



DEPARTMENT OF THE INTERIOR

Since 2001, the Administration:

- Assessed conditions of Interior facilities including all national parks for the first time in history;
- Earned a 95-percent satisfaction rate from visitors to national parks, according to surveys;
- Helped meet the Nation's energy needs by more than doubling annual oil and gas permit processing on Federal lands;
- Restored, improved, and protected three million acres of wetlands habitat for migratory birds and other fish and wildlife;
- Treated 6.7 million acres through the hazardous fuels reduction program on lands managed by the Department of the Interior; and
- Funded 32 new Bureau of Indian Affairs replacement schools and 39 major school repair projects.

The President's 2008 Budget:

- Commences a national parks initiative to improve facilities, enhance visitor services, and conserve natural and cultural resources, with an emphasis on partnerships and volunteers;
- Challenges park friends to increase donations with up to \$100 million in matching funds;
- Sets accountable goals for restoring and maintaining national park facilities;
- Enhances visitor services in national parks by adding 3,000 seasonal rangers;
- Helps communities achieve self-sustained management of historical and cultural properties by promoting heritage tourism through Preserve America grants;
- Helps meet the Nation's energy needs by sustaining robust funding for onshore permitting of both traditional and new types of energy resources;
- Supports conservation of wetlands, uplands, oceans, coasts and wildlife through cooperative conservation programs;
- Combats the escalating law enforcement problems in Indian Country caused by the spread of methamphetamine use; and
- Preserves open spaces by allowing more landowners to realize the full tax deduction earned from the donation of lands for conservation purposes.

FOCUSING ON THE NATION'S PRIORITIES

Launching the National Parks Centennial Initiative

Our national parks are icons of America. They embody a national commitment to conservation, preservation, and family enjoyment. To continue this legacy for future generations, President Bush initiated the National Parks Centennial Initiative to further enhance parks over the decade leading to the 2016 centennial celebration. Fundamental to this effort, the President directed that the Department of the Interior (DOI), “establish performance goals for our national parks that, when achieved, will help prepare them for another century of conservation, preservation, and enjoyment.” The Centennial Initiative is being launched as part of the largest budget in the history of the National Park Service (NPS).

The Centennial Initiative has the potential to provide up to \$3 billion in new funds over 10 years. It includes the President’s Commitment of \$100 million for activities to achieve new levels of excellence in America’s parks, the President’s Challenge for the public to contribute at least \$100 million annually to support parks, and the President’s Match to private donations for signature projects and programs on a dollar-for-dollar basis up to \$100 million each year. If the public rises to the challenge, the Initiative could provide up to \$300 million on top of regular funds for park activities in 2008.

The NPS budget provides more than \$2 billion for park operations, with the highest increase ever at more than \$250 million over 2006, and 40 percent more than when President Bush took office. This includes \$100 million for the President’s Commitment and over \$150 million to support daily park operations. These investments will improve park facilities, enhance visitor services, and conserve natural and cultural resources by:

- Setting clear performance goals. NPS will use specific targets to improve park assets, now that it has assessed the condition of all standard park facilities.
- Demonstrating results. About 20 parks this year will use flexible park base increases to show how new investments can improve parks.
- Encouraging park partners and volunteers. All friends of national parks are challenged to increase donations in response to the new taxpayer investments.

In addition to park operations, NPS, through programs such as Preserve America, will help communities renew heritage and historic sites and facilitate local heritage tourism.

Expanding Domestic Energy Opportunities

The 2008 Budget sustains the strategic investments of past budgets to enhance the availability of affordable oil, gas, and other energy resources, while maintaining strong environmental protections.

To ensure the Government receives fair compensation for the use of the Nation’s land and minerals, the Budget proposes to repeal certain provisions in the 2005 Energy Policy Act, including a last-minute addition to the bill that prohibited the Administration from implementing new fees for oil and gas permit processing. The Budget proposal supports the Administration’s efforts to charge for Government services where the direct beneficiary can be identified. This is expected to generate at least \$20 million per year beginning in 2008, thereby shifting these costs from taxpayers and allowing DOI to better process permit applications as demand increases.

The 2008 Budget includes \$4 million for environmental studies of new areas under consideration for oil and gas leasing in the Minerals Management Service’s (MMS) next five-year offshore leasing plan. Consistent with the plan and recent legislation, new offshore areas in the Gulf of Mexico are now available for oil and gas leasing. These areas will potentially allow for new domestic production of

one billion barrels of oil and six trillion cubic feet of natural gas, thereby reducing U.S. dependence on foreign oil and keeping down the costs of home heating and electricity. In 2007, MMS will increase the standard royalty rate for offshore oil and gas production from 12.5 percent to 16.7 percent, ensuring the public is fairly compensated for the sale of the Outer Continental Shelf mineral resources. In addition, MMS will publish new rules to ensure that all future royalty relief for offshore leases is subject to appropriate price thresholds that, if exceeded, will result in the automatic termination of royalty relief.

The Administration continues to support authorizing limited exploration and development on the coastal plain of the Arctic National Wildlife Refuge (ANWR), using the strictest environmental standards. DOI estimates that this area holds between 5.7 billion and 16 billion barrels of recoverable reserves, or, at peak production, up to one million barrels per day of new domestic oil supply. This daily production is equivalent to nearly 10 percent of the Nation's current daily imports. The 2008 Budget will support necessary activities to begin ANWR leasing and fund continued leasing of the National Petroleum Reserve-Alaska.

The President's Budget continues the Administration's commitment to protecting wildlife habitat while maintaining energy production through the Healthy Lands Initiative. This initiative seeks to transform decision making from a parcel-by-parcel approach to a landscape approach that preserves habitat and benefits wildlife. This will allow the Bureau of Land Management—in partnership with leaseholders, private landowners, and Government agencies—to meet America's need for increased access to energy, while mitigating impacts on wildlife and preventing the listing of certain species.

Promoting Safety and Schools in Indian Country

The spread of methamphetamine has reached dangerous levels in Indian communities and threatens the future of young Native Americans. Recognizing this, the 2008 Budget provides an extra \$16 million for a Safe Indian Communities Initiative that will increase law enforcement presence and training on tribal lands to combat the production and distribution of methamphetamine. The initiative will also enhance the staffing and training of detention officers in response to the increase in violent offenders incarcerated in Indian detention facilities.

The Indian Education Initiative of \$15 million focuses on management of Bureau of Indian Affairs schools by targeting school programs to improve student achievement and address transportation needs.

Partnering for Cooperative Conservation

Conserving the Nation's native fish, migratory birds and other species at risk, and marine environments, is a shared goal among Federal, State, local, and tribal governments, private landowners, corporations, and non-profit organizations. These cooperative efforts have helped achieve results by leveraging resources, promoting innovation, and inspiring citizen stewardship. The 2008 Budget includes \$324 million for cooperative conservation programs at DOI.

Some of the Department's most successful programs exemplify cooperative conservation. The State and Tribal Wildlife grants program, for example, supports conservation projects outlined in State Comprehensive Wildlife Conservation Plans. Grants provided by the North American Wetlands Conservation Act program conserve wetlands and associated upland habitats needed by waterfowl and other migratory birds. The Budget also supports an Open Rivers Initiative to repair river ecosystems and enhance populations of key species by removing small, obsolete dams and river barriers.

Maintaining Reliable Water Resources for People, Communities, and Wildlife



Larry Turner

Restored wetlands in the Williamson River Delta, Oregon.

The President's Budget includes \$25 million to promote water conservation efforts through the Water 2025 initiative and other Bureau of Reclamation water conservation programs. These programs will help establish a "Western Water" perspective, ensuring the most effective use of funding while maintaining and securing reliable water sources in the West.

Interior and other agencies are working with residents in the Klamath Basin to secure water resources while sustaining fish and diverse wildlife communities. In 2008, the Department will collaborate with Federal and State agencies, Tribes, and the public to

develop a basin-wide recovery plan that addresses water supply and quality, fish habitat, and fish populations. While the Bureau of Reclamation will use waterbanks to maintain water flows, the Fish and Wildlife Service will continue to examine the relationship between the flows and habitat. The Bureau of Indian Affairs will also continue to work to restore spawning habitats by removing Oregon's Chiloquin Dam.

Department of the Interior
(In millions of dollars)

| | 2006 Actual | Estimate | |
|--|----------------|----------|--------|
| | | 2007 | 2008 |
| Spending | | | |
| Discretionary Budget Authority: | | | |
| Bureau of Land Management | 1,851 | 1,756 | 1,846 |
| Minerals Management Service | 156 | 158 | 161 |
| Office of Surface Mining | 293 | 292 | 168 |
| Bureau of Reclamation/CUPCA | 1,059 | 923 | 1,001 |
| U.S. Geological Survey | 958 | 963 | 975 |
| Fish and Wildlife Service | 1,301 | 1,270 | 1,287 |
| National Park Service | 2,228 | 2,135 | 2,365 |
| Bureau of Indian Affairs | 2,256 | 2,230 | 2,229 |
| Office of the Special Trustee | 226 | 181 | 196 |
| All other | 445 | 424 | 382 |
| Total, Discretionary budget authority | 10,773 | 10,332 | 10,610 |
| <i>Memorandum: Budget authority from enacted supplementals</i> | 446 | — | — |
| Total, Discretionary outlays | 11,031 | 10,932 | 10,944 |
| Mandatory Outlays: | | | |
| Existing law | -1,721 | 219 | -92 |
| Legislative proposals | — | 6 | -60 |
| Total, Mandatory outlays | -1,721 | 225 | -152 |
| Total, Outlays | 9,310 | 11,157 | 10,792 |
| Credit activity | | | |
| Guaranteed Loan Disbursements: | | | |
| Indian guaranteed loan program | 62 | 91 | 84 |
| Total, Guaranteed loan disbursements | 62 | 91 | 84 |