversight of trust management reform is the responsibility of the OST, as is day-to-day management of trust funds, but the BIA still manages trust assets. Trust asset management includes real estate services, processing of transactions (sales, leases, etc.), surveys, appraisals, probate functions, land title records activities, and other functions.

BIA and OST together are implementing the Secretary of the Interior's current Trust Management Improvement Project. The project includes improvements in trust asset systems, policies, and procedures, reduction of backlogs, and maintenance of the improved system. In 1998, the BIA contracted with a private developer for a new computerized trust asset and accounting management system (TAAMS). Much of TAAMS has not worked correctly, leading to further controversy and a review of the trust reform effort by a consultant, Electronic Data Systems, Inc. (EDS). EDS's 2001

reports included a recommendation for a single executive controlling trust reform. The Secretary cited this recommendation as a justification for the BITAM proposal.

Tribal Control. Greater tribal control over federal Indian programs has been the goal of Indian policy since the 1970s. In the BIA this policy has taken three forms: tribal contracting to run individual BIA programs under Title I of the Indian Self-Determination and Education Assistance Act (P.L. 93-638, as amended); tribal compacting with the BIA to manage all or most of a tribe's BIA programs, under the Self-Governance program (Title IV of P.L. 93-638, as added by P.L. 103-413); and shifting programs into a portion of the BIA budget called TPA, in which tribes have more influence in BIA budget planning and within which each tribe has authority to reprogram all its TPA funds. In FY2002, TPA accounts for 42% of the BIA's operation of Indian programs (including most of the BIA funding for tribal governments' operations, human services, courts, natural resources, and community development) and for 34% of total BIA direct appropriations. **Table 10** shows the Administration, Senate-passed, and House-passed TPA figures for FY2003

Contract support costs, authorized under the Indian Self-determination Act, fund the non-operational and overhead costs incurred by tribes in administering programs under self-determination contracts and self-governance compacts, and are calculated using a negotiated tribal cost rate (a percentage of the funding base covered by a tribe's contracts or compact). Issues raised by contract support costs include the consistent shortfall in contract support cost appropriations, tribes' claim of entitlement to full support cost funding, identity of programs included in tribes' funding base, and rate-setting methods. The BIA estimates that appropriations for contract support costs met 88% of reported tribal need in FY2001 and 91% in FY2002 and will meet 92% of the need in FY2003. **Table 10** shows the FY2003 contract support costs.

BIA School System. The BIA funds 185 elementary and secondary schools and peripheral dormitories, with over 2,000 structures, educating about 48,000 students in 23 states. Tribes and tribal organizations, under self-determination contracts and other grants, operate 121 of these institutions; the BIA operates the remainder. BIA schools' key problems are low student achievement and a high level of inadequate school facilities.

BIA students' academic achievement, as measured by standardized tests, is on average far below that of public school students. To improve BIA schools' academic performance, the Administration proposes a "School Privatization Initiative" under which BIA-operated schools will all either become tribally operated or be privatized by the end of FY2007. Some Indian tribes and organizations have expressed doubt over this proposal, arguing that funding for tribally-operated schools is presently below need and that under the initiative tribes would be forced to choose between operating schools with inadequate resources or allowing them to be privatized. The Senate and House Committees both opposed the proposed privatization initiative and removed its funding.

Many BIA school facilities are old and dilapidated, with health and safety deficiencies. BIA education construction covers both construction of new school facilities to replace facilities that cannot be repaired, and improvement and repair of

existing facilities. Schools are replaced or repaired according to priority lists. The BIA in 2001 estimated the backlog in education facility repairs at \$942 million. **Table 10** shows FY2002 education construction appropriations, as well as the FY2003 proposed amount and the Senate- and House-approved amounts.

For further information on the *Bureau of Indian Affairs*, see its World Wide Web site at [<http://www.doi.gov/bureau-indian-affairs.html>].

CRS Report 97-851. *Federal Indian Law: Background and Current Issues*, by M. Maureen Murphy.

Report of the Joint Tribal/BIA/DOI Advisory Task Force on Reorganization of the Bureau of Indian Affairs to the Secretary of the Interior and the Appropriations Committees of the United States Congress. [Washington: The Task Force]. August 1994.

Departmental Offices.

National Indian Gaming Commission. The National Indian Gaming Commission (NIGC) was established by the Indian Gaming Regulatory Act of 1988 (P.L. 100-497) to oversee Indian tribal regulation of tribal bingo and other “Class II” operations, as well as aspects of “Class III” gaming (casinos, racing, etc.). The NIGC could receive federal appropriations but its budget authority consisted chiefly of annual fees assessed on tribes’ Class II operations. The FY1998 Interior Appropriations Act amended the Indian Gaming Regulatory Act to increase the ceiling for total fees the NIGC may collect to \$8 million, to make Class III as well as Class II operations subject to fees, and to increase NIGC’s authorization from \$1 million to \$2 million.

During FY1999-FY2002, all NIGC activities were funded from fees, with no direct appropriations. For FY2003, however, the Administration proposed appropriations of \$2.0 million for the NIGC, in addition to the Commission’s fee receipts of \$8 million. The House agreed to the proposed amount. The Senate made no FY2003 appropriations for the NIGC. The NIGC says it is experiencing a spike in demand for its oversight resources, especially audits and field investigations, primarily because of the rapid expansion of California Indian gaming (following passage in March 2000 of a state referendum authorizing California to negotiate more liberal Class III gaming compacts with tribes). The NIGC will also seek legislation to increase the current ceiling on total fee assessments.

Office of Special Trustee for American Indians. The Office of Special Trustee for American Indians, in the Secretary of the Interior’s office, was authorized by Title III of the American Indian Trust Fund Management Reform Act of 1994 (P.L. 103-412). The Office of Special Trustee (OST) generally oversees the reform of Interior Department management of Indian trust assets, the direct management of Indian trust funds, establishment of an adequate trust fund management system, and support of department claims settlement activities related to the trust funds. Indian trust funds formerly were managed by the BIA, but numerous federal, tribal, and congressional reports had shown severely inadequate management, with probable losses to Indian tribal and individual beneficiaries. In 1996, at Congress’ direction

and as authorized by P.L. 103-412, the Secretary of the Interior transferred trust fund management from the BIA to the OST.

FY2002 funding for the Office of Special Trustee was \$110.2 million, which included \$99.2 million for federal trust programs—trust systems improvements, settlement and litigation support, and trust funds management—and \$11.0 million for the Indian land consolidation pilot project. The purpose of the land consolidation project is to purchase and consolidate fractionated ownerships of allotted Indian trust lands, thereby reducing the costs of managing millions of acres broken up into tiny fractional interests.

The Administration proposed a FY2003 budget of \$159.0 million for the OST, an increase of 44% over FY2002. Included in the FY2003 request were \$151.0 million for federal trust programs (up \$51.8 million, or 52%) and \$8.0 million for the Indian land consolidation pilot project (down \$3 million, or 27%). The Senate approved an increase for the OST to \$162.0 million, 47% over FY2002. It included the same amount as the Administration for federal trust programs and an additional \$3 million for the Indian land consolidation project. The House approved \$149.3 million for FY2003, an increase of 35% over FY2002 and a decrease of 6% from the Administration's request. The House approved the requested amount for land consolidation (\$8.0 million) but cut the requested amount for trust programs by \$9.8 million, to \$141.3 million.

Indian trust funds comprise two sets of funds: (1) tribal funds owned by about 290 tribes in approximately 1,400 accounts, with a total asset value of about \$3.1 billion; and (2) individual Indians' funds, known as Individual Indian Money (IIM) accounts, in over 252,000 accounts with a total asset value of about \$400 million. (Figures are from the OST FY2003 budget justifications.) The funds include monies received both from claims awards, land or water rights settlements, and other one-time payments, and from income from non-monetary trust assets (e.g., land, timber, minerals), as well as investment income.

The trust funds controversy also involves a class action lawsuit filed in 1996, in the federal district court for the District of Columbia, against the federal government by IIM account holders. The latest stage of the IIM lawsuit relates to an historical accounting for IIM funds, to determine the amount of money owed to the plaintiffs. The FY2001 Interior appropriations conference report, and the FY2002 House and conference reports, had directed DOI to develop a sampling methodology for IIM accounting, as DOI had intended to do, but required submission of the plan, with a cost-benefit analysis, to Congress prior to implementation. Both repeated the prohibition on allocating funds for an historical accounting before submission of the plan and report. The requested report was transmitted to the Committees in early July 2002 by the DOI's Office of Historical Trust Accounting. The plaintiffs in the lawsuit object to an historical accounting methodology and, using a different methodology based on federal and state leasing returns, have estimated that they are owed about \$137 billion. Recently the district court held the Secretary of the Interior and the Assistant Secretary–Indian Affairs in contempt for continuing problems in trust management reform (following a trial on the contempt issues). While the court did not grant the plaintiffs' request that it appoint a receiver to take over reform of IIM accounts management, it did direct both defendants and plaintiffs to submit plans

for future trust management and historical accounting by January 6, 2003. Both parties submitted plans on that date.

The House Appropriations Committee expressed its concern that the IIM lawsuit was jeopardizing DOI trust reform implementation, and added a number of provisions to the FY2003 Interior appropriations act. The provisions would limit the time period to be covered by the historical accounting, require a summary of a full historical accounting of 5 of the plaintiffs, cap the compensation of two court-appointed officials monitoring trust reform, direct that a new OST advisory board be appointed in accordance with the 1994 act, and authorize the Interior Secretary to help employees pay for legal costs related to the IIM suit. The House agreed to all these provisions except the limit on the time period for historical accounting.

For further information on the *Office of Special Trustee for American Indians*, see its World Wide Web site at [<http://www.ost.doi.gov/>].

Insular Affairs. The Office of Insular Affairs (OIA) provides financial assistance to the territories and three former insular areas, manages relations between these jurisdictions and the federal government, and attempts to build the capacity of units of local government. Funding for the OIA consists of two parts: (1) permanent and indefinite appropriations that do not require action by the 108th Congress or the Administration, and (2) discretionary and current mandatory funding subject to the appropriations process. The combined funding of both parts for FY2002 was \$353.0 million; the President request for the FY2003 budget was \$343.5 million, a reduction of \$9.5 million, or 2.7%. The Senate approved a total of \$348.5 million. The House approved \$346.7 million.

Permanent and indefinite appropriations historically constitute roughly 70% to 80% of the OIA budget and comprise two elements. For FY2002 these appropriations totaled \$250.6 million; for FY2003 they were proposed to be \$252.4 million, as follows:

- \$146.4 million total to three freely associated states formerly included in the Trust Territory of the Pacific Islands. This payment is set forth in the Compacts of Free Association negotiated with representatives of the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.¹²
- \$106.0 million in fiscal assistance to the U.S. Virgin Islands for estimated rum excise and income tax collections, and to Guam for income tax collections.

¹² Portions of the Compact of Free Association with the FSM and the RMI expired in the fall of 2001 and are being renegotiated. For background, see CRS Report RL30749, *The Marshall Islands and Micronesia: Negotiations with the United States for Renewing Provisions of the Compact of Free Association*. The Compact with the Republic of Palau began in FY1994 and will terminate in FY2009.

Discretionary and current mandatory funds that require annual appropriations constitute the remaining balance (roughly 20% to 30%) of the OIA budget. The FY2002 appropriation of \$102.2 million, which exceeded not only the amount requested but also the levels recommended by both the House and the Senate for a range of purposes, included the following:

- An increase in compact impact funding of \$4,000,000 for Hawaii and \$1,000,000 each for Guam and the Commonwealth of the Northern Mariana Islands.
- \$200,000 for a utility privatization study in the U.S. Virgin Islands and full funding for payment of the amount owed by the Islands to the Federal Emergency Management Agency (FEMA).
- Slight increases that total approximately \$2 million to restore funding to pre-rescission levels for the OIA, operation costs for the High Court of American Samoa, the eradication of the brown tree snake, a coral reef protection initiative, and insular management controls.

The FY2003 request of the Bush Administration sought to reduce the discretionary portion of the OIA budget to \$91.0 million, a reduction of \$11.2 million (11%) from FY2002. The House approved \$94.3 million, a decrease of 7.8% from FY2002. The Senate Committee on Appropriations recommended \$96.1 million, a \$6.1 million decrease from FY2002. H.J.Res 2, approved by the Senate, conforms with the recommendation of the Senate Committee. Discretionary funding is comprised of two parts. Funding for the Assistance to Territories account has been requested to be funded at \$70.2 million. The Senate approved an increase of \$5 million (\$75.2 million) over the request for impact aid to Hawaii; the House approved \$3 million more over the request for specified projects or needs. Funding for the Compact of Free Association (CFA) assistance account was requested to be \$20.9 million. The Senate recommendation for CFA funding is \$180,000 over the request in order to repair the ship that provides food to the people of Enewetak; the House approved an amount \$300,000 over the request for purposes not specified.

Little debate has occurred in recent years on funding for the territories and the OIA. In general, Congress continues to monitor economic development and fiscal management by government officials in the insular areas.

For further information on *Insular Affairs*, see its World Wide Web site at [<http://www.doi.gov/oia/index.html>].

Title II: Related Agencies and Programs

For information on the *Department of Agriculture*, see its World Wide Web site at [<http://www.usda.gov/>].

Department of Agriculture: Forest Service. For information on the *Department of Agriculture*, see its World Wide Web site at [<http://www.usda.gov/>].

U.S. Forest Service. The Forest Service (FS) budget request for FY2003 proposed \$3.95 billion of discretionary appropriations, \$181.7 million (4%) less than appropriated for FY2002 and \$486.7 million (11%) below the FY2001 appropriation. The House passed a budget of \$4.15 billion, \$14.8 million (0.4%) more than FY2002 and \$196.5 million (5%) more than requested. The House bill also included a \$500 million fire supplemental for FY2002, for a FS bill total of \$4.65 billion. The Senate passed a budget of \$3.95 billion, \$1.1 million above the Administration's request, but \$180.6 million (4%) below FY2002 and \$195.4 million (5%) below the House-passed level.

The 107th Congress Senate floor debate on the Interior Appropriations bill stalled largely over disputes about fire funding and a new program for wildfire protection. The issues—background, funding, and new program—are discussed below.

The Administration also proposed terminating the Economic Action Program (EAP), which includes rural community assistance and wood recycling, and the Pacific Northwest economic assistance program. The House passed \$19.9 million for the EAP, including an allocation for the Pacific Northwest, plus \$12.5 million for EAP in the Wildfire Management account — a total of \$32.4 million. This is \$25.2 million below the FY2002 appropriations of \$57.6 million for these two accounts. The Senate passed \$28.7 million for the EAP (with funds for the Pacific Northwest), with \$0 for EAP in Wildfire Management. This was \$28.9 million below FY2002 appropriations, and \$3.7 million less than the House enacted.

The Administration proposed a \$19.2 million (13%) cut in land acquisition, for a total of \$130.5 million. The House cut land acquisition by \$3.4 million (2%) from the FY2002 level, for a total of \$146.3 million, while the Senate increased the land acquisition budget by \$1.5 million (1%), for a total of \$148.3 million. The request also proposed reducing Infrastructure Improvement (which is used to address the nearly \$7 billion deferred maintenance backlog) by \$10.1 million (17%), to \$50.9 million. The House increased this account by \$3.9 million (6%) from FY2002, to \$64.9 million, while the Senate increased it by \$8.9 million (15%) from FY2002, to \$69.9 million. The Senate's increase was offset by declines in Facilities of \$16.8 million (9%) from FY2002 and of \$31.8 million (16%) from the request.

The FY2003 budget request included a new Emerging Pest and Pathogens Fund, to rapidly control invasive species problems since early aggressive efforts can reduce or eliminate a problem while it is still small; the request is for \$12.0 million, and the Senate included \$14.0 million, but the House included no funding for this Fund. The other new proposed program is \$15.0 million for Expedited Consultations, where the FS can pay another federal agency to consult on projects that might jeopardize an endangered or threatened species; this would assure that the other agencies' budgets do not limit the FS's ability to proceed on its projects. Neither the House nor the Senate included funding for Expedited Consultations.

The Administration proposed \$49.5 million, a \$16.4 million (49%) increase in the Forest Stewardship Program over FY2002 (to provide technical assistance for managing private forests); the House passed \$36.9 million, a \$3.7 million (11%) increase, and the Senate passed \$32.2 million, a \$1.0 million (3%) decrease. The

Administration proposed \$69.8 million, a \$4.8 million (7%) increase, in the Forest Legacy Program (to purchase title or easements for lands threatened with conversion to nonforest uses, *e.g.*, residences). The House reduced this to \$60.0 million, \$5.0 million (8%) less than FY2002, but the Senate increased it to \$74.0 million, a \$9.0 million (14%) increase above the FY2002 appropriations.

Forest Fires and Forest Health. Wildfires and efforts to halt the damage they cause have garnered increased attention. The severe fire seasons in the summers of 2000 and 2002 have led to substantial debates over fire control and fire protection efforts. The discussions include questions about funding levels and locations for various fire protection treatments, such as thinning and prescribed burning to reduce fuel loads and clearing around structures to protect them during fires, and about whether logging and access roads help in fire control or exacerbate conflagrations.

The severe 2000 fire season led the Clinton Administration to propose a new program, called the National Fire Plan, which applied to BLM lands as well as to Forest Service lands, with \$1.8 billion to supplement the \$1.1 billion requested before the fire season began. Congress largely enacted the proposal for FY2001, adding money to the FY2001 request for wildfire operations, fuels treatment and burned area restoration, fire preparedness, and programs to assist local communities. Total appropriations for the FY2001 National Fire Plan, covering BLM and FS fire funds, were \$2.89 billion. Some of the increases were continued in FY2002, although decreases in fire suppression operations, restoration and rehabilitation, emergency contingency funds, and private land fire assistance (because of the less severe 2001 fire season) reduced the FY2002 National Fire Plan to \$2.24 billion.

For FY2003, the Bush Administration proposed to fund the National Fire Plan at \$2.02 billion, \$216 million (10%) less than the FY2002 level. The National Fire Plan comprises the Forest Service wildland fire program and fire fighting on DOI lands. The DOI wildland fire monies are appropriated to the BLM. For both the Forest Service and the BLM, for FY2003 the President requested less fire money than was appropriated for FY2002. The House matched the requested reduction in fire funds for the BLM, but passed a smaller reduction than the President requested. The Senate slightly increased BLM funding from the request (\$500,000), and matched the request for most FS wildfire management, but reduced FS funding for other wildfire operations by \$19.8 million from the request. (See **Table 11.**)

Table 11. Federal Wildland Fire Management Funding
(\$ in millions)

	Forest Service	BLM	Total
FY2002 Appropriated	\$1,560.3	\$678.4	\$2,238.8
<i>Suppression</i>	521.3	161.4	682.7
<i>Preparedness</i>	622.6	280.8	903.4
<i>Other Operations</i>	416.4	236.2	652.6
FY2003 Approps.			
Administration	1,369.1	653.8	2,022.9
<i>Suppression</i>	420.7	160.4	581.1
<i>Preparedness</i>	600.7	277.2	877.9
<i>Other Operations</i>	347.7	216.2	563.9
House Passed	1,513.4	655.3	2,168.8
<i>Suppression</i>	420.7	160.4	581.1
<i>Preparedness</i>	640.0	278.6	918.6
<i>Other Operations</i>	452.8	216.3	669.1
Senate Passed	1,349.3	654.3	2,003.5
<i>Suppression</i>	420.7	160.4	581.1
<i>Preparedness</i>	600.7	277.2	877.9
<i>Other Operations</i>	327.9	216.7	544.6

The FS and BLM wildland fire line items include funds for fire suppression (fighting fires), preparedness (equipment, training, baseline personnel, prevention, and detection), and other operations (rehabilitation, fuel treatment, research, and state and private assistance). The President's FY2003 budget, House, and Senate sought an overall decrease in suppression funds, because they eliminated emergency contingent funds for FY2002. (See **Table 11**). Specifically, they support \$160.4 million for the BLM for fire suppression, while the FY2002 appropriation (regular and emergency contingent) was slightly higher—\$161.4 million. For the Forest Service, they seek \$420.7 million in fire suppression funds, a significant decrease from the \$521.3 million (regular and emergency contingent) appropriated for FY2002.

For BLM fire preparedness, the President, House, and Senate included slight reductions from the FY2002 level of \$280.8 million. For FS fire preparedness, the President proposed and the Senate passed a reduction of \$21.9 million from the FY2002 level (from \$622.6 million to \$600.7 million), while the House passed an increase of \$17.4 million for a total of \$640.0 million.

For other BLM fire operations, the President, House, and Senate supported about \$216 million, a reduction of about \$20 million over the FY2002 regular and

emergency contingent appropriation. For other FS fire operations, the President proposed \$347.7 million, a decrease of \$68.7 million from the FY2002 level (including \$80 million in contingent emergency funds). By contrast, the House supported an increase to \$452.8 million, up \$36.3 million from FY2002 (including \$80 million in contingency emergency funds) and \$105.0 million from the President's request. This increase includes funding for rehabilitation and restoration, fire facilities, state fire assistance, forest health (federal and cooperative lands), and economic action programs (discussed briefly above). The Senate reduced this significantly, to \$327.9 million, \$88.5 million (21%) below FY2002 appropriations, \$19.8 million (6%) below the request, and \$124.9 million (28%) less than the House.

The 2002 fire season was also severe, with conflagrations threatening towns in Colorado, Arizona, Oregon, and elsewhere. As of November 15, wildfires had burned 7,112,733 acres, nearly as much as in 2000, the most severe fire season since the 1950s.¹³ The FS and BLM used their FY2002 suppression funding, and borrowed from other accounts (such as land acquisition) as authorized. As a result, Congress and the Administration have been debating an appropriation of supplemental FY2002 funds to repay funds borrowed to pay for firefighting.

Specifically, the House added \$700 million in FY2002 funds to the FY2003 Interior Appropriations bill for fire suppression (\$500 million for FS and \$200 million for BLM). In late August, the Administration requested \$825 million (\$636 million for FS and \$189 million for BLM) to supplement the FY2002 firefighting efforts. During Senate floor consideration of H.R. 5093, Sen. Byrd offered an amendment (No. 4480) to add the Administration's request to the Interior bill. (See **Table 12**.) A draft substitute, widely attributed to Sen. Domenici, sought \$1.25 billion (\$1.0 billion for FS and \$250 million for BLM), but this amendment was not offered in the Senate. Instead, Sen. Craig offered an amendment (on behalf of himself and Sen. Domenici) to the Byrd amendment to allow hazardous wildfire fuel reduction projects with less environmental and public review. The introduced amendment and various substitutes were debated sporadically from September 5 through September 25, with no resolution. The Senate twice tried to end debate on the fire issue by invoking cloture on the Byrd amendment, but neither attempt was successful.

Largely due to the lack of agreement on wildland fire funding and related issues, the Senate discontinued debate on the Interior appropriations bill in the 107th Congress. The Byrd and Craig/Domenici amendments remained pending when the Senate halted debate. The House Resources Committee persisted in considering related authorizing legislation, but none was enacted in the 107th Congress. (See CRS Report RL31679.) In the 108th Congress, the Senate-passed omnibus appropriations bill included \$825 million (\$636 million for FS and \$189 million for BLM) to repay the funds borrowed for FY2002 firefighting.

¹³ Data from [<http://www.nifc.gov/fireinfo/nfn.html>] on October 8, 2002. Note that acres burned is widely used as an indicator of fire severity, and that more acres burned in 2000 than in any year since 1960, but that acres burned at best roughly approximates damages. No measures exist to determine whether damages caused by the fires in 2000 were worse than damages caused by fires in any other year since 1960 (or before).

Table 12. Supplemental Funds for Federal Wildland Fire Management for FY2002
(\$ in millions)

FY2002 Supplemental	Forest Service	BLM	Total
Administration	\$636.0	\$189.0	\$825.0
House Passed	500.0	200.0	700.0
Senate Passed	636.0	189.0	825.0

For further information on the *U.S. Forest Service*, see its World Wide Web site at [<http://www.fs.fed.us/>].

For information on the Government Performance and Results Act for the U.S. Forest Service, see the *USDA Strategic Plan* World Wide Web site at [<http://www.usda.gov/ocfo/strat/index.htm>].

CRS Report RL31679. *Wildfire Protection: Current Issues and Legislation in the 107th Congress*, by Ross W. Gorte.

CRS Report RS20822. *Forest Ecosystem Health: An Overview*, by Ross W. Gorte.

CRS Report RL30755. *Forest Fire Protection*, by Ross W. Gorte.

CRS Report RL30647. *The National Forest System Roadless Areas Initiative*, by Pamela Baldwin.

CRS Issue Brief IB10076. *Public (BLM) Lands and National Forests*, by Ross W. Gorte and Carol Hardy Vincent, coordinators.

Department of Energy. For further information on the *Department of Energy (DOE)*, see its World Wide Web site at [<http://www.energy.gov/>].

For information on the Government Performance and Results Act for the DOE or any of its bureaus, see *DOE's Strategic Plan* World Wide Web site at [<http://www.cfo.doe.gov/stratmgt/plan/doesplan.htm>].

Fossil Energy Research, Development, and Demonstration. The Bush Administration's FY2003 budget request of \$475.3 million for FY2003 for fossil fuel research and development (R&D) is 18% less than the amount appropriated for FY2002 (\$582.8 million).¹⁴ The Senate approved funding fossil energy programs at \$625.7 million, with small reductions from the Committee report, was 32% higher than the Administration. The FY2003 House approved funding level for fossil energy R&D was even higher—\$664 million. Much of the difference

¹⁴ The FY2003 request and appropriated amount for FY2002 reflect previously appropriated amounts (\$40 million for FY2003 and \$33.7 million for FY2002) from the Clean Coal Technology program and prior year balances (\$14.0 million for FY2003 and \$6.0 million for FY2002).

in funding between Congress and the Administration is in transportation fuels, natural gas and petroleum production technologies.

The Administration's request for the Clean Coal Power Initiative (CCPI) of \$150.0 million for FY2003 is part of a \$2 billion ten-year commitment. The program is a cooperative cost-shared industry/government program for "funding advanced research and development and a limited number of joint government-industry-funded demonstrations of new technologies that can enhance the reliability and environmental performance of coal-fired power generators." The CCPI is along the lines of the Clean Coal Technology Program (CCTP), which has completed most of its projects and has been subject to rescissions and deferrals since the mid-1990s. In FY2003, the Administration seeks to consolidate all of its coal R&D programs under Fossil Energy Research and Development. The CCTP, funded separately from the other fossil R&D programs, would receive no additional appropriations, but would receive \$40.0 million in FY2003 from previously deferred budget authority to continue with several projects that are still active. The CCTP eventually will be phased out.

The Senate supported the President's request of \$150 million for its CCPI but recommended a deferral of \$70 million from previously appropriated Clean Coal Technology Program funds. The House also agreed to \$150.0 million for CCPI, while deferring \$50 million in CCTP funding until FY2004 and using \$14 million in unobligated funding for FY2002. The Senate did not support using \$14 million in prior year balances towards the FY2003 Fossil Energy program

Under the Administration's request, research and development (R&D) on natural gas would be cut by nearly half, to \$22.6 million, and R&D on petroleum by about a third, to \$35.4 million. The Senate however, supported these programs at \$46.3 for natural gas and 44.3 million for petroleum programs. The House approved \$48.2 million for natural gas and \$54.9 million for petroleum technology programs. The Administration's request would phase out funding for the Fuels program, including R&D on ultra-clean fuels technology, reducing the request to \$5.0 million for FY2003 from \$32.2 million in FY2002. The Senate approved \$27.3 million for the Fuels program, while the House supported spending \$31.6 million. Another significant difference with the Administration is the Senate's support for the Energy Technology Center (ETC) programs at \$69.9 million versus \$54.9 million for the Administration. The House approved \$67.9 million for ETC programs. Funding levels for Sequestration R&D, which would test new and advanced methods for greenhouse gas capture, separation, and reuse, would increase under the Administration's FY2003 request by \$21.8 million to \$54.0 million. The Senate approved \$42.0 million, as did the House. The Administration also proposed to transfer the Fossil Energy (FE) Infrastructure program that funds natural gas research activities (\$10.0 million in FY2002) to the Department of Transportation's Office of Pipeline Safety, in order to reduce any duplication of effort. The Senate and House support maintaining the infrastructure program within Fossil Energy.

For further information on *Fossil Energy*, see its World Wide Web site at [<http://www.fe.doe.gov/>].

CRS Report RS20877. *The Clean Coal Technology Program: Current Prospects*, by Carl E. Behrens.

Strategic Petroleum Reserve. The SPR, authorized by the Energy Policy and Conservation Act (P.L. 94-163) in late 1975, consists of caverns formed out of naturally-occurring salt domes in Louisiana and Texas in which more than 570 million barrels of crude oil are stored. The purpose of the SPR is to provide an emergency source of crude oil which may be tapped in the event of a presidential finding that an interruption in oil supply, or an interruption threatening adverse economic effects, warrants a drawdown from the Reserve.

Sharp increases in the price of oil beginning in the spring of 1999 spurred calls for drawdowns from the Reserve. The Clinton Administration authorized some exchanges and swaps of oil from the SPR, and also instituted a program to accept roughly 28 million barrels as royalty-in-kind (RIK) payments for production from federal leases. Acquiring oil for the SPR by RIK avoids the necessity for Congress to make outlays to finance direct purchase of oil; however, it also means a loss of revenues to the Treasury in so far as the royalties are paid in wet barrels rather than in cash. In mid-November 2001, President Bush ordered that the SPR be filled to capacity (700 million barrels) using RIK oil. Deliveries of RIK oil began in the spring of 2002. The fill rate has varied and should average about 55,000 barrels a day (b/d) between December 2002 and the end of FY2003.

The FY2003 budget request for the SPR was \$187.7 million. This represents an increase of \$8.7 million from the appropriation for FY2002 (\$179.0 million). The request has three components. First, it included \$154.9 million for storage facilities development and operations management, and \$14.0 million for management of the SPR sites. Second, \$11.0 million was included in the SPR Petroleum Account to support the costs of transporting RIK oil to SPR sites. Third, the request included \$8.0 million for the Northeast Heating Oil Reserve (NHOR), established by the Clinton Administration, which houses 2 million barrels of home heating oil in above-ground facilities in Connecticut and New Jersey.

In the Senate, the Committee on Appropriations recommended a total of \$189.9 million, including \$158.9 for facilities development and operations, \$16.0 million for management, \$7.0 million for transporting RIK oil to the SPR, and \$8 million for the Northeast Home Heating Oil Reserve. The Committee reduced the SPR Petroleum Account by \$4.0 million, transferring that money to development and operations for the express purpose of helping to pay for injection of oil into the Reserve. The House approved \$190.9 million, essentially following the Senate model with an additional \$1 million for management.

The omnibus appropriations legislation approved by the Senate on January 23, 2003, included \$172.9 million for the SPR, \$7 million for the SPR Petroleum Account, and \$6 million for the NHOR – a total of \$185.9 million. The Senate also included language giving permanent authorization to the SPR, and affirming President Bush's previous expression that the SPR should be filled to capacity as soon as practicable. Similar language had been agreed to by the conferees on the omnibus energy legislation (H.R. 4) that was not enacted before the 107th Congress adjourned.

For further information on the *Strategic Petroleum Reserve*, see its World Wide Web site at [<http://fossil.energy.gov/nposr/index.shtml>]. CRS Issue Brief IB87050. *The Strategic Petroleum Reserve*, by Robert Bamberger.

Naval Petroleum Reserves. The National Defense Authorization Act for FY1996 (P.L. 104-106) authorized sale of the federal interest in the oil field at Elk Hills, CA (NPR-1). On February 5, 1998, Occidental Petroleum Corporation took title to the site and wired \$3.65 billion to the U.S. Treasury. P.L. 104-106 also transferred most of two Naval Oil Shale Reserves (NOSR) to DOI; the balance of the second was transferred to DOI in the spring of 1999. On January 14, 2000, DOE returned the undeveloped NOSR-2 to the Ute Indian Tribe; the FY2001 National Defense Authorization (P.L. 106-398) provided for the transfer. The U.S. retains a 9% royalty interest in NOSR-2, those proceeds to be applied to the costs of remediation for a uranium mill tailings site near Moab, Utah.

This leaves in the Naval Petroleum Reserves program two small oil fields in California and Wyoming, which will generate estimated revenue to the government of roughly \$7.2 million during FY2003. The request to maintain the Naval Petroleum Reserves (NPR) for FY2003 was \$20.8 million, a decrease of \$1.5 million from FY2002 (\$22.4 million, including \$17.4 million in new appropriations and \$5.0 million in prior year funds). Both the House and Senate supported the Administration's request.

In settlement of a long-standing dispute between California and the federal government over the state's claim to Elk Hills as "school lands," the California Teachers' Retirement Fund is to receive 9% of the sale proceeds after the costs of sale have been deducted. The agreement between DOE and California provided for five annual payments of \$36.0 million beginning in FY1999, with the balance due to be paid in equal installments in FY2004 and FY2005. The FY2003 budget request included another \$36.0 million for the Elk Hills School Lands Fund. The Senate and House concurred.

For further information on *Naval Petroleum and Oil Shale Reserves*, see its World Wide Web site at [<http://fossil.energy.gov/nposr/index.shtml>].

Energy Conservation. The FY2003 request for DOE's Energy Efficiency Program notes that "energy efficiency programs produce substantial benefits for the Nation," according to the Budget Appendix to the U.S. Government's FY2003 Budget (Budget Appendix, p. 403). However, the Administration also stresses that the FY2003 budget proposes changes that reflect findings of the *National Energy Policy Report* and the *President's Management Agenda*. Specifically, the request states that the "Energy Efficiency [Office] will terminate projects that provide insufficient public benefit, redirect activities to better provide public benefits, place certain activities on a watch list to ensure they advance effectively, and expand several programs that could achieve significantly increased benefits with additional funding." (DOE Budget Highlights, p. 103). Thus, DOE proposed to decrease conservation funding under DOE's Office of Energy Efficiency and Renewable Energy (EERE) from \$912.8 million in FY2002 to \$901.6 million in FY2003. See **Table 13**.

**Table 13. Appropriations for DOE Energy Conservation,
FY2001-FY2003**
(\$ in millions)

DOE Energy Conservation	FY2001 Enacted	FY2002 Enacted	FY2003 Request	FY2003 Senate Passed	FY2003 House Passed
Buildings	\$293.3	\$380.3	\$408.8	\$367.0	\$405.3
Federal Energy Mgmt.	25.7	23.3	27.9	26.9	24.9
Industry	146.0	148.9	138.3	140.9	159.8
Power Technologies	47.3	63.8	63.9	65.2	79.7
Transportation	251.5	252.7	222.7	244.4	273.9
Policy and Management	43.3	43.8	40.1	40.1	44.1 ^a
R&D Subtotal	619.3	637.8	585.7	614.3	687.6
Grants Subtotal	190.6	275.0	315.9	270.0	300.0
Gross Total	809.8	912.8	901.6	884.3	987.7
Adjustments	-2.0	0.0	0.0	0.0	-3.0
Total Appropriations	807.8	912.8	901.6	884.3	984.7

^a Includes \$1.0 million for a study by the National Academy of Sciences.

The Senate-passed bill contains \$884.3 million for the FY2003 DOE Energy Conservation Program. This is \$37.4 million less than the \$921.7 million that the Senate Appropriations Committee had recommended in the 107th Congress. Compared to FY2002, the Senate-passed level would cut \$28.5 million, or 3%, not accounting for inflation. Compared to the Administration's request, the Senate-passed level would cut \$17.3 million, or 2%. Compared to the House-passed bill in the 107th Congress, the Senate level is \$100.4 million, or 10%, lower. This includes \$73.3 million less for R&D and \$30.0 million less for grants, and a \$-3.0 million adjustment in the House level.

The House-approved level of \$984.7 million for the DOE Energy Conservation Program would increase funding over FY2002 by \$71.9 million, or 8%, not accounting for inflation. Compared to the Administration's request, the House level would increase funding by \$83.0 million, or 9%.

Compared to the Administration's request, the Senate-passed level seeks a cut of \$52.1 million for weatherization grants and an increase of \$6.2 million for state grants. Transportation R&D would increase by \$21.7 million, with increases of \$8 million for Vehicle Technology, \$8 million for Materials Technologies, and \$4.7 million for Fuels Utilization. Industry R&D includes an increase of \$2.5 million for

Crosscutting Programs of Industries of the Future. Power Technologies would increase by \$1.3 million. Buildings Research and Standards would grow by \$5.3 million, but Energy Star would drop by \$1.2 million.

In the 107th Congress, the House passed \$250.0 million for weatherization grants, a cut of \$27.1 million from the FY2003 request but an increase of \$20.0 million over FY2002. The House approved \$50.0 million for state energy grants, an increase of \$11.2 million over the request and \$5.0 million over FY2002. Transportation R&D would grow by \$51.2 million over the request and \$21.1 million over FY2002, for a total of \$273.9 million in the House passed bill. The biggest increase in this category is for Vehicle Technology R&D, which would increase by \$30.5 million over the request and \$24.7 million over FY2002. The House-passed bill also included \$159.9 million for the Industry Sector, an increase of \$21.5 million over the request and \$10.9 million over FY2002. Power Technologies would increase by \$15.9 million over the President's request and the FY2002 level, for a House total of \$79.7 million. Building Technology Assistance, approved by the House at \$325.2 million, would decrease by \$16.9 million from the request but increase by \$28.4 million over FY2002.

In the 107th Congress, the report of the House Committee on Appropriations proposed funding for DOE to “do a better job of measuring potential program success” through program reviews by the National Academy of Sciences to help decide whether to expand or scale-back programs. Also, the report directs that EERE adopt a procurement practice to “allow full and open competition to occur, when appropriate.” Also, the report of the Senate Committee on Appropriations directed EERE to “revise and restructure” the budget request documents for FY2004, noting that they often lack a complete explanation of recommended funding changes.

For further information on the *Energy Conservation Budget*, see the Web site at [<http://www.mbe.doe.gov/budget/03budget/>]. For further information on *Energy Conservation Programs*, see the Web site at [<http://www.eren.doe.gov/>].

CRS Issue Brief IB10020. *Energy Efficiency: Budget, Oil Conservation, and Electricity Conservation Issues*, by Fred Sissine.

CRS Report RS20852. *The Partnership for a New Generation of Vehicles: Status and Issues*, by Brent D. Yacobucci.

Department of Health and Human Services: Indian Health Service.

For further information on the Indian Health Service see the agency's Internet site at [<http://www.dhhs.gov/>].

Indian Health Service. The Indian Health Service (IHS) carries out the federal responsibility of assuring comprehensive medical and environmental health services for approximately 1.5 million to 1.7 million American Indians and Alaska Natives (AI/AN) who belong to over 560 federally recognized tribes located in 34 states. Health care is provided through a system of federal, tribal, and urban Indian operated programs and facilities that serve as the major source of health care for AI/AN. IHS provides direct health care services through 36 hospitals, 58 health centers, 4 school health centers, and 44 health stations. Tribes and tribal groups,

under IHS contracts, operate another 13 hospitals, 161 health centers, 3 school health centers, and 249 health stations, including 170 Alaska Native village clinics. IHS, tribes, and tribal groups also operate 11 regional youth substance abuse treatment centers and more than 2,200 units of staff quarters.

IHS funding is separated into two Indian health budget categories: services and facilities. The Senate-passed bill recommended a total of \$2.821 billion in appropriations for FY2003, up \$5.7 million or 0.2% above the President's request of \$2.816 billion, and \$62.2 million or 2.3% over the FY2002 appropriation of \$2.759 billion. The House-passed bill provided a total of \$2.901 billion for FY2003, up \$84.2 million or 3% from the President's request, and \$141.5 million or 5.1% over the FY2002 appropriation. Of the total House and Senate recommended appropriations, approximately 87% would be used for health services, and 13% for the health facilities' program. IHS services are funded not only through congressional appropriations, but also from money reimbursed from private health insurance and federal programs such as Medicare, Medicaid, and the State Children's Health Insurance Program. IHS estimates that it will collect another \$450 million in reimbursements in FY2003.

The IHS's service budget has several subcategories: clinical services, preventive health services, and other services. Clinical services include basic primary care for inpatient and outpatient services at IHS hospitals and clinics. The House provided a total of \$1.996 billion for FY2003, \$51.2 million or 2.6% over the Administration request of \$1.945 billion, and \$104.4 million or 5.5% above the FY2002 level of \$1.892 billion. The Senate recommended \$1.949 billion for FY2003, \$47 million less than the House, but 0.2% over the request and 3% above the FY2002 appropriations level. In the clinical services category, appropriated money will support programs for hospitals and clinics (House, \$1.225 billion; Senate, \$1.193 billion), dental health (House \$100.3 million; Senate, \$100.1 million), mental health (both House and Senate, \$50.6 million), and substance abuse treatment (both the House and Senate, \$137.7 million). Also in the clinical services budget, the House appropriated \$483.1 million for contract health care, 4.9% over FY2002 and \$15 million more than the Senate recommendation of \$468.1 million. Contract health services are services purchased from local and community health care providers when IHS cannot provide medical care and specific services through its own system.

Both the House and Senate recommended \$103.3 million for preventive health services, the same amount requested by the President, and 3.6% over the FY2002 appropriation of \$99.7 million. Both the House and the Senate accepted the President's funding request for public health nursing (\$39.9 million), health education in schools and communities (\$11.1 million), and immunizations (\$1.6 million). The total also will fund the community health representatives' program (\$50.8 million), a tribally administered program that supports community members who work to prevent illness and disease in their communities.

For other health related activities, the House recommended a total of \$409.2 million and the Senate, \$403.3 million. Both the House and Senate allocated \$31.5 million for off-reservation urban health projects, and \$2.4 million for costs associated with providing tribal management grants to tribes. They differed, however, in amounts for scholarships to Indian health professionals; the House recommended

\$35.4 million, while the Senate provided a total of \$31.3 million and directed IHS to recruit health professionals from among the general population. The House also expected IHS to implement a program offering bonus payments to health professionals, similar to the approach taken in a South Dakota demonstration program where a tribe was able to hire full time personnel at less cost than the cost of paying part time contract health services.

For IHS direct operations, including technical management and tribal consultation support, the Senate recommended \$57.2 million, and the House slightly less at \$56.1 million. However, there is a large difference in funding for self-governance, as the Senate recommended \$10.1 million, and the House provided only \$1.1 million. The House report says that only this amount is needed to cover 8 positions in the self governance office, because there have been no new self-governance compacts recently, and the committee believes that the funds should be used for other underfunded programs.

Contract support costs are awarded to tribes for administering programs under contracts or compacts authorized under the Indian Self-Determination Act (P.L. 93-638, as amended). They include costs for expenses tribes incur for financial management, accounting, training, and program start-up. The Senate and the House both proposed that \$270.7 million be used for contract support costs.

The Senate did not agree with the President's proposed reductions in staffing levels, travel, training, and copying costs for direct operations. On another matter, the Senate expressed concern about the Administration's recent proposal to transfer and consolidate IHS's Office of Legislative Affairs to the Department of Health and Human Services (DHHS). The Senate Committee on Appropriations noted that this IHS office handles a variety of complex Native American and Alaskan Indian health service issues, which require more expertise and attention than would be possible under a consolidation. As such, the Senate did not agree to the consolidation, while the House was silent on the issue.

The IHS's facilities category includes money for the construction, maintenance, and improvement of health and sanitation facilities. The House recommended a total of \$391.9 million for FY2003, a 6.1% increase over the preceding year's appropriation of \$369.5 million, and a 8.1% increase over the President's FY2003 request of \$362.6 million. The Senate provided \$365.4 million for FY2003, a 1.1% decrease from the FY2002 appropriation, but an increase of 0.8% or \$2.8 million over the President's FY2003 request.

The House and Senate disagreed with several changes put forward in the President's budget. They both prohibited IHS funds from being used to construct sanitation facilities in new houses funded under the Department of Housing and Urban Development (HUD); both bodies assert that HUD should provide the funding.

For further information on the *Indian Health Service*, see the agency's Web site at [<http://www.ihs.gov/>].

Office of Navajo and Hopi Indian Relocation. The Office of Navajo and Hopi Indian Relocation (ONHIR) was reauthorized for FY1995-2000 by P.L. 104-301. The 1974 relocation legislation (P.L. 93-531, as amended) was the end result of a dispute between the Hopi and Navajo tribes involving land originally set aside by the federal government for a reservation in 1882. Pursuant to the 1974 act, lands were partitioned between the two tribes. Members of one tribe who ended up on the other tribe's land were to be relocated. ONHIR classifies families as relocated when they occupy their replacement home. Most relocatees are Navajo. A large majority of the estimated 3,477 Navajo families formerly on the land partitioned to the Hopi already have relocated under the Act, but the House Appropriations Committee estimates that about 233 families (almost all Navajo) have yet to complete relocation, including about 24 Navajo families still on Hopi partitioned land (some of whom refuse to relocate). The remaining families are not on Hopi partitioned land but are in various stages of acquiring replacement housing. ONHIR's chief activities consist of housing acquisition and construction, land acquisition, and certification of families' eligibility for relocation benefits.

For FY2002, ONHIR received appropriations of \$15.1 million. For FY2003, the Administration proposed \$14.5 million, a decrease of \$657,000, or 4%. Both the Senate and the House approved the proposed amount of \$14.5 million.

For much of the relocation period, negotiations and litigation have proceeded among the Navajo Nation, the Hopi Tribe, the Navajo families on Hopi partitioned land, and the federal government on a number of issues, especially regarding Hopi Tribe claims against the United States. In 1995, the United States and the Hopi Tribe reached a proposed settlement agreement on Hopi claims. Attached to the settlement agreement was a separate accommodation agreement between the Hopi Tribe and the Navajo families, which provided for 75-year leases for Navajo families on Hopi partitioned land. The Navajo-Hopi Land Dispute Settlement Act of 1996 (P.L. 104-301) approved the settlement agreement between the United States and the Hopi Tribe. Not all issues have been resolved by these agreements, however, and opposition to the agreements and the leases is strong among some of the Navajo families. Navajo families with homesites on Hopi partitioned land faced a March 31, 1997, deadline for signing the leases (accommodation agreements). According to ONHIR, 70 of the 73 Navajo families then on Hopi-partitioned land had signed accommodation agreements by the end of September 1999.

The Hopi Tribe has called for enforcement of relocation against Navajo families without leases. Like the FY1997-FY2002 Interior appropriations acts, the FY2003 proposal would forbid ONHIR from evicting any Navajo family from Hopi partitioned lands unless a replacement home were provided. This language appears to prevent ONHIR from forcibly relocating Navajo families during FY2003 since the ONHIR has a large backlog of relocatees who are approved for replacement homes but have not yet received them. These relocatees would have priority in receiving replacement homes. The settlement agreement approved by P.L. 104-301, however, allows the Hopi Tribe under certain circumstances to begin actions against the United States after February 1, 2000, for failure to give the Hopi "quiet possession" of all Hopi-partitioned lands if Navajo families on these lands have not either relocated or entered into accommodation agreements with the Hopi Tribe. The Hopi Tribe has not yet filed such a quiet possession claim against the United States. The Tribe has

agreed to wait while the U.S. pursues legal actions against Navajo who have neither signed agreements nor relocated, but has asserted that evictions should have already started.

Smithsonian, National Endowment for the Arts, and National Endowment for the Humanities. One of the perennial issues addressed by Congress concerning the programs and agencies delineated below is whether federal government support for the arts and culture is an appropriate federal role, and if it is, what should be the shape of that support. If the continued federal role is not appropriate, might the federal commitment be scaled back such that greater private support or state support would be encouraged? Each program has its own unique relationship to this overarching issue.

Smithsonian. The Smithsonian Institution (SI) is a museum, education and research complex of 16 museums and galleries, the National Zoo, and research facilities throughout the United States and around the world. Nine of its museums and galleries are located on the Mall between the U.S. Capitol and the Washington Monument, and SI counted 42 million visits in 2001. The National Zoo had 2.8 million visits, the Museum of Natural History had 9.1 million visits, and the National Air and Space Museum (NASM) had 9.8 million visits.

The Smithsonian is estimated to be 70% federally funded. A federal commitment to fund the Institution was established by legislation in 1846. Today, the Smithsonian receives both federal appropriations and various types of trust funds.

SI Budget and Appropriations. The House-passed bill included \$528.0 million for the Smithsonian, the same as the FY2003 request and \$9.1 million above the FY2002 level. The Senate-passed bill for FY2003 would provide \$531.0 million for the Smithsonian for FY2003. For Smithsonian's Salaries and Expenses, the House and the Senate approved \$436.7 million, \$2.0 million above the budget request for FY2003 (\$434.7 million) and \$15.7 million above FY2002. See **Table 14**.

For the National Museum of the American Indian (NMAI), the Senate-passed bill provides \$16 million for completion of construction of the Mall museum. The House-passed bill and the President's budget request included \$10 million for the NMAI. Initially, the NMAI was controversial. Opponents of constructing a new museum argued that the current Smithsonian museums needed renovation, repair, and maintenance of the collection with an estimated 142 million items, more than the public needed another museum on the Mall. Proponents argued that there had been too long a delay in providing a museum in Washington to house the Indian collection.

Private donations to the Smithsonian for the NMAI and a fund-raising campaign focusing on individuals, foundations, and corporations totaled \$36.7 million, representing one-third of the original estimated cost (\$110 million) and the amount required to meet the non-appropriated portion of project funding. Of this amount, an estimated \$15 million came from the Indian community directly. Based on a new estimate of \$219.3 million for the Indian museum, the Smithsonian indicated that \$20 million in trust funds would cover opening costs and that additional fund raising

would be required. The groundbreaking ceremony for the NMAI took place September 28, 1999. The projected opening of the Museum is 2004.

The House concurred with the FY2003 budget request for “repair, restoration, and alteration of facilities” (\$81.3 million), with the Senate measure at \$78.3 million. This line item includes funds for renovation of the Patent Office Building, the National Zoo, the National Museum of Natural History, and routine repair in all Smithsonian facilities. Work was begun last year on the National Museum of Natural History and the Patent Office Building (the home of two Smithsonian Museums—the National Portrait Gallery and the Smithsonian Museum of American Art—with a projected total cost estimate of \$151 million.) The SI is responsible for over 400 buildings with approximately 8 million square feet of space. Four of the Smithsonian’s buildings plus the National Zoo constitute approximately one-third of the SI’s public space: the National Museum of Natural History (1910), the American Art and Portrait Gallery (1836-1860), the Castle building (1846), and the Arts and Industries building (1849).

A study by the National Academy of Public Administration (NAPA), *A Study of the Smithsonian Institution’s Repair, Restoration and Alteration of Facilities Program*, confirms what the Institution had already concluded: that funding for repair and renewal of SI’s facilities has not kept pace with need, resulting in increased deterioration of the physical plant. The NAPA report contends that the Smithsonian needs to spend more than \$1.5 billion over the next decade to fully repair, renovate, and improve its facilities.

SI Trust Funds. In addition to federal appropriations, the Smithsonian receives trust funds to expand its programs. The SI trust fund includes contributions from private sources, and government grants and contracts from other agencies. General trust funds include investment income and business revenues from what the Smithsonian identifies as “business ventures” (including the Smithsonian magazine, retail shops, restaurants, concessions, catalogs, and entertainment initiatives, i.e. Resident Associates and other entertainment programs.) There are also trust funds that are private donor designated funds. Designated trust funds are those that include gifts, grants, and contributions from individuals, foundations, and corporations that specify and direct the purpose of funds. In FY2001, contributions from private individuals, foundations, and corporate sources for designated projects totaled \$178.8 million, and for FY2002, they were projected to total \$80 million. One large single contribution to the Smithsonian from a private donor (Steven F. Udvar-Hazy)—\$60 million—was pledged for the National Air and Space Museum’s Dulles Center (FY1999). The Dulles extension is scheduled to open this year.

Finally, government grants and contracts (separate from the regular appropriation) are provided by various government agencies and departments for projects specific to the Smithsonian because of their expertise in certain fields including science, history, art, and education. For FY2002, in addition to the regular appropriation, government grants and contracts were projected to be \$70 million. Part of this funding is available to the Smithsonian’s Astrophysical Observatory.

Tracking of the Smithsonian’s Trust fund expenditures is of major concern to the Congress. The Senate Committee on Appropriations recommended instituting a

plan that the Smithsonian has now developed to track trust fund budget proposals and expenditures. According to the Inspector General of the Smithsonian, there was a discrepancy between what the Board of Regents approved for 1998 through 2000 (\$699 million) compared to actual expenditures of \$1.07 billion.

The House Committee on Appropriations (in report language) expressed concern about the controversies between the Smithsonian and benefactors' control over SI properties and exhibits. One particular issue is the renaming of the Air and Space Theater, replacing the name of Langley with a corporate sponsor name. The Committee recommended reopening negotiations, and requests a review of all benefactor agreements within the last two years. In addition, the Committee would like further review of the practices for compensation of Smithsonian leadership.

Two of the controversies concerning the Smithsonian in previous years were resolved. They involved the proposed closing of the Smithsonian Center for Materials Research and Education (SCMRE) and the Conservation and Research Center (CRC) in Front Royal, Virginia. On May 6, 2001, in response to objections by scientists and others, the Smithsonian reversed its policy with regard to the CRC and SCMRE and continued to maintain both centers. The FY2002 Interior Appropriations law provided that an independent "blue ribbon" Science Commission would be established and meet before any final decision about closing either the CRC or the SCMRE. The direction of SI's research priorities is still of concern to Congress.

Table 14. Smithsonian Institution Appropriations FY2001-2003
(\$ in thousands)

Smithsonian Institution (SI)	FY2001 Approp.	FY2002 Approp.	FY2003 Request	FY2003 House Passed	FY2003 Senate Passed
Salaries and Expenses	\$386,902	\$420,960 ^a	\$434,660 ^b	\$436,660	\$436,660
Repair, Restoration, and Alteration of Facilities	57,473	67,900	81,300	81,300	78,300
Construction	9,479	30,000	12,000	10,000	16,000
SI total	453,854	518,860^a	527,960	527,960	530,960

^a This total includes \$21,707,000 contained in the FY2002 Emergency Supplemental Appropriation, P.L. 107-117, for SI's Anti-Terrorism funding.

^b This total excludes \$19.7 million for the Bush Administration's FY2003 proposal regarding employee pensions and health benefits.

For further information on the *Smithsonian*, see its World Wide Web site at [<http://www.si.edu/>].

National Endowment for the Arts and National Endowment for the Humanities. One of the primary vehicles for federal support for the arts and the

humanities is the National Foundation on the Arts and the Humanities, composed of the National Endowment for the Arts (NEA), the National Endowment for the Humanities (NEH), and the Institute of Museum Services (IMS), now constituted as the Institute of Museum and Library Services (IMLS) with an Office of Museum Services (OMS). The authorizing act, the National Foundation on the Arts and the Humanities Act, was last reauthorized in 1990 and expired at the end of FY1993, but NEA and NEH have since been operating on temporary authority through appropriations law. The 104th Congress established the Institute of Museum and Library Services and created the Office of Museum Services (P.L. 104-208).

The House-passed bill approved \$126.5 million for NEA (\$99.5 million plus \$27.0 million for the Challenge America Arts Fund). The House agreed to a floor amendment (234-192) to increase NEA by \$10 million and NEH by \$5 million by reducing Interior departmental management salaries and expenses. The Senate-passed bill provides \$116.5 million for the NEA. The Senate-passed level includes Challenge America Arts fund within NEA's total for Grants and Administration, a slightly different accounting method than used by the House and the Administration. See **Table 15**. NEA's direct grant program currently supports approximately 1,600 grants. State arts agencies are now receiving over 40% of grant funds, with 1,000 communities participating nationwide, particularly from under-represented areas. The Challenge America Arts Fund is a program of matching grants for arts education, outreach and community arts activities for rural and underserved areas. The NEA is required to submit a detailed report to the House and Senate Appropriations Committees describing the use of funds for the Challenge America program.

The House-passed bill approved \$131.1 million for NEH, \$6.6 million above FY2002 and \$5.3 million above the FY2003 request. The Senate-passed measure provides \$125.8 million for NEH, the same as the FY2003 budget. The NEH supports extensive grants for humanities education, research, preservation and public humanities programs; grants for the creation of regional humanities centers; and grants to help develop humanities programs under the jurisdiction of the 56 state humanities councils. NEH also supports a Challenge Grant program to stimulate and match private donations in support of humanities institutions.

Effective with FY2003, the appropriation for the Office of Museum Services was to be moved from the Interior and related agencies appropriations bill to the appropriations bill for the Departments of Labor, Health and Human Services (HHS), and Education (ED) and related agencies. The rationale for this transfer is that the Office of Library Services, the larger of the two components of IMLS, is already under Labor-HHS-Ed appropriations, and having one single funding stream under one appropriation would make bookkeeping simpler and reduce time-consuming and duplicative review for the Interior Subcommittees. The FY2003 budget estimate for OMS was \$29.0 million, compared to \$26.9 million for FY2002. The Office of Museum services provides grants in aid to museums in the form of leadership grants, museum conservation, museum assessment, and General Operating Support (GOS) to help over 400 museums annually to improve the quality of their services to the public.

Among the questions Congress continually considers is whether funding for the arts and humanities is an appropriate federal role and responsibility. Some opponents

of arts support argue that NEA and NEH should be abolished altogether, contending that the federal government should not be in the business of supporting arts and humanities. Other opponents argue that culture can and does flourish on its own through private support. Proponents of federal support for arts and humanities contend that the federal government has a long tradition of support for culture, beginning as early as 1817 with congressional appropriations for works of art to adorn the U.S. Capitol. Some representatives of the private sector say that they are unable to make up the gap that would be left by the loss of federal funds for the arts. Others argue that abolishing NEA and NEH would curtail or eliminate the programs that have national significance and purpose (such as touring theater and dance companies, radio and television shows, traveling museum exhibitions, etc.) Former President Clinton's Committee on the Arts, in *Creative America* (1997), recommended federal funding for NEA and NEH at \$2.00 per person by the year 2000. In contrast, total funding for NEA and NEH now represents approximately 84 cents per person.

Previous NEA Controversies. Although there appears to be an increase in congressional support for the NEA, the debate often recurs on previous questionable NEA grants when appropriations are considered, in spite of attempts to resolve these problems through previous statutory provisions. The debate involved whether or not some of the grants given were for artwork that might be deemed obscene. To date, no NEA projects have been judged obscene by the courts. On November 5, 1996, a federal appeals court upheld an earlier decision, *NEA v. Finley*, ruling that applying the "general standards of decency" clause to NEA grants was "unconstitutional." However, in anticipation of congressional reaction to NEA's individual grants, NEA eliminated grants to individuals by arts discipline with some exceptions. On June 25, 1998, the Supreme Court reversed the federal appeals court decision for *NEA v. Finley* (CA9, 100F.3d 671) by a vote of 8 to 1, stating that the NEA "can consider general standards of decency" when judging grants for artistic merit, and that the decency provision does not "inherently interfere with First amendment rights nor violate constitutional vagueness principles."

Congress enacted NEA reform measures in past appropriations laws. Among them were increases in funding allocations from 35% to 40% to states for basic state arts grants and for grants to under served populations. In addition, language emphasizing arts education was included. A 15% cap was placed on NEA funds allocated to each state, exempting only those grants with a national impact. Members of the House and Senate were added to the National Council on the Arts. Both NEA and NEH were given specific authority to solicit funding and to invest those funds. In both the House- and Senate-passed bills for FY2003, the language is retained that has been in previous appropriations related to funding priorities and restrictions on grants, including that no grant may be used generally for seasonal support to a group; and no grants may be for individuals except for literature fellowships, National Heritage fellowships, or American Jazz master fellowships.

Table 15. Arts and Humanities Funding FY2001-FY2003
(\$ in thousands)

Arts/ Humanities Funding	FY2001 Approp.	FY2002 Approp.	FY2003 Request	FY2003 House Passed	FY2003 Senate Passed
NEA	\$97,785	\$98,234	\$99,489	\$99,489	\$116,489 ^a
Challenge America Arts Fund	6,985	17,000	17,000	27,000	{17,000} ^a
Subtotal NEA	104,770	115,234	116,489^b	126,489	116,489
NEH grants and administration	104,373	108,382	109,632	114,932	109,632
NEH matching grants	15,621	16,122	16,122	16,122	16,122
Subtotal NEH	119,994	124,504	125,754^c	131,054	125,754
OMS/IMLS	24,852	26,899	29,022 ^d	^d	^d

^a The total for NEA grants and administration includes the Challenge America program.

^b The NEA total does not include \$893,000 for employee pension and health benefits under the Bush Administration's proposal. If included, the NEA total would be \$117.382 million.

^c The NEH total does not include \$1.139 million for accrual of employee pension and health benefits. If included, the NEH total would be \$126.893 million.

^d Beginning with FY2003, the Office of Museum Services as part of IMLS is included in the appropriations bill for the Departments of Labor-HHS-Ed and Related Agencies.

For further information on the *National Endowment for the Arts*, see its web site at [<http://arts.endow.gov/>].

For further information on the *National Endowment for the Humanities*, see its web site at [<http://www.neh.gov/>].

For further information on the *Institute of Museum Services*, see its web site at [<http://www.imls.gov/>].

CRS Report RS20287. *Arts and Humanities: Background on Funding*, by Susan Boren.

Cross-Cutting Topics

The Land and Water Conservation Fund (LWCF). The four principle land management agencies—Bureau of Land Management, Fish and Wildlife Service, National Park Service, and Forest Service—draw primarily on the LWCF to acquire lands. The presentations about each of those agencies earlier in this report identifies funding levels for their land acquisition activities. The LWCF also funds acquisition and recreational development by state and local governments through a state grant program administered by the National Park Service. The LWCF is authorized at \$900 million annually through FY2015. However, each agency's

acquisitions, as well as the state grant program, are funded through annual appropriations. Appropriations for federal acquisitions are largely earmarked to specific management units, while the state grant program rarely is earmarked.

Through FY2002, the total amount that could have been appropriated from the LWCF since its inception was \$25.4 billion. Actual appropriations have been \$12.5 billion. In recent years, appropriators have provided generally increasing amounts from the Fund for land acquisition. The total has more than quadrupled, rising from a low of \$138 million in FY1996 to \$573 million in FY2002. **Table 16** shows LWCF appropriations for the past three years (FY2000-FY2002), the Bush Administration requests for FY2002 and FY2003, and congressional action for FY2003.

Table 16. LWCF Funding: FY2000 through FY2003
(\$ in millions)

Agency	FY2000 Approp.	FY2001 Approp.	FY2002 Request	FY2002 Approp.	FY2003 Request	FY2003 Senate Passed	FY2003 House Passed
BLM	\$48	\$56	\$48	\$50	\$45	\$30	\$47
FWS	62	121	104	99	70	82	82
NPS Federal Acquisitions ^a	139	125	107	130	86	89	99
NPS Administered State Grants	41	90	450	144	200 ^a	115	154
FS	160	156	131	150	131	148	146
Total	450	548	840	573	532 ^b	464	528

Source: Data for FY2000 and FY2001 compiled by the Department of the Interior Budget Office; data for FY2002 from Interior Appropriations Conference Report (H.Rept. 107-234); and data for FY2003 from budget proposals and appropriations committees documents.

Note: In some recent years, Congress has appropriated LWCF Funds to federal agencies for purposes other than land acquisition and stateside grants. This started when Congress provided \$72 million for other purposes in the FY1998 Interior appropriations law. Funding in FY1999 was entirely for land acquisition. Since then, funding for other purposes has included \$15 million in FY2000, \$456 million in FY2001, and \$135 million in FY2002.

^aThis figure includes \$50 million for a new Cooperative Conservation Initiative. Neither the FY2003 House nor Senate bill would fund the proposed initiative.

^bThis total does not include \$3.0 million sought by DOI for the Shivaist Indian Water Settlement Act of 1999, which authorizes LWCF funds for the Paiute Tribe in Utah.

Congress may lower LWCF appropriations, as it did in the early and mid 1990s, as a part of efforts to address the federal budget deficit. As this constraint disappeared, Congress responded positively to numerous interests seeking more funds from the LWCF. Now this constraint is forecast to return. After several years of higher funding and the Bush Administration's request for full funding for FY2002, the Administration called for lower land acquisition funding levels for each of the

four agencies in FY2003. In total, the Administration sought \$532 million for federal land acquisition and state assistance grants, significantly less than appropriated for FY2002. The Senate- and House-passed bills provide less funding than the Administration requested—\$464 million and \$528 million respectively. Like the President's request, they also provide significantly less than was appropriated in FY2001 and FY2002, but more than in FY2000.

For the federal land acquisition portion of LWCF, which excludes state grants, the Bush Administration requested \$332 million for FY2003—a decrease of \$97 million from FY2002. In addition, the Administration requested \$20 million for the National Park Service that can be provided as grants to Florida for land acquisition critical to the South Florida (Everglades) Restoration Program. The Administration also requested \$200 million for the state grant program, of which \$50 million would have funded a proposed Cooperative Conservation Initiative. This Initiative seeks to promote conservation through partnerships that match BLM, NPS, and FWS funds with local contributions. In addition to the \$50 million provided from LWCF, the Administration sought another \$50 million for the Initiative from the operating accounts of the three DOI land management agencies, for a total of \$100 million.

The Senate bill provides \$349 million for federal land acquisition, but does not fund the proposed Cooperative Conservation Initiative. Within the NPS's federal land acquisitions, both the House- and Senate-passed bills earmarked \$20.0 million for the State of Florida for land acquisition, but the grant is contingent upon state matching funds. For the state conservation grant program, the Senate approved \$115 million. The report accompanying the bill recommended greater coordination between the FWS's State Wildlife Grant Program and the LWCF Stateside Grant Program to improve coordination and cooperation.

The House bill provided \$374 million for federal land acquisition, but did not fund the Cooperative Conservation initiative proposal. For the state conservation grant program, the House bill sought \$154 million. The report of the House Appropriations Committee expressed strong support for the concept behind the initiative, of using programs that can leverage federal funds, and identifies numerous opportunities. It requested that the Administration's FY2004 budget submission include a crosscut table of partnership programs for each land management agency. Within the NPS's federal land acquisition, it specified using matching grants for the Santa Monica Mountains, and expediting acquisition in the Everglades.

Conservation Spending Category. The House and Senate Appropriations Committees created the Conservation Spending Category (CSC) in the FY2001 Interior appropriations law. The CSC combines funding for about 2 dozen resource protection programs including the LWCF (it also includes some coastal and marine programs funded through Commerce appropriations). This action was in response to the Clinton Administration request for substantial funding increases in these programs under his Lands Legacy Initiative and widespread congressional interest in increasing conservation funding. The FY2001 law appropriated \$1.21 billion for FY2001 (and \$470 million through the Commerce appropriations law). The amount appropriated in FY2001 through Interior appropriations was a substantial increase from a total of \$557 million for these programs the preceding year. The FY2001 law also authorized that total spending under the category would grow each year, from

\$1.6 billion in FY2001 (of which \$1.2 billion would be in Interior Appropriations programs) to \$2.4 billion in FY2006. All funding each year is subject to the appropriations process.

For FY2002, the Bush Administration did not organize his conservation program using the framework of the CSC, but requested a total of \$1.26 billion for this group of programs. Congress used the category and appropriated \$1.30 billion. In its FY2003 budget request, again the Administration did not use the CSC category. However, the House Appropriations Subcommittee on Interior and Related Agencies estimated that the FY2003 request totaled \$1.32 billion for programs in this category, a slight increase from FY2002 funding. The House-passed bill provided \$1.44 billion. The report accompanying the Senate-passed bill states that the CSC is not being used because the Budget Act in which it was established has expired and there is no budget resolution. It also states that total funding for FY2003 under this bill meets the aggregate total projected for the CSC in FY2003.

CRS Report RL30444. *Conservation and Reinvestment Act (CARA) (H.R. 701) and a Related Initiative in the 106th Congress*, by Jeffrey Zinn and M. Lynne Corn.

CRS Report RS20471. *The Conservation Spending Category: Funding for Natural Resource Protection*, by Jeffrey Zinn.

CRS Report 97-792. *Land and Water Conservation Fund: Current Status and Issues*, by Jeffrey Zinn.

CRS Issue Brief IB10015. *Protecting Natural Resources and Managing Growth: Issues in the 107th Congress*, by Jeffrey Zinn.

Everglades Restoration. The alterations of the natural flow of water by a series of canals, levees, and pumping stations, combined with agricultural and urban development, are thought to be the leading causes of environmental deterioration in the South Florida ecosystem. In 1996, Congress authorized the U.S. Army Corps of Engineers (Corps) to create a comprehensive plan to restore, protect, and preserve the entire South Florida ecosystem, which includes the Everglades (P.L. 104-303). A portion of this plan—The Comprehensive Everglades Restoration Plan (CERP), completed in 1999—provides for federal involvement in the restoration of the ecosystem. Congress authorized the Corps to implement CERP in the Water Resources Development Act of 2000 (WRDA 2000; Title VI of P.L. 106-541). Based on CERP and other previously authorized restoration projects, the federal government, along with state, local, and tribal entities, is currently engaged in a collaborative effort to restore the South Florida ecosystem.

The principal objective of CERP is to redirect and store “excess” freshwater currently being discharged to the ocean via canals, and use it to restore the natural hydrological functions of the South Florida ecosystem. CERP seeks to deliver sufficient water to the natural system without impinging on the water needs of agricultural and urban areas. The federal government is responsible for half the cost of implementing CERP, and the other half is borne by the State of Florida, and to a lesser extent, local tribes and other stakeholders. CERP consists of 68 projects that

are expected to be implemented over approximately 36 years, with an estimated total cost of \$7.8 billion; the total federal share is estimated at \$3.9 billion.¹⁵

Restoration activities are conducted by federal agencies in the South Florida ecosystem under CERP and other laws. For example, for FY2002, Congress appropriated \$92.8 million to the Corps for restoration work in Central and Southern Florida, yet only \$30.3 million of this total was appropriated for projects authorized by CERP. The remaining \$62.5 million was for projects authorized by other laws, namely the Everglades National Park and Protection Act of 1989 (P.L. 101-229) and the Water Resources Development Act of 1996 (P.L. 104-303). From FY1993 to FY2002, federal appropriations for projects and services related to the restoration of the South Florida ecosystem have exceeded \$1.7 billion dollars, and state funding has topped \$3.6 billion.¹⁶ The average annual federal cost for restoration activities in Southern Florida in the next 10 years is expected to be approximately \$286 million/year.¹⁷ For FY2003, the administration requested approximately \$260 million for restoration activities in the South Florida ecosystem, of which approximately \$46 million was for the implementation of CERP.

Appropriations for restoration projects in the South Florida ecosystem have been included in several annual appropriations laws. The Department of the Interior (DOI) and Related Agencies Appropriations laws have provided funds to several DOI agencies for restoration projects. Specifically, DOI conducts CERP and non-CERP activities in Southern Florida through the National Park Service (NPS), Fish and Wildlife Service (FWS), U.S. Geological Survey (USGS), and Bureau of Indian Affairs (BIA). For FY2003, the DOI requested approximately \$96 million for CERP and non-CERP activities related to restoration in the South Florida ecosystem. Of this total, the NPS requested \$71.6 million for land acquisition, construction, and research activities; the FWS requested \$3.4 million for activities authorized under CERP and \$8.8 million for land acquisition and ecological services; the USGS requested \$12.2 million for research, planning, and the Critical Ecosystem Studies Initiative; and the BIA requested \$0.4 million for water projects on Seminole and Miccosukee Tribal lands. See **Table 17**.

Appropriations for other restoration projects in the South Florida ecosystem have been provided to the Corps (Energy and Water Development Appropriations), National Oceanic and Atmospheric Administration (NOAA) (Departments of Commerce, Justice, and State, the Judiciary, and other Related Agencies

¹⁵ CERP is the first stage in a three stage process to restore the Everglades. The estimated total cost of the entire restoration effort in the Everglades (i.e., all three stages) is estimated at \$14.8 billion.

¹⁶ These figures represent an estimated cost of all CERP and non-CERP related costs for restoration in the South Florida ecosystem. They were taken from a Cross-Cut Budget published by the South Florida Ecosystem Restoration Program in 1999, 2000, 2001 and 2002. Before 1993, appropriations for restoration projects in South Florida were not organized in one source. Rather, appropriations were authorized for specific projects throughout South Florida.

¹⁷ This figure is based on CERP and non-CERP related restoration activities in South Florida.

Appropriations), U.S. Environmental Protection Agency (EPA) (VA, HUD, and Related Agencies Appropriations), and U.S. Department of Agriculture (USDA) (U.S. Department of Agriculture and Related Agencies Appropriations).

Table 17. Appropriations for Everglades Restoration in the DOI Budget (FY2002-FY2003)

(\$ in thousands)

Agencies requesting funding for Everglades Restoration	FY2002 Approp.	FY2003 Request	FY2003 House Passed	FY2003 Senate Passed ^a
National Park Service				
Park Operations ^b	\$24,000	\$24,001	\$24,001	N/A
Land Acquisition	15,000	20,000	20,000	\$20,000
Land Acquisition Management	N/A	2,800	2,800	N/A
Modified Water Deliveries	35,199	13,295	13,295	13,295
Critical Ecosystem Studies Initiative ^c	4,000	0	4,000	0
CERP	5,544	5,549	5,549	5,549
South Florida Ecosystem Restoration Task Force	1,325	1,329	1,329	1,329
Wastewater treatment for Everglades National Park	4,192	4,594	4,594	4,594
NPS Total	89,260	71,567	75,567	N/A
Fish and Wildlife Service				
Land Acquisition	8,500	6,250	5,750	2,500
CERP	3,351	3,351	3,351	N/A
Ecological Services	2,554	2,554	2,554	N/A
FWS Total	14,405	12,155	11,655	N/A
U.S. Geological Survey				
Research, Planning and Coordination	8,690	8,129	8,129	N/A
Critical Ecosystem Studies Initiative ^b	0	4,000	0	4,000
USGS Total	8,690	12,129	8,129	N/A
Bureau of Indian Affairs				
Stormwater treatment on Seminole and Miccosukee Tribal lands	396	396	696	N/A
DOI TOTALS	112,751	96,247	96,047	N/A

^a Columns with N/A (not available) indicate that funding levels are not specified in the Senate-passed bill.

^b This includes total funding for park operations in Everglades National Park, Dry Tortugas National Park, Biscayne National Park, and Big Cypress National Preserve.

The FY2003 request for DOI to conduct restoration activities in the South Florida ecosystem (\$96.2 million) reflected a decrease of \$16.5 million from the FY2002 level (\$112.8 million). The primary reduction in funding was for the Modified Water Deliveries Project operated by the NPS, because appropriations for this project were largely provided in prior fiscal years. The total in the House-passed bill was similar to the President's request. The total passed by the Senate was not available since programs related to Everglades restoration were not specified in the bill or accompanying committee report.

The Interior appropriations bills passed by the House and Senate provided similar levels of funding for the NPS to conduct restoration activities in Southern Florida, with exceptions. The \$4.0 million for the Critical Ecosystem Studies Initiative allocated to the NPS in the House bill was given to the USGS by the Senate. The Senate provided \$0.5 million less for NPS land acquisitions than the House. For the FWS, the Senate passed \$3.3 million less for FWS land acquisitions than the House. Specifically, the Senate passed \$1 million for the acquisition of lands at the J.N. Ding Darling National Wildlife Reserve and \$1.5 million for the National Key Deer Refuge; the House passed \$3 million and \$1.5 million respectively for the same lands, as well as \$1.3 million for lands near the Pelican Bay National Wildlife Reserve. The FWS seeks to acquire these lands on the grounds that doing so would benefit restoration activities in CERP. For BIA, the House provided \$0.3 million for water quality studies on the Seminole Indian Reservation; it was unclear if these funds were included in the Senate-passed bill.

There is little detailed information in either bill or report language about appropriations recommended for the FWS, USGS, and BIA for restoration activities in the South Florida ecosystem. Some of these restoration activities are part of larger programs that are funded in appropriations bills. For example, the USGS proposes to collect data, construct models, and conduct studies in South Florida that are expected to benefit restoration activities. Some of these restoration activities fall under the categories of water resources investigations and biological research, which are broad activities funded by the USGS. Detailed information about these activities can be found in agency budget justifications and in a cross-cut budget prepared by the South Florida Ecosystem Restoration Program [<http://www.sfrestore.org>].

For further information on *Everglades Restoration*, see the web site of the South Florida Ecosystem Restoration Program at [<http://www.sfrestore.org>] and the web site of the Corps of Engineers at [<http://www.evergladesplan.org/>].

CRS Report RS20702. *South Florida Ecosystem Restoration and the Comprehensive Everglades Restoration Plan*, by Nicole T. Carter.

CRS Report RL31621. *Florida Everglades Restoration: Background on Implementation and Early Lessons*, by Pervaze A. Sheikh.

For Additional Reading

Title I: Department of the Interior

CRS Report RL31278. *Arctic National Wildlife Refuge: Background and Issues*. M. Lynne Corn, coordinator.

CRS Issue Brief IB10094. *Arctic National Wildlife Refuge: Legislative Issues*, by M. Lynne Corn, Bernard A. Gelb, and Pamela Baldwin.

CRS Report RL30444. *Conservation and Reinvestment Act (CARA) (H.R. 701) and a Related Initiative in the 106th Congress*, by Jeffrey Zinn and M. Lynne Corn.

CRS Issue Brief IB10072. *Endangered Species: Difficult Choices*, by Eugene H. Buck and M. Lynne Corn.

CRS Report 97-851. *Federal Indian Law: Background and Current Issues*, by M. Maureen Murphy.

CRS Report 90-192. *Fish and Wildlife Service: Compensation to Local Governments*, by M. Lynne Corn.

CRS Report 96-123. *Historic Preservation: Background and Funding*, by Susan Boren.

CRS Report 97-792. *Land and Water Conservation Fund: Current Status and Issues*, by Jeffrey Zinn.

CRS Report RL31115. *Legal Issues Related to Proposed Drilling for Oil and Gas in the Arctic National Wildlife Refuge*, by Pamela Baldwin.

CRS Issue Brief IB89130. *Mining on Federal Lands*, by Marc Humphries.

CRS Report RS21157. *Multinational Species Conservation Fund*, by M. Lynne Corn.

CRS Report RS20902. *National Monument Issues*, by Carol Hardy Vincent.

CRS Issue Brief IB10093. *National Park Management and Recreation*, by Carol Hardy Vincent and David Whiteman, coordinators.

CRS Report RL31392. *PILT (Payments in Lieu of Taxes): Somewhat Simplified*, by M. Lynne Corn.

CRS Issue Brief IB10015. *Protecting Natural Resources and Managing Growth: Issues in the 107th Congress*, by Jeffrey Zinn.

Report of the Joint Tribal/BIA/DOI Advisory Task Force on Reorganization of the Bureau of Indian Affairs to the Secretary of the Interior and the Appropriations

Committees of the United States Congress. [Washington: The Task Force]. August 1994.

Land Management Agencies Generally

CRS Report RS20002. *Federal Land and Resource Management: A Primer*, by Ross W. Gorte.

CRS Report RL30867. *Federal Land Management Agencies: Background on Land and Resource Management*, by Carol Hardy Vincent, Betsy A. Cody, M. Lynne Corn, Ross W. Gorte, Sandra L. Johnson, David Whiteman, and Pamela Baldwin.

CRS Report RL30335. *Federal Land Management Agencies' Permanently Appropriated Accounts*, by Ross W. Gorte, M. Lynne Corn, and Carol Hardy Vincent.

CRS Report RL30126. *Federal Land Ownership: Constitutional Authority; the History of Acquisition, Disposal, and Retention; and Current Acquisition and Disposal Authorities*, by Ross W. Gorte and Pamela Baldwin.

CRS Issue Brief IB10076. *Public (BLM) Lands and National Forests*, by Ross W. Gorte and Carol Hardy Vincent, coordinators.

Title II: Related Agencies

CRS Report RS20287. *Arts and Humanities: Background on Funding*, by Susan Boren.

CRS Report RS20877. *The Clean Coal Technology Program: Current Prospects*, by Carl E. Behrens.

CRS Issue Brief IB10020. *Energy Efficiency: Budget, Oil Conservation, and Electricity Conservation Issues*, by Fred Sissine.

CRS Report RS20822. *Forest Ecosystem Health: An Overview*, by Ross W. Gorte.

CRS Report RL30755. *Forest Fire Protection*, by Ross W. Gorte.

CRS Congressional Distribution Memorandum. *Forest Service Performance Measures*, by Ross W. Gorte (available from author).

CRS Report RL30647. *The National Forest System Roadless Areas Initiative*, by Pamela Baldwin.

CRS Report RS20852. *The Partnership for a New Generation of Vehicles: Status and Issues*, by Brent D. Yacobucci.

CRS Issue Brief IB87050. *The Strategic Petroleum Reserve*, by Robert Bamberger.

Selected World Wide Web Sites

Information regarding the budget, supporting documents, and related departments, agencies and programs is available at the following web or gopher sites.

House Committee on Appropriations.
[<http://www.house.gov/appropriations>]

Senate Committee on Appropriations.
[<http://www.senate.gov/~appropriations/>]

CRS Appropriations Products Guide.
[<http://www.crs.gov/products/appropriations/apppage.shtml>]

Congressional Budget Office.
[<http://www.cbo.gov/>]

General Accounting Office.
[<http://www.gao.gov>]

House Republican Conference.
[<http://www.gop.gov/committeecentral/docs/pubs/appropriationsroundup/>]

Office of Management and Budget.
[<http://www.whitehouse.gov/OMB/>]

Title I: Department of the Interior

Department of the Interior (DOI).
[<http://www.doi.gov/>]

Bureau of Indian Affairs (BIA).
[<http://www.doi.gov/bureau-indian-affairs.html>]

Bureau of Land Management (BLM).
[<http://www.blm.gov/nhp/index.htm>]

Fish and Wildlife Service (FWS).
[<http://www.fws.gov/>]

Historic Preservation.
[<http://www2.cr.nps.gov/>]

Insular Affairs.
[<http://www.doi.gov/oia/index.html>]

Minerals Management Service (MMS).
[<http://www.mms.gov/>]

National Park Service (NPS).
[<http://www.nps.gov/>]

Office of Surface Mining Reclamation and Enforcement (OSM).
[<http://www.osmre.gov/osm.htm>]

Office of Special Trustee for American Indians.
[<http://www.ost.doi.gov/>]

U.S. Geological Survey (USGS).
[<http://www.usgs.gov/>]

Title II: Related Agencies

Departments.

Agriculture, Department of (USDA).
[<http://www.usda.gov/>]

Department of Agriculture: U.S. Forest Service.
[<http://www.fs.fed.us/>]

USDA Strategic Plan.
[<http://www.usda.gov/ocfo/strat/index.htm>]

Energy, Department of (DOE).
[<http://www.energy.gov/>]

DOE Strategic Plan.
[<http://www.cfo.doe.gov/stratmgt/plan/doesplan.htm>]

Energy Conservation Budget
<http://www.mbe.doe.gov/budget/03budget/>

Energy Conservation Programs
[<http://www.eren.doe.gov/>]

Fossil Energy.
[<http://www.fe.doe.gov/>]

Naval Petroleum Reserves.
[<http://fossil.energy.gov/nposr/index.shtml>]

Strategic Petroleum Reserve.
[<http://fossil.energy.gov/nposr/index.shtml>]

Health and Human Services, Department of (HHS).
[<http://www.dhhs.gov/>]

Indian Health Service (IHS).

[<http://www.ihs.gov/>]

Agencies.

Advisory Council on Historic Preservation.

[<http://www.achp.gov/>]

Institute of American Indian and Alaska Native Culture and Arts Development.

[<http://www.iaiancad.org/>]

Institute of Museum Services.

[<http://www.ims.gov/>]

John F. Kennedy Center for the Performing Arts.

[<http://Kennedy-Center.org/>]

National Capital Planning Commission.

[<http://www.ncpc.gov/>]

National Endowment for the Arts.

[<http://arts.endow.gov/>]

National Endowment for the Humanities.

[<http://www.neh.gov/>]

National Gallery of Art.

[<http://www.nga.gov/>]

Smithsonian.

[<http://www.si.edu/>]

U.S. Holocaust Memorial Council and U.S. Holocaust Memorial Museum.

[<http://www.ushmm.org/>]

Woodrow Wilson International Center for Scholars.

[<http://wwics.si.edu/>]

Table 18. Department of the Interior and Related Agencies Appropriations
(in thousands)

Bureau or Agency	FY2001 Enacted	FY2002 Enacted	FY2003 Request	FY2003 Senate Passed	FY2003 House Passed
Title I: Department of the Interior					
Bureau of Land Management	2,147,182	1,872,597	1,825,422	1,861,458	1,908,742
U.S. Fish and Wildlife Service	1,227,010	1,276,424	1,283,364	1,213,108	1,397,891
National Park Service	2,135,219	2,380,074	2,355,561	2,286,305	2,395,139
U.S. Geological Survey	882,800	914,002	867,338	914,617	928,405
Minerals Management Service	139,221	156,772	170,327	170,427	170,826
Office of Surface Mining Reclamation and Enforcement	302,846	306,530	279,402	297,112	290,112
Bureau of Indian Affairs	2,187,613	2,222,876	2,245,804	2,267,329	2,270,758
Departmental Offices	352,519	367,144	423,535	420,126	392,302
General Provisions	12,572	—	—	—	—
Total, Title I	9,386,982	9,496,419	9,450,753	9,430,482	9,954,175
Title II: Related Agencies					
U.S. Forest Service	4,435,391	4,130,416	3,948,711	3,949,824	4,145,250
Department of Energy	1,453,644	1,766,470	1,717,241	1,764,243	1,892,643
Clean Coal Technology	-67,000	-40,000	—	-70,000	-50,000
Fossil Energy R & D	432,464	582,790	489,305	625,665	664,205
Alternative Fuels Production (rescission)	-1,000	-2,000	—	—	—
Naval Petroleum and Oil Shale Reserves	1,596	17,371	20,831	20,831	20,831

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Bureau or Agency	FY2001 Enacted	FY2002 Enacted	FY2003 Request	FY2003 Senate Passed	FY2003 House Passed
Elk Hills School Lands Fund	36,000	36,000	36,000	36,000	36,000
Energy Conservation	813,442	912,805	901,651	884,293	984,653
Economic Regulation	1,996	1,996	1,487	1,487	1,487
Strategic Petroleum Reserve (SPR)	160,637	179,009	168,856	172,856	175,856
SPR Petroleum Account	—	—	11,000	7,000	7,000
Northeast Home Heating Oil Reserve	—	—	8,000	6,000	8,000
Energy Information Administration	75,509	78,499	80,111	80,111	80,611
Indian Health Service	2,628,766	2,759,101	2,816,406	2,821,271	2,900,621
Office of Navajo and Hopi Indian Relocation	14,967	15,148	14,491	14,491	14,491
Institute of American Indian and Alaska Native Culture and Arts Development	4,116	4,490	5,130	5,130	5,130
Smithsonian Institution	453,854	518,860	527,960	530,960	527,960
National Gallery of Art	75,485	85,335	94,449	93,449	94,449
John F. Kennedy Center for the Performing Arts	33,925	38,310	33,910	33,910	33,910
Woodrow Wilson International Center for Scholars	12,283	7,796	8,488	8,488	8,488
National Endowment for the Arts	97,785	98,234	99,489	116,489	99,489
National Endowment for the Humanities	119,994	124,504	125,754	125,754	131,054
Institute of Museum and Library Services	24,852	26,899	a	a	a
Challenge America Arts Fund	6,985	17,000	17,000	—	27,000
Commission of Fine Arts	1,076	1,224	1,224	1,224	1,255
National Capital Arts and Cultural Affairs	6,985	7,000	7,000	7,000	7,000

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Bureau or Agency	FY2001 Enacted	FY2002 Enacted	FY2003 Request	FY2003 Senate Passed	FY2003 House Passed
Advisory Council on Historic Preservation	3,182	3,400	3,667	3,667	3,667
Natl Capital Planning Comm.	6,486	8,011	7,253	7,253	7,553
Holocaust Memorial Museum	34,363	36,028	38,663	38,663	38,663
Presidio Trust	33,327	23,125	21,327	21,327	21,327
Total, Title II: Related Agencies	9,447,466	9,671,351	9,488,163	9,543,143	10,459,950
Title VII: United Mine Workers of America Combined Benefit Fund					
United Mine Workers of America Combined Benefits Fund	57,872	—	—	—	—
Grand Total (in Bill) ^b	18,892,320	19,167,770	18,938,916 ^c	18,973,625 ^c	19,714,125 ^c

Source: House Appropriations Committee and *Congressional Record*.

Notes: Figures in data column one reflect FY2001 appropriations, and in data column two reflect FY2002 appropriations. Figures in data column three reflect the budget requests by the Bush Administration for FY2003. Figures in data column four and five reflect appropriations passed by the Senate and House respectively.

^a Beginning with FY2003, the Office of Museum Services as part of the IMLS is included in the appropriations bill for the Departments of Labor-HHS-Education and Related Agencies.

^b Figures do not reflect scorekeeping adjustments. The FY2003 request includes an adjustment of \$506.0 million for retirement accruals.

^c Figures do not include supplemental funds sought for FY2002 firefighting efforts.

Table 19. Conservation Spending Category: Interior Appropriations
(\$ in millions)^a

Subcategory/Appropriations Account	FY2001 Enacted	FY2002 Request	FY2002 Enacted	FY2003 Request^f
LWCF, Federal and State				
BLM Federal Land Acquisition	56.5	47.7	49.9	44.7
FWS Federal Land Acquisition	121.2	104.4	99.1	70.4
NPS Federal Land Acquisition	124.8	107.0	130.1	86.1
Departmental Management, BIA Water Settlement	–	–	–	3.0 ^b
FS Federal Land Acquisition	150.9	130.9	149.7	130.5
NPS Stateside Grants and Administration	90.3	450.0	144.0	200.0 ^d
<i>Subtotal, Federal and State^c</i>	<i>543.7</i>	<i>840.0</i>	<i>572.9</i>	<i>534.6</i>
LWCF, Other				
FWS State Wildlife Grants ^e	49.9	–	60.0	60.0
FWS Incentive Grant Programs	–	60.0	40.0	50.0
FWS Stewardship Grants Program	–	–	10.0	10.0
FWS Cooperative Endangered Species Conservation Fund	104.7	54.7	96.2	91.0
FWS North American Wetlands Conservation Fund	39.9	14.9	43.5	43.6
FS, Forest Legacy	59.9	30.1	65.0	69.8
FS, Forest Stewardship ^g	(32.8)	(32.9)	(33.2)	49.5
FS, NFS Inventory and Monitoring	20.0	–	–	–
<i>Subtotal, State and Other Conservation Programs^c</i>	<i>274.4</i>	<i>159.7</i>	<i>314.7</i>	<i>373.9</i>
Total LWCF^c	818.1	999.7	887.6	908.5
Conservation Programs				
BLM MLR Cooperative Conservation Initiative	–	–	–	10.0
FWS RM Cooperative Conservation Initiative	–	–	–	18.0

Subcategory/Appropriations Account	FY2001 Enacted	FY2002 Request	FY2002 Enacted	FY2003 Request^f
NPS ONPS Cooperative Conservation Initiative	–	–	–	22.0
USGS State Planning Partnerships	24.9	–	25.0	13.6
<i>Subtotal Conservation Programs^c</i>	<i>24.9</i>	<i>–</i>	<i>25.0</i>	<i>63.6</i>
Urban and Historic Preservation Programs				
NPS Historic Preservation Fund	94.1	67.1	74.5	67.0
NPS Urban Parks and Recreation Recovery Grants	29.9	–	30.0	0.3
FS Urban and Community Forestry	35.6	31.8	36.0	36.2
BLM Youth Conservation Corps	1.0	1.0	1.0	1.0
FWS Youth Conservation Corps	1.0	2.0	2.0	2.0
NPS Youth Conservation Corps	2.0	2.0	2.0	2.0
FS Youth Conservation Corps	2.0	2.0	2.0	2.0
<i>Subtotal Urban and Historic Preservation Programs^c</i>	<i>165.7</i>	<i>105.9</i>	<i>147.5</i>	<i>110.5</i>
Payments in Lieu of Taxes, BLM	49.9	–	50.0	15.0
<i>Subtotal PILT</i>	<i>49.9</i>	<i>–</i>	<i>50.0</i>	<i>15.0</i>
Federal Infrastructure Improvement Programs				
BLM - Management of Lands & Resources	24.9	25.0	28.0	29.0
FWS - Resource Management	24.9	25.0	29.0	58.0
NPS - Construction	49.9	50.0	66.9	82.2
FS - Capital Improvement and Maintenance	49.9	50.5	61.0	50.9
<i>Subtotal Federal Infrastructure Improvement Programs^c</i>	<i>149.7</i>	<i>150.5</i>	<i>184.9</i>	<i>220.1</i>
Total^c	1,208.3	1,255.7	1,295.0	1,317.7

Source: House Appropriations Committee.

^a The Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(c)) as amended established 3 discretionary spending categories: General Purpose, Highway, and Mass Transit. Title VIII of P.L. 106-291, the Department of the Interior and Related Agencies Appropriations Act for FY2001, established a fourth category of discretionary spending – for “conservation.” That law also identified the specific activities that would be included within the “conservation spending category.” The category essentially includes those activities, identified by Congress, in particular budget accounts

(or portions thereof) providing appropriations to preserve and protect lands, habitat, wildlife, and other natural resources; to provide recreational opportunities; and for other purposes. This table presents the current and proposed distribution of these conservation funds. Dashes indicate that the funding is understood to be zero. Further, several programs in this category have not received separate funding under conservation spending for FY2001-FY2003. They include Competitive Grants for Indian Tribes, FWS Neotropical Migratory Birds, FS Stewardship Incentives Program, and National Wildlife Refuge fund, FWS.

^bThe Administration is seeking \$3.0 million under the DOI Departmental Management (DM) line item for the Shivaist Indian water settlement Act of 1999, which authorizes LWCF funds for the Paiute Tribe in Utah.

^c Subtotals and totals may not add due to rounding.

^d \$50 million of this total is part of a new Cooperative Conservation Initiative, and the remaining \$150 million would be distributed to states using an allocation formula developed by the administration for the traditional land acquisition and site development activities of states.

^e For FY2001, an additional \$50 million was appropriated for formula grants which were authorized in Title IX of the FY2001 Commerce appropriations law. Further, the FY2002 enacted amount reflects a rescission of \$25.0 million.

^f In FY2003, four additional programs are proposed to be funded from LWCF: FWS Cooperative Endangered Species Conservation Fund; FWS North American Wetlands Conservation Fund; FS Forest Legacy; and FS Forest Stewardship.

^g Funds for FS, Forest Stewardship were not considered part of the CSC in FY2001 and FY2002 so funds in those years are not counted in the column totals. Because the program is proposed to be included in the CSC in FY2003, the requested level is included in the column total. This could tend to exaggerate the difference between levels of CSC funding in FY2003 and earlier years.

Table 20. Historical Appropriations Data from FY1997 to FY2002
(\$ in thousands)

Agency or Bureau	FY1997	FY1998	FY1999	FY2000	FY2001	FY2002
Department of the Interior						
Bureau of Land Management	1,195,648	1,137,852	1,183,895	1,231,402	2,147,182	1,872,597
U.S. Fish and Wildlife Service	670,596	745,387	839,804	875,093	1,227,010	1,276,424
National Park Service	1,435,858	1,646,926	1,764,224	1,803,847	2,135,219	2,380,074
U.S. Geological Survey	740,051	759,160	798,896	813,376	882,800	914,002
Minerals Management Service	163,395	143,639	124,020	116,318	139,221	156,772
Office of Surface Mining Recl. and Enforce.	271,757	273,061	278,769	291,733	302,846	306,530
Bureau of Indian Affairs	1,618,274	1,701,991	1,746,428	1,869,052	2,187,613	2,222,876
Departmental Offices ^a	240,020	241,195	394,199	319,869	352,519	367,144
General Provisions	—	—	—	—	12,572	—
Total for Department	6,335,599	6,649,211	7,130,235	7,320,690	9,386,982	9,496,419
Related Agencies						
U.S. Forest Service	2,919,564	2,506,568	2,757,464	2,819,933	4,435,391	4,130,416
Department of Energy	992,097	1,048,151	1,316,878	1,226,393	1,453,644	1,766,470
Indian Health Service	2,054,000	2,098,612	2,242,287	2,390,728	2,628,766	2,759,101
Indian Education ^b	61,000	—	—	—	—	—
Office of Navajo and Hopi Indian Relocation	19,345	15,000	13,000	8,000	14,967	15,148
Inst. of Amer. Indian and Alaska Culture & Arts Dev.	5,500	4,250	4,250	2,125	4,116	4,490
Smithsonian Institution	371,342	402,258	412,254	438,130	453,854	518,860
National Gallery of Art	60,223	62,029	64,350	67,590	75,485	85,335
JFK Center for the Performing Arts	24,875	20,375	32,187	33,871	33,925	38,310

Agency or Bureau	FY1997	FY1998	FY1999	FY2000	FY2001	FY2002
Woodrow Wilson International Center for Scholars	5,840	5,840	5,840	6,763	12,283	7,796
National Endowment for the Arts	99,494	98,000	98,000	97,628	97,785	98,234
National Endowment for the Humanities	110,000	110,700	110,700	115,260	119,994	124,504
Institute of Museum and Library Services	22,000	23,280	23,405	24,307	24,852	26,899
Challenge America Arts Fund	—	—	—	—	6,985	17,000
Commission of Fine Arts	867	907	898	1,021	1,076	1,224
National Capital Arts and Cultural Affairs	6,000	7,000	7,000	6,973	6,985	7,000
Advisory Council on Historic Preservation	2,500	2,745	2,800	2,989	3,182	3,400
National Capitol Planning Commission	5,390	5,740	6,335	6,288	6,486	8,011
FDR Memorial Commission	500	—	—	—	—	—
Holocaust Memorial Museum	31,707	31,707	35,007	33,161	34,363	36,028
Presidio Trust	—	—	34,913	44,300	33,327	23,125
Total for Related Agencies	6,792,244	6,443,162	7,167,568	7,325,460	9,447,466	9,671,351
Grand Total for All Agencies^c	13,127,843	13,791,373	14,297,803	14,911,650	18,892,320	19,167,770

^a Beginning in FY1996, appropriations for the territories and other insular areas were consolidated within the Departmental Offices account. Departmental Offices also includes Insular Affairs and Office of the Special Trustee for American Indians.

^b Beginning in FY1998, Indian Education is funded in Labor, Health and Human Services, Education and related agencies appropriations laws.

^c FY1997 totals \$13.51 billion with funding of \$386.6 million included in the Emergency Supplemental Appropriations bill (P.L. 105-18). FY2000 includes \$68.0 million for the United Mine Workers and \$197.5 million for priority land acquisitions and exchanges. FY2001 includes \$57.9 million for the United Mine Workers.