

CRS Report for Congress

Received through the CRS Web

Appropriations for FY2003: Interior and Related Agencies

April 9, 2002

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

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

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

NOTE: A Web version of this document with active links is available to congressional staff at: [http://www.crs.gov/products/appropriations/apppage.shtml].

Appropriations for FY2003: Interior and Related Agencies

Summary

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

On February 4, 2002, President Bush submitted his FY2003 budget for Interior and related agencies, totaling \$18.95 billion compared to \$19.17 billion enacted for FY2002 (P.L.107-63). For agencies within DOI, the President requests a total of \$9.46 billion, including funds for the National Park Service (\$2.36 billion), Bureau of Indian Affairs (\$2.25 billion), Bureau of Land Management (\$1.83 billion), U.S. Fish and Wildlife Service (\$1.28 billion), and \$867.3 million for the U.S. Geological Survey. For related agencies, the FY2003 budget would provide \$3.95 billion for the Forest Service, \$2.82 billion for the Indian Health Service, and \$1.72 billion for Energy programs. For other related agencies, the Smithsonian Institution would receive \$528.0 million; the National Endowment for the Humanities, \$125.8 million; and the National Endowment for the Arts, \$99.5 million. These totals do *not* include amounts for President Bush's FY2003 proposal to shift to agencies the full cost of federal employee pensions and health benefits.

On February 27th, 2002, the House Appropriations Interior Subcommittee began hearings on the FY2003 budget for Interior and Related agencies. Interior Secretary Norton testified on several programs including the Cooperative Conservation Initiative, landowner partnerships and other conservation tools, Indian trust funds, Indian education, the maintenance backlog of the National Park Service, the Natural Resource Challenge, Everglades restoration, funds for the National Wildlife Refuge System, the Cooperative Endangered Species Conservation Fund, energy and minerals programs and activities, land use planning, wildland fire management, homeland security, and assistance to territories and freely associated states. Members questioned the Secretary regarding proposed cuts to the U.S. Geological Survey and the proposed transfer of its toxic substances program to the National Science Foundation; the budget for the strategic petroleum reserve; oil and gas exploration, including the Arctic National Wildlife Reserve; the Klamath Basin; the proposed elimination of the Urban Park and Recreation Recovery program, and the possible privatization of DOI jobs, among other issues.

The House Appropriations Interior Subcommittee continues to hold hearings on the budget request for the Department of the Interior and related agencies, and has scheduled hearings through April.

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^a Division abbreviations: DSP = Domestic Social Policy; G&F = Government and Finance;
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Appropriations for FY2003: Interior and Related Agencies

Most Recent Developments

On February 4th, 2002, President Bush submitted the FY2003 Budget containing \$18.95 billion for those agencies and programs funded in the Interior and related agencies appropriations bill. It includes \$9.46 billion for DOI, \$3.95 billion for the Forest Service, \$1.72 billion for Energy programs, \$2.82 billion for the Indian Health Service, \$528.0 million for the Smithsonian Institution, and \$99.5 million and \$125.8 million respectively for the National Endowment for the Arts and the National Endowment for the Humanities. These funding figures do not include amounts from President Bush's FY2003 proposal to shift to agencies the full cost of federal employee pensions and health benefits.

On February 27th, 2002, the House Interior Appropriations Subcommittee began hearings on the FY2003 budget for DOI and related agencies. The Secretary of the Interior testified. The Subcommittee has continued to hold budget hearings with additional hearings scheduled through April 18, 2002.

Introduction

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

Status

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

Subcommittee Markup		House Report	House Passage	Senate Report	Senate Passage	Conference Report	Conference Report Approval		Public Law
House	Senate						House	Senate	
—	—	—	—	—	—	—	—	—	—

On February 4th, 2002, President Bush submitted his FY2003 budget to Congress. The FY2003 request for Interior and Related Agencies totals \$18.95 billion compared to the \$19.17 billion enacted for FY2002 (P.L. 107-63), a decrease of \$221.0 million. For agencies within DOI, it requests a total of \$9.46 billion, including \$2.36 billion for the National Park Service; \$2.25 billion for the Bureau of Indian Affairs; \$1.83 billion for the Bureau of Land Management; \$1.28 billion for the U.S. Fish and Wildlife Service; \$867.3 million for the U.S. Geological Survey; \$423.5 million for Departmental Offices (including \$159.0 million for the Special Trustee for American Indians); \$279.4 million for the Office of Surface Mining Reclamation and Enforcement; and \$170.3 million for the Minerals Management Service. For related agencies, the FY2003 budget would provide \$3.95 billion for the Forest Service; \$2.82 billion for the Indian Health Service; and \$1.72 billion for Energy programs. For other related agencies, the Smithsonian Institution would receive \$528.0 million; the National Endowment for the Humanities \$125.8 million; and the National Endowment for the Arts, \$99.5 million.

In this report, the FY2003 budget totals do *not* include amounts for President Bush's proposal to shift to agencies the full cost of federal employee pensions and health benefits.¹ The term "appropriations" generally represents total funds available, including regular annual and supplemental appropriations, as well as rescissions, transfers, and deferrals. Increases and decreases are calculated on comparisons between the funding levels appropriated for FY2002 and requested by the President or recommended by Congress for FY2003. The FY2003 requests contained some substantial changes in agencies' budgets from the FY2002 levels. *Increases* were proposed for some agencies, including the Indian Health Service (\$+57.3 million), Bureau of Indian Affairs (\$+22.9 million), Minerals Management Service (\$+13.6 million), Smithsonian Institution (\$+ 9.1 million), and the U.S. Fish and Wildlife Service (\$+6.9 million). *Decreases* were proposed for other agencies, such as Forest Service (\$-181.7 million), Department of Energy (\$-49.2 million), U.S. Geological Survey (\$-46.7 million), Bureau of Land Management (\$-39.3 million), Office of Surface Mining Reclamation and Enforcement (\$-27.1 million), and National Park Service (\$-24.5 million),

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

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

Debate on the FY2002 Interior and related agencies appropriations (P.L. 107-63) addressed a number of controversial issues, which may arise during consideration of FY2003 funding. Many of them were energy related. P.L. 107-63 included provisions to bar the use of funds for offshore preleasing, leasing, and related activities in several areas, and for such energy activities within presidentially-proclaimed national monuments as they were on January 20, 2001 (with exceptions). The law also extended the Recreational Fee Demonstration Program for two years, and retained the Senate's provision to extend and modify the Emergency Steel Loan Guarantee Program. Ultimately dropped from the bill before enactment were provisions that barred funds from being used to: suspend or revise existing hardrock mining regulations, implement the Kyoto Protocol, or execute a final lease agreement for oil and gas drilling in the "Lease Sale 181" area of the Gulf of Mexico. Other controversial issues during the FY2002 funding cycle included oil and gas exploration and development in the Arctic National Wildlife Refuge; the value of oil received as royalty-in-kind; and levels of funding for the arts, energy conservation, fossil energy research, weatherization assistance programs, and the Payments in Lieu of Taxes Program.

Title VIII of the FY2001 Interior Appropriations law (P.L.106-291) created an additional category of discretionary spending for "conservation" and identified the specific activities that would be included within this "conservation spending category" in each of the next 5 years. This spending is subject to annual appropriations each year. This category essentially includes those conservation activities identified by Congress in particular budget accounts (or portions thereof) providing appropriations to preserve and protect lands, habitat, wildlife, and other natural resources; to provide recreational opportunities; and for other purposes. **Table 11** shows a distribution of these conservation funds for FY2001-FY2003.

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

(budget authority in billions of current dollars)^a

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

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

Major Funding Trends

During the ten year period from FY1993 to FY2002, Interior and related agencies appropriations increased by 57% in current dollars, from \$12.2 billion to \$19.2 billion. In constant dollars, which adjusts for inflation, the appropriation increased 26%. Most of the growth occurred during the latter years. For instance, during the five year period from FY1993 to FY1997, appropriations increased by 8% in current dollars, from \$12.2 billion to \$13.1 billion, but decreased by 3% in constant dollars. By contrast, during the most recent five years, from FY1998 to FY2002, funding increased by 39% in current dollars, from \$13.8 billion to \$19.2 billion, or 27% in constant dollars. The single biggest increase during the decade occurred from FY2000 to FY2001, when the total appropriation rose 27% in current dollars, from \$14.9 billion to \$18.9 billion, or slightly less—22%—in constant dollars. Much of the increase was provided to land management agencies for land conservation and wildland fire management. See **Table 10** for a comparison of FY2001-FY2003 Interior Appropriations, and **Table 12** for a budgetary history of each agency, bureau, and program from FY1997 to FY2002.

Funding to Combat Terrorism

FY2001 and FY2002 Supplemental Appropriations to Combat Terrorism

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

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

For more general information on terrorism issues, see the CRS Electronic Briefing Book on Terrorism at [<http://www.congress.gov/brbk/html/ebter1.shtml>].

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

Of the \$40 billion appropriated by P.L. 107-38, \$20 billion could not be obligated until allocations were specified in another appropriations Act. Also, P.L. 107-38 required OMB to submit to the Congress a proposal for the allocation of these funds. The OMB submitted its \$20 billion proposal on October 17, 2001.

On January 10, 2002, Congress enacted P.L. 107-117.⁴ The law contained \$88.1 million in total appropriations for anti-terrorism activities for the programs in the Department of the Interior⁵ and related agencies appropriations bills.

FY2002 Regular Appropriations to Combat Terrorism

Although the FY2001 and FY2002 Supplemental Appropriations Acts contained funds for anti-terrorism activities, it is not clear what additional funding for anti-terrorism came from the regular FY2002 Interior appropriations law, P.L. 107-63. The annual appropriations laws, as well as agency budgets, typically include money for combating terrorism as part of larger line items or program requests. One example is the \$3 million provided to the Bureau of Land Management to identify and evaluate oil and gas resources and reserves on public lands in light of terrorist attacks on the United States. The Administration asserts that such attacks have potential for disruptions to America's energy supply.

³ The U.S. Park Police are authorized to prevent acts of terrorism at monuments and buildings owned and managed by the NPS, including monuments, memorials, and associated facilities in Washington D.C., New York City, and San Francisco. Among the protected entities are the White House, Lincoln Memorial, Jefferson Memorial, Washington Monument, Statue of Liberty, Presidio, and areas around the U.S. Capitol.

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

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

The FY2003 Budget to Combat Terrorism

The FY2003 Budget provides \$37.7 billion for homeland security of which \$25.2 billion is discretionary budget authority for non-Department of Defense operations.⁶ Among the categories for homeland security funding are: supporting first responders, defending against bio-terrorism, securing our borders, sharing information and using technology, aviation security and “other homeland security.” However, the FY2003 budget does not specify the responsibilities of homeland security that would be carried out by agencies funded in the Interior and related agencies bill. The FY2003 Interior budget does mention in general terms that there will be continued concern for heightened security and terrorist prevention in the operation of parks, to protect “the symbols and icons of American Freedom that are contained in the National Park System.” It would provide \$12.6 million to the U.S. Park Police for counter-terrorism activities and to augment security in urban areas.

Key Policy Issues

Title I: Department of the Interior

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

Bureau of Land Management. The Bureau of Land Management (BLM) manages approximately 264 million acres of public land for diverse, and at times conflicting uses, such as minerals development, energy development, livestock grazing, recreation, and preservation. The agency also is responsible for about 700 million acres of federal subsurface mineral resources throughout the nation, and supervises the mineral operations on an estimated 56 million acres of Indian Trust lands. Another key BLM function is wildland fire management on about 370 million acres of DOI, other federal, and certain non-federal land.

The Bush Administration requests a total of \$1.83 billion for FY2003 for the BLM, a \$39.3 million decrease (2%) from the FY2002 level (\$1.87 billion) and a \$313.9 million decrease (15%) from the FY2001 level (\$2.15 billion). See **Table 1**. Proposed reductions for wildland fire management and the Payments in Lieu of Taxes Program account for most of the decrease from FY2002. By contrast, a significant increase is proposed for the Management of Lands and Resources line item, with other line items proposed for level, or nearly level, funding.

Management of Lands and Resources. The Administration’s request includes \$813.0 million for Management of Lands and Resources, a \$37.4 million increase (5%) over FY2002 (\$775.6 million). This line item funds an array of BLM land programs, including protection, recreational use, improvement, development, disposal, and general BLM administration.

Energy and Minerals. For the energy and minerals program, including Alaska minerals, the Administration is seeking \$107.1 million, a \$7.5 million (8%) increase

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

over FY2002 (\$99.6 million). The additional funds are sought to increase the availability of oil and gas on federal lands—a goal of the President’s National Energy Plan—including Alaska North Slope oil and gas development. In particular, the Administration requests additional monies to expedite the permitting and rights of way processes, increase oil and gas lease sales, evaluate and eliminate barriers to energy production, and increase environmental inspections.

Land Use Planning. The Administration recommends \$47.3 million for land use planning, an increase of \$14.3 million (43%) over FY2002 (\$33.0 million). The additional funds are to be used to initiate new land use plans and to accelerate the development or amendment of land use plans that are underway to reflect current conditions, requirements, and issues. The priority is to address plans for areas regarding increased energy development, enhanced protection from wildfire, and resolution of resource conflicts, among other issues. The additional funds are being sought as part of a multi-year effort to update land use plans, about half of which are out of date, according to the BLM.

Other Issues. Some programs would be reduced, including riparian management (\$1.0 million), recreation management (\$1.6 million), and wildlife and fisheries management (\$3.7 million). Some funds are proposed to be transferred to a new program called “Challenge Cost Share,” which seeks to improve cooperative conservation and cost sharing opportunities. Proposed total funding for the program is \$19.0 million.

Wildland Fire Management. For wildland fire management, the Administration requests \$653.7 million, a \$24.7 million reduction (4%) from FY2002 (\$678.4 million). The wildland fire funds appropriated to BLM are used for fire fighting on all Interior Department lands. Interior appropriations laws also provide funds for wildland fire management to the Forest Service (Department of Agriculture) for fire programs primarily on its lands. A focus of both departments is the National Fire Plan, developed after the 2000 fire season, which emphasizes reducing hazardous fuels, among other provisions. (For more information, see “U.S. Forest Service” below.)

Payments in Lieu of Taxes Program (PILT). For PILT, the Administration seeks \$165.0 million, a decline of \$45.0 million (21%) from FY2002 (\$210.0 million). The PILT program compensates local governments for federal land within their jurisdictions, and has been controversial because in recent years appropriations have been substantially less than authorized amounts.

Land Acquisition. For Land Acquisition, the Administration recommends \$44.7 million, which is \$5.2 million (10%) less than FY2002 (\$49.9 million). The money would be appropriated from the Land and Water Conservation Fund, and divided among 22 projects in 11 states. The BLM seeks to emphasize alternatives to fee title land purchases, such as land exchanges and purchase of conservation easements and development rights, which it asserts are less expensive approaches. (For more information, see the “Land Acquisition” section below.)

Construction. The FY2003 request contains \$11.0 million for construction, a decrease of \$2.1 million (16%) from FY2002 (\$13.1 million). The funds will be used to construct or repair 35 facilities in 9 states.

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

Bureau of Land Management	FY2001 Approp.	FY2002 Request	FY2002 Approp.	FY2003 Request
Management of Lands and Resources	\$753.3	\$760.3	\$775.6	\$813.0
Wildland Fire Management	977.1	658.4	678.4	653.8
Central Hazardous Materials Fund	10.0	10.0	10.0	10.0
Construction	16.8	11.0	13.1	11.0
Payments in Lieu of Taxes	199.6	150.0	210.0	165.0
Land Acquisition	56.5	47.7	49.9	44.7
Oregon and California Grant Lands	104.0	105.2	105.2	105.6
Range Improvements	10.0	10.0	10.0	10.0
Service Charges, Deposits, and Forfeitures	7.5	8.0	8.0	7.9
Miscellaneous Trust Funds	12.4	11.0	12.4	12.4
Total Appropriations	2,147^a	1,772	1,873^a	\$1,833

^a Includes contingent emergency appropriations.

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

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

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

CRS Report 98-574. *PILT (Payments in Lieu of Taxes): Somewhat Simplified*, by M. Lynne Corn.

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

Fish and Wildlife Service.⁷ For FY2003, the Administration requests \$1.28 billion for the Fish and Wildlife Service (FWS), a slight increase (0.5%) over FY2002 (\$1.28 billion).⁸ With the addition of some large accounts that are permanently appropriated (and therefore do not require action in an annual appropriation bill), total FWS spending would remain flat, at \$1.94 billion.

By far the largest proportion of the FWS annual appropriation is for the Resources Management account. The request for this portion of the FWS budget is \$903.6 million, up from \$850.6 million in FY2002.⁹ Below are some of the programs whose funding may spark special interest in the coming appropriations cycle. Unless noted, figures do not include the proposed employee benefits change.

Endangered Species Funding. Funding for the Endangered Species program is one of the perennially controversial portions of the FWS budget. For FY2003, the Administration has proposed that the program remain at the FY2002 level of \$125.7 million, although its subprograms would show significant changes from previous years. A number of related programs also benefit conservation of species that are listed under the Endangered Species Act, or are proposed for listing. The Cooperative Endangered Species Conservation Fund (for grants to states and territories) would decrease from \$96.2 million to \$91.0 million. See **Table 4**. The Landowner Incentive Program would increase by \$10 million to \$50 million, and Stewardship Grants would remain at \$10 million. Overall, funding for the Endangered Species program and related programs within the FWS budget would increase by 1.7%, from \$272.0 million to \$276.7 million.

Certain other endangered species conflicts, especially concerning the Klamath River and Canadian Lynx may become issues in the appropriations context. (For more information on the Klamath River, See CRS IB10019, *Western Water Resource Issues*, and CRS Report RL31098, *Klamath River Basin Issues: An Overview of Water Use Conflicts*. For more information on the Canadian Lynx, see CRS IB10072, *Endangered Species: Difficult Choices*.) Other likely subjects of controversy include limitations on listing of new species or designating critical habitat.

⁷ Due to a court order, the FWS website (as well as several other DOI websites) was unavailable for some months. Some portions of it recently have been brought on line. The FWS Budget Justification and other funding information can not be searched on-line at this time, but soon may be. Thus, the information in this section is based on a manual review of the Budget Justification, and funding for issues that might be included in several programs (e.g., law enforcement, lynx recovery, etc.) may be difficult to locate and could be missed.

⁸ These figures do not include the President's proposal to shift to the FWS (and other agencies) the full cost of the Civil Service Retirement System and the Federal Employees Health Benefits program. Including these costs, the request is \$1.316 billion for FY2003, up from \$1.308 billion enacted for FY2002.

⁹ If the employee benefits proposal is included, these figures are, respectively, \$934.7 million and \$880.8 million.

Table 4. Funding for Endangered Species Programs, FY2001-FY2003
(\$ in thousands)

	FY2001 Enacted	FY2002 Enacted	FY2003 Request
Endangered Species Program			
Candidate Conservation	\$7,052	\$7,620	\$8,682
Listing	6,341	9,000	9,077
Consultation	42,750	45,501	47,770
Recovery	59,835	63,617	60,215
<i>Subtotal</i>	<i>(115,978)</i>	<i>(125,738)</i>	<i>(125,744)</i>
Related Programs			
Cooperative Endangered Species Conservation Fund	104,694	96,235	91,000
Landowner Incentive Program	4,969 ^a	40,000	50,000
Stewardship Grants	0	10,000	10,000
Total	225,641	271,973	276,744

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

National Wildlife Refuge System. On March 14, 2003, the nation will observe the centennial of the creation by President Theodore Roosevelt of the first National Wildlife Refuge on Pelican Island in Florida. Accordingly, various renovations and improvements are planned and the President proposes to increase funding for the National Wildlife Refuge System (NWRS) from \$242.9 million to \$268.7 million (10.6%). The FWS Budget Justification notes a number of activities or projects which are planned partly in light of celebrating this event.

The maintenance portion of the NWRS budget is proposed for funding at \$107.7 million, up \$30.7 million for FY2002. Of the increase, \$27.2 million is for deferred maintenance, for a total of \$75.3 million for deferred maintenance. The remainder of the increase is for annual maintenance and equipment replacement. The FWS Budget Justification (p. 141) ties much of the increase to preparations for national observance of the centennial.

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

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

There are a large number of Refuges along the U.S. coasts. One Refuge—Cabeza Prieta—is bounded by the Mexican border, and several are near the Canadian border. It is not clear what portion of the NWRS request is to be spent on increased security in these border areas or in general.

While interest in energy development in the Arctic National Wildlife Refuge (ANWR) in Alaska is intense, no money is earmarked in the FWS budget to support studies or preparation for such legislation. However, it is proposed that the allocation for management of ANWR increase from \$2.19 million to \$2.38 million.

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

Land Acquisition. For FY2003, the Administration proposes \$70.4 million, a 29.0% decrease from the FY2002 level of \$99.1 million. For more information, see the "Land Acquisition" section below.

Multinational Species Conservation Fund (MSCF). The MSCF has generated tremendous constituent interest despite the small size of the program. It benefits Asian and African elephants, tigers, the six species of rhinoceroses, and great apes. The President's budget moves into the MSCF the funding for the Neotropical Migratory Bird Conservation Fund (NMBCF). For FY2003, the President proposes \$5.0 million for the MSCF. Older portions of the MSCF would receive level funding while the NMBCF portion would be reduced 67%—from \$3.0 million in FY2002 to \$1.0 million in FY2003. See **Table 1**.

Table 5. Funding for Multinational Species Conservation Fund, FY2001-2003
(\$ in thousands)

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

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

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

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

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

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

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

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

National Park Service. The National Park Service (NPS) has stewardship responsibilities for a park system currently comprising 385 separate and diverse units covering 84 million acres. In addition to the national park designation, the park system has more than 20 other types of designations used to classify park sites. The NPS protects, interprets, and administers the park system's diversity of natural and historic areas representing the cultural identity of the American people. The NPS also provides limited, temporary funding support and technical assistance to 22 national heritage areas outside of the park system. Park System recreation visitors annually total more than 285 million.

The Administration requests a total of \$2.36 billion for the NPS for FY2003, a \$24.5 million decrease from the FY2002 level (\$2.38 billion). The President has

pledged to eliminate the NPS multi-billion dollar maintenance backlog over the next few years, improve security at NPS sites in response to terrorist attacks on the United States, and get more non-government groups involved in park support.

An environmental coalition, comprised of some Members of Congress and park support and environmental groups, contends that aside from the Department-wide Cooperative Conservation Initiative and increases for park security, the NPS FY2003 budget request is essentially the same as last year's funding and compromises the agency's ability to protect park resources.¹⁰ The coalition, Americans for National Parks, seeks a \$280 million increase in the NPS operating budget to fund science, resource protection, and education, in addition to repair and enhancement of park infrastructure, an Administration priority.

Operation of the National Park System. The park operations line item accounts for roughly two-thirds of the total NPS budget. It covers resource protection, visitors' services, facility operations, facility maintenance, and park support programs. The Administration's FY2003 request for operations—\$1.58 billion—is \$97.5 million above the amount provided in FY2002 (\$1.49 billion). Additional funds are targeted for increased security at key park sites, as well as cyclic maintenance, repair and rehabilitation projects, and an assessment of the condition of facilities. For the Natural Resource Challenge, the budget proposes a substantial \$18 million increase to \$67.5 million. This program is designed to improve natural resource protection and management throughout the park system by developing measurements of the ecology in parks and the needed managerial resources. Additional monies are included for the new Cooperative Conservation Initiative which would provide matching funds for park projects undertaken by nonprofit and private entities.

Construction and Maintenance. The construction line item funds the construction, rehabilitation, and replacement of park facilities. For this line item, for FY2003 the Administration requests \$322.4 million, a decrease of \$65.3 million from the FY2002 level (\$387.7 million). Funds for the construction line item have tended to be substantially increased during the appropriations process. The Administration requests an additional \$529.4 million for facility operation and maintenance, an activity funded within the Operation of the National Park System Line Item. This is an increase of \$50.2 million from FY2002. Combined, the Administration is requesting \$851.8 million for construction and facility operation and maintenance, a decrease of \$15.1 million from FY2002 (\$866.9).

Excluding the request for facility operation, the Administration is seeking some \$663 million for FY2003 for construction and facility maintenance, including annual and deferred maintenance.¹¹ The estimated range of deferred maintenance for the

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

¹¹ This figure is derived by summing the entire FY2003 construction request (\$322.4 million), and the facility maintenance portion only of the facility operation and maintenance activity (continued...)

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

United States Park Police (USPP). This line item supports the law enforcement activities of rangers with law enforcement training active throughout the park system and the programs of the U.S. Park Police who operate in urban park areas. The FY2003 request is \$78.4 million, an increase of \$13.1 million over the initial FY2002 appropriation (\$65.3 million) but a decrease of \$12.1 million from the total FY2002 appropriation (\$90.5 million). After the regular FY2002 appropriation, the NPS received \$25.3 million in emergency appropriations for increased security following the September 11, 2001, terrorist attacks. The Administration's FY2003 budget emphasizes anti-terrorism protection at national icon sites in Washington, D.C., New York, Philadelphia, and other locations.

National Recreation and Preservation. This line item funds park recreation and resource protection programs, as well as programs connected with local community efforts to preserve natural and cultural resources. The FY2003 request of \$46.8 million is \$19.3 million less than FY2002 funding (\$66.2 million). The primary decreases are a \$5.5 million reduction for the heritage partnerships program and a \$12.9 reduction to the statutory and contractual aid program.

Urban Park and Recreation Recovery (UPARR). Citing the need to support "higher priorities," in FY2003 the Administration did not request funds for the UPARR program. This locally popular matching grant program was designed to help low income inner city neighborhoods rehabilitate recreational facilities. The FY2003 budget does include \$300,000 for the administration of previously awarded grants and requests \$150 million for the closely related state side portion of the Land and Water Conservation Fund. Although the President did not request funds for UPARR in FY2002, last year Congress restored funding at \$30 million, the same funding as provided in FY2001. There appears to be some support in Congress for restoring funds for FY2003 as well.

Land Acquisition and State Assistance. The FY2003 budget proposes funding NPS Land Acquisition and State Assistance at \$286.0 million, an increase of \$11.9 million over the FY2002 appropriation (\$274.1 million). This amount includes \$86.0 million for the NPS federal land acquisition program, a decrease of \$44.1 million from the FY2002 appropriation (\$130.1 million). This program provides funds to acquire lands, or interests in lands, to preserve nationally significant natural and historic resources for inclusion within the National Park System. The request includes \$20 million for Florida for land acquisition for the on-going Everglades restoration effort. The Administration's request for the Land and Water Conservation Fund (LWCF) state assistance program is \$200 million, including \$50 million for

¹¹ (...continued)
(\$340.7 million).

grants under the new Cooperative Conservation Initiative and \$150 million for the traditional LWCF state grants program (compared with \$144 million for FY2002). State-side funds would continue to be awarded through a formula allocation.

Recreational Fee Demonstration Program (Fee Demo). Under this program, federal land management agencies retain receipts from entrance and user fees. The receipts are available without further appropriation for projects at the collecting parks, with a portion of the receipts distributed to other parks based on need. The NPS estimates Fee Demo receipts of \$149.0 million for FY2003, and the FY2003 budget states that at least half of the receipts will be used for deferred maintenance. In FY2002, the Administration stated that at least 60% of the receipts would be used for this purpose; Congress opposed making this a requirement for all park units. There is no specification in law as to how Fee Demo receipts are to be divided among agency priorities such as deferred maintenance or operations. Fee Demo was begun in FY1996 and extended in appropriations laws, most recently through FY2004. The Administration stated an intent to propose legislation to make the program permanent and remove it from the appropriations process. While there have been few objections to new and higher fees for the National Park System, many citizens have objected to paying fees for previously free or low cost recreation in national forests.

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

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

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

The FY2003 Bush Administration's budget would provide \$67.0 million in funding for the Historic Preservation Fund. First, it would fund the grants-in-aid to states and territories (\$34.0 million). Second, it would fund cultural heritage projects for Indian tribes, Alaska Natives and Native Hawaiians (\$3.0 million). Third, it would fund *Save America's Treasures* at \$30.0 million. The budget estimate for FY2003 is a decrease of \$27.2 million from the FY2001 level (\$94.2 million). It reflects a decrease of \$7.5 million from the FY2002 final appropriation (\$74.5 million), including a decrease of nearly \$5 million in the grants-in-aid program to states and territories, and a decrease of \$2.5 million to eliminate the one-time funding for the National Trust for Historic Preservation's aid to its endowment for endangered historic properties. See **Table 6**.

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

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

There is no longer direct federal funding for the National Trust for Historic Preservation, previously funded as part of the Historic Preservation Fund Account. The National Trust was chartered by Congress in 1949 to "protect and preserve" historic American sites significant to our cultural heritage. It is a private non-profit corporation. With the exception of a one-time appropriation in FY2002, the National Trust has generally not received federal funding since FY1998, in keeping with Congress' plan to replace federal funds with private funding and to make the Trust self-supporting. The National Trust still maintains several financial assistance programs including the Preservation Services Fund, a program of matching grants to initiate preservation projects, and the National Preservation Loan Fund, providing below-market-rate loans to nonprofit organizations and public agencies to preserve properties listed in the National Register of Historic places, particularly those on the "Most Endangered Historic Places" list. In FY2002, \$2.5 million was appropriated to the endowment for the National Trust Historic Sites Fund, to be matched dollar for dollar with non-federal funds, for the care and maintenance of the most endangered historic places. The FY2003 budget would eliminate that one-time grant for the National Trust.

**Table 6. Appropriations for the Historic Preservation Fund
(FY2001-FY2003)**
(\$ in thousands)

Historic Preservation	FY2001 Approp.	FY2002 Request	FY2002 Approp.	FY2003 Request
Grants in aid to State Historic Preservation Offices	\$46,495	\$34,455 ^a	\$39,000	\$34,000
Tribal grants	5,560	2,600	3,000	3,000
Save America's Treasures	34,923	30,000	30,000	30,000
HBCU's	7,161	—	—	—
National Historic Trust Endowment grant	—	—	2,500	—
Massillon Heritage Foundation	100	—	—	—
HPF (total)	94,239^b	67,055	74,500	67,000

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

^b The FY2001 Interior appropriations law provided \$14.97 million from a new Title VIII in the law, referred to as the "Conservation Spending Category." Funding for all programs in this category are shown in **Table 11** in this report.

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

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

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

The traditional presentation of the budget for the USGS is in the line item *Surveys, Investigations, and Research*, with six activities falling under that heading: National Mapping Program; Geologic Hazards, Resources, and Processes; Water Resources and Investigations; Biological Research; Science Support; and Facilities. The Administration has proposed a budget of \$867.3 million, a net decrease of \$46.7 million below the FY2002 enacted level of \$914.0 million. This excludes \$36.7 million for a government-wide proposal to shift to agencies the full cost of the Civil

Service Retirement System and the Federal Employee Health Benefits Program for current employees. With that proposal, the budget request is \$904.0 million.

Each of the Survey's six activities shows a net decrease in the FY2003 budget request. Nevertheless, the Administration asserts that the budget seeks to ensure continued emphasis on USGS science programs that support the roles of the Department's other bureaus in the national energy strategy, species management, and the management of national parks, refuges, and public lands. At the same time, the budget proposes to continue funding for core science functions that are inherent to the historical responsibilities of the USGS. The Administration further asserts that the FY2003 budget would achieve those goals: (1) by reducing funding for certain lower priority programs, congressional add-ons and select programs that the Administration identified as being more appropriately funded or cost-shared by USGS partners and beneficiaries of USGS programs, (2) by scaling back funding for extraordinary base program increases received in FY2001 and FY2002, (3) by transferring funding to reflect an Administration goal of realigning the federal government's investment in research and development to give greater support and emphasis to competitive, merit-based research, and (4) by organizational restructuring and workforce balancing. Some of those funding reductions are certain to be controversial, especially those involving the Survey's Water Resources and Investigations budget activity. The details of funding transfers and reductions in this area are likely to be subjects for congressional scrutiny as water quality problems continue to manifest themselves on the national scene and as water shortages associated with regional droughts become problematic and more widespread.

National Mapping Program. For the National Mapping Program activity, the Administration requested \$129.3 million – \$4.0 million below the FY2002 enacted level of \$133.3 million. Under this activity, decreases amounting to \$4.8 million are proposed to eliminate funding for national mapping improved internet access, to discontinue funding for high performance computing and high speed communication, and to eliminate funding for urban dynamics studies. The request includes a proposed increase of \$1.0 million to produce digital map data, map products, and base maps of Alaska, focusing first on areas of potential energy development within the National Petroleum Reserve in Alaska.

Geologic Hazards, Resources, and Processes. For the Geologic Hazards, Resources, and Processes activity, the Administration requests \$224.6 million – a reduction of \$8.2 million below the FY2002 enacted level of \$232.8 million. Proposed decreases in this budget activity total \$13.7 million and cover no fewer than twelve line item programs across the three budget subactivities: Hazard Assessments, Landscape and Coastal Assessments, and Resource Assessments. The largest reductions are seen in the National Cooperative Geologic Mapping program, the Alaska minerals information project, three projects on aggregate minerals, and the Volcano Hazards program. A proposed increase of \$4.0 million to the Earth Surface Dynamics program would fund interdisciplinary science to meet the priority research needs of the Critical Ecosystem Studies Initiative (CESI) dealing with the Everglades National Park. Those needs focus on three components: adaptive assessment, baseline ecosystem research, and simulation models/decision support tools. Another proposed increase of \$1.7 million to the Energy Resources program would enable the USGS to expand its estimation of volumes of undiscovered oil and gas resources on

federal lands and to produce an updated national assessment of available geothermal resources in the United States.

Water Resources and Investigations. For the Water Resources and Investigations activity, the Administration requested \$177.8 million—a decrease of \$28.0 million from FY2002 (\$205.8 million). Decreases are sought to discontinue USGS financial support for the Toxic Substances Hydrology Program and to reduce funding for the National Water Quality Assessment Program. For the former, the USGS would transfer \$10.0 million to the National Science Foundation (NSF) and work with the NSF and with stakeholders to plan a three-year transition period for the phase-out of USGS long-term research, focused field investigations and field laboratories, and watershed-scale investigations. For the latter, the USGS would pursue cost-sharing from the program's stakeholders to maintain its current scope and schedule of data collection and interpretation activities. The budget proposes a decrease of \$2.1 million to the National Streamflow Information program from the funds provided under the Conservation Spending Category.

As was the case with the Bush Administration's FY2002 budget request, the FY2003 request again seeks to discontinue USGS support for Water Resources Research Institutes based on the finding that most institutes have been very successful in leveraging funding for program activities from non-USGS sources. There are at present 54 Water Resources Research Institute: one in each state, the District of Columbia, Puerto Rico, the Virgin Islands, and Guam. It is a popular program with a broad constituency. Congress did restore funding for the Institutes in FY2002. Whether funding is appropriated for FY2003 will be determined by appropriators as they weigh the success most of the Institutes have had in generating funds from non-federal sources against the need for USGS seed money to continue operating.

The balance of the proposed decreases either discontinues funding for congressional add-ons or eliminates funding for completed studies and projects. A proposed increase of \$1.0 million is for interdisciplinary core science related to a study of environmental health issues in the U.S.-Mexico border region. Conducted with the National Institute of Environmental Health Sciences, this study would focus on understanding disease-causing agents in the environment and their specific exposure pathways in water, air, and soil.

Biological Research. For the Biological Research activity, the Administration requested \$160.5 million – a decrease of \$5.9 million below the FY2002 enacted level of \$166.4 million. The FY2003 budget request funds USGS fire ecology research through the Interior Department's Wildland Fire Management Account; therefore, that funding realignment shows up as a \$2.8 million reduction in funding for the Biological Research and Monitoring subaccount. The balance of the funding decreases sought are for unrequested FY2002 funding increases and congressional add-ons.

Science Support and Facilities. The USGS budget presentation retains two additional activity categories in the FY2003 request: Science Support, at \$86.1 million, and Facilities, at \$88.9 million. Science Support focuses on those costs associated with modernizing the infrastructure for management and dissemination of scientific information, and Facilities focuses on the costs for maintenance and repair

of facilities. Science Support showed a decrease in the FY2003 request amounting to \$0.2 million below the FY2002 enacted level of \$86.3 million. There is a proposed increase of \$1.0 million to develop enterprise GIS tools, bringing together geospatially referenced hydrologic, biologic, geologic, and topographic data into a common decision support system. That increase is tempered, however, with a reduction of \$1.6 million from the funds provided under the Conservation Spending Category for accessible data transfer to expand the capacity of USGS network efforts to deliver scientific information over the internet. Facilities funding also was down \$0.5 million below the FY2002 enacted level of \$89.4 million. The proposal eliminates phase one funding for the Leetown research center expansion and funding for the Center for Coastal Geology in St. Petersburg, Florida and deferred maintenance at the Wellsboro biological field station.

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

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

The Administration's proposed budget for MMS for FY2003 is \$270.6 million. This budget includes \$6.1 million for oil spill research, and \$264.5 million for Royalty and Offshore Minerals Management (comprised of \$137.5 million for OMM activities and \$83.3 million for MRM programs). Of the total budget, \$170.3 million would derive from appropriations, and \$100.3 million from offsetting collections which MMS has been retaining from OCS receipts since 1994. The FY2003 total is about 4% higher than the \$259.5 million total budget for FY2002. Offsetting collections would decline by \$2.5 million from FY2002 to FY2003. The figures in the FY2003 request do not include the \$10.4 million costs of the President's proposal to shift the full cost of the Civil Service Retirement System and Federal Employee Health Benefits program to the MMS and other agencies.

The MMS revised its mineral leasing revenue estimates downward by 40% in FY2003 from the FY2002 estimates. For instance, in the FY2002 budget request, mineral leasing revenues were estimated to be \$7.9 billion in FY2002 and \$7.3 billion in FY2003. Current revenue estimates for these years are \$5.1 billion and \$4.2 billion respectively. Price fluctuation is the most significant factor in the revenue swings. Oil prices that were in the \$26-\$30 per barrel range came down dramatically to the \$20-\$22 per barrel range in 2001. Also, natural gas prices fell significantly during the past year in part because of the relatively mild winter. Over the past decade, royalties from natural gas production have accounted for between 40%-45% of MMS receipts,

while oil accounts for not more than 25%. Below is a discussion of related issues of interest to Congress that may arise within the context of the appropriations process.

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

A controversial oil and gas development issue in offshore California involving MMS has drawn congressional interest. A breach-of-contract lawsuit has been filed by nine oil companies seeking \$1.2 billion in compensation for their undeveloped leases. The companies claim that MMS failed to conduct consistency determinations required by the court. A federal statute, the Coastal Zone Management Act of 1972 (16 U.S.C. 1451) was amended in 1990 to allow for consistency determinations. Using this Act, the state of California could determine whether development of oil and gas leases are consistent with the state's coastal zone management plan. In 1999, the MMS extended 36 out of the 40 leases at issue by granting lease suspensions. However, in June 2001 the Ninth Circuit Court struck down the MMS suspensions arguing that MMS failed to show consistency with the state's coastal zone management plan. The Bush Administration appealed this decision January 11, 2002, in the Ninth Circuit and proposed a more limited lease development plan that involves 20 leases using existing platforms. California rejected the Administration's proposal to pursue a limited drilling plan off the coast. No decision has been made on the appeal. The leases are in effect, pending the appeal.

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

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

Office of Surface Mining Reclamation and Enforcement. The Surface Mining Control and Reclamation Act of 1977 (SMCRA, P.L. 95-87) established the Office of Surface Mining Reclamation and Enforcement (OSM) to ensure that land mined for coal would be returned to a condition capable of supporting its pre-mining land use. SMCRA also established an Abandoned Mine Lands (AML) fund, with fees levied on coal production, to reclaim abandoned sites that pose serious health or safety hazards. Congress's intention was that individual states and Indian tribes would develop their own regulatory programs incorporating minimum standards established by law and regulations. OSM is required to maintain oversight of state

regulatory programs. In some instances states have no approved program, and in these instances OSM directs reclamation in the state.

The Administration's request for the Office of Surface Mining for FY2003 — at \$279.4 million — reflects a drop of \$27.1 million from the level of \$306.5 million enacted for FY2002. The request has two components: funds for the AML, and funds for Regulation and Technology programs. For Regulation and Technology, the Administration seeks \$105.4 million, an increase of roughly \$2.3 million from the FY2002 level (\$103.1 million). Included in the FY2003 request is \$10 million in funding for the Appalachian Clean Streams Initiative (ACSI), the same level as in FY2002, and \$1.5 million for the Small Operators Assistance Program (SOAP).

For the AML Fund, the Administration seeks \$174.0 million for FY2003, a reduction of \$29.4 million from the \$203.4 enacted for FY2002. Major components of this reduction include a decrease of \$17 million for State and Tribal conventional AML grants, and a reduction of nearly \$11 million described as a “one time reduction to Federal emergency projects.”

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

In general, several states have been pressing in recent years for increases in the AML appropriations. The unappropriated balance of AML collections in the fund is expected to exceed \$1.65 billion if Congress appropriates the Administration's requested level for FY2003.

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

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

BIA's FY2002 direct appropriations are \$2.2 billion (including supplemental appropriations). For FY2003, the Administration proposes \$2.25 billion, an increase of 1% over FY2002. Included in the proposal are increases of 3% in Tribal Priority Allocations (TPA) to \$775.5 million (including \$133.2 million for self-determination contract support costs, a 2% increase); 4% in BIA school operations (to \$522.8 million); and 0.1% in education construction, to \$292.7 million. For trust management improvement, a total BIA-wide increase of \$34.8 million is requested,

spread across such programs as tribal courts, probate, real estate services and appraisals, social services, security, forestry, and executive oversight. The BIA proposal also includes decreases of 5% in aid under the Tribally Controlled College or University Assistance Act (to \$39.1 million); 100% in aid to two tribally-controlled vocational colleges (from \$4.2 million to zero); and 3% in total BIA construction, to \$345.3 million (mostly from a reduction in new construction funds for the Navajo Indian Irrigation Project, pending management changes at the related Navajo agricultural enterprise).

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

BIA Reorganization. Historically, the BIA has been responsible for managing Indian tribes' and individuals' trust funds and trust assets. Trust assets include trust lands and the lands' surface and subsurface economic resources (e.g., timber, grazing lands, or minerals). Management of trust funds was transferred to the Office of Special Trustee for American Indians in 1966 (see below). In late November 2001, the Secretary of the Interior proposed to split off BIA's trust asset management responsibilities into a new Bureau of Indian Trust Asset Management (BITAM). In early December 2001, the Secretary requested approval from both Appropriations Committees for a reprogramming of funds to carry out this reorganization. The Committees did not approve the reprogramming request, instead directing the Secretary to consult with Indian tribes. The consultation process is continuing. The great majority of commenting tribes have opposed the BITAM proposal and many tribes or tribal organizations have offered alternative plans. While the BIA's proposed FY2003 budget does not include the BITAM reorganization proposal (or a reprogramming request), many tribes are concerned that the Secretary may again submit a reprogramming request to Congress.

The current BIA reorganization proposal arose from issues and events related to trust funds and assets management. The BIA had, historically, mismanaged Indian trust funds and non-monetary trust assets (land, minerals, etc.), leading to a legislative reform act in 1994 and an extensive court case in 1996. (See below under "Office of Special Trustee for American Indians" for more discussion.) Oversight of trust management reform is the responsibility of the Office of the Special Trustee for American Indians (OST), as is day-to-day management of trust funds, but the BIA still manages trust assets. Trust asset management includes real estate services, processing of transactions (sales, leases, etc.), surveys, appraisals, probate functions, land title records activities, and other functions. BIA and OST together are implementing the Secretary of the Interior's current Trust Management Improvement Project. The project includes improvements in trust asset systems, policies, and procedures, reduction of backlogs, and maintenance of the improved system. In 1998, the BIA contracted with a private developer for a new computerized trust asset and accounting management system (TAAMS). Much of TAAMS has not worked correctly, leading to further controversy and a review of the trust reform effort by a consultant, Electronic Data Systems, Inc. (EDS). EDS's 2001 reports included a recommendation for a single executive controlling trust reform. The Secretary cited this recommendation as a justification for the BITAM proposal.

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

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

A 1999 GAO report offered four alternative methods for funding contract support costs and recommended that BIA and the Indian Health Service develop a standard policy on funding contract support costs (*Indian Self-Determination Act: Shortfalls in Indian Contract Support Costs Need to be Addressed*, June 1999, GAO/RCED-99-150). Congress has not directed the BIA to put any of these GAO recommendations into effect, nor have the BIA and IHS developed a standard policy on contract support costs. For FY2002, both the House and the conference committee urged the OMB to coordinate BIA-Indian Health Service solutions to their disparate handling of contract support costs.

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

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

Many BIA school facilities are old and dilapidated, with health and safety deficiencies. BIA education construction covers both construction of new school facilities to replace facilities that cannot be repaired, and improvement and repair of existing facilities. Schools are replaced or repaired according to priority lists. The BIA in 2001 estimated the backlog in education facility repairs at \$942 million. Historically, education construction funding was low and Congress had not accepted various proposals for alternate funding mechanisms. In FY2000-FY2002, however, Congress provided large increases in education facility construction over historical levels. Appropriations for FY2002 education construction are \$292.5 million. For FY2003, the Administration proposes \$292.7 million, an increase of \$214,000.

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

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

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

Departmental Offices.

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

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

Office of Special Trustee for American Indians. The Office of Special Trustee for American Indians, in the Secretary of the Interior’s office, was authorized by Title III of the American Indian Trust Fund Management Reform Act of 1994 (P.L. 103-412). The Office of Special Trustee (OST) generally oversees the reform of Interior Department management of Indian trust assets, the direct management of

Indian trust funds, establishment of an adequate trust fund management system, and support of department claims settlement activities related to the trust funds. Indian trust funds formerly were managed by the BIA, but numerous federal, tribal, and congressional reports had shown severely inadequate management, with probable losses to Indian tribal and individual beneficiaries. In 1996, at Congress' direction and as authorized by P.L. 103-412, the Secretary of the Interior transferred trust fund management from the BIA to the OST.

FY2002 funding for the Office of Special Trustee was \$110.2 million, which included \$99.2 million for federal trust programs—trust systems improvements, settlement and litigation support, and trust funds management—and \$11.0 million for the Indian land consolidation pilot project. The purpose of the land consolidation project is to purchase and consolidate fractionated ownerships of allotted Indian trust lands, thereby reducing the costs of managing millions of acres broken up into tiny fractional interests. The President proposes a FY2003 budget of \$159.0 million for the OST, an increase of 44%. Included in the FY2003 request are \$151.0 million for federal trust programs (up \$51.8 million, or 52%) and \$8.0 million for the Indian land consolidation pilot project (down \$3 million, or 27%).

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

The trust funds controversy also involves a class action lawsuit filed in 1996, in the federal district court for the District of Columbia, against the federal government by IIM account holders. The latest stage of the IIM lawsuit relates to an historical accounting for IIM funds, to determine the amount of money owed to the plaintiffs. The FY2001 Interior appropriations conference report had directed DOI to develop a sampling methodology for IIM accounting, as DOI had intended to do, but required submission of the plan, with a cost-benefit analysis, to Congress prior to implementation. Both the FY2002 House and conference reports repeated the prohibition on allocating funds for an historical accounting before submission of the plan and report. Both reports also stated that a legislative remedy might be needed if a cost-effective accounting methodology could not be agreed upon. The plaintiffs in the lawsuit object to an historical accounting methodology and, using a different methodology based on federal and state leasing returns, have estimated that they are owed at least \$10 billion. Currently the district court considering holding the Secretary of the Interior in contempt for continuing problems in trust management reform (following a trial on these issues) and is also considering the plaintiffs' request that the court appoint a receiver to take over reform of IIM accounts management.

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

Insular Affairs. The Office of Insular Affairs (OIA) provides financial assistance to the territories, manages relations between these jurisdictions and the federal government, and attempts to build the capacity of units of local government. Funding for the OIA consists of two parts: (1) permanent and indefinite appropriations that do not require action by the 107th Congress or the Administration, and (2) discretionary and current mandatory funding subject to the appropriations process. Total funding for FY2002 is \$353.0 million, and proposed for FY2003 is \$343.5 million, a reduction of \$9.5 million, or 2.7%.¹²

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

- \$146.4 million total to three freely associated states formerly included in the Trust Territory of the Pacific Islands. This payment is set forth in the Compacts of Free Association negotiated with representatives of the Republic of the Marshall Islands (RMI), the Federated States of Micronesia (FSM), and the Republic of Palau.¹³
- \$106.0 million in fiscal assistance to the U.S. Virgin Islands for estimated rum excise and income tax collections, and to Guam for income tax collections.

Discretionary and current mandatory funds that require annual appropriations constitute the remaining balance (roughly 20% to 30%) of the OIA budget. The FY2003 request of the Bush Administration would reduce the discretionary portion of the OIA budget to \$91.0 million, a reduction of \$11.2 million (11%) from FY2002. The FY2003 request for discretionary funding is comprised of Assistance to Territories (\$70.2 million) and Compact of Free Association assistance (\$20.8 million). The reductions reflect adjustments to funding for the U.S. Virgin Islands for loan forgiveness and a utility study as well as for compact impact funding for Hawaii, Guam, and the Commonwealth of the Northern Mariana Islands.

The FY2002 appropriation of \$102.2 million, which exceeded not only the amount requested but also the levels recommended by both the House and the Senate for a range of purposes, included the following:

¹² In addition to annual appropriations, these figures include permanent and indefinite appropriations because a relatively large portion of insular affairs funding is derived from permanent and indefinite appropriations.

¹³ Portions of the Compact of Free Association with the FSM and the RMI expired in the fall of 2001 and are being renegotiated. For background, see CRS Report RL30749, *The Marshall Islands and Micronesia: Negotiations with the United States for Renewing Provisions of the Compact of Free Association*. The Compact with the Republic of Palau began in FY1994 and will terminate in FY2009.

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

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

Title II: Related Agencies and Programs

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

U.S. Forest Service. The Forest Service (FS) budget request for FY2003 proposes \$3.95 billion of discretionary appropriations, \$181.7 million (4%) less than appropriated for FY2002 and \$486.7 million (11%) below the FY2001 appropriation. However, the FY2003 amount excludes \$153 million to pay the full government share of federal employee pension and annuitant health benefits, a government-wide Administration proposal for which legislation would be required. Including the \$153 million for the pension and health proposal, the FY2003 request is \$4.10 billion.

The Bush Administration proposes to terminate five programs in FY2003, which accounts for most of the decrease from FY2002. The President proposes terminating the contingent emergency appropriations for fire suppression operations (\$266.0 million in FY2002) and for other fire operations (\$80.0 million in FY2002). These reductions are partially offset by proposed increases in regular appropriations of about \$165 million for fire suppression operations and \$11 million for other fire operations. The budget request also proposes terminating the Economic Action Program (more than \$48 million in FY2002 appropriations, in two separate line items) and the Pacific Northwest economic assistance program (more than \$9 million in FY2002). Lastly, the request proposes no funding for the Stewardship Incentives Program (\$3.0 million in FY2002, the first funds appropriated since FY1998). In addition to these program terminations, the Administration is proposing a \$19.2 million (13%) decline in land acquisition, from \$149.7 million in FY2002 to \$130.5 million in FY2003, and a \$10.1 million (17%) drop in Infrastructure Improvement (to address the nearly \$7 billion deferred maintenance backlog), from \$61.0 million to \$50.9 million.

The FY2003 budget request also includes two new programs and significant increases in several programs. One new program, proposed at \$12.0 million, is an Emerging Pest and Pathogens Fund, to rapidly address invasive species problems

when they are first identified since early aggressive control efforts can reduce or eliminate a problem while it is still small. The other new program, proposed at \$15.0 million, is for Expedited Consultations, where the FS can pay the Fish and Wildlife Service or National Marine Fisheries Service to consult on FS projects that might jeopardize an endangered or threatened species. This proposal is to assure that the other agencies' budgets do not limit the FS's ability to proceed on its projects. The Administration also is proposing a \$16.4 million (49%) increase in the Forest Stewardship Program (to provide technical assistance for managing private forests), a \$4.7 million (10%) increase in minerals and geology work in the national forests, and a \$4.8 million (7%) increase in the Forest Legacy Program, to purchase title or easements for lands threatened with conversion to nonforest uses (*e.g.*, residences).

Forest Fires and Forest Health. Wildfires and efforts to halt the damage they cause have garnered increased attention, with severe fire seasons in the summers of 2000 and 2001. On September 8, 2000, the Clinton Administration proposed a new program in *Managing the Impact of Wildfires on Communities and the Environment: A Report to the President in Response to the Wildfires*, commonly called the National Fire Plan. The proposal, which applied to BLM lands as well as to Forest Service lands, was to add money to the FY2001 request for wildfire operations, fuels treatment and burned area restoration, fire preparedness, and programs to assist local communities. Total appropriations for the FY2001 National Fire Plan, covering BLM and FS fire funds, were \$2.89 billion. Some of the increases were continued in FY2002, although decreases in fire suppression operations, restoration and rehabilitation, emergency contingency funds, and private land fire assistance reduced the FY2002 National Fire Plan to \$2.27 billion. For FY2003, the Bush Administration proposes to fund the National Fire Plan at \$2.11 billion, \$159 million (7%) less than the FY2002 level. For both agencies, fire suppression operations would be significantly increased (about \$165 million for FS and \$33 million for BLM), while the emergency contingency funds would be eliminated.

The Bush Administration also has announced that it will propose legislation to pilot test "fireplain easements." The concept is to acquire, from willing sellers, "permanent easements to permit the implementation of fire suppression strategies, including the option of allowing fires to burn without suppression activities." The Administration asserts that this would allow the federal government to pursue fire control to save lives and protect resources while "avoiding extraordinary protection of outlying structures." This is to avoid situations where firefighting resources are diverted from the general goal of fire control to protect private structures, especially where the cost of protection is greater than the cost of replacing the structure. The Administration has included nearly \$20 million in the FS FY2003 budget request for fireplain easements.

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

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

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

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

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

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

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

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

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

Fossil Energy Research, Development, and Demonstration. The Bush Administration's FY2003 budget request of \$489.3 million for FY2003 for fossil fuel research and development (R&D) is 16% less than the amount appropriated for FY2002 (\$582.8 million).¹⁴ The Administration's request for the Clean Coal Power Initiative (CCPI) of \$150.0 million for FY2003 is part of a \$2 billion ten-year commitment. The program is a cooperative cost-shared industry/government program for "funding advanced research and development and a limited number of joint government-industry-funded demonstrations of new technologies that can enhance the reliability and environmental performance of coal-fired power generators." The CCPI is along the lines of the Clean Coal Technology Program (CCTP), which has completed most of its projects and has been subject to rescissions and deferrals since the mid-1990s. In FY2003, the Administration seeks to consolidate all of its coal R&D programs under Fossil Energy Research and Development. The CCTP, which is funded separately from the other fossil R&D programs, would receive no additional appropriations, and would receive \$40.0 million in FY2003 from previously deferred budget authority to continue with several projects that are still active. The CCTP eventually will be phased out.

Research and development (R&D) on natural gas would be cut by nearly half, to \$22.6 million, and R&D on petroleum by about a third, to \$35.4 million. Funding for the Fuels program, including R&D on ultra-clean fuels technology, will be phased out, reducing the request to \$5.0 million for FY2003 from \$32.2 million in FY2002. The Administration proposes to transfer the Fossil Energy (FE) Infrastructure program that funds natural gas research activities (\$10.0 million in FY2002) to the Department of Transportation's Office of Pipeline Safety, in order to reduce any duplication of effort. Smaller cuts are proposed for gas hydrates and Cooperative R&D, among other subprograms. Funding levels for Sequestration R&D, which

¹⁴ The FY2003 request and appropriated amount for FY2002 do not include previously appropriated amounts for the Clean Coal Technology program (\$40 million for FY2003 and \$33.7 million for FY2002) and prior year balances (\$14.0 million for FY2003 and \$6.0 million for FY2002).

would test new and advanced methods for greenhouse gas capture, separation, and reuse, would increase in FY2003 by \$21.8 million to \$54.0 million.

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

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

Strategic Petroleum Reserve. The SPR, authorized by the Energy Policy and Conservation Act (P.L. 94-163) in late 1975, consists of caverns formed out of naturally-occurring salt domes in Louisiana and Texas in which more than 570 million barrels of crude oil are stored. The purpose of the SPR is to provide an emergency source of crude oil which may be tapped in the event of a presidential finding that an interruption in oil supply, or an interruption threatening adverse economic effects, warrants a drawdown from the Reserve. Sharp increases in the price of oil beginning in the spring of 1999 spurred calls for drawdowns from the Reserve. The Clinton Administration authorized some exchanges and swaps of oil from the SPR, and also instituted a program to accept roughly 28 million barrels as royalty-in-kind (RIK) payments for production from federal leases. Acquiring oil for the SPR by RIK avoids the necessity for Congress to make outlays to finance direct purchase of oil; however, it also means a loss of revenues to the Treasury in so far as the royalties are paid in wet barrels rather than in cash. In mid-November 2001, President Bush ordered that the SPR be filled to capacity (700 million barrels) using RIK oil. The fill rate is anticipated to begin in April 2002 at the rate of 60,000 barrels a day (b/d), increasing to 130,000 b/d by October of that year.

The FY2003 budget request for the SPR is for \$187.8 million. This represents an increase of \$8.8 million from the appropriation for FY2002 (\$179.0 million). The request has three components. First, it includes \$168.8 million for operation and management of the SPR sites. Second, \$11.0 million is sought to support the costs of transporting royalty-in-kind oil to SPR sites. Third, the request includes \$8.0 million for the Northeast Heating Oil Reserve (NHOR), established by the Clinton Administration, which houses 2 million barrels of home heating oil in above-ground facilities in Connecticut and New Jersey. The SPR request is unlikely to be controversial.

For further information on the *Strategic Petroleum Reserve*, see its World Wide Web site at [<http://fossil.energy.gov/npsr/index.shtml>].

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

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

for the transfer. The U.S. retains a 9% royalty interest in NOSR-2, those proceeds to be applied to the costs of remediation for a uranium mill tailings site near Moab, Utah. This leaves in the Naval Petroleum Reserves program two small oil fields in California and Wyoming, which will generate estimated revenue to the government of roughly \$7.2 million during FY2003. The request to maintain the Naval Petroleum Reserves (NPR) for FY2003 is \$20.8 million, a decrease of \$1.5 million from FY2002 (\$22.4 million, including \$17.4 million in new appropriations and \$5.0 million in prior year funds).

In settlement of a long-standing dispute between California and the federal government over the state's claim to Elk Hills as "school lands," the California Teachers' Retirement Fund is to receive 9% of the sale proceeds after the costs of sale have been deducted. The agreement between DOE and California provided for five annual payments of \$36.0 million beginning in FY1999, with the balance due to be paid in equal installments in FY2004 and FY2005. The FY2003 budget request includes another \$36.0 million for the Elk Hills School Lands Fund, and is not likely to provoke any controversy.

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

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

Thus, DOE proposes to decrease conservation funding under DOE's Office of Energy Efficiency and Renewable Energy (EERE) from \$912.8 million in FY2002 to \$901.6 million in FY2003, a reduction of \$11.2 million, or 1%, below the FY2002 level, in current dollar terms. This nearly flat total budget request includes some significant program funding changes. While grants would increase by \$40.9 million, R&D would fall by \$52.1 million.

The largest proposed increases include \$47.1 million for Weatherization grants, \$8.1 million for Fuel Cell vehicles, \$4.6 million for the Federal Energy Management Program (FEMP), and \$3.2 million for Energy Star.

However, Transportation R&D would be cut by \$30.1 million, including decreases of \$10.5 million for Materials, \$8.4 million for Combustion Engines, \$7.4 million for Fuels Utilization, \$4.0 million for Hybrid Vehicles, and \$3.5 million for Electric Vehicles. Industry R&D funding would fall \$10.6 million, including cuts of \$2.8 million for Petroleum Industry Vision Program, \$2.8 million for Combustion

Technology, and \$2.0 million for Inventions. Under Buildings, cuts include \$9.8 million for Research and Standards and \$6.2 million for State Energy Grants.

On February 28, 2002, the House Appropriations Committee's Subcommittee on Interior and Related Agencies held a hearing on the FY2003 request for the DOE Energy Efficiency Program. In response to testimony by Assistant Secretary David Garman, most questions focused on funding for transportation programs and the need to reduce national oil dependence. DOE explained that the new Freedom Car Program builds on results from the Partnership for a New Generation of Vehicles (PNGV) and has a goal to accelerate the development of fuel cell technology, expecting that it would lead to commercial vehicles during the period from 2010 to 2020. A concern was raised that this time frame would not help reduce oil use in the shorter term. Also, a concern was expressed about the Administration's proposed spending cuts for the Hybrid Vehicle and Electric Vehicle programs. DOE said it expects that hybrid cars will enter the commercial market in 2003 and, thus, that the need for support is shifting away from research and development and toward tax credits and market incentives.

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

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

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

Department of Health and Human Services: Indian Health Service.

For Further information on the Department of Health and Human Services (HHS) see its World Wild Web site at [<http://www.dhhs.gov/>].

Indian Health Service. The Indian Health Service (IHS) carries out the federal responsibility of assuring comprehensive medical and environmental health services for approximately 1.5 million to 1.7 million American Indians and Alaska Natives (AI/AN) who belong to over 560 federally recognized tribes in 34 states. Care is provided through a system of federal, tribal, and urban Indian operated programs and facilities that serves as the major source of health care for AI/AN. IHS provides direct health care services in 36 hospitals, 58 health centers, 4 school health centers, and 44 health stations. Tribes and tribal groups, through contracts with IHS, operate another 13 hospitals, 161 health centers, 3 school health centers, and 249 health stations, including 170 Alaska village clinics. IHS, tribes, and tribal groups also operate 7 regional youth substance abuse treatment centers and more than 2,200 units of staff quarters.

IHS funding is separated into two budget categories: Indian Health Services and Indian Health Facilities. The President requests a total of \$2.82 billion in appropriations for FY2003, \$57.3 million or 2% over the FY2002 appropriation of \$2.76 billion. Of the total appropriation request, \$2.45 billion or 87% would be used for health services, and \$362.6 million or 13% for the health facilities program. IHS

services are funded not only through congressional appropriations but also from collections of reimbursements from private insurance and from federal programs such as Medicare, Medicaid, and the State Children's Health Insurance Program. For FY2003, IHS estimates that it will collect \$614.8 million in reimbursements, a slight increase (0.01%) over the estimated amount for FY2002.

The Indian Health Services budget category has several subsections: clinical services, preventive health services, and other services. Clinical services include basic primary care inpatient and out patient services at IHS hospitals and clinics. For FY2003, the Administration requests \$1.95 billion, \$53.2 million or 3% over the FY2002 level of \$1.89 billion. Within this request, funding would go to support programs for hospitals and clinics (\$1.19 billion), dental health (\$100.1 million), mental health (\$50.6 million), substance abuse treatment (\$137.7 million), and contract health services (\$468.1 million). When IHS cannot provide medical care and specific services within its system, it contracts to purchase these services from local and community health care providers. The requested amount for contract health services is 2% over the FY2002 appropriation of \$460.8 million.

The preventive health services request for \$103.3 million is 4% over the FY2002 appropriation of \$99.7 million. The request includes funding for public health nursing (\$39.9 million), health education in schools and communities (\$11.1 million), and immunizations (\$1.6 million). It also includes the community health representatives program (\$50.8 million), which is a tribally administered program that, through various community initiatives, supports community members who work to prevent illness and disease within their communities.

For other services, the President has asked for \$405.4 million in funding to support health related activities in off-reservation urban health projects (\$31.5 million), scholarships to health care professionals (\$35.4 million), funding for costs associated with providing tribal management grants to tribes (\$2.4 million), administration and management costs (\$55.3 million - direct operations), self-governance (\$10.1 million), and contract support costs (\$270.7 million). Contract support costs are the costs awarded to a tribe for the administration of a program under a contract or compact authorized by the Indian Self-Determination Act (P.L. 93-638, as amended). These costs are the expenses tribes incur for financial management, accounting, training, and program start-up costs. The budget request reflects that most tribes and tribal organizations are participating in new and expanded self-determination contracts and self-governing compacts.

The Indian Health Facilities category includes funds for construction, maintenance, and improvement of health and sanitation facilities. The President's FY2003 request of \$362.6 million for IHS health care facilities is a \$6.9 million decrease or 2% below last year's appropriation of \$369.5 million. The decrease is attributed to the completion of several major construction projects in the last few years.

For further information on *Department of Health and Human Services: Indian Health Service*, see its World Wide Web site at [<http://www.ihs.gov/>].

Office of Navajo and Hopi Indian Relocation. The Office of Navajo and Hopi Indian Relocation (ONHIR) was reauthorized for FY1995-2000 by P.L. 104-301. The 1974 relocation legislation (P.L. 93-531, as amended) was the end result of a dispute between the Hopi and Navajo tribes involving land originally set aside by the federal government for a reservation in 1882. Pursuant to the 1974 act, lands were partitioned between the two tribes. Members of one tribe who ended up on the other tribe's land were to be relocated. ONHIR classifies families as relocated when they occupy their replacement home. Most relocatees are Navajo. A large majority of the estimated 3,477 Navajo families formerly on the land partitioned to the Hopi have already relocated under the Act, but the House Appropriations Committee estimated in mid-2001 that about 300 families (almost all Navajo) have yet to complete relocation, including about 33 Navajo families still on Hopi partitioned land (some of whom refuse to relocate). The remaining families are not on Hopi partitioned land but are in various stages of acquiring replacement housing. ONHIR's chief activities consist of housing acquisition and construction, land acquisition, and certification of families' eligibility for relocation benefits.

For FY2002, ONHIR received appropriations of \$15.1 million. For FY2003, the Administration proposes \$14.5 million, a decrease of \$657,000, or 4%.

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

The Hopi Tribe has called for enforcement of relocation against Navajo families without leases. Like the FY1997-FY2002 Interior appropriations acts, the FY2003 proposal would forbid ONHIR from evicting any Navajo family from Hopi partitioned lands unless a replacement home were provided. This language appears to prevent ONHIR from forcibly relocating Navajo families during FY2003 since the ONHIR has a large backlog of relocatees who are approved for replacement homes but have not yet received them. These relocatees would have priority in receiving replacement homes. The settlement agreement approved by P.L. 104-301, however, allows the Hopi Tribe under certain circumstances to begin actions against the United States after February 1, 2000, for failure to give the Hopi "quiet possession" of all Hopi-partitioned lands if Navajo families on these lands have not either relocated or entered into accommodation agreements with the Hopi Tribe. The Hopi Tribe has not yet filed such a quiet possession claim against the United States. The Tribe has agreed to wait while the U.S. pursues legal actions against Navajo who have neither signed

agreements nor relocated, but has asserted that evictions should have already started.

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

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

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

SI Budget and Appropriations. The FY2003 Bush Administration budget estimate of \$528.0 million for the Smithsonian represents an increase of \$9.1 million above the FY2002 level of \$518.9 million (including a supplemental of \$21.7 million for anti-terrorism.) For the National Museum of the American Indian (NMAI), \$10 million is requested for FY2003 to complete construction of the Mall museum. Initially, the NMAI was controversial. Opponents of constructing a new museum argued that the current Smithsonian museums needed renovation, repair, and maintenance of the collection with an estimated 142 million items, more than the public needed another museum on the Mall. Proponents argued that there had been too long a delay in providing a museum in Washington to house the Indian collection. Private donations to the Smithsonian for the NMAI and a fund-raising campaign focusing on individuals, foundations, and corporations totaled \$36.7 million, representing one-third of the original estimated cost (\$110 million) and the amount required to meet the non-appropriated portion of project funding. Of this amount, an estimated \$15 million came from the Indian community directly. Based on a new estimate of \$219.3 million for the Indian museum, the Smithsonian indicated that \$20 million in trust funds would cover opening costs and that additional fund raising would be required. The groundbreaking ceremony for the NMAI took place September 28, 1999. The projected opening of the Museum is the summer of 2004.

The FY2003 budget request for “repair, restoration, and alteration of facilities” (\$81.3 million) includes renovation for the Patent Office Building, the National Zoo, the National Museum of Natural History, and routine repair in all Smithsonian facilities. Work was begun last year on the National Museum of Natural History and the Patent Office Building (the home of two Smithsonian Museums—the National Portrait Gallery and the Smithsonian Museum of American Art—with a projected

total cost estimate of \$151 million.) The SI is responsible for over 400 buildings with approximately 8 million square feet of space. Four of the Smithsonian's buildings plus the National Zoo constitute approximately one-third of the SI's public space: the National Museum of Natural History (1910), the American Art and Portrait Gallery (1836-1860), the Castle building (1846), and the Arts and Industries building (1849). A study by the National Academy of Public Administration (NAPA), *A Study of the Smithsonian Institution's Repair, Restoration and Alteration of Facilities Program* confirms what the Institution had already concluded: that funding for repair and renewal of SI's facilities has not kept pace with need, resulting in increased deterioration of the physical plant. The NAPA report contends that the Smithsonian needs to spend more than \$1.5 billion over the next decade to fully repair, renovate, and improve its facilities.

SI Trust funds. In addition to federal appropriations, the Smithsonian receives trust funds to expand its programs. The SI trust fund includes contributions from private sources, and government grants and contracts from other agencies. General trust funds include investment income and business revenues from what the Smithsonian identifies as "business ventures" (including the *Smithsonian* magazine, retail shops, restaurants, concessions, catalogs, and entertainment initiatives, i.e. Resident Associates and other entertainment programs.) There are also trust funds that are private donor designated funds. Designated trust funds are those that include gifts, grants, and contributions from individuals, foundations, and corporations that specify and direct the purpose of funds. In FY2001, contributions from private individuals, foundations, and corporate sources for designated projects totaled \$178.8 million, and for FY2002, they were projected to total \$80 million. The largest single contribution to the Smithsonian from a private donor (Steven F. Udvar-Hazy)—\$60 million—was pledged for the National Air and Space Museum's Dulles Center (FY1999). The Dulles extension is scheduled to open in 2003. Finally, government grants and contracts (separate from the regular appropriation) are provided by various government agencies and departments for projects specific to the Smithsonian because of their expertise in certain fields including science, history, art, and education. For FY2002, in addition to the regular appropriation, government grants and contracts were projected to be \$70 million. Part of this funding is available to the Smithsonian's Astrophysical Observatory.

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

Table 7. Smithsonian Institution Appropriations FY2001-2003
(\$ in thousands)

Smithsonian Institution (SI)	FY2001 Approp.	FY2002 Request	FY2002 Approp.	FY2003 Request
Salaries and Expenses	\$386,902	\$396,200	\$420,960 ^a	\$434,660 ^b
Repair, Restoration, and Alteration of Facilities	57,473	67,900	67,900	81,300
Construction	9,479	30,000	30,000	12,000
SI total	453,854	494,100	518,860^a	527,960

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

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

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

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

The FY2003 budget for the NEA is \$99.5 million plus \$17.0 million for the Challenge America Arts Fund that NEA administers, for a total of \$116.5 million, representing a slight increase (\$1.3 million) above the FY2002 appropriation (\$115.2 million). Figures exclude the FY2003 Bush Administration's proposal regarding employee pension and retirement health benefits. NEA's direct grant program currently supports approximately 1,600 grants. State arts agencies are now receiving over 40% of grant funds, with 1,000 communities participating nationwide, particularly from under-represented areas. The Challenge America Arts Fund is a program of matching grants for arts education, outreach and community arts activities for rural and underserved areas. The NEA is required to submit a detailed report to the House and Senate Appropriations Committees describing the use of funds.

The FY2003 budget for NEH is \$125.8 million, representing a slight increase (\$1.3 million) over the final FY2002 appropriation (\$124.5 million). Figures exclude the Bush Administration's FY2003 proposal concerning employee pension and retirement health benefits. The NEH supports extensive grants for humanities education, research, preservation and public humanities programs; grants for the creation of regional humanities centers; and grants to help develop humanities programs under the jurisdiction of the 56 state humanities councils. NEH also supports a Challenge Grant program to stimulate and match private donations in support of humanities institutions.

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

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

Previous NEA Controversies. Although there appears to be an increase in congressional support for the NEA, the debate often recurs on previous questionable NEA grants when appropriations are considered, in spite of attempts to resolve these problems through previous statutory provisions. The debate involved whether or not some of the grants given were for artwork that might be deemed obscene. To date, no NEA projects have been judged obscene by the courts. On November 5, 1996, a federal appeals court upheld an earlier decision, *NEA v. Finley*, ruling that applying the "general standards of decency" clause to NEA grants was "unconstitutional." However, in anticipation of congressional reaction to NEA's individual grants, NEA eliminated grants to individuals by arts discipline, except to maintain Literature

Fellowships, Jazz Masters and National Heritage Fellowships in the Folk and Traditional Arts. On June 25, 1998, the Supreme Court reversed the federal appeals court decision for *NEA v. Finley (CA9, 100F.3d 671)* by a vote of 8 to 1, stating that the NEA “can consider general standards of decency” when judging grants for artistic merit, and that the decency provision does not “inherently interfere with First amendment rights nor violate constitutional vagueness principles.”

Congress enacted NEA reform measures in past appropriations laws. Among them were increases in funding allocations from 35% to 40% to states for basic state arts grants and for grants to under served populations. In addition, language emphasizing arts education was included. A 15% cap was placed on NEA funds allocated to each state, exempting only those grants with a national impact. Members of the House and Senate were added to the National Council on the Arts. Both NEA and NEH were given specific authority to solicit funding and to invest those funds.

Table 8. Arts and Humanities Funding FY2001-FY2003
(\$ in thousands)

Arts/ Humanities Funding	FY2001 Approp.	FY2002 Request	FY2002 Approp.	FY2003 Request
NEA	\$97,785	\$98,234	\$98,234	\$99,489
Challenge America Arts Fund	6,985	6,985	17,000	17,000
Subtotal NEA	104,770	105,219	115,234	116,489^a
NEH grants and administration	104,373	104,882	108,382	109,632
NEH matching grants	15,621	15,622	16,122	16,122
Subtotal NEH	119,994	120,504	124,504	125,754^b
OMS/IMLS	24,852	24,899	26,899	29,022 ^c

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

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

^cThe Office of Museum Services as part of IMLS is now included in the appropriations bill for the Departments of Labor-HHS-Ed and Related Agencies.

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

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

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

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

Cross-Cutting Topics: The Land and Water Conservation Fund and the Conservation Spending Category

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

Through FY2002, the total amount that could have been appropriated from the LWCF since its inception was \$25.4 billion. Actual appropriations have been \$12.5 billion. In recent years, appropriators have provided generally increasing amounts from the Fund for federal land acquisition. The total has more than tripled, rising from a low of \$138 million in FY1996 to \$453 million in FY2001. The table below shows LWCF appropriations for federal land acquisitions for the past three years (FY2000-FY2002) and the Bush Administration requests for FY2002 and FY2003.

**Table 9. LWCF Funding (Federal Land Acquisition Only):
FY2000 through FY2003**
(\$ in millions)

Agency	FY2000	FY2001	FY2002 Request	FY2002	FY2003 Request
BLM	\$48	\$56	\$48	\$50	\$45
FWS	62	121	104	99	70
NPS Federal Acquisitions ^a	141	125	107	130	86
FS	160	151	131	150	131
Total	411	453	390	429	332^b

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

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

^a The NPS amounts do not include the state grant program, which was funded at \$41 million in FY2000, \$90 million in FY2001, and \$144 million in FY2002. For FY2003, the Administration is requesting \$200 million, of which \$50 million would be used for a new Cooperative Conservation Initiative.

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

LWCF appropriations may start to decline in anticipation of a budget deficit. This occurred in the early and mid 1990s, when Congress provided smaller appropriations as a part of efforts to address the federal budget deficit. As this constraint disappeared, Congress responded positively to numerous interests seeking more land acquisition funds. Now this constraint is forecast to return, and it may affect appropriations levels for FY2003. After several years of higher funding and the Bush Administration's request for full funding for the first time for FY2002, the Administration is calling for lower land acquisition funding levels for each of the four agencies (and the state grant program) in FY2003.

For FY2003, the Bush Administration requests funding for federal acquisitions at \$332 million (excluding \$3.0 million for the Paiute Tribe in Utah), a decrease of \$97 million from FY2002. These funds would all be used for land acquisition. In addition, the Administration is requesting \$20 million for the National Park Service that can be provided as grants to Florida for land acquisition critical to the South Florida (Everglades) Restoration Program. The Administration also is requesting a total of \$200 million for the state grant program, of which \$50 million would fund a proposed Cooperative Conservation Initiative. This Initiative seeks to promote conservation through partnerships that match BLM, NPS, and FWS funds with local contributions. In addition to the \$50 million that would be provided from LWCF, the Administration is seeking another \$50 million for the Initiative from the operating accounts of the three DOI land management agencies, for a total of \$100 million.

Conservation Spending Category. The House and Senate Appropriations Committees created the Conservation Spending Category (CSC) in the FY2001 Interior appropriations law. The CSC combines funding for about 2 dozen resource protection programs including the LWCF. This action was in response to the Clinton Administration request for substantial funding increases in these programs under his Lands Legacy Initiative and widespread congressional interest in increasing conservation funding. The FY2001 law appropriated \$1.21 billion for FY2001 (and \$470 million through the Commerce appropriations law). The amount appropriated in FY2001 through Interior appropriations was a substantial increase from a total of \$557 million for these programs the preceding year. The FY2001 law also authorized that total spending under the category would grow each year, from \$1.6 billion in FY2001 (of which \$1.2 billion would be in Interior Appropriations programs) to \$2.4 billion in FY2006. All funding each year is subject to the appropriations process.

For FY2002, the Bush Administration did not organize his conservation program using the framework of the CSC, but requested a total of \$1.26 billion for this group

of programs. Congress used the category and appropriated \$1.30 billion. In its FY2003 budget request, again the Administration did not use the CSC category. However, the Interior and Appropriations Subcommittees may choose to use it again this year. The House Appropriations Subcommittee on Interior and Related Agencies estimates that the FY2003 request totals \$1.32 billion for programs in this category, a slight decrease from FY2002 funding.

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

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

For Additional Reading

Title I: Department of the Interior

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

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

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

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

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

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

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

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

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

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

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

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

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

CRS Report 98-574. *PILT (Payments in Lieu of Taxes): Somewhat Simplified*, by M. Lynne Corn.

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

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

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

Land Management Agencies Generally

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

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

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

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

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

Title II: Related Agencies

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

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

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

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

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

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

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

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

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

Selected World Wide Web Sites

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

House Committee on Appropriations.

[<http://www.house.gov/appropriations>]

Senate Committee on Appropriations.

[<http://www.senate.gov/~appropriations/>]

CRS Appropriations Products Guide.

[<http://www.crs.gov/products/appropriations/apppage.shtml>]

Congressional Budget Office.

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

General Accounting Office.

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

House Republican Conference.

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

Office of Management and Budget.

[<http://www.whitehouse.gov/OMB/>]

Title I: Department of the Interior¹⁵

Department of the Interior (DOI).

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

Bureau of Land Management (BLM).

[<http://www.blm.gov/nhp/index.htm>]

Fish and Wildlife Service (FWS).

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

Historic Preservation.

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

Minerals Management Service (MMS).

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

National Park Service (NPS).

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

¹⁵ Access to certain DOI websites has been restricted in compliance with a court order. DOI websites which currently are not accessible are not listed here.

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

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

Title II: Related Agencies

Departments.

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

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

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

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

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

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

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

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

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

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

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

Indian Health Service (IHS).
[<http://www.ihs.gov/>]

Agencies.

Advisory Council on Historic Preservation.
[<http://www.achp.gov/>]

Institute of American Indian and Alaska Native Culture and Arts Development.
[<http://www.iaiancad.org/>]

Institute of Museum Services.
[<http://www.imls.gov/>]

John F. Kennedy Center for the Performing Arts.
[<http://Kennedy-Center.org/>]

National Capital Planning Commission.
[<http://www.ncpc.gov>]

National Endowment for the Arts.
[<http://arts.endow.gov/>]

National Endowment for the Humanities.
[<http://www.neh.gov/>]

National Gallery of Art.
[<http://www.nga.gov/>]

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

U.S. Holocaust Memorial Council and U.S. Holocaust Memorial Museum.
[<http://www.ushmm.org/>]

Woodrow Wilson International Center for Scholars.
[<http://wwics.si.edu/>]

Table 10. Department of the Interior and Related Agencies Appropriations
(\$ in thousands)^a

Bureau or Agency	FY2001 Enacted	FY2002 Request	FY2002 Enacted	FY2003 Request
Title I: Department of the Interior				
Bureau of Land Management	2,147,182	1,771,538	1,872,597	1,833,322
U.S. Fish and Wildlife Service	1,227,010	1,091,265	1,276,424	1,283,364
National Park Service	2,135,219	2,517,691	2,380,074	2,355,561
U.S. Geological Survey	882,800	813,376	914,002	867,338
Minerals Management Service	139,221	155,473	156,772	170,327
Office of Surface Mining Reclamation and Enforcement	302,846	268,958	306,530	279,402
Bureau of Indian Affairs	2,187,613	2,203,553	2,222,876	2,245,804
Departmental Offices	352,519	345,270	367,144	423,535
General Provisions	12,572	—	—	—
Total, Title I	9,386,982	9,167,124	9,496,419	9,458,653
Title II: Related Agencies				
U.S. Forest Service	4,435,391	3,732,125	4,130,416	3,948,711
Department of Energy	1,453,644	1,502,680	1,766,470	1,717,241
Clean Coal Technology	-67,000	—	-40,000	—
Fossil Energy R & D	432,464	449,000	582,790	489,305
Alternative Fuels Production (rescission)	-1,000	-2,000	-2,000	—
Naval Petroleum and Oil Shale Reserves	1,596	17,371	17,371	20,831
Elk Hills School Lands Fund	36,000	—	36,000	36,000
Energy Conservation	813,442	755,805	912,805	901,651
Economic Regulation	1,996	1,996	1,996	1,487
Strategic Petroleum Reserve (SPR)	160,637	169,009	179,009	168,856
SPR Petroleum Account	—	—	—	11,000
Northeast Home Heating Oil Reserve	—	—	—	8,000
Energy Information Administration	75,509	75,499	78,499	80,111
Indian Health Service	2,628,766	2,706,809	2,759,101	2,816,406
Office of Navajo and Hopi Indian Relocation	14,967	15,148	15,148	14,491
Institute of American Indian and Alaska Native Culture and Arts Development	4,116	4,490	4,490	5,130

Bureau or Agency	FY2001 Enacted	FY2002 Request	FY2002 Enacted	FY2003 Request
Smithsonian Institution	453,854	494,100	518,860	527,960
National Gallery of Art	75,485	80,449	85,335	94,449
John F. Kennedy Center for the Performing Arts	33,925	34,000	38,310	33,910
Woodrow Wilson International Center for Scholars	12,283	7,796	7,796	8,488
National Endowment for the Arts	97,785	98,234	98,234	99,489
National Endowment for the Humanities	119,994	120,504	124,504	125,754
Institute of Museum and Library Services	24,852	24,899	26,899	—
Challenge America Arts Fund	6,985	6,985	17,000	17,000
Commission of Fine Arts	1,076	1,274	1,224	1,224
National Capital Arts and Cultural Affairs	6,985	7,000	7,000	7,000
Advisory Council on Historic Preservation	3,182	3,310	3,400	3,667
National Capital Planning Commission	6,486	7,253	8,011	7,253
Holocaust Memorial Museum	34,363	36,028	36,028	38,663
Presidio Trust	33,327	22,427	23,125	21,327
Total, Title II: Related Agencies	9,447,466	8,905,511	9,671,351	9,488,163
Title VII: United Mine Workers of America Combined Benefit Fund				
United Mine Workers of America Combined Benefits Fund	57,872	—	—	—
Grand Total (Amounts in Bill)^b	18,892,320	18,072,635	19,167,770	18,946,816

Source: House Appropriations Committee.

^a Figures in data column one reflect FY2001 appropriations. They include appropriations in various titles of P.L. 106-291, the Department of the Interior and Related Agencies Appropriations Act for FY2001. Figures in data column two reflect the budget requests by the Bush Administration for FY2002. Figures in data column three reflect FY2002 appropriations to date. Figures in data column four reflect the budget requests by the Administration for FY2003.

^b Figures do not reflect scorekeeping adjustments. With scorekeeping adjustments, the figures are: \$19,067,972 for FY2001 enacted; \$18,190,635 for FY2002 requested; \$19,272,770 for FY2002 enacted; and \$19,530,816 for FY2003 requested. The FY2003 request includes an adjustment of \$506.0 million for retirement accruals.

Table 11. Conservation Spending Category: Interior Appropriations^a
(\$ in millions)

Subcategory/Appropriations Account	FY2001 Enacted	FY2002 Request	FY2002 Enacted	FY2003 Request ^f
LWCF, Federal and State				
BLM Federal Land Acquisition	56.5	47.7	49.9	44.7
FWS Federal Land Acquisition	121.2	104.4	99.1	70.4
NPS Federal Land Acquisition	124.8	107.0	130.1	86.1
Departmental Management, BIA Water Settlement	--	--	--	3.0 ^b
FS Federal Land Acquisition	150.9	130.9	149.7	130.5
NPS Stateside Grants and Administration	90.3	450.0	144.0	200.0 ^d
<i>Subtotal, Federal and State^e</i>	<i>543.7</i>	<i>840.0</i>	<i>572.9</i>	<i>534.6</i>
LWCF, Other				
FWS State Wildlife Grants ^e	49.9	--	60.0	60.0
FWS Incentive Grant Programs	--	60.0	40.0	50.0
FWS Stewardship Grants Program	--	--	10.0	10.0
FWS Cooperative Endangered Species Conservation Fund	104.7	54.7	96.2	91.0
FWS North American Wetlands Conservation Fund	39.9	14.9	43.5	43.6
FS, Forest Legacy	59.9	30.1	65.0	69.8
FS, Forest Stewardship ^g	(32.8)	(32.9)	(33.2)	49.5
FS, NFS Inventory and Monitoring	20.0	--	--	--
<i>Subtotal, State and Other Conservation Programs^c</i>	<i>274.4</i>	<i>159.7</i>	<i>314.7</i>	<i>373.9</i>
Total LWCF^c	818.1	999.7	887.6	908.5
Conservation Programs				
BLM MLR Cooperative Conservation Initiative	--	--	--	10.0
FWS RM Cooperative Conservation Initiative	--	--	--	18.0
NPS ONPS Cooperative Conservation Initiative	--	--	--	22.0
USGS State Planning Partnerships	24.9	--	25.0	13.6
<i>Subtotal Conservation Programs^c</i>	<i>24.9</i>	<i>--</i>	<i>25.0</i>	<i>63.6</i>

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

Source: House Appropriations Committee.

^a The Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(c)) as amended established 3 discretionary spending categories: General Purpose, Highway, and Mass Transit. Title VIII of P.L. 106-291, the Department of the Interior and Related Agencies Appropriations Act for FY2001, established a fourth category of discretionary spending – for “conservation.” That law also identified the specific activities that would be included within the “conservation spending category.” The category essentially includes those activities, identified by Congress, in particular budget accounts (or portions thereof) providing appropriations to preserve and protect lands, habitat, wildlife, and other natural resources; to provide recreational opportunities; and for other purposes. This table presents the current and proposed distribution of these conservation funds. Dashes indicate that the funding is understood to be zero. Further, several programs in this category have not received separate funding under conservation spending for FY2001-FY2003. They include Competitive Grants for Indian Tribes, FWS Neotropical Migratory Birds, FS Stewardship Incentives Program, and National Wildlife Refuge fund, FWS.

- ^b The Administration is seeking \$3.0 million under the DOI Departmental Management (DM) line item for the Shivwits Indian water settlement Act of 1999, which authorizes LWCF funds for the Paiute Tribe in Utah.
- ^c Subtotals and totals may not add due to rounding.
- ^d \$50 million of this total is part of a new Cooperative Conservation Initiative, and the remaining \$150 million would be distributed to states using an allocation formula developed by the administration for the traditional land acquisition and site development activities of states.
- ^e For FY2001, an additional \$50 million was appropriated for formula grants which were authorized in Title IX of the FY2001 Commerce appropriations law. Further, the FY2002 enacted amount reflects a rescission of \$25.0 million.
- ^f In FY2003, four additional programs are proposed to be funded from LWCF: FWS Cooperative Endangered Species Conservation Fund; FWS North American Wetlands Conservation Fund; FS Forest Legacy; and FS Forest Stewardship.
- ^g Funds for FS, Forest Stewardship were not considered part of the CSC in FY2001 and FY2002 so funds in those years are not counted in the column totals. Because the program is proposed to be included in the CSC in FY2003, the requested level is included in the column total. This could tend to exaggerate the difference between levels of CSC funding in FY2003 and earlier years.

Table 12. Historical Appropriations Data from FY1997 to FY2002
(\$ in thousands)

Agency or Bureau	FY1997	FY1998	FY1999	FY2000	FY2001	FY2002
Department of the Interior						
Bureau of Land Management	1,195,648	1,137,852	1,183,895	1,231,402	2,147,182	1,872,597
U.S. Fish and Wildlife Service	670,596	745,387	839,804	875,093	1,227,010	1,276,424
National Park Service	1,435,858	1,646,926	1,764,224	1,803,847	2,135,219	2,380,074
U.S. Geological Survey	740,051	759,160	798,896	813,376	882,800	914,002
Minerals Management Service	163,395	143,639	124,020	116,318	139,221	156,772
Office of Surface Mining Recl. and Enforce.	271,757	273,061	278,769	291,733	302,846	306,530
Bureau of Indian Affairs	1,618,274	1,701,991	1,746,428	1,869,052	2,187,613	2,222,876
Departmental Offices ^a	240,020	241,195	394,199	319,869	352,519	367,144
General Provisions	—	—	—	—	12,572	—
Total for Department	6,335,599	6,649,211	7,130,235	7,320,690	9,386,982	9,496,419
Related Agencies						
U.S. Forest Service	2,919,564	2,506,568	2,757,464	2,819,933	4,435,391	4,130,416
Department of Energy	992,097	1,048,151	1,316,878	1,226,393	1,453,644	1,766,470
Indian Health Service	2,054,000	2,098,612	2,242,287	2,390,728	2,628,766	2,759,101
Indian Education ^b	61,000	—	—	—	—	—
Office of Navajo and Hopi Indian Relocation	19,345	15,000	13,000	8,000	14,967	15,148
Inst. of Amer. Indian and Alaska Culture & Arts Dev.	5,500	4,250	4,250	2,125	4,116	4,490
Smithsonian Institution	371,342	402,258	412,254	438,130	453,854	518,860
National Gallery of Art	60,223	62,029	64,350	67,590	75,485	85,335
JFK Center for the Performing Arts	24,875	20,375	32,187	33,871	33,925	38,310
Woodrow Wilson International Center for Scholars	5,840	5,840	5,840	6,763	12,283	7,796
National Endowment for the Arts	99,494	98,000	98,000	97,628	97,785	98,234
National Endowment for the Humanities	110,000	110,700	110,700	115,260	119,994	124,504
Institute of Museum and Library Services	22,000	23,280	23,405	24,307	24,852	26,899
Challenge America Arts Fund	—	—	—	—	6,985	17,000
Commission of Fine Arts	867	907	898	1,021	1,076	1,224
National Capital Arts and Cultural Affairs	6,000	7,000	7,000	6,973	6,985	7,000
Advisory Council on Historic Preservation	2,500	2,745	2,800	2,989	3,182	3,400
National Capitol Planning Commission	5,390	5,740	6,335	6,288	6,486	8,011
FDR Memorial Commission	500	—	—	—	—	—
Holocaust Memorial Museum	31,707	31,707	35,007	33,161	34,363	36,028
Presidio Trust	—	—	34,913	44,300	33,327	23,125
Total for Related Agencies	6,792,244	6,443,162	7,167,568	7,325,460	9,447,466	9,671,351
Grand Total for All Agencies^c	13,127,843	13,791,373	14,297,803	14,911,650	18,892,320	19,167,770

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

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

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