



United States Department of Energy
Washington, D.C. 20585

Office of the Secretary

MEMORANDUM FOR ALL PROGRAM SECRETARIAL OFFICERS

FROM: Jeffrey Kupfer *JK*
Chief of Staff

RE: FY 2007 Funding

DATE: February 2, 2007

As you know, the House of Representatives recently passed H.J. Res. 20, which would provide funding for the Department of Energy's programs through the remainder of FY 2007. Even though the Senate has not yet acted on that legislation, we must begin to evaluate how we would operate if it is enacted into law.

One important matter that must be addressed in implementing H.J. Res. 20 is how we will handle the matter of earmarks. As President Bush noted in his recent State of the Union address, special interest funding earmarks often are included in committee reports that are never voted on by Congress or presented to the President for approval, and these earmarks cost the taxpayers billions of dollars each year across the Federal Government.

There is no House or Senate committee report accompanying H.J. Res. 20, and therefore there are no committee earmarks for the funding it would provide. Furthermore, section 112 of this proposed legislation states that "[a]ny language specifying an earmark in a committee report or statement of managers accompanying an appropriations Act for fiscal year 2006 shall have no legal effect with respect to funds appropriated by this division." Nonetheless, I understand some of your offices have begun to receive requests from some Congressional offices, asking that the Department continue to fund programs or activities that received earmarked funds in prior years.

Because the funding provided by H.J. Res. 20 will not be subject to non-statutory earmarks and the President's policy on earmarks is clear, we must ensure that the Department only funds programs or activities that are meritorious; the Department itself is responsible for making those determinations. As a result, and at the Secretary's direction, any proposal by a recipient of an earmark in prior years who seeks continued funding in FY 2007 needs to be carefully reviewed and evaluated. Only those with meritorious proposals or programs that effectively support and advance the Department's missions and objectives, and who have submitted appropriate advance documentation justifying their request, should receive FY 2007 funding. Of course, all funding-related decisions and actions must be made in accordance with applicable laws and regulations.

If H.J. Res. 20 is enacted into law, I will ask each of you to submit a report containing your recommendations about which, if any, earmarks from prior Congressional committee reports you believe should continue to receive funding in FY 2007. No final decisions are to be made concerning those potential recipients until after you have submitted your report and received further guidance from the Secretary's Office. The Office of the Chief Financial Officer will provide instructions on the timing and the content of your report.