Order Code RL33399

Interior, Environment, and Related Agencies: FY2007 Appropriations

Updated July 12, 2006

Carol Hardy Vincent, Coordinator,
David M. Bearden, M. Lynne Corn, Ross W. Gorte,
Marc Humphries, Pervaze A. Sheikh, and David L. Whiteman
Resources, Science, and Industry Division

Susan Boren, Coordinator, and Roger Walke
Domestic Social Policy Division

Keith Bea
Government and Finance Division

The annual consideration of appropriations bills (regular, continuing, and supplemental) by Congress is part of a complex set of budget processes that also encompasses the consideration of budget resolutions, revenue and debt-limit legislation, other spending measures, and reconciliation bills. In addition, the operation of programs and the spending of appropriated funds are subject to constraints established in authorizing statutes. Congressional action on the budget for a fiscal year usually begins following the submission of the President's budget at the beginning of the session. Congressional practices governing the consideration of appropriations and other budgetary measures are rooted in the Constitution, the standing rules of the House and Senate, and statutes, such as the Congressional Budget and Impoundment Control Act of 1974.

This report is a guide to one of the regular appropriations bills that Congress considers each year. It is designed to supplement the information provided by the House Appropriations Subcommittee on Interior, Environment, and Related Agencies and the Senate Appropriations Subcommittee on Interior and Related Agencies. It summarizes the status of the Interior, Environment, and Related Agencies appropriations bill, its scope, major issues, funding levels, and related congressional activity, and is updated as events warrant. The report lists the key CRS staff relevant to the issues covered and related CRS products.

NOTE: A Web version of this document with active links is available to congressional staff at [http://beta.crs.gov/cli/level_2.aspx?PRDS_CLI_ITEM_ID=73].

Interior, Environment, and Related Agencies: FY2007 Appropriations

Summary

The FY2007 Interior, Environment, and Related Agencies appropriations bill includes funding for the Department of the Interior (DOI), except for the Bureau of Reclamation, and for two agencies within other departments — the Forest Service within the Department of Agriculture and the Indian Health Service within the Department of Health and Human Services. It also includes funding for arts and cultural agencies; the Environmental Protection Agency, which was recently transferred to the appropriations subcommittees that deal with Interior and Related Agencies; and numerous other entities and agencies.

On June 29, 2006, the Senate Appropriations Committee reported H.R. 5386 (S.Rept. 109-275), providing $26.05 billion for Interior, Environment, and Related Agencies for FY2007, $110.8 million (0.4%) above the House-passed level ($25.94 billion). The Senate Appropriations Committee-reported level would be a $384.0 million (1%) decrease from the FY2006 enacted level of $26.44 billion, but a $522.8 million (2%) increase over the President's request for FY2007 of $25.53 billion. Among the proposed decreases in the Senate Appropriations Committee-reported bill for FY2007, from the FY2006 level, are the following:

- $-209.5 million (9%) for the National Park Service (NPS);
- $-153.5 million (10%) for the Fish and Wildlife Service (FWS);
- $-123.6 million (3%) for the Forest Service (FS); and
- $-108.5 million (1%) for the Environmental Protection Agency (EPA).

Among the increases for FY2007 were the following:

- $147.5 million (5%) for the Indian Health Service (IHS);
- $50.2 million (3%) for the Bureau of Land Management (BLM); and
- $29.3 million (5%) for the Smithsonian Institution.

The Senate Appropriations Committee adopted a few amendments in addition to a Manager's package. One sought to require the Secretary of the Interior to re-negotiate leases for Outer Continental Shelf (OCS) oil and gas lease sales where no royalties are currently being paid, and to include the price thresholds that were inadvertently left out of leases from 1998 and 1999. A second amendment, similar to House-passed language, prohibits funds in the bill from being used to issue new lease sales to current OCS oil and gas lessees who do not have price thresholds in their leases. This report will be updated as action occurs.

Key Policy Staff

Area of Expertise	Name	CRS Division[a]	Tel.	E-mail
Interior Budget Data/Coordinators	Carol Hardy Vincent and Susan Boren	RSI DSP	7-8651 7-6899	chvincent@crs.loc.gov sboren@crs.loc.gov
Art, Humanities, Smithsonian	Susan Boren	DSP	7-6899	sboren@crs.loc.gov
Bureau of Land Management	Carol Hardy Vincent	RSI	7-8651	chvincent@crs.loc.gov
Environmental Protection Agency	David Bearden Robert Esworthy	RSI RSI	7-2390 7-7236	dbearden@crs.loc.gov resworthy@crs.loc.gov
Everglades Restoration	Pervaze A. Sheikh	RSI	7-6070	psheikh@crs.loc.gov
Fish and Wildlife Service	M. Lynne Corn	RSI	7-7267	lcorn@crs.loc.gov
Forest Service	Ross W. Gorte	RSI	7-7266	rgorte@crs.loc.gov
Historic Preservation	Susan Boren	DSP	7-6899	sboren@crs.loc.gov
Indian Affairs Indian Health Service	Roger Walke	DSP	7-8641	rwalke@crs.loc.gov
Insular Affairs	Keith Bea	G&F	7-8672	kbea@crs.loc.gov
Land Acquisition	Carol Hardy Vincent	RSI	7-8651	chvincent@crs.loc.gov
Minerals Management Service	Marc Humphries	RSI	7-7264	mhumphries@crs.loc.gov
National Park Service	David Whiteman	RSI	7-7786	dwhiteman@crs.loc.gov
Payments in Lieu of Taxes Program (PILT)	M. Lynne Corn	RSI	7-7267	lcorn@crs.loc.gov
Surface Mining and Reclamation	Marc Humphries	RSI	7-7264	mhumphries@crs.loc.gov
U.S. Geological Survey	Pervaze A. Sheikh	RSI	7-6070	psheikh@crs.loc.gov

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

Contents

List of Figures

List of Tables

Interior, Environment, and Related Agencies: FY2007 Appropriations

Most Recent Developments

On June 29, 2006, the Senate Appropriations Committee reported H.R. 5386, the FY2007 Interior, Environment, and Related Agencies appropriations bill, containing $26.05 billion. The House passed the bill on May 18, 2006, providing $25.94 billion.

Introduction

The FY2007 Interior, Environment, and Related Agencies appropriations bill includes funding for agencies and programs in three separate federal departments, as well as numerous related agencies and bureaus. The bill provides funding for Department of the Interior (DOI) agencies (except for the Bureau of Reclamation, funded in Energy and Water Development appropriations laws), many of which manage land and other natural resource or regulatory programs. The bill also provides funds for agencies in two other departments: the Forest Service in the Department of Agriculture, and the Indian Health Service in the Department of Health and Human Services, as well as funds for the Environmental Protection Agency. Further, the FY2007 bill includes funding for arts and cultural agencies, such as the Smithsonian Institution, National Gallery of Art, National Endowment for the Arts, and National Endowment for the Humanities, and for numerous other entities and agencies.

In recent years, the appropriations laws for Interior and Related Agencies provided funds for several activities within the Department of Energy (DOE), including research, development, and conservation programs; the Naval Petroleum Reserves; and the Strategic Petroleum Reserve. However, at the outset of the 109th Congress, these DOE programs were transferred to the House and Senate Appropriations subcommittees covering energy and water, to consolidate jurisdiction over DOE.[1] At the same time, jurisdiction over the Environmental Protection Agency (EPA), and several smaller entities, was moved to the House and Senate Appropriations subcommittees covering Interior and Related Agencies.[2] This change resulted from the abolition of the House and Senate Appropriations Subcommittees

---

[1] The House panel is called the Subcommittee on Energy and Water Development and Related Agencies. The Senate panel is entitled the Subcommittee on Energy and Water.

[2] The House panel is called the Subcommittee on Interior, Environment, and Related Agencies. The Senate panel is entitled the Subcommittee on Interior and Related Agencies.

on Veterans Affairs, Housing and Urban Development, and Independent Agencies, which previously had jurisdiction over EPA.

The FY2006 Interior, Environment, and Related Agencies appropriations law contained three primary titles providing funding. The FY2007 legislation follows a similar organization, and this report is organized along these lines. Accordingly, the first section (Title I) provides information on Interior agencies; the second section (Title II) discusses EPA; and the third section (Title III) addresses other agencies, programs, and entities. A fourth section of this report discusses cross-cutting topics that encompass more than one agency.

In general, in this report the term *appropriations* represents total funds available, including regular annual and supplemental appropriations, as well as rescissions, transfers, and deferrals, but excludes permanent budget authorities. Increases and decreases generally are calculated on comparisons between FY2007 funding levels for the most recent action, and those requested by the President for FY2007 and appropriated for FY2006. The House Committee on Appropriations is the primary source of the funding figures used throughout the report. Other sources of information include the Senate Committee on Appropriations, agency budget justifications, and the *Congressional Record*. In the tables throughout this report, some columns of funding figures do not add to the precise totals provided due to rounding.

FY2007 Budget and Appropriations

Current Overview

On June 29, 2006, the Senate Appropriations Committee reported H.R. 5386 (S.Rept. 109-275) providing $26.05 billion for Interior, Environment, and Related Agencies for FY2007, $110.8 million (0.4%) above the House-passed level ($25.94 billion). The Senate Appropriations Committee-reported level would be a $384.0 million (1%) decrease from the FY2006 enacted level of $26.44 billion, but a $522.8 million (2%) increase over the President's request for FY2007 of $25.53 billion. Among the proposed decreases in the Senate Appropriations Committee-reported bill for FY2007, from the FY2006 level, are the following:

- $-209.5 million (9%) for the National Park Service (NPS);
- $-153.5 million (10%) for the Fish and Wildlife Service (FWS);
- $-123.6 million (3%) for the Forest Service (FS); and
- $-108.5 million (1%) for the Environmental Protection Agency (EPA).

Among the increases for FY2007 were the following:

- $147.5 million (5%) for the Indian Health Service (IHS);
- $50.2 million (3%) for the Bureau of Land Management (BLM); and
- $29.3 million (5%) for the Smithsonian Institution.

The Senate Appropriations Committee adopted a few amendments in addition to a Manager's package. One sought to require the Secretary of the Interior to re-negotiate leases for Outer Continental Shelf (OCS) oil and gas lease sales where no royalties are currently being paid, and to include the price thresholds that were inadvertently left out of leases from 1998 and 1999. A second amendment, similar to House-passed language, prohibits funds in the bill from being used to issue new lease sales to current OCS oil and gas lessees who do not have price thresholds in their leases. In earlier action, on June 27, 2006, the Senate Interior Appropriations Subcommittee marked up and agreed to H.R. 5386, without amendment.

On May 18, 2006, the House passed H.R. 5386, providing $25.94 billion for Interior, Environment, and Related Agencies for FY2007. The House-passed level would be a $494.8 million (2%) decrease from the FY2006 enacted level of $26.44 billion, but a $412.0 million (2%) increase over the President's request for FY2007 of $25.53 billion.

The House had considered many amendments to H.R. 5386, and agreed to a number of them. They included amendments to prohibit funds in the bill from being used for the sale or slaughter of wild horses and burros, building roads in the Tongass National Forest in Alaska for harvesting timber, limiting the outreach programs of the Smithsonian Institution, and issuing new lease sales to current Outer Continental Shelf (OCS) oil and gas lessees who do not have price thresholds in their leases. The House also retained the moratoria on OCS leasing, and increased funds for the NEA, NEH, and Payments in Lieu of Taxes program, among other changes.

Previously, on May 15, 2006, the House Appropriations Committee reported H.R. 5386 (H.Rept. 109-465), also with $25.94 billion for Interior, Environment, and Related Agencies for FY2007. The House Appropriations Committee adopted a number of amendments during its markup before ordering the bill reported.

Table 1 below shows the budget authority for Interior, Environment, and Related Agencies for FY2004-2006. See **Table 25** for a budgetary history of each agency for FY2004-FY2007.

Table 1. Interior, Environment, and Related Agencies Appropriations, FY2004 to FY2006

(budget authority in billions of current dollars)

FY2004	FY2005	FY2006
$27.33	$27.02	$26.44

Note: These figures exclude permanent budget authorities, and generally do not reflect scorekeeping adjustments. They generally reflect rescissions and supplemental appropriations to date.

Major Issues

One issue being debated in this appropriations cycle is the distribution of proceeds from land sales under the Federal Land Transaction Facilitation Act (FLTFA). This issue is covered briefly in the "Bureau of Land Management" section, below. Another issue being debated is the sale of certain National Forest System lands. This issue is covered briefly in the "Forest Service" section, below.

The President's FY2007 budget assumed enactment of legislation to open part of the Coastal Plain in the Arctic National Wildlife Refuge to oil and gas exploration and development. This issue is covered briefly in the "Fish and Wildlife Service" section, below. (For more information, see CRS Report RL33523, *Arctic National Wildlife Refuge (ANWR): Controversies for the 109th Congress*, by M. Lynne Corn, Bernard A. Gelb, and Pamela Baldwin.)

Controversial policy and funding issues typically have been debated during consideration of the annual Interior, Environment, and Related Agencies Appropriations bill. Debate on FY2007 funding levels encompasses a variety of issues, many of which have been controversial in the past, including the issues listed below.

- *BIA Schools and IHS Hospitals*, particularly whether to enact funding cuts proposed in the President's FY2007 budget. (For more information, see the "Bureau of Indian Affairs" and the "Indian Health Service" sections in this report.)

- *Clean Water and Drinking Water State Revolving Funds*, especially the adequacy of funding to meet state and local wastewater and drinking water needs. These state revolving funds provide seed money for state loans to communities for wastewater and drinking water infrastructure projects. (For more information, see the "Environmental Protection Agency" section in this report.)

- *Indian Trust Funds*, especially the method by which an historical accounting will be conducted of Individual Indian Money (IIM) accounts to determine correct balances in the class-action lawsuit against the government involving tribal and IIM accounts. (For more information, see the "Office of Special Trustee for American Indians" section in this report.)

- *Land Acquisition*, including the appropriate level of funding for the Land and Water Conservation Fund for federal land acquisition and the state grant program, and extent to which the fund should be used for activities not involving land acquisition. (For more information, see "The Land and Water Conservation Fund (LWCF)" section in this report.)

- *Outer Continental Shelf Leasing*, particularly the moratoria on preleasing and leasing activities in offshore areas, and oil and gas leases in offshore California. (For more information, see the "Minerals Management Service" section in this report.)

- *Payments in Lieu of Taxes Program (PILT)*, primarily the appropriate level of funding for compensating local governments for federal land within their jurisdictions. (For more information, see the "Payments in Lieu of Taxes Program (PILT)" section in this report.)

- *Royalty Relief,* especially the extent to which oil and natural gas companies receive royalty relief for production of oil and natural gas on federal lands. (For more information see "MMS" section of this report.)

- *Smithsonian Institution,* in particular its contract with CBS/Showtime that gives certain rights to Showtime in accessing the Smithsonian's collection. (For more information see the "Smithsonian Institution" section of this report.)

- *Superfund,* notably the adequacy of proposed funding to meet hazardous waste cleanup needs, and whether to continue using general Treasury revenues to fund the account or reinstate a tax on industry that originally paid for most of the program. (For more information, see the "Environmental Protection Agency" section in this report.)

- *Wildland Fire Fighting,* involving questions about the appropriate level of funding to fight fires on agency lands; advisability of borrowing funds from other agency programs to fight wildfires; implementation of a new program for wildland fire protection and locations for fire protection treatments; and impact of environmental analysis, public involvement, and challenges to agency decisions on fuel reduction activities. (For more information, see the "Bureau of Land Management" and "Forest Service" sections in this report.)

Status of Bill

Table 2 below will contain information on congressional consideration of the FY2007 Interior appropriations bill as it occurs.

Table 2. Status of Interior, Environment, and Related Agencies Appropriations, FY2007

Subcommittee Markup		House Report	House Passage	Senate Report	Senate Passage	Conf. Report	Conference Report Approval		Public Law
House	Senate						House	Senate	
5/04/06	6/27/06	H.R. 5386, H.Rept. 109-465 5/15/06	H.R. 5386, (293-128) 5/18/06	H.R. 5386, S.Rept. 109-275 6/29/06					

Title I: Department of the Interior

Bureau of Land Management

Overview. The Bureau of Land Management (BLM) manages approximately 261 million acres of public land for diverse and sometimes conflicting uses, such as energy and minerals 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 nonfederal land.

For the BLM for FY2007, the House approved $1.79 billion and the Senate Appropriations Committee reported $1.80 billion. The House bill would be an increase of $31.2 million (2%) from the FY2006 enacted level of $1.75 billion, while the Senate committee bill would be an increase of $50.2 million (3%). See **Table 3** below.

The Administration's FY2007 budget suggested amending the Federal Land Transaction Facilitation Act (FLTFA) to alter the distribution of proceeds from land sales. Under current law, proceeds are deposited into a separate Treasury account and are available primarily for land acquisition. The President's proposal would direct 70% of the proceeds to the general fund of the Treasury to help reduce the deficit. Legislation would be needed to make this change. Neither the House nor the Senate Appropriations Committee included such a proposal in its FY2007 bill.

Management of Lands and Resources. For Management of Lands and Resources, the House approved $867.7 million, a $20.1 million (2%) increase over the FY2006 enacted level of $847.6 million. The Senate Appropriations Committee reported $876.9 million, a $29.2 million (3%) increase over FY2006. This line item includes funds for an array of BLM land programs, including protection, recreational use, improvement, development, disposal, and general BLM administration.

The House and the Senate Appropriations Committee agreed with the Administration's approach to decrease funds for some programs from FY2006, including deferred maintenance and management of soil, air, and water. The House and the Senate Appropriations Committee also agreed with the Administration's approach to increase funds for some programs over FY2006. For instance, for cultural resources, the request and the Senate committee level were $18.1 million, up $3.1 million (21%) from the FY2006 enacted level of $15.0 million, while the House approved $16.6 million. The increase is for a long-term initiative to inventory, monitor, stabilize, and protect cultural resources. For energy and minerals, the request was $134.7 million, an increase of $24.3 million (22%) over FY2006 ($110.4 million, including Alaska minerals). The House supported $133.0 million and the Senate Appropriations Committee reported $138.0 million. The overall increase is intended to foster access to energy resources on federal lands. A portion would be used to process the growing number of Applications for Permits to Drill, and for related inspection, enforcement, and monitoring. Another portion would accelerate

implementation of an oil shale development program. Further, the budget assumes that Congress will enact legislation in 2006 to open the Arctic National Wildlife Refuge (ANWR) to development. Thus, an increase is sought for preparing and implementing an ANWR leasing program and for management of energy development activities in the National Petroleum Reserve — Alaska.

In other cases, the House, Senate Appropriations Committee, and Administration took differing approaches relative to FY2006 levels. For instance, the House approved $67.0 million for recreation management, a 3% increase over FY2006, while the Administration proposed a 2% cut and the Senate Appropriations Committee recommended nearly level funding. The House also included $20.1 million for resource protection and law enforcement, a 6% increase over FY2006, in part for law enforcement along the southwest border. By contrast, the Administration and the Senate Appropriations Committee supported $18.6 million, a 2% cut from FY2006. For conveyance of lands in Alaska, the Administration and House seek $35.2 million, a 12% cut, but the Senate Appropriations Committee recommended level funding at $40.0 million.

Both the House-passed and Senate committee-reported bills would continue to bar funds 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. The bills also would continue the moratorium on accepting and processing applications for patents for mining and mill site claims on federal lands. However, applications meeting certain requirements that were filed on or before September 30, 1994, would be allowed to proceed, and third party contractors would be authorized to process the mineral examinations on those applications.

The House agreed to an amendment to prohibit funds in the bill from being used for the sale or slaughter of wild horses and burros (as defined in P.L. 92-195). Amendment proponents seek to prevent BLM from selling, during FY2007, excess wild horses and burros under authority enacted in P.L. 108-447. According to BLM, 41 animals that were sold under that authority were subsequently resold or traded, and then sent to slaughterhouses by the new owners. Advocates of the amendment assert that there are alternatives for controlling populations of wild horses on federal lands, such as fertility control. Opponents of a similar amendment to last year's appropriations bill contended that BLM's changes to the sale procedure would prevent animals from being slaughtered. They maintained that sale authority was needed because adoptions and other efforts to reduce herd sizes have been insufficient. Further, they asserted that significant funds used for caring for animals in holding facilities could be redirected to other government priorities. Although the House passed a similar amendment to the FY2006 Interior appropriations bill, the provision was not enacted.

Wildland Fire Management. For Wildland Fire Management for FY2007, the House approved $769.3 million, a $14.0 million increase (2%) over the $755.3 million enacted for FY2006 and nearly identical ($0.3 million less) to the Administration's request. The Senate Appropriations Committee recommended $776.6 million, a $21.4 million (3%) increase over FY2006 and $7.1 million (1%) over the Administration's request. The House, Senate Appropriations Committee,

and Administration levels are similar in many respects. They would provide $274.8 million for fire preparedness, an increase of $6.0 million (2%) over FY2006. They also would provide $257.0 million for fire suppression, an increase of $26.3 million (11%) from FY2006 to fund the 10-year average cost of fire suppression. In report language, the House Appropriations Committee expressed continued concern with the high costs of fire suppression, and directed DOI and the FS to examine fires with suppression costs exceeding $10.0 million. The increases for preparedness and suppression are partially offset by reductions in other areas. For instance, the Administration, House, and Senate Appropriations Committee seek a decrease of $8.3 million (4%, to $199.8 million) for hazardous fuels reduction. The Administration and House also seek to eliminate funds for state and local fire assistance, on the grounds that assistance for local fire departments will be provided through other programs. The Senate Appropriations Committee included $5.0 million for state and local fire assistance, asserting that rural and volunteer fire departments are effective in responding to fires and saving the federal government money, and that the Administration also has proposed cuts in related programs. The FY2006 funding level for state and local fire assistance was $9.9 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 implementing the Healthy Forests Restoration Act of 2003 (P.L. 108-148) and the National Fire Plan, which emphasize reducing hazardous fuels which can contribute to catastrophic fires. In report language, the House Appropriations Committee expressed that the FS and DOI "do not have a suitable or comprehensive plan and strategy to deal with the Nation's wildfire management needs," and directed the development and implementation of a comprehensive and cohesive strategy (H.Rept. 109-465, p. 18). The committee also stated that it is still not clear that hazardous fuels funding is being used for priority projects and an expectation that DOI provide a report on how funding is to be prioritized and allocated. Report and bill language seek to address other concerns. (For additional information on wildland fires, see the "Forest Service" section in this report.)

Construction and Land Acquisition. For FY2007, the House approved $11.5 million for BLM construction, a decrease of 2% relative to the FY2006 level. The Senate Appropriations Committee and the Administration support more substantial cuts — of 42% and 45%, respectively. For Land Acquisition for FY2007, the Administration and Senate Appropriations Committee seek increases of 2% and 7%, respectively, over the FY2006 level. The House approved a 64% decrease. In report language, the House Appropriations Committee stated that new land acquisition is a low priority. The appropriation for BLM acquisitions has fallen steadily from $49.9 million in FY2002 to $8.6 million for FY2006. Money for land acquisition is appropriated from the Land and Water Conservation Fund. (For more information, see the "Land and Water Conservation Fund (LWCF)" section in this report.)

Table 3. Appropriations for the Bureau of Land Management, FY2006-FY2007

($ in millions)

Bureau of Land Management	FY2006 Approp.	FY2007 Request	FY2007 House Passed	FY2007 Senate Comm.
Management of Lands and Resources	$847.6	$863.2	$867.7	$876.9
Wildland Fire Management	755.3	769.6	769.3	776.6
— Preparedness	*268.8*	*274.8*	*274.8*	*274.8*
— Suppression	*230.7*	*257.0*	*257.0*	*257.0*
— Other Operations	*255.7*	*237.7*	*237.4*	*244.8*
Construction	11.8	6.5	11.5	6.8
Land Acquisition	8.6	8.8	3.1	9.2
Oregon and California Grant Lands	108.5	112.4	111.4	112.4
Range Improvements	10.0	10.0	10.0	10.0
Service Charges, Deposits, and Forfeitures[a]	0.0	0.0	0.0	0.0
Miscellaneous Trust Funds	12.4	12.4	12.4	12.4
Total Appropriations	**$1,754.1**	**$1,782.9**	**$1,785.3**	**$1,804.4**

a. The figures of "0" are a result of an appropriation matched by offsetting fees.

For further information on the *Department of the Interior*, see its website at [http://www.doi.gov].

For further information on the *Bureau of Land Management*, see its website at [http://www.blm.gov/nhp/index.htm].

CRS Report RL32315. *Oil and Gas Exploration and Development on Public Lands*, by Marc Humphries.

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

Fish and Wildlife Service

For FY2007, the President requested $1.29 billion for the Fish and Wildlife Service (FWS), 13% less than FY2006 ($1.48 billion, including emergency appropriations). The House approved $1.9 million less than the request, and the Senate Appropriations Committee approved $32.4 million more than the request. By far the largest portion of the FWS annual appropriation is for the Resources Management account. The President's FY2007 request was $995.6 million, a 1% decrease from the FY2006 level of $1.00 billion. The House approved $1.017 billion, while the Senate Appropriations Committee approved $1.024 billion. Among the programs included in Resources Management are the Endangered Species program, the Refuge System, and Law Enforcement.

In addition, the President's FY2007 budget proposed enacting legislation to open part of the Coastal Plain in the Arctic National Wildlife Refuge (ANWR) to oil and gas exploration and development.[3] The budget proposed that the first lease sale would be held in FY2008. Under the proposal, this and subsequent sales were estimated to generate $4.0 billion in federal revenues over the next five years. For information on the debate over whether to approve energy development in the Refuge, see CRS Report RL33523, *Arctic National Wildlife Refuge (ANWR): Controversies for the 109th Congress*, by M. Lynne Corn, Bernard A. Gelb, and Pamela Baldwin.

Endangered Species Funding. Funding for the Endangered Species program is one of the perennially controversial portions of the FWS budget. The Administration proposed to reduce the program from $147.8 million in FY2006 to $141.0 million in FY2007 (5%), with the bulk of the reduction in the recovery subprogram. For FY2007, the House approved $146.6 million, $1.2 million below FY2006 and $5.6 million above the request, while the Senate Appropriations Committee approved $152.0 million. See **Table 4**, below.

A number of other related programs also benefit conservation of species that are listed, or proposed for listing, under the Endangered Species Act. The President's request would have increased the Landowner Incentive Program from $21.7 million in FY2006 (including a $2.0 million rescission) to $24.4 million in FY2007. Stewardship Grants would rise from $7.3 million in FY2006 to $9.4 million. The Cooperative Endangered Species Conservation Fund (for grants to states and territories to conserve threatened and endangered species) would remain at $80.0 million. Within that figure, the Administration proposed to earmark $5.1 million in FY2007 for the Idaho Salmon and Clearwater River Basins Habitat Account. The House approved cuts in the Landowner Incentive Program and Private Stewardship Grants, but a modest increase in the Cooperative Endangered Species Conservation Fund. The Senate Appropriations Committee approved cuts in the Landowner Incentive Program, but otherwise supported the requests. See **Table 4**, below.

Under the President's request, total FY2007 funding for the Endangered Species program and related programs would have decreased from $256.8 million to $254.8 million (1%). The House approved a 3% decrease, as did the Senate Appropriations Committee.

---

[3] The proposed authorization for exploration and development would be separate legislation, rather than part of the Interior appropriations bill. The proposal does not appear in the FWS Budget Justification for FY2007.

Table 4. Appropriations for Endangered Species and Related Programs, FY2005-FY2007

($ in thousands)

Endangered Species and Related Programs	FY2005 Approp.	FY2006 Approp.	FY2007 Request	FY2007 House Passed	FY2007 Senate Comm.
Endangered Species Program					
— Candidate Conservation	*$9,255*	*$8,619*	*$8,063*	*$8,163*	*$10,045*
— Listing	*15,960*	*17,630*	*17,759*	*17,759*	*17,859*
— Consultation	*48,129*	*47,997*	*49,337*	*50,018*	*50,018*
— Recovery	*69,870*	*73,562*	*65,879*	*70,670*	*74,028*
Subtotal, Endangered Species Program	143,214	147,808	141,038	146,610	151,950
Related Programs					
— Landowner Incentive Program	*21,694*	*21,667*	*24,400*	*15,000*	*10,000*
— Private Stewardship Grants	*6,903*	*7,277*	*9,400*	*7,000*	*7,277*
— Cooperative Endangered Species Conservation Fund	*80,462*	*80,001*	*80,001*	*80,507*[a]	*80,001*
Subtotal, Related Programs	109,059	108,945[b]	113,801	102,507	97,278
Total Appropriations	**$252,273**	**$256,753**[b]	**$254,839**	**$249,117**	**$249,228**

a. The President's request for FY2007 called for the entire amount to be derived from LWCF. The House approved $60.3 million from LWCF, an amount the report of the House Committee on Appropriations identifies as equal to species recovery, land acquisition, and acquisition for Habitat Conservation Plans.

b. Reflects a $2.0 million rescission in the Landowner Incentive Program and a $1.0 million rescission in the Cooperative Endangered Species Conservation Fund in P.L. 109-148.

National Wildlife Refuge System and Law Enforcement. For refuge operations and maintenance in FY2007, the President proposed $381.7 million, a decrease from $382.5 million in FY2006. The House approved $388.7 million, while the Senate Appropriations Committee approved $391.2 million. The President proposed $57.3 million for Law Enforcement — an increase of $1.2 million from the FY2006 level ($56.1 million). The House-passed bill contained $57.5 million, while the Senate Appropriations Committee approved $57.9 million.

Avian Flu. For FY2007, the Administration proposed to continue the special supplemental funding Congress provided in FY2006 for the study, monitoring, and early detection of highly pathogenic avian flu, through a virus strain known as H5N1. The FY2006 level was $7.4 million. The same was proposed by the Administration for FY2007, and this amount was passed by the full House and approved by the Senate Appropriations Committee. FWS will cooperate with other federal and non-federal agencies in studying the spread of the virus through wild birds. Attention will be focused on the North American species whose migratory patterns make them likely to come into contact with infected Asian birds. The geographic focus will be on Alaska, the Pacific Flyway (along the west coast), and Pacific islands. The House Appropriations Committee report also directed that the funds be used not only for monitoring and testing in Alaska, but also for "vector control efforts in other areas," but did not elaborate on the efforts intended nor the geographic areas to be given

additional emphasis. The Senate Appropriations Committee report did not discuss the program.

Land Acquisition. For FY2007, the Administration proposed $27.1 million for Land Acquisition, 3% below FY2006. The House approved $19.8 million, a decrease of 29%. (See **Table 5**.) The House Appropriations Committee report earmarked acquisition funding for six refuges in the northeast. The Senate Appropriations Committee approved $42.3 million, with a more scattered list of acquisitions. This program is funded from appropriations from LWCF. In the past, the bulk of this FWS program had been for specified acquisitions of federal refuge land, but a portion was used for closely related functions such as acquisition management, land exchanges, emergency acquisitions, purchase of inholdings, and general overhead ("Cost Allocation Methodology"). In recent years, less of the funding has been reserved for traditional land acquisition. The Administration continued this trend for FY2007, reserving $13.7 million for specified acquisitions, and funding the remainder of the program at $13.4 million.[4] The House-passed bill would allocate a smaller fraction to acquisition than the President's proposal. While the Senate Appropriations Committee supported an increase to $42.3 million, it took the unusual step of earmarking some $500,000 of the $28.2 million in Acquisition funds for an EIS for an Alaskan land exchange, rather than deriving the expenses from Exchanges or Acquisition Management. (See **Table 5**, below.) (For more information, see "Land and Water Conservation Fund (LWCF)" in this report.)

Table 5. Appropriations for FWS Land Acquisition Program, FY2005-FY2007

($ in thousands)

FWS Land Acquisition	FY2005 Approp.	FY2006 Approp.	FY2007 Request	FY2007 House Passed	FY2007 Senate Comm.
Acquisitions — Federal Refuge Lands	$22,593	$13,494	$13,672	$8,800	$28,242
Inholdings	1,479	1,478	1,478	478	1,500
Emergencies & Hardships	986	1,478	1,478	1,500	1,500
Exchanges	1,726	1,478	1,478	0	1,500
Acquisition Management	8,249	8,269	7,171	7,171	7,720
Cost Allocation Methodology	1,972	1,793	1,802	1,802	1,802
Total Appropriations	**$37,005**	**$27,990**	**$27,079**	**$19,751**	**$42,264**

[4] Under the Migratory Bird Conservation Account (MBCA), FWS has a permanently appropriated source of funding (from the sale of "duck stamps" to hunters, and import duties on certain arms and ammunition) for land acquisition. As annual appropriations for acquisitions under LWCF have declined, the MBCA ($41.9 million in FY2006) has become increasingly important in the protection of habitat for migratory birds, especially waterfowl. Other species in these habitats benefit incidentally.

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 National Wildlife Refuge System (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 amounts authorized in the formula, and county governments have long urged additional appropriations to make up the difference. Congress generally does provide additional appropriations. The President requested $10.8 million for FY2007, down from $14.2 million in FY2006. This FY2007 level, combined with expected receipts, would provide about 30% of the authorized full payment, down from 40% in FY2006. The House-passed figure was $14.2 million, as in FY2006, which the Senate Appropriations Committee also approved.

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, rhinoceroses, great apes, and marine turtles. The President's FY2007 budget again proposed to move funding for the Neotropical Migratory Bird Conservation Fund (NMBCF) into the MSCF. Congress has rejected the proposed transfer annually from FY2002 to FY2006, and the House and the Senate Appropriations Committee again rejected the proposal for FY2007. For FY2007, the President proposed $8.2 million for the MSCF (including the proposed transfer of the NMBCF to this program). The proposal would cut programs for great apes, rhinos, tigers, African and Asian elephants, and marine turtles, but would increase funding for neotropical migratory birds. The House passed smaller reductions, while the Senate Appropriations Committee added funds over FY2006 levels. See **Table 6**, below.

Table 6. Appropriations for Multinational Species Conservation Fund and Neotropical Migratory Bird Fund, FY2005-FY2007

($ in thousands)

Multinational Species Conservation Fund	FY2005 Approp.	FY2006 Approp.	FY2007 Request	FY2007 House Passed	FY2007 Senate Comm.
African Elephant	$1,381	$1,379	$990	$1,290	$1,400
Tiger and Rhinos	1,477	1,576	990	1,490	1,600
Asian Elephant	1,381	1,379	990	1,290	1,400
Great Apes	1,381	1,379	990	1,290	1,400
Marine Turtles	99	691	297	697	1,000
[Neotropical Migratory Birds]	*[3,944]*	*[3,941]*	*[3,960]*	*[4,000]*	*[4,000]*
Total Appropriations	**$5,719**	**$6,404**	**$4,257**	**$6,057**	**$6,800**

Note: The Neotropical Migratory Bird program was first authorized in FY2002, and is not part of the MSCF, although the transfer has been proposed in the President's budgets from FY2002-FY2007. Congress has rejected the proposal five times, and the program is not included in the column totals.

State and Tribal Wildlife Grants. State and Tribal Wildlife Grants help fund efforts to conserve species (including non-game species) of concern to states, territories, and tribes and has generated considerable support from these governments. The program was created in the FY2001 Interior appropriations law

(P.L. 106-291) and further detailed in subsequent Interior appropriations bills. (It lacks any separate authorizing statute.) Funds may be used to develop conservation plans as well as to support specific practical conservation projects. A portion of the funding is set aside for competitive grants to tribal governments or tribal wildlife agencies. The remaining state portion is for matching grants to states. A state's allocation is determined by formula. The President proposed $74.7 million, an increase from $67.5 million in FY2006. The House approved a decrease to $50.0 million. The Senate Appropriations Committee approved the FY2006 funding level, and set aside $5.9 million for tribal grants. Like the House, it did not specify what fraction of the state share was to be used for administrative expenses. Both the House and the Senate Appropriations Committee rejected the President's proposal to set aside $5 million for competitive grants to the same jurisdictions. See **Table 7**, below.

Table 7. Appropriations for State and Tribal Wildlife Grants, FY2005-FY2007

($ in thousands)

State and Tribal Wildlife Grants	FY2005 Approp.	FY2006 Approp.	FY2007 Request	FY2007 House Passed	FY2007 Senate Comm.
State Grants	$61,040	$59,556	$61,486	$45,000	$61,580
Competitive Grants for States, Territories, & Other Jurisdictions	0	0	5,000	0	0
Tribal Grants	5,917	5,912	5,940	5,000	5,912
Administration[a]	1,947	2,024	2,240	n/a	n/a
Cost Allocation Methodology (CAM)[b]	124	—	—	—	—
Total Appropriations	**$69,028**	**$67,492**	**$74,666**	**$50,000**	**$67,492**

Note: n/a = not available.

a. In FY2006 and earlier, administrative costs were limited to 3%, after tribal grants are deducted from the total. Committee reports and the conference report did not specify a dollar figure for allocation to administration or to the cost allocation methodology. For FY2007, neither the Senate Appropriations Committee nor the House specified a dollar or a percent limit on administrative costs, but only that such costs be deducted from the state grants share of the program.

b. Beginning in FY2006, CAM was included under administrative costs.

For further information on the *Fish and Wildlife Service*, see its website at [http://www.fws.gov/].

CRS Report RL31654. *The Endangered Species Act (ESA) in the 109th Congress: Conflicting Values and Difficult Choices*, by Eugene H. Buck, M. Lynne Corn, Pervaze A. Sheikh, Pamela Baldwin, and Robert Meltz.

CRS Report RS21157. *Multinational Species Conservation Fund*, by Pervaze A. Sheikh and M. Lynne Corn.

CRS Report RL33523. *Arctic National Wildlife Refuge (ANWR): Controversies for the 109th Congress*, by M. Lynne Corn, Bernard A. Gelb, and Pamela Baldwin.

National Park Service

The National Park Service (NPS) is responsible for the National Park System, currently comprising 390 separate and very diverse park units covering 85 million acres. The NPS and its 20,400 employees protect, preserve, interpret, and administer the park system's diverse natural and historic areas representing the cultural identity of the American people. The NPS mission is to protect park resources and values, unimpaired, while making them accessible to the public. The Park System has some 20 types of area designations, including national parks, monuments, memorials, historic sites, battlefields, seashores, recreational areas, and other classifications. The NPS also supports and promotes some resource conservation activities outside the Park System through limited grant and technical assistance programs and cooperation with partners.

The Senate Appropriations Committee bill provided a total of $2.23 billion for the NPS, $52.4 million (2%) more than the House-passed bill and $72.4 million (3%) above the budget request, but $209.5 million (9%) below the FY2006 enacted level. See **Table 8**, below. The NPS budget request is in accordance with the Administration's goal of cutting the federal budget deficit, but may be at odds with the agency's public popularity. It included increases for park operations and park police, with other line items either nearly level or significantly reduced. It has been reported that inflation; fixed costs, such as mandatory pay and benefit increases; and rising fuel and utility costs are forcing park managers to reduce visitor programs and services and to raise entry fees as the summer season begins.[5]

Two amendments adopted by the House involved the NPS. The first increased funding for the Operation of the National Park System by $1.0 million, with the intent of increasing security to open all of the Statue of Liberty to visitors. The other excluded certain cities from an ongoing NPS study of the San Gabriel watershed. In addition, House Appropriations Committee Members agreed to help resolve a matter concerning repeated extensions of the concessions contract to provide ferry service to the Statue of Liberty/Ellis Island National Monument.

The Senate Appropriations Committee bill would direct the NPS to keep in effect a rule authorizing the use of snowmobiles in Yellowstone and Grand Teton National Parks and the John D. Rockefeller Memorial Parkway (that joins these parks) for three more years or until the NPS completes new rules, and would reinstate the current rule if a court enjoins or limits the implementation of the replacement new rules. The FY2005 and FY2006 Interior appropriations acts kept the current NPS rule in effect for one year, and the House-passed bill for FY2007 would extend that protection for one additional year.

Operation of the National Park System. The park operations line-item is the primary source of funding for the national parks, accounting for 80% of the

[5] "National Parks Cutting Back on Services, Raising Fees," *USA Today* (May 12, 2006): A1.

total NPS budget. It supports the activities, programs, and services essential to the day-to-day operations of the Park System, and covers resource protection, visitors' services, facility operations, facility maintenance, and park support programs, as well as employee pay, benefits, and other fixed costs. The majority of operations funding is provided directly to park managers. In its report on the FY2007 bill, the House Appropriations Committee was critical of a Department "hold harmless" policy for law enforcement rangers "... while forcing all other visitor service, maintenance, and resources protection functions to deal with the absorption of fixed costs and other budgetary limitations" (H.Rept. 109-465, p. 44). The House retained the committee's bill language to counter this policy.

The Senate Appropriations Committee recommended $1.75 billion for operation of the Park System for FY2007, an increase of $9.7 million (1%) above the request, but a decrease of $4.3 million (less than 1%) from the House allowance and of $20.6 million (1%) from FY2006. The committee's report lists high-priority facility maintenance, repair, and rehabilitation projects. It has been reported that an ongoing NPS "core operations analysis" program aims to reduce parks' fixed costs by 20%-30% and promote budget efficiency without compromising core mission functions of resource protection and visitor hospitality. To date, 53 park units have completed the studies and 34 more are scheduled to finish by the end of FY2006. The NPS intends to complete all unit studies by the end of 2011.[6] Park advocacy groups have estimated that, in recent years, the national parks operate with two-thirds of needed funding, on average, and have asked Congress to provide an additional $150 million for park operations in FY2007, as well as additional funding for park security, land acquisition, and hurricane damage repairs. The condition of the national parks and the adequacy of their care and operation continue to be controversial.

Table 8. Appropriations for the National Park Service, FY2005-FY2007

($ in millions)

National Park Service	FY2005 Approp.	FY2006 Approp.	FY2007 Request	FY2007 House Passed	FY2007 Senate Comm.
Operation of the National Park System	$1,683.6	$1,771.6	$1,742.3	$1,755.3	$1,751.0
U.S. Park Police	80.1	80.2	84.8	84.8	84.8
National Recreation and Preservation	61.0	65.5	33.3	47.2	53.5
Historic Preservation Fund	71.7	115.2	71.9	58.7	70.7
Construction[a]	353.0	388.3	229.3	229.9	234.9
Land and Water Conservation Fund[b]	-30.0	-30.0	-30.0	-30.0	-30.0
Land Acquisition and State Assistance					
— Assistance to States	*91.2*	*29.6*	*1.6*	*1.6*	*30.0*
— NPS Acquisition	*55.1*	*34.4*[c]	*22.7*	*28.4*	*33.4*

[6] "National Parks: Directions to Increase Efficiency, Cut Costs Gets Mixed Reviews," *Land Letter* (May 4, 2006.)

National Park Service	FY2005 Approp.	FY2006 Approp.	FY2007 Request	FY2007 House Passed	FY2007 Senate Comm.
Subtotal, Land Acquisition and State Assistance	146.3	47.0[d]	24.3	30.0	63.4
Total Appropriations	**$2,365.7**	**$2,437.7**	**$2,155.8**	**$2,175.8**	**$2,228.2**

a. Includes $50.8 million of emergency funding for FY2005 enacted in P.L. 108-324, and $19.0 million of emergency funding for FY2006 enacted in P.L. 109-148.
b. Figures reflect a rescission of contract authority.
c. The funding figure is reduced by the use of $9.8 million from prior year balances.
d. The funding figure is reduced by the use of $17.0 million from prior year balances, which are not allocated between Assistance to States and NPS Acquisition.

United States Park Police (USPP). This budget item supports the U.S. Park Police, an urban-oriented, full-service, uniformed law enforcement entity of the NPS with primary jurisdiction at park sites within the metropolitan areas of Washington, DC, New York City, and San Francisco. USPP law enforcement authority extends to all NPS units and to certain other federal and state lands. The park police provide specialized law enforcement services to other park units when requested, through deployment of professional police officers to support law enforcement trained and commissioned park rangers working in park units system-wide. The enacted level for FY2006 was $80.2 million; the FY2007 request, the House-passed bill, and the Senate Appropriations Committee all would allow $84.8 million, a 6% increase. Increased funding is proposed for heightened security at icon parks and for recruitment and training of new officers. An internal review concluded in December 2004 reportedly addressed long-standing fiscal and management problems and redefined USPP priorities to be: (1) protection of "iconic" (symbols of democracy) park units and their visitors, (2) patrol of the National Mall and adjacent parks, (3) special events and crowd management, (4) criminal investigations, and (5) traffic control and parkway patrol.

National Recreation and Preservation. This line item has funded a variety of park recreation and resource protection programs and an international park affairs office, as well as programs connected with state and local community efforts to preserve natural, cultural, and historic (heritage) resources. The Senate Appropriations Committee recommended $53.5 million for the line item, $6.3 million (13%) more than the House allowance, $20.2 million (61%) above the request of $33.3 million, but $12.0 million (18%) below the FY2006 enacted level of $65.5 million. The large requested decrease was partly from the proposal to eliminate the statutory and contractual aid program for specific sites, as had been proposed — and rejected by Congress — in FY2005 and FY2006. The House agreed with the request not to fund statutory and contractual aid. The Senate Appropriations Committee, however, recommended $5.3 million, and in report language proposed a specific distribution for the funds.

The House and the Senate Appropriations Committee both rejected the request to reduce funding for the heritage partnership program and to transfer the program to the Historic Preservation Fund. The Administration had proposed the transfer of heritage partnership programs (for heritage areas) to the Historic Preservation Fund (see below) and a decrease in FY2007 funding for heritage areas to $7.4 million, down $5.9 million (44%) from FY2006. The Senate Appropriations Committee

recommended $14.1 million, $0.2 million (2%) above the House allowance and $0.8 million (6%) above FY2006 for the heritage partnership program.

In agreement with the House committee report, the House declined to provide funds for the Chesapeake Bay Gateways and Water Trail initiative, a program that had received a total of $11.0 million since FY2000. The Senate Appropriations Committee, however, recommended $1.6 million for the program, and noted (in report language) a DOI Inspector General's report that commended NPS efforts to improve program grant management, while urging the NPS to implement additional recommendations of the Inspector General's report.

Construction. The construction line item funds new construction, as well as improvements, repair, rehabilitation, and replacement of park facilities, including many historic structures. The Senate Appropriations Committee recommended $234.9 million for NPS construction, $4.9 million (2%) more than the House, $5.6 million (2%) more than the request, and $153.4 million (40%) less than FY2006 enacted. The committee's report contained a specific line-item distribution of construction funds that included funding for the Harpers Ferry Center, which had not been proposed by the NPS.

Cuts in the construction line item could limit the reduction of the NPS multi-billion dollar maintenance backlog. Rather than fund the reduction of the backlog in FY2007, it has been reported that the Administration is proposing to hold the line against any further backlog accumulation by sustaining the same level of "facility condition index."[7] (For information on NPS maintenance, see CRS Report RL33484, *National Park Management*, coordinated by Carol Hardy Vincent.)

Land Acquisition and State Assistance. FY2006 appropriations for the NPS under the Land and Water Conservation Fund (LWCF) were $47.0 million, comprised of $34.4 million for NPS land acquisition, $29.6 million for state assistance programs, and a $17.0 million reduction due to the use of prior year funds.[8] Land acquisition funds are used to acquire lands, or interests in lands, for inclusion within the National Park System. State assistance is for recreation-related land acquisition and recreation planning and development by the states, with the funds allocated by a formula and states determining their spending priorities.

The Senate Appropriations Committee recommended $63.4 million for NPS land acquisition and state assistance. This is $33.4 million (111%) above the House allowance, $39.1 million (160%) above the request, and $16.4 million (35%) above FY2006. For the federal side of LWCF, the Senate Appropriations Committee recommended $33.4 million, compared to the $28.4 million House allowance and $22.7 million request. The House-passed bill allowed a total of $30.0 million for NPS land acquisition and state assistance. Within the $30.0 million, the report of the

---

[7] Leslie Ann Duncan, "Senate Energy Panel Hears from Mainella on Parks Budget," *Congressional Quarterly Green Sheets*, March 12, 2006.

[8] Prior year balances of $9.8 million for land acquisition and of $17.0 million for both programs (with no specified allocation between NPS land acquisition and state assistance) offset additional LWCF appropriations for FY2006.

House Appropriations Committee specified $5.0 million for the United Airlines Flight 93 memorial near Shanksville, PA, and the Senate Appropriations Committee agreed with that amount. The request for state assistance funds was limited to $1.6 million for administrative expenses, with no funds for state grants ($28.0 million in FY2006); the House agreed with this request. The Senate Appropriations Committee, however, recommended $28.4 million for state assistance grants and $1.6 million for administrative expenses. (For more information, see the "Land and Water Conservation Fund (LWCF)" section in this report.) S. 3562 would provide $450 million annually for LWCF state assistance from offshore oil and gas development leases in the Gulf of Mexico, near Florida.

Historic Preservation. The Historic Preservation Fund (HPF), administered by the NPS, provides grants-in-aid for activities specified in the National Historic Preservation Act (NHPA; 16 U.S.C. §470), such as restoring 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 HPF includes funding for *Save America's Treasures* and *Preserve America* grants.

For FY2007, the Senate Appropriations Committee approved $70.7 million for the HPF, $44.5 million below the FY2006 appropriation ($115.2 million) and $1.2 million below the Administration's FY2007 budget of $71.9 million. The FY2006 figure includes a $43.0 million emergency appropriation to help historic sites recover from hurricane Katrina. See **Table 9**, below. Both the House-passed and Senate Appropriations Committee-reported measure would include $35.7 million for grants-in-aid to state historic preservation offices, $3.9 million for Tribal grants, and $1.0 million for preserving and restoring historic buildings and structures on campuses of Historically Black Colleges and Universities (HBCUs). The FY2006 appropriation for HBCUs was $3.0 million.

The House and the Senate Appropriations Committee disagreed with the Administration's FY2007 request to create the America's Heritage and Preservation Partnership program within the Historic Preservation Fund and to reduce National Heritage areas by 50%. The Administration sought to combine funding for National Heritage Areas ($7.4 million), Save America's Treasures ($14.8 million), and Preserve America grants ($10.0 million). The NPS supports National Heritage Areas, which are managed by private or state organizations, with financial and technical assistance. Both the House and the Senate Appropriations Committee would retain the Heritage Partnership program within the National Recreation and Preservation programs line item.

The Senate Appropriations Committee-reported bill would provide $30.0 million for Save America's Treasures, whereas the House-passed bill would provide $15.0 million. Save America's Treasures preserves nationally significant intellectual and cultural artifacts and historic structures. Annual appropriations laws have required that project recommendations be subject to approval by the Appropriations Committees. Preserve America grants-in-aid were created to supplement Save America's Treasures in supporting community efforts to develop resource management strategies and to encourage heritage tourism. They are competitively awarded on a matching basis, as one-time seed money grants. The FY2006 appropriation provided that not to exceed $5.0 million could be allocated to Preserve

America grants. The FY2007 House-passed bill would provide $3.0 million for Preserve America. The Senate Appropriations Committee-reported bill would provide that of the $30.0 million for Save America's Treasures, $10.0 million may be used for Preserve America grants.

One issue that is often considered during the appropriations process is whether historic preservation should be funded by private money rather than the federal government. Also, pending legislation (H.R. 3446 and S. 1378) would reauthorize the Historic Preservation Fund through FY2011 and FY2015 respectively and make changes to the Advisory Council on Historic Preservation, an independent federal agency that promotes historic preservation and oversees NHPA §106 historic preservation review.

Table 9. Appropriations for the Historic Preservation Fund, FY2005-FY2007

($ in thousands)

Historic Preservation	FY2005 Approp.	FY2006 Approp.	FY2007 Request	FY2007 House Passed	FY2007 Senate Comm.
Grants-in-Aid to States and Territories[a]	$35,500	$35,717	$35,717	$35,717	$35,717
Tribal Grants	3,205	3,941	3,941	3,941	3,941
HBCUs	3,451	2,956	—	1,000	1,000
Heritage Partnership Programs[b]	*[14,579]*	*[13,301]*	7,400	[b] —	[b] —
Save America's Treasures	29,583	29,558[d]	14,800	15,000	30,000
HPF Emergency Appropriation[c]	—	43,000	—	—	—
Preserve America Grants-In-Aid	0	[d]	10,000	3,000	[e]
Total Appropriations	**$71,739**	**$115,172**	**$71,858**	**$58,658**	**$70,658**

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. Funding for heritage areas in FY2005 and FY2006 was included in the National Recreation and Preservation line item. The House-passed and Senate Committee-reported bills would retain the Heritage Partnership program in the National Recreation and Preservation line item.

c. The emergency supplemental for Iraq and Katrina (P.L. 109-234) provided $43.0 million to the HPF to help historic sites recover from Katrina.

d. The FY2006 appropriation allowed not to exceed $5.0 million to be used for Preserve America grants within funding for Save America's Treasures.

e. H.R. 5386, as reported by the Senate Appropriations Committee, specifies that of the $30.0 million for Save America's Treasures, $10.0 million may be used for Preserve America grants.

For further information on the *National Park Service*, see its website at [http://www.nps.gov/].

For further information on *Historic Preservation*, see its website at [http://www.cr.nps.gov/hps/].

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

CRS Report RL33484. *National Park Management*, coordinated by Carol Hardy Vincent.

U.S. Geological Survey

The U.S. Geological Survey (USGS) is the nation's premier science agency in providing physical and biological 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. For FY2007, the Administration is emphasizing the role USGS plays in providing timely scientific information for monitoring natural hazards and assessing their impacts, measuring land cover changes, and assessing mineral resources.

Funds for the USGS are provided in the line item *Surveys, Investigations, and Research*, for seven activities: the National Mapping Program; Geologic Hazards, Resources, and Processes; Water Resources Investigations; Biological Research; Enterprise Information; Science Support; and Facilities. For FY2007, the Administration requested $944.8 million for the USGS, which is $36.1 million (4%) below the FY2006 level of $980.8 (including emergency appropriations). The House-passed bill contains $986.4 million, which is $41.7 million above the request and $5.6 million above the FY2006 enacted level. See **Table 10**, below. The Senate Appropriations Committee-reported bill for FY2007 contains $980.0 million, which is $0.8 million below the FY2006 enacted level, $35.2 million above the Administration's request, and $6.5 million below the House-passed bill.

Of the proposed changes in the Administration's request, the largest would be the transfer of funds ($68.9 million in FY2006) from the Cooperative Topographic Mapping Program to the Enterprise Information Program. This transfer is consistent with changes in the direction of the National Mapping Program, which the Administration proposed to change to the Geographic Research, Investigations, and Remote Sensing Program. The Geographic Research, Investigations, and Remote Sensing Program, under these changes, would emphasize fundamental geographic research and consolidate elements of national geospatial programs. This transfer also is reflected in the House-passed bill and the Senate Appropriations Committee-reported bill. The FY2007 Administration request proposed to eliminate funding for the Water Resources Research Institutes, which the Administration contends have been generally self-supporting. The House-passed and the Senate committee-reported bills would retain $6.4 million for this program. The House-passed and the Senate committee-reported bills also would retain $22.9 million for mineral resource assessments, which were cut in the FY2007 request.

The Senate Appropriations Committee-reported bill did not provide funds for the multi-hazards initiative within the USGS because the USGS did not specify where funds that would be reprogrammed would come from. The Senate committee states that any reprogramming actions should be submitted to the committee in advance in the "form of a reprogramming."

Enterprise Information. This program consolidates funding of all USGS information needs including information technology, security, services, and resources management, as well as capital asset planning. There are three primary programs within Enterprise Information: (1) Enterprise Information Security and Technology, which supports management and operations of USGS telecommunications (e.g., computing infrastructure and email); (2) Enterprise Information Resources, which provides policy support, information management, and oversight over information services; and (3) Federal Geographic Data Coordination, which provides operational support and management for the Federal Geographic Data Committee (FGDC). The FGDC is an interagency, intergovernmental committee that encourages collaboration to make geospatial data available to state, local, and tribal governments, as well as communities. The FY2007 Administration's request provided $111.2 million for this program, $64.8 million above the FY2006 enacted level of $46.4 million. The House-passed bill would provide $113.7 million for this program, and the Senate Appropriations Committee-reported bill would provide $106.0 million. The increase in funds is due to a proposed reorganization of the USGS budget. (See introduction, above.) The Senate Appropriations Committee did not provide an additional $4.6 million for the Federal Geographic Data Committee because no rationale for the increase in funds was given.

National Mapping Program. The National Mapping Program aims to provide public access to high quality geospatial information. The Administration requested $76.6 million for this program, $52.7 million below the FY2006 enacted level of $129.3 million. Further, the Administration requested that the program name be changed to the Geographic Research, Investigations, and Remote Sensing Program. The House-passed bill would change the program name to the Geographic Research, Investigations, and Remote Sensing Program and provide $78.6 million, $2.0 million above the request and $50.7 million less than the FY2006 enacted level. The Senate Appropriations Committee-reported bill also would change the program name and recommends $78.6 million for the program.

The primary reduction in requested funds for this program is due to budget restructuring, as noted above. Further, the AmericaView program would not be funded (a reduction of $3.0 million). The AmericaView program is a state level network that provides access and imagery archives for university participants and other government participants. The bill passed by the House would provide $2.0 million to the AmericaView program. The bill also would provide $13.0 million for the Mid-Continent Mapping Center (MCMC) in Rolla, Missouri, and prohibit the use of funds to consolidate the functions and operations of the MCMC into the National Geospatial Technical Operations Center. The Senate Appropriations Committee bill states that funds will be precluded for competitively sourcing functions of the National Geospatial Technical Operations Center unless the staff at the Mid-Continent Mapping Center in Rolla, Missouri, is allowed the opportunity to participate in a "fair and open competition" with other sites as a Federal Most Efficient Organization.

Under the Land Remote Sensing subheading, an increase of $16.0 million is requested by the Administration to support the Landsat Data Continuity Mission, also known as Landsat 8. Landsat 8 is an upcoming satellite that will take remotely-sensed images of the Earth's land surface and surrounding coastal areas primarily for

environmental monitoring. The volume of data taken by Landsat 8 is to be four times greater than its predecessor, Landsat 7, and Landsat 8 is to include additional spectral bands and higher resolution than Landsat 7 data. The requested funds would be used to establish ground systems to provide for the transfer, storage, and accessibility of data from Landsat 8, when it is launched. The House-passed bill and the Senate Appropriations Committee-reported bill would fund this program along the lines of the request.

The Senate Appropriations Committee's report states that a proposed reduction in force (RIF) for this program has not been adequately justified by the USGS, and no plan for resources required to conduct a RIF was presented to the committee. The Senate Appropriations Committee reinstates funding for the proposed reduction and expects research and staff levels to remain at the current level.

Geologic Hazards, Resources, and Processes. For Geologic Hazards, Resources, and Processes activities, the Administration requested $217.4 million, which is $17.9 million below the FY2006 enacted level of $235.3 million. This line item covers programs in three activities: Hazard Assessments, Landscape and Coastal Assessments, and Resource Assessments. The House-passed bill would provide $241.9 million, and the Senate Appropriations Committee-reported bill would provide $239.3 million.

The primary reduction in the Administration's request under this heading is a $22.9 million reduction in the Mineral Resources Program. According to the Administration, proposed cuts in the mineral resources program will focus efforts on mineral resource assessments and research that benefit federal land management programs, as opposed to both federal and non-federal needs as in previous years. The Administration expects that universities or other entities will undertake assessments and research that support non-federal needs. The reduction will result in the discontinuation of most research and data collection projects, including those on industrial mineral research, and the elimination of some geophysical labs. In previous years, the Administration has requested similar cuts in this program, yet funding has been included by Congress.

The FY2007 House-passed bill and the Senate Appropriations Committee-reported bill would retain funding for this program, including $18.4 million for research and assessments of mineral deposits, and $4.5 million for minerals information. The House Appropriations Committee stated that it "strongly disagrees" with the proposed reduction in the program and urged the Administration not to propose program elimination again. The House committee disagreed with the notion that objective data can be prepared in the private sector. The Senate Appropriations Committee states that the reduction has "no merit."

Water Resources Investigations. The Administration's request for Water Resources Investigations was $204.0 million, $7.7 million below the FY2006 enacted level of $211.8 million. The Hydrologic Monitoring, Assessments, and Research sub-activity would receive $141.9 million; the Federal-State Cooperation Water Program would receive $62.2 million; and the Water Resource Research Institutes would not be funded. The House-passed bill included $213.8 million for this

heading, and the Senate Appropriations Committee-reported bill contains $216.8 million.

As with the Bush Administration's FY2002-FY2006 budget requests, the FY2007 request would discontinue USGS support for Water Resources Research Institutes because, according to the Administration, most institutes have succeeded in leveraging sufficient funding for program activities from non-USGS sources. Congress has provided funding for the institutes from FY2002 to FY2006, appropriating $6.4 million for FY2006. The House and the Senate Appropriations Committee-reported bills would retain funding for the Institutes at $6.4 million.

The Administration requested an increase of $2.3 million for network operations under the National Streamflow Information Program (NSIP), which would receive a total of $16.8 million for FY2007. These additional funds would be used to continue the operation of 114 streamgages that would otherwise be shut down due to the anticipated loss of partner contributions. Further, they would allow for the number of streamgages to increase by 30 nationwide. Through the NSIP program, the USGS collects the streamflow data needed by federal, state, and local agencies for planning, operating water-resources projects, and regulatory programs. The bill passed by the House and reported by the Senate Appropriations Committee also would provide this increase.

Biological Research. The Biological Research Program under the USGS generates and distributes information related to the conservation and management of the nation's biological resources. The Administration requested $172.6 million for biological research, which is $2.3 million below the FY2006 enacted level of $174.9 million. The House-passed bill would provide $175.6 million for this heading, and the Senate Appropriations Committee would provide $176.5 million.

Under the Administration's request, several earmarked activities totaling $6.4 million under the Biological Research and Monitoring Program would be removed for FY2007. According to the USGS, these projects do not address the highest priority science. Some of these program reductions would be restored in the House-passed bill and the Senate committee-reported bill.

Under the Terrestrial and Endangered Resources sub-activity, the USGS will be conducting activities related to Highly Pathogenic Avian Influenza (HPAI). The Administration requested $3.2 million for FY2007 to continue USGS avian flu detection activities. In cooperation with the FWS and other federal and state agencies, the USGS began targeted surveillance for the early detection of HPAI in wild birds in Alaska in 2005, collecting samples from 520 birds of 10 species that are known to migrate through the Russian Far East and Southeast Asia. A steering committee was formed in 2006 to coordinate efforts and establish standard operating procedures for sampling and analysis. For 2007, the USGS will continue sampling birds for HPAI and coordinate with other agencies to deal with avian influenza in North America. The House-passed bill and Senate Appropriations Committee-reported bill provide these increases.

Science Support and Facilities. Science Support focuses on those costs associated with modernizing the infrastructure for managing and disseminating

scientific information. The Administration requested $67.4 million for science support, a decrease of $1.9 million from the FY2006 enacted level of $69.3 million. The House-passed bill would provide $72.4 million, and the Senate Appropriations Committee- reported bill would provide $67.4 million.

Facilities focuses on the costs for maintenance and repair of facilities. The Administration requested $95.5 million for facilities for FY2007, an increase of $0.7 million from the FY2006 enacted level of $94.8 million. The House-passed bill and the Senate Appropriations Committee-reported bill would provide $95.5 million for Facilities, the same as the requested amount and $0.7 million above the FY2006 enacted level.

Table 10. Appropriations for the U.S. Geological Survey, FY2005-FY2007

($ in millions)

U.S. Geological Survey	FY2006 Approp.	FY2007 Request	FY2007 House Passed	FY2007 Senate Comm.
Enterprise Information	$46.4	$111.2	$113.7	$106.0
National Mapping Program	129.3	76.6	78.6	78.6
Geologic Hazards, Resources, and Processes	235.3	217.4	241.9	239.3
Water Resources Investigations	211.8	204.1	213.8	216.8
Biological Research	174.9	172.6	175.6	176.5
Science Support	69.3	67.4	72.4	67.4
Facilities	94.8	95.5	95.5	95.5
Decrease in House Floor Action			- 5.0	
Total Appropriations	**$980.8[b]**	**$944.8**	**$986.4**	**$980.1**

a. The total includes emergency appropriations of $1.0 million provided in P.L. 108-324 and $8.1 million in P.L. 109-13.

b. The total includes emergency appropriations of $9.0 million provided in P.L. 109-148 and $10.2 million provided in P.L. 109-234.

For further information on the *U.S. Geological Survey*, see its website 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. OMM administers competitive leasing on Outer Continental Shelf (OCS) lands and oversees production of offshore oil, gas, and other minerals. MRM collects and disburses bonuses, rents, and royalties paid on federal onshore and OCS leases and Indian mineral leases. Revenues from onshore leases are distributed to states in which they were collected, the general fund of the U.S.

Treasury, and designated programs. Revenues from the offshore leases are allocated among the coastal states, the Land and Water Conservation Fund, the Historic Preservation Fund, and the U.S. Treasury.

The MMS estimates that it collects and disburses over $8 billion in revenue annually. This amount fluctuates based primarily on the prices of oil and natural gas. Over the past decade, royalties from natural gas production have accounted for 40% to 45% of annual MMS receipts, while oil royalties have been not more than 25%.

Budget and Appropriations. The Administration submitted an FY2007 total MMS budget of $292.3 million. This includes $6.9 million for Oil Spill Research and $285.4 million for Royalty and Offshore Minerals Management. The total FY2007 budget request reflected $163.6 million in appropriations and an additional $128.7 million from offsetting collections which MMS has been retaining since 1994. The Administration's total budget request is 6% below the $312.0 million enacted for FY2006 (including emergency appropriations of $31.0 million). The net appropriations request for FY2007 of $163.6 million is a 14% reduction from the $189.3 million enacted for FY2006. The House recommended $164.4 million, slightly higher than the request due to a greater increase for Royalty and Offshore Minerals Management. The Senate Appropriations Committee approved funding for programs at levels similar to the House-passed version and the Administration's request. See **Table 11** below.

Table 11. Appropriations for the Minerals Management Service, FY2006-FY2007

($ in millions)

Minerals Management Service	FY2006 Approp.	FY2007 Request	FY2007 House Passed	FY2007 Senate Comm.
Royalty and Offshore Minerals Management				
— OCS Lands (OMM)	*$148.8*	*$159.4*	*$158.4*	*$159.2*
— Royalty Management (MRM)	*77.9*	*79.2*	*79.2*	*79.2*
— General Administration	*47.5*	*46.9*	*48.7*	*46.9*
— Gross, Royalty and Offshore Minerals Management	*305.1*[a]	*285.4*	*286.2*	*285.3*
— Use of Receipts	*-122.7*	*-128.7*	*-128.7*	*-128.7*
Total, Royalty and Offshore Minerals Management Appropriations	182.4	156.7	157.5	156.6
Oil Spill Research	6.9	6.9	6.9	6.9
Total Appropriations	**$189.3**	**$163.6**	**$164.4**	**$163.5**

a. Includes emergency appropriations of $16.0 million in P.L. 109-148 and $15.0 million in P.L. 109-234.

Oil and Gas Leasing Offshore. Issues not directly tied to specific funding accounts remain controversial. Oil and gas development moratoria in the Outer Continental Shelf (OCS) along the Atlantic and Pacific Coasts, parts of Alaska, and the Gulf of Mexico (GOM) have been in place since 1982, as a result of public laws and executive orders of the President. The FY2006 appropriations law retained the moratorium on funding preleasing and leasing activities in the OCS.

The House and the Senate Appropriations Committee retained the moratoria on oil and natural gas leasing in their versions of the FY2007 appropriations bill. The House Appropriations Committee had approved an amendment that would have allowed for natural gas leasing in the OCS moratoria areas. Oil leasing would still have been prohibited. The House voted to restore the moratoria on natural gas development in certain offshore areas and also to defeat an amendment to strike sections 104-106 of the bill that contain the OCS oil leasing moratoria. Separately, legislation (H.R. 4761) that passed the House on June 29, 2006, would allow natural gas-only drilling in areas currently under the moratoria and give the states a larger share of the revenue generated from U.S. offshore leases. The bill also addresses royalty relief issues discussed below by establishing a "conservation of resources" fee for those leases without price thresholds. (For more information, see CRS Report RL33493, *Outer Continental Shelf: Debate Over Oil and Gas Leasing and Revenue Sharing*, by Marc Humphries.)

Royalty relief for OCS oil and gas producers has been debated during consideration of FY2007 Interior appropriations. On February 13, 2006, the New York Times reported that the MMS would not collect royalties on leases awarded in 1998 and 1999 because no price threshold was included in the lease agreements during those two years. Without the price thresholds, producers may produce oil and gas up to specified volumes without paying royalties no matter what the price. The MMS asserts that placing price thresholds in the lease agreements is at the discretion of the Secretary of the Interior. However, according to the MMS, the price thresholds were omitted by mistake during 1998 and 1999.[9]

A House committee amendment to the FY2007 Interior appropriations bill sought to require the Secretary of the Interior to include price thresholds in all leases (based on $34.71/barrel of oil and $4.34/thousand cubic feet of natural gas) and require the Secretary to renegotiate leases to conform with current price thresholds levels. This provision would have impacted the 1998 and 1999 leases and those shallow water deep-gas leases with price threshold levels currently around $9.90/thousand cubic feet. The committee language, however, was removed from the bill on a point of order during the House floor debate. Subsequently, the House agreed to an amendment that would prohibit funds in the bill from being used to issue new lease sales to current lessees that do not have price thresholds in their leases. Opponents of the amendment argued that the companies with valid leases, even though without price thresholds, should not be penalized. The Senate Appropriations Committee approved language on price thresholds, in an amendment during markup, that is similar to the House-passed version. The Senate Appropriations Committee also approved an amendment that would require the Secretary of the Interior to seek to renegotiate the leases to include price thresholds and to report to Congress on the results of such efforts. The amendment also sought to affirm the authority of the Secretary of the Interior to vary the suspension of royalties based on the price of production of a lease.

---

[9] This information is from discussions with Walter Cruickshank, Deputy Director of MMS, during April, 2006.

Leasing in the Eastern Gulf of Mexico has been controversial over the past several years. There were several blocks that were removed by the Administration from Eastern GOM sale 181 that could become available for release after 2007, as part of the Administration's proposed five-year (2007-2012) leasing program. A Senate proposal (S. 2253) would make available for lease about 3.6 million acres within the lease sale 181 area within one year of enactment of the bill — prior to the next five-year lease program. Some coastal state senators are seeking to attach state revenue sharing language to the bill, while others oppose the bill because, they assert, it would offer leases too close to Florida's coast. Industry groups contend that Eastern GOM sales are too limited, asserting that the resource potential is significant. Environmental groups and some state officials contend that the risks of development to the environment and local economies are too great.

Oil and gas leasing in offshore California also has continued to be a controversial issue. Under the Coastal Zone Management Act of 1972 (16 U.S.C. §1451), development of federal offshore leases must be consistent with state coastal zone management plans. In 1999, MMS extended 36 of the 40 leases at issue in offshore California by granting lease suspensions, but the State of California contended that it should have first reviewed the suspensions for consistency with the state's coastal zone management plan. In June 2001, the U.S. Court for the Northern District of California agreed with the State of California and struck down the MMS suspensions.

The Bush Administration appealed this decision January 9, 2002, to the U.S. Ninth Circuit Court of Appeals, after the state rejected a more limited lease development plan that involved 20 leases using existing drilling platforms. However, on December 2, 2002, a three-judge panel of the Ninth Circuit upheld the District Court decision.[10] The Department of the Interior did not appeal this decision and is currently working with lessees to resolve the issue.

A breach-of-contract lawsuit was filed against MMS by nine oil companies seeking compensation for their undeveloped leases. On November 17, 2005, the U.S. Federal Court of Claims made a determination that the federal government breached its contract with the lessees regarding the 36 offshore California leases. Although the government was ordered to repay the lessees $1.1 billion, the judge deferred a final judgement until additional claims (such as recovery of sunk costs) are resolved.

For further information on the *Minerals Management Service*, see its website at [http://www.mms.gov].

CRS Report RL31521. *Outer Continental Shelf Oil and Gas: Energy Security and Other Major Issues*, by Marc Humphries.

CRS Report RL33493. *Outer Continental Shelf: Debate Over Oil and Gas Leasing and Revenue Sharing*, by Marc Humphries.

---

[10] Ninth U.S. Circuit Court of Appeals, California v. Norton, 01-16637.

Office of Surface Mining Reclamation and Enforcement

The Surface Mining Control and Reclamation Act of 1977 (SMCRA, P.L. 95-87; 30 U.S.C. §1201 note) 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. The law provided that individual states and Indian tribes would develop their own regulatory programs incorporating minimum standards established by law and regulations. Fee collections have been broken up into federal and state shares. Grants are awarded to the states after applying a distribution formula to the annual appropriation that calculates not only how much money goes to each state, but also what portion came from each of the state and federal share accounts. In instances where states have no approved program, OSM directs reclamation.

Several states have pressed in recent years for increases in the AML appropriations, with an eye on the unappropriated balances in the state-share accounts that now exceed $1 billion. The total unappropriated balance — including both federal and state share accounts in the AML fund — was $1.8 billion by the end of FY2005. Western states are additionally critical of the program because, as coal production has shifted westward, these states are paying more into the fund. They have contended that they are shouldering a disproportionate share of the reclamation burden as more of the sites requiring remediation are in the East.[11]

The FY2005 and FY2006 budget requests from the Administration were accompanied by a proposal to restructure the program, including a plan to return the unobligated balances to the states. The Administration plan was not widely supported. Other proposals for reauthorization of AML collections and restructuring the program have been introduced in the House and Senate, but Congress has not reached a consensus surrounding the structure of the program.

As a consequence, reauthorization of fee collection during the last few fiscal years has been for relatively short terms, with the most recent extension through September 30, 2007. The FY2007 request does not include any broad Administration proposal to change the program, and instead seeks what the Administration describes as an "interim extension" through the end of FY2007 "while allowing the Administration to continue working with Congress on finding an appropriate, fiscally responsible and fair, long-term resolution to the reauthorization discussion."[12] In report language, the House Appropriations Committee supported an interim extension and also expressed that a more permanent solution is needed.

---

[11] Interest generated by unappropriated balances in the AML fund is transferred to the United Mine Workers of America Combined Benefit Fund, established by P.L. 102-486 to cover the unreimbursed health cost requirements of retired miners.

[12] U.S. Dept. of the Interior, Office of Surface Mining Reclamation and Enforcement, *Budget Justification and Performance Information, Fiscal Year 2007*, p. 49-50.

For FY2007, the Administration sought $185.9 million, an increase of $0.7 million over the FY2006 enacted level of $185.2 million. The other component of the OSM budget is for regulation and technology programs. For regulation and technology, Congress provided $108.9 million in FY2006, and the Administration requested $112.2 million. The greater part of the $3.3 million increase (3%) is for environmental protection. In total, the Administration requested $298.1 million for the OSM for FY2007, a $4.0 million increase (1%) over the FY2006 enacted level of $294.2 million. The Senate Appropriations Committee and the House supported the same levels of funding as the Administration requested for FY2007. See **Table 12** below.

In its FY2007 budget, the Administration requested $1.5 million for *minimum program states*. These states have significant AML problems, but insufficient levels of current coal production to generate significant fees to the AML fund. While Congress is authorized to appropriate $2 million annually to minimum program states, Congress has appropriated $1.5 million to minimum program states since FY1996. The Senate Appropriations Committee and the House retained language limiting funding for minimum program states to $1.5 million. The SMCRA legislation also provided that 10% of AML collections would be allocated to the Rural Abandoned Mine Program (RAMP), administered by the Department of Agriculture. However, no funds have been requested for RAMP since FY1996, and the $361 million balance in funds set aside for RAMP were transferred to the federal share of AML collections in the FY2006 appropriation. The FY2007Administration request recommended that this practice continue. The House included language transferring the RAMP balance to the federal share fund but the Senate Appropriations Committee did not.

Table 12. Appropriations for the Office of Surface Mining Reclamation and Enforcement, FY2006-FY2007

($ in millions)

Office of Surface Mining Reclamation and Enforcement	FY2006 Approp.	FY2007 Request	FY2007 House Passed	FY2007 Senate Comm.
Regulation and Technology	$108.9	$112.2	$112.2	$112.2
— Environmental Protection	*78.4*	*81.0*	*81.0*	*81.0*
Abandoned Mine Reclamation Fund	185.2	185.9	185.9	185.9
Total Appropriations	**$294.2**	**$298.1**	**$298.1**	**$298.1**

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

CRS Report RL32993. *Abandoned Mine Reclamation Fee on Coal*, by Nonna Noto.

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 FY2006 direct appropriations are $2.27 billion. For FY2007, the Administration proposed $2.22 billion, a decrease of $52.4 million (2.3%) below FY2006. The House approved $2.23 billion, a reduction of $39.6 million (2%) below FY2006, but an increase of $12.8 million (0.6%) over the Administration proposal. The Senate Appropriations Committee recommended $2.27 billion, a reduction of $1.8 million (0.08%) below FY2006, but an increase of $50.6 million (2.3%) over the Administration proposal and of $37.8 million (1.7%) over the House. For the BIA, its major budget components, and selected BIA programs, **Table 13** below presents funding figures for FY2006 and for the Administration, the House, and the Senate Appropriations Committee for FY2007, with the percentages of change from FY2006 to the Senate Appropriations Committee-recommended levels for FY2007. Decreases are shown with minuses.

Key issues for the BIA, discussed below, include the reorganization of the Bureau, especially its trust asset management functions, and problems in BIA education programs, including the Administration's proposal not to fund the Johnson-O'Malley program.

Budget Presentation. The BIA's budget presentation of its Operation of Indian Programs activities, in which programs with the same budget function (e.g., education) were formerly included in different budget activities (e.g., "Tribal Priority Allocations," "Other Recurring Programs"), has been restructured so that programs with the same function fall under the same budget activity (e.g., "Education"). **Table 13** below illustrates the new structure. The Tribal Priority Allocations (TPA) budget activity is significant to tribes because it covers many basic tribal services. Perhaps more importantly, tribes may apply their own priorities to TPA programs, moving funds among programs without prior BIA approval and without triggering congressional Appropriation Committees' requirements for approval of reprogramming. The BIA identifies in its FY2007 *Budget Justifications* the amounts within the new budget activities that fall in the TPA category. Those amounts are shown in **Table 13**. According to BIA figures, the total TPA funding proposed for FY2007 was $754.1 million. Other sources suggest TPA funding for FY2006 was $769.5 million, but it is not certain that the BIA's FY2007 figures cover all of the same programs. The House and Senate Appropriations Committees commended the new budget structure, but the House committee required the BIA to report on the budget structure and tribes' reactions, TPA transparency, BIA management accountability, and BIA central and regional offices' funding.

Table 13. Appropriations for the Bureau of Indian Affairs, FY2006-FY2007

($ in thousands)

Bureau of Indian Affairs	FY2006 Approp.	FY2007 Request		FY2007 House Passed	FY2007 Senate Committee	
		Total	TPA[a]		Total	Change from FY2006
Operation of Indian Programs						
Tribal Government	*$374,689*	*$401,738*	*$394,374*	*$401,738*	*$397,738*	*6%*
— Contract Support Costs	*132,628*	*151,628*	*151,628*	*151,628*	*147,628*	*11%*
Human Services	*150,416*	*139,385*	*135,449*	*139,385*	*145,385*	*-3%*
— Welfare Assistance	*85,190*	*74,179*	*74,179*	*74,179*	*80,179*	*-6%*
Trust - Natural Resources Management	*152,754*	*142,510*	*63,279*	*141,510*	*150,810*	*-1%*
Trust - Real Estate Services	*141,842*	*152,649*	*55,480*	*151,593*	*150,649*	*6%*
— Probate	*15,708*	*19,075*	*8,193*	*18,019*	*19,075*	*21%*
— Real Estate Services	*40,578*	*47,647*	*31,249*	*47,647*	*45,647*	*12%*
Education	*646,430*	*639,155*	*30,786*	*652,214*	*664,805*	*3%*
— Elementary/ Secondary (Forward-Funded)	*457,750*	*457,352*	*0*	*457,352*	*457,352*	*-<1%*
— Elementary/ Secondary [Other]	*77,223*	*60,800*	*0*	*73,859*	*75,171*	*-3%*
— Johnson-O'Malley Grants	*16,371*	*0*	*0*	*16,371*	*14,371*	*-12%*
— Post Secondary Programs	*104,010*	*103,161*	*30,786*	*103,161*	*114,440*	*10%*
— Tribal Colleges and Universities	*55,545*	*54,721*	*0*	*54,721*	*60,000*	*8%*
— Tribal Vocational Colleges[b]	—	—	—	—	*6,000*	*15%*
— Education Management	*8,783*	*17,842*	*0*	*17,842*	*17,842*	*103%*
Public Safety and Justice	*212,142*	*213,729*	*12,109*	*209,535*	*214,873*	*1%*
— Detention/ Corrections	*55,567*	*58,663*	*0*	*55,949*	*58,663*	*6%*
Community and Economic Development	*51,782*	*39,175*	*38,204*	*39,175*	*43,525*	*-16%*
— Tribal Vocational Colleges[b]	*5,223*	*0*	*0*	*0*	—	—
Executive Direction and Administrative Services	*232,135*	*238,253*	*24,379*	*238,253*	*$237,753*	*2%*

Bureau of Indian Affairs	FY2006 Approp.	FY2007 Request		FY2007 House Passed	FY2007 Senate Committee	
		Total	TPA[a]		Total	Change from FY2006
— Office of Federal Acknowledgment	*1,350*	*1,850*	*0*	*1,850*	*1,350*	*0%*
— Information Resources Technology	*57,431*	*53,365*	*0*	*53,365*	*53,365*	*-7%*
Subtotal, Operation of Indian Programs	1,962,190	1,966,594	754,060	1,973,404	2,005,538	2%
Construction						
Education Construction	*206,787*	*157,441*	—	*157,441*	*157,441*	-24%
— Replacement School Construction	*64,530*	*36,536*	—	*36,536*	*36,536*	-43%
— Education Facilities Improvement and Repair	*113,395*	*92,053*	—	*92,053*	*92,053*	-19%
Public Safety and Justice Construction	*11,603*	*11,611*	—	*11,611*	*11,611*	<1%
— Law Enforcement Facilities Improvement and Repair	*8,102*	*8,106*	—	*8,106*	8,106	<1%
Resources Management Construction	*45,099*	*37,810*	—	*38,560*	*44,220*	*-2%*
General Administration Construction; Management	*8,093*	*8,187*	—	*8,187*	*8,187*	*1%*
Subtotal, Construction	271,582	215,049	—	215,799	$221,459	-18%
Land and Water Claim Settlements and Miscellaneous Payments	34,243	33,946	—	39,213	39,213	15%
Indian Guaranteed Loan Program	6,255	6,262	—	6,262	6,262	<1%
Total Appropriations	**$2,274,270**	**$2,221,851**	**$754,060**	**$2,234,678**	**$2,272,472**	**-<1%**

a. Tribal Priority Allocations (TPA) are a subset of funds for BIA Operation of Indian Programs. The amounts in this column are included in the "FY2007 Request — Total" column in the table.

b. The Senate Appropriations Committee moved the tribal vocational colleges program from the Community and Economic Development activity to the Post Secondary Programs activity. The percent change for tribal vocational colleges under Post Secondary Programs is calculated using the FY2006 appropriation under Community and Economic Development.

BIA Reorganization. In April 2003, Secretary of the Interior Norton began implementing a reorganization of the BIA, the Office of Assistant Secretary-Indian Affairs (AS-IA), and the Office of Special Trustee for American Indians (OST) in the Office of the Interior Secretary. (See "Office of Special Trustee" section below.) The reorganization arose from issues and events related to trust funds and trust assets management, and is integrally related to the reform and improvement of trust

management. 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, or minerals), and cover about 45 million acres of tribal trust land and 10 million acres of individual Indian trust land. Trust assets management includes real estate services, processing of transactions (e.g., sales and leases), surveys, appraisals, probate functions, land title records activities, and other functions.

The BIA, however, has been frequently charged with mismanaging Indian trust funds and trust assets. Investigations and audits in the 1980s and after supported these criticisms, especially in the areas of accounting, linkage of owners to assets, and retention of records. This led to a trust reform act in 1994 and the filing of an extensive court case in 1996. (See "Office of Special Trustee" section, below.) The 1994 act created the OST, assigning it responsibility for oversight of trust management reform. In 1996, trust fund management was transferred to the OST from the BIA, but the BIA retained management of trust assets.

Unsuccessful efforts at trust management reform in the 1990s led DOI to contract in 2001 with a management consultant firm. The firm's recommendations included both improvements in trust management and reorganization of the DOI agencies carrying out trust management and improvement.[13] After nearly a year of consultation with Indian tribes and individuals, DOI announced the reorganization in December 2002, even though the Department and tribal leaders had not reached agreement on all aspects of reorganization. DOI, however, faced a deadline in the court case to file a plan for overall trust management reform, and reorganization was part of DOI's plan.

The current reorganization of BIA, AS-IA, and OST chiefly involves trust management structures and functions. The BIA's trust operations at regional and agency levels remains in those offices but are split off from other BIA services. The OST adds trust officers to BIA regional and agency offices to oversee trust management and provide information to Indian trust beneficiaries. The BIA, OST, and AS-IA, together with the Office of Historical Trust Accounting in the Secretary's office, also are implementing a separate trust management improvement project. The project includes improvements in trust asset systems, policies, and procedures, historical accounting for trust accounts, reduction of backlogs, modernization of computer technology (the court case led in 2001 to a continuing shutdown of much of BIA's World-Wide-Web connections because of security concerns), and maintenance of the improved system.

Many Indian tribes and tribal organizations, and the plaintiffs in the court case, have been critical of the new reorganization and have asked that it be suspended. Tribes contend that the reorganization is premature, because new trust procedures and policies are still being developed; that it insufficiently defines new OST duties; and that other major BIA service programs are being limited or cut to pay for the reorganization. For FY2004-FY2006, Congress responded to tribal concerns by

---

[13] The report is available on the DOI website at [http://www.doi.gov/indiantrust/pdf/roadmap.pdf].

excluding from BIA reorganization certain tribes that have been operating trust management reform pilot projects with their regional BIA offices. The House approved the same exclusion for FY2007, and the Senate Appropriations Committee agreed. Congress has not, however, suspended or stopped the reorganization.

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 120 of these institutions; the BIA operates the remainder. BIA-funded schools' key problems are low student achievement and, especially, a large number of inadequate school facilities.

The Johnson-O'Malley (JOM) program provides supplementary education assistance grants for tribes and public schools to benefit Indian students, and was funded at $16.4 million in FY2006. The Administration proposed no funding for this program in FY2007, asserting that U.S. Department of Education programs under Titles I (education of the disadvantaged) and VII (Indian education) of the Elementary and Secondary Education Act provide funds for the same purposes, and that the funds should be used for BIA-funded schools. Opponents disagree that the Education Department programs can replace JOM's culturally-relevant programs. The House Appropriations Committee recommended restoring the JOM program to its FY2006 level of $16.4 million, stating that other federal programs could not provide the funds because there was no guaranteed one-to-one match between Department of Education grants and JOM funds. The House approved the committee's recommendation. The Senate Appropriations Committee recommended a partial restoration of JOM funds, to $14.4 million.

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 has estimated the current backlog in education facility repairs at $942 million.

Table 13 above shows education construction funds. For FY2007, the Administration proposed reducing the appropriation for education construction by $49.3 million (24%). Included is a reduction for replacement-school construction of 43%. The Administration asserts that the BIA needs to focus on completing replacement schools funded in prior years. Opponents contend that a large proportion of BIA schools need replacement or major repairs and that hence funding should not be cut. The House approved the Administration's proposal for BIA education construction, and the Senate Appropriations Committee also agreed, albeit "reluctantly." However, the House Appropriations Committee disagreed that funding for new schools should be reduced while current school construction projects are finished and expressed concern about large amounts of unobligated construction balances from prior years. The House committee directed BIA to report on the projected obligation of current unobligated balances and on improvements in construction planning and design procedures, enrollment projections, and space standards. The Senate Appropriations Committee echoed the House committee's disagreement with the Administration's assertions and said it expected more "robust" appropriations requests for BIA school construction in the future.

For further information on education programs of the *Bureau of Indian Affairs*, see its website at [http://www.oiep.bia.edu].

CRS Report RS22056. *Major Indian Issues in the 109th Congress*, by Roger Walke.

Departmental Offices[14]

Insular Affairs. The Office of Insular Affairs (OIA) provides financial assistance to four insular areas — American Samoa, the Commonwealth of the Northern Mariana Islands (CNMI), Guam, and the U.S. Virgin Islands — as well as three former insular areas — the Federated States of Micronesia (FSM), Palau, and the Republic of the Marshall Islands (RMI). OIA staff manage relations between these jurisdictions and the federal government and work to build the fiscal and governmental capacity of units of local government.

The total OIA request for FY2007 was $426.3 million, an amount slightly above that provided in FY2006 ($425.6 million). OIA funding consists of two parts: (1) permanent and indefinite appropriations and (2) discretionary and current mandatory funding subject to the appropriations process. Of the total request for FY2007, $347.1 million (81%) in permanent and indefinite funding is required through statutes, as follows:

- $202.4 million to three freely associated states (RMI, FSM, and Palau) under conditions set forth in the respective Compacts of Free Association;[15] and

- $144.7 million in fiscal assistance through payments to territories, divided between the U.S. Virgin Islands for estimated rum excise and income tax collections, and Guam for income tax collections.

Discretionary and current mandatory funds that require annual appropriations constitute the remaining 19% of the OIA budget. Two accounts — Assistance to Territories (AT) and the Compact of Free Association (CFA) — comprise discretionary and current mandatory funding. AT funding is used to provide grants for the operation of the government of American Samoa, infrastructure improvement projects on many of the insular area islands, and specified natural resource initiatives. The CFA account provides federal assistance to the freely associated states pursuant to compact agreements negotiated with the federal government.

Discretionary and mandatory appropriations for FY2006 total $81.5 million (including government-wide rescissions enacted in P.L. 109-148), with AT funded at $76.2 million and CFA at $5.3 million. The FY2007 request would reduce AT

---

[14] This section addresses selected activities/offices that fall under "Departmental Offices." Total funding for Departmental Offices is identified in Table 25 at the end of this report.

[15] Legislation to approve the amended compacts was enacted in the 108th Congress (P.L. 108-188). For background, see CRS Report RL31737, *The Marshall Islands and Micronesia: Amendments to the Compact of Free Association with the United States*, by Thomas Lum. The Compact with the Republic of Palau began in FY1994 and will terminate in FY2009.

funding to $74.4 million, and CFA assistance to $4.9 million, for a total of $79.2 million. The House approved $3.2 million more for AT ($77.6 million) than had been requested, for increased oversight and technical assistance funding. The Senate Appropriations Committee recommended $76.5 million to fund AT activities, an amount above the request and below that approved by the House. The House passed CFA funding totaled $5.4 million, $0.5 million above the request specifically to support food production activities necessary on Enewetak island as a result of destruction caused by World War II conflicts as well as atomic bomb testing. The Senate Appropriations Committee concurred with the House approved funding level for CFA.

In total, the House passed $82.9 million for Insular Affairs, 2% above FY2006 and 5% above the Administration's FY2007 request. The Senate Appropriations Committee recommended $81.8 million, which is lower than the House but higher than the request.

For further information on *Insular Affairs,* see its website at [http://www.doi.gov/oia/index.html].

Payments in Lieu of Taxes Program (PILT). For FY2007, the Administration requested $198.0 million for PILT, down 15% from the FY2006 level of $232.5 million. The Administration asserts that cutting PILT is part of an effort to reduce the deficit, and is consistent with historical appropriations levels. The House Appropriations Committee's draft contained $216.0 million, but the House committee agreed to an amendment transferring $12.0 million from the Smithsonian Institution to PILT, bringing the total to $228.0 million. (See "Smithsonian Institution, Business Ventures" section of this report for more information.) A House floor amendment transferred an additional $16.0 million from Interior Department salaries and expenses to PILT, to bring the figure to $244.0 million. The amendment passed by voice vote. The Senate Appropriations Committee approved $235.1 million, 4% less than the House.

The PILT program compensates local governments for federal land within their jurisdictions which cannot be taxed. Since the beginning of the program in 1976, payments of more than $3.6 billion have been made. The PILT program has been controversial, because in recent years the payment formula, which was indexed to the Consumer Price Index in 1994, has increased authorization levels. However, appropriations have grown less rapidly, and substantially slower than authorized amounts, ranging from 42% to 68% of authorized levels between FY2000 and FY2006 (the most recent year available).[16] See **Table 14**, below. County governments claim that the program as a whole does not provide funding comparable to property taxes, and further that rural areas in particular need additional PILT funds to provide the kinds of services that counties with more private land are able to provide.

[16] When appropriations are not sufficient to cover the authorization, each county receives a pro rata share of the authorized amount.

Table 14. Authorized and Appropriated Levels for Payments in Lieu of Taxes, FY2000-FY2007

($ in millions)

Fiscal Year	Authorized Amount	Appropriated Amount	% of Authorized Amount
2000	$317.6	$134.0	42.2
2001	338.6	199.2	58.8
2002	350.8	210.0	59.9
2003	324.1	218.2	67.3
2004	331.3	224.3	67.7
2005	332.0	226.8	68.3
2006	344.4	232.5	67.5
2007	*352.0*	244.0/235.1[a]	*70.2/67.6*

Notes: The FY2007 authorized level, in *italics*, is an estimate. Calculation of the level assumes (1) all revenues from other payment programs are flat over the period; (2) the number of acres eligible for PILT payments is unchanged; (3) all of the counties' populations are unchanged; and (4) no states change their "pass-through" laws. In consequence, only the changes in the Consumer Price Index would influence PILT payments. However, it is likely that at least some of these assumptions would need to be modified.

a. The first figure is the amount passed by the House; the second is the amount approved by the Senate Appropriations Committee.

For further information on the *Payments in Lieu of Taxes* program, see the DOI website at [http://www.doi.gov/pilt/].

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

Office of Special Trustee for American Indians. The Office of Special Trustee for American Indians (OST), in the Secretary of the Interior's office, was authorized by Title III of the American Indian Trust Fund Management Reform Act of 1994 (25 U.S.C. §§4001 et seq.). The 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 in 1996 the Secretary transferred trust fund management to the OST. (See "Bureau of Indian Affairs" section above.)

Indian trust funds managed by the OST comprise two sets of funds: (1) tribal funds owned by about 300 tribes in approximately 1,450 accounts, with a total asset value of about $2.9 billion; and (2) individual Indians' funds, known as Individual Indian Money (IIM) accounts, in about 277,000 accounts with a current total asset value of about $400 million. (Figures are from the OST FY2007 budget justifications.) The funds include monies received from claims awards, land or water rights settlements, and other one-time payments, and from income from land-based trust assets (e.g., land, timber, minerals), as well as from investment income.

OST's FY2006 appropriation was $222.8 million. The Administration proposed $244.5 million for FY2007, an increase of $21.7 million (10%). The House

approved $184.0 million for FY2007, a reduction of $38.7 million (17%) from FY2006 and $60.4 million (25%) from the proposal. The Senate Appropriations Committee recommended $217.8 million, a decrease of $4.9 million (2%) from FY2006 and $26.7 million (11%) from the Administration proposal but an increase of $33.8 million (18%) over the House amount. **Table 15** below presents funding figures for FY2006-FY2007 for the OST. Key issues for the OST are an historical accounting for tribal and IIM accounts, and litigation involving tribal and IIM accounts.

Table 15. Appropriations for the Office of Special Trustee for American Indians, FY2006-FY2007

($ in thousands)

Office of Special Trustee for American Indians	FY2006 Approp.	FY2007 Request	FY2007 House Passed	FY2007 Senate Committee	
				Total	Change from FY2006
Federal Trust Programs	$188,774	$185,036	$150,036	$178,683	-5%
— Historical Accounting	*56,353*	*56,353*	*45,000*	*50,000*	*-11%*
Indian Land Consolidation	34,006	59,449	34,006	39,150	15%
Total Appropriations	**$222,780**	**$244,485**	**$184,042**	**$217,833**	**-2%**

Historical Accounting. For FY2007, the Administration proposed $56.4 million for historical accounting activities, the same as enacted for FY2006. The House approved $45.0 million for FY2007, while the Senate Appropriations Committee recommended $50.0 million. The historical accounting effort seeks to assign correct balances to all tribal and IIM accounts, especially because of litigation. Because of the long historical period to be covered (some accounts date from the 19th century), the large number of IIM accounts, and the large number of missing account documents, an historical accounting based on actual account transactions is expected to be large and time-consuming. The Interior Department in 2003 proposed an extensive, five-year, $335 million project to reconcile IIM accounts. The project would reconcile all transactions for certain types of accounts and all land-based transactions of $5,000 and over, but a statistical sample for land-based transactions of less than $5,000. OST continues to follow this plan, subject to court rulings (see "Litigation" below) or congressional actions. Plaintiffs in the litigation consider the statistical sampling technique invalid. For FY2007, the House Appropriations Committee did not disagree with DOI's historical accounting plan, but expressed its intent to limit spending for historical accounting and also directed DOI to make quarterly reports on any use of funds from BIA "Operation of Indian Programs" for IIM litigation support costs. The Senate Appropriations Committee expressed regret at not being able to fund the Administration's full request.

Litigation. An IIM trust funds class-action lawsuit (*Cobell* v. *Norton*) was filed in 1996, in the federal district court for the District of Columbia, against the

federal government by IIM account holders.[17] Many OST activities are related to the *Cobell* case, including litigation support activities. The most significant issue for appropriations concerns the method for the historical accounting to estimate IIM accounts' proper balances. The DOI estimated its proposed method would cost $335 million over five years and produce a total owed to IIM accounts in the low millions. The plaintiffs' method, based on estimated rates of errors applied to an agreed-upon figure for IIM throughput, was estimated to produce a total owed to IIM accounts of as much as $177 *billion*, depending on the error rate used. After a lengthy trial, the court, in September 2003, rejected both the plaintiffs' and DOI's historical accounting plans and ordered DOI to account for all trust fund and asset transactions since 1887, without using statistical sampling. The Interior Department estimated that the court's choice for historical accounting would cost $6-$12 billion.

In the FY2004 Interior appropriations act, Congress enacted a controversial provision aimed at the court's decision. It directed that no statute or trust law principle should be construed to require DOI to conduct the historical accounting until either Congress had delineated the department's specific historical accounting obligations or December 31, 2004, whichever was earlier. Based on this provision, the DOI appealed the court's September 25, 2003 order. The U.S. Court of Appeals for the District of Columbia temporarily stayed the September 25 order. During the stay, on April 5, 2004, the IIM plaintiffs and the federal government commenced mediation. On December 10, 2004, the Appeals Court overturned much of the September 25 order, finding that the congressional provision prevented the district court from requiring DOI to follow its directions for a historical accounting. The Appeals Court noted that the provision expired on December 31, 2004, but did not discuss the district court's possible reissue of the order. On February 23, 2005, the district court issued an order on historical accounting very similar to its September 2003 order, requiring that an accounting cover all trust fund and asset transactions since 1887 and not use statistical sampling. The DOI, which estimated that compliance with the new order would cost $12-13 billion,[18] appealed the order. The Appeals Court on November 15, 2005, vacated the district court's February 2005 order. The district court has not yet issued another order, and the OST continues its historical accounting under its September 2003 plan.

Congress has long been concerned that the current and potential costs of the *Cobell* lawsuit may jeopardize DOI trust reform implementation, reduce spending on other Indian programs, and be difficult to fund. Besides the ongoing expenses of the litigation, possible costs include $12-$13 billion for the court-ordered historical accounting, a *Cobell* settlement that might cost as much as (1) the court-ordered historical accounting, (2) the more than $100 billion that *Cobell* plaintiffs estimate

---

[17] *Cobell v. Norton* (Civil No. 96-1285) (D.D.C.). Updated information is available on the websites of the plaintiffs at [http://www.indiantrust.com], the DOI at [http://www.doi.gov/indiantrust/], and the Justice Department at [http://www.usdoj.gov/civil/cases/cobell/index.htm].

[18] Testimony from the Interior Department estimated the cost at $12-13 billion (James Cason, Associate Deputy Secretary, U.S. Dept. of the Interior, Statement before the House Committee on Appropriations, Subcommittee on Interior, Environment, and Related Agencies, March 17, 2005). Previous Interior estimates of the cost were $6-12 billion.

their IIM accounts are owed, or (3) the $27.5 billion that the *Cobell* plaintiffs have proposed as a settlement amount.[19] Among the funding sources for these large costs discussed in a 2005 House Interior Appropriations Subcommittee hearing were discretionary appropriations and the Treasury Department's "Judgment Fund,"[20] but some senior appropriators consider the Fund insufficient even for a $6-$13 billion dollar settlement.[21] Among other options, Congress may enact another delay to the court-ordered accounting, direct a settlement, or delineate the department's historical accounting obligations (which could limit, or increase, the size of the historical accounting). Settlement bills (S. 1439 and H.R. 4322) would establish in the Treasury Department's general fund an IIM claim settlement fund with appropriations from the Judgment Fund. The dollar size of the fund is left blank in both bills and is still being discussed among the plaintiffs, the Administration, and Congress. A recent news story said a dollar figure may be inserted in the Senate bill soon, and suggested it would be less than $10 billion, perhaps in the $6-$8 billion range.[22] In considering the FY2007 Interior appropriations bill, the House Appropriations Committee expressed its desire that *Cobell* be resolved but stated no opinion on a settlement amount. The Senate Appropriations Committee noted that settlement efforts were underway among the *Cobell* parties and congressional authorizing committees.

For further information on the *Office of Special Trustee for American Indians,* see its website at [http://www.ost.doi.gov/].

CRS Report RS22343. *Indian Trust Fund Litigation: Legislation to Resolve Accounting Claims in* Cobell *v.* Norton, by M. Maureen Murphy.

CRS Report RS21738. *The Indian Trust Fund Litigation: An Overview of* Cobell *v.* Norton, by Nathan Brooks and M. Maureen Murphy.

CRS Report RS22056. *Major Indian Issues in the 109th Congress*, by Roger Walke.

National Indian Gaming Commission. The National Indian Gaming Commission (NIGC) was established by the Indian Gaming Regulatory Act (IGRA) of 1988 (25 U.S.C. §§2701 et seq.) to oversee Indian tribal regulation of tribal bingo and other *Class II* operations, as well as aspects of *Class III* gaming (e.g., casinos and racing).[23] The primary appropriations issue for NIGC is whether its funding is adequate for its regulatory responsibilities.

---

[19] Trust Reform and Cobell Settlement Workgroup, "Principles for Legislation," June 20, 2005, p. 2, at [http://www.indiantrust.com/_pdfs/20050620SettlementPrinciples.pdf].

[20] The Judgment Fund is a permanent, indefinite appropriation for paying judgments against, and settlements by, the U.S. Government. (See 31 U.S.C. §1304.)

[21] Matt Spangler, "Treasury Fund May Be Short of Cash Needed to Settle Indian Royalty Case," *Inside Energy with Federal Lands* (March 21, 2005), p. 6.

[22] Jerry Reynolds, "Washington in Brief," *Indian Country Today* (June 30, 2006), at [http://www.indiancountry.com/content.cfm?id=1096413237], last accessed July 5, 2006.

[23] Classes of Indian gaming were established by the IGRA, and NIGC has different but overlapping regulatory responsibilities for each class.

The NIGC is authorized to receive annual appropriations of $2 million, but its budget authority consists chiefly of annual fees assessed on tribes' Class II and III operations. During FY1999-FY2006, all NIGC activities have been funded from fees, with no direct appropriations. The Administration, the House, and the Senate Appropriations Committee did *not* recommend a direct appropriation for the NIGC for FY2007.

IGRA formerly capped NIGC fees at $8 million per year, but Congress amended IGRA (P.L. 109-221) to create a formula-based fee ceiling — 0.08% of the gross gaming revenues of all gaming operations subject to regulation under IGRA. If this fee ceiling percentage were applied to the latest NIGC figures for gross Indian gaming revenues ($19.4 billion in 2004), the fee ceiling based on 2004 would be $15.5 million.

The NIGC in recent years had requested additional funding because it was experiencing increased demand for its oversight resources, especially audits and field investigations. Congress had responded, in the FY2003-FY2006 appropriations acts, by increasing the NIGC's fee ceiling to $12 million, but only for FY2004-FY2007. The Administration's FY2007 NIGC budget proposal requested that the fee ceiling be increased to $13 million for FY2008, and the House agreed. The Senate Appropriations Committee did not agree and, in the light of the enacted formula-based fee ceiling, recommended repealing the FY2006 appropriations provision limiting the FY2007 fee ceiling.

For further information on the *National Indian Gaming Commission*, see its website at [http://www.nigc.gov].

Title II: Environmental Protection Agency

EPA was established in 1970 to consolidate federal pollution control responsibilities that had been divided among several federal agencies. EPA's responsibilities have grown as Congress has enacted an increasing number of environmental laws, as well as major amendments to these statutes. Among the agency's primary responsibilities are the regulation of air quality, water quality, pesticides, and toxic substances; the management and disposal of solid and hazardous wastes; and the cleanup of environmental contamination. EPA also awards grants to assist state and local governments in controlling pollution.

EPA's funding over time generally reflects an increase in overall appropriations to fulfill a rising number of statutory responsibilities. Without adjusting for inflation, the agency's appropriation has risen from $1.0 billion when the agency was established in FY1970 to a high of $8.4 billion in FY2004. For FY2007, the House has proposed $7.58 billion for EPA, and the Senate Appropriations Committee has recommended $7.53 billion. The President had requested $7.32 billion. All of these amounts are less than the FY2006 appropriation of $7.64 billion, including rescissions and supplementals. Congress made an additional $80.0 million available to EPA in FY2006 by rescinding and redirecting previously appropriated agency funds that had not been obligated for certain activities.[24] Consequently, the proposed FY2007 funding levels for EPA reflect larger decreases when compared to the overall FY2006 funding of $7.72 billion, which included *new* appropriations of $7.64 billion and $80.0 million in rescinded prior year funds redirected to FY2006.

In floor debate, the House agreed to two amendments that increased EPA's funding by $3.8 million above the amount that the House Appropriations Committee had recommended. One amendment included $1.8 million for Energy Star programs aimed at improving energy efficiency. In its report on H.R. 5386, the Senate Appropriations Committee recommended a slight increase above the House amount for this program. The second House floor amendment increased funding for EPA's diesel emission reduction grant program by $2.0 million to a total of $28.0 million. The Senate Appropriations Committee recommended $20.1 million for this grant program. The President had requested $49.5 million.

The House also passed other floor amendments that would affect EPA's implementation of certain activities. For example, one amendment would prohibit funds from being spent on implementing controversial guidance on determining federal jurisdiction over wetlands.[25] The Senate Appropriations Committee did not

---

[24] P.L. 109-54 rescinded $80.0 million from prior years' appropriations that EPA had not obligated for contracts, grants, and interagency agreements, for which the funding authorization had expired. The law redirected these funds to be available in FY2006 but did not specify how this funding was to be allocated among EPA's accounts. EPA's FY2007 budget justification indicates that for FY2006, the agency allocated $66.0 million to State and Tribal Assistance Grants, $11.0 million to Hazardous Substance Superfund, $2.0 million to Environmental Programs and Management, and $1.0 million to Science and Technology.

[25] See CRS Report RL33483, *Wetlands: An Overview of Issues*, by Jeffrey A. Zinn and (continued...)

recommend a similar prohibition. A few other House floor amendments relevant to EPA were *not* agreed to. For example, one amendment would have provided $800 million in additional funds for activities of several agencies, of which $250 million would have been for EPA grants to states for Clean Water State Revolving Funds (SRFs). These grants assist states in issuing loans to communities for wastewater infrastructure improvements, discussed in the "Water Infrastructure" section, below.

Traditionally, EPA's annual appropriation has been requested and enacted according to various line-item appropriations accounts, of which there currently are eight. **Table 16** indicates amounts by appropriations account for FY2006 enacted, FY2007 requested, FY2007 House-passed, and FY2007 Senate Appropriations Committee-reported.

Table 16. Appropriations for the Environmental Protection Agency, FY2006-FY2007

($ in millions)

Environmental Protection Agency	FY2006 Approp.	FY2007 Request	FY2007 House Passed	FY2007 Senate Comm.
Science and Technology (S&T)				
— Direct Appropriations	*$730.8*	*$788.3*	*$808.0*	*$793.4*
— Transfer in from Superfund account	*30.2*	*27.8*	*30.0*	*27.8*
Science and Technology Total	761.0	816.1	838.0	821.2
Environmental Programs and Management (EPM)	2,352.7	2,306.6	2,338.2	2,310.7
Office of Inspector General				
— Direct Appropriations	*36.9*	*35.1*	*35.1*	*35.1*
— Transfer in from Superfund account	*13.3*	*13.3*	*13.3*	*13.3*
Office of Inspector General Total	50.2	48.4	48.4	48.4
Buildings & Facilities	39.6	39.8	39.8	39.8
Hazardous Substance Superfund Total	1,242.1	1,259.0	1,256.9	1,261.3
— Transfer out to Office of Inspector General	*(13.3)*	*(13.3)*	*(13.3)*	*(13.3)*
— Transfer out to Science and Technology	*(30.2)*	*(27.8)*	*(30.0)*	*(27.8)*
— Net Appropriations After Transfers	*1,198.6*	*1,217.8*	*1,213.6*	*1,220.2*
Leaking Underground Storage Tank Program	87.0	72.8	72.8	72.8
Oil Spill Response	15.6	16.5	16.5	16.5
State and Tribal Assistance Grants (STAG)				
— Clean Water State Revolving Fund (SRF)	*886.8*	*687.6*	*687.6*	*687.6*

[25] (...continued)
Claudia Copeland.

Environmental Protection Agency	FY2006 Approp.	FY2007 Request	FY2007 House Passed	FY2007 Senate Comm.
— Drinking Water State Revolving Fund (SRF)	*837.5*	*841.5*	*841.5*	*841.5*
— Categorical and Other Grants	*1,489.4*	*1,268.3*	*1,480.2*	*1,471.3*
— Rescission and Redirection of Prior Funds	(80.0) [a]	—	—	—
State and Tribal Assistance Grants Total	3,133.7	2,797.4	3,009.3	3,000.4
Total Appropriations	**$7,638.4**	**$7,315.5**	**$7,576.7**	**$7,529.9**

Source: Prepared by the Congressional Research Service (CRS). Amounts are from the House and Senate Appropriations Committees, reflecting rescissions and supplementals.

a. Congress made an additional $80.0 million available to EPA in FY2006 by rescinding and redirecting prior years' appropriated funds that had not been obligated for contracts, grants, and interagency agreements, for which the funding authorization had expired. This $80.0 million is shown as a reduction in the above table to reflect *new* appropriations for FY2006. Including this $80.0 million, Congress made a total of $7.72 billion available to EPA in FY2006.

Key Funding Issues

The House and the Senate Appropriations Committee proposed both decreases and increases for individual EPA programs and activities throughout the various appropriations accounts when compared to the President's FY2007 request and the FY2006 appropriation. Although there have been varying levels of interest in FY2007 funding for the agency's programs and activities, funding for water infrastructure within the State and Tribal Assistance Grants (STAG) account, the cleanup of hazardous waste sites within the Superfund account, scientific research, and air quality programs have received the most attention thus far in the second session of the 109th Congress. Other areas of interest include funding for EPA's homeland security activities, and congressional funding priorities for individual research and water infrastructure projects, often referred to as earmarks.[26] The House allocated $270.0 million to congressional priority projects for FY2007. The Senate Appropriations Committee set aside $280.0 million, the same as the FY2006 congressional set-aside. As in past years, the President's FY2007 request did not include any funding for congressional priority projects in EPA's budget. Proposed funding for each of the above activities in which there has been broad congressional interest is discussed further below.

Water Infrastructure. From appropriations provided within the STAG account, EPA issues grants to states to support Clean Water and Drinking Water State Revolving Funds (SRFs). These funds provide seed monies for state loans to communities for wastewater and drinking water infrastructure projects, respectively. The House and the Senate Appropriations Committee proposed $687.6 million for Clean Water SRF grants, the same as the President requested, but less than the FY2006 appropriation of $886.8 million. The proposed decrease has been

[26] See CRS Report 98-518, *Earmarks and Limitations in Appropriations Bills*, by Sandy Streeter.

contentious, as there is disagreement over the adequacy of funding to meet local needs, such as municipal sewage treatment plant upgrades. Although appropriations for these grants have declined in recent years, Congress has appropriated significantly more funding than the President has requested to meet these needs. The proposals of the House and the Senate Appropriations Committee to approve the President's requested decrease for FY2007 depart from this trend.

The House and the Senate Appropriations Committee approved the President's request of $841.5 million for Drinking Water SRF grants, an increase above the FY2006 appropriation of $837.5 million. The proposal to fund Drinking Water SRF grants at the requested level is consistent with past years, as there generally has been less disagreement between Congress and the Administration about the appropriate funding level for these grants. However, some Members support higher funding to meet local drinking water needs, such as assistance to help communities comply with new standards for drinking water contaminants (e.g., arsenic and radium).

In addition to funding for Drinking Water SRF grants, the Senate Appropriations Committee recommended $11.0 million to assist small public water systems in complying with safe drinking water regulations. Of this amount, $5.5 million would be provided within the Science and Technology account for alternative technology projects to help small water systems comply with the disinfection byproducts (DBP) rules and related regulations. The remaining $5.5 million would be provided within the Environmental Programs and Management account for a competitive grant program to provide technical assistance to small drinking water systems for complying with the arsenic and DBP regulations.[27]

Congress also has provided specific funds in past appropriations for water infrastructure projects in certain communities. Whether these needs should be met with SRF loan monies or earmarked grant assistance has become controversial. Due in part to such concerns, and the competing needs of many EPA activities in general, the amount of funding earmarked for water infrastructure projects has declined since FY2004.[28] The House set aside $200.0 million for "congressional priority" water infrastructure projects within the STAG account for FY2007. The Senate Appropriations Committee recommended $210.0 million for these types of projects. Both amounts are more than the $197.1 million Congress set aside in the FY2006 appropriation. The House and Senate Appropriations Committees identified the recipients of these funds in their respective reports on H.R. 5386. As in past years, the President's FY2007 budget did not include any funding for congressional priority water infrastructure projects.

Superfund and Brownfields. Another prominent issue is the adequacy of funding for the Superfund program to clean up the nation's most hazardous waste sites. Some Members, states, and environmental organizations have contended that more funds than have been appropriated are necessary to speed the pace of cleanup

---

[27] See CRS Report RL33549, *Safe Drinking Water Act: Issues in the 109th Congress*, by Mary Tiemann.

[28] See CRS Report RL32201, *Water Infrastructure Project Earmarks in EPA Appropriations: Trends and Policy Implications*, by Claudia Copeland.

at contaminated sites. The House, the Senate Appropriations Committee, and the President proposed roughly similar amounts of $1.26 billion for the Superfund account (prior to transfers to other accounts). As indicated in **Table 16**, these amounts vary somewhat, but all are increases above the FY2006 appropriation of $1.24 billion. This account funds many activities related to the cleanup of hazardous substances, including administration, enforcement, and certain homeland security functions. However, only a portion of the funding is for "actual" (i.e., physical) cleanup of contaminated sites. The House approved $832.9 million for site cleanup, and the Senate Appropriations Committee recommended $833.1 million, both slightly less than the FY2006 appropriation of $833.9 million. The President had requested a larger decrease, proposing $822.9 million for site cleanup. Some Members had questioned the President's requested decrease during budget oversight hearings, in light of public concerns about the pace of cleanup to ensure protection of human health and the environment.

The source of funding for the Superfund program also has been an ongoing issue. Nearly all the funding for the program in the Superfund account that the House, the Senate Appropriations Committee, and the President have proposed would be provided from general U.S. Treasury revenues. Three dedicated taxes (on petroleum, chemical feedstocks, and corporate income) historically provided the majority of funding for the Superfund program. These taxes expired at the end of 1995, and the remaining revenues were essentially used up by the end of FY2003. Since then, Congress has funded the program almost entirely with general revenues. Although cost recoveries from responsible parties, fines and penalties, and interest on the unexpended balance of the trust fund continue to contribute revenue to the Superfund program, these sources continue to be relatively small compared to general revenues. Some Members of Congress advocate reinstating the Superfund taxes and assert that the use of general revenues undermines the "polluter pays" principle. Other Members and the Administration counter that viable parties are still required to pay for the cleanup of contamination and that polluters are not escaping their responsibility. According to EPA, responsible parties pay for the cleanup at more than 70% of Superfund sites.

There also has been ongoing interest in the adequacy of funding to clean up other contaminated sites, referred to as brownfields. The cleanup of these sites is funded separately from Superfund. Typically, brownfields are abandoned, idled, or underutilized commercial and industrial properties with levels of contamination less hazardous than a Superfund site, but that still warrant cleanup before the land can be safe for reuse. The House and the Senate Appropriations Committee recommended the President's request of $163.3 million for EPA's Brownfields program to assist states and tribes in the cleanup of these properties, a slight increase above the FY2006 appropriation of $162.5 million.

EPA's Homeland Security Activities. Under the Bioterrorism Act of 2002, and Homeland Security Presidential Directives 7, 9 and 10, EPA is the lead federal agency for coordinating security of U.S. water systems, and plays a role in early warning monitoring and decontamination associated with potential attacks using biological contaminants. Although EPA's homeland security funding is a relatively small portion compared to most other federal agencies, the EPA activities

supported with this funding, and their competition for funds with core environmental programs, have been a concern to some Members of Congress.

The House approved $143.7 million for EPA's homeland security activities, and the Senate Appropriations Committee recommended $155.4 million. Both amounts are increases above the FY2006 appropriation of $129.1 million, but are less than the FY2007 request of $184.0 million. In its report on H.R. 5386, the House Appropriations Committee indicated that it could only include a "modest" increase above FY2006 for EPA's homeland security activities (as well as for certain programs authorized by the Energy Policy Act of 2005) because of limited funding available for the bill as a whole and competing funding needs for activities that the committee viewed as essential to the agency's mission and as having a higher priority (H.Rept. 109-465, p.93). In its report on H.R. 5386, the Senate Appropriations Committee did not explain its reductions below the President's FY2007 request.

Similar to the President's budget, the House and the Senate Appropriations Committee amounts for EPA's homeland security activities would be distributed among five of the agency's accounts: S&T, EPM, Superfund, Building and Facilities, and STAG. Funding within these accounts would support various activities, including critical water infrastructure protection, laboratory preparedness, decontamination, protection of EPA personnel and operations, and communication. Among these five accounts, the S&T account would include the largest portion of funding for EPA's homeland security activities. The House approved $61.8 million within this account for these activities, and the Senate Appropriations Committee recommended $68.2 million. Both amounts are an increase above the FY2006 appropriation of $50.2 million. The increases above FY2006 are intended for one additional project for a water quality surveillance and monitoring pilot project, referred to as the "Water Sentinel Initiative," which EPA began in FY2006.[29]

The President's FY2007 request had included $91.8 million within the S&T account for homeland security activities, a large portion of which would have funded four additional pilot projects under the above initiative. Some Members of Congress and scientists had expressed concerns that the increase requested for homeland security funding within the S&T account for activities such as these pilot projects was competing with EPA's core research programs, for which funding has been declining in recent years (see related discussion below). In its report on H.R. 5386, the House Appropriations Committee directed OMB and EPA to coordinate future funding requests for the Water Sentinel Initiative through the Department of Homeland Security.

Scientific Research. EPA's S&T account provides the bulk of the funding for developing the scientific knowledge and tools necessary to support decisions on preventing, regulating, and abating environmental pollution. It also supports efforts to advance the base of understanding for environmental sciences. This account incorporates elements of the former Research and Development account in place until FY1996. The House approved $838.0 million for the S&T account for FY2007

---

[29] See CRS Report RL31294, *Safeguarding the Nation's Drinking Water: EPA and Congressional Actions*, by Mary Tiemann.

(including a transfer of $30.0 million from the Superfund account). The Senate Appropriations Committee recommended $821.2 million for the S&T account (including a transfer of $27.8 million as the President requested). Similar to transfers in past appropriations, this funding from the Superfund account would support research and development related to the cleanup of environmental contamination.

Both the House and the Senate Appropriations Committee amounts for the S&T account are more than the FY2006 appropriation of $761.0 million (including a transfer of $30.2 million), and the FY2007 request of $816.1 million (including a transfer of $27.8 million). Within the S&T account, both the House and the Senate Appropriations Committee reports on H.R. 5386 included $30.0 million for congressional priority research projects (also referred to as earmarks). Congress had set aside $32.9 million for these types of projects for FY2006. As in past years, the President's FY2007 request did not include any funding for congressional priority research projects within EPA's budget.

A significant portion of the House and the Senate Appropriations Committee increases above FY2006 for the S&T account is in the form of an accounting adjustment, as the President's FY2007 budget proposed. This adjustment would transfer $61.0 million into the S&T account for "facilities infrastructure and operations." These activities have been funded within the EPM account through FY2006. The *net* effect is that the total Senate Appropriations Committee amount of $821.2 million for the S&T account, without the $61.0 million adjustment, would be a decrease relative to the FY2006 appropriation. The total House amount of $838.0 million without the adjustment would be a significantly smaller increase relative to the FY2006 appropriation.

Among individual research activities, as opposed to the account level, the House and the Senate Appropriations Committee approved *both* increases and decreases within the S&T account, relative to each other as well as the FY2006 appropriation and the FY2007 request. For example, the House approved $238.0 million for the "Human Health and Ecosystems" research program area, slightly more than the FY2006 appropriation, but a greater increase relative to the President's FY2007 request of $228.2 million. The Senate Appropriations Committee recommended $230.3 million. Research fellowships are funded within this program area, including Science to Achieve Results (STAR) fellowships in which there has been ongoing congressional interest. Both the House and the Senate Appropriations Committee included $11.7 million for all fellowships within this area, similar to the FY2006 appropriation, but significantly more than the President's FY2007 request of $8.4 million with the increase devoted to STAR fellowships. Homeland security funding within the S&T account is another example of differing priorities for individual activities, as discussed above.

Although there are varying views on the adequacy of funding for specific scientific research activities, such as those noted above, there has been much debate about support for scientific research in general. Some Members of Congress,[30]

---

[30] See the House Science Committee Majority Views and Estimates on the President's (continued...)

scientists, and environmental organizations have expressed concern about declining funding for what they refer to as "core" scientific research essential to ongoing federal roles. Debate regarding funding for scientific research administered by EPA and other federal agencies often has focused on the question of whether these agencies' actions are based on "sound science," and how scientific research is applied in developing federal policy. The Administration contends that the reductions in funding that it requested for some scientific research activities in FY2007 would not impair the quality of science, citing that less funding is needed in certain areas because of efficiencies gained and cost savings realized from consolidating certain research areas, and the fruition of certain research projects. As reflected in the reports on H.R. 5386, the House and the Senate Appropriations Committee have recommended funding increases for certain research activities, differing from the Administration in what constitutes adequate funding.

Clean Air Act Implementation and Research. EPA's implementation of, and proposed changes to, several Clean Air Act provisions, as well as efforts to address climate change, have elevated interest in funding for air quality programs among Members of Congress.[31] Funding within the S&T, EPM, Superfund, and STAG accounts would support various programmatic implementation, research, and monitoring activities addressing toxic air pollutants and air quality, radiation, climate protection, indoor air quality, and radon. The House and the Senate Appropriations Committee proposed both increases and decreases relative to each other, as well as the FY2006 appropriation and the FY2007 request, for a variety of air quality activities throughout these accounts.

Many of EPA's air quality activities would be funded within a new category introduced in the President's FY2007 budget for implementation of certain activities authorized in the Energy Policy Act of 2005 (EPAct, P.L. 109-58).[32] The House and the Senate Appropriations Committee proposed less funding than requested within various EPA accounts for this category. As noted above, the House Appropriations Committee indicated in its report on H.R. 5386 that it was unable to fully fund the FY2007 request for EPAct activities given the limited funding for the bill as a whole, and the competing funding needs for activities it viewed as essential to the agency's mission and as having a higher priority. For example, the President had requested $49.5 million for FY2007 for a new diesel emissions reduction grant program within the EPAct category. The House approved $28.0 million (including $2.0 million per a floor amendment discussed earlier), and the Senate Appropriations Committee recommended $20.1 million. In some cases, EPAct activities would absorb certain activities funded as separate line-items in prior years. For example, a portion of the

---

[30] (...continued)
FY2007 budget: [http://www.house.gov/science/hot/FinalViewsandEstimatesFY2007.pdf], and the House Science Committee Minority Views and Estimates on the President's FY2007 budget at [http://sciencedems.house.gov/randd/views_fy07.htm].

[31] See CRS Report RL33552, *Clean Air Act Issues in the 109th Congress*, by James E. McCarthy; and CRS Report RL32755, *Air Quality: Multi-Pollutant Legislation in the 109th Congress*, by Larry Parker and John Blodgett.

[32] See CRS Report RL32873, *Key Environmental Issues in the Energy Policy Act of 2005 (P.L. 109-58, H.R. 6)*, by Brent D. Yacobucci.

funding for the new diesel emissions reduction grant program would support Clean School Bus grants, for which Congress provided $6.9 million as a separate line-item in FY2006. Overall, the amounts that the House and the Senate Appropriations Committee proposed, and the President requested, for EPAct air quality activities are less than what Congress authorized in P.L. 109-58.

Funding for "categorical" grants within the STAG account for state and local air quality programs also has received attention within Congress. The House approved $220.3 million for these grants for FY2007, roughly the same as the FY2006 appropriation. The Senate Appropriations Committee recommended $200.2 million. Both amounts are an increase above the President's request of $185.2 million. Some Members and state and local air pollution control officials[33] had raised concerns about the President's requested reduction for these categorical grants, contending that more funds are needed as a result of increasing Clean Air Act responsibilities. For example, EPA has promulgated several new air quality regulations within the past two years, requiring more of states and local governments.

For further information on the *Environmental Protection Agency*'s budget and activities, see its websites [http://www.epa.gov] and [http://epa.gov/ocfo/budget/], and the following CRS products.

CRS Report RL32856. *Environmental Protection Agency: Appropriations for FY2006*, by Robert Esworthy and David Bearden.

CRS Report RL33481. *Environmental Protection Issues in the 109th Congress*, coordinated by Susan R. Fletcher and Margaret Isler.

[33] State and Territorial Air Pollution Program Administrators and the Association of Local Air Pollution Control Officials (STAPPA/ALAPCO), *Impact of Proposed FY 2007 Budget Cuts on State and Local Air Quality Agencies*, March 14, 2006, at [http://www.4cleanair.org/StateandLocalExamplesofImpactsofCuts.pdf].

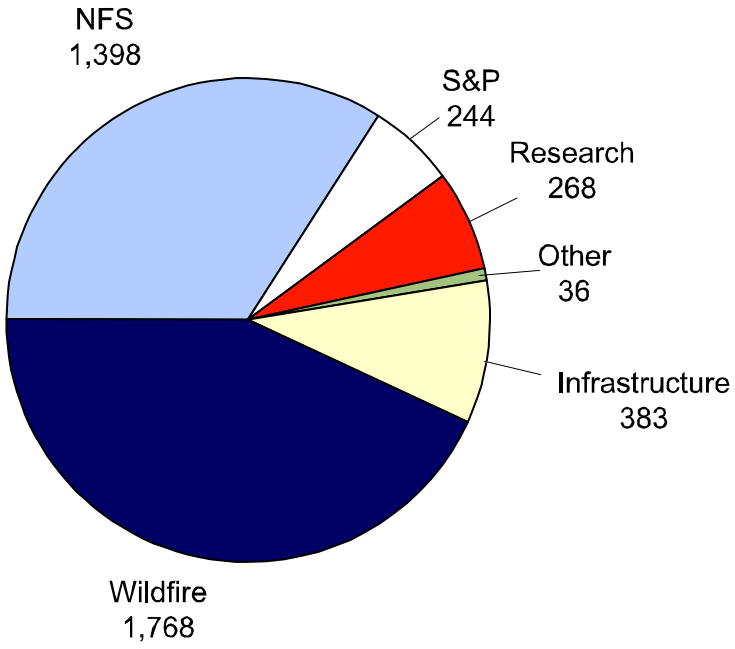
Title III: Related Agencies

Department of Agriculture: Forest Service

The Senate Appropriations Committee recommended $4.15 billion for the Forest Service (FS) for FY2007. This was $38.1 million (1%) less than the House-passed bill, $57.4 million (1%) more than the President's request, and $123.6 million (3%) less than FY2006 appropriations of $4.28 billion.[34] As discussed below and shown in **Figure 1**, FS appropriations are provided in several major accounts, including Forest and Rangeland Research; State and Private Forestry (S&PF); National Forest System (NFS); Wildland Fire Management; Capital Improvement and Maintenance (Infrastructure); and Other programs (substantially land acquisition).

Figure 1. Forest Service FY2007 Budget Request

($ in millions)



Major FS Issues in Appropriations. Significant FS issues have been raised during consideration of the FY2007 Interior appropriations bill. In the FS budget proposal, the President proposed selling about 300,000 acres of national forest lands, with the proceeds to pay for a five-year extension of FS payments under the Secure Rural Schools and Community Self-Determination Act of 2000 (P.L. 106-393). Current FS authorities to sell or otherwise dispose of national forest lands are extremely narrow, so legislation would be needed to authorize the land sale. The Administration has sent to Congress draft legislation with criteria to determine lands

[34] Data for FY2006 and previous years include emergency and supplemental appropriations and rescissions.

eligible for sale, such as lands that are inefficient or difficult to manage because they are isolated or scattered. Relevant legislation has not been introduced to date, and the House and the Senate Appropriations Committee did not include such authority in the bill.

Another issue was raised on the House floor. The House agreed to an amendment to prohibit the use of funds in the bill to plan, design, study, or build roads in the Tongass National Forest, in Alaska, for harvesting timber. A similar amendment to the FY2005 Interior Appropriations Act passed the House, but was removed before enactment. In the FY2006 bill, a similar amendment was struck on a point of order as legislation on an appropriations bill. The amendment to the FY2007 bill was different to avoid a point-of-order being raised. The Senate Appropriations Committee-reported version did not include such a provision.

The Senate Appropriations Committee did add a provision that might prove controversial. A new §426 in the bill as reported exempts FS projects that have been categorically excluded from NEPA documentation and public involvement from the Appeals Reform Act (§322 of P.L. 102-381). That act requires public notification of agency decisions and an opportunity for the public to request an administrative appeal of decisions. Supporters of the Senate provision contend that the administrative appeals cause unnecessary delays in actions that have little or no environmental impact (and can, therefore, be categorically excluded from NEPA provisions). Opponents assert that the public should have an opportunity to know of and to challenge agency decisions prior to irreversible commitments.

Wildland Fire Management. Fire funding and fire protection programs continue to be controversial. Ongoing 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. Another focus is whether, and to what extent, environmental analysis, public involvement, and challenges to decisions hinder fuel reduction and post-fire rehabilitation activities. (For historical background and descriptions of activities, see CRS Report RS21544, *Wildfire Protection Funding*, by Ross W. Gorte.)

The National Fire Plan comprises the FS wildland fire program (including fire programs funded under other line items) and fire fighting on DOI lands; the DOI wildland fire monies are appropriated to BLM. Congress does not fund the National Fire Plan in any one place in Interior appropriations acts. The total can be derived by combining the several accounts which the agencies identify as National Fire Plan funding. For FY2007, the Senate Appropriations Committee recommended $2.60 billion, $20.2 million (1%) less than the House, $28.0 million (1%) more than the President requested, and $58.4 million (2%) more than total FY2006 funding of $2.54 billion, as shown in **Table 17**, below.

The Senate Appropriations Committee recommended $776.6 million for BLM wildfire funding in FY2007, $7.4 million (1%) more than the House, $7.1 million (1%) more than the request, and $21.4 million (3%) more than FY2006. The Senate Appropriations Committee recommended FS wildfire funding of $1.82 billion for FY2007, $27.6 million (1%) less than the House, $20.9 million (1%) more than the request, and $37.1 million (2%) more than FY2006. The FS and BLM wildfire line

items include funds for fire suppression (fighting fires), preparedness (equipment, training, baseline personnel, prevention, and detection), and other operations (rehabilitation, fuel reduction, research, and state and private assistance).

Table 17. Appropriations for the National Fire Plan, FY2003-FY2007

($ in millions)

National Fire Plan	FY2003 Approp.	FY2004 Approp.	FY2005 Approp.	FY2006 Approp.	FY2007 Request	FY2007 House Passed	FY2007 Senate Comm.
Forest Service							
— Wildfire Suppression	*$418.0*	*$597.1*	*$648.9*	*$690.2*	*$746.2*	*$741.5*	*$741.5*
— Emergency Funding[a]	*919.0*	*748.9*	*425.5*	*0.0*	*0.0*	*0.0*	*0.0*
— Preparedness	*612.0*	*671.6*	*676.5*	*660.7*	*655.9*	*655.9*	*655.9*
— Other Operations	*371.5*	*392.6*	*416.5*	*434.0*	*399.0*	*452.2*	*424.6*
Subtotal, Forest Service	2,320.5	2,410.3	2,167.3	1,784.9	1,801.0	1,849.6	1,821.9
BLM							
— Wildfire Suppression	*159.3*	*192.9*	*218.4*	*230.7*	*257.0*	*257.0*	*257.0*
— Emergency Funding[a]	*225.0*	*198.4*	*98.6*	*0.0*	*0.0*	*0.0*	*0.0*
— Preparedness[b]	*275.4*	*254.2*	*258.9*	*268.8*	*274.8*	*274.8*	*274.8*
— Other Operations	*215.4*	*238.1*	*255.3*	*255.7*	*237.7*	*237.4*	*244.8*
Subtotal, BLM	875.2	883.6	831.3	755.3	769.6	769.3	776.6
Total National Fire Plan							
— Wildfire Suppression	577.3	790.0	867.3	920.9	1,003.2	998.5	998.5
— Emergency Funding[a]	1,144.0	947.3	524.1	0.0	0.0	0.0	0.0
— Preparedness	887.4	925.8	935.4	929.5	930.7	930.7	930.7
— Other Operations	586.9	630.7	671.8	689.7	636.7	689.6	669.4
Total Appropriations	**$3,195.6**	**$3,293.9**	**$2,998.6**	**$2,540.2**	**$2,570.6**	**$2,618.8**	**$2,598.6**

Notes: Includes funding from BLM and FS Wildland Fire Management accounts and from FS State and Private Forestry (Cooperative Fire Protection).

This table differs from the detailed tables in CRS Report RS21544, *Wildfire Protection Funding*, by Ross W. Gorte, because that report rearranges data to distinguish funding for protecting federal lands, for assisting in nonfederal land protection, and for fire research and other activities.

a. Emergency supplemental and contingent appropriations are included in agency totals.
b. Fire research and fuel reduction funds are included under Other Operations.

The Senate Appropriations Committee recommended $998.5 million for wildfire suppression funding in FY2007, matching the House-passed level, $4.7 million (0.5%) less than the request and $77.6 million (8%) more than FY2006. No contingent or emergency funding has been included for FY2007. The agencies have the authority to borrow unobligated funds from any other account to pay for firefighting, for instance, if the fire season is worse than average. Such borrowing typically is repaid, commonly through subsequent emergency appropriations bills.

For FY2007, the Senate committee recommended $930.7 million for fire preparedness, equal to the House and the request; this is $1.1 million more than the FY2006 appropriation. This amount includes an increase of $6.0 million (2%) for BLM preparedness and a decrease of $4.8 million (1%) for FS preparedness.

The Senate Appropriations Committee recommended a total of $669.4 million for other fire operations, $20.2 million (3%) less than the House, $32.7 million (5%) more than the request, and $20.7 million (3%) less than FY2006. Fuel reduction funding (under the President's Healthy Forests Initiative and the Healthy Forests Restoration Act of 2003, P.L. 108-148) was approved at $491.6 million, matching the request, $5.0 million (1%) less than the House, and $3.3 million (1%) more than FY2006. This represents an increase above FY2006 of $11.7 million (4%) in FS fuel reduction and a decrease of $8.3 million (4%) in BLM fuel reduction for FY2007. The Senate Appropriations Committee recommended retaining the BLM's state and local fire assistance program at roughly half the FY2006 level, and increasing the funding for the Joint Fire Science program.

State and Private Forestry. While funding for wildfires has been the center of debate, proposed and recommended changes in State and Private Forestry (S&PF) — programs that provide financial and technical assistance to states and to private forest owners — have also attracted attention. For FY2007, the Senate Appropriations Committee recommended S&PF funding of $251.1 million — $22.5 million (10%) more than the House, $6.7 million (3%) more than the request, and $57.9 million (19%) less than FY2006. The Senate committee recommendations differ from the House-passed levels and the Administration's proposals for many accounts.

For S&PF forest health management (insect and disease control on federal and cooperative [nonfederal] lands) in FY2007, the Senate Appropriations Committee recommended $84.4 million, matching the request, $17.4 million (17%) less than the House, and $15.6 million (16%) less than FY2006. The recommended level was 6% below FY2006 for federal lands and 26% below FY2006 for cooperative lands.

For S&PF Cooperative Fire Assistance to states and volunteer fire departments, the Senate Appropriations Committee recommended $39.0 million, matching the House, $6.2 million (19%) more than the request, and $0.2 million (0.5%) more than appropriated for FY2006. Nearly all the difference was in assistance to states, with the requested, House-passed, and Senate-recommended levels for assistance to volunteer fire departments changing by less than 2% from FY2006.

For Cooperative Forestry (assistance for forestry activities on state and private lands) in FY2007, the Senate Appropriations Committee recommended $120.7 million, $39.9 million (49%) more than the House-passed level, $1.5 million (1%)

less than the request, and $12.5 million (9%) less than FY2006. For Forest Legacy (to purchase title or easements for lands threatened with conversion to nonforest uses, such as for residences), the Senate committee recommended $54.8 million, reduced by $4.9 million by use of prior year balances. The net funding of $49.9 million is $40.7 million (more than five times) more than the $9.3 million net funding approved by the House. It is $11.6 million (19%) less than requested for FY2007, and $6.6 million (12%) below the FY2006 enacted level. For Forest Stewardship (for states to assist private landowners), the Senate committee recommended $33.9 million, matching the request, $3.1 million (8%) less than the House and $0.3 million (1%) less than FY2006. Urban and Community Forestry (financial and technical assistance to localities) received $27.6 million, $1.9 million (6%) less than the House, $0.7 million (3%) more than requested, and $0.8 million (3%) less than FY2006. The Senate Appropriations Committee recommended retaining the Economic Action Program (EAP; for rural community assistance, wood recycling, and Pacific Northwest economic assistance) at $4.3 million, down $5.2 million (55%) from FY2006 funding. The Administration and the House had sought to terminate this program. The Senate Appropriations Committee matched the House with $5.0 million of S&PF funding for resource inventory, funded at $4.6 million in FY2006, but proposed for termination in the Administration's budget request.

For international programs (technical forestry assistance to other nations), the Senate Appropriations Committee recommended $7.0 million, matching the House, $2.0 million (41%) more than the request and slightly ($64,000, 1%) more than FY2006.

Table 18. Appropriations for FS State and Private Forestry, FY2004-FY2007

($ in millions)

State and Private Forestry	FY2004 Approp.	FY2005 Approp.	FY2006 Approp.	FY2007 Request	FY2007 House Passed	FY2007 Senate Comm.
Forest Health Management	$98.6	$101.9	$100.1	$84.4	$101.9	$84.4
— Federal Lands	*53.8*	*54.2*	*53.2*	*49.8*	*54.2*	*49.8*
— Cooperative Lands	*44.7*	*47.6*	*46.9*	*34.6*	*47.6*	*34.6*
Cooperative Fire Assistance	38.4	38.8	38.8	32.8	39.0	39.0
— State Assistance	*33.4*	*32.9*	*32.9*	*27.0*	*33.0*	*33.0*
— Volunteer Asst.	*5.0*	*5.9*	*5.9*	*5.9*	*6.0*	*6.0*
Cooperative Forestry	161.4	145.4	133.2	122.2	80.8	120.7
— Forest Stewardship	*31.9*	*32.3*	*34.1*	*33.9*	*37.0*	*33.9*
— Forest Legacy	*64.1*	*57.1*	*56.5*	*61.5*	*9.3* [a]	*49.9* [b]
— Urban & Community Forestry	*34.9*	*32.0*	*28.4*	*26.8*	*29.5*	*27.6*
— Economic Action (Program)	*25.6*	*19.0*	*9.5*	*0.0*	*0.0*	*4.3*
— Forest Resource Info. & Analysis	*4.9*	*5.0*	*4.6*	*0.0*	*5.0*	*5.0*
International Programs	5.9	6.4	6.9	4.9	7.0	7.0
Emergency Appropriations	24.9	49.1	30.0	0.0	0.0	0.0

State and Private Forestry	FY2004 Approp.	FY2005 Approp.	FY2006 Approp.	FY2007 Request	FY2007 House Passed	FY2007 Senate Comm.
Total State & Private Forestry	**$329.2**	**$341.6**	**$309.0**	**$244.4**	**$228.6**	**$251.1**

a. Reflects an appropriation of $12.7 million reduced by use of $3.4 million of prior year balances.
b. Reflects an appropriation of $54.8 million reduced by use of $4.9 million of prior year balances.

Infrastructure. For Capital Improvement and Maintenance, the Senate Appropriations Committee recommended $383.7 million, $27.3 million (7%) less than the House, $1.1 million (less than 1%) more than the request, and $54.6 million (12%) less than FY2006. Significant changes from the House were recommended for the various programs. For **Facilities**, the Senate committee recommended $6.2 million (5%) less than the House — $14.3 million (22%) less in maintenance and $8.1 million (16%) more in construction. For **Roads**, the Senate committee recommended $9.6 million (4%) less than the House — reducing construction by $4.0 million (5%) and reducing maintenance by $5.6 million (4%). For **Trails**, the Senate committee recommended $11.5 million (16%) less than the House — $6.1 million (19%) less in construction and $5.4 million (13%) less in maintenance. The Senate committee recommendation for **Infrastructure Improvement**, to reduce the agency's backlog of deferred maintenance (estimated at $6.0 billion), matched the request and the House, at $9.3 million, $3.4 million (27%) less than FY2006.

Other FS Accounts. For **FS Research** in FY2007, the Senate Appropriations Committee recommended $275.0 million, $5.3 million (2%) less than the House, $7.2 million (3%) more than the request, and $2.7 million (1%) less than FY2006. For the **National Forest System** (NFS), the Senate committee recommended $1.41 billion, $29.9 million (2%) less than the House, $15.7 million (1%) more than the request, and $41.9 million (3%) less than FY2006. The Senate Appropriations Committee, like the House, agreed with the proposed $32.5 million (12%) increase in forest (timber) products over FY2006. The Senate Appropriations Committee recommended $3.7 million for the Valles Caldera National Preserve, for which the Administration had proposed, and the House had approved, $1.0 million — down 80% from the $5.1 million in FY2006. For other accounts, the Senate Appropriations Committee recommended matching or reducing the House level, although the House approved a $2.0 million general reduction. For **Land Acquisition** with LWCF funds, the Senate Appropriations Committee recommended $37.0 million, $29.5 million (nearly 4 times) more than House, $11.9 million (47%) more than the request, and $4.8 million (11%) less than FY2006. (See the "Land and Water Conservation Fund (LWCF)" section in this report.)

For information on the *Department of Agriculture*, see its website at [http://www.usda.gov/wps/portal/usdahome].

For further information on the *U.S. Forest Service*, see its website at [http://www.fs.fed.us/].

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

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

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

CRS Report RS21544. *Wildfire Protection Funding*, by Ross W. Gorte.

Department of Health and Human Services: Indian Health Service

The Indian Health Service (IHS) is responsible for providing comprehensive medical and environmental health services for approximately 1.8 million American Indians and Alaska Natives (AI/AN) who belong to 561 federally recognized tribes located in 35 states. Health care is provided through a system of federal, tribal, and urban Indian-operated programs and facilities. IHS provides direct health care services through 33 hospitals, 52 health centers, 2 school health centers, 38 health stations, and 5 residential treatment centers. Tribes and tribal groups, through IHS contracts and compacts, operate another 15 hospitals, 220 health centers, 9 school health centers, 98 health stations, and 162 Alaska Native village clinics, and 28 residential treatment centers. IHS, tribes, and tribal groups also operated 9 regional youth substance abuse treatment centers and 2,252 units of residential quarters for staff working in the clinics.

The Administration proposed $3.17 billion for IHS for FY2007, an increase of 4% over the FY2006 level of $3.05 billion. The House approved $3.19 billion, an increase of 5% over FY2006 and 1% over the Administration proposal. The Senate Appropriations Committee recommended an amount nearly identical to the House amount. See **Table 19**, below. IHS funding is separated into two budget categories: Health Services, and Facilities. Of the total IHS appropriation enacted for FY2006, 88% will be used for health services and 12% for the facilities program. IHS also receives funding through reimbursements and a special Indian diabetes program (see "Health Services" below). The sum of direct appropriations, reimbursements, and diabetes is IHS's "program level" total, shown in **Table 19**.

The most significant changes proposed in the Administration's FY2007 IHS budget concern the urban Indian health program, within Indian health services, and the health care facilities construction program.

Table 19. Appropriations for the Indian Health Service, FY2006-FY2007

($ in millions)

Indian Health Service	FY2006 Approp.	FY2007 Request	FY2007 House Passed	FY2007 Senate Committee	
				Total	Change from FY2006
Indian Health Services					
Clinical Services					
— Hospital and Health Clinic Programs	*$1,339.5*	*$1,429.8*	*$1,439.0*	*$1,430.1*	*7%*
— Dental Health	*117.7*	*127.0*	*127.0*	*127.0*	*8%*
— Mental Health	*58.5*	*61.7*	*61.7*	*61.7*	*6%*
— Alcohol and Substance Abuse	*143.2*	*150.6*	*150.6*	*150.6*	*5%*
— Contract Care	*499.6*	*536.3*	*536.3*	*536.3*	*7%*
— Catastrophic Health Emergency Fund	*17.7*	*18.0*	*18.0*	*18.0*	*1%*
Subtotal, Clinical Services	*2,176.2*	*2,323.3*	*2,332.6*	*2,323.6*	*7%*
Preventive Health Services					
— Public Health Nursing	*49.0*	*53.0*	*53.0*	*53.0*	*8%*
— Health Education	*13.6*	*14.5*	*14.5*	*14.5*	*7%*
— Community Health Representatives	*52.9*	*55.8*	*55.8*	*55.8*	*5%*
— Immunization (Alaska)	*1.6*	*1.7*	*1.7*	*1.7*	*5%*
Subtotal, Preventive Health Services	*117.1*	*125.0*	*125.0*	*125.0*	*7%*
Other Services					
— Urban Health Projects	*32.7*	*0*	*32.7*	*32.7*	*0%*
— Indian Health Professions	*31.0*	*31.7*	*31.7*	*31.7*	*2%*
— Tribal Management	*2.4*	*2.5*	*2.5*	*2.5*	*4%*
— Direct Operations	*62.2*	*63.8*	*63.8*	*63.8*	*3%*
— Self-Governance	*5.7*	*5.8*	*5.8*	*5.8*	*3%*
— Contract Support Costs	*264.7*	*270.3*	*270.3*	*270.3*	*2%*
Subtotal, Other Services	*398.8*	*374.2*	*406.9*	*406.9*	*2%*
Fixed Costs Decrease	**—**	**—**	**-34.4**	**-20.0**	**—**
Subtotal, Indian Health Services	**2,692.1**	**2,822.5**	**2,830.1**	**$2,835.5**	**5%**
Indian Health Facilities					
— Maintenance and Improvement	*51.6*	*52.7*	*52.7*	*52.7*	*2%*

Indian Health Service	FY2006 Approp.	FY2007 Request	FY2007 House Passed	FY2007 Senate Committee	
				Total	Change from FY2006
— Sanitation Facilities Construction	*92.1*	*94.0*	*94.0*	*94.0*	*2%*
— Health Care Facilities Construction	*37.8*	*17.7*	*36.7*	*27.7*	*-27%*
— Facilities and Environmental Health Support	*150.7*	*161.3*	*161.3*	*161.3*	*7%*
— Equipment	*20.9*	*21.6*	*21.6*	*21.6*	*3%*
Fixed Costs Decrease	**—**	**—**	**-2.7**	**0**	**—**
Subtotal, Indian Health Facilities	**353.2**	**347.3**	**363.6**	**357.3**	**1%**
Total Appropriations	**$3,045.3**	**$3,169.8**	**$3,193.7**	**$3,192.8**	**5%**
Medicare/Medicaid Reimbursements and Other Collections	648.2	684.1	684.1	684.1	6%
Special Diabetes Program for Indians[a]	150.0	150.0	150.0	150.0	0%
Total Program Level	**$3,843.5**	**$4,003.9**	**$4,027.8**	**$4,027.0**	**5%**

a. The Special Diabetes Program for Indians has an authorization of $150 million for each of the fiscal years FY2004 through FY2008 (P.L. 107-360). Funded through the General Treasury, this program cost is not a part of IHS appropriations.

Health Services. IHS Health 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 (SCHIP). Estimated total reimbursements were $598.7 million in FY2005 and are expected to be $648.2 million in FY2006. Another $150 million per year is expended through IHS Health Services for the Special Diabetes Program for Indians.

While the House Appropriations Committee agreed with most of the Administration's proposed amounts for Health Services, it recommended a "fixed cost decrease" of $34.4 million across the entire Health Services budget, cutting about 40% of the funding proposed to pay costs of medical inflation and population growth. The House approved this decrease. The Senate Appropriations Committee recommended a smaller fixed cost decrease, of $20.0 million. The decrease would affect each Health Services program differently.

The IHS Health Services budget has three subcategories: clinical services; preventive health services; and other services. The *clinical services* budget includes by far the most program funding. The clinical services budget proposed for FY2007 was $2.32 billion, an increase of 7% over $2.18 billion in FY2006. The House approved $2.33 billion, and the Senate Appropriations Committee recommended $2.32 billion. Clinical services include primary care at IHS and tribally run hospitals and clinics. For hospital and health clinic programs, which make up 62% of the

clinical services budget, the FY2007 proposal was $1.43 billion, 7% over $1.34 billion in FY2006. The House approved $1.44 billion, and the Senate Appropriations Committee recommended $1.43 billion. Contract care is a significant clinical service that funds the purchase of health services from local and community health care providers when IHS cannot provide medical care and specific services through its own system. It would receive $536.3 million for FY2007, 7% more than the FY2006 appropriation of $499.6 million. The House and the Senate committee agreed to this amount. For other programs within clinical services for FY2007, dental programs would receive $127.0 million, mental health programs $61.7 million, alcohol and substance abuse programs $150.6 million, and the Catastrophic Health Emergency Fund $18.0 million. The House and the Senate Appropriations Committee agreed to these amounts.

For *preventive health services*, the Administration proposed $125.0 million for FY2007, an 7% increase over the $117.1 million for FY2006. Included in the preventive health services proposal for FY2007 is $53.0 million for public health nursing, $14.5 million for health education in schools and communities, $1.7 million for immunizations in Alaska, and $55.8 million for the tribally administered community health representatives program that supports tribal community members who work to prevent illness and disease in their communities. The House and the Senate Appropriations Committee agreed to all of these proposed amounts.

For *other health services*, the Administration proposed $374.2 million for FY2007, a 6% decrease from FY2006. The House approved $406.9 million, an increase of 2% from FY2006 and of 9% from the proposal. The Senate Appropriations Committee recommended the same amount as the House. Contract support costs (CSC), the largest item in this category, were proposed to receive $270.3 million for FY2007, a 2% increase, to which the House and the Senate Appropriations Committee agreed. Contract support costs are provided to tribes to help pay the costs of administering IHS-funded programs under contracts or compacts authorized by the Indian Self-Determination Act (P.L. 93-638, as amended). CSC pays for costs tribes incur for such items as financial management, accounting, training, and program start up. Most tribes and tribal organizations participate in self-determination contracts and self-governing compacts. Other health services also include urban Indian health programs (discussed below), Indian health professions scholarships and other support ($31.7 million), tribal management grants ($2.5 million), direct IHS operation of facilities ($63.8 million), and self-governance technical assistance ($5.8 million). The House and the Senate committee agreed to all of these amounts except for urban Indian health.

Urban Indian Health Program. The Administration proposed no new funding for the urban Indian health program, funded at $32.7 million in FY2006. The 28-year-old program helps fund preventive and primary health services for eligible urban Indians through contracts and grants with 34 urban Indian organizations at 41 urban sites. The specific services vary from site to site, and may include direct clinical care, alcohol and substance abuse care, referrals, and health information. The Administration contends that IHS must target funding and services towards Indians on reservations, and that urban Indians can be served through other federal, health, and local health programs. For instance, the Administration proposed increased funding for the Health Centers program in HHS. Opponents assert that the

Administration has not provided evidence that these alternative programs can replace the urban Indian health program and has not studied the impact of the loss of IHS funding on health care for the approximately 71,000 urban Indians who annually receive services through this program. They further believe that only the urban Indian health program will provide culturally appropriate care. The House Appropriations Committee recommended funding for the urban Indian health program at its FY2006 level, asserting that the program had a good assessment rating and that the program has attracted additional non-IHS funding. The House agreed with the committee's recommendation. The Senate Appropriations Committee not only recommended restoring urban Indian health program funding to its FY2006 level, but also included the amount in bill language.

Facilities. The IHS's Facilities category includes money for the equipment, construction, maintenance, and improvement of both health-care and sanitation facilities, as well as environmental health support programs. The Administration's proposal was $347.3 million, a 2% decrease from FY2006 appropriations. The House approved $363.6 million, a 3% increase from FY2006 and a 5% increase from the Administration's proposal. The Senate Appropriations Committee recommended $357.3 million, a 1% increase from FY2006 and 3% increase from the proposal but a 2% decrease from the House amount. (See **Table 19.**) As with Health Services, the House committee recommended a fixed cost decrease for Facilities, in this case a cut of $2.7 million, cutting funding proposed to pay costs of medical inflation and population growth by 40%. The House agreed to the fixed cost decrease but the Senate Appropriations Committee did not recommend any fixed cost decrease.

Included in the FY2007 Facilities proposal are $52.7 million for maintenance and improvement of health care facilities (2% increase), $94.0 million for sanitation facilities construction (2% increase), $21.6 million for equipment (3% increase), $161.3 million for facilities and environmental health support (7% increase), and funds for health care facilities construction (discussed below). The House-passed bill concurred with all of these proposed amounts. The Senate Appropriations Committee agreed with all of the proposed amounts, except for the amount for health care facilities construction.

Health Care Facilities Construction. The Administration proposed $17.7 million for construction of new health care facilities in FY2007, a 53% reduction from the FY2006 level of $37.8 million. The FY2006 level was a 57% reduction from the FY2005 level of $88.6 million. The House approved $36.7 million, which is 3% below FY2006 and 108% above the proposal. The Senate Appropriations Committee recommended $27.7 million, 27% below FY2006 and 57% over the proposal. The Administration's FY2007 proposal would fund completion of one ongoing project. The House-approved bill would fund 3 ongoing projects (in Phoenix, Kayenta, and San Carlos, AZ) and partially fund dental and small ambulatory facilities construction and IHS-tribal joint venture construction. The Senate committee's recommendation would provide funding for only 2 projects (in Phoenix, AZ, and Barrow, AK). The Administration asserted that its proposed cut was part of an HHS-wide pause in new construction and that it helped fund staffing of newly-completed facilities and the increase in Indian health services. Opponents contended that the IHS reports a $1.5-billion backlog in unmet health-facility needs and that the need is too great for a pause. Both the House and Senate Appropriations

Committees expressed concern about IHS health care facilities budget requests. The House Appropriations Committee stated that it would take 48 years to complete the facilities on IHS's current priority list at the rate of funding IHS requested for FY2007, while about one-third of IHS-operated hospitals and health centers are already over 40 years old. The Senate Appropriations Committee also referred to a growing backlog of health facility construction projects and said it expected a more "aggressive" request for FY2008 health facility construction funding.

For further information on the Indian Health Service, see its website at [http://www.ihs.gov/].

CRS Report RL33022. *Indian Health Service: Health Care Delivery, Status, Funding, and Legislative Issues*, by Donna U. Vogt and Roger Walke.

CRS Report RS22056. *Major Indian Issues in the 109th Congress*, by Roger Walke.

Office of Navajo and Hopi Indian Relocation

The Office of Navajo and Hopi Indian Relocation (ONHIR) and its predecessor were created pursuant to a 1974 act (P.L. 93-531, as amended) to resolve a lengthy dispute between the Hopi and Navajo tribes involving lands originally set aside by the federal government for a reservation in 1882. Pursuant to the 1974 act, the lands were partitioned between the two tribes. Members of one tribe living on land partitioned to the other tribe were to be relocated and provided new homes, and bonuses, at federal expense. Relocation is to be voluntary.

ONHIR's chief activities consist of land acquisition, housing acquisition or construction, infrastructure construction, and post-move support, all for families being relocated, as well as certification of families' eligibility for relocation benefits. For FY2007, the Administration proposed $5.9 million in new appropriations for ONHIR, a 30% reduction from the FY2006 appropriation of $8.5 million. The House and the Senate Appropriations Committee approved the Administration's proposed amount. ONHIR estimated it would also spend about $12.0 million in unobligated "carryover" funds during FY2006, thereby reducing its large unobligated balance from $19.0 million at the beginning of FY2005 to $3.0 million by the end of FY2006.

Navajo-Hopi relocation began in 1977 and is now nearing completion. ONHIR still has a backlog of relocatees who are approved for replacement homes but have not yet received them. Most families subject to relocation were Navajo. Originally, an estimated 3,400 eligible Navajo families resided on land partitioned (or judicially confirmed) to the Hopi, while only 26 eligible Hopi families lived on Navajo partitioned land, according to ONHIR data. By the end of FY2004, according to ONHIR, 96% of the Navajo families and 100% of the Hopi families had completed relocation. In addition, however, about half of the roughly 250 Navajo families — only some of them among the 3,400 eligible families — who signed "accommodation agreements" (under P.L. 104-301) that allowed them to stay on Hopi land under Hopi law, may wish to opt out of these agreements and relocate using ONHIR benefits, according to ONHIR.

ONHIR estimated that as of the end of FY2004, 130 Navajo families were awaiting relocation. Eleven of these families were still residing on Hopi partitioned land, with three of them having homes built or seeking homes and eight refusing to relocate or sign an accommodation agreement. ONHIR and the U.S. Department of Justice are negotiating with the Hopi Tribe to allow the eight families to stay on Hopi land, as autonomous families, in return for ONHIR's relocating off Hopi land those families who signed agreements but wish to opt out.

In its FY2006 budget justification ONHIR had estimated that relocation moves for currently eligible families would be completed by the end of FY2006. The addition of Navajo families who have opted out of accommodation agreements, and of Navajo families who filed late applications or appeals but whom ONHIR proposes to accommodate to avoid litigation — together estimated at 210 families — would mean that all relocation moves would not be completed until the end of FY2008, according to ONHIR. This schedule would depend on infrastructure needs and relocatees' decisions. In addition, required post-move assistance to relocatees would necessitate another two years of expenditures after the last relocation move (whether in FY2006 or FY2008).

Congress has been concerned, at times, about the speed of the relocation process and about avoiding forced relocations or evictions. Pending legislation (S. 1003) would sunset ONHIR in 2008 and transfer any remaining duties to the Secretary of the Interior. Further, a long-standing proviso in ONHIR appropriations language, retained for FY2006 and approved by the House and the Senate Appropriations Committee for FY2007, prohibits 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 in the near future, because of ONHIR's backlog of approved relocatees awaiting replacement homes. As the backlog is reduced, however, forced eviction may become an issue, if any remaining Navajo families were to refuse relocation and if the Hopi Tribe were to exercise a right under P.L. 104-301 to begin legal action against the United States for failure to give the Hopi Tribe "quiet possession" of all Hopi partitioned lands. The agreement that ONHIR reported it was negotiating with the Justice Department and the Hopi Tribe seeks to avoid this.

Smithsonian Institution

The Smithsonian Institution (SI) is a museum and education and research complex consisting of 19 museums and galleries, the National Zoo, and 9 research facilities throughout the United States and around the world, plus 144 affiliated museums. The SI is responsible for over 400 buildings with approximately 8 million square feet of space. There were over 24 million visitors to SI museums last year, a 24% increase over FY2004. The Smithsonian Institution is estimated to be 75% federally funded and also supported by various types of trust funds. A federal commitment to fund the SI was established by legislation in 1846.

FY2007 Actions. For FY2007, the Senate Appropriations Committee-reported bill would provide $644.4 million for SI, the same as the Administration's request, an increase of $20.3 million over the House-passed bill ($624.1 million), and an increase of $29.3 million over the FY2006 level. See **Table 20** below. For

Salaries and Expenses, the Senate committee-reported bill would provide $537.4 million for Salaries and Expenses, the same as the Administration's request, $20.8 million above the FY2006 level and $20.3 million above the House-passed bill. Salaries and Expenses cover administration of all of the museums and research institutions that are part of the SI. It also includes program support and outreach, and facilities services (security and maintenance). The House-passed bill cut the Smithsonian's Salaries and Expenses funding by $20.0 million on the grounds that Congress was not consulted on a contract that the Smithsonian Institution made with Showtime. In report language, the Senate Appropriations Committee stated that the visiting public would not be well served by the funding cut (S.Rept. 109-275, p. 110-111). (See below under *Business Ventures*.) During House consideration, an amendment was adopted to prohibit funds in the bill from being used to *limit* the Smithsonian's outreach programs, which currently extend to many communities across all states.

Facilities Capital. For FY2007, the House and the Senate Appropriations Committee approved $107.0 million for facilities capital, the same as the Administration's budget. This would be an increase over the FY2006 level of $98.5 million. The House and the Senate Appropriations Committee approved $91.1 million for revitalization, $5.4 million for construction, and $10.5 million for facilities planning and design. Revitalization funds are for addressing advanced deterioration in SI buildings, helping with routine maintenance and repair in SI facilities, and making critical repairs. Several studies, including one by the Government Accountability Office (GAO-05-369), indicate that the SI needs an investment of $1.6 billion for revitalization and construction over the next decade.

National Museum of African American History and Culture. A new National Museum of African American History and Culture (NMAAHC) has been authorized within the Smithsonian Institution through P.L.108-184. The museum will collect, preserve, study, and exhibit African American historical and cultural material and will focus on specific periods of history, including the time of slavery, Reconstruction, the Harlem Renaissance, and the civil rights movement. For FY2007, the House and the Senate Appropriations Committee supported the Administration's budget request for $3.0 million, a slight increase from the FY2006 appropriation of $2.9 million. The funding will cover operating costs, including personnel for planning, and capital fund raising. Space has been selected on the Mall near the Washington Monument. Other groups, such as Latinos, have been seeking museum space on the Mall, and legislation has been introduced (H.R. 2134, S. 2475) for an American Latino Museum. The House Appropriations Committee's report on FY2006 appropriations stipulated that the SI's purchase of any additional buildings would require initial consultation with the House and Senate Committees on Appropriations.

National Zoo. For FY2007, the House approved $21.4 million for salaries and expenses at the National Zoo, an increase over the Administration's request ($20.7 million) and FY2006 ($20.0 million). The Senate Appropriations Committee approved $20.7 million, the same as the budget request. In the House-passed bill, $1.0 million is to address critical infrastructure including fire detection and suppression systems. Recently, Members of Congress and the public have expressed increased concern about the National Zoo's facilities and the care and health of its

animals. The Smithsonian Institution has a plan to revitalize the zoo, to make the facilities safer for the public and healthier for the animals. In report language, the Senate Appropriations Committee indicated that they were pleased with the new leadership at the Zoo. The Administration's FY2007 request estimated $13.0 million (under the Facilities Capital account) to begin Phase II of the Asia Trail and Elephant Trails to provide ample space for the elephants. It also included renewing facades, roofs, and skylights at Rock Creek ($2.0 million); and an upgrade of critical infrastructure ($1.0 million), including installing fire protection systems and upgrading utilities. The new construction and renovation will help the Zoo come into compliance with the Department of Agriculture and American Zoo and Aquarium Association standards, and help correct "infrastructure deficiencies" found throughout the National Zoo. The House agreed to provide the full amount for Facilities Planning and Design, but asked to review the list of the Zoo's projects for Facilities Planning and Design before approval. The Senate Appropriations Committee reported bill does not contain similar language.

Trust Funds. In addition to federal appropriations, the Smithsonian Institution receives income from trust funds to expand its programs. The SI trust funds include general trust funds, contributions from private sources, and government grants and contracts from other agencies. For FY2006, the trust funds available for operations were estimated at $274.0 million, comprised of $59.0 million for general trust, $109.0 million for government grants and contracts, and $106.0 million for donor-designated funds. Of concern to Congress is the extent to which the SI's financial managers are investing in hedge funds to boost the endowment. The SI has tried to assure the Congress that it is not reducing the endowment from these investments.

Business Ventures. Some Members of Congress have expressed concern over a new business venture between the Smithsonian and Showtime. The venture, called "Smithsonian On Demand," is a new cable programming service that will offer commercial-free shows about Smithsonian resources and collections. According to the SI, the Institution will take advantage of the power of cable television to expand access to objects, scientists, and scholars in keeping with its mission to diffuse knowledge. The primary concern is that the national collections might not be available to the public and that access by other film makers could be limited. The SI asserts that its collections will remain open to all researchers. Further, according to the SI, it will not refuse access to other producers and in fact will hire independent film makers to produce the programs for the channel. The SI claims that it does not need to divulge the terms of its contract with CBS/Showtime, because it is a business contract that does not involve federal funds. Some lawmakers assert that, because of the substantial federal support of the SI, they have a right to know about this contract, while others contend that they should be informed as a courtesy. The SI contends that it maintains separate trust fund accounts and that activities related to the private accounts do not need to be made public.

To express its disapproval with the Smithsonian over the Showtime business venture, the House Interior Appropriations Subcommittee included bill language limiting the Smithsonian's ability to execute any contract or legal agreement which could limit access by the public to the Smithsonian collections. This was retained in the House-passed bill. The House also reduced the Administration's request for

Smithsonian Institution's Salaries and Expenses by $20.3 million from $537.4 million to $517.1 million. Finally, the House agreed to limit the salary of the Secretary of the Smithsonian to not more than that of the President of the United States and to reduce the salaries of any other SI officer or employee now receiving more than the President to the level of the President. The Senate Appropriations Committee expressed concern about the House-passed $20.0 million reduction, stating that the Smithsonian admitted its mistakes in not consulting Congress in the process of negotiating with Showtime. The Senate Appropriations Committee stated that the reduction will not have a noticeable impact on the Showtime deal, and any reduction may damage "already thin program budgets in each of the institution's existing museums, research centers and the National Zoo" (S.Rept. 109-275, p. 110).

Table 20. Appropriations for the Smithsonian Institution, FY2005-FY2007

($ in thousands)

Smithsonian Institution (SI)	FY2005 Approp.	FY2006 Approp.	FY2007 Request	FY2007 House Passed	FY2007 Senate Comm.
Salaries and Expenses	$489,035	$516,568	$537,394	$517,094	$537,394
Facilities Capital					
— Revitalization	*110,355*	*72,813*	*91,065*	*91,065*	*91,065*
— Construction	*7,879*	*17,834*	*5,435*	*5,435*	*5,435*
— Facilities Planning and Design	*7,889*	*7,882*	*10,500*	*10,500*	*10,500*
Subtotal, Facilities Capital	126,123	98,529	107,000	107,000	107,000
Total Appropriations	**$615,158**	**$615,097**	**$644,394**	**$624,094**	**$644,394**

For further information on the *Smithsonian Institution*, see its website 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 and Library Services. The NEA and NEH authorization (P.L. 89-209; 20 U.S.C. §951) expired at the end of FY1993, but the agencies have been operating on temporary authority through appropriations law. IMLS receives funding through the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Acts.

Among the questions Congress continually considers is whether funding for the arts and humanities is an appropriate federal role and responsibility. Additional concerns of Congress for FY2007 include whether NEA and NEH funding is keeping up with inflation and whether it is adequate for both NEA and NEH to cover their mandatory and escalating costs, such as cost of living increases in salaries and rent. An idea that has been in the background for years is combining the two Endowments into

one to share programs and staff. It is not known if this change would achieve savings ultimately, or whether it would be feasible, given that the programs for the most part serve different constituencies. There may be further discussion of this idea during consideration of the FY2007 NEA and NEH appropriations or by the authorizing committees.

NEA. The NEA is a major federal source of support for the arts in all arts disciplines. Since 1965 it has provided over 120,000 grants that have been distributed to all states. NEA is celebrating its 40th anniversary as a fully operational public agency. For FY2007, the House-passed bill would provide $129.4 million for NEA, an increase of $5.0 million over the Senate committee bill, the Administration's FY2007 budget, and the FY2006 appropriation. The FY2007 House-passed bill and the Senate committee-reported bill would provide $44.9 million for direct grants and $39.5 million for state partnerships. During House consideration, an amendment was adopted to add $5.0 million for each of the NEA and NEH. Another House amendment that would have reduced the NEA by $30.0 million and redirected most of that money to the wildland fire management budget of the Forest Service was not agreed to.

The House-passed bill, the Senate Appropriations Committee reported bill, and the Administration's budget would allow $14.1 million to be used for Challenge America grants. The Challenge America Arts Fund is a program of matching grants for arts education, outreach, and community arts activities for rural and under-served areas. These grants reach over 17,000 schools, many in remote areas. The House-passed bill, the Senate committee-reported bill and the Administration's budget included $9.9 million for the American Masterpieces program. It is funded jointly under NEA grants and state partnerships. This national initiative includes touring programs, local presentations, and arts education in the fields of dance, visual arts, and music. See **Table 21** below.

NEH. The NEH generally supports grants for humanities education, research, preservation and public humanities programs; the creation of regional humanities centers; and development of humanities programs under the jurisdiction of the 56 state humanities councils. Since 1965, NEH has provided approximately 61,000 grants. NEH also supports a Challenge Grant program to stimulate and match private donations in support of humanities institutions. NEH is celebrating its 40th anniversary as a fully operational public agency.

For NEH, for FY2007, the House-passed bill would provide $146.0 million, $5.0 million above the FY2007 Administration request, the Senate Appropriations Committee reported bill, and the FY2006 level. The House-passed bill and the Senate Committee-reported bill would provide $14.9 million for matching grants for both Treasury Funds and Challenge Grants. The House-passed bill would provide $131.0 million for grants and administration while the Senate Committee-reported bill would provide $126.0 million. The House included the extra $5.0 million as a floor amendment. See **Table 21** below. The House-passed bill, the Senate Committee-reported bill, and the FY2007 budget request would allow $15.2 million for the "We the People" initiative. These grants include model curriculum projects for schools to improve course offerings in the humanities — American history, culture, and civics.

Table 21. Appropriations for Arts and Humanities, FY2005-FY2007

($ in thousands)

Arts and Humanities	FY2005 Approp.	FY2006 Approp.	FY2007 Request	FY2007 House Passed	FY2007 Senate Comm.
NEA					
— Challenge America Arts Fund	*$21,427*	*$17,559*	*$14,097*	*$14,097*	*$14,097*
— National Initiative: American Masterpieces	*1,972*	*9,852*	*9,852*	*9,852*	*9,852*
Subtotal Grants	99,452	100,654	98,817	98,817	98,817
Program support	1,270	1,672	1,761	1,761	1,761
Administration	20,542	22,080	23,834	23,834	23,834
Increase from House floor amendment	—	—	—	5,000	
Total, NEA	121,264	124,406	124,412	129,412	124,412
NEH					
— Subtotal, NEH Grants and Administration	*122,156*	*125,728*	*126,049*	*126,049*	*126,049*
— Increase from House floor amendment	—	—	—	*5,000*	—
Total, NEH Grants and Administration	122,156	125,728	126,049	131,049	126,049
Matching Grants	15,898	15,221	14,906	14,906	14,906
Total, NEH	138,054	140,949	140,955	145,955	140,955
Total Appropriations NFAH	**$259,318**	**$265,355**	**$265,367**	**$275,367**	**$265,367**

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

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

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

Cross-Cutting Topics

The Land and Water Conservation Fund (LWCF)

Overview. The LWCF is authorized at $900 million annually through FY2015. However, these funds may not be spent without an appropriation. The LWCF is used for three purposes. First, the four principal federal 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 sections on each of those agencies earlier in this report identify funding levels and other details for their land acquisition activities. Second, the LWCF funds acquisition and recreational development by state and local governments through a grant program administered by the NPS, sometimes referred to as stateside funding. Third, Administrations have requested, and Congress has appropriated, money from the LWCF to fund some related activities. This third use is relatively recent, starting with the FY1998 appropriation. Programs funded have varied from year to year. Most of the appropriations for federal acquisitions generally are specified for management units, such as a specific National Wildlife Refuge, while the state grant program and appropriations for other related activities rarely are earmarked.

From FY1965 through FY2006, about $29 billion has been credited to the LWCF. About half that amount — $14.3 billion — has been appropriated. Throughout history, annual appropriations from LWCF have fluctuated considerably. Until FY1998, LWCF funding did not exceed $400 million, except from FY1977-FY1980, when funding was between $509 million and $805 million. In FY1998, LWCF appropriations exceeded the authorized level for the first time, spiking to $969 million from the FY1997 level of $159 million. A record level of funding was provided in FY2001, when appropriations reached $1.0 billion, partly in response to President Clinton's Lands Legacy Initiative and some interest in increased and more certain funding for LWCF.

Table 22. Appropriations from the Land and Water Conservation Fund, FY2004-FY2007

($ in millions)

Land and Water Conservation Fund	FY2004 Approp.	FY2005 Approp.	FY2006 Request	FY2006 Approp.	FY2007 Request	FY2007 House Passed	FY2007 Senate Comm.
Federal Acquisition							
— BLM	*$18.4*	*$11.2*	*$13.4*	*$8.6*	*$8.8*	*$3.1*	*$9.2*
— FWS	*38.1*	*37.0*	*41.0*	*28.0*	*27.1*	*19.8*	*42.3*
— NPS	*41.7*	*55.1*	*52.9*	*34.4*[a]	*22.7*	*28.4*	*33.4*
— FS	*66.4*	*61.0*	*40.0*	*41.8*	*25.1*	*7.5*	*37.0*
Subtotal, Federal Acquisition	164.6	164.3	147.3	112.8	83.6	58.7	121.9
Appraisal Services	0.0	0.0	7.4	7.3	7.4	7.4	7.4
Grants to States	93.8	91.2	1.6	29.6[a]	1.6	1.6	30.0
Other Programs	229.7	203.4	524.3	214.1	440.6	142.1	195.0
Total Appropriations	**$488.1**	**$458.9**	**$680.6**	**$346.8**[a]	**$533.3**	**$209.9**	**$354.3**

Source: Data are from the House and Senate Appropriations Committees, the DOI Budget Office, and *The Interior Budget in Brief* for each fiscal year.

a. The NPS land acquisition and total appropriation figures are reduced by $9.8 million due to the use of prior year funds for NPS federal land acquisition. The total only also is reduced by $17.0 million due to the use of prior year funds for NPS land acquisition and state assistance. Thus, the figures in the column exceed the total by $17.0 million.

FY2007 Funding. For FY2007, the Administration requested $533.3 million for LWCF, an increase of $186.5 million (54%) over the FY2006 appropriation of $346.8 million. From prior year funds, for the NPS for FY2006 there are an additional $17.0 million for land acquisition and state assistance and $9.8 million for federal land acquisition. The FY2007 request includes funds for federal land acquisition, the stateside program, and other purposes. The House approved a total of $209.9 for LWCF, a decrease of $136.9 million (39%) from FY2006 and of $323.4 million (61%) from the Administration's request. In its report on the FY2007 bill, the House Appropriations Committee stated that new land acquisition and unproven grant programs are a low priority. The Senate Appropriations Committee reported a total of $354.3 million for LWCF, an increase of $7.5 million (2%) over FY2006 but a decrease of $179.0 million (34%) from the Administration's request.

Land Acquisition. Of the total FY2007 Administration request, $83.6 million was for federal land acquisition, a $29.1 million (26%) reduction from the FY2006 level of $112.8 million. The House approved $58.7 million for land acquisition, a reduction of $54.1 million (48%) from FY2006 and of $24.9 million (30%) from the President's request. The Senate Appropriations Committee reported $121.9 million for land acquisition, more than enacted for FY2006, recommended by the Administration, and passed by the House. In addition, the Administration requested, and the House and the Senate committee supported, an additional $7.4 million for land appraisals related to federal land acquisitions.

For the five fiscal years ending in FY2001, appropriations for federal land acquisition had more than tripled, rising from $136.6 million in FY1996 to $453.4 million in FY2001. However, since then the appropriation for land acquisition has declined, to $112.8 million for FY2006. Not only did the total for federal land acquisition decline each year from FY2002 to FY2006, but each of the four component accounts declined each year (except NPS from FY2004 to FY2005). The decline may be attributed in part to increased attention to the federal budget deficit and enhanced interest in funding other national priorities, such as the war on terrorism. **Table 22** shows recent funding for LWCF.

Stateside Program. Another $1.6 million of the total FY2007 Administration request was for administration of the stateside grant program. The Administration is not seeking funds for new state grants in FY2007 on the grounds that state and local governments have alternative sources of funding for parkland acquisition and development, and the current program could not adequately measure performance or demonstrate results. For FY2007, the House also supported $1.6 million for program administration only. This is not a new phenomenon. For example, the President similarly did not seek funds for new state grants in FY2006, although Congress appropriated $29.6 million for that purpose. In addition, for several years the Clinton Administration proposed eliminating stateside funding, and Congress concurred. In the last five years, stateside funding has fallen 79%, from $144.0 million in FY2002 to $29.6 million in FY2006. By contrast, the Senate

Committee on Appropriations approved $30.0 million for the stateside program. This includes $28.4 million for new grants in FY2007 in addition to $1.6 million for program administration.

Other Purposes. The largest portion of the President's FY2007 request — $440.6 million — was for 15 other programs in the Department of the Interior and the Forest Service. This would be a $226.5 million (106%) increase over the FY2006 level of $214.1 million. **Table 22** shows that in FY2006, the largest portion of the appropriation was for other programs but the Administration had requested a much larger amount. **Table 23** shows the programs for which the President sought LWCF funds in FY2007, and the FY2006 appropriation for the indicated programs. In some cases, Congress provided these programs with non-LWCF funding.

For FY2007, the House passed $142.1 million for other purposes, while the Senate Appropriations Committee reported $195.0 million. Both chambers included funds for four FWS programs, one FS program, and one DOI program. The House-passed level would constitute a reduction of $72.0 million (34%) from FY2006 and of $298.5 million (68%) from the President's request for FY2007. The Senate Appropriations Committee figure would be a reduction of $19.1 million (9%) from FY2006 and of $245.6 million (56%) from the President's request.

Table 23. Appropriations for Other Programs from the LWCF, FY2006-FY2007

($ in millions)

Other Programs	FY2006 Approp.	FY2007 Request	FY2007 House Passed	FY2007 Senate Comm.
Department of the Interior				
Bureau of Land Management				
— Challenge Cost Share	*$0.0*	*$9.4*	*$0.0*	*$0.0*
Fish and Wildlife Service				
— Refuge Challenge Cost Share	*0.0*	*8.6*	*0.0*	*0.0*
— Partners for Fish and Wildlife	*0.0*	*42.7*	*0.0*	*0.0*
— Coastal Programs	*0.0*	*13.0*	*0.0*	*0.0*
— Migratory Bird Joint Ventures	*0.0*	*11.8*	*0.0*	*0.0*
— State and Tribal Wildlife Grants	*67.5*	*74.7*	*50.0*	*67.5*
— Landowner Incentive Grants	*21.7*	*24.4*	*15.0*	*10.0*
— Private Stewardship Grants	*7.3*	*9.4*	*7.0*	*7.3*
— Cooperative Endangered Species Grants	*61.1*	*80.0*	*60.3*	*59.8*
— North American Wetlands Conservation Fund Grants	*0.0*	*41.6*	*0.0*	*0.0*
National Park Service				
— Challenge Cost Share	*0.0*	*2.4*	*0.0*	*0.0*
Departmental Management				
— Take Pride in America	*0.0*	*0.5*	*0.5*	*0.5*
Forest Service (USDA)				

Other Programs	FY2006 Approp.	FY2007 Request	FY2007 House Passed	FY2007 Senate Comm.
— Forest Legacy Program	*56.5*	*61.5*	*9.3*	*49.9*
— Forest Stewardship Program	*0.0*	*33.9*	*0.0*	*0.0*
— Urban and Community Forestry Program	*0.0*	*26.8*	*0.0*	*0.0*
Total Appropriations	**$214.1**	**$440.6**	**$142.1**	**$195.0**

Notes: This table identifies "other" programs for which the Administration seeks LWCF funds for FY2007; it excludes federal land acquisition and the stateside program. The FY2007 information is derived from DOI and the House and Senate Appropriations Committees. Funding provided outside of LWCF is not reflected.

CRS Report RL33531. *Land and Water Conservation Fund: Overview, Funding History, and Current Issues*, by Carol Hardy Vincent.

Everglades Restoration

Altered natural flows 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 South Florida. In 1996, Congress authorized the U.S. Army Corps of Engineers 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), was completed in 1999, and provides for federal involvement in restoring the ecosystem. Congress authorized the Corps to implement CERP in Title IV of the Water Resources Development Act of 2000 (WRDA 2000, P.L. 106-541). While restoration activities in the South Florida ecosystem are conducted under several federal laws, WRDA 2000 is considered the seminal law for Everglades restoration.

Appropriations for restoration projects in the South Florida ecosystem have been provided to various agencies as part of several annual appropriations bills. The Interior, Environment, and Related Agencies appropriations laws have provided funds to DOI agencies for restoration projects. Specifically, DOI conducts CERP and non-CERP activities in southern Florida through the National Park Service, Fish and Wildlife Service, U.S. Geological Survey, and Bureau of Indian Affairs.

For FY1993-FY2006, federal appropriations for projects and services related to the restoration of the South Florida ecosystem exceeded $2.6 billion, and state funding topped $3.6 billion.[35] The average annual federal cost for restoration activities in southern Florida in the next 10 years is expected to be approximately $286 million per year.[36]

---

[35] These figures represent an estimated cost of all CERP and non-CERP related costs for restoration in the South Florida ecosystem.

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

FY2007 Funding. For FY2007, the Administration requested $233.4 million for the Department of the Interior and the Army Corps of Engineers for restoration efforts in the Everglades, which is an increase of $31.0 million from the FY2006 enacted level of $202.4 million. For DOI, the Administration requested $69.4 million for CERP and non-CERP activities related to restoration in the South Florida ecosystem for FY2007. The House-passed bill provides $69.0 million for Everglades restoration, which is similar to the requested amount. The Senate Appropriations Committee-reported bill does not provide a total funding amount for Everglades restoration, although like the House-passeed bill, it provides $13.3 million for the Modified Water Deliveries Project and $9.8 million for interagency coordination and planning of Everglades restoration. This latter heading does not correspond to the categories outlined in the request and therefore is not included in **Table 24** below.

For FY2006, $80.5 million was provided to the DOI for Everglades restoration. However, of this amount, $17.0 million was provided for land acquisition from prior year balances, making the FY2006 appropriation for restoration $63.5 million. The FY2007 House-passed level of $69.0 million for Everglades restoration is $5.5 million above the FY2006 appropriation.

Table 24. Appropriations for Everglades Restoration in the DOI Budget, FY2005-FY2007

($ in thousands)

Everglades Restoration in DOI	FY2005 Approp.	FY2006 Approp.	FY2007 Request	FY2007 House Passed[a]	FY2007 Senate Comm.[b]
National Park Service					
— CERP	*$5,213*	*$4,620*	*$4,658*	*n/a*	*n/a*
— Park Operations [c]	*25,266*	*25,832*	*26,350*	*n/a*	*n/a*
— Land Acquisition (use of prior year balances)	*0*	*-17,000*	*0*	*n/a*	*n/a*
— Everglades Acquisitions Management	*1,500*	*690*	*500*	*n/a*	*n/a*
— Modified Water Delivery	*7,965*	*24,882*	*13,330*	*13,330*	*13,330*
— Everglades Research	*3,882*	*3,840*	*3,863*	*n/a*	*n/a*
— South Florida Ecosystem Task Force	*1,290*	*1,286*	*1,308*	*n/a*	*n/a*
— GSA Space	*0*	*554*	*554*	*n/a*	*n/a*
Subtotal, NPS	45,116	44,704	50,563	n/a	n/a
Fish and Wildlife Service					
— CERP	*3,304*	*3,269*	*3,269*	*n/a*	*n/a*
— Land Acquisition	*740*	*0*	*0*	*n/a*	*n/a*
— Ecological Services	*2,518*	*2,516*	*2,516*	*n/a*	*n/a*
— Refuges and Wildlife	*4,787*	*4,086*	*4,086*	*n/a*	*n/a*
— Migratory Birds	*0*	*101*	*101*	*n/a*	*n/a*
— Law Enforcement	*627*	*619*	*619*	*n/a*	*n/a*
— Fisheries	*99*	*95*	*95*	*n/a*	*n/a*
Subtotal, FWS	12,075	10,686	10,686	n/a	n/a

Everglades Restoration in DOI	FY2005 Approp.	FY2006 Approp.	FY2007 Request	FY2007 House Passed[a]	FY2007 Senate Comm.[b]
U.S. Geological Survey					
— Research, Planning and Coordination	*7,738*	*7,771*	*7,771*	*n/a*	*n/a*
Subtotal, USGS	7,738	7,771	7,771	n/a	n/a
Bureau of Indian Affairs					
— Seminole, Miccosukee Tribe Water Studies and Restoration	*536*	*382*	*382*	*n/a*	*n/a*
Subtotal, BIA	536	382	382	n/a	n/a
Total Appropriations	**$65,465**	**$63,543**	**$69,402**	**$69,000**	**n/a**

Source: U.S. Dept. of the Interior, *Fiscal Year 2007, The Interior Budget in Brief* (Washington, DC: Feb. 2006) and House Appropriations Committee Press Release, accessed May 15, 2006 at [http://appropriations.house.gov/index.cfm?FuseAction=PressReleases.Detail&PressRelease_id=605].

Note: n/a = not available

a. The report of the House Appropriations Committee (H.Rept. 109-465) and the House-passed bill do not specify funding for all of the projects listed under Everglades restoration.
b. Neither the bill reported by the Senate Appropriations Committee nor the accompanying report (S.Rept. 109-275) provide total funding for Everglades restoration or detail funding for its various components.
c. This includes total funding for park operations in Everglades National Park, Dry Tortugas National Park, Biscayne National Park, and Big Cypress National Preserve.

The primary increase in funding for Everglades restoration requested for FY2007 is for the Modified Water Deliveries Project (Mod Waters) under NPS. This project is designed to improve water deliveries to Everglades National Park, and to the extent possible, restore the natural hydrological conditions within the Park. The completion of this project is required prior to the construction of certain projects under CERP. For FY2006, $7.9 million in new funds were appropriated for Mod Waters. This figure reflects a reduction of $17.0 million due to the use of prior year funds. For FY2007, $13.3 million was requested. The House-passed bill and the Senate Appropriations Committee-reported bill would provide this level of funding based on conditions discussed under the phosphorus mitigation heading.

A funding issue receiving broad attention is the level of commitment by the federal government to implement restoration activities in the Everglades. Some observers measure commitment by the frequency and number of projects authorized under CERP, and the appropriations they receive. Because no restoration projects have been authorized since WRDA 2000, these observers are concerned that federal commitment to CERP implementation is waning. Others assert that the federal commitment will be measurable by the amount of federal funding for construction, expected when the first projects break ground in the next few years. Some state and federal officials contend that federal funding will increase compared to state funding as CERP projects move beyond design, into construction. Still others question whether the federal government should sustain the current level of funding, in light of escalating costs and project delays. In H.Rept. 109-80 (FY2006 appropriations), the House Appropriations Committee cited concerns expressed by stakeholders that

a new Florida initiative termed *Acceler8* is focused too heavily on water storage projects that do not provide anticipated natural benefits. In report language for FY2007 appropriations, the House Appropriations Committee expresses its appreciation of the efforts the state of Florida has made to provide funding for *Acceler8* projects.

Concerns Over Phosphorus Mitigation. For FY2006, P.L. 109-54 conditioned funding for Mod Waters based on meeting state water quality standards. It provided that funds appropriated in the act and any prior acts for the project would be provided *unless* administrators of four federal departments/agencies (Secretary of the Interior, Secretary of the Army, Administrator of the EPA, and the Attorney General) indicate in their joint report (to be filed annually until December 31, 2006) that water entering the A.R.M. Loxahatchee National Wildlife Refuge and Everglades National Park do not meet state water quality standards, and the House and Senate Committees on Appropriations respond in writing disapproving the further expenditure of funds. This provision was included in the FY2007 House-passed bill and the Senate Appropriations Committee-reported bill, and also had been enacted in the FY2004 and FY2005 Interior appropriations laws. Provisions conditioning funds on the achievement of water quality standards were not requested in the Administration's budget for FY2007.

These provisions were enacted based on concerns regarding a Florida state law (Chapter 2003-12, enacted on May 20, 2003) that amended the Everglades Forever Act of 1994 (Florida Statutes §373.4592) by authorizing a new plan to mitigate phosphorus pollution in the Everglades. Phosphorus is one of the primary water pollutants in the Everglades and a primary cause for ecosystem degradation.

In its report for FY2007, the House Appropriations Committee contends that good water quality is essential for restoring the Everglades and opposes any changes to the consent decree, which establishes a goal of lowering phosphorus levels to 10 ppb (parts per billion) in federal lands in the Everglades. To support this position, the House-passed bill would condition funds for implementing Mod Waters based on the state of Florida meeting water quality standards. This condition also applies if the terms of the consent decree are terminated prior to its mandate of achieving low levels of phosphorus.

Also in the House-passed bill and in the Senate Appropriations Committee-reported bill, funds for Mod Waters would also be unavailable unless funds for implementing Mod Waters and engineering and design documents for the Tamiami Trail component of the project are appropriated to the Corps. The condition on funding Mod Waters stems from a provision in the law (P.L. 106-541) that authorizes the implementation of CERP. This provision states that Mod Waters must be completed before several other restoration projects are undertaken. Therefore, delays in the completion of Mod Waters would result in delays in the implementation of a larger portion of the restoration plan.

CRS Report RS22048. *Everglades Restoration: The Federal Role in Funding*, by Pervaze A. Sheikh and Nicole T. Carter.

CRS Report RS21331. *Everglades Restoration: Modified Water Deliveries Project*, by Pervaze A. Sheikh.

CRS Report RL32131. *Phosphorus Mitigation in the Everglades*, by Pervaze Sheikh and Barbara Johnson.

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

Table 25. Appropriations for Interior, Environment, and Related Agencies, FY2004-FY2007

($ in thousands)

Bureau or Agency	FY2004 Approp.	FY2005 Approp.	FY2006 Approp.	FY2007 Request	FY2007 House Passed	FY2007 Senate Comm.
Title I: Department of the Interior						
Bureau of Land Management	$1,893,233	$1,816,910	$1,754,145	$1,782,860	$1,785,347	$1,804,391
U.S. Fish and Wildlife Service	1,308,405	1,332,591	1,477,437	1,291,536	1,289,588	1,323,975
National Park Service	2,258,581	2,365,683	2,437,706	2,155,823	2,175,840	2,228,222
U.S. Geological Survey	937,985	944,564	980,845	944,760	986,447	979,997
Minerals Management Service	170,297	173,826	189,309	163,554	164,399	163,454
Office of Surface Mining Reclamation and Enforcement	295,975	296,573	294,157	298,145	298,145	298,145
Bureau of Indian Affairs	2,300,814	2,295,702	2,274,270	2,221,851	2,234,677	2,272,472
Departmental Offices[a]	682,674	729,379	775,910	754,039	717,943	766,058
Total Title I	**9,847,964**	**9,955,228**	**10,183,779**	**9,612,568**	**9,652,386**	**9,836,714**
Title II: Environmental Protection Agency	**8,365,817[c]**	**8,026,485**	**7,638,416**	**7,315,475**	**7,576,670**	**7,529,924**
Title III: Related Agencies						
U.S. Forest Service	4,939,899	4,770,598[d]	4,277,762	4,096,728	4,192,266	4,154,133
Indian Health Service	2,921,715	2,985,066	3,045,310	3,169,787	3,193,709	3,192,831
National Institute of Environmental Health Sciences	78,309	79,842	79,108	78,414	79,414	78,414
Agency for Toxic Substances and Disease Registry	73,034	76,041	74,905	75,004	76,754	75,004
Council on Environmental Quality and Office of Environmental Quality	3,219	3,258	2,677	2,627	2,627	2,627
Chemical Safety and Hazard Investigation Board	8,648	9,424	9,064	9,108	9,208	9,108
Office of Navajo and Hopi Indian Relocation	13,366	4,930	8,474	5,940	5,940	5,940
Institute of American Indian and Alaska Native Culture and Arts Development	6,173	5,916	6,207	6,703	6,703	6,703
Smithsonian Institution	596,279	615,158	615,097	644,394	624,094	644,394
National Gallery of Art	98,225	102,654	111,141	116,743	116,743	116,743
John F. Kennedy Center for the Performing Arts	32,159	33,021	30,347	38,709	38,709	38,709
Woodrow Wilson International Center for Scholars	8,498	8,863	9,065	9,438	9,438	9,438
National Endowment for the Arts	120,972	121,264	124,406	124,412	129,412	124,412
National Endowment for the Humanities	135,310	138,054	140,949	140,955	145,955	140,955
Commission of Fine Arts	1,405	1,768	1,865	1,951	1,951	1,951
National Capital Arts and Cultural Affairs	6,914	6,902	7,143	6,534	6,534	7,500
Advisory Council on Historic Preservation	3,951	4,536	4,789	5,118	5,118	5,118
National Capital Planning Commission	7,635	7,888	8,123	8,265	7,623	8,265
U.S. Holocaust Memorial Museum	39,505	40,858	42,150	43,786	43,415	43,786
Presidio Trust	20,445	19,722	19,706	19,256	19,256	19,256
White House Commission on the Natl. Moment of Remembrance	—	248	247	200	200	200
Total Title III	**9,115,661**	**9,036,011**	**8,618,535**	**8,604,072**	**8,715,069**	**8,685,487**
[Title IV: Veterans' Health]	**—**	**—**	***[1,500,000]***	**—**	**—**	**—**
Undistributed Reductions	—	—	— 1,768	—	—	—
Grand Total (in Bill)[b]	**$27,329,442**	**$27,017,724**	**$26,438,962[e]**	**$25,532,115**	**$25,944,125**	**$26,054,925**

Source: House and Senate Appropriations Committees.

a. Departmental Offices includes Insular Affairs, the Payments in Lieu of Taxes Program (PILT), and the Office of the Special Trustee for American Indians.
b. Figures generally do not reflect scorekeeping adjustments.
c. Derived from the report of the House Appropriations Committee on H.R. 5041 (H.Rept. 108-674).
d. Excludes $40.0 million in transferred funds from the Department of Defense (§8098, P.L. 108-287).
e. The total does not reflect a $1.50 billion in emergency appropriations for veteran's health. The total does reflect undistributed reductions which are not included in the individual agency figures in the column, and $77.0 million in emergency supplemental appropriations.

For Additional Reading

Title I: Department of the Interior

CRS Report RL32993. *Abandoned Mine Reclamation Fee on Coal*, by Nonna Noto.

CRS Report RL33523. *Arctic National Wildlife Refuge (ANWR): Controversies for the 109th Congress*, by M. Lynne Corn, Bernard A. Gelb, and Pamela Baldwin.

CRS Report RL33468. *The Endangered Species Act (ESA) in the 109th Congress: Conflicting Values and Difficult Choices*, by Eugene H. Buck, M. Lynne Corn, Pervaze A. Sheikh, Pamela Baldwin, and Robert Meltz.

CRS Report RS22048. *Everglades Restoration: The Federal Role in Funding*, by Pervaze A. Sheikh and Nicole T. Carter.

CRS Report RS21331. *Everglades Restoration: Modified Water Deliveries Project*, by Pervaze A. Sheikh.

CRS Report RL32244. *Grazing Regulations and Policies: Changes by the Bureau of Land Management*, by Carol Hardy Vincent.

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

CRS Report RS22343. *Indian Trust Fund Litigation: Legislation to Resolve Accounting Claims in Cobell v. Norton*, by M. Maureen Murphy.

CRS Report RS21738. *The Indian Trust Fund Litigation: An Overview of* Cobell v. Norton, by Nathan Brooks.

CRS Report RL33531. *Land and Water Conservation Fund: Overview, Funding History, and Current Issues*, by Carol Hardy Vincent.

CRS Report RS22056. *Major Indian Issues in the 109th Congress*, by Roger Walke.

CRS Report RS21157. *Multinational Species Conservation Fund*, by Pervaze A. Sheikh and M. Lynne Corn.

CRS Report RL33484. *National Park Management*, coordinated by Carol Hardy Vincent.

CRS Report RL32699. *Natural Resources: Selected Issues for the 109th Congress*, coordinated by Carol Hardy Vincent, Nicole T. Carter, and Julie Jennings.

CRS Report RL32315. *Oil and Gas Exploration and Development on Public Lands*, by Marc Humphries.

CRS Report RL33493. *Outer Continental Shelf: Debate Over Oil and Gas Leasing and Revenue Sharing*, by Marc Humphries.

CRS Report RL31521. *Outer Continental Shelf Oil and Gas: Energy Security and Other Major Issues*, by Marc Humphries.

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

Land Management Agencies Generally

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

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

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

CRS Report RL32393. *Federal Land Management Agencies: Background on Land and Resources Management*, coordinated by Carol Hardy Vincent.

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 Report RL32131. *Phosphorus Mitigation in the Everglades*, by Pervaze Sheikh and Barbara Johnson.

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

CRS Report RL33525. *Recreation on Federal Lands*, coordinated by Kori Calvert and Carol Hardy Vincent.

Title II: Environmental Protection Agency

CRS Report RL30798. *Environmental Laws: Summaries of Statutes Administered by the Environmental Protection Agency*, coordinated by Susan Fletcher.

CRS Report RL32856. *Environmental Protection Agency: Appropriations for FY2006*, by Robert Esworthy and David Bearden.

CRS Report RS22064. *Environmental Protection Agency: FY2006 Appropriations Highlights*, by David Bearden and Robert Esworthy.

CRS Report RL33481. *Environmental Protection Issues in the 109th Congress*, coordinated by Susan R. Fletcher and Margaret Isler.

Title III: Related Agencies

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

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

CRS Report RL33022. *Indian Health Service: Health Care Delivery, Status, Funding, and Legislative Issues*, by Donna U. Vogt and Roger Walke.

CRS Report RS22056. *Major Indian Issues in the 109th Congress*, by Roger Walke.

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

CRS Report RS21544. *Wildfire Protection Funding*, by Ross W. Gorte.

CRS Report RS22024. *Wildfire Protection in the 108th Congress*, by Ross W. Gorte.