

# CRS Report for Congress

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## **Interior, Environment, and Related Agencies: FY2006 Appropriations**

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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 [\[http://beta.crs.gov/cli/level\\_2.aspx?PRDS\\_CLI\\_ITEM\\_ID=73\]](http://beta.crs.gov/cli/level_2.aspx?PRDS_CLI_ITEM_ID=73).**

# Interior, Environment, and Related Agencies: FY2006 Appropriations

## Summary

The FY2006 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 newly-transferred to the Appropriations subcommittees that deal with Interior and Related Agencies; and numerous other entities and agencies.

On August 2, 2005, H.R. 2361 was signed into law as P.L. 109-54, containing approximately \$26.20 billion in FY2006 appropriations for Interior, Environment, and Related Agencies. Congress also included in this law \$1.50 billion in supplemental funds to cover a shortfall in veterans' health care resources. On July 28, 2005, the House approved the conference agreement (410-10), and on July 29, 2005, the Senate agreed to the conference report (99-1). The FY2006 appropriations law provided an increase of 2% over the President's request for FY2006 of \$25.72 billion, but a decrease of 3% below the FY2005 enacted level of \$27.02 billion. The FY2006 total appropriation reflects an across-the-board rescission of 0.476% (\$126.0 million) to be applied across accounts. However, it does not reflect rescissions and emergency supplemental appropriations contained in P.L. 109-148. Further, the figures used throughout this report do not reflect the supplemental appropriations or the rescissions in either law because their effect on individual agencies, programs, and activities has not yet been calculated.

The FY2006 appropriation reflected *lower* funding than the FY2005 enacted level in areas including

- \$-507.1 million for the Forest Service (FS);
- \$-294.1 million for the Environmental Protection Agency (EPA);
- \$-75.8 million for the National Park Service (NPS); and
- \$-36.4 million for the Bureau of Land Management (BLM).

The FY2006 appropriation reflected *higher* funding than the FY2005 enacted level in areas including

- \$105.7 million for the Indian Health Service (IHS);
- \$31.5 million for the United States Geological Survey (USGS);
- \$12.5 million for the Bureau of Indian Affairs (BIA); and
- \$9.2 million for Payments in Lieu of Taxes (PILT).

During consideration of FY2006 funding, Congress debated many issues including appropriate funding for wildland fire fighting, land acquisition, NEA, select FWS programs, BIA schools, IHS hospitals, the Superfund, wastewater/drinking water needs, agency competitive sourcing activities, maintenance backlogs, Indian trust fund management, Outer Continental Shelf leasing, the Abandoned Mine Lands fund, and EPA's human dosing studies. This report is not expected to be updated.

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

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# Interior, Environment, and Related Agencies: FY2006 Appropriations

## Most Recent Developments

On August 2, 2005, H.R. 2361, the Interior, Environment, and Related Agencies Appropriations Act for FY2006, was enacted as P.L. 109-54. The law contained a total of \$26.20 billion for Interior, Environment, and Related Agencies. The law also contained \$1.50 billion in supplemental funds to cover a shortfall in veterans health care resources.

On December 30, 2005, H.R. 2863 was signed into law as P.L. 109-148. The law affected funding levels enacted in P.L. 109-54, through rescissions and emergency supplemental funds, which are not reflected in this report.

## Introduction

The FY2006 Interior, Environment, and Related Agencies appropriations law included funding for agencies and programs in three separate federal departments, as well as numerous related agencies and bureaus. The law provided 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 law also provided funds for agencies in two other departments: for 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 FY2006 law included 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 109<sup>th</sup> Congress, these DOE programs were transferred to the House and Senate Appropriations subcommittees covering energy and water, to consolidate jurisdiction over DOE.<sup>1</sup> At the same time, jurisdiction over the Environmental Protection

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<sup>1</sup> In the 109<sup>th</sup> Congress, the House Appropriations panel is called the Subcommittee on (continued...)



Agency (EPA), and several smaller entities, was moved to the House and Senate Appropriations subcommittees covering Interior and Related Agencies.<sup>2</sup> This change resulted from the abolition of the House and Senate Appropriations Subcommittees on Veterans Affairs, Housing and Urban Development, and Independent Agencies, which previously had jurisdiction over EPA.

In the recent past, Interior and Related Agencies appropriations acts typically contained two primary titles providing funding. Title I provided funds for Interior agencies, and Title II contained funds for other agencies, programs, and entities. The FY2006 appropriations law contained three primary titles providing funding. This report is organized along the lines of the law. 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 funded in the FY2006 law. 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 the funding levels enacted for FY2006, requested by the President, recommended by the House and Senate for FY2006, and appropriated for FY2005. 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. Finally, some of the DOI websites provided throughout the report have not been consistently operational due to a court order regarding Indian trust funds litigation. Nevertheless, they are included herein for reference when the websites are operational.

## FY2006 Budget and Appropriations

### Current Overview

The Interior, Environment, and Related Agencies appropriations bill (H.R. 2361) was signed into law on August 2, 2005 as P.L. 109-54. On July 28<sup>th</sup>, 2005, the House approved the conference agreement (410-10), and on July 29<sup>th</sup>, 2005, the Senate agreed to the conference report (99-1). Congress also included in this law \$1.50 billion in supplemental funds to cover a shortfall in veterans' health care

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<sup>1</sup> (...continued)

Energy and Water Development and Related Agencies and the Senate panel is entitled the Subcommittee on Energy and Water.

<sup>2</sup> In the 109<sup>th</sup> Congress, the House Appropriations panel is called the Subcommittee on Interior, Environment, and Related Agencies, while the Senate panel is entitled the Subcommittee on Interior and Related Agencies.

resources. The FY2006 appropriations law provided \$26.20 billion, an increase of 2% over the President's budget request for FY2006 of \$25.72 billion, but a decrease of 3% below the FY2005 enacted level of \$27.02 billion. The FY2006 total appropriation reflects an across-the-board rescission of 0.476% to be applied across accounts. However, it does not reflect a 1% across-the-board rescission, other rescissions, and emergency supplemental funds contained in P.L. 109-148. Further, the figures used throughout this report do not reflect these supplemental funds or the rescissions in either law because their effect on individual agencies, programs, and activities has not yet been calculated.

The FY2006 appropriations law reflected *lower* funding as compared to the FY2005 enacted level in areas including:

- \$-507.1 million for the Forest Service (FS);
- \$-294.1 million for the Environmental Protection Agency (EPA);
- \$-75.8 million for the National Park Service (NPS); and
- \$-36.4 million for the Bureau of Land Management.

The FY2006 appropriations law reflected *higher* funding than the FY2005 enacted level in areas including

- \$105.7 million for Indian Health Service;
- \$31.5 million for the United States Geological Survey (USGS);
- \$12.5 million for the Bureau of Indian Affairs (BIA); and
- \$10.0 million total for National Endowment for the Arts (NEA) and National Endowment for the Humanities (NEH).

## Earlier Action

During initial consideration of H.R. 2361, on June 29<sup>th</sup>, 2005, the Senate passed H.R. 2361 unanimously (94-0). As passed by the Senate, H.R. 2361 would have provided appropriations of \$26.26 billion for Interior, Environment, and Related Agencies. On May 19, 2005, the House had passed H.R. 2361 (329-89) containing \$26.16 billion in FY2006 appropriations. The House-passed level was a 3% decrease from the FY2005 enacted level and a 0.4% decrease from the Senate-passed total, but a 2% increase over the President's request for FY2006.

During Senate debate on H.R. 2361, the Senate had considered about four dozen floor amendments, some of which addressed major issues and activities of agencies that are discussed in relevant sections of this report. Amendments generally not discussed in this report include those that dealt with Interior appropriations more generally or were cross-cutting in nature. Examples include an amendment to reduce each appropriation in the bill by 1.7% (withdrawn) and another to require limitations, directives, and earmarks in committee reports to be included also in conference reports in order to be regarded as having been approved by Congress (not agreed to). Still other amendments not covered in this report are those that did not relate directly to Interior, Environment, and Related Agencies. Examples include an amendment seeking to facilitate family travel to Cuba (not agreed to) and an amendment providing emergency supplemental appropriations for FY2005 for the Veterans Health Administration (agreed to).

During floor debate, the House considered about two dozen amendments before voting on final passage of the FY2006 appropriations bill. Many of these amendments are discussed in pertinent sections throughout this report. In some cases, the inclusion of legislation in the bill was controversial. The presiding officer sustained points of order against several provisions in the bill on the grounds that House rules bar legislation on an appropriations bill, thereby striking the provisions from the bill. These points of order were raised by chairmen of authorizing panels, namely the Chairman of the House Committee on Government Reform and the Chairman of the Subcommittee on Environment and Hazardous Materials of the Committee on Energy and Commerce. The inclusion in the bill of appropriations not previously authorized by law also was controversial in some instances. The Chairman of the House Resources Committee offered an amendment seeking to prevent money in the bill from being spent for 10 programs within the Committee's jurisdiction which are not authorized to be appropriated in FY2006, according to the Chairman.<sup>3</sup> The presiding officer sustained a point of order against the amendment on the grounds that it too constituted legislation, so it was not in order to be considered.

In earlier action, on June 10, 2005, the Senate Appropriations Committee unanimously reported (28-0) H.R. 2361 (S.Rept. 109-80), providing \$26.27 billion for Interior, Environment, and Related Agencies. On May 13, 2005, the House Appropriations Committee reported H.R. 2361 (H.Rept. 109-80) with \$26.16 billion in FY2006 Interior appropriations. Both the House and Senate Appropriations Subcommittees on Interior had marked up funding bills and held hearings on the President's budget request for Interior, Environment, and Related Agencies. Hearings examined the requests for individual agencies and programs as well as cross-cutting issues.

For FY2006, the President had sought \$25.72 billion, a 5% decrease from the FY2005 enacted level of \$27.02 billion. The FY2005 total reflects two across-the-board rescissions in the Consolidated Appropriations Act for FY2005 (P.L. 108-447) of 0.594% and 0.80%.<sup>4</sup>

The President's FY2006 budget had recommended depositing, into the general fund of the Treasury, 70% of receipts from BLM land sales under the Southern Nevada Public Land Management Act (SNPLMA). This issue is covered briefly in the "Bureau of Land Management" section below. (For more information, see CRS Issue Brief IB10076, *Bureau of Land Management (BLM) Lands and National Forests*, coordinated by Ross W. Gorte and Carol Hardy Vincent.) The budget also 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

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<sup>3</sup> Rep. Richard Pombo, remarks in the House, *Congressional Record*, daily ed., 151, (19 May 2005): H3670.

<sup>4</sup> The 0.594% rescission applied to agencies and programs funded in the Interior and Related Agencies portion of the consolidated law, thus the EPA and several smaller entities that were transferred to the Interior Subcommittees in the 109<sup>th</sup> Congress were not affected by this cut.

information, see CRS Issue Brief IB10136, *Arctic National Wildlife Refuge (ANWR): Controversies for the 109<sup>th</sup> Congress*, by M. Lynne Corn, Bernard A. Gelb, and Pamela Baldwin.)

**Table 1** below shows the budget authority for Interior and Related Agencies for FY2004-2006. See **Table 23** for a budgetary history of each agency, bureau, and program for FY2004 and FY2005; the President's budget request for FY2006; the FY2006 House- and Senate-passed levels; and the FY2006 levels enacted into law.

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

(budget authority in billions of current dollars)

FY2004	FY2005	FY2006
\$27.33	\$27.02	\$26.20

**Note:** These figures exclude permanent budget authorities, and generally do not reflect scorekeeping adjustments. They generally reflect rescissions and supplemental appropriations to date, except that the FY2006 figure excludes rescissions and emergency supplemental appropriations contained in P.L. 109-148.

## Major Issues

Controversial policy and funding issues typically have been debated during consideration of the annual Interior and Related Agencies appropriations bills. Current debate on FY2006 funding levels encompasses a variety of issues, many of which have been controversial in the past, including the issues listed below.

- *Abandoned Mine Lands (AML) Fund*, including whether, as part of AML reauthorization, to change the program as sought by the Administration to address state and regional concerns, including a change to return unobligated state share balances in the fund to the states. (For more information, see the "Office of Surface Mining Reclamation and Enforcement" section in this report.)
- *Arts and Humanities*, including whether funding for the arts and humanities is an appropriate federal responsibility, and, if so, what should be the proper level of federal support for cultural activities. (For more information, see the "National Endowment for the Arts and National Endowment for the Humanities" section in this report.)
- *BIA Schools and IHS Hospitals*, particularly whether to enact funding cuts proposed in the President's FY2006 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 monies for state loans to communities for wastewater and drinking

water infrastructure projects. (For more information, see the “Environmental Protection Agency” section in this report.)

- *Competitive Sourcing*, namely the extent to which government functions should be privatized, agency funds can and should be used for such efforts, and agencies are communicating appropriately with Congress on their competitive sourcing activities. (For more information, see the “Competitive Sourcing of Government Jobs” section in this report.)
- *Fish and Wildlife Service Programs*, including the appropriate levels of funding for the endangered species program, state and tribal wildlife grants, and the multinational species conservation fund, and whether changes to the endangered species program are warranted. (For more information, see the “Fish and Wildlife Service” 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.)
- *Intentional Human Dosing Studies*, in particular the adequacy of health safety standards for research subjects and general ethical questions with respect to EPA’s use of data from such studies, whether conducted by EPA or others, for determining associated human health risks of pesticides. (For more information, see the “Environmental Protection Agency” 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.)
- *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.)

- *Wild Horses and Burros*, particularly the sale of excess animals under new authority and the slaughter of some animals. (For more information, see the “Bureau of Land Management” 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 contains information on congressional consideration of the FY2006 Interior appropriations bill.

**Table 2. Status of Department of the Interior and Related Agencies Appropriations, FY2006**

Subcommittee Markup		House Report	House Passage	Senate Report	Senate Passage	Conf. Report	Conference Report Approval		Public Law
House	Senate						House	Senate	
5/4/05	6/7/05	H.R. 2361, H.Rept. 109-80 5/13/05	5/19/05 (329-89)	H.R. 2361, S.Rept. 109-80 6/10/05	6/29/05 (94-0)	H.Rept. 109-188	7/28/05 (410-10)	7/29/05 (99-1)	P.L. 109-54 8/2/05

## 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 FY2006, the appropriations law included \$1.78 billion for BLM, a reduction from the FY2005 enacted level of \$1.82 billion. The original House-passed bill had included \$1.76 billion and the original Senate-passed bill had contained \$1.79 billion. See **Table 3** below.

The Administration's FY2006 budget supported amending the Southern Nevada Public Land Management Act (SNPLMA) to change the allocation of proceeds of BLM land sales in Nevada. Under current law, none of the funds are deposited in the general fund of the Treasury. The President supported depositing 70% of the receipts there, instead of using the money in Nevada, for instance, to buy environmentally sensitive lands. The House-passed bill had sought to require the Secretary of the Interior to report to the House Appropriations Committee on past expenditures under SNPLMA during FY2003 and FY2004. This provision was not included in the FY2006 law. (For information on this issue, see CRS Issue Brief IB10076, *Bureau of Land Management (BLM) Lands and National Forests*, coordinated by Ross W. Gorte and Carol Hardy Vincent.)

**Management of Lands and Resources.** For Management of Lands and Resources, the FY2006 law contained \$860.8 million, an increase of 3% over FY2005. The House originally had approved \$845.8 million for FY2006, while the Senate had supported \$867.0 million. This line item includes funds for an array of BLM land programs, including protection, recreational use, improvement, development, disposal, and general BLM administration. The FY2006 law would increase some programs over FY2005, including resource protection and law enforcement; resource management planning; and management of forests, rangelands, riparian areas, recreation, wildlife, and oil and gas. The law provided a 35% increase to the Challenge Cost Share Program, rather than the 89% increase that had been sought by the Administration. Through this program, BLM and local communities and citizens jointly fund and carry out conservation programs. The law did not fund the Cooperative Conservation Initiative, for which the Administration had requested \$6.0 million for restoration and conservation projects. The FY2006 law decreased funds for some other programs from FY2005, including Alaska minerals, wild horses and burros, and deferred maintenance.

**Energy.** The FY2006 appropriations law continued 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 law also continued 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. In report language, the House Appropriations Committee directed BLM to report by December 31, 2005, on the steps that may be needed to proceed with oil shale development. The Senate Appropriations Committee, in report language, supported accelerating oil shale development.

**Wild Horses and Burros.** The FY2006 law did not include a limitation on funds for wild horses and burros, as originally passed by the House. Specifically, the House language would have prohibited funds in the bill from being used for the sale

or slaughter of wild horses and burros (as defined in P.L. 92-195). Proponents of the amendment had sought to prevent BLM from selling, during FY2006, excess wild horses and burros under new authority enacted in last year's appropriations law (P.L. 108-447). According to BLM, 41 animals that were sold under the new authority were subsequently resold or traded, and then sent to slaughterhouses by the new owners. Advocates of the amendment asserted that there are alternatives for controlling populations of wild horses and burros on federal lands, such as through the adoption program. Opponents of the amendment contended that BLM's recent efforts to revise the sale procedure will prevent sold animals from ending up in slaughterhouses. They maintain that the new sale authority is needed because adoptions and other efforts to reduce herd sizes have been insufficient. Further, they assert that significant funds used for caring for animals in holding facilities could be redirected to other government priorities. The report of the Senate Appropriations Committee encouraged BLM to fund the pilot adoption program of the National Wild Horse Association in Nevada. (For information on this issue, see CRS Issue Brief IB10076, *Bureau of Land Management (BLM) Lands and National Forests*, coordinated by Ross W. Gorte and Carol Hardy Vincent.)

**Wildland Fire Management.** For Wildland Fire Management for FY2006, the appropriations law contained \$766.6 million as previously passed by the Senate. This is a decrease of 8% from the FY2005 level (including emergency appropriations). The original House-passed bill was similar to the Senate-passed version, but contained \$761.6 million due to less funding for state and local fire assistance. The Administration sought to zero out funds for state and local fire assistance, on the grounds that the fire assistance programs of the Forest Service (FS) and Federal Emergency Management Agency (FEMA) address the needs of local fire departments. The House originally supported \$5.0 million while the Senate had approved \$10.0 million, essentially the same as the FY2005 appropriation (\$9.9 million). The \$10.0 million was included in the FY2006 law. In report language, the Senate Appropriations Committee expressed "dismay" at the proposal to eliminate this rural fire assistance (S.Rept. 109-80, p. 12). (For additional information on wildland fires, see the "Forest Service" section in this report.)

For FY2006, the appropriations law included \$272.9 million for fire preparedness — 5% over the FY2005 enacted level of \$258.9 million. The increase was sought to cover aviation support contracts and firefighter training, among other costs. For fire suppression, the FY2006 law provided \$234.2 million, a 26% decrease from the FY2005 enacted level of \$317.1 million (including emergency funds) and a 40% decrease from FY2004. While the average annual cost of fire suppression has increased overall over the past decade, the FY2006 request represents the ten-year average cost of fire suppression, according to the Administration. 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.

For other fire operations during FY2006, the law included \$259.5 million. This constitutes a 2% increase over the FY2005 level of \$255.3 million. It contained an increase of 5% for hazardous fuels reduction, for an FY2006 level of \$211.2 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.

**Construction.** For FY2006, the appropriations law included \$11.9 million for BLM construction, a 5% increase over the FY2005 level. The original House-passed bill had contained \$11.5 million while the Senate-passed bill had contained \$10.0 million. The President had sought a reduction of 43% from FY2005.

**Land Acquisition.** For Land Acquisition for FY2006, the law included \$8.8 million, 22% less than the FY2005 enacted level. Within that total, funding was provided for five specific acquisitions. The House originally had approved \$3.8 million, providing funds for management of the acquisition program and emergencies rather than specific new acquisitions. The original Senate-passed bill had contained \$12.3 million, and had funding for specified new acquisitions. A Senate amendment had sought to eliminate funds for BLM land acquisition, and reduce or eliminate acquisition funds for other land management agencies, while providing additional funds for certain Indian health programs. The amendment fell on a point of order.

The appropriation for BLM acquisitions fell steadily from \$49.9 million in FY2002 through the FY2005 enacted level. 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.)

**Oregon and California (O&C) Grant Lands.** For the O&C Lands, which include highly productive timber lands, the FY2006 law contained \$110.1 million for FY2006, an increase of 2% over the FY2005 enacted level of \$107.5 million. The House, Senate, and Administration had supported that level. This activity funds programs related to revested Oregon and California Railroad grant lands and related areas, including for land improvements and for managing, protecting, and developing resources on these lands.

**Table 3. Appropriations for the Bureau of Land Management, FY2005-FY2006**  
(\$ in millions)

Bureau of Land Management	FY2005 Approp.	FY2006 Request	FY2006 House Passed	FY2006 Senate Passed	FY2006 Approp.
Management of Lands and Resources	\$836.8	\$850.2	\$845.8	\$867.0	\$860.8
Wildland Fire Management	831.3	756.6	761.6	766.6	766.6
Central Hazardous Materials Fund	9.9 <sup>b</sup>	— <sup>d</sup>	— <sup>d</sup>	— <sup>d</sup>	— <sup>d</sup>
Construction	11.3	6.5	11.5	10.0	11.9

Land Acquisition	11.2	13.4	3.8	12.3	8.8
Oregon and California Grant Lands	107.5	110.1	110.1	110.1	110.1
Range Improvements	10.0	10.0	10.0	10.0	10.0
Service Charges, Deposits, and Forfeitures <sup>a</sup>	0.0	0.0	0.0	0.0	0.0
Miscellaneous Trust Funds	12.4	12.4	12.4	12.4	12.4
<b>Total Appropriations</b>	<b>\$1,816.9<sup>c</sup></b>	<b>\$1,759.0</b>	<b>\$1,755.1</b>	<b>\$1,788.3</b>	<b>1,780.5</b>

- The figures of "0" are a result of an appropriation matched by offsetting fees.
- A rescission of \$-13.5 million is not reflected, but is included in the column total.
- Includes \$98.6 million for emergency firefighting in FY2005, and a rescission of \$-13.5 million for the Central Hazardous Materials Fund.
- The President's FY2006 budget proposes transferring this Fund to the Departmental Offices within the Department of the Interior, and accordingly includes \$9.9 million for the Fund under DOI's Departmental Offices. The FY2006 appropriations law took this approach.

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

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 FY2006, the President requested \$1.32 billion for the Fish and Wildlife Service (FWS), slightly less (0.7%) than the enacted level for FY2005 (\$1.33 billion). The FY2006 House-passed level was \$1.31 billion; the Senate-passed level was \$1.32 billion. P.L. 109-54 contained \$1.33 billion. By far the largest portion of the FWS annual appropriation is for the Resources Management account. The President's FY2006 request was \$985.6 million, a 2% increase over the FY2005 level of \$962.9 million. The House approved \$1.01 billion, a 4% increase over FY2005. The Senate-passed level was \$993.5 billion, a 3% increase over FY2005. The FY2006 appropriations law provided \$1.01 billion, a 5% increase over FY2005. Among the programs included in Resources Management are the Endangered Species program, the Refuge System, and Law Enforcement.

The President's FY2006 budget proposed enacting legislation to open part of the Coastal Plain in the Arctic National Wildlife Refuge to oil and gas exploration

and development.<sup>5</sup> The budget proposed that the first lease sale would be held in 2007. Under the proposal, this and subsequent sales were estimated to generate \$2.4 billion in federal revenues from bonus bids over the next five years. While no such provision was included in H.R. 6, as signed by the President on August 8, 2005, many expect to see such a measure included in a reconciliation bill in the fall of 2005. (For information on the debate over whether to approve energy development in the Refuge, see CRS Issue Brief IB10136, *Arctic National Wildlife Refuge (ANWR): Controversies for the 109<sup>th</sup> 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 (by 2%) from \$143.2 million in FY2005 to \$140.1 million in FY2006. The FY2006 law contained \$151.6 million, a 6% increase over FY2005. 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 FY2005 to \$40.0 million in FY2006. Congress approved \$24.0 million for the program. Stewardship Grants would have risen from \$6.9 million in FY2005 to \$10.0 million under the President's request. The final bill contained \$7.4 million. The Cooperative Endangered Species Conservation Fund (for grants to states and territories to conserve threatened and endangered species) would have fallen from \$80.5 million in FY2005 to \$80.0 million for FY2006 under the Administration's request. In the end, Congress appropriated \$82.2 million for FY2006. See **Table 4** below.

Under the President's request, total FY2006 funding for the Endangered Species program and related programs would have increased to \$270.1 million. Congress increased these programs overall to \$265.2 million.

**Table 4. Appropriations for Endangered Species and Related Programs, FY2005-FY2006**  
(\$ in thousands)

Endangered Species and Related Programs	FY2005 Approp.	FY2006 Request	FY2006 House Passed	FY2006 Senate Passed	FY2006 Approp.
Endangered Species Program					
— <i>Candidate Conservation</i>	\$9,255	\$8,252	\$8,852	\$8,752	\$8,852

<sup>5</sup> The proposed authorization for exploration and development is not a part of the Interior appropriations bill. Development supporters anticipate an authorization either as a part of an energy bill, or as part of a possible reconciliation measure later in the session. H.R. 6, an omnibus energy bill as passed by the House, would open the Refuge to development. The Senate version contains no similar provision.

<b>Endangered Species and Related Programs</b>	<b>FY2005 Approp.</b>	<b>FY2006 Request</b>	<b>FY2006 House Passed</b>	<b>FY2006 Senate Passed</b>	<b>FY2006 Approp.</b>
— <i>Listing</i>	15,960	18,130	18,130	18,130	18,130
— <i>Consultation</i>	48,129	49,484	49,484	49,484	49,484
— <i>Recovery</i>	69,870	64,243	70,443	72,541	75,159
Subtotal, Endangered Species Program	143,214	140,109	146,909	148,907	151,625
<b>Related Programs</b>					
— <i>Landowner Incentive Program</i>	21,694	40,000	23,700	25,000	24,000
— <i>Private Stewardship Grants</i>	6,903	10,000	7,386	7,500	7,386
— <i>Cooperative Endangered Species Conservation Fund<sup>a</sup></i>	80,462	80,000	84,400	80,000	82,200
Subtotal, Related Programs	109,059	130,000	115,486	112,500	113,586
<b>Total Appropriations</b>	<b>\$252,273</b>	<b>\$270,109</b>	<b>\$262,395</b>	<b>\$261,407</b>	<b>\$265,211</b>

- a. The FY2006 request called for \$49.4 million to be derived from LWCF. The House version derived the portions for species recovery land acquisition and habitat conservation plan land acquisition (\$64.2 million) from LWCF. The Senate called for \$45.7 million to be derived from LWCF, and specified that such amount was to be used for habitat conservation plan land acquisition. P.L. 109-54 called for \$62.0 million to be derived from LWCF, with no other earmark.

**National Wildlife Refuge System and Law Enforcement.** For refuge operations and maintenance in FY2006, the President proposed \$393.9 million, an increase from \$381.0 million in FY2005. The President’s request restructured the account, dividing it into several new subaccounts. The House approved \$394.4 million; the Senate-passed level was \$393.9 million. The FY2006 appropriations law bill contained \$393.4 million. The President proposed \$57.6 million for Law Enforcement — an increase of \$2.0 million from the FY2005 level (\$55.6 million). The House-passed level was \$57.8 million, and the Senate-passed level was \$57.6 million. The FY2006 appropriations law contained \$57.7 million.

**Land Acquisition.** For FY2006, the Administration proposed \$41.0 million for Land Acquisition, 11% over FY2005, but 5% less than the FY2004 level of \$43.1 million. (See **Table 5**.) P.L. 109-54 reduced the program to \$28.4 million. 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. Congress continued this trend for FY2006, reserving \$13.7 million for specified acquisitions, and funding the remainder of the program at \$14.7 million. (For more information, see the “Land and Water Conservation Fund (LWCF)” section in this report.)

**Table 5. Appropriations for FWS Land Acquisition Program, FY2005-FY2006**  
(\$ in thousands)

<b>FWS Land Acquisition</b>	<b>FY2005 Approp.</b>	<b>FY2006 Request</b>	<b>FY2006 House Passed</b>	<b>FY2006 Senate Passed</b>	<b>FY2006 Approp.</b>
Acquisitions — Federal Refuge Lands	\$22,593	\$26,029	\$0	\$25,364	\$13,695
Inholdings	1,479	1,750	1,750	1,750	1,500
Emergencies & Hardships	986	1,750	1,750	1,750	1,500
Exchanges	1,726	1,750	1,724	1,750	1,500
Acquisition Management	8,249	7,893	7,893	8,393	8,393
Cost Allocation Methodology	1,972	1,820	1,820	1,820	1,820
<b>Total Appropriations</b>	<b>\$37,005</b>	<b>\$40,992</b>	<b>\$14,937</b>	<b>\$40,827</b>	<b>\$28,408</b>

**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 authorized amounts, and county governments have long urged additional appropriations to make up the difference. Congress generally provides additional funding. The President requested and Congress enacted \$14.4 million for FY2006; the FY2005 level was \$14.2 million. This FY2006 level, combined with expected receipts, would provide about 41% of the authorized full payment, down from 44% in FY2005 and 47% in FY2004.

**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 FY2006 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. For FY2006, the President proposed \$8.3 million for the MSCF (including the proposed transfer of the NMBCF to this program). The proposal included cuts in programs for great

apes, rhinos, tigers, and African and Asian elephants, in contrast to increases in programs for marine turtles and neotropical migratory birds. Congress enacted modest increases over FY2005 for the subprograms. (See **Table 6** below.)

**Table 6. Appropriations for Multinational Species Conservation Fund and Neotropical Migratory Bird Fund, FY2005-FY2006**

(\$ in thousands)

Multinational Species Conservation Fund	FY2005 Approp.	FY2006 Request	FY2006 House Passed	FY2006 Senate Passed	FY2006 Approp.
African elephant	\$1,381	\$1,000	\$1,400	\$1,400	\$1,400
Tiger and Rhinos	1,477	1,100	1,400	1,600	1,600
Asian elephant	1,381	1,000	1,400	1,400	1,400
Great Apes	1,381	900	1,400	1,400	1,400
Marine turtles	99	300	300	700	700
<i>[Neotropical Migratory Birds]</i>	<i>[3,944]</i>	<i>[4,000]</i>	<i>[4,000]</i>	<i>[4,000]</i>	<i>[4,000]</i>
<b>Total Appropriations</b>	<b>\$5,719</b>	<b>\$4,300</b>	<b>\$5,900</b>	<b>\$6,500</b>	<b>\$6,500</b>

**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-FY2006. Congress has rejected the proposal five times, and the program is not included in the column totals.

**State and Tribal Wildlife Grants.** The State and Tribal Wildlife Grants program helps fund efforts to conserve species (including non-game species) of concern to states and tribes. 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 \$74.0 million, an increase from \$69.0 million in FY2005. The FY2006 appropriations law decreased the program to \$68.5 million. See **Table 7** below.

**Table 7. Appropriations for State and Tribal Wildlife Grants, FY2005-FY2006**  
(\$ in thousands)

<b>State and Tribal Wildlife Grants</b>	<b>FY2005 Approp.</b>	<b>FY2006 Request</b>	<b>FY2006 House Passed</b>	<b>FY2006 Senate Passed</b>	<b>FY2006 Approp.</b>
State Grants	\$61,040	\$65,437	\$59,000	\$66,000	\$62,500
Tribal Grants	5,917	6,343	6,000	6,000	6,000
Administration	1,947	2,092	— <sup>a</sup>	— <sup>a</sup>	— <sup>a</sup>
Cost allocation methodology (CAM)	124	128	— <sup>a</sup>	— <sup>a</sup>	— <sup>a</sup>
<b>Total Appropriations</b>	<b>\$69,028</b>	<b>\$74,000</b>	<b>\$65,000</b>	<b>\$72,000</b>	<b>\$68,500</b>

a. Administrative costs are limited to 3%, after the \$6.0 million for tribal grants is deducted from the total. Committee reports and the conference report did not specify how much was to be allocated to administration or to the cost allocation methodology. P.L. 109-54 required that administrative costs and CAM be taken from the state share only.

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

CRS Issue Brief IB10136. *Arctic National Wildlife Refuge (ANWR): Controversies for the 109<sup>th</sup> Congress*, by M. Lynne Corn, Bernard A. Gelb, and Pamela Baldwin.

CRS Issue Brief IB10144. *The Endangered Species Act (ESA) in the 109<sup>th</sup> 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.

## **National Park Service**

The National Park Service (NPS) is responsible for the National Park System, currently comprising 388 separate and very diverse park units with more than 84 million acres. The NPS and its 20,000 employees protect, preserve, interpret, and administer the park system's diverse natural and historic areas representing the cultural identity of the American people. 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 resource conservation activities outside the Park System.

The FY2006 Interior appropriations law provided \$2.29 billion for the NPS, a decrease of \$75.8 million from the FY2005 enacted level (\$2.37 billion), but \$40.6

million more than the request (\$2.25 billion). (See **Table 8** below.) The FY2006 request had sought increases for the operations line item, but decreases or level funding for most other line items. This year, enhanced security and infrastructure upgrades are planned for certain parks. The original House-passed bill contained \$2.23 billion, while the Senate originally approved \$2.32 billion.

Issues affecting the NPS but not tied to specific funding accounts were addressed. One provision included in the FY2006 Interior appropriations law would prevent the NPS from studying or implementing any plan to reduce the water level of Lake Powell below levels required to operate Glen Canyon Dam. The law also contained a Senate-backed provision of \$10.0 million, which must be matched with nonfederal contributions, for a Martin Luther King, Jr., memorial in Washington, DC. Another provision extended the controversial rule to allow individual snowmobiles into Yellowstone and Grand Teton National Parks for another year (covering the upcoming winter season of 2005-2006). Congress enacted a similar provision as part of the FY2005 Consolidated Appropriations Act (P.L. 108-447) to prevent lawsuits from blocking snowmobile access to those parks last winter. Not included in the law was House language that had sought to prohibit DOI funds from being used for concession contracts except those that require that souvenir-type merchandise sold at NPS units be made in the United States. Instead, conference report language directed the NPS to explore ways to encourage the sale of American-made souvenirs by NPS concessioners, with a written progress report by December 1, 2006.

**Operation of the National Park System.** The park operations line-item is the primary source of funding for the national parks and accounts for more than two-thirds of the 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. The FY2006 Interior appropriations law provided \$1.74 billion for park operations, or \$60.5 million more than the FY2005 enacted level (\$1.68 billion). The FY2006 request for NPS operations was \$1.73 billion, and the House and Senate originally had passed funding of about \$1.75 billion. Park advocacy groups have estimated that, in recent years, the national parks operate, on average, with two-thirds of needed funding. 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-FY2006**  
(\$ in millions)

<b>National Park Service</b>	<b>FY2005 Approp.</b>	<b>FY2006 Request</b>	<b>FY2006 House Passed</b>	<b>FY2006 Senate Passed</b>	<b>FY2006 Approp.</b>
Operation of the National Park System	\$1,683.6	\$1,734.1	\$1,754.2	\$1,748.5	\$1,744.1
U.S. Park Police	80.1	80.4	82.4	80.4	81.4
National Recreation and Preservation	61.0	36.8	49.0	56.7	55.0
Historic Preservation Fund	71.7	66.2	72.7	74.5	73.3
Construction <sup>a</sup>	353.0	307.4	291.2	299.2	301.3
Land and Water Conservation Fund <sup>b</sup>	-30.0	-30.0	-30.0	-30.0	-30.0
Land Acquisition and State Assistance					
— Assistance to States	91.2	1.6	1.6	30.0	30.0
— NPS Acquisition	55.1	52.9	7.8 <sup>c</sup>	56.0	34.9 <sup>c</sup>
Subtotal, Land Acquisition and State Assistance	146.3	54.5	9.4	86.0	64.9
<b>Total Appropriations</b>	<b>\$2,365.7</b>	<b>\$2,249.3</b>	<b>\$2,229.0</b>	<b>\$2,315.3</b>	<b>\$2,290.0</b>

a. Includes \$50.8 million of emergency funding for FY2005 enacted in P.L. 108-324. FY2006 figures do not reflect an additional \$17.0 million from prior year balances.

b. Figures reflect a rescission of contract authority.

c. These figures do not include \$9.9 million from prior year balances.

**United States Park Police (USPP).** This budget item supports the U.S. Park Police, a full-service, uniformed law enforcement entity of the NPS with primary jurisdiction at park sites within metropolitan areas of Washington, DC; New York City; and San Francisco. The USPP also provides 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 FY2005 was \$80.1 million. For FY2006, the Senate approved \$80.4 million, the same as the request, but \$2.0 million below the House allowance of \$82.4 million. The conferees split the difference and the law provided \$81.4 million for FY2006. 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 funds 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 heritage resources. The FY2006 request was \$36.8 million, a decrease of \$24.2 million (40%) from the FY2005 appropriation of \$61.0 million. The request did not seek funds for statutory or contractual aid. The Administration has previously proposed discontinuing these programs, requesting no funds for FY2005, but Congress provided \$11.2 million. For FY2006, the original House-passed bill contained \$49.0 million for National Recreation and Preservation, but no funds for statutory or contractual aid. The original Senate-passed bill contained \$8.2 million for statutory or contractual aid, with \$56.7 million for the entire line item. The FY2006 Interior appropriations law provided \$7.1 million for statutory or contractual aid and \$55.0 million for the whole line item, which is \$6.0 million below FY2005.

The FY2006 request proposed \$5.0 million for funding the 27 existing National Heritage Areas (NHAs), a reduction of \$9.6 million (66%) from the FY2005 enacted level (\$14.6 million). In recent years, the Administration's requests for heritage area partnerships have been significantly lower than the previous year's appropriation, but Congress has maintained or increased NHA funding. The House included \$15.0 million for Heritage Partnership Programs for FY2006, while the Senate approved \$13.6 million for NHAs. The FY2006 law provided \$13.5 million for NHAs. DOI officials had testified that the \$12.5 million requested for FY2006 for Preserve America, a proposed program that was not funded in FY2005, could be used in part to fund NHAs. The original House-passed bill did not contain FY2006 funding for Preserve America, while the Senate-passed bill had allowed that not more than \$7.5 million of the allocation to Save America's Treasures could be used for Preserve America pilot grants. The FY2006 Interior appropriations law did not fund Preserve America.

**Urban Park and Recreation Recovery (UPARR).** This once-popular matching grant program, created in 1978, provided direct federal assistance to urban localities to rehabilitate recreational facilities. In FY2001 and FY2002, Congress appropriated \$30.0 million annually for UPARR. Since then, no money has been provided for new grants. For FY2006, neither the President, the House, nor the Senate sought funds for new grants and none was provided. The grant administration portion of the program was transferred to the National Recreation and Preservation line item in FY2005. Administration of more than 100 active grants approved in FY2000-FY2002 continues. The enabling legislation, the Urban Park and Recreation Act of 1978 (P.L. 95-625, title X; 16 U.S.C. §§2501-2514), requires that grant-assisted sites remain recreation facilities and ongoing NPS stewardship and protection activities continue for the 1,528 recreation sites.

**Construction.** The construction line item funds new construction, as well as rehabilitation and replacement of park facilities. The FY2006 Interior appropriations law provided \$301.3 million for NPS construction, \$10.1 million more than the House and \$2.1 million above the Senate, but \$51.7 million less than FY2005

enacted. In addition, the law provided \$17.0 million from prior year balances, which had been requested by the Administration and approved by the House and Senate (but is not included in the figures herein). For FY2006, the Administration had requested \$307.4 million for NPS construction for high priority health, safety, and resource protection needs. This was a decrease of \$45.6 million from the FY2005 enacted appropriation of \$353.0 million (including \$50.8 million in emergency funding for disaster response). The original House-passed bill contained \$291.2 million while the original Senate-passed bill included \$299.2 million. (For information on NPS maintenance, see CRS Issue Brief IB10145, *National Park Management*, coordinated by Carol Hardy Vincent.)

**Land Acquisition and State Assistance.** For FY2006, appropriations under the Land and Water Conservation Fund (LWCF) totaled \$64.9 million, with \$34.9 million for NPS land acquisition and \$30.0 million for state assistance programs, known as *stateside* assistance. An additional \$9.9 million from prior year balances is to be used for land acquisition. The 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 FY2006 total was \$81.4 million below the FY2005 enacted level. The Administration had requested \$54.5 million.

For FY2006, the House originally had approved \$9.4 million, while the Senate-passed bill included \$86.0 million. The sizable reduction in the original House-passed level in large part stemmed from not providing funds for new LWCF State Assistance Grants, as had been recommended by the President. However, the House did include \$1.6 million, as requested, to administer existing grants. FY2005 funding for state assistance programs was \$91.2 million. The Senate approved \$30.0 million for the state assistance program, and this amount prevailed in conference. Administration representatives had testified that state project grants are more appropriately funded through other means, and that in a period of budgetary constraint, such programs should have a lower priority than other NPS activities. (For more information, see the “Land and Water Conservation Fund (LWCF)” section in this report.)

The reduction proposed by the House was due also to a reduction for federal land acquisition. The FY2006 budget request was \$52.9 million. The original House-passed bill contained \$7.8 million for NPS land acquisition management activities (plus \$9.9 million of prior year appropriations), but did not include money for specified acquisitions. The Senate had approved \$56.0 million for NPS land acquisition and provided specific park unit recommendations. A Senate amendment to cut NPS land acquisition, and reduce or eliminate acquisition funding for other land management agencies, fell on a point of order.

**Historic Preservation.** The Historic Preservation Fund (HPF), administered by the NPS, provides grants-in-aid to states (primarily through State Historic Preservation Offices), territories, the Federated States of Micronesia, and certified local governments, for activities specified in the National Historic Preservation Act (P.L. 89-665; 16 U.S.C. §470). These activities include protecting cultural resources and enhancing economic development by 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. HPF also provides funding for cultural heritage projects for Indian tribes, Alaska Natives, and Native Hawaiians.

For FY2006, the final appropriation was \$73.3 million for the HPF, including \$36.3 million for grants-in aid to states, \$4.0 million for tribal grants, \$30.0 million for Save America's Treasures and \$3.0 million for HBCUs. The FY2006 appropriation for HPF reflected an increase over the FY2006 House-passed bill (\$72.7 million), the FY2006 Administration request (\$66.2 million), and the FY2005 level (\$71.7 million). However, it was a decrease from the Senate-passed bill (\$74.5 million.)

The FY2006 enacted appropriation for HPF included \$30.0 million for Save America's Treasures, which the President had proposed to cut in half. The Save America's Treasures program preserves nationally significant intellectual and cultural artifacts and historic structures. Due to concerns that the program did not reflect geographic diversity, annual appropriations laws have required that project recommendations be subject to approval by the Appropriations Committees prior to distribution of funds. From the total for Save America's Treasures for FY2006, \$13.3 million would be for competitive grants with \$16.8 million specified by Congress for designated projects.

The House-passed bill did not specify funding for a proposed "Preserve America" program. However, the Senate-passed bill provided that not to exceed \$7.5 million of the funding for Save America's Treasures may be allocated to Preserve America pilot grants. The FY2005 appropriations law did not fund these grants. The FY2006 appropriation provided that not to exceed \$5.0 million could be allocated to Preserve America grants. Preserve America grants-in-aid would supplement Save America's Treasures in supporting community efforts to develop resource management strategies and to encourage heritage tourism. Preserve America grants would be competitively awarded on a matching basis, as one-time seed money grants. (See **Table 9** below.) The Senate Appropriations Committee report stated that the consideration in this session of a bill to reauthorize the National Historic Preservation Act would likely include discussion of the Preserve America program and Save America's Treasures.

An issue that is often considered during the appropriations process is whether historic preservation programs should be funded by private money rather than the federal government. Congress eliminated permanent federal funding for the National Trust for Historic Preservation, but has funded on a temporary basis the Trust's endowment fund for endangered properties. Also, HPF previously included funds for preserving and restoring historic buildings and structures on HBCU campuses. An appropriation in FY2001 of \$7.2 million represented the unused authorization remaining under law. There was no funding for HBCUs under HPF for FY2002 or FY2003. The FY2004 appropriations law provided \$3.0 million through competitive grants administered by the NPS, and the FY2005 law provided \$3.4 million. For FY2006, the Administration did not propose funding for HBCUs under HPF, but the House-passed bill would have provided \$3.5 million. During Senate floor

consideration, an amendment was agreed to that would provide \$2.0 million for HBCUs. The final FY2006 law provided \$3.0 million for HBCUs.

During House debate on FY2006 Interior appropriations, the Chairman of the House Resources Committee objected to the appropriation for the Historic Preservation Fund (and other programs) on the grounds that it was not authorized for FY2006 and that there should be no appropriation without an authorization. His amendment on this issue was ruled out of order as constituting legislation on an appropriations bill.

**Table 9. Appropriations for the Historic Preservation Fund, FY2005-FY2006**  
(\$ in thousands)

<b>Historic Preservation</b>	<b>FY2005 Approp.</b>	<b>FY2006 Request</b>	<b>FY2006 House Passed</b>	<b>FY2006 Senate Passed</b>	<b>FY2006 Approp.</b>
Grants-in-Aid to States and Territories <sup>a</sup>	\$35,500	\$35,500	\$36,000	\$38,500	\$36,250
Tribal Grants	3,205	3,205	3,205	4,000	4,000
Save America's Treasures	29,583	15,000	30,000	30,000 <sup>b</sup>	30,000 <sup>b</sup>
Preserve America Grants-In-Aid	0	12,500	0	0 <sup>b</sup>	0 <sup>b</sup>
HBCUs	3,451	0	3,500	2,000	3,000
National Historic Trust Endowment Grant/Historic Sites Fund	0	0	0	0	0
<b>Total Appropriations</b>	<b>\$71,739</b>	<b>\$66,205</b>	<b>\$72,705</b>	<b>\$74,500</b>	<b>\$73,250</b>

a. The term "Grants-in-Aid to States and Territories" is used in conjunction with the budget and refers to the same program as Grants-in-Aid to State Historic Preservation Offices.

b. The Senate-passed bill provided that part of the Save America's Treasures allocation, not to exceed \$7.5 million, may be used to provide for Preserve America pilot grants. The final FY2006 appropriation would allow not to exceed \$5.0 million to 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 Issue Brief IB10145. *National Park Management*, coordinated by Carol Hardy Vincent.

CRS Issue Brief IB10141. *Recreation on Federal Lands*, coordinated by Kori Calvert and 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.

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 FY2006, P.L. 109-54 appropriated \$976.0 million for the USGS, which is an increase of \$31.5 million over the FY2005 enacted level of \$944.6 million, and \$42.5 million over the Administration's request of \$933.5 million. See **Table 10** below.

P.L. 109-54 provided \$131.2 million for the National Mapping Program; \$238.8 million for Geologic Hazards, Resource, and Processes; \$214.9 million for Water Resources Investigations; \$177.5 million for Biological Research; \$47.1 million for Enterprise Information; \$70.3 million for Science Support; and \$96.2 million for Facilities. All of these accounts received funding above their FY2005 enacted levels.

In this past year, more than 27 major disasters were declared in the United States from earthquakes to landslides, hurricanes, fires, and floods. Further, the United States and its territories have 169 volcanoes considered to be active, more than any other country in the world. USGS has the lead federal responsibility under the Disaster Relief Act (P.L. 93-288, popularly known as the Stafford Act) to provide notification for earthquakes, volcanoes, and landslides and reduce losses through effective forecasts and warnings based on the best possible scientific information. The FY2006 budget request sought to address these responsibilities by proposing funding increases to assist in the development and use of tsunami monitoring systems, seismic activity monitoring, and geothermal assessments. P.L. 109-54 provided approximately \$6.2 million more than the FY2005 enacted level for the account that addresses natural hazards.

Of the proposed reductions in the Administration's FY2006 budget, the largest would have been for \$28.3 million in the Geologic Hazards, Resource, and Processes line item due to cuts in programs related to mineral resources. Both the House- and Senate-passed bills recommended restoring this funding, and in the enacted legislation funding was restored for FY2006. The FY2006 request also proposed to eliminate funding for the Water Resources Research Institutes, which the Administration claims have been generally self-supporting. The Institutes were funded at \$6.4 million in FY2005. P.L. 109-54 provided \$6.5 million to these institutes for FY2006.

**Enterprise Information.** In FY2005, the Administration proposed a new line item for funding within the USGS called 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. Funding for these functions previously was distributed among several different USGS offices and budget subactivities. P.L. 109-54 provided \$47.1 million for this account, which is \$2.7 million above the FY2005 enacted level and \$0.7 million less than the Administration's request.

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.

**National Mapping Program.** The National Mapping Program aims to provide access to high quality geospatial information to the public. P.L. 109-54 provided \$131.2 million for FY2006, which was \$12.5 million above the FY2005 enacted level of \$118.8 million and \$2.3 million below the Administration's request of \$133.5 million.

The FY2006 appropriations law reflected an increase of \$11.7 million over the FY2005 enacted level to support land remote sensing archives and capability. This increase is anticipated to allow the continued availability of Landsat data and provide the necessary resources for data reception, processing, and archiving. As part of the budget response to a funding shortfall in Landsat 7, due to fewer purchases of the data, the USGS sought \$6.0 million in FY2006 for the Landsat Program. Landsat 7 is a satellite that takes remotely-sensed images of the Earth's land surface and surrounding coastal areas primarily for environmental monitoring. Last year, approximately 25% of the data from the Landsat 7 Satellite began showing signs of degradation. Nevertheless, an interagency panel concluded that the Landsat 7 Satellite data "continues to provide a unique, cost-effective solution to operational and scientific problems."<sup>6</sup> In report language, the House Appropriations Committee commended the Administration and the USGS for providing a proposal to continue Landsat operations.

In contrast to the House-passed bill, the Senate-passed bill would have provided a reduction of \$6.0 million from the Administration's request for the Landsat 7 program. Although in report language the Senate Appropriations Committee commended the DOI and others for working out a plan for the program, it expressed that the plan is no different from previous recommendations which amounted to a subsidy of current operations. The Committee stated that it expected the USGS and the DOI to provide more explanation of this proposal before the FY2006 Interior bill

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<sup>6</sup> U.S. Dept. of the Interior, Geological Survey, *Budget Justification and Performance Information: Fiscal Year 2005* (Reston, VA: 2004).

was conferenced, and before it gave the Administration's request more consideration (S.Rept. 109-80, p. 33-34).

**Geologic Hazards, Resources, and Processes.** For Geologic Hazards, Resources, and Processes activities, P.L. 109-54 provided \$238.8 million, which was \$9.6 million above the FY2005 enacted level of \$229.2 million, and \$30.7 million above the Administration's request. This line item covers programs in three activities: Hazard Assessments, Landscape and Coastal Assessments, and Resource Assessments.

P.L. 109-54 provided funding of \$77.7 million for the Resource Assessments line item, although the Administration had sought a reduction of \$28.3 million for FY2006. Both the House and Senate-passed bills would have restored funding for this program. According to the Administration, proposed cuts in the mineral resources program would terminate the collection of basic geologic and mineral deposit data for the nation, the internationally-coordinated global mineral resource assessment, and many mineral commodity reports. The approximately \$25 million the Administration had sought for the minerals program was to continue funding minerals surveys and studies relevant to ongoing federal land management, regulatory, and remediation activities. The conference committee report stated that it would seem "irresponsible for the Administration to decrease or eliminate funding for what is clearly an inherently Federal responsibility." (H.Rept. 109-188, p. 89). The House Appropriations Committee, in report language, asserted that minerals and mineral products are important to the U.S. economy, and that minerals resources research and assessments are a core responsibility of the USGS. The House Committee further stated that objective data on mineral commodities cannot be generated by the private sector.

The Geologic Hazards Assessments program received \$82.2 million from P.L. 109-54, as recommended by the Administration, an increase of \$6.2 million over the FY2005 enacted level. This reflected increased attention to monitoring natural hazards and mitigating their effects.

**Water Resources Investigations.** For Water Resources Investigations, P.L. 109-54 provided \$214.9 million for FY2006, which was \$3.7 million above the FY2005 enacted level, and \$10.8 million above the Administration's request. The Hydrologic Monitoring, Assessments, and Research activity was funded at \$144.7 million for FY2006, \$2.2 million above the FY2005 enacted level.

As with the Bush Administration's FY2002-FY2005 budget requests, the FY2006 request sought to discontinue USGS support for Water Resources Research Institutes because, the Administration alleged, most institutes have succeeded in leveraging sufficient funding for program activities from non-USGS sources. However, Congress provided funding for the institutes from FY2002 to FY2005. P.L. 109-54 funded the institutes at a level of \$6.5 million.

The National Assessment of Water Availability and Use is a program under Water Resources that is being implemented this year. This program aims to provide a better understanding of the nation's water resources, trends in water use, and forecasting water availability. In FY2005, the program began a \$1.2 million pilot



study in the Great Lakes Basin to evaluate water resources and use. The FY2006 budget proposed to extend the program to the western United States through a pilot effort that would provide and analyze information to characterize changes in groundwater availability in large regional aquifer systems. In report language, the House Appropriations Committee stated an expectation that USGS continue this project, implement a second pilot project, and continue to expand this program to other parts of the country.

Conference managers expressed concern over reports that suggest that the USGS water resources program is providing, or seeking to provide, commercial services to federal and non-federal entities in competition with the private sector. The managers expect that the USGS will use the services of the private sector to the best of its ability whenever feasible, cost effective, and consistent with the principles of government standards.

**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. P.L. 109-54 provided \$177.5 million for this activity for FY2006, which is \$5.8 million above the FY2005 enacted level of \$171.7 million and \$4.6 million above the requested amount of \$172.9 million. The activities under Biological Research include Biological Research and Monitoring, Biological Information Management and Delivery, and Cooperative Research Units. The FY2006 request had proposed increases for projects and research in deepwater fisheries in the Great Lakes, freshwater fisheries in the western United States, and control of invasive species, such as the tamarisk in the Rio Grande Basin.

Conference managers included funding increases for the invasive species initiative within this program and directed the USGS to fund leafy spurge eradication. Further, the managers included funding for surveying efforts to describe the population range of the ivory-billed woodpecker. In concordance with the Senate Appropriations Committee, conference managers expressed concern that no coordinated budgetary and programmatic plan has been made for the expansion of the National Biological Information Infrastructure (NBII). The NBII is a program that provides increased access to data on the nation's biological resources.

**Science Support and Facilities.** Science Support focuses on those costs associated with modernizing the infrastructure for managing and disseminating scientific information. P.L. 109-54 provided \$70.3 million for Science Support for FY2006, which was an increase of \$4.8 million from the FY2005 enacted level of \$65.6 million, and a decrease of \$2.0 million from the Administration's request of \$72.3 million.

Facilities focuses on the costs for maintenance and repair of facilities. P.L. 109-54 provided \$96.2 million for facilities, which was \$1.5 million over the Administration request of \$94.7 million, and \$1.6 million over the FY2005 enacted level of \$94.6 million.

**Table 10. Appropriations for the U.S. Geological Survey,  
FY2005-FY2006**  
(\$ in millions)

U.S. Geological Survey	FY2005 Approp.	FY2006 Request	FY2006 House Passed	FY2006 Senate Passed	FY2006 Approp.
Enterprise Information	\$44.4	\$47.8	\$47.1	\$47.1	\$47.1
National Mapping Program	118.8	133.5	133.2	127.2	131.2
Geologic Hazards, Resources, and Processes	229.2	208.1	239.2	237.2	238.8
Water Resources Investigations	211.2	204.2	211.7	214.8	214.9
Biological Research	171.7	172.9	174.8	174.3	177.5
Science Support	65.6	72.3	72.3	66.3	70.3
Facilities	94.6	94.7	96.2	96.2	96.2
<b>Total Appropriations</b>	<b>\$944.6<sup>a</sup></b>	<b>\$933.5</b>	<b>\$974.6</b>	<b>\$963.1</b>	<b>\$976.0</b>

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.

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, Land and Water Conservation Fund, the Historic Preservation Fund, and the U.S. Treasury.

The MMS estimates that it collects and disburses over \$6 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 FY2006 total MMS budget of \$290.2 million. This included \$7.0 million for Oil Spill

Research and \$283.1 million for Royalty and Offshore Minerals Management. The Royalty and Offshore Minerals Management total budget would have included \$148.3 million for OMM, \$87.3 million for MRM, and \$47.5 million for general administration. The total FY2006 budget of \$290.2 million in the Administration request reflected \$167.4 million in appropriations and an additional \$122.7 million from offsetting collections which MMS has been retaining since 1994. The Administration's total budget was 5% above the \$277.6 million provided for FY2005. The Administration proposed to reduce the FY2006 appropriations by 4%, from \$173.8 million enacted for FY2005 to \$167.4 million for FY2006.

The House-passed version contained \$282.4 million for MMS programs (including Oil Spill Research). The major differences between the Administration's request and the House bill were in two Royalty Management programs: the Strategic Petroleum Reserve to Royalty-in-Kind (RIK) conversion and the Compliance and Asset Management (CAM) initiative. The House considered the \$9.8 million in the budget request to fund these programs unnecessary, because the House had included a provision to allow the RIK program to recover its costs directly. Thus, while the President requested \$51.9 million for CAM, the House bill would have provided \$42.1 million. The Senate-passed version included a total of \$282.2 million for MMS programs (including Oil Spill Research) and would have funded the CAM initiative at \$43.1 million. The Senate bill generally would have funded MMS programs at or near the requested or House-passed levels in all other categories. See **Table 11** below.

The conferees settled on a total MMS budget of \$283.4 million. This included \$149.9 million for OMM, \$78.5 million for MRM, \$47.9 million for General Administration, and \$7.0 million for oil spill research. They supported the use of \$122.7 million in offsetting collections, for a net appropriation of \$160.7 million. These were the levels enacted in the FY2006 appropriations law, making the FY2006 appropriation 8% lower than the FY2005 level.

**Table 11. Appropriations for the Minerals Management Service, FY2005-FY2006**  
(\$ in millions)

Minerals Management Service	FY2005 Approp.	FY2006 Request	FY2006 House Passed	FY2006 Senate Passed	FY2006 Approp.
Royalty and Offshore Minerals Management					
— OCS Lands (OMM)	\$148.3	\$148.3	\$149.5	\$149.2	\$149.9
— Royalty Management (MRM)	75.4	87.3	77.5	78.5	78.5
— General Administration	46.9	47.5	48.4	47.5	47.9
— Gross, Royalty and Offshore Minerals Management	270.6	283.1	275.4	275.2	276.4
— Use of Receipts	-103.7	-122.7	-122.7	-122.7	-122.7
Total, Royalty and Offshore Minerals Management Appropriations	166.9	160.4	152.7	152.5	153.7
Oil Spill Research	7.0	7.0	7.0	7.0	7.0
<b>Total Appropriations</b>	<b>\$173.9</b>	<b>\$167.4</b>	<b>\$159.7</b>	<b>\$159.5</b>	<b>\$160.7</b>

**Oil and Gas Leasing Offshore.** Issues not directly tied to specific funding accounts were once again considered during the FY2006 appropriations process, as they were in recent years. Oil and gas development moratoria 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 moratoria language, in virtually every respect, was in agreement with the House- and Senate-passed bills. The FY2006 appropriations law retained the moratorium on funding preleasing and leasing activities in the Eastern Gulf of Mexico (GOM), as had the FY2005 appropriations law. Sales in the Eastern GOM have been especially controversial. There are 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 new five-year leasing program. Industry groups contend that Eastern GOM sales are too limited, arguing 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. The FY2006 appropriations law included House- and Senate-passed language, which continued leasing moratoria in other areas, including the Atlantic and Pacific Coasts, as did the FY2005 appropriations law.

The House- and Senate-passed versions of the FY2006 Interior Appropriations bill did not include language to prohibit funding for preleasing and leasing activity in the North Aleutian Basin Planning Area, nor did the FY2006 appropriations law. The FY2005 and FY2004 appropriations laws also omitted this language. However, the issue remains controversial. There is some industry interest in eventually opening the area to oil and gas development as an offset to the depressed fishing industry in the Bristol Bay area. Environmentalists and others oppose this effort. The North

Aleutian Basin Planning Area, containing Bristol Bay, is not in the MMS current five-year (2002-2007) leasing plan. Under the Outer Continental Shelf Lands Act of 1953 (OCSLA, 43 U.S.C. §1331), the Secretary of the Interior submits five-year leasing programs that specify the time, location, and size of lease sales to be held during that period.

Industry groups are seeking legislation to allow natural-gas-only drilling in areas currently under the moratoria. The industry proposal would allow state governors to veto any proposal within 60 miles of their shores and would extend states' coastal boundaries up to 12 miles to increase the potential of generating more revenue for the states.

During the FY2006 House Appropriations Committee markup, an amendment that would lift the moratoria in the Eastern Gulf of Mexico if U.S. oil imports reach two-thirds of consumption was withdrawn. Another amendment, also withdrawn, would have allocated \$50.0 million to inventory offshore natural gas. The amendment to lift the moratoria in the Eastern Gulf of Mexico was offered again on the House floor (by Representative Istook), but a point of order was sustained on the grounds that it constituted legislation on an appropriations bill. A second amendment (by Representative John E. Peterson) that would have lifted the moratorium on offshore natural gas was defeated (157-262).

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.<sup>7</sup> The Department of the Interior did not appeal this decision and is currently working with lessees to resolve the issue. The breach-of-contract lawsuit that was filed against MMS by nine oil companies seeking \$1.2 billion in compensation for their undeveloped leases is pending further action.

Several oil and gas lessees submitted a new round of suspension requests to prevent lease termination and loss of development rights. The MMS has prepared six environmental assessments and found no significant impact for processing the applications for Suspension of Production or Operations. Under the Coastal Zone Management Act, a consistency review by MMS and the state's response to that review will occur before a decision is made to grant or deny the requests.

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<sup>7</sup> Ninth U.S. Circuit Court of Appeals, *California v. Norton*, 01-16637.

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.

## **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 and drawing upon both the federal and state shares. In instances where states have no approved program, OSM directs reclamation.

Several states have been pressing 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 nearly \$1.7 billion by the end of FY2004. Western states are additionally critical of the program because, as coal production has shifted westward, these states are paying more into the fund. They contend that they are shouldering a disproportionate share of the reclamation burden as more of the sites requiring remediation are in the East.

In both the 108<sup>th</sup> and 109<sup>th</sup> Congresses, legislation was introduced to reauthorize fee collections and make a number of changes to the program to address state and regional concerns. Other legislative proposals for reauthorization of AML collections were introduced in the House and Senate. The 108<sup>th</sup> Congress was unable to reach a resolution of the issues surrounding the structure of the program.

In light of the narrowing prospects that a broader AML bill would be enacted before the conclusion of the 108<sup>th</sup> Congress, the Senate Committee on Appropriations added a short-term extension — to May 31, 2005 — during its markup of the FY2005 Interior appropriations bill. The House version of the bill had no comparable language. However, authorization for collection of AML fees was extended to the end of June 2005 by the Consolidated Appropriations Act for 2005 (P.L. 108-447). Pending a longer-term settlement of unresolved issues about the structure of the AML program, the Emergency Supplemental Appropriations Act for FY2005 (P.L. 109-13) extended authorization for collection of the fees that are deposited to the AML reclamation fund to the end of FY2005. As passed by the Senate, the FY2006 Interior appropriations bill sought to provide a further extension of the AML fund to June 30, 2006. The House bill included no similar provision.

The FY2006 appropriations law included the Senate language extending the authorization for collections to the end of June 2006.

The FY2005 budget request, which included a proposal to restructure the program to return the unobligated balances to the states, totaled \$243.9 million for the AML fund. However, neither the House nor Senate embraced the Administration's plan. The final appropriation for the fund for FY2005 was \$188.2 million. The FY2006 request again sought to return unobligated state-share balances to the states over ten years. This part of the request accounted for \$58.0 million of the Administration's total FY2006 OSM request of \$356.5 million. The FY2006 request for additional funds to begin return of unobligated state share balances also was rejected by both the House and Senate. With that exception, the House and Senate were in agreement with the levels requested by the Administration for OSM, including \$188.0 million for the AML fund. This was the level enacted.

The other component of the OSM budget is for regulation and technology programs. For regulation and technology, Congress provided \$108.4 million in FY2005. The House and Senate agreed to the Administration's request for \$110.5 million for FY2006 and that level was enacted into law. Included in the FY2006 request was \$10.0 million for the Appalachian Clean Streams Initiative (ACSI), the same level as in FY2002-FY2005. This figure was retained in the FY2006 appropriations law.

Owing to the Administration proposal to return unobligated state balances, and as noted above, the Administration requested \$356.5 million for OSM, a 20% increase over the FY2005 level of \$296.6 million. However, the total for OSM enacted for FY2006 was \$298.5 million, reflecting House and Senate agreement with the other components of the Administration's request.

In its FY2006 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. Currently, grants to the states from the AML fund are based on states' current and historic coal production. The minimum funding level for each of these states was increased to \$2.0 million in 1992. However, over the objection of those states who would have preferred the full authorization, Congress has appropriated \$1.5 million to minimum program states since FY1996. While the Administration sought \$2.0 million for minimum program states in its FY2005 request, it returned to \$1.5 million for FY2006. This level was provided in the FY2006 law. Also, SMCRA included a provision for a \$10.0 million allocation from the AML collections for the Small Operators Assistance Program (SOAP). However, no appropriation was requested for FY2006, and none was included in the FY2006 appropriations law.

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

CRS Report RL32373. *Abandoned Mine Land Fund Reauthorization: Selected Issues*, by Robert L. Bamberger.

## 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 FY2005 direct appropriations are \$2.30 billion. For FY2006, the Administration proposed \$2.19 billion, a decrease of \$108.2 million (5%) below FY2005. The House approved \$2.32 billion, an increase of \$22.3 million (1%) over FY2005 and of \$130.5 million (6%) over the Administration's proposal. The Senate approved \$2.27 billion, which was \$26.3 million (1%) less than FY2005, \$81.9 million (4%) more than the FY2006 proposal, and \$48.6 million (2%) less than the House FY2006 amount. Congress enacted an FY2006 total of \$2.31 billion, an increase of \$12.5 million (less than 1%) over FY2005 and of \$120.8 million (6%) over the Administration's proposal. For the BIA, its major budget components, and selected BIA programs, **Table 12** below presents figures for FY2005-FY2006 and the percentages of change from FY2005 to FY2006 for the enacted levels. 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 the BIA school system.



**Table 12. Appropriations for the Bureau of Indian Affairs,  
FY2005-FY2006**  
(\$ in thousands)

Bureau of Indian Affairs	FY2005 Approp.	FY2006 Request	FY2006 House Passed	FY2006 Senate Passed	FY2006 Approp.	Percent Change: FY2005-FY2006
Operation of Indian Programs						
— Tribal Priority Allocations	\$769,543	\$760,149	\$778,069	\$775,407	\$777,319	1%
—Contract Support Costs	134,420	134,609	134,609	134,609	134,609	<1%
— Other Recurring Programs	612,919	602,301	636,337	621,295	634,795	4%
—School Operations	517,647	521,633	544,993	521,633	531,493	3%
—Tribally-Controlled Colleges	53,141	43,375	43,375	56,375	56,375	6%
— Non-Recurring Programs	75,985	65,325	67,691	70,475	71,371	-6%
— Central Office Operations	140,021	151,534	151,534	151,534	151,534	8%
—Office of Federal Acknowledgment	1,280	1,280	1,280	1,280	1,280	0%
—Trust Services	19,071	27,169	27,169	27,169	27,169	42%
—Information Resources Technology	58,092	58,288	58,288	58,288	58,288	<1%
— Regional Office Operations	41,362	41,590	41,590	41,590	41,590	1%
— Special Programs and Pooled Overhead	286,261	303,331	317,516	310,831	314,881	10%
—Public Safety and Justice	180,063	192,265	200,765	192,265	196,265	9%
—Tribal Vocational Colleges	5,177	0	5,177	5,300	5,300	2%
Subtotal, Operation of Indian Programs	1,926,091	1,924,230	1,992,737	1,971,132	1,991,490	3%
Construction	319,129	232,137	284,137	267,137	275,637	-14%
— Education Construction	263,372	173,875	225,875	198,875	209,875	-20%
—Replacement School Construction	105,550	43,494	75,494	58,494	65,494	-38%
—Education Facilities Improvement and Repair	142,531	128,381	147,381	138,381	142,381	<1%
— Law Enforcement Facilities Improvement and Repair	3,833	8,223	8,223	8,223	8,223	115%

Bureau of Indian Affairs	FY2005 Approp.	FY2006 Request	FY2006 House Passed	FY2006 Senate Passed	FY2006 Approp.	Percent Change: FY2005-FY2006
Land and Water Claim Settlements and Miscellaneous Payments	44,150	24,754	34,754	24,754	34,754	-21%
Indian Guaranteed Loan Program	6,332	6,348	6,348	6,348	6,348	<1%
<b>Total Appropriations</b>	<b>\$2,295,702</b>	<b>\$2,187,469</b>	<b>\$2,317,976</b>	<b>\$2,269,371</b>	<b>\$2,308,229</b>	<b>&lt;1%</b>

**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 arises 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.<sup>8</sup> Following nearly a year of DOI consultation on reorganization 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.

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<sup>8</sup> The report is available on the DOI website at [<http://www.doi.gov/indiantrust/pdf/roadmap.pdf>].

The current reorganization plan of BIA, AS-IA, and OST — which DOI expects to complete in FY2005 — chiefly involves trust management structures and functions. Under the plan, the BIA's trust operations at regional and agency levels remains in those offices but is 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. Certain tribes, however, that had been operating trust management reform pilot projects with their regional BIA offices under self-governance compacts were excluded from the reorganization, under the FY2004 and FY2005 appropriations acts. 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, announced in March 2003, which 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 BIA's World-Wide-Web connections), 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 urgently asked that it be suspended. Tribes argue 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-FY2005, Congress responded to tribal concerns by excluding from BIA reorganization certain tribes that have been operating trust management reform pilot projects with their regional BIA offices. Congress retained this exclusion for FY2006. Congress has not, however, suspended or stopped the reorganization, and Congress agreed with the Administration's proposed FY2006 funding for BIA Central Office trust reform and 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.

Some observers feel tribal operation of schools will improve student achievement. To encourage tribal boards to take over operation of current BIA-operated schools, for FY2004-FY2005, Congress created an administrative cost fund to pay tribal school boards' start-up administrative costs. The fund's FY2005 appropriation was \$986,000. The Administration's FY2006 proposal reduced this fund to \$500,000, and Congress agreed.

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, but this figure changes as new repair needs appear each year.

Table 12 above shows FY2005 education construction funds, and for FY2006 the Administration's proposal, the House and Senate amounts, and the enacted level for education construction. The Administration proposed reducing the total FY2006 appropriation for education construction by \$89.5 million (34%). Included in the proposal was a reduction for replacement-school construction of \$62.1 million (59%); the Administration asserted that a majority of school replacement projects funded in previous years are still under construction and that BIA needed to focus on completing them. Congress disagreed with the Administration's assertion and partly restored the Administration's cuts, reducing FY2006 total education construction by \$53.5 million (20%) and replacement-school construction by \$40.1 million (38%) from the FY2005 enacted levels.

In response to the Administration's position that some projects under self-determination contracts have been too slow in commencing, the FY2005 appropriations act authorized the BIA to reassume management of school construction projects that are under tribal self-determination contracts if the construction does not begin within 18 months of funding availability. Congress retained this provision for FY2006.

Because construction appropriations are, in some tribes' views, not reducing construction needs fast enough, Indian tribes have urged Congress to explore additional sources of construction financing. In the FY2001-FY2005 Interior appropriations acts, Congress authorized a demonstration program that allows tribes to help fund construction of BIA-funded, tribally-controlled schools. For FY2005, Congress funded the program at \$12.3 million (earmarking all the funding for three projects). For FY2006, the Administration proposed no funding for this program and Congress agreed.

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 109<sup>th</sup> Congress*, by Roger Walke.

## Departmental Offices

**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 also manages relations between these jurisdictions and the federal government and works to build the fiscal and governmental capacity of units of local government.

Funding for the OIA consists of two parts: (1) permanent and indefinite appropriations and (2) discretionary and current mandatory funding subject to the appropriations process. The total request for FY2006 was \$392 million; of this total, \$345.5 million (88%) is mandated through statutes. A total of \$343 million in permanent funding would be provided in FY2006 as follows:

- \$198 million to three freely associated states (RMI, FSM, and Palau) under conditions set forth in the respective Compacts of Free Association;<sup>9</sup>
- \$115 million in fiscal assistance, divided between the U.S. Virgin Islands for estimated rum excise and income tax collections and Guam for income tax collections; and
- \$30 million in each year for American Samoa, Guam, CNMI, or the state of Hawaii, from FY2004 through FY2023, for health, educational, social, or public safety services, or infrastructure costs, associated with the residence of “qualified nonimmigrants” from the RMI, FSM, or Palau.<sup>10</sup>

Discretionary and current mandatory funds that require annual appropriations constitute the balance 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.

Appropriations for FY2005 total \$81.0 million, with AT funded at \$75.6 million and CFA at \$5.5 million. The FY2006 request sought to reduce AT funding to \$74.3 million, and CFA assistance to \$4.9 million, for a total of \$79.1 million. The House approved amounts higher than requested for AT (\$76.6 million) and CFA (\$5.4 million), resulting in total recommended discretionary and mandatory funding of almost \$82 million. The Senate approved a total of \$81.6 million, \$76.7 million for AT and \$4.9 million for CFA. Little debate has occurred in recent years on funding for the territories and the OIA. For FY2006, Congress enacted a total of \$82.2 million for the Insular Affairs account — \$76.9 million for AT, and \$5.4 million for CFA.

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 FY2006, Congress enacted \$236.0 million for PILT. Originally the House had passed \$242.0 million for PILT, while the Senate had approved \$235.0 million. The FY2006 enacted level is an increase over the FY2005 level (\$226.8 million) and a larger increase over the Administration’s FY2006 request (\$200.0 million). The Administration had

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<sup>9</sup> Legislation to approve the amended compacts was enacted in the 108<sup>th</sup> 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.

<sup>10</sup> P.L. 108-188, 117 Stat. 2739, 2742.

recommended cutting PILT as part of an effort to reduce the deficit and to provide funding at a level that is more consistent with historical appropriations levels.

In earlier action, the House Appropriations Committee had recommended \$230.0 million for PILT, but the House agreed to a floor amendment to increase PILT funding by \$12.0 million with an offset in the DOI Departmental Management account. The amendment was supported on the grounds that local governments need additional PILT funds to provide vital services, and that additional funds would help close the gap between authorized and appropriated funding. The amendment was opposed on the assertion that there were insufficient funds in the bill overall to direct more money to PILT, and that it would have an adverse impact on management of important DOI programs and result in the elimination of staff positions. The House subsequently rejected another amendment that sought to increase PILT funding by an additional \$4.8 million, with an offset in funds for the National Endowment for the Arts. A Senate amendment seeking to increase PILT funding to \$242.0 million, equal to the House passed level, was withdrawn.

The PILT program compensates local governments for federal land within their jurisdictions because federal land is not taxed. Since the beginning of the program in 1976, payments of more than \$3 billion have been made. The PILT program has been controversial, because in recent years appropriations have been substantially less than authorized amounts, ranging from 42% to 68% of authorized levels between FY2000 and FY2004 (the most recent year available). County governments claim 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.

Beginning in FY2004, the Administration proposed, and Congress agreed, to shift the program from the BLM to Departmental Offices in DOI. The shift was supported because PILT payments are made for lands of the Fish and Wildlife Service, National Park Service, Forest Service, and certain other federal lands, in addition to BLM lands.

For further information on the *Payments in Lieu of Taxes* program, see the BLM 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 (P.L. 103-412; 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, as authorized by P.L. 103-412, the Secretary of the Interior transferred trust fund management from the BIA 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 1,400 accounts, with a total asset value of about \$3 billion; and (2) individual Indians' funds, known as Individual Indian Money (IIM) accounts, in about 245,000 accounts with a current total asset value of about \$400 million. (Figures are from the OST FY2006 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 FY2005 appropriation was \$228.1 million. The Administration proposed \$303.9 million for FY2006, an increase of \$75.9 million (33%). Congress approved \$226.1 million, a decrease of \$1.9 million (1%) from FY2005 and of \$77.8 million (26%) from the Administration's proposal. **Table 13** below presents figures for FY2005-FY2006 for the OST. Key issues for the OST are its current reorganization, an historical accounting for tribal and IIM accounts, and litigation involving tribal and IIM accounts.

**Table 13. Appropriations for the Office of Special Trustee for American Indians, FY2005-FY2006**  
(\$ in thousands)

Office of Special Trustee for American Indians	FY2005 Approp.	FY2006 Request	FY2006 House Passed	FY2006 Senate Passed	FY2006 Approp.	Percent Change FY2005-FY2006
Federal Trust Programs	\$193,540	\$269,397	\$191,593	\$191,593	\$191,593	-1%
— <i>Historical Accounting</i>	57,194	135,000	58,000	58,000	58,000	1%
Indian Land Consolidation	34,514	34,514	34,514	34,514	34,514	0%
<b>Total Appropriations</b>	<b>\$228,054</b>	<b>\$303,911</b>	<b>\$226,107</b>	<b>\$226,107</b>	<b>\$226,107</b>	<b>-1%</b>

**Reorganization.** Both OST and BIA began a reorganization in 2003 (see "Bureau of Indian Affairs" section above), one aspect of which is the creation of OST field operations. OST is installing fiduciary trust officers and administrators at the level of BIA agency and regional offices. OST and BIA plan on completing the reorganization in FY2005. Many Indian tribes disagree with parts of the OST and BIA reorganization and have asked Congress to put it on hold so that OST and BIA can conduct further consultation with the tribes.

**Historical Accounting.** 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 19<sup>th</sup> 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. OST continues to follow this historical accounting plan for IIM accounts, subject to court rulings (see “Litigation” below) or congressional actions. All of the increase that the Administration sought for the OST for FY2006 was for historical accounting, which was proposed to increase from \$57.2 million in FY2005 to \$135.0 million in FY2006. Of the proposed \$135.0 million, \$95.0 million was to be for IIM accounts and \$40.0 million for tribal accounts. The House and Senate rejected the Administration’s proposed \$77.8 million increase for historical accounting and instead capped FY2006 historical accounting funds at \$58.0 million (the FY2005 pre-recision level). The House Appropriations Committee’s report recommended using the \$77.8 million to restore the Administration’s proposed cuts in BIA education and Indian Health Service funding. The Senate Appropriations Committee’s report also cited “ongoing litigation and uncertainty” as reasons for not funding the Administration’s full request for historical accounting (S.Rept. 109-80, p. 50). The FY2006 Interior appropriations law capped funding for historical accounting activities at \$58.0 million.

**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.<sup>11</sup> Many OST activities are related to the *Cobell* case, including litigation support activities, but the most significant issue for appropriations concerns the method by which the historical accounting will be conducted 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, the cost of which is uncertain, was estimated to produce a total owed to IIM accounts over \$100 billion.

In 2003, the district court conducted a lengthy trial to decide which historical accounting method to use in estimating the IIM accounts’ proper balances. The court’s decision on historical accounting was delivered on September 25, 2003. The court rejected both the plaintiffs’ and DOI’s proposed historical accounting plans and instead 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 September 25, 2003 decision. The provision directed that no statute or trust law principle should be construed to require the Interior Department 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

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<sup>11</sup> *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>].



IIM plaintiffs and the federal government announced agreement on two mediators in their case and mediation commenced. Meanwhile, no bill was introduced in the 108<sup>th</sup> Congress to delineate the government's historical accounting obligation. On December 10, 2004, the Appeals Court overturned much of the September 25 order, finding among other things 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 estimates that compliance with the new order would cost \$12-13 billion,<sup>12</sup> appealed the order. The district court did not stay its order during the appeal, however, so various deadlines that DOI must meet are still in effect. One news story suggests DOI is seeking congressional action to delay the court-ordered accounting, similar to the provision in the FY2004 Interior appropriations act.<sup>13</sup>

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 the court-ordered historical accounting, the over-\$100 billion that *Cobell* plaintiffs estimate their IIM accounts are owed, or the \$27.5 billion that the *Cobell* plaintiffs have proposed as a settlement amount.<sup>14</sup> Among the funding sources for these large costs discussed in a recent House Interior Appropriations Subcommittee hearing were discretionary appropriations and the Treasury Department's "Judgment Fund,"<sup>15</sup> but some senior appropriators consider the Fund insufficient even for a \$6-\$13 billion dollar settlement.<sup>16</sup> Among other options, Congress may await a stay, reversal, or other appeals court action, or it may enact another delay to the court-ordered accounting, or it may take other actions such as directing a settlement or delineating the department's historical accounting obligations. In their reports for FY2006, both the House Appropriations Committee and the conference committee stated that they rejected the position that Congress intended in the 1994 Act to order an historical

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<sup>12</sup> Recent testimony from the Interior Department estimated the cost at \$12-13 billion (James Cason, Associate Deputy Secretary, Department 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.

<sup>13</sup> Spangler, Matt, "Senator Says Government Cannot Afford to Settle 9-Year-Old Indian Trust Case," *Inside Energy with Federal Lands* (March 14, 2005), p. 10.

<sup>14</sup> Trust Reform and Cobell Settlement Workgroup, "Principles for Legislation," June 20, 2005, p. 2, available at [[http://www.indiantrust.com/\\_pdfs/20050620SettlementPrinciples.pdf](http://www.indiantrust.com/_pdfs/20050620SettlementPrinciples.pdf)].

<sup>15</sup> The Judgment Fund is a permanent, indefinite appropriation for paying judgments against, and settlements by, the U.S. Government.

<sup>16</sup> Spangler, Matt, "Treasury Fund May Be Short of Cash Needed to Settle Indian royalty Case," *Inside Energy with Federal Lands* (March 21, 2005), p. 6.

accounting on the scale of that ordered by the district court. The House Appropriations Committee also noted that House and Senate authorizing committees are committed to developing a legislative solution, and a settlement bill (S. 1439) has been introduced and received hearings. No language in the FY2006 appropriations law either delayed the court-ordered historical accounting or otherwise settled the suit.

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

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

CRS Report RS22056. *Major Indian Issues in the 109<sup>th</sup> 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 (P.L. 100-497; 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).<sup>17</sup> The primary appropriations issue for NIGC is whether its funding is adequate for its regulatory responsibilities.

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. IGRA currently caps NIGC fees at \$8 million per year. The NIGC in recent years has requested additional funding because it has experienced increased demand for its oversight resources, especially audits and field investigations. Congress, in the FY2003-FY2005 appropriations acts, increased the NIGC's fee ceiling to \$12 million, but only for FY2004-FY2006. The FY2006 NIGC budget proposal requested that this increased fee ceiling be continued through FY2007, and Congress agreed in the FY2006 appropriations law.

In the FY2006 budget, as in its FY2005 request, the Administration proposed language amending IGRA to create an adjustable, formula-based ceiling for fees instead of the current fixed ceiling. The Administration contends that a formula-based fee ceiling would allow NIGC funding to grow as the Indian gaming industry grows. Gaming tribes do not support the increased fee ceiling or the proposed amendment of IGRA's fee ceiling, arguing that NIGC's budget should first be reviewed in the context of extensive tribal and state expenditures on regulation of Indian gaming, and that changes in NIGC's fees should be developed in consultation with tribes. Congress did not agree to the Administration's proposed amendment to IGRA in the FY2005 or FY2006 appropriations laws.

During FY1999-FY2005, all NIGC activities have been funded from fees, with no direct appropriations. The Administration did not propose a direct appropriation for the NIGC for FY2006, nor did Congress consider one.

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<sup>17</sup> Classes of Indian gaming were established by the IGRA, and NIGC has different but overlapping regulatory responsibilities for each class.

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

## **Title II: Environmental Protection Agency**

In the first session of 109th Congress, EPA's funding was moved to the jurisdiction of the Interior subcommittees beginning with the FY2006 appropriations. This was the result of the abolition of the House and Senate Appropriations Subcommittees on Veterans Affairs, Housing and Urban Development, and Independent Agencies, which previously had jurisdiction over EPA.

EPA's responsibilities have grown since it was established in 1970, as Congress has enacted an increasing number of environmental laws, as well as major amendments to these statutes. The Agency's primary responsibilities include 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, tribal and local areas in controlling pollution.

Without adjusting for inflation, the agency's appropriation has risen from \$1.0 billion when the agency was established in FY1970 to \$8.03 billion in FY2005. For FY2006, P.L. 109-54 provided \$7.81 billion for EPA, including \$80.0 million in funds rescinded from past fiscal year appropriations. In effect, the rescinded funds are an offset in the FY2006 appropriations resulting in a net appropriation of \$7.73 million.

The rescissions of previous years appropriations are to be taken from grants, contracts, and interagency agreements for various program activities, whose availability under their original agreements has expired. Although included in the State and Tribal Assistance Grants (STAG) account, the joint explanatory statement in the conference report (H.Rept. 109-188, p.112) emphasized that the provision applies to all EPA appropriations accounts. Unlike the House-passed bill, neither text of P.L. 109-54 nor the joint explanatory statement specify redirecting the rescinded funds for specific EPA activities for FY2006. The House-passed bill had specified that a rescission of \$100.0 million in unobligated funds from past appropriations be used for increased support for the clean water State Revolving Fund (SRF) under the STAG account (see discussion under "Water Infrastructure" in this EPA section of the report). The Senate-passed bill included \$58.0 million in "rescinded" previous year funds within the STAG account but did not specify its allocation for FY2006.

P.L. 109-54 contained significant increases for some activities and programs within each of the EPA appropriations accounts, while calling for sizeable decreases or similar funding in other areas when compared to the President's FY2006 request and the FY2005 appropriations.

**EPA Appropriation Accounts.** Traditionally, EPA's annual appropriation has been requested and enacted according to various line-item appropriations accounts, of which there currently are eight:

- Science and Technology;
- Environmental Programs and Management;
- Office of Inspector General;
- Buildings and Facilities;
- Hazardous Substance Superfund;
- Leaking Underground Storage Tank Program;
- Oil Spill Response; and
- State and Tribal Assistance Grants.

**Table 14** presents a breakdown of appropriations for EPA by account for FY2005 and FY2006. **Figure 1** displays the portion of the FY2006 appropriations provided to EPA in P.L. 109-54 that was allocated for each account.

**Table 14. Appropriations for the Environmental Protection Agency, FY2005-FY2006**  
(\$ in millions)

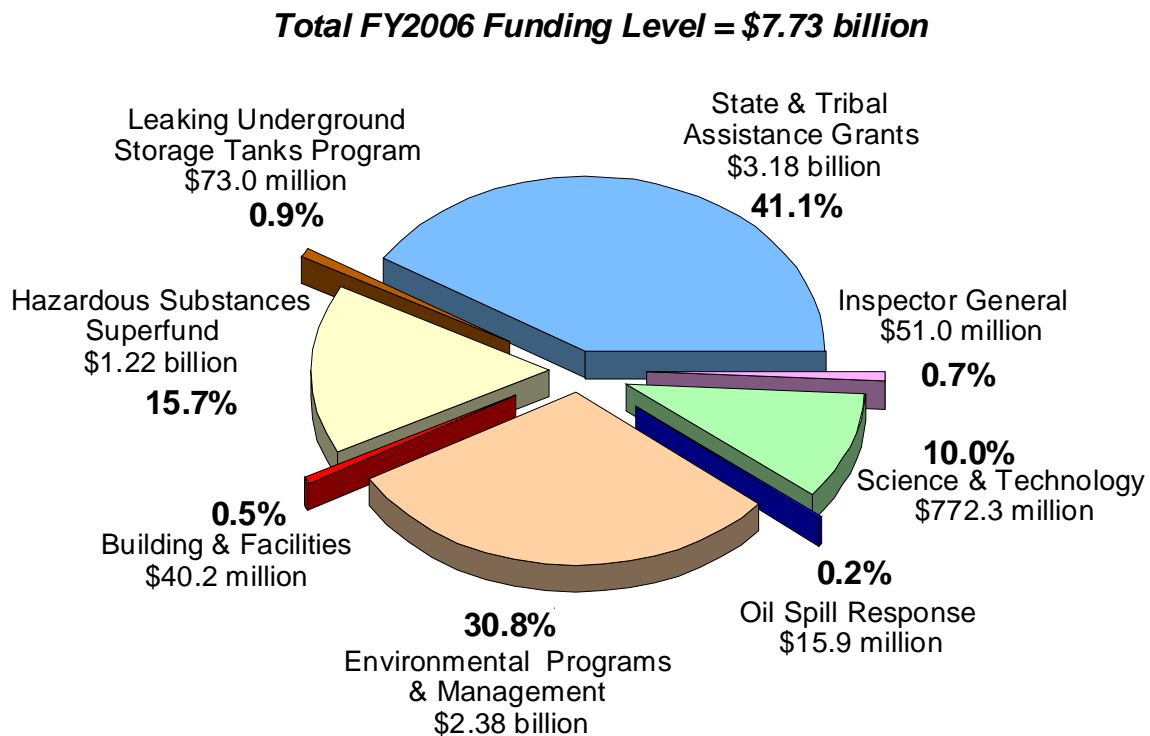
Environmental Protection Agency	FY2005 Approp.	FY2006 Request	FY2006 House Passed	FY2006 Senate Passed	FY2006 Approp.
Science & Technology					
— <i>Direct Appropriations</i>	\$744.1	\$760.6	\$765.3	\$730.8	\$741.7
— <i>Transfer in from Superfund</i>	35.8	30.6	30.6	30.6	30.6
Subtotal, Science & Technology	779.9	791.2	795.9	761.4	772.3
Environmental Programs and Management	2,294.9	2,353.8 <sup>b</sup>	2,389.5 <sup>b</sup>	2,333.4 <sup>b</sup>	2,381.8 <sup>b</sup>
Office of Inspector General					
— <i>Direct Appropriations</i>	37.7	37.0	38.0	37.0	37.5
— <i>Transfer in from Superfund</i>	12.9	13.5	13.5	13.5	13.5
Subtotal, Office of Inspector General	50.6	50.5	51.5	50.5	51.0
Buildings and Facilities	41.7	40.2	40.2	40.2	40.2
Hazardous Substance Superfund					
— <i>Direct Appropriations</i>	1,247.5	1,279.3	1,258.3	1,256.2	1,260.6
— <i>Transfers out from Superfund</i>	-48.7	-44.1	-44.1	-44.1	-44.1
Subtotal, Hazardous Substance Superfund	1,198.8	1,235.2	1,214.2	1,212.1	1,216.5
Leaking Underground Storage Tank Program	69.4	73.0	73.0	73.0	73.0
Oil Spill Response	15.9	15.9	15.9	15.9	15.9

<b>Environmental Protection Agency</b>	<b>FY2005 Approp.</b>	<b>FY2006 Request</b>	<b>FY2006 House Passed</b>	<b>FY2006 Senate Passed</b>	<b>FY2006 Approp.</b>
Pesticide Registration Fund	19.2	15.0	15.0	15.0	15.0
Pesticide Registration Fees	-19.2	-15.0	-15.0	-15.0	-15.0
<b>State &amp; Tribal Assistance Grants (STAG)</b>					
— <i>Clean Water State Revolving Fund</i>	1,091.2	730.0	850.0 <sup>c</sup>	1,100.0	900.0
— <i>Drinking Water State Revolving Fund</i>	843.2	850.0	850.0	850.0	850.0
— <i>Categorical and Other Grants</i>	1,640.9	1,380.8	1,527.8	1,503.6	1,511.7
— <i>Funds Previously Appropriated to EPA</i>	—	—	-100.0 <sup>c</sup>	-58.0 <sup>c</sup>	-80.0 <sup>c</sup>
Subtotal, State & Tribal Assistance Grants (STAG)	3,575.3	2,960.8	3,127.8	3,395.6	3,181.7
<b>Total Appropriations</b>	<b>\$8,026.5<sup>a</sup></b>	<b>\$7,520.6</b>	<b>\$7,708.0</b>	<b>\$7,882.0</b>	<b>\$7,732.4</b>

**Source:** Prepared by the Congressional Research Service (CRS) based on amounts from P.L. 109-54 and the House and Senate Appropriations Committees.

- a. The FY2005 total includes a supplemental emergency appropriation (P.L. 108-324) of \$3.0 million provided in the Buildings and Facilities account.
- b. The FY2006 request included \$50.0 million in revenues to be derived from proposed legislative changes to pesticide and toxic chemical manufacture fees, which have not been enacted. The anticipated revenues are reflected as a deduction in the form of offsetting receipts. Neither P.L. 109-54 nor the original House- and Senate-passed bills included the \$50.0 million offsetting revenues.
- c. P.L. 109-54 included an \$80.0 million rescission of prior year funds that were not obligated to expired contracts, grants, and inter-agency agreements, as an offset to the FY2006 appropriations in the STAG account. The Senate Appropriations Committee report showed an offset of \$58.0 million, and the House Committee showed \$100.0 million. The House specified the use of these funds for the clean water SRF for FY2006. Neither the Senate nor P.L. 109-54 specified the allocation of the rescinded funds.

**Figure 1. EPA FY2006 Appropriations (P.L. 109-54) by Appropriations Account**  
(includes transfers between accounts and reflects an \$80.0 million rescission of prior years appropriated funds)



**Source:** Prepared by the Congressional Research Service (CRS) based on information from P.L. 109-54

**Key Funding Issues.** Funding for water infrastructure, cleanup of hazardous waste sites under the Superfund program, and the Brownfields program have been among the prominent issues of debate. Other areas debated include funding for EPA's homeland security activities, "congressional project priorities" or earmarks, EPA's use and consideration of intentional human dosing studies, and EPA's implementation of Clean Air Act provisions. These funding issues are discussed below. (For more information on these and other issues, see CRS Report RL32856, *Environmental Protection Agency: Appropriations for FY2006*, by Robert Esworthy and David Bearden.)

**Water Infrastructure.** Appropriations for water infrastructure projects are allocated within EPA's STAG account. P.L. 109-54 provided \$900.0 million for the clean water SRF for FY2006, compared to \$1.1 billion in the Senate-passed bill and \$850.0 million in the House-passed bill. The FY2006 President's request was \$730.0 million, and Congress appropriated \$1.09 billion for FY2005. As noted earlier, the House total for the clean water SRF included \$100.0 million in the form of redirected unobligated balances from past EPA appropriations. P.L. 109-54 provided \$850.0 million for the drinking water SRF, the same as the House- and Senate-passed bills and the President's FY2006 request. For FY2005, Congress appropriated \$843.2 million for the drinking water SRF. Together, these funds provide seed monies for state loans to communities for wastewater and drinking water infrastructure projects.

Reducing funding for the clean water SRF has been contentious, as there is disagreement over the adequacy of funding to meet these needs. In recent years, Congress has appropriated significantly more funding than the Administration has requested for the clean water SRF. There has been less disagreement between Congress and the Administration about the appropriate funding level for the drinking water SRF, although some Members support higher funding to meet local needs, such as assistance to help communities comply with new standards for drinking water contaminants (e.g., arsenic and radium).

Two amendments to further increase FY2006 funding for the clean water SRF were offered during the House floor debate. One amendment which would have increased the clean water SRF by \$500 million was ruled out of order. A second amendment would have increased funding by \$100 million but was not adopted. An amendment introduced during the Senate debate that would have modified the formula for distributing SRF funds to the states was withdrawn. Earlier this year, in agreeing to the FY2006 budget resolution (S.Con.Res. 18), the Senate agreed to a floor amendment recommending \$1.35 billion for the clean water SRF in FY2006, \$620 million more than the FY2006 request. Although the amendment was not included in the final FY2006 budget resolution (H.Con.Res. 95), the Senate approved \$1.1 billion for FY2006 for the clean water SRF in passing its version of H.R. 2361.

**Congressional Priorities (Earmarks).** In past EPA appropriations, Congress has set aside or designated funds for individual projects, locations, or institutions (sometimes referred to as earmarked funding<sup>18</sup>) within the various accounts. For FY2006, funding has been reduced below FY2005 appropriations for these types of projects, defined in the conference report as “high priority projects.” The House Appropriations Committee had recommended a different approach for allocating some of this funding, which was not adopted in conference.

The conference report provides an allocation of \$33.3 million within the Science and Technology (S&T) account for “research/congressional priorities,” and \$50.5 million within the Environmental Programs and Management (EPM) account for “environmental protection/congressional priorities.” The House-passed bill had included \$40.0 million for each account, and the Senate-passed bill included \$50.0 million. The FY2005 appropriations included \$65.7 million in the S&T account and \$92.3 million in the EPM account, for these “congressional priority” projects. The President’s FY2006 request did not include funding for these projects.

Unlike most grant funding, these types of congressional designations have traditionally been awarded non-competitively. The conferees did not agree to competitive solicitation for these projects within the EPM and S&T accounts as recommended by the House Appropriations Committee in its report (H.Rept. 109-80, p. 105-106). Instead, funding was designated for specified projects or locations within these two accounts in the conference report.

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<sup>18</sup> See CRS Report 98-518, *Earmarks and Limitations in Appropriations Bills*, by Sandy Streeter.

P.L. 109-54 allocated \$200.0 million for special project grants in the STAG account for FY2006 as proposed by both the House- and Senate-passed bills. These projects, referred to in the conference report tables as “STAG infrastructure grants/congressional priorities,” include wastewater, drinking water, and storm water infrastructure projects. Communities compete for loan funds provided through the SRFs which must be repaid. Funding designated by Congress for specific locations and communities (earmarked funding) has been awarded noncompetitively as grants that require matching funds but not repayment. Whether these needs should be met with SRF loan monies or grant assistance has become an issue of debate.<sup>19</sup> Congress designated (earmarked) \$309.5 million within the STAG account for specified projects for FY2005. The President’s FY2006 budget did not include funding for these projects.

In past years, the House and Senate Appropriations Committees have proposed designated funding for specific projects in the reports on their respective bills. However, in reporting its FY2006 bill, the House Appropriations Committee did not allocate the \$200.0 million for FY2006 among specific community projects. Rather the House Committee commented in its report that the allocation of these funds would be determined later in conference. The \$200.0 million included in the Senate-passed bill was designated for specific projects in the Senate Appropriations Committee report. The conference report (H.Rept. 109-188, p. 106-112) specified individual projects for allocations of the \$200.0 million appropriated in P.L. 109-54 for FY2006.

***EPA’s Homeland Security Activities.*** FY2006 funding for EPA’s homeland security activities are allocated within five of the eight EPA appropriations accounts: S&T, EPM, Hazardous Substance Superfund (Superfund), Building and Facilities, and STAG. This funding would support various activities, including critical infrastructure protection, laboratory preparedness, decontamination, protection of EPA personnel and operations, and communication. P.L. 109-54 provided \$130.1 million for EPA’s homeland security activities in the five accounts combined, the same as proposed in the House-passed bill. The Senate-passed bill would have provided a total of \$116.0 million, while the FY2006 President’s request included \$184.6 million. Congress had appropriated \$106.2 million for FY2005. In P.L. 109-54, the reductions in funds provided to support EPA homeland security activities below the FY2006 requested level are within the S&T and the Superfund accounts.

***Superfund.*** P.L. 109-54 provided \$1.22 billion for the Hazardous Substance Superfund account after total transfers of \$44.1 million to the S&T account and to the Office of the Inspector General account. The Senate- and House-passed bills would have provided similar amounts of \$1.21 billion after transfers to these accounts. The President’s FY2006 request included \$1.24 billion and Congress appropriated \$1.20 billion for FY2005.

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<sup>19</sup> See CRS Report RL32201, *Water Infrastructure Project Earmarks in EPA Appropriations: Trends and Policy Implications*, by Claudia Copeland.



A prominent issue is the adequacy of funding for the Superfund program to clean up the nation's most hazardous waste sites. Some Members have asserted that more funds are necessary to speed the pace of remediation at contaminated sites, while other Members contend that steady funding allows a pace of cleanup that protects human health and the environment. An amendment offered during the House floor debate, but not adopted, would have provided an additional \$130.0 million for the Superfund account by reducing funding in the S&T account by the same amount.

Another ongoing issue has been whether the Superfund program should continue to be funded with general Treasury revenues or a tax on industry should be reinstated (which originally supported the program). The amounts in P.L. 109-54 are provided from general Treasury revenues as the Administration proposed and as recommended in the House-passed and the Senate-passed bill. Some Members of Congress advocate reinstating the Superfund taxes and contend that the use of general Treasury 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 therefore not escaping their responsibility. According to EPA, responsible parties pay for the cleanup at more than 70% of Superfund sites.

**Brownfields.** P.L. 109-54 provided a combined \$165.0 million for EPA's Brownfields Program for FY2006, the same as the Senate-passed bill. The House-passed bill proposed \$172.1 million; the FY2005 appropriation was \$163.2 million; and the FY2006 budget request included \$210.1 million. This program provides assistance to states and tribes for the assessment, cleanup and redevelopment of abandoned or underutilized commercial and industrial sites. Funding for the Brownfields Program is allocated within the EPM account to cover EPA's costs of administering the program, and the STAG account for grants to perform brownfield assessments, establish revolving loan funds, clean up sites, create job training programs, and assist states and Indian tribes in establishing or enhancing their voluntary response (cleanup) programs.

**Human Dosing Studies.** There is significant interest in Congress regarding EPA's policies for use of intentional human dosing studies in regulatory decision making for pesticides. P.L. 109-54 (Sec. 201) included an administrative provision prohibiting EPA's use of FY2006 appropriations to conduct or to accept, consider or rely on third-party, intentional human dosing studies for pesticides until the Agency issues relevant final rulemaking on the subject. The provision further stipulated that the final EPA rule will not permit pregnant women, infants, and children to be used as subjects in such testing, and will be consistent with National Academy of Sciences (NAS) 2004 recommendations<sup>20</sup> and human experimentation principles of the

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<sup>20</sup> For more information on EPA's efforts as well as a direct link to the National Academy of Sciences Report "*Intentional Human Dosing Studies for EPA Regulatory Purposes: Scientific and Ethical Issues*," National Academies Press, Washington DC, see [<http://www.epa.gov/oppfead1/guidance/human-test.htm>].

Nuremberg Code.<sup>21</sup> The provision included in P.L. 109-54 reflected a combination of a Senate-adopted amendment regarding the rulemaking, and identical House- and Senate-adopted amendments that would have prohibited EPA's use of FY2006 funds to conduct or consider intentional human dosing studies for pesticides for the fiscal year.

Some manufacturers, scientists, and Members assert that human dosing studies provide valuable scientific evidence regarding risks of certain chemicals that can not be obtained with non-human research. Others recognize the potential value and validity of such studies but advocate the establishment of strict safeguards and protocols to protect the health of those subjects participating in such studies. Some scientists, public interest groups, and Members counter that, given ethical questions and potential economic motivation, caution and substantial further evaluation is needed to ensure alternative approaches have been exhausted. Others suggest that purposefully exposing humans is not worth the potential risk under any circumstances.

***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. Prominent air quality issues include the adequacy of new ambient air quality standards for ozone and particulate matter; how best to reduce human exposure to mercury; and proposed regulations and legislation regarding the control of emissions from power plants, vehicles, and other sources. (See CRS Issue Brief IB10137, *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.)

As indicated in the conference report, P.L. 109-54 provided a total of \$528.1 million within the S&T, EPM, and Superfund accounts for air quality programs for FY2006. Funding supports various programmatic implementation, research, and monitoring activities including air toxics and air quality, radiation, climate protection, indoor air quality, and radon. An additional \$249.2 million was provided in the STAG account for FY2006, primarily to support grants for state, local, and tribal air quality management. Comparatively, for FY2005 Congress appropriated a total of \$506.8 million in the three accounts and \$248.3 million in the STAG account.

In addition, an administrative provision in P.L. 109-54 (Sec. 205), similar to a provision included in the Senate-passed bill, would impact a pending EPA regulation to reduce emissions of new small engines (less than 50 horsepower).<sup>22</sup> This provision would prohibit the use of FY2006 appropriated funds in P.L. 109-54 or any other Act

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<sup>21</sup> For a brief description of the Nuremberg Code, see Appendix B of CRS Report RL32909, *Federal Protection for Human Research Subjects: An Analysis of the Common Rule and Its Interactions with FDA Regulations and the HIPAA Privacy Rule*, Erin D. Williams.

<sup>22</sup> Pursuant to §428(b) of Division G of P. L. 108-199, codified in 40 CFR part 90, subparts D and E. For more information on EPA's small non-road engines regulations, see [<http://www.epa.gov/otaq/testingregs.htm>].

to publish a proposed, or final, small engine emissions regulation until the Agency completes a study of safety issues associated with compliance, including potential risks of fire and burns to individuals. Existing state standards for these small engines, currently only in California, would not be impacted by this provision. The small engine issue was not addressed in the House-passed bill.

For further information on the *Environmental Protection Agency* and its budget, see its websites [<http://www.epa.gov>] and [<http://epa.gov/ocfo/budget/>].

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 Issue Brief IB10146. *Environmental Protection Issues in the 109th Congress*, coordinated by Susan R. Fletcher and Margaret Isler.

## **Title III: Related Agencies**

### **Department of Agriculture: Forest Service**

The FY2006 Interior Appropriations Act, P.L. 109-54, provided \$4.26 billion for the Forest Service (FS). This is \$547.1 million (11%) less than total FY2005 appropriations of \$4.81 billion.<sup>23</sup>

Title V of the act is the Forest Service Facility Realignment and Enhancement Act of 2005. This provision authorizes the FS to dispose of “administrative sites” by sale, lease, or exchange at least their fair market value. Receipts would be permanently appropriated to acquire, improve, maintain, or construct/reconstruct facilities; to make improvements within the National Forest System; or to proceed with further administrative site disposals.

Several amendments pertaining to FS programs were considered on the House and Senate floor. Two House amendments altered funding for the National Forest System; the net effect was a decline of \$6.0 million in funding from the level recommended by the House Appropriations Committee. A House amendment (by Representative Chabot) would have prohibited funds for designing or building forest development roads for timber harvesting in the Tongass National Forest (AK); a point of order, asserting that the amendment was legislation on an appropriations bill, was raised and sustained, preventing the amendment from being considered. A similar amendment was agreed to in the House during consideration of the FY2005

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<sup>23</sup> Figures in the Forest Service section include \$40.0 million in transferred appropriations from the Department of Defense (§8098 of P.L. 108-287) for FY2005.

Interior appropriations bill, but it was not included by the Senate or in the conference agreement for FY2005. The Senate also considered an amendment to the FY2006 bill (by Senator Sununu) to prohibit timber road construction in the Tongass, but it was defeated 39-59. The conference did not include Senate language on the Biscuit fire (OR) recovery, but the report directed a study of the issue by March 1, 2006.

**Forest Fires and Forest Health.** Fire funding and fire protection programs have been controversial. The ongoing discussion includes 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 activities. (For historical background and descriptions of funded 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. Total FY2006 funding was \$2.56 billion, \$76.7 million (3%) more than requested, and \$413.2 million (14%) less than appropriated for FY2005 (including \$524.1 million in emergency and supplemental appropriations enacted in FY2005). See **Table 15** below.

The act provided BLM wildfire funding for FY2006 of \$766.6 million, more than the request, and less than the FY2005 appropriation (including emergency and supplemental funding). The act contained \$1.82 billion for the FS for FY2006. This included \$286.0 million in fuel reduction which the FS proposed to fund under the National Forest System line item, but Congress did not include it in the FY2006 law. The FS total also was more than the request, and less than FY2005 funding. The lower FY2006 funding for both agencies' wildfire budgets was primarily due to the emergency funding enacted for FY2005. 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 15. Appropriations for the National Fire Plan,  
FY2002-FY2006**  
(\$ in millions)

National Fire Plan	FY2002 Approp.	FY2003 <sup>b</sup> Approp.	FY2004 <sup>c</sup> Approp.	FY2005 <sup>d</sup> Approp.	FY2006 Request	FY2006 Approp.
<b>Forest Service</b>						
— Wildfire Suppression	\$255.3	\$418.0	\$597.1	\$648.9	\$700.5	\$700.5
— Emergency Funding <sup>a</sup>	266.0	919.0	748.9	425.5	0.0	0.0
— Preparedness	622.6	612.0	671.6	676.5	676.0	676.0
— Other Operations <sup>e</sup>	446.8	371.5	392.6	416.5	375.6	442.3
Subtotal, Forest Service	1,590.7	2,320.5	2,410.3	2,167.3	1,752.1	1,818.8
<b>BLM</b>						
— Wildfire Suppression	127.4	159.3	192.9	218.4	234.2	234.2
— Emergency Funding <sup>a</sup>	54.0	225.0	198.4	98.6	0.0	0.0
— Preparedness <sup>f</sup>	280.8	275.4	254.2	258.9	272.9	272.9
— Other Operations <sup>f</sup>	216.2	215.4	238.1	255.3	249.5	259.5
Subtotal, BLM	678.4	875.2	883.6	831.3	756.6	766.6
<b>Total National Fire Plan</b>						
— Wildfire Suppression	382.7	577.3	790.0	867.3	934.7	934.7
— Emergency Funding <sup>a</sup>	320.0	1,144.0	947.3	524.1	0.0	0.0
— Preparedness	903.4	887.4	925.8	935.4	948.9	948.9
— Other Operations	663.0	586.9	630.7	671.8	625.1	701.9
<b>Total Appropriations</b>	<b>\$2,269.1</b>	<b>\$3,195.6</b>	<b>\$3,293.9</b>	<b>\$2,998.6</b>	<b>\$2,508.7</b>	<b>\$2,585.4</b>

**Notes:** Includes funding from BLM and FS Wildland Fire Management accounts, from FS State and Private Forestry (Cooperative Fire Protection), and for FY2006, from FS National Forest System (Hazardous Fuels Reduction).

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.

- Emergency supplemental and contingent appropriations are included in agency totals.
- Includes supplemental of \$636.0 million for the FS and \$189.0 million for the BLM (\$825.0 million total) in P.L. 108-7 and of \$283.0 million for the FS and \$36.0 million for the BLM (\$319.0 million total) in P.L. 108-83.
- Includes repayment of \$299.2 million for the FS and \$98.4 million for the BLM (\$397.6 million total) of earlier borrowings for fire suppression in P.L. 108-108, and a supplemental of \$49.7 million for the FS in P.L. 108-199. Also includes \$400.0 million for the FS and \$100.0 million for the BLM (\$500.0 million total), included in the Department of Defense Appropriations Act for FY2005 (P.L. 108-287), for emergency firefighting in FY2004.
- Includes emergency funding of \$1.0 million for the FS in P.L. 108-324 and of \$30.0 million for fuel reduction, hazard mitigation, and rehabilitation in the San Bernardino (CA) NF transferred to the FS under P.L. 108-287. *Excludes* \$10.0 million for a wildfire training facility in San Bernardino County, CA, transferred to the FS Capital account under P.L. 108-287.
- Includes fuel reduction funds. The FS has proposed to move fuel reduction funds from Other Operations to the National Forest System in FY2006, but this change was not enacted into law.

- f. Fire research and fuel reduction funds are included under Other Operations. The BLM traditionally has included fire research funding under Preparedness.

Wildfire suppression funding for FY2006 totaled \$934.7 million, equal to the request, and less than FY2005 suppression funding, with emergency appropriations. The decrease from FY2005 is greater for the FS (35%) than for the BLM (26%). The request was based on an average fire year, with no contingent or emergency funding (\$524.1 million enacted for FY2005). If the fire season is worse than average, the agencies have the authority to borrow unobligated funds from any other account to pay for firefighting. Such borrowing typically is repaid, commonly through subsequent emergency appropriations bills.

The act provided \$948.9 million for fire preparedness for FY2006, equaling the request, and more than the FY2005 appropriation. The Administration's request and the enacted increase were entirely for the BLM.

The act contained a total of \$701.9 million for FY2006 for other fire operations, more than the request, and more than the FY2005 appropriation. The conference restored most of the programs that the Administration proposed to terminate. 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 \$497.2 million, \$5.0 million more than the request, and \$33.3 million more than for FY2005. The increase over FY2005 was greater for the FS (9%) than for the BLM (5%). The conference report directed that \$5.0 million of FS fuel reduction funding be used for community fire protection, and up to \$5.0 million more could be used to encourage use of biomass fuels removed from the national forests. Both of these programs were authorized in the Healthy Forests Restoration Act.

**State and Private Forestry.** While funding for wildfires has been the center of debate, the Administration proposed many controversial changes in State and Private Forestry (S&PF) — programs that provide financial and technical assistance to states and to private forest owners. The FY2006 Interior Appropriations Act included passed total S&PF funding of \$283.6 million — substantially (more than 10%) more than the Senate, the House, and the requested level, and substantially (17%) less than the FY2005 appropriations (including \$49.1 million of emergency S&PF appropriations). However, the conference shifted funds among forest health management, cooperative fire assistance, cooperative forestry, and international programs as compared with the request.

The FY2006 Interior Appropriations Act provided \$101.9 million for forest health management (insect and disease control on federal and cooperative [nonfederal] lands), matching the FY2005 funding, and substantially more than the Administration had requested. In addition, funds for forest health management are included in the National Fire Plan, under Other Operations (see above). For FY2006, the act accepted the House-passed level for these additional forest health management funds, which was slightly higher than FY2005 and substantially above (more than double) the Senate-passed and requested amounts.

For S&PF Cooperative Fire Assistance to states and volunteer fire departments, the act included \$39.4 million, more than the FY2005 level and substantially (47%) more than the request. Nearly all the differences are in assistance to states, with assistance to volunteer fire departments differing by less than 2%. In addition, funds for cooperative fire assistance are included in the National Fire Plan, under Other Operations (see above). The FY2006 Act included funding of \$54.4 million for these programs, substantially (46%) more than the request, and 13% above FY2005.

For FY2006, for Cooperative Forestry (assistance for forestry activities on state and private lands), the act provided \$135.3 million. Forest Legacy (for purchasing title or easements for lands threatened with conversion to nonforest uses, such as for residences) was appropriated at \$57.4 million, between the House- and Senate-passed levels, and substantially less than the request of \$80.0 million. For FY2006, Forest Stewardship (for states to assist private landowners) was funded at \$34.7 million, more than the FY2005 level, and less than the request. Urban and Community Forestry (financial and technical assistance to localities) was funded at \$28.9 million, more than the request, and less than FY2005. The act funded resource inventory at the requested level, and less than the FY2005 amount. The Administration again proposed to terminate the Economic Action Program (EAP; for rural community assistance, wood recycling, and Pacific Northwest economic assistance); the act provided \$9.7 million for FY2006, more than the House-passed level and less than the Senate, and substantially below FY2005 funding of \$19.0 million.

For international programs (technical forestry assistance to other nations), the act provided \$7.0 million, more than requested by the Administration and enacted for FY2005.

**Table 16. Appropriations for FS State & Private Forestry,  
FY2005-FY2006**  
(\$ in millions)

State and Private Forestry	FY2005 Approp.	FY2006 Request	FY2006 House Passed	FY2006 Senate Passed	FY2006 Approp.
Forest Health Management	\$101.9	\$72.3	\$103.0	\$72.6	\$101.9
— <i>Federal Lands</i> <sup>a</sup>	54.2	50.0	55.0	50.0	54.2
— <i>Cooperative Lands</i> <sup>a</sup>	47.6	22.3	48.0	22.6	47.6
Cooperative Fire Assistance <sup>a</sup>	38.8	26.8	41.4	32.5	39.4
— <i>State Assistance</i> <sup>a</sup>	32.9	20.9	35.4	26.5	33.4
— <i>Volunteer Asst.</i> <sup>a</sup>	5.9	5.9	6.0	6.0	6.0
Cooperative Forestry <sup>a</sup>	145.4	149.2	103.6	142.5	135.3
— <i>Forest Stewardship</i>	32.3	37.1	37.4	32.3	34.7
— <i>Forest Legacy</i>	57.1	80.0	25.0	62.6	57.4
— <i>Urban &amp; Community Forestry</i>	32.0	27.5	28.2	28.7	28.9

State and Private Forestry	FY2005 Approp.	FY2006 Request	FY2006 House Passed	FY2006 Senate Passed	FY2006 Approp.
— <i>Economic Action (Program)</i> <sup>a</sup>	19.0	0.0	8.0	14.2	9.7
— <i>Forest Resource Info. &amp; Analysis</i>	5.0	4.7	5.0	4.7	4.7
International Programs	6.4	5.0	6.9	7.0	7.0
Emergency Appropriations	49.1	0.0	0.0	0.0	0.0
<b>Total State &amp; Private Forestry</b>	<b>\$341.6</b>	<b>\$253.4</b>	<b>\$254.9</b>	<b>\$254.6</b>	<b>\$283.6</b>

a. Excludes funding provided under the Wildland Fire Management account.

**Infrastructure.** The act provided total FY2006 funding of \$441.2 million for FS Capital Improvement and Maintenance, \$73.5 million (14%) below regular FY2005 funding of \$514.7 million, and \$148.7 million (25%) below total FY2005 funding, including \$85.2 million in emergency and supplemental funding. The primary difference from the regular FY2005 funding was the decline in funds for constructing and maintaining facilities. The Administration had proposed cutting regular FY2005 facility funding by 41%, road funding by 16%, and trail funding by 16%. The FY2006 funds were 36% below regular FY2005 funds for facilities, and nearly matched regular FY2005 funds for roads and trails. The act also included \$13.0 million for infrastructure improvement, to reduce the agency's backlog of deferred maintenance (estimated at \$6.5 billion), slightly (6%) less than appropriated for FY2005.

**Land Acquisition.** The FY2006 Interior appropriations act included \$42.5 million for FS Land Acquisition from the Land and Water Conservation Fund — \$30.0 million for acquisitions (including cash equalization payments and critical inholding acquisitions) and \$12.5 million for acquisition management. This was nearly triple the House-passed level of \$15.0 million, which included \$13.0 million for acquisition management, and slightly lower than the Senate-passed level of \$44.9 million (with \$12.5 million for acquisition management). FY2005 appropriations for FS land acquisition totaled \$61.0 million (including \$12.8 million for acquisition management). (See the "Land and Water Conservation Fund (LWCF)" section in this report.)

**Other Accounts.** The FY2006 Interior appropriations act included \$283.1 million for FS research, \$6.7 million (2%) more than FY2005; fire research funding in the National Fire Plan, under Other Operations (see above) was approved at \$31.2 million, \$1.6 million (5%) more than FY2005. National Forest System (NFS) funding was supported at \$1.42 billion, \$31.4 million (2%) more than the FY2005 level. Except for minerals and geology management (which rose by \$30.1 million, 54%, from FY2005), most changes in NFS funding from FY2005 were relatively modest.



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

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 34 hospitals, 59 health centers, 3 school health centers, 50 health stations, and 5 residential treatment centers. Tribes and tribal groups, through IHS contracts and compacts, operate another 14 hospitals, 179 health centers, 3 school health centers, 297 health stations (including 180 Alaska Native village clinics), and 28 residential treatment centers. IHS, tribes, and tribal groups also operate 9 regional youth substance abuse treatment centers and 2,252 units of residential quarters for staff working in the clinics.

P.L. 109-54 contained an FY2006 IHS appropriation of \$3.09 billion, a 4% increase from the FY2005 appropriation of \$2.99 billion. The Administration had proposed \$3.05 billion for FY2006, an increase of 2% over FY2005. (See **Table 17** 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 health facilities program. For the Health Services budget, the FY2006 enacted and Administration's requested levels were the same.

**Table 17. Appropriations for the Indian Health Service,  
FY2005-FY2006**  
(\$ in millions)

<b>Indian Health Service</b>	<b>FY2005 Approp.</b>	<b>FY2006 Request</b>	<b>FY2006 Approp.</b>	<b>Percent Change FY2005- FY2006</b>
<b>Indian Health Services</b>				
<b>Clinical Services</b>				
— <i>Hospital and Health Clinic Programs</i>	\$1,289.4	\$1,359.5	\$1,359.5	5%
— <i>Dental Health</i>	109.0	119.5	119.5	10%
— <i>Mental Health</i>	55.1	59.3	59.3	8%
— <i>Alcohol and Substance Abuse</i>	139.1	145.3	145.3	4%
— <i>Contract Care</i>	480.3	507.0	507.0	6%
— <i>Catastrophic Health Emergency Fund</i>	17.8	18.0	18.0	1%
<i>Subtotal, Clinical Services</i>	2,090.6	2,208.7	2,208.7	6%
<b>Preventive Health Services</b>				
— <i>Public Health Nursing</i>	45.0	49.7	49.7	10%
— <i>Health Education</i>	12.4	13.8	13.8	11%
— <i>Community Health Representatives</i>	51.4	53.7	53.7	4%
— <i>Immunization (Alaska)</i>	1.6	1.7	1.7	6%
<i>Subtotal, Preventive Health</i>	110.4	118.9	118.9	8%
<b>Other Services</b>				
— <i>Urban Health Projects</i>	31.8	33.2	33.2	4%
— <i>Indian Health Professions</i>	30.4	31.5	31.5	4%
— <i>Tribal Management</i>	2.3	2.4	2.4	4%
— <i>Direct Operations</i>	61.6	63.1	63.1	2%
— <i>Self-Governance</i>	5.6	5.8	5.8	4%
— <i>Contract Support Costs</i>	263.7	268.7	268.7	2%
<i>Subtotal, Other Services</i>	395.5	404.7	404.7	2%
<b>Subtotal, Indian Health Services</b>	<b>2,596.49</b>	<b>2,732.3</b>	<b>2,732.3</b>	<b>5%</b>
<b>Indian Health Facilities</b>				
— <i>Maintenance and Improvement</i>	49.2	49.9	52.4	7%
— <i>Sanitation Facilities Construction</i>	91.8	93.5	93.5	2%
— <i>Health Care Facilities Construction</i>	88.6	3.3	38.3	-57%
— <i>Facilities and Environmental Health Support</i>	141.7	151.0	153.0	8%

<b>Indian Health Service</b>	<b>FY2005 Approp.</b>	<b>FY2006 Request</b>	<b>FY2006 Approp.</b>	<b>Percent Change FY2005- FY2006</b>
— <i>Equipment</i>	17.3	18.0	21.3	23%
<b>Subtotal, Indian Health Facilities</b>	<b>388.6</b>	<b>315.7</b>	<b>358.5</b>	<b>-8%</b>
<b>Total Appropriations</b>	<b>\$2,985.07</b>	<b>\$3,047.97</b>	<b>\$3,090.78</b>	<b>4%</b>
Medicare/Medicaid Reimbursements	(598.7)	(648.2)	(648.2)	8%
Special Diabetes Program for Indians <sup>a</sup>	150.0	150.0	150.0	0%

- 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 does not appear in the IHS appropriations. (See below.)

**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.

For the FY2006 Health Services budget, Congress enacted the same amount as the Administration requested, \$2.73 billion, a 5% increase over the FY2005 appropriation of \$2.60 billion. 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 enacted for FY2006 was \$2.21 billion, an increase of 6% over \$2.09 billion in FY2005. Clinical services include primary care at IHS and tribally run hospitals and clinics. Hospital and health clinic programs make up 62% of the clinical services budget. For hospitals and clinic programs, the FY2006 appropriation was \$1.36 billion, a 5% increase over \$1.29 billion in FY2005. For other programs within clinical services in FY2006, dental programs will receive \$119.5 million, mental health programs \$59.3 million, alcohol and substance abuse programs \$145.3 million, and the catastrophic health emergency fund \$18.0 million. Contract care, another clinical services budget item, refers to health services purchased from local and community health care providers when IHS cannot provide medical care and specific services through its own system. Contract care will receive \$507.0 million for FY2006, 6% more than the appropriation for FY2005 of \$480.3 million.

For preventive health services, Congress enacted \$118.9 million, an 8% increase for FY2006 over the \$110.4 million for FY2005. Approved funding for the programs within preventive health services in FY2006 was \$49.7 million for public health nursing, \$13.8 million for health education in schools and communities, \$1.7 million for immunizations in Alaska, and \$53.7 million for the tribally administered

community health representatives program that supports tribal community members who work to prevent illness and disease in their communities.

For other health services, the law contained \$404.7 million for FY2006, a 2% increase over the FY2005 appropriation of \$395.5 million. The largest item in this category is contract support costs, with \$268.7 million for FY2006. Contract support costs are awarded to tribes for administering programs under contracts or compacts authorized by the Indian Self-Determination Act (P.L. 93-638, as amended). They pay for costs tribes incur for financial management, accounting, training, and program start up. Most tribes and tribal organizations are participating in new and expanded self-determination contracts and self-governing compacts. The law provided FY2006 funding of \$31.5 million for health-care scholarships, \$2.4 million for tribal management grants, \$33.2 million for urban Indian health, \$63.1 million for direct operations, and \$5.8 million for self-governance technical assistance.

The FY2006 conference agreement noted that both the House and Senate Appropriations Committees expect IHS to recommend, by December 31, 2005, how to improve secondary and tertiary health care in Nevada, including facility needs and the contract health services program, after consulting with representatives of the 22 tribes of that state.

**Facilities.** The IHS's facilities category includes money for the equipment, construction, maintenance, improvement of both health and sanitation facilities, and environmental health support programs. While the Administration's proposal was \$315.7 million, a 19% decrease from the total FY2005 appropriation of \$388.6 million, the conference agreed to \$358.5 million, 8% less than FY2005. Of this amount, the managers agreed to use of \$38.3 million to fund the following facilities: Barrow Hospital, AK (\$8.0 million); Fort Belknap, MT staff quarters (\$3.3 million); Kayenta, AZ Health Center (\$3.9 million); mobile dental units (\$2.0 million); Phoenix Indian Medical Center, AZ (\$8.0 million); San Carlos, AZ Health Center (\$6.1 million); and small ambulatory centers (\$7.0 million). See **Table 17** below.

The FY2006 appropriations law included language to replace a health facility in Nome, Alaska. The conferees also expect that IHS will include a "much more aggressive" proposal to fund health facility construction in future budget submissions, as expressed in the joint explanatory statement.

**Diabetes.** Indians suffer from a disproportionately high rate of Type 2 diabetes. In fact, diabetes mortality is 4.3 times higher in the Indian population than in the general U.S. population. In the Balanced Budget Act of 1997 (P.L. 105-33), Congress created two programs for diabetes: the IHS Special Diabetes Program for Indians, and the National Institutes of Health (NIH) Special Research Program for Type 1 Diabetes. The law required that the SCHIP appropriation for FY1998 through FY2002 be reduced by \$60 million each year, with \$30 million allocated to the IHS diabetes program and \$30 million going to the NIH Type 1 research program. In 2000, the Benefits Improvement and Protection Act (part of P.L. 106-534) increased funding for each of these diabetes programs and extended authority for grants to be made under both. For each grant program, total funding was increased to \$100 million for FY2001, FY2002, and FY2003. For FY2001 and FY2002, \$30 million of the \$100 million came from the SCHIP program appropriation and \$70 million

came from the general Treasury. In FY2003, the total \$100 million for each program was drawn from the general Treasury.

In December 2002, Congress extended the funding for these special diabetes programs through amendments to the Public Health Service Act (P.L. 107-360), authorizing \$150 million for each of the programs each year for FY2004 through FY2008. This funding from the general Treasury is separate from regular IHS and NIH appropriations, as noted in **Table 17**.

A December 2004 Interim Report to Congress on the Special Diabetes Program for Indians gave an accounting of how the money has been distributed to communities through grants. The formula for distribution of these grants depended on the prevalence and mortality of the disease burden; the number of active users of IHS services in a tribe; and a tribal size adjustment for very small communities. The funding is being used to provide prevention services. Both the House and Senate Appropriations Committee reports on FY2006 legislation mentioned this interim report.

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 109<sup>th</sup> 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. Congress has been concerned, at times, about the speed of the relocation process and about avoiding forced relocations or evictions.

For FY2005, ONHIR received an appropriation of \$4.9 million, a 63% reduction from FY2004, when it received \$13.4 million. Congress reduced funding because it anticipated that carryover funds from previous fiscal years would offset the reduction in appropriations. ONHIR estimates it will use \$18.9 million in carryover funds in FY2005. For FY2006, the Administration proposed \$8.6 million in appropriations, a 74% increase from FY2005. (ONHIR's proposal included using \$10.4 million in carryover funds in FY2006.) Congress approved the Administration's proposed FY2006 appropriations for ONHIR.

Navajo-Hopi relocation began in 1977 and is not yet complete. ONHIR has a backlog of relocatees who are approved for replacement homes but have not yet received them. Most families subject to relocation were Navajo. 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. Moreover about 250 Navajo families — only some of them among the 3,400 eligible families — signed “accommodation agreements” in the late 1990s under P.L. 104-301 (a 1996 settlement of related Hopi-U.S. issues) that allowed them to stay on Hopi land under Hopi law. About half of them, however, may wish to opt out of these agreements and relocate using ONHIR benefits, according to ONHIR.

Of the 26 Hopi families on Navajo partitioned land, 100% were relocated to replacement homes by the end of FY2004, according to ONHIR. While 96% of the Navajo families have completed relocation, ONHIR estimates that 130 Navajo families were awaiting relocation as of the end of FY2004. Of these 130 remaining Navajo families, 119 are not currently residing on Hopi partitioned land but are in various stages of acquiring replacement housing (50 of the 119 families are currently having homes built, or seeking homes; others are in earlier stages). Eleven of the 130 Navajo families are still residing on Hopi partitioned land, according to ONHIR. Three of these 11 Navajo families are having homes built or seeking homes, but the other eight families refuse 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.

ONHIR estimated in its FY2006 budget justification that relocation moves for currently eligible families will 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. However, this schedule would depend on infrastructure needs and relocatees’ decisions. Required post-move assistance to relocatees would necessitate another two years of expenditures after the last relocation move (whether in FY2006 or FY2008), according to ONHIR. ONHIR contends that the government would be vulnerable to litigation if the 210 families were not accommodated. Congress has at times expressed impatience at the speed of relocation, and legislation has been introduced in this Congress (S. 1003) to sunset ONHIR in 2008 and transfer any remaining duties to the Secretary of the Interior.

A long-standing proviso in ONHIR appropriations language, retained for FY2006 in the appropriations law, 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 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 reports it is negotiating with the Justice Department and the Hopi Tribe seeks to avoid this.

## Smithsonian Institution

The Smithsonian Institution (SI) is a museum, education, and research complex of 18 museums and galleries, the National Zoo, and 9 research facilities throughout the United States and around the world, plus 138 affiliate museums. Nine of its museums and galleries are located on the National Mall between the U.S. Capitol and the Washington Monument. The SI is responsible for over 400 buildings with approximately 8 million square feet of space. It is estimated to be over two-thirds federally funded, and also is supported by various types of trust funds. A federal commitment to fund the SI was established by legislation in 1846.

**FY2006 Budget and Appropriations.** For FY2006, the Congress enacted \$624.3 million for the Smithsonian Institute, an increase over the enacted FY2005 level (\$615.2 million), the Administration budget (\$615.0 million), the House-passed bill (\$615.3), and the Senate-passed bill (\$624.1 million). (See **Table 18** below.) For Salaries and Expenses, Congress enacted \$524.3 million, a 7% increase over the FY2005 amount of \$489.0 million. Salaries and Expenses cover administration of all of the museums and research institutions that are part of the Smithsonian Institution. It also includes program support and outreach, and facilities services (security and maintenance).

**Facilities Capital.** For FY2006, Congress enacted \$100.0 million for Facilities Capital, 21% less than the \$126.1 million enacted for FY2005, due in part to the completion of the renovation of the Patent Office Building. The appropriation for FY2006 consisted of \$73.9 million for revitalization, \$18.1 million for construction, and \$8.0 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. These funds would support projects at the National Museum of American History and the National Museum of Natural History.

**National Museum of the American Indian (NMAI).** The FY2006 appropriations law provided \$30.5 million for operating resources for the National Museum of the American Indian. For FY2005, Congress enacted \$31.7 million. The estimated total cost of construction for the NMAI was approximately \$219.3 million. The groundbreaking ceremony for the NMAI took place September 28, 1999, and the grand opening ceremony was September 21, 2004, beginning with a celebration called the "First Americans Festival." Other groups, such as Latinos, have been seeking museum space on the Mall.

**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 FY2006, Congress enacted \$3.9 million for the NMAAHC, the same as the FY2005

appropriation but \$1.2 million below the Administration's request of \$5.1 million. In report language, the Senate Appropriations Committee expressed support for this new museum and an intention to "make every effort to meet future requests for additional funds" (S.Rept. 108-90, p. 97). The funding would cover operating costs, including personnel for planning, site selection, and capital fund raising. The opening of the National Museum of the American Indian brings with it the question of space left on the Mall for the NMAAHC. The House Appropriations Committee's report for FY2006 stipulated that the Smithsonian's purchase of any additional buildings would require initial consultation with the House and Senate Committees on Appropriations. The FY2006 appropriations law contained the same provision.

**National Zoo.** For FY2006, P.L.109-54 provided \$20.2 million for salaries and expenses at the National Zoo, the same as the FY2006 Administration request, and a \$2.6 million increase over the \$17.6 million enacted for FY2005. Recently, 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. The Administration's FY2006 request estimated \$13.0 million (under the Facilities Capital account) to begin the revitalization, to include renovation of the wetlands area of the bird exhibit that was destroyed by fire (\$8.4 million); new roofs, skylights, and facades at Rock Creek (\$2.0 million); and an upgrade of critical infrastructure (\$2.4 million), including to install fire protection systems and upgrade the water, sewer, mechanical, electrical, and plumbing systems. Site planning continues for several projects, including the construction of the new elephant yard to provide ample space for the elephants (Asia II). The new construction 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 concurred with the redirection of \$8 million under Facilities Capital from the wetland exhibit at the Zoo to the Asia II exhibit project to allow the elephants to stay together in a family group while the work is being completed. The Senate-passed bill did not contain instructions about the National Zoo's construction projects, except to state in report language (S.Rept. 109-80) that there is a base of \$13.0 million for the Zoo's facilities capital projects. The FY2006 appropriations law did not contain instruction about the Zoo's construction projects, except to state that funds could not be used for the Holt House on the Zoo's property unless it was to minimize water damage.

**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. General trust funds include investment income and revenue from business ventures such as the *Smithsonian* magazine and retail shops. There are also private donor-designated funds that typically specify the purpose of funds. Government grants and contracts are provided by various government agencies for projects specific to the Smithsonian Institution. For FY2005, the trust funds available for operations were estimated at \$254.9 million, comprised of \$54.9 million for general trust, \$124.7 million for government grants and contracts, and \$75.3 million for donor-designated funds.



Of concern to Congress is the extent to which the Smithsonian Institution has control when donor- and sponsor-designated funds put restrictions on the use of that funding. There is concern that donor-designated funding may require a building to be renamed for that individual or corporate donor, even if an appropriate name is already being used. In addition, there is debate over whether companies who are allowed to advertise at cultural events might in some way compromise the integrity of the Smithsonian Institution. Congress has considered these issues as part of appropriations debates in recent years.

**Table 18. Appropriations for the Smithsonian Institution,  
FY2005-FY2006**  
(\$ in thousands)

<b>Smithsonian Institution (SI)</b>	<b>FY2005 Approp.</b>	<b>FY2006 Request</b>	<b>FY2006 House Passed</b>	<b>FY2006 Senate Passed</b>	<b>FY2006 Approp.</b>
Salaries and Expenses	\$489,035	\$524,135	\$524,381	\$524,135	\$524,281
Facilities Capital					
— <i>Revitalization</i>	110,355	72,900	73,900	72,900	73,900
— <i>Construction</i>	7,879	9,000	9,000	18,100	18,100
— <i>Facilities Planning and Design</i>	7,889	9,000	8,000	9,000	8,000
Subtotal, Facilities Capital	126,123	90,900	90,900	100,000	100,000
<b>Total Appropriations</b>	<b>\$615,158</b>	<b>\$615,035</b>	<b>\$615,281</b>	<b>\$624,135</b>	<b>\$624,281</b>

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 with an Office of Museum 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. The Institute of Museum and Library Services and the Office of Museum Services were created by P.L. 104-208, and reauthorized by P.L. 108-81. They receive appropriations through acts for the Departments of Labor, Health and Human Services, and Education, and Related Agencies. (For further information on IMLS appropriations, see CRS Report RL32952, Labor, Health and Human Services, and Education: FY2006 Appropriations, by Paul M. Irwin.)

Among the questions Congress continually considers is whether funding for the arts and humanities is an appropriate federal role and responsibility. Some opponents of federal arts funding argue that NEA and NEH should be abolished altogether. Other opponents argue that culture can and does flourish on its own through private support. Proponents of federal support for arts and humanities contend that the federal government has had a long tradition of support for culture and that abolishing NEA and NEH could curtail or eliminate programs that have national significance and purpose, such as national touring theater and dance companies. Some representatives of the private sector say that they would be unable to make up the funding gap that would be left by the loss of federal funds for the arts.

**NEA.** The NEA is a major federal source of support for many arts disciplines through grants for the arts. Since 1965 it has provided over 120,000 grants that have been distributed to all states.

For FY2006, Congress enacted \$126.3 million for NEA, \$5.0 million above the Administration's FY2006 request and the FY2005 appropriation, and the same as the Senate-passed bill. The conference agreement included the additional funding that the Senate appropriations Committee and full Senate had agreed to that added \$5.0 million in general increases to NEA and NEH. In earlier action, a House floor amendment had increased NEA's appropriation by \$10.0 million (to \$131.3 million) and the NEH by \$5.0 million (to \$143.1 million), but the Senate figures were sustained in conference.

The FY2006 appropriations law allowed \$17.9 million (including \$3.0 million of the general increase) 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. The FY2006 appropriations law also included \$10.0 million for the American Masterpieces program (including an additional \$2.0 million from the \$5.0 million general increase). 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 19** below.)

Although there appears to be congressional support for the NEA, concern often arises about previous questionable NEA grants when appropriations are considered.<sup>24</sup> In the past, Congress continued to restate the language of NEA reforms in appropriations laws. For example, both the FY2004 and FY2005 appropriations laws retained language on funding priorities and restrictions on grants. The FY2006 appropriations law does not contain the restrictive language that the House-passed bill included, as the formal NEA guidelines now officially state that no grant may be used generally for seasonal support to a group, and no grants may be for individuals

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<sup>24</sup> The debate involved whether or not some of the grants given were for artwork that might be deemed obscene, culminating in a 1998 Supreme Court decision (*NEA v. Finley (CA9,100F.3d 671)*) that the NEA "can consider general standards of decency" when judging grants for artistic merit and that the decency provision does not "inherently interfere with First Amendment rights nor violate constitutional vagueness principles." No NEA projects have been judged obscene by the courts. Also, NEA eliminated grants to individuals by arts discipline with some exceptions.

except for literature fellowships, National Heritage fellowships, or American Jazz Master fellowships.

**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.

For NEH, for FY2006, Congress enacted \$143.1 million, the same as the House- and Senate-passed bills and \$5.0 million above the FY2006 request and the FY2005 appropriation. The FY2006 appropriations law, like the House- and Senate-passed bills, provided \$15.4 million for matching grants, and \$127.6 million for grants and administration. (See **Table 19** below.) The FY2006 law would allow \$11.2 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 19. Appropriations for Arts and Humanities,  
FY2005-FY2006**  
(\$ in thousands)

Arts and Humanities	FY2005 Approp	FY2006 Request	FY2006 House Passed	FY2006 Senate passed	FY2006 Approp
NEA					
— <i>Challenge America Arts Fund</i> <sup>a</sup>	\$21,427	\$14,922	\$14,922	\$14,922	\$14,922 <sup>b</sup>
— <i>National Initiative: American Masterpieces</i> <sup>a</sup>	1,972	8,000	8,000	8,000	8,000 <sup>b</sup>
Subtotal Grants	99,452	98,148	98,148	98,148	98,148
Program support	1,270	1,470	1,470	1,470	1,470
Administration	20,542	21,646	21,646	21,646	21,646
Total, NEA	121,264	121,264	131,264 <sup>c</sup>	126,264 <sup>d</sup>	126,264 <sup>d</sup>
NEH					
— <i>NEH Grants and Administration</i>	122,156	122,605	127,605 <sup>e</sup>	127,605 <sup>e</sup>	127,605 <sup>e</sup>
— <i>NEH Matching Grants</i>	15,898	15,449	15,449	15,449	15,449
Total, NEH	138,054	138,054	143,054	143,054	143,054
<b>Total Appropriations NFAH</b>	<b>\$259,318</b>	<b>\$259,318</b>	<b>\$274,318</b>	<b>\$269,318</b>	<b>\$269,318</b>

a. Included in the NEA total.

b. The FY2006 appropriation contained a general increase of \$5.0 million, \$3.0 million of which was to go to Challenge America grants and \$2.0 million to American Masterpieces.

c. The House-passed bill added \$10.0 million to NEA, specifying that the funds would go to the Challenge America program. However, the Challenge America figure does not reflect the \$10.0 million increase; only the NEA total reflects the increase.

- d. The Senate-passed bill and the FY2006 appropriations law added a general increase of \$5.0 million to grants and administration for NEA, which is reflected in the total. The FY2006 law directed \$3.0 million to Challenge America grants and \$2.0 million to American Masterpieces.
- e. Includes a general increase for NEH of \$5.0 million.

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. Third, Administrations have requested, and Congress has appropriated, money from the LWCF to fund some related activities that do not involve land acquisition. This third use is a relatively recent addition, 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 related activities are rarely earmarked.

Through FY2005, the total authorized amount that could have been appropriated from the LWCF since its inception in FY1964 was \$28.1 billion. Actual appropriations totaled \$14.2 billion. **Table 20** shows recent funding for LWCF. For the five years ending in FY2001, appropriators had provided generally increasing amounts from the fund for federal land acquisition. The total had more than quadrupled, rising from a low of \$138.0 million in FY1996 to \$453.2 million in FY2001. However, since then the appropriation for land acquisition has declined, to \$114.6 million for FY2006 (plus \$9.9 million in prior year balances). The table shows that in FY2006, the Administration requested a much larger amount from the Fund for other programs than Congress provided, due in part to different spending priorities and views on how the fund should be used, as well as concerns over the budget deficit.

**Table 20. Appropriations from the Land and Water Conservation Fund, FY2004-FY2006**  
(\$ in millions)

Land and Water Conservation Fund	FY2004 Approp.	FY2005 Approp.	FY2006 Request	FY2006 House Passed	FY2006 Senate Passed	FY2006 Approp.
Federal Acquisition						
— BLM	\$18.4	\$11.2	\$13.4	\$3.8	\$12.3	\$8.8
— FWS	43.1	37.0	41.0	14.9	40.8	28.4
— NPS	41.8	55.1	52.9	7.8 <sup>a</sup>	56.0	34.9 <sup>a</sup>
— FS	66.4	61.0	40.0	15.0	44.9	42.5
Subtotal, Federal Acquisition	169.7	164.3	147.3	41.5	154.0	114.6
Grants to States	93.8	91.2	1.6	1.6	30.0	30.0
Other Programs	433.2	203.4	531.7	185.3	220.2	219.3
<b>Total Appropriations</b>	<b>\$696.7</b>	<b>\$458.9</b>	<b>\$680.6</b>	<b>\$228.4</b>	<b>\$404.2</b>	<b>\$363.9</b>

**Source:** Data for FY2004-FY2006 are from House and Senate documents, except that data for the FY2006 request are from U.S. Department of the Interior, *Fiscal Year 2006: The Interior Budget in Brief* (Washington, D.C.: February 2005).

a. This figure does not include \$9.9 million in prior year balances provided in the House-passed bill and the FY2006 appropriations law.

Reductions of the magnitude that have occurred since FY2002 for federal land acquisition and state grants were last seen in the early and mid 1990s as part of efforts to address the federal budget deficit. Not only did the total for federal land acquisition and grants to states (excluding other programs) decline each year from FY2002 to FY2006, but each of the five component accounts (except NPS from FY2004 to FY2005) also declined each year. Currently, the federal budget deficit has drawn increased attention, as it did during the early and mid 1990s. Also, there has been enhanced interest in funding unrelated national priorities, mostly tied to the war on terrorism.

**FY2006 Appropriations.** P.L. 109-54 contained \$363.9 million for LWCF for FY2006, plus \$9.9 million in prior year balances for the NPS for land acquisition. This figure was between the original House-passed level of \$228.4 million (plus \$9.9 million in prior year balances) and the Senate-passed level of \$404.2 million. It was a sizeable decrease from the FY2005 appropriation (\$458.9 million) and the Administration's request for FY2006 (\$680.6 million).

In report language, the House Appropriations Committee explained that in general its FY2006 budget recommendations reflected the need to stay within a constrained allocation and that new land acquisition is a low priority. Accordingly, appropriations in the original House-passed bill generally mirrored, or were reductions from, the Administration's FY2006 request and the FY2005 appropriation. The Senate originally provided more than the Administration's

FY2006 request for federal land acquisition and stateside grants, but less for other programs. A Senate amendment to reduce funds for land acquisition fell on a point of order. It had sought to eliminate BLM and FS land acquisition funding and significantly reduce FWS and NPS acquisition funds, and to increase funds for the Indian Health Service.

For federal land acquisition, the FY2006 appropriations law provided \$114.6 million, plus \$9.9 million for the NPS from prior year balances. The enacted level was between the original House-passed level of \$41.5 million (plus \$9.9 million in prior year balances) and the Senate-passed figure of \$154.0 million. It was a decrease from the FY2006 Administration's request (\$147.3 million) and the FY2005 appropriation (\$164.3). For each agency, the conference report earmarked a portion of the funds for particular acquisitions. The original House-passed bill had included funds for management of the acquisition program and for emergencies, but did not earmark funds for specified federal acquisitions, as typically has been the case. By contrast, the Senate had sought to earmark the bulk of the funds for specific federal land acquisitions.

For the stateside grant program, the FY2006 appropriations law provided \$30.0 million, a large reduction from the \$91.2 million appropriated for FY2005. The original Senate-passed bill also had contained \$30.0 million, and an amendment seeking to augment money for the stateside program through state retention of certain recreational user fees was withdrawn. The House, as in the Administration request, had included \$1.6 million for administration of the stateside grant program, but did not include funding for new state grants. The Administration did not seek funds for state grants in FY2006, on the grounds that large federal deficits require a focus on core federal responsibilities, 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. This is not a new phenomenon; the Clinton Administration, in FY2000 and several preceding years, also proposed eliminating funding for the stateside program, and Congress concurred.

The largest appropriation for the LWCF for FY2006 was for purposes other than land acquisition and stateside grants — that is, for other programs. The FY2006 appropriations law contained \$219.3 million for several programs, an increase over the FY2005 level of \$203.4 million. The FY2006 enacted level was sizeably smaller than the Administration's request of \$531.7 million for other programs, the second largest such request in the history of the LWCF. As shown in **Table 21**, the FY2006 appropriations law provided the indicated programs with no funding from the LWCF or with less than the Administration requested. In some cases, however, Congress provided these programs with non-LWCF funding. The Senate originally had approved \$220.2 million in LWCF funding for other programs, while the House had supported \$185.3 million.

**Table 21. FY2006 Funding for Other Programs from the LWCF**  
(\$ in millions)

Other Programs	FY2006 Request	FY2006 House Passed	FY2006 Senate Passed	FY2006 Approp.
<b>Fish and Wildlife Service (DOI)</b>				
— Cooperative Conservation Programs	\$125.7	\$0.0	\$0.0	\$0.0
— State and Tribal Wildlife Grants	74.0	65.0	72.0	68.5
— Landowner Incentive Grants	40.0	23.7	25.0	24.0
— Private Stewardship Grants	10.0	7.4	7.5	7.4
— Cooperative Endangered Species Grants	80.0	64.2	45.7	62.0
— North American Wetlands Conservation Fund Grants	49.9	0.0	0.0	0.0
— Other (Salaries and Expenses)	7.4	0.0	7.4	0.0
<b>Forest Service (USDA)</b>				
— Forest Legacy Program	80.0	25.0	62.6	57.4
— Forest Stewardship Program	37.1	0.0	0.0	0.0
— Urban and Community Forestry Program	27.5	0.0	0.0	0.0
<b>Total Appropriations</b>	<b>\$531.7</b>	<b>\$185.3</b>	<b>\$220.2</b>	<b>\$219.3</b>

**Notes:** This table identifies funding for the indicated programs that would be derived from LWCF, although in some cases additional funding was sought and provided outside of LWCF. Funds provided in the House-passed bill within the Forest Service's State and Private Forestry account are presumed to be included for the Forest Legacy Program, based on report language of the House Committee on Appropriations.

CRS Report RS21503. *Land and Water Conservation Fund: Current Status and Issues*, by Jeffrey A. Zinn.

## Conservation Spending Category

Congress created the Conservation Spending Category (CSC) as an amendment to the Balanced Budget and Emergency Deficit Control Act of 1985 in the FY2001 Interior appropriations law (P.L. 106-291). It is authorized for five years, and would terminate at the end of FY2006, unless reauthorized. The CSC, which is also called the Conservation Trust Fund by some, combines funding for more than two dozen resource protection programs including the LWCF. (It also includes some coastal

and marine programs funded through Commerce Department appropriations). This action was in response to both the Clinton Administration request for substantial funding increases in these programs under its Lands Legacy Initiative, and congressional interest in increasing conservation funding through legislation known as the Conservation and Reinvestment Act (CARA), which passed the House in the 106th Congress. The FY2001 Interior appropriations law authorized that total spending for CSC would increase each year by \$160.0 million, from \$1.6 billion in FY2001 (of which \$1.2 billion would be through Interior appropriations laws) to \$2.4 billion in FY2006. All CSC funding is subject to the appropriations process.<sup>25</sup> The appropriations history through FY2006 is as follows.

The FY2001 laws exceeded the target of \$1.6 billion by appropriating a total of \$1.68 billion; \$1.20 billion for Interior appropriations programs and \$0.48 billion for Commerce appropriations programs. (Totals for Interior and Commerce funding were both increases from FY2000, when the CSC did not exist, with funding of \$566 and \$160 million, respectively.)

The FY2002 request totaled \$1.54 billion for this group of programs, and Congress appropriated \$1.75 billion, thus almost reaching the target of \$1.76 billion for FY2002. The appropriation for the Interior portion was \$1.32 billion, reaching the authorized target amount.

The FY2003 request totaled \$1.67 billion for this group of programs, a decrease from FY2002 funding, and below the target of \$1.92 billion for FY2003. Congress appropriated a total of \$1.51 billion. For the Interior portion, Congress provided \$1.03 billion, about \$410 million less than the authorized target of \$1.44 billion.

The FY2004 request totaled \$1.33 billion, according to estimates compiled by Interior and Commerce appropriations subcommittee staffs. This amount was below the FY2004 target of \$2.08 billion. For the Interior portion, the request was \$1.00 billion and the target was \$1.56 billion. The Administration had an alternative estimate that increased the total FY2004 request to \$1.22 billion for Interior programs, but it was based on some different assumptions about which programs to include. The total appropriation was not specified in congressional documents.

The FY2005 request from the Department of the Interior included \$1.05 billion for the CSC, an increase of \$140 million over the FY2004 appropriation for the same group of programs, according to the Department. However, this total did not include requests from the Forest Service or Department of Commerce. Neither the Forest Service nor the Department of Commerce used the CSC as a structure for organizing or tabulating their requests. The total appropriated amount credited to the CSC in FY2005 is unclear, as the only bill or accompanying committee report to identify funding levels for the CSC was the House Appropriations Committee's report. In this report, the CSC is mentioned in the minority views, where Representatives Obey and Dicks state that the bill would fund the CSC at \$850 million below the \$1.7

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<sup>25</sup> How programs are categorized, or "scored," matters; the Administration and the Appropriations Committees have disagreed on whether all or portions of funding for some programs should be credited to the CSC.



billion target for FY2005 (H.Rept. 108-542, p. 180-181). The report did not include other CSC funding levels or broader discussions of the CSC. The Senate Appropriations Committee's report included a discussion of conservation funding (S.Rept. 108-341, p. 5), but did not mention CSC. It stated that the committee "remains concerned" about proposals to create "direct entitlement funding" for selected conservation programs, thereby removing them from the annual oversight of the appropriations process. It noted that the Committee continues to provide funding for many of these programs.

For FY2006, the appropriations law did not appear to delineate funding for CSC, nor did the request from DOI, or the House- or Senate-passed bills. Therefore, it appears that Congress is discontinuing use of the CSC structure for appropriations decisions.

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

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

## **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.

Based on CERP and other previously authorized restoration projects, the federal government, along with state, local, and tribal entities, is engaged in a collaborative effort to restore the South Florida ecosystem. The principal objective of CERP is to redirect and store "excess" freshwater currently being discharged to the ocean via canals, and use it to restore the natural hydrological functions of the South Florida ecosystem. CERP seeks to deliver sufficient water to the natural system without impinging on the water needs of agricultural and urban areas. The federal government is responsible for half the cost of implementing CERP, and the other half is borne by the State of Florida, and to a lesser extent, local tribes and other stakeholders. CERP consists of 68 projects that are expected to be implemented over approximately 36 years, with an estimated total cost of \$7.8 billion; the total federal

share is estimated at \$3.9 billion.<sup>26</sup> WRDA 2000 authorizes \$1.4 billion (the federal share is \$700 million) for an initial set of projects under CERP.

**Overview of Appropriations.** Appropriations for restoration projects in the South Florida ecosystem have been provided to various agencies as part of several annual appropriations bills. The Interior and Related Agencies appropriations laws have provided funds to several DOI agencies for restoration projects. Specifically, DOI conducts CERP and non-CERP activities in southern Florida through the National Park Service, Fish and Wildlife Service, U.S. Geological Survey, and Bureau of Indian Affairs. (For more on Everglades funding, see CRS Report RS22048, *Everglades Restoration: The Federal Role in Funding*, by Pervaze A. Sheikh and Nicole T. Carter.)

From FY1993-FY2005, federal appropriations for projects and services related to the restoration of the South Florida ecosystem exceeded \$2.3 billion dollars, and state funding topped \$3.6 billion.<sup>27</sup> 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.<sup>28</sup> For FY2006, the Administration requested \$220.0 million for the Department of the Interior and the Army Corps of Engineers for restoration efforts in the Everglades. Of this total, \$76.6 million was to implement CERP.

**FY2006 Funding.** For DOI, the Administration requested \$83.5 million for CERP and non-CERP activities related to restoration in the South Florida ecosystem for FY2006. Of this total, the NPS requested \$62.7 million for land acquisition, construction, and research activities; the FWS requested \$12.5 million for land acquisition, refuges, ecological services, and other activities; the USGS requested \$7.9 million for research, planning, and modeling; and the BIA requested \$0.4 million for water projects on Seminole Tribal lands. For conducting activities authorized by CERP, DOI requested \$8.6 million for FY2006. See **Table 22** below.

P.L. 109-54 provided \$84.0 million for Everglades restoration for FY2006, according to a press release of the House Committee on Appropriations. This is \$18.5 million above the FY2005 enacted level of \$65.5 million and similar to the Administration's request. Funding for specific restoration projects is unclear since figures are not specified in either the FY2006 law or the conference report. The amounts for specific agencies that conduct restoration in the Everglades typically are not available in law or report language and funding for specific restoration activities included in Administration requests generally is not known until a period after enactment of appropriations legislation. Funding for two components of Everglades restoration is specified in P.L. 109-54 or in the accompanying conference report language. The Modified Water Deliveries project (Mod Waters) would receive \$25.0

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<sup>26</sup> CERP is the first stage in a three-stage process to restore the Everglades. The estimated total cost of the entire restoration effort in the Everglades (i.e., all three stages) is \$14.8 billion.

<sup>27</sup> These figures represent an estimated cost of all CERP and non-CERP related costs for restoration in the South Florida ecosystem.

<sup>28</sup> This figure is based on CERP and non-CERP related restoration activities in South Florida.

million, of which \$17.0 million would come from a transfer of unobligated balances in the Land Acquisition and State Assistance account for Everglades National Park land acquisitions. The law set out conditions on the availability of this funding, as discussed below. P.L. 109-54 also would provide \$9.9 million to the National Park Service for planning and interagency coordination in support of Everglades restoration. Programs included in this funding were not specified and therefore could not be compared to the Administration's request or FY2005 enacted level.

**Table 22. Appropriations for Everglades Restoration in the DOI Budget, FY2005-FY2006**

(\$ in thousands)

Everglades Restoration in DOI	FY2005 Approp.	FY2006 Request	FY2006 House Passed	FY2006 Senate Passed	FY2006 Approp.
National Park Service <sup>a</sup>					
— <i>CERP</i>	\$5,213	\$5,245	n/a	n/a	n/a
— <i>Park Operations</i> <sup>b</sup>	25,266	25,854	n/a	n/a	n/a
— <i>Land Acquisition</i>	0	0	n/a	n/a	n/a
— <i>Everglades Acquisitions Management</i>	1,500	1,400	n/a	n/a	n/a
— <i>Modified Water Delivery</i>	7,965	25,000	17,000	17,000	25,000
— <i>Everglades Research</i>	3,882	3,898	n/a	n/a	n/a
— <i>South Florida Ecosystem Task Force</i>	1,290	1,305	n/a	n/a	n/a
Subtotal, NPS	45,116	62,702	n/a	n/a	n/a
Fish and Wildlife Service					
— <i>CERP</i>	3,304	3,351	n/a	n/a	n/a
— <i>Land Acquisition</i>	740	0	n/a	n/a	n/a
— <i>Ecological Services</i>	2,518	2,554	n/a	n/a	n/a
— <i>Refuges and Wildlife</i>	4,787	5,787	n/a	n/a	n/a
— <i>Migratory Birds</i>	0	103	n/a	n/a	n/a
— <i>Law Enforcement</i>	627	636	n/a	n/a	n/a
— <i>Fisheries</i>	99	100	n/a	n/a	n/a
Subtotal, FWS	12,075	12,531	n/a	n/a	n/a
U.S. Geological Survey					
— <i>Research, Planning and Coordination</i>	7,738	7,738	n/a	n/a	n/a
— <i>Biological Research</i>	0	150	n/a	n/a	n/a
Subtotal, USGS	7,738	7,888	n/a	n/a	n/a
Bureau of Indian Affairs					

<b>Everglades Restoration in DOI</b>	<b>FY2005 Approp.</b>	<b>FY2006 Request</b>	<b>FY2006 House Passed</b>	<b>FY2006 Senate Passed</b>	<b>FY200 6 Approp .</b>
— <i>Seminole, Miccosukee Tribe Water Studies and Restoration</i>	536	388	n/a	n/a	n/a
Subtotal, BIA	536	388	n/a	n/a	n/a
<b>Total Appropriations</b>	<b>\$65,465</b>	<b>\$83,509</b>	<b>\$84,000<sup>c</sup></b>	<b>n/a</b>	<b>\$84,000<sup>c</sup></b>

**Source:** U.S. Department of the Interior, *Fiscal Year 2006, The Interior Budget in Brief* (Washington, DC: February 2005), Consolidated Appropriations Act for FY2005, and P.L. 109-54. N/a is not available.

- a. The \$9.9 million that would be provided by the House-passed bill and Senate Committee for interagency coordination and support of Everglades restoration was not included in the table because the components of this line item were not specified and could not be related to the Administration's request.
- b. This includes total funding for park operations in Everglades National Park, Dry Tortugas National Park, Biscayne National Park, and Big Cypress National Preserve.
- c. The total appropriation figure is according to a press release from the House Appropriations Committee.

The primary increase in funding for Everglades restoration for FY2006 compared to FY2005 was due to increased funding for the Modified Water Deliveries Project (Mod Waters) under NPS, where \$25.0 million was funded for constructing the restoration project — an increase of approximately \$17.0 million over the FY2005 enacted level. 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.<sup>[ftn29]</sup> The completion of this project is required prior to the construction of certain projects under CERP. In addition, the Corps requested \$35.0 million for Mod Waters for FY2006. According to DOI, from 2007 to 2009, the Corps is expected request an additional \$89.0 million, and DOI \$42.0 million, for the project.<sup>29</sup> Under P.L. 109-54, funds provided for the construction of Mod Waters will not be available if matching funds appropriated to the Corps become unavailable for implementing Mod Waters, including funds that would support the creation of detailed design documents for a bridge or series of bridges for the Tamiami Trail highway in southern Florida.

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

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<sup>29</sup> U.S. Dept. of the Interior, *Fiscal Year 2006: The Interior Budget in Brief* (Washington, DC: Feb. 2005).

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 maintain the current level of funding, or increase its commitment, because of escalating costs and project delays.

In report language, the House Appropriations Committee noted that there are challenges to restoration, but emphasized that they must be overcome and restoration goals must be achieved. The House Committee expressed concern that the restoration initiative may not be achieving the primary federal interest — the restoration of the Everglades. 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. The House Appropriations Committee directed the Secretary of the Interior, in consultation with the Secretary of the Army, to submit a report on the status of Everglades projects underway including on anticipated environmental benefits, collaborative efforts, and any changes needed to be made in project implementation priorities. The Senate Appropriations Committee report did not comment on restoration activities in the Everglades.

**Concerns Over Phosphorus Mitigation.** P.L. 109-54 conditioned funding for the Modified Water Deliveries Project based on meeting state water quality standards. It provided that funds appropriated in the act and any prior Acts for the Modified Water Deliveries 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 same provision also was enacted in the FY2004 and FY2005 Interior appropriations laws.

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. Some Members of Congress expressed disapproval with the Florida laws.<sup>30</sup> Provisions conditioning funds on the achievement of water quality standards were not requested in the Administration's budget for FY2006. (For more information see CRS Report RL32131, *Phosphorus Mitigation in the Everglades*, by Pervaze A. Sheikh and Barbara Johnson.)

In report language, the House Appropriations Committee expressed concern over efforts to improve water quality in the Everglades. The House Committee noted that

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<sup>30</sup> Joint statement by Reps. C.W. Bill Young, David Hobson, Ralph Regula, Charles Taylor, Clay Shaw, and Porter Goss, released by the House Committee on Appropriations, April 29, 2003.

efforts by the State of Florida to reduce phosphorus have not been successful and that the state may not be fully achieving its obligations under a 1992 consent decree. The House Committee directed the FWS to keep the Committee fully apprised of water quality modeling and monitoring in the A.R.M. Loxahatchee National Wildlife Refuge, and to provide monitoring and modeling information in annual and quarterly reports of the refuge.

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

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.

## **Competitive Sourcing of Government Jobs**

The Bush Administration's Competitive Sourcing Initiative would subject diverse commercial activities to public-private competition. The goal of this government-wide effort, first outlined in 2001, is to save money through competition between government and private businesses in areas where private businesses might provide better commercial services, for instance law enforcement, maintenance, and administration. The initiative has been controversial, with concerns including whether it would save the government money and whether the private sector could provide the same quality of service in certain areas.

For agencies funded by the Interior appropriations bill, concern has centered on the National Park Service and the Forest Service. The FY2006 appropriations law placed a cap of \$3.45 million on DOI competitive sourcing studies during FY2006. The cap applies to FY2006 funds for DOI in the law or any other act. The portion that would be allocated to the NPS was not specified. The law also contained language on reprogramming funds. FS spending for competitive sourcing activities during FY2006 would be limited to no more than \$3.0 million. In Statements of Administration Policy, the Administration had urged the House and Senate to remove the funding limitations during initial floor action, on the grounds that they would restrict agencies from improving program management through competitive sourcing. The FY2004 and FY2005 Interior appropriations laws also contained spending limits for competitive sourcing studies of agencies, as well as other provisions on competitive sourcing.

The FY2006 law also specified that agencies include, in any reports to the Appropriations Committees on competitive sourcing, information on the costs associated with sourcing studies and related activities. The language had been included in the original Senate-passed bill. During initial House floor consideration, similar language was removed on a point of order that it constituted legislation on an appropriations bill. Further, the FY2006 law contained Senate-passed language related to the effect of Forest Service competitive sourcing on wildland fire management activities. The language directed the Secretary of Agriculture to determine whether FS employees affected by competitive sourcing studies are qualified to participate in wildland fire management, and to consider the effect that contracting out would have on the FS's ability to suppress and manage wildfires.

For FY2006, the FS budget justification stated that the agency will conduct its FY2005 studies within the \$2.0 million cap for FY2005. The agency did not request funds for competitive sourcing studies during FY2006, to focus on implementing completed studies and analyzing study results. The FS did ask that the limitation on funding for competitive sourcing be removed.<sup>31</sup> For FY2006, the NPS requested \$956,000 for competitive sourcing activities, nearly the same as the agency received for FY2005 (\$957,000). The agency plans to examine a total of 955 full-time equivalent positions (FTEs), through a preliminary planning effort for 150 FTEs, four standard studies for 549.5 FTEs, and six streamlined studies for 255.5 FTEs. (For more information on competitive sourcing generally, see CRS Report RL32017, *Circular A-76 Revision 2003: Selected Issues*, by L. Elaine Halchin, and CRS Report RL32079, *Federal Contracting of Commercial Activities: Competitive Sourcing Targets*, by L. Elaine Halchin.)

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<sup>31</sup> U.S. Dept. of Agriculture, Forest Service, *Fiscal Year 2006 President's Budget: Budget Justification* (Washington, DC: 2005), p. 14-16.

**Table 23. Appropriations for Interior, Environment, and Related Agencies, FY2004-FY2006**

(\$ in thousands)

Bureau or Agency	FY2004 Approp.	FY2005 Approp.	FY2006 Request	FY2006 House Passed	FY2006 Senate Passed	FY2006 Approp.
<b>Title I: Department of the Interior</b>						
Bureau of Land Management	\$1,893,233	\$1,816,910	\$1,759,042	\$1,755,115	\$1,788,310	\$1,780,506
U.S. Fish and Wildlife Service	1,308,405	1,332,591	1,322,894	1,306,168	1,315,037	1,330,179
National Park Service	2,258,581	2,365,683	2,249,275	2,228,963	2,315,332	2,289,900
U.S. Geological Survey	937,985	944,564	933,515	974,586	963,057	976,035
Minerals Management Service	170,297	173,826	167,422	159,682	159,522	160,657
Office of Surface Mining Reclamation and Enforcement	295,975	296,573	356,549	298,549	298,549	298,549
Bureau of Indian Affairs	2,300,814	2,295,702	2,187,469	2,317,976	2,269,371	2,308,229
Departmental Offices <sup>a</sup>	682,674	729,379	815,903	758,654	780,563	782,052
<b>Total Title I</b>	<b>9,847,964</b>	<b>9,955,228</b>	<b>9,792,069</b>	<b>9,799,693</b>	<b>9,889,741</b>	<b>9,926,107</b>
<b>Title II: Environmental Protection Agency</b>	<b>8,365,817<sup>c</sup></b>	<b>8,026,485</b>	<b>7,520,600</b>	<b>7,708,027</b>	<b>7,881,989</b>	<b>7,732,354</b>
<b>Title III: Related Agencies</b>						
U.S. Forest Service	4,939,899	4,770,598 <sup>d</sup>	4,065,000	4,241,358	4,122,767	4,263,489
Indian Health Service	2,921,715	2,985,066	3,047,966	3,103,072	3,067,966	3,090,783
National Institute of Environmental Health Sciences	78,309	79,842	80,289	80,289	80,289	80,289
Agency for Toxic Substances and Disease Registry	73,034	76,041	76,024	76,024	76,024	76,024
Council on Environmental Quality and Office of Environmental Quality	3,219	3,258	2,717	2,717	2,717	2,717
Chemical Safety and Hazard Investigation Board	8,648	9,424	9,200	9,200	9,200	9,200
Office of Navajo and Hopi Indian Relocation	13,366	4,930	8,601	8,601	8,601	8,601
Institute of American Indian and Alaska Native Culture and Arts Development	6,173	5,916	6,300	6,300	6,300	6,300
Smithsonian Institution	596,279	615,158	615,035	615,281	624,135	624,281
National Gallery of Art	98,225	102,654	113,300	113,300	111,600	112,800
John F. Kennedy Center for the Performing Arts	32,159	33,021	33,000	27,800	33,000	30,800
Woodrow Wilson International Center for Scholars	8,498	8,863	9,201	9,085	9,201	9,201
National Endowment for the Arts	120,972	121,264	121,264	131,264	126,264	126,264
National Endowment for the Humanities	135,310	138,054	138,054	143,054	143,054	143,054
Commission of Fine Arts	1,405	1,768	1,893	1,893	1,893	1,893
National Capital Arts and Cultural Affairs	6,914	6,902	7,000	7,000	7,492	7,250



Bureau or Agency	FY2004 Approp.	FY2005 Approp.	FY2006 Request	FY2006 House Passed	FY2006 Senate Passed	FY2006 Approp.
Advisory Council on Historic Preservation	3,951	4,536	4,988	4,860	4,943	4,860
National Capital Planning Commission	7,635	7,888	8,344	8,177	8,244	8,244
U.S. Holocaust Memorial Museum	39,505	40,858	43,233	41,880	43,233	42,780
Presidio Trust	20,445	19,722	20,000	20,000	19,722	20,000
White House Commission on the Natl. Moment of Remembrance	—	248	250	250	250	250
<b>Total Title III</b>	<b>9,115,661</b>	<b>9,036,011</b>	<b>8,411,659</b>	<b>8,651,405</b>	<b>8,506,895</b>	<b>8,669,080</b>
<i>[Title IV: Veterans' Health]</i>	—	—	—	—	<i>[1,500,000]</i>	<i>[1,500,000]</i>
<b>Grand Total (in Bill) <sup>b</sup></b>	<b>\$27,329,442</b>	<b>\$27,017,724</b>	<b>\$25,724,328</b>	<b>\$26,159,125</b>	<b>\$26,258,625 <sup>e</sup></b>	<b>\$26,201,541<sup>f</sup></b>

**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 Senate total does not reflect a \$1.50 billion emergency appropriation for veterans' health. It reflects a \$22.0 million reduction in DOI administrative expenses, as an offset to increases in the bill, and a \$2.0 million adjustment for Forest Service facility enhancement. These amounts are not reflected in the individual agency figures in the column.
- f. The total does not reflect a \$1.50 billion in emergency appropriations for veteran's health. It reflects a rescission of 0.476% although this rescission (totaling \$126.0 million) is not reflected in the individual agency figures in the column. Further, neither the total nor the figures in the column reflect an across the board rescission of 1.0% or other rescissions or emergency supplemental appropriations in P.L. 109-148.

## For Additional Reading

### Title I: Department of the Interior

CRS Report RL32373. *Abandoned Mine Land Fund Reauthorization: Selected Issues*. By Robert L. Bamberger.

CRS Issue Brief IB10136. *Arctic National Wildlife Refuge (ANWR): Controversies for the 109<sup>th</sup> Congress*, by M. Lynne Corn, Bernard A. Gelb, and Pamela Baldwin.

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

CRS Issue Brief IB10144. *The Endangered Species Act (ESA) in the 109<sup>th</sup> 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 RS21738. *The Indian Trust Fund Litigation: An Overview of Cobell v. Norton*, by Nathan Brooks.

CRS Report RS21503. *Land and Water Conservation Fund: Current Status and Issues*, by Jeffrey A. Zinn.

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

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

CRS Issue Brief IB10145. *National Park Management*, coordinated by Carol Hardy Vincent.

CRS Report RL32699. *Natural Resources: Selected Issues for the 109<sup>th</sup> Congress*, coordinated by Nicole Carter and Carol Hardy Vincent.

CRS Report RL32315. *Oil and Gas Exploration and Development on Public Lands*, 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 Issue Brief IB10141. *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 Issue Brief IB10146. *Environmental Protection Issues in the 109<sup>th</sup> 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 RS22056. *Major Indian Issues in the 109<sup>th</sup> 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 108<sup>th</sup> Congress*, by Ross W. Gorte.