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## **MMS Director Announces 2006 Budget Request**

WASHINGTON, D.C. – Johnnie Burton, the Minerals Management Service director, today unveiled the President’s proposed 2006 budget for MMS. Burton said the request for \$290 million, a \$12.6 million increase over 2005, will contribute significantly to the nation’s economic well-being and energy security, as well as ensure Outer Continental Shelf development is carried out in an environmentally responsible manner.

“This is another critical year for MMS given the nation’s growing energy needs,” Burton noted. “And we are aggressively responding to that need with initiatives that will ensure safe and clean development of needed ocean energy.” Burton said, “This budget request allows us to continue the efficient mineral revenue collection and expand partnerships through Indian compliance assurance initiatives.”

According to Burton, MMS budget priorities are designed to enhance current operations and meet future demands. The President’s 2006 budget will allow MMS to ensure that the public receives the maximum benefit from America’s Outer Continental Shelf resources and mineral revenues.

The budget includes a request for \$167.4 million in annual appropriations and \$122.7 million in offsetting collections for total budgetary resources of \$290.1 million. This is a net increase of \$12.6 million over the 2005 budget, with a decrease in annual appropriations of \$6.4 million and an increase in offsetting collections of \$19 million.

Key Budget Initiatives include:

- A Deepwater Helicopter Initiative to ensure MMS can safely meet the growing inspection requirements of expanding deep water activities.
- An OCS interpretive technologies initiative to evaluate resources and to ensure bids reflect fair market value.
- A Records Management Initiative to enhance the preservation, access and storage of mineral records.
- Enhanced Indian Cooperative Audit activities.

- Cost savings and operational efficiencies to help offset program increases.

Consistent with the government's policy to charge for government services where the direct beneficiary can be identified, the 2006 budget for MMS includes \$19 million in new user fees. These fees will be generated from a new permit/plan processing fee, which is expected to generate \$13.5 million; rental rate adjustments that factor in the cost of inflation expected to generate another \$4.5 million; and an additional \$1 million from fees proposed in 2005.

MMS, part of the U.S. Department of the Interior, oversees 1.76 billion acres of the Outer Continental Shelf, managing offshore energy and minerals while protecting the human, marine, and coastal environments through advanced science and technology research. The OCS provides 30 percent of oil and 23 percent of natural gas produced domestically, and sand used for coastal restoration. MMS collects, accounts for, and disburses mineral revenues from Federal and American Indian lands, with fiscal year 2004 disbursements close to \$8 billion and more than \$146 billion since 1982.

### **MMS: Securing Ocean Energy and Economic Value for America**