



DEPARTMENT-WIDE PROGRAMS

Overview — Department-wide programs support bureaus and offices through the execution of activities that are broad in scope and impact. These programs complement the many diverse activities of the Department of the Interior and help to achieve key strategic goals.

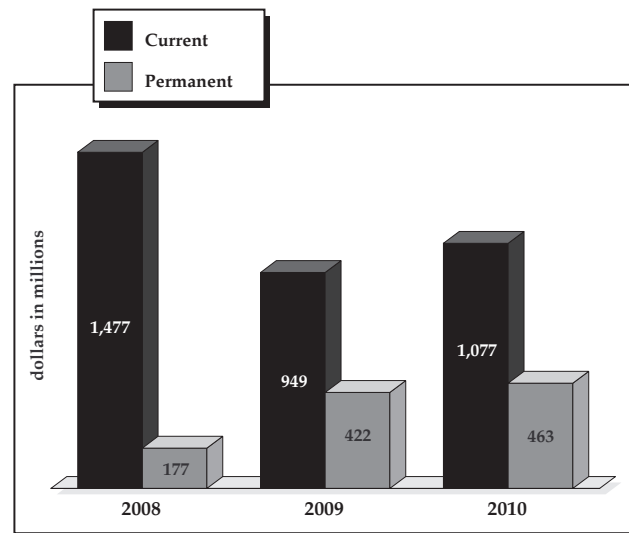
The Department's Wildland Fire Management account funds fire prevention, suppression, and rehabilitation activities performed by the land management agencies and the Bureau of Indian Affairs. The Payment in Lieu of Taxes program supports the activities and functions of the Department's land management bureaus by funding payments to local governments in jurisdictions where Federal lands are located. These payments assist these local jurisdictions to offset costs that they incur in association with maintaining infrastructure that supports Federal lands within their boundaries. Through the Central Hazardous Materials Fund, Interior remediates hazardous substances on Interior lands, working collaboratively with bureaus and offices to approach these activities in a consistent and coordinated fashion. The Natural Resource Damage Assessment and Restoration program coordinates the Department's restoration efforts for resources that are injured as a result of oil spills or hazardous substance releases where endangered species or migratory birds are impacted.

The Department's Working Capital Fund is a revolving fund that finances centralized administrative and business services in lieu of operating duplicative systems and processes in each bureau and office. The Working Capital Fund also provides the mechanism for services that are provided to other Federal agencies in business areas such as payroll. The Department's Franchise Fund finances acquisition services that are provided to Interior customers and other Federal agencies. Beginning in 2010, the Department will expand the use of the Franchise Fund to include centralized business services operated by the National Business Center.

Wildland Fire Management

Mission — The goal of the Wildland Fire Management program is to achieve both a cost-efficient and technically

Department-wide Programs Funding



effective fire management program that meets resource and safety objectives, while minimizing both cost of suppression and damage to resources.

Program Overview — The Wildland Fire Management appropriation provides the Interior Department's funding for performing the wildland fire preparedness, suppression, hazardous fuels reduction and other prevention activities, and rehabilitation activities in support of the National Fire Plan. Wildland Fire Management activities are performed by four Interior bureaus, Bureau of Land Management, Fish and Wildlife Service, National Park Service, and Bureau of Indian Affairs. The Office of Wildland Fire Coordination coordinates the Department's National Fire Plan efforts among the Interior bureaus and with other agencies. Multi-bureau operational programs are managed by the National Interagency Fire Center in Boise, Idaho. Interior's major partner in the National Fire Plan is the Forest Service at the U.S. Department of Agriculture. The Wildland Fire Leadership Council, consisting of high-level Federal, State, and local officials, provides policy guidance for the National Fire Plan participating agencies.

The Wildland Fire Management program continues to focus efforts on improving the budget allocation process to more cost-effectively achieve program goals. Funds for four fire programs, Hazardous Fuels Reduction, Rehabilitation, Facilities, and Joint Fire Science, are distributed annually on a nationally competitive, priority basis. The Preparedness baseline was established in 2001 using the most-efficient level planning process. In 2007, Interior began to use a decision support model to identify, prioritize, and allocate funds for hazardous fuels reduction projects – this process will continue through 2009 and 2010. In 2009, Fire Program Analysis will begin to provide managers with a common interagency process for fire management planning and budgeting with a cost-effective trade-off analysis incorporating land and resource management objectives. Under FPA, the allocation process will be refined to better reflect fire management objectives and performance efficiencies.

The Wildland Fire Management program has worked to better understand the factors leading to the high costs of suppression, conducting large fire management and cost reviews at most large incidents. The reviews have led to significant improvements in the management of fire incidents such as assigning advisors and contracting officer representatives to oversee all large fires and helping line officers understand the cost implications of fire fighting options. The Administration intends to build on these improvements by implementing important reforms within Interior and the Forest Service's Wildland Fire Management program that strengthen oversight and accountability of suppression spending and use risk management principles to guide decisionmaking at the strategic, program, and operational levels. Over the next year, Interior and the Forest Service will continue to examine methods for holding costs down while maintaining program performance.

Budget Overview — The 2010 budget proposes \$899.8 million to support the fire preparedness, suppression, fuels reduction, and burned area rehabilitation needs of the Department of the Interior. Those amounts do not include \$75.0 million for a new discretionary Wildland Fire Contingency Reserve Fund. The total of the two appropriations, at \$974.8 million, represents an increase of \$115.3 million over the 2009 enacted level.

The 2010 budget request includes \$369.8 million to fund suppression operations at the ten-year average, an increase of \$34.6 million over the 2009 enacted level. In addition to funding the ten-year average, the 2010 budget also establishes a separate \$75.0 million discretionary Wildland Fire Contingency Reserve Fund for suppression operations that is dedicated to addressing catastrophic wildfires. This \$75.0 million Reserve Fund provides funding that would be available only for fight-

ing catastrophic wildfires after the appropriated ten-year average is exhausted and the President issues a finding that funds in this separate account are necessary for wildland fire suppression. However, funding is only one part of wildland fire management policy. The budget also reflects the commitment of this Administration to continue ongoing efforts to constrain suppression costs and implement additional program reforms to allow wildfire to reassume its ecological function on the landscape and ensure fire management resources are focused where they will do the most good. The Department will also diligently analyze, prioritize, and manage emergency stabilization and rehabilitation expenditures to ensure the projects are necessary and prudent.

The budget continues to reflect the importance of reducing hazardous fuels buildup as a critical element in reducing the risk of catastrophic wildfire. The 2010 budget includes \$205.1 million for the Hazardous Fuels Reduction program. A proposed program decrease from 2009 of \$1.1 million reflects a scheduled reduction in funding for LANDFIRE, as the vegetative mapping system transitions from a developmental phase to an operational phase. The Department is committed to continue improving processes for allocating hazardous fuels reduction funds, including looking at both risk reduction and cost-effectiveness of treatments.

The budget includes \$285.5 million for Preparedness. A program reduction of \$3.7 million reflects a scheduled reduction in funding for the Fire Program Analysis, as the project transitions from the developmental phase to the operational phase. The request maintains funding for the Joint Fire Science program and the Rural Fire Assistance program at the 2009 enacted levels of \$6.0 million and \$7.0 million, respectively.

Fixed Costs — Fixed costs in 2010 are fully funded at \$10.6 million.

Central Hazardous Materials Fund

Mission — The mission of the Central Hazardous Materials Fund is to protect the public health and ensure the safety of the users of Interior's lands and facilities; conduct hazardous materials cleanup activities and the subsequent maintenance and monitoring of the remedial actions in a manner consistent with the National Contingency Plan and with bureau land use and management plan objectives; and pursue aggressive cost recovery and cost-sharing actions with the parties responsible for contaminating Federal lands.

Program Overview — The Central Hazardous Materials Fund enhances the protection of the Department's interests, lands, resources, and facilities through its multi-

bureau clean-up efforts, as well as by working closely with others including the Environmental Protection Agency, States, and tribal governments that manage the response to, remediation, and reuse of contaminated sites located on Interior managed lands. The program also integrates the Department's interests in both remediation and environmental restoration of contaminated sites by incorporating Interior's natural resource management concerns into Superfund remediation actions. The Central Hazardous Materials Fund coordinates its remedial activities with the Natural Resource Damage Assessment and Restoration program.

Budget Overview — The 2010 budget proposes \$10.2 million for the Central Hazardous Materials Fund, which is \$27,000 above the 2009 enacted appropriation. This increase represents necessary fixed costs.

The budget continues to support important cleanup actions needed to protect human health and the environment and the continued development of the Department's environmental management information system, which is an important component of the Interior Department's cleanup program to improve efficiencies with limited resources and monitor performance.

The budget also includes several language changes to clarify the purpose of the Central Hazardous Materials Fund and to allow the Fund to capture all costs paid by a party pursuant to its liability under the Comprehensive Environmental Response, Compensation, and Liability Act, as amended.

Fixed Costs — Fixed costs are fully funded at \$27,000 in the requested budget.

Natural Resource Damage Assessment and Restoration

Mission — The mission of the Natural Resource Damage Assessment and Restoration program is to restore natural resources injured as a result of oil spills or hazardous substance releases into the environment. In partnership with other affected State, tribal, and Federal co-trustee agencies, damage assessments provide the basis for determining the restoration needs that address the public's loss and use of these resources.

Program Overview — The Natural Resource Damage Assessment and Restoration program assesses the damages and injuries to natural resources entrusted to the Department of the Interior that are caused by oil spills or hazardous releases. While the Central Hazardous Materials Fund protects public health and ensures the safety of users of Interior lands and facilities by conducting hazardous materials cleanup activities, the Natural

Resource Damage Assessment and Restoration Program restores natural resources injured as a result of oil spills or hazardous material releases into the environment. The key difference between the two programs is that CHF focuses on the cleanup and remediation of contamination on Interior-managed lands and facilities only, while the NRDAR program restores injured natural resources and their public uses, including cultural uses, on and off Federal lands, usually acting in partnership with co-trustees.

Appropriations and recoveries for damage assessments are used to fund activities that identify and quantify injury and provide the basis for compensation from responsible parties, usually through negotiated settlements. Restoration activities are then carried out or funded by the responsible parties as compensation for the injury to natural resources, and may include the replacement and protection of affected resources, acquisition of equivalent resources and services, and long-term environmental monitoring. These actions are taken on behalf of the public and in partnership with other natural resource trustees, including States, Tribes, and other Federal agencies. Responsible parties are also given an opportunity to participate in the assessment and restoration process by way of cooperative agreements.

Every damage assessment and restoration case managed by the program is conducted in collaboration with co-trustees, and all restoration plans must undergo public review and be approved by affected State and tribal governments. The Restoration program serves as a model of cooperative conservation in conducting its assessment and restoration activities through partnerships with tribal, State, and other Federal co-trustees, as well as with non-governmental conservation organizations and industry. These partners concur with Interior's emphasis on pursuing restoration as the ultimate goal of the program. The Restoration program is an integrated Departmental program, drawing upon the interdisciplinary strengths of the various bureaus and offices. A centralized program management function minimizes redundant administrative and managerial functions in the bureaus.

Based upon advice gleaned from co-trustees and interested stakeholders, the program has made regulatory, policy, and operational improvements that will lead to better, more efficient damage assessments, and more effective restorations. These actions are positioning the Restoration program to better achieve its long-term strategic plan goals.

Budget Overview — The 2010 request for the Restoration program is \$6.5 million, which is \$124,000 above the 2009 enacted level. The \$6.5 million request includes \$4.0 million for damage assessment projects, \$1.8 million

for program management, and \$615,000 for restoration support. Additionally, \$73.0 million represents the anticipated amount of settlement receipts to be recovered in settled damage assessment cases in 2009. These receipts are used exclusively by trustees for restoration of damaged lands and resources or for reimbursement of past assessment costs.

Fixed Costs — Fixed costs are fully funded at \$124,000 in the budget request.

Working Capital Fund

Mission — The Department's Working Capital Fund provides centralized services and systems to Interior bureaus and offices and to other customers.

Program Overview — The WCF funds centralized administrative and business services that support Interior and bureau operations. In lieu of maintaining duplicative systems and staffs in each bureau and office, the Department uses the WCF, a revolving fund, to finance centralized functions that provide payroll, finance and accounting, information technology, and other support services. The WCF bills bureaus and offices for the costs of these services based on an annual budget that is formulated with the input of the Working Capital Fund Consortium, an oversight entity that is comprised of representatives of each Interior bureau and office.

Funds are collected from bureaus and offices via centralized and direct billing. Centralized billing is used whenever the product or service being provided is not severable or it is inefficient to bill for the exact amount of products or services being procured. Customers are billed each year using a pre-established basis that is adjusted annually to reflect cost changes, reported in the budget to the Congress, and budgeted in each bureau through fixed cost and program changes. Direct billing is used whenever the product or service provided is severable and is sold through either a time and materials or fixed price reimbursable support agreement or similar contractual arrangement.

Budget Overview — The 2010 budget proposes \$85.8 million for the Department's Working Capital Fund, a \$12.4 million program increase. Of this amount, \$80.4 million funds continued development and deployment of the Financial and Business Management System. The System has been deployed to MMS, OSM, and BLM. The 2010 funding will complete the deployment of FBMS to the USGS and initiate deployment to OS and FWS. Also included in the requested increase are funds to cover bureau costs in preparing and transitioning to the new system. An increase of \$5.4 million is included for one-time or start-up costs associated with enterprise-wide

information technology enhancement requirements created by Administration directives, technology developments, and security threats. These resources will be used to initiate disciplined project planning and respond to immediate threats or infrastructure enhancement needs that emerge outside of the budget cycle.

Fixed Costs — There are no fixed costs requested for funds appropriated to the Working Capital Fund.

Payments in Lieu of Taxes

Mission — The Payments in Lieu of Taxes program makes payments to counties to help offset the costs of services and infrastructure incurred by local jurisdictions where certain Federal lands are located. The 2010 budget reflects the conversion of this program from a discretionary to a mandatory classification in accordance with the Emergency Economic Stabilization Act of 2008.

Program Overview — The PILT payments are made to local governments in counties, townships, and other jurisdictions where Federal lands are located within their boundaries. The program is based on the concept that local governments incur costs associated with maintaining infrastructure on Federal lands within their boundaries, but are unable to collect taxes on these lands. These payments are made for lands administered by Interior agencies including the BLM, FWS, and NPS, as well as for lands administered by other agencies such as the Forest Service and the U.S. Army Corps of Engineers.

Unlike other Federal payments that require local governments to use the funds for only specified activities, PILT payments may be used for any governmental purpose. Since the inception of the PILT program in 1976, over \$4.4 billion in payments have been made. Local governments receive other benefits from Federal lands within their borders, including direct payments from economic uses of the public lands. In 2008, counties reported a total of \$293.1 million in direct revenue payments.

Budget Overview — Since the inception of the PILT program in 1977, PILT funding has been subject to appropriation. The Emergency Economic Stabilization Act of 2008 converted PILT to mandatory and authorized the program through 2012. This authorized mandatory funding at the full entitlement levels beginning in 2008 and required that Interior make two payments in 2008: a \$138.7 million mandatory payment that was made in November 2008 and a discretionary \$228.5 million payment that was made in June 2008.

Beginning in 2009, the payments to counties will be funded from mandatory appropriations at the full entitlement

level. Administrative costs are funded from the mandatory appropriation. The 2009 PILT payment amounts for local jurisdictions will be formulated with a scheduled payment to be made in June 2009.

SUMMARY OF BUREAU APPROPRIATIONS
(all dollar amounts in thousands)

Comparison of 2010 Request with 2009 Enacted:

	2009 Enacted		2010 Request		Change from 2009	
	FTE	Amount	FTE	Amount	FTE	Amount
Appropriations						
Wildland Fire Management (<i>FTE DWP only</i>).....	13	859,453	13	899,780	0	+40,327
Wildland Fire Suppression						
Contingency Reserve Fund.....	0	0	0	75,000	0	+75,000
Central Hazardous Materials Fund.....	4	10,148	3	10,175	-1	+27
Natural Resource Damage Assessment	9	6,338	9	6,462	0	+124
Working Capital Fund	17	73,435	17	85,823	0	+12,388
Subtotal, Appropriations (<i>w/o ARRA</i>)	43	949,374	42	1,077,240	-1	+127,866
American Recovery and Reinvestment Act	0	15,000	0	0	0	-15,000
Subtotal, Appropriations (<i>w/ ARRA</i>).....	43	964,374	42	1,077,240	-1	+112,866
Permanents and Other						
Payments in Lieu of Taxes	1	378,000	1	390,000	0	+12,000
Natural Resource Damage Assessment	0	44,000	0	73,000	0	+29,000
Working Capital Fund	1,243	0	157	0	-1,086	0
Interior Franchise Fund.....	90	0	1,196	0	+1,106	0
Subtotal, Permanents and Other.....	1,334	422,000	1,354	463,000	+20	+41,000
TOTAL, DEPT-WIDE PROGRAMS (<i>w/o ARRA</i>).....	1,377	1,371,374	1,396	1,540,240	+19	+168,866

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Wildland Fire Management

	2008 Actual	2009 Enacted	2010 Request	Change from 2009
Preparedness.....	276,483	281,767	285,452	+3,685
Suppression Operations.....	289,805	335,191	369,797	+34,606
Other Operations				
Hazardous Fuels Reduction	199,628	203,053	205,089	+2,036
Burned Area Rehabilitation	24,207	20,305	20,305	0
Fire Facilities	6,137	6,137	6,137	0
Joint Fire Science	5,906	6,000	6,000	0
Rural Fire Assistance	5,906	7,000	7,000	0
Subtotal, Other Operations.....	241,784	242,495	244,531	+2,036
TOTAL APPROP. (w/o trans, supp, & ARRA)	808,072	859,453	899,780	+40,327
Supplemental Appropriations.....	384,000	0	0	0
TOTAL APPROP. (w/ supp)	1,192,072	859,453	899,780	+40,327
Transfers for Repayments	-112,500	0	0	0
Net Other Transfers	+1,103	0	0	0
Am. Recovery and Reinvestment Act ..	0	15,000	0	-15,000
TOTAL APPROP. (w/ trans, supp, & ARRA)	1,080,675	874,453	899,780	+25,327

Highlights of Budget Changes

Fixed Costs

Fixed costs total \$10,578, and are fully funded in the request.

Preparedness

A net increase of \$3,685 is proposed for this activity. The net increase includes a program decrease of \$3,740 for the Fire Program Analysis, reflecting the transition of the FPA from a development phase to an operational phase. The request includes an increase of \$7,425 for fixed costs.

Suppression Operations

An increase of \$34,606 is requested to fund the ten-year suppression average.

Other Operations

Hazardous Fuels Reduction: A net increase of \$2,036 is proposed for this subactivity. Included are a scheduled program reduction of \$1,117 for the LANDFIRE system as it transitions from a development phase to an operational phase and an increase of \$3,153 for fixed costs.

APPROPRIATION: Wildland Fire Suppression Contingency Reserve Fund

	2008 Actual	2009 Enacted	2010 Request	Change from 2009
TOTAL APPROPRIATION	0	0	75,000	+75,000

Highlights of Budget Changes**Suppression Operations**

The budget establishes a new contingent reserve of \$75,000 for suppression operations that may be transferred to the Wildland Fire Management account and expended for emergency fire suppression under the following conditions: the requested ten-year average in the Wildland Fire Management account is funded; funding in the regular suppression operations account is exhausted; and the President issues a finding that the reserve funds are necessary for emergency fire suppression.

APPROPRIATION: Central Hazardous Materials Fund

	2008 Actual	2009 Enacted	2010 Request	Change from 2009
TOTAL APPROPRIATION	9,799	10,148	10,175	+27

APPROPRIATION: Natural Resource Damage Assessment and Restoration Fund

	2008 Actual	2009 Enacted	2010 Request	Change from 2009
Damage Assessments	3,938	3,979	4,022	+43
Restoration Support.....	591	604	615	+11
Program Management.....	1,673	1,755	1,825	+70
TOTAL APPROPRIATION	6,202	6,338	6,462	+124

APPROPRIATION: Working Capital Fund

	2008 Actual	2009 Enacted	2010 Request	Change from 2009
TOTAL APPROPRIATION	40,092	73,435	85,823	+12,388

Highlights of Budget Changes**Working Capital Fund**

The budget includes an increase of \$12,388 for the continued deployment of the Financial and Business Management System and one-time or start-up costs associated with enterprise-wide information technology enhancement requirements created by Administration directives, technology developments, and security threats.