

Fiscal Year 2011 The Interior Budget in Brief

February 2010

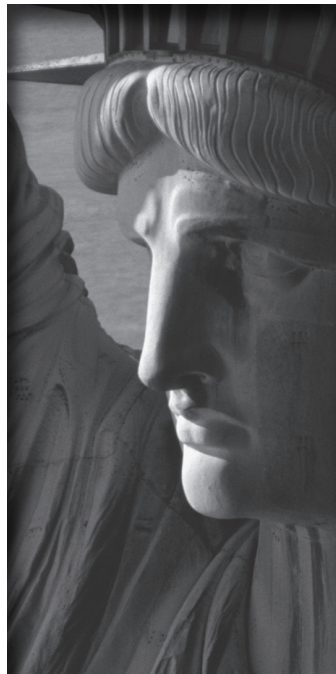
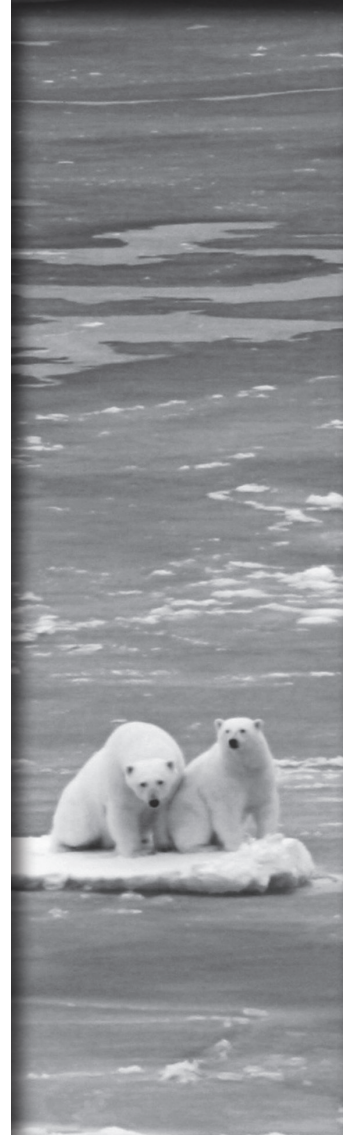
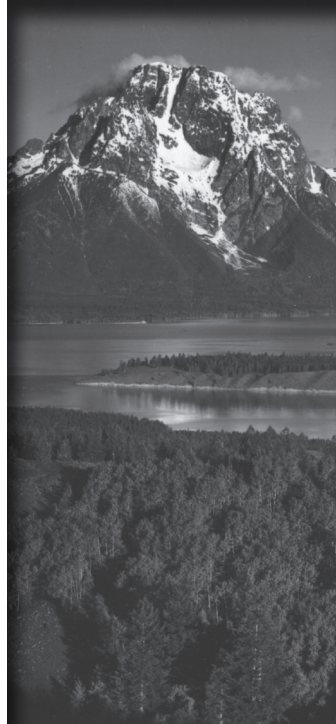


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FOREWORD

BACKGROUND AND ORGANIZATION

This document summarizes and highlights the programs of the Department of the Interior and its fiscal year 2011 President's budget request. The **DEPARTMENTAL OVERVIEW** section summarizes budgetary resource requirements at the Departmental level. The **DEPARTMENTAL HIGHLIGHTS** section presents major Department-wide programs and budget proposals. The **BUREAU HIGHLIGHTS** section presents a narrative summary of the budget request for each bureau and an in-depth comparison in tabular form of 2009, 2010, and 2011 budgetary resource estimates, in addition to brief descriptions of programmatic changes. The **APPENDICES** present tabular summaries of pertinent budgetary data. Appendix A is a Department-wide table, comparing 2011 requests with the 2010 enacted and 2009 actual amounts. Other appendices contain summaries of Interior initiatives and crosscutting programs including energy programs; climate change adaptations; youth; Great Lakes; Chesapeake Bay; Oceans; Interior bureau maintenance, construction, and land acquisition programs; Everglades watershed restoration; recreational fee programs; mineral revenue payments to States; other grant and payment programs; receipt estimates; and staffing levels.

USAGE AND TERMINOLOGY

All years referenced are fiscal years unless noted, and amounts presented reflect budget authority unless otherwise specified. Numbers in tables and graphs may not add to totals because of rounding. Numbers shown in brackets [] are displayed for informational purposes and not included in totals.

References to **2010 estimate**, **2010 appropriations**, or **2010 enacted** signify amounts appropriated primarily in the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2010, P.L. 111-88 and Energy and Water Development Appropriations Act, 2010, P.L. 111-85. References to **2009 estimate**, **2009 appropriations**, or **2009 enacted** signify amounts appropriated primarily in the Omnibus Appropriations Act, 2009, P.L. 111-8 for both Department of the Interior, Environment, and Related Agencies Appropriations and Energy and Water Development Appropriations. References to the Recovery Act signify the American Recovery and Reinvestment Act of 2009, P.L. 111-5. **Fixed costs** refer to costs that are unavoidable in the short term (e.g., GSA-negotiated space rate costs, unemployment compensation, and government-wide changes in pay). Additional information on the basis for the amounts used in this document is provided in the note following Appendix A.

A listing of frequently used acronyms follows:

BLM	Bureau of Land Management	OST	Office of the Special Trustee for American Indians
MMS	Minerals Management Service	NIGC	National Indian Gaming Commission
OSM	Office of Surface Mining Reclamation and Enforcement	DWP	Department-wide Programs
CUPCA	Central Utah Project Completion Act	PILT	Payments in Lieu of Taxes
USGS	U.S. Geological Survey	NBC	National Business Center
FWS	Fish and Wildlife Service	NRDAR	Natural Resource Damage Assessment and Restoration
NPS	National Park Service	ARRA	American Recovery and Reinvestment Act
BIA	Bureau of Indian Affairs	LWCF	Land and Water Conservation Fund
BIE	Bureau of Indian Education	SAVE	Securing Americans Value and Efficiency
OS	Office of the Secretary	WaterSMART	Sustain and Manage America's Resources for Tomorrow
DO	Departmental Offices		
OIA	Office of Insular Affairs		
SOL	Office of the Solicitor		
OIG	Office of Inspector General		



DEPARTMENTAL OVERVIEW

Introduction



The last day of the Thirtieth Congress, March 3, 1849, was also the eve of President-elect Zachary Taylor's inauguration. The House of Representatives and the Senate were busy at work on two bills: the first, to find a formula for giving the newly acquired territory of California a civil government. The second, no less contentious, was also related to the recent enlargement of the national domain: legislation to create a Cabinet agency known as the Home Department, or Department of the Interior. The bill to create such a Department passed the House of Representatives on February 15, 1849. Two weeks later,

the bill reached the Senate floor and late in the evening of March 3, the Senate voted 31 to 25 on the House-passed bill. President Polk was waiting in the Senate chambers and signed the bill creating a Department of the Interior.^{1/}

In 1849, when the Congress created the Home Department, it charged Interior with managing a wide variety of programs. In the last half of the 19th century, these programs ran the gamut of overseeing Indian Affairs, exploring the western wilderness, directing the District of Columbia jail, constructing the National Capital's water system, managing hospitals and universities, improving historic western emigrant routes, marking boundaries, issuing patents, conducting the census, and conducting research on the geological resources of the land.

Following the conservation movement at the beginning of the 20th century, there was an increasing sense of the fragile nature of this country's natural resources. Accordingly, the Department's mission focused primarily on the preservation, management, understanding, and use of the great natural and cultural resources of the land.

Today, the Department manages the Nation's public lands and minerals including providing access to public lands and the Outer Continental Shelf for renewable and conventional energy; is the steward of 20 percent of the Nation's lands including national parks, national wildlife refuges, and the public lands; is the largest supplier and manager of water in the 17 western States and a supplier of hydropower energy; and upholds Federal trust responsibilities to Indian Tribes and Alaska Natives. It is responsible for migratory wildlife conservation; historic preservation; endangered species conservation; surface-mined lands protection and restoration; mapping, geological, hydrological, and biological science for the Nation; and financial and technical assistance for the insular areas.

Interior's budget covers a broad spectrum of activities, both to protect the Nation's resources and to ensure equity in their use. These activities include: operation of the National Park Service and the Fish and Wildlife Service; land management responsibilities of the Bureau of Land Management; delivery of quality services to American Indians and Alaska Natives; OCS management and revenue collection programs of the Minerals Management Service; research, data collection, and scientific activities of the U.S. Geological Survey; water management projects of the Bureau of Reclamation; regulatory responsibilities and reclamation activities of the Office of Surface Mining; and support for U.S. Territories and other insular areas.

¹ Robert Utley and Barry Mackintosh, *"The Department of Everything Else: Highlights of Interior History"*, 1988, pp 1-2.

Departmental Overview



"We do not inherit the Earth from our ancestors," says a familiar Native American proverb, "we borrow it from our children."

*Ken Salazar, Secretary of the Interior
January 14, 2010*

In January 2010, Secretary Salazar celebrated his one year anniversary as Secretary of the Interior by recognizing the achievements of Interior's 70,000 employees. The Secretary recognized a vast array of accomplishments of the Department in the last year, including:

- Restoring the Everglades – beginning construction of the one-mile bridge on the Tamiami Trail and breaking ground on the Picayune Strand Restoration project in the Everglades in Florida – reviving 55,000 acres of wetlands for wildlife habitat.
- Negotiating a settlement of the long-running and highly contentious *Cobell v. Salazar* class-action lawsuit – resolving trust accounting and management issues after 13 years.
- Advancing renewable energy development – establishing renewable energy coordination offices in four States and teams in six States to facilitate renewable energy production on public lands and issuing four exploratory leases for renewable wind energy production on the Outer Continental Shelf.
- Moving forward to invest \$3.0 billion available from the American Recovery and Reinvestment Act in facility renovation and energy efficiencies, habitat restoration, increasing water supplies and water conservation, and reducing human hazards.
- Restoring confidence and accountability by beginning an orderly termination of the Royalty-in-Kind program and reforming the management of onshore oil and gas resources.
- Coming to the aid of drought-stricken California with emergency aid and infrastructure investments and issuing an interim action plan for the Bay-Delta.
- Expanding opportunities for youth – employing 8,200 young adults in 2009.
- Opening the crown of the Statue of Liberty for public access – the crown had been closed to the public since 2001.
- Ending a stalemate at the Flight 93 National Memorial – completing the acquisition of land in cooperation with willing sellers and clearing the way for construction of a memorial to honor the Nation's heroes.
- Delisting the brown pelican – a case of complete recovery for a species that was first listed as endangered in 1970.

-
- Increasing transparency – reversing and withdrawing flawed oil and gas leases with potential impacts to national parks in Utah, and oil shale research, development, and demonstration leases that may have shortchanged taxpayers.
 - Helping to negotiate a collaborative solution that would end decades of conflict and potentially allow for restoration of the Klamath River Basin in California and Oregon.

The Department of the Interior's lands, waters, wildlife, and cultural and historic resources are an engine of prosperity for the Nation. Energy generated from public lands powers America's homes and businesses; mineral and timber resources are building blocks for the products consumed; grazing helps supply food; and the landscapes, recreational opportunities, and cultural properties draw visitors to Interior lands and support jobs and businesses in surrounding communities.

Interior's people, programs, and information have an impact on all Americans. The Department supports over 1.3 million jobs and over \$370 billion in economic activity. Parks, refuges, and monuments generate over \$24 billion in recreation and tourism. Conventional and renewable energy produced on Interior lands and waters results in \$292 billion in economic benefits and the water managed by Interior supports over \$25 billion in agriculture.

INTERIOR'S BUDGET IN CONTEXT

Interior's 2011 budget and the Secretary's aggressive agenda are presented in context of these challenging fiscal times. The 2011 Interior budget request for current appropriations is \$12.2 billion, \$38.7 million or 0.3 percent below the level enacted by Congress for 2010. Permanent funding that becomes available as a result of existing legislation without further action by the Congress will provide an additional \$5.8 billion, for budget authority totaling \$18.0 billion for Interior in 2011.

Within this amount, the budget proposes investments for the Secretary's high priority goals and initiatives. In 2011, the Department will be:

- Implementing a comprehensive **New Energy Frontier** strategy that creates jobs, reduces the Nation's dependence on foreign oil, and reduces climate change impacts. The budget requests an increase of \$27.4 million for renewable and conventional energy programs.
- Confronting the realities of climate change and launching an integrated strategy for **Climate Change Adaptation**. An increase of \$35.4 million is requested to implement the Department's integrated program.
- Developing a 21st Century conservation agenda that protects **Treasured Landscapes**. The 2011 budget includes increases of \$106.0 million for Land and Water Conservation Fund programs and \$71.4 million for investments in major ecosystem restoration projects in the Chesapeake Bay, California's Bay-Delta, the Gulf Coast of Louisiana and Mississippi, and the Everglades.
- Tackling the water challenges facing the country with a new strategy to **Sustain and Manage America's Resources for Tomorrow**. The Department's WaterSMART sustainability agenda includes increases of \$36.4 million.
- Engaging America's **Youth in Natural Resources**. The budget increases funding for youth programs by \$9.3 million.
- Honoring trust responsibilities and **Empowering Tribal Nations**. The budget includes targeted increases for contract support and other tribal priorities.

**BUDGET AUTHORITY AND RECEIPTS
FOR 2009, 2010, AND 2011**
(millions of dollars)

	<u>2009 Actual</u>	<u>2010 Estimate</u>	<u>2011 Request</u>	<u>Change from 2010</u>
BUDGET AUTHORITY				
Total Current Appropriations <i>(w/o supps)</i>	11,321	12,216	12,177	-39
Fire Supplemental	+50	0	0	0
Total Current Appropriations <i>(w/ supps)</i>	11,371	12,216	12,177	-39
Permanent Appropriations	5,596	7,740	5,780	-1,960
Total <i>(w/o ARRA)</i>	16,967	19,956	17,957	-1,999
<i>[Net discretionary BA w/o ARRA]</i>	<i>[11,221]</i>	<i>[12,071]</i>	<i>[12,034]</i>	<i>[-36]</i>
RECEIPTS				
Outer Continental Shelf.....	5,293	3,535	7,229	+3,694
Onshore Mineral Leasing.....	4,013	3,390	4,041	+651
Other Offsetting Receipts.....	940	1,293	1,257	-36
Other Receipts.....	1,045	1,434	1,455	+21
Total.....	11,291	9,652	13,982	+4,330

These increases are possible within a level budget as the Department is proposing a series of terminations and reductions, management efficiencies, and is absorbing fixed costs. A total of \$750 million in terminations, reductions, and efficiencies are proposed in the 2011 budget. This includes:

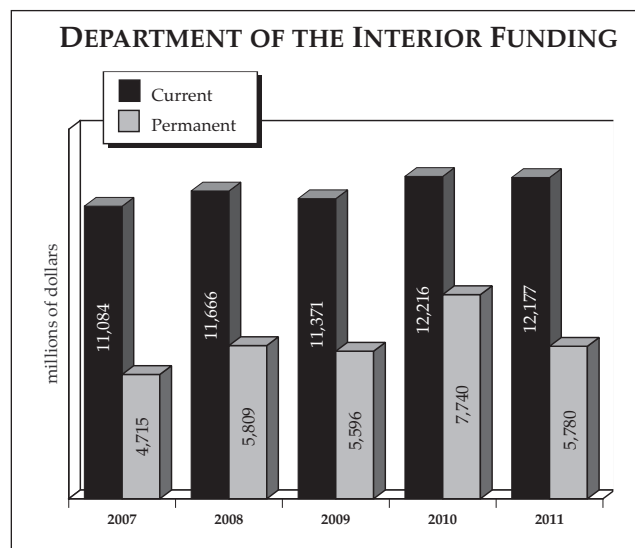
- Program reductions, terminations, and discontinuation of unrequested congressional increases of more than \$668 million.
- Department-wide and bureau specific management efficiencies of \$82.1 million.

The request does include \$4.6 million to fund anticipated 2011 fixed cost increases for Interior's smaller offices. However, fixed cost increases totaling \$108.7 million will be absorbed by Interior bureaus and offices.

The 2011 request includes \$11.1 billion for programs funded by the Interior, Environment, and Related Agencies appropriations. This is \$16.7 million, or 0.2 percent, below the level enacted for 2010. The 2011 request for the Bureau of Reclamation and the Central Utah Project Completion Act, funded in the Energy and Water Development Appropriations Act, is \$1.1 billion, \$22.0 million or 1.9 percent below the level enacted for 2010.

In 2011, Interior will continue an exemplary record of producing revenue for the U.S. Treasury. The estimate for revenue collections by the Department in 2011 is \$14.0 billion, more than offsetting the budget request for current appropriations.

The 2011 budget assumes the enactment of legislative proposals to offset costs and ensure a fair return for mineral leasing on Federal lands and waters. This includes legislative proposals to charge a fee on new non-producing oil and gas leases to encourage timely domestic energy development; make permanent the current arrangement for sharing with States the



cost of administering energy and minerals receipts from Federal leases; and end Abandoned Mine Land payments to States and Tribes that are certified as no longer having priority coal mine reclamation needs.

The budget also includes legislative proposals to reauthorize the Federal Land Transaction Facilitation Act, to reauthorize the Compact of Free Association with Palau set to expire at the end of 2010, and an increase in the cost of the Migratory Bird Hunting and Conservation Stamp.

The budget proposes appropriations language to establish or increase offsetting collections from three sources — onshore oil and gas inspections, onshore oil and gas drilling permits, and offshore oil and gas inspections.

MAJOR BUDGET INITIATIVES

We must manage our lands and oceans for these three new functions – renewable energy production, carbon capture and storage, and climate adaptation – if we are to tackle the climate crisis.

Secretary Ken Salazar
December 10, 2009

New Energy Frontier – The Department of the Interior oversees one-fifth of the Nation’s landmass and more than 1.7 billion acres of the OCS. As the steward of the Nation’s energy and mineral estate, Interior has a leadership role, promoting clean energy that can reduce climate impacts, and responsibly developing conventional energy sources, thereby reducing reliance on foreign oil.

The Secretary’s New Energy Frontier initiative will create clean sources of energy using the Nation’s vast domestic resources. The New Energy Frontier initiative invests \$73.3 million in renewable energy programs, an increase of \$14.2 million over 2010. The initiative includes \$3.0 million for the Bureau of Land Management to focus on the environmental elements of renewable energy projects, \$3.2 million for the Minerals Management Service region-specific planning needs, \$3.0 million for the U.S. Geological Survey to analyze and document the effects of renewable energy on wildlife populations, \$4.0 million for the Fish and Wildlife Service to carry out endangered species consultation and other wildlife conservation efforts and provide timely environmental review of projects, and \$1.0 million

SUMMARY OF MAJOR CHANGES (current budget authority in millions of dollars)	
INTERIOR, ENVIRONMENT, AND RELATED AGENCIES	
2010 Enacted	11,086.0
New Energy Frontier	+27.4
Climate Change Adaptation.....	+31.9
WaterSMART	+9.0
Youth in Natural Resources	+9.3
Treasured Landscapes – Ecosystems	+25.8
Land and Water Conservation Fund.....	+106.0
Bureau of Land Management	
Wild Horse and Burro Program.....	+12.0
Alaska Conveyance	-13.0
Resource Management Planning.....	-8.2
Oregon and California Forest Programs	-5.0
Construction	-5.0
Office of Surface Mining Grants	-14.5
U.S. Geological Survey	
Land Remote Sensing.....	+13.4
Hazards/Biology/Marine Spatial Planning	+12.0
Fish and Wildlife Service	
Construction	-13.7
N. American Wetlands Conservation Fund	-5.0
National Park Service	
Service-wide Operations.....	+17.3
Construction	-44.6
Heritage Partnership Program.....	-8.8
Save America’s Treasures/Preserve America	-29.6
Indian Affairs	
Contract Support/Self-Determination Funds ..	+21.5
Tribal Colleges/Universities Forward-Funding	-50.0
Public Safety and Justice Agents	+19.0
Construction	-51.6
Empowering Insular Communities.....	+5.0
Office of the Special Trustee - Historical Acct.	-25.0
Wildland Fire	
Hazardous Fuels	-42.6
Rural Fire Assistance	-7.0
Preparedness	-5.0
Suppression (w/ FLAME and Contingency)	+139.2
Interior-wide Management Efficiencies.....	-62.0
Challenge Cost Share Programs.....	-18.3
Net, all other program changes.....	<u>-76.6</u>
2011 Interior Budget Request	11,069.3
ENERGY AND WATER DEVELOPMENT	
2010 Enacted	1,129.7
Bureau of Reclamation	
WaterSMART	+27.4
Central Valley Projects	+37.9
Navajo-Gallup Water Supply	+7.0
ESA Conservation Recovery.....	+5.7
Lower Colorado River Operations.....	+4.6
Rural Water Supply Projects.....	-59.3
Animas-La Plata.....	-37.1
Colorado River Basin Project - CAP.....	-8.0
Columbia Basin Project.....	-4.7
Net, all other program changes	<u>+0.1</u>
2011 Energy and Water Budget Request	1,107.7
TOTAL 2011 BUDGET REQUEST	12,177.0

for the Bureau of Indian Affairs to support renewable energy development efforts on tribal lands.

The Department has a High-Priority Performance Goal to increase approved capacity for solar, wind, and geothermal energy resources on Interior managed lands, while ensuring full environmental review, by at least 9,000 megawatts by the end of 2011. This would provide sufficient energy to power two million homes each year.

The 2011 budget continues support for the development of conventional energy, with \$460.2 million in BLM, MMS, and BIA. This is a net increase of \$13.1 million over the 2010 level. Within this requested level, there is an increase of \$4.4 million for MMS' 2007-2012 five-year program and \$10.0 million for audit costs that can no longer be funded by the Royalty-in-Kind program, which is slated for termination. The 2011 budget increases the MMS inspection fee on OCS above-water oil and gas facilities by \$10.0 million. A reduction of \$13.0 million is proposed in the net BLM oil and gas program appropriation, which is primarily offset by charging \$10.0 million in new inspection fees in the onshore oil and gas program; the remaining \$3.0 million reduction results from the completion of an energy study. The BIA budget includes an increase of \$1.5 million for conventional energy leasing activities on the Fort Berthold Reservation.

Climate Change Adaptation – Resource managers consider climate change to be the single most challenging issue they face. In order to equip them with the tools and strategies they need, Interior's Climate Change Adaptation initiative will determine the causes and formulate solutions to mitigate climate impacts to lands, waters, natural and cultural resources. As the pre-eminent manager of lands and resources, Interior will leverage its experience and expertise in partnership with other governmental and non-governmental entities. Interior's Climate Science Centers and Landscape Conservation Cooperatives will conduct and communicate research and monitoring to improve understanding and forecasting for those natural and cultural heritage resources that are most vulnerable to climate change impacts.

The Department's High-Priority Performance Goal for Climate Change Adaptation is to identify areas and species most vulnerable to climate change and begin implementing comprehensive adaptation strategies by the end of 2011.

The 2011 budget includes \$171.3 million for the Climate Change Adaptation initiative, an increase of \$35.4 million over 2010. This includes increased investments in the USGS National Climate Change and Wildlife Science Center (\$8.0 million), which will serve as the nexus for eight Climate Change Science Centers; expansion of monitoring in USGS (\$1.0 million) and FWS (\$8.0 million) that will be integrated, standardized, and accessible to Interior bureaus, partners, and the public; expansion of the USGS carbon sequestration project by \$2.0 million; expanded FWS science and planning capacity (\$8.8 million), which will support additional Landscape Conservation Cooperatives; and BLM (\$2.5 million) and FWS (\$2.0 million) adaptive management activities. Beginning with the 2011 budget, the Bureau of Reclamation and BIA identify dedicated climate change funding including \$3.5 million for Reclamation basin studies and scientific support and \$200,000 for BIA participation in a Landscape Conservation Cooperative.

WaterSMART – The 2011 budget proposes a sustainable water strategy to assist local communities in stretching water supplies and improving water management. A High-Priority Performance Goal is established to enable capacity to increase water supply for agricultural, municipal, industrial, and environmental uses in the western United States up to 350,000 acre-feet by the end of 2011 through Reclamation's programs including water reuse and recycling and WaterSMART grants.

The 2011 budget request for the WaterSMART program – Sustain and Manage America's Resources for Tomorrow includes \$72.9 million, an increase of \$36.4 million over the 2010 enacted level for sustainability programs in Reclamation and USGS. Reclamation will use \$62.0 million, an increase of \$27.4 million, to improve water management by encouraging voluntary water banks; reduce demand; implement water conservation and water reclamation and reuse projects; and take action to improve energy efficiency and reduce environmental conflicts. The USGS will use \$10.9 million, an increase of \$9.0 million, for a multi-year, nationwide water availability and use assessment.

Youth in Natural Resources – The future of resource conservation depends upon the next generation's understanding of the importance of natural resources and cultural treasures. The 2011 budget continues the Youth in Natural Resources initiative which signals the Secretary's emphasis on youth involvement.

The Department's High-Priority Performance Goal for Youth in Natural Resources is, by the end of 2011, to increase by 50 percent from the 2009 level, the employment of youth under the age of 25 in the conservation mission of the Interior Department.

The budget includes an additional \$9.3 million for programs at the parks, refuges, and other public lands. This includes \$5.8 million for youth employment and education programs the national park system and \$2.0 million for youth programs at national wildlife refuges. The budget also includes \$2.0 million for FWS and BLM to partner with the National Fish and Wildlife Foundation in public-private partnerships to promote priority species conservation on both public and private lands. A \$500,000 earmark in the FWS Migratory Bird program is eliminated. In addition, the National Park Service has committed to dedicate a total of \$6.4 million, \$2.0 million more than last year, of recreation fee revenue collected at parks to youth projects that benefit the visitor experience.

Treasured Landscapes – The 2011 budget embraces the President's agenda for protecting America's treasured landscapes and demonstrates the Secretary's sustained commitment to a 21st Century conservation agenda. The budget will allow Interior to intensify efforts to protect treasured landscapes; participate in major restoration efforts to restore, protect, and preserve key ecosystems; and operate and maintain landscapes.

Interior's 2011 budget includes \$445.4 million, an increase of \$106.0 million for Interior Land and Water Conservation Fund programs including Federal acquisition and State grants. The budget also includes \$288.2 million, an increase of \$71.4 million targeted to key ecosystems for restoration and renewal of the Everglades, California's Bay-Delta ecosystem, the Gulf Coast of Louisiana and Mississippi, and the Chesapeake Bay.

President Obama's 2011 budget protects open spaces, forests, and wildlife habitat by funding \$619.2 million in LWCF programs in the Department of the Interior and the U.S. Forest Service. This is a 29 percent increase over the 2010 enacted funding. The 2010 enacted level was a 58 percent increase over the 2009 enacted level. With these consecutive increases, appropriations from the Land and Water Conservation Fund are on track to reach the full funding level of \$900.0 million annually by 2014.

Interior, through NPS, FWS, USGS, and BIA, is a key player in restoring the Everglades ecosystem. In 2011, the budget includes \$74.5 million, an increase of \$6.0 million over the 2010 enacted level for restoration of the Everglades. This request includes \$8.0 million for the Tamiami Trail one-mile bridge, a component of the Modified Waters Delivery project that is being managed by the U.S. Army Corps of Engineers. The 2011 budget for the Corps of Engineers includes \$71 million for Everglades restoration.

The 2011 budget includes an increase of \$50.6 million for increased efforts by Reclamation, FWS, and USGS to conduct studies, projects, and other efforts in the California Bay-Delta. These activities will support the December 22, 2009 Bay-Delta Interim Action Plan, investing in short and long-term actions for sustainable water and ecosystem restoration. This request will fund habitat restoration efforts, the development of fish screens and fish ladders, efforts to eradicate or mitigate invasive species, various water quality and quantity studies and assessments, and other efforts.

The FWS owns and manages ten national wildlife refuges totaling 300,000 acres along the coast of Louisiana and Mississippi. For FWS, there is a program increase of \$5.0 million in the 2011 budget to support the restoration of key fish and wildlife habitat along the Gulf Coast and enable FWS to provide its expertise to multi-agency projects in the area. There is a \$192,000 reduction to the NPS Gulf Coast programs.

The Department's 2011 budget for USGS, FWS, and NPS includes \$31.6 million, an increase of \$10.0 million to expand the Department's efforts to conserve and restore the Chesapeake Bay's cultural and natural resources.

The Department is also active in Great Lakes restoration efforts. The 2011 Environmental Protection Agency budget request includes \$50.2 million planned for allocation to FWS, USGS, NPS, and BIA for restoration and monitoring.

Protection, promotion, and preservation of treasured landscapes include operations and maintenance of parks, refuges, and units of the National Landscape Conservation System. These units contain breathtaking vistas, relate historical and cultural events, and preserve and protect important resource values for the Nation.

The 2011 budget for the National Landscape Conservation System managed by BLM is \$65.4 million, a net increase of \$1.3 million over 2010, including an increase of \$414,000 for national monuments and national conservation areas. There is also an increase of \$1.3 million in the Wilderness Management subactivity for new wilderness areas designated by the Omnibus Public Land Management Act of 2009.

The budget includes \$2.3 billion for NPS, a net increase of \$35.3 million, or nearly two percent, above the 2010 enacted level. The budget continues \$5.0 million for the Park Partnerships program, which will match partner donations with Federal funds. The 2011 budget includes \$499.5 million, a net reduction of \$3.3 million, for Refuge System Operations. Within the refuge budget there are increases of \$8.0 million for climate science inventory and monitoring, \$2.0 million for youth programs, and \$3.3 million for ecosystems, which is offset by \$10.0 million in reductions for discontinued congressional earmarks and management efficiencies.

Empowering Tribal Nations—The Secretary's agenda includes advancing Nation-to-Nation relationships, improving Indian education for students in Bureau of Indian Education funded schools, improving the safety of Indian communities, and reforming trust land management with an ultimate goal of greater self-determination. In November 2009, the White House held a Tribal Nations Conference, which was attended by over 400 tribal leaders. At the conference, the President pledged to strengthen Nation-to-Nation relationships, improve the tribal consultation process, and empower strong and stable Indian communities.

Overall the 2011 budget request for Indian Affairs is a reduction of \$53.6 million from the 2010 enacted level, or \$3.6 million after excluding \$50.0 million in one-time 2010 funding to forward-fund tribal colleges. This change reflects \$6.0 million in anticipated efficiency savings. Maintaining key increases for law enforcement and education programs, the 2011 budget request includes programmatic increases of \$70.6 million for the Empowering Tribal Nations initiative. Specifically, the 2011 budget:

- Advances Nation-to-Nation relationships and Indian self-determination by providing additional funding of \$19.5 million for contract support costs, \$2.0 million for the Indian Self Determination

Fund, \$3.0 million to assist with the unique needs of small and needy Tribes, and \$2.0 million for social services.

- Protects Indian Country by providing \$19.0 million to increase the number of Federal Bureau of Investigations agents that are on-the-ground and dedicated to Indian Country.
- Advances Indian education with \$8.9 million to address environmental and security concerns at BIE schools and strengthen grant support funding for tribally operated BIE schools.
- Improves trust land management with increases of \$11.8 million to promote both renewable and conventional development on tribal lands, defend and assert Indian water rights, and assist Tribes with dam safety.

The Interior Department's High-Priority Performance Goal for Safe Indian Communities will achieve significant reductions in criminal offenses of at least five percent within 24 months on targeted tribal reservations by implementing a comprehensive strategy involving community policing, tactical deployment, and critical interagency and intergovernmental partnerships.

Settlement of the Cobell Lawsuit – On December 8, 2009, the parties in *Cobell v. Salazar* announced a pending settlement of the 13-year old class-action lawsuit alleging the Federal government's mismanagement of assets held in trust on behalf of individual Indians. Under the terms of the settlement, approximately \$1.4 billion would be distributed to the class members with each member receiving \$1,000 for their historical accounting claims and some receiving additional funds related to trust management claims. The second part of the settlement provides for a \$2.0 billion fund for the purchase of fractionated land interests held in trust on behalf of individual Indians. In addition, as an added inducement to facilitate the purchase of fractionated land interests, up to \$60.0 million of the \$2.0 billion for land acquisition will be contributed to an existing, non-profit organization for the benefit of educating American Indians and Alaska Natives. Final disposition of the settlement is pending congressional action, approval by the Court, and enactment.

And we are going to keep on working with you to make sure that the first Americans get the best possible chances in life in a way that's consistent with your extraordinary traditions and culture and values.

*President Barack Obama
November 5, 2009*

OTHER MAJOR CHANGES BY BUREAU

BUREAU OF LAND MANAGEMENT

The 2011 BLM request for appropriations is \$1.1 billion, an increase of \$8.0 million above the 2010 level. This includes a net decrease of \$41.0 million for BLM's two operating accounts, an increase of \$54.0 million for Land Acquisition, and a reduction of \$5.0 million for Construction.

The budget supports implementation of the Secretary's new Wild Horse and Burro initiative with an increase of \$12.0 million in operating costs and a \$42.5 million increase in land acquisition funding for BLM to purchase land for a wild horse preserve.

The budget also supports the Secretary's ongoing initiatives. The BLM budget includes \$17.5 million for the Climate Change Adaptation initiative, an increase of \$2.5 million over the 2010 enacted level. In 2011 BLM will continue and expand its efforts to conduct ecoregional assessments and develop and implement adaptation strategies. To advance the New Energy Frontier initiative, the BLM budget includes an increase of \$3.0 million to conduct additional environmental studies in support of renewable energy development. The BLM budget includes an increase of \$2.0 million for air quality monitoring to better ensure that oil and gas development on public lands complies with National Environmental Policy Act and Clean Air Act requirements. As a part of the Department's Treasured Landscapes initiative the BLM LWCF budget includes \$83.7 million for land acquisition, including the funding identified above for the purchase of land for a wild horse preserve. As a part of the Youth in Natural Resources initiative BLM will direct \$1.0 million in base funding to a public-private partnership with the National Fish and Wildlife Foundation that supports conservation projects to engage and employ youth.

WILD HORSE AND BURRO PROGRAM

The current path of the Wild Horse and Burro program is not sustainable for the animals, the environment, or the taxpayer. On October 7, 2009, Secretary Salazar announced a new comprehensive long-term plan to put the wild horse and burro program on a sustainable track. The plan identifies three strategies to improve the protection and management of wild horses:

- Managing sustainable herds on western rangelands through the aggressive application of fertility control measures.
- Establishing new wild horse preserves, primarily in the Midwest and East for horses that must be removed from western rangelands.
- Providing special designations for selected treasured herds in the West.

The 2011 BLM budget includes \$75.7 million, a program increase of \$12.0 million, for the Wild Horse and Burro Management program to implement the Secretary's plan. The BLM LWCF budget includes an increase of \$42.5 million to acquire land for a wild horse preserve. Initial costs for implementing the Secretary's proposals would be significant as BLM acquires preserves and works to achieve sustainable herd levels on public rangelands, but overall program costs could decline in future years. The plan will enable BLM to achieve appropriate management population levels on the range by 2013.

A portion of the net \$41.0 million decrease in the BLM's two operating accounts is offset by \$10.0 million in collections from a new onshore oil and gas inspection fee. The remainder is comprised of program terminations and reductions, the elimination of congressional earmarks, and anticipated efficiency savings.

Fixed cost totaling \$15.9 million are absorbed and there is an adjustment of \$6,000 related to a reduced Departmental Working Capital Fund bill.

MINERALS MANAGEMENT SERVICE

The 2011 budget request for MMS current appropriations is \$189.9 million, an increase of \$8.4 million above the 2010 enacted level. Offsetting collections from Outer Continental Shelf rents and fees will provide \$174.9 million, \$8.2 million more than was collected in 2010. The total MMS operating budget, including offsetting collections and fees, is \$364.8 million, \$16.5 million above the 2010 enacted level.

As a part of the Department's New Energy Frontier initiative, the 2011 budget requests a total increase of \$16.5 million for MMS to facilitate conventional energy development on the OCS and effective royalty compliance. The budget increase will be used to advance energy development, while ensuring continued safe operations and obtaining fair market value for the taxpayer.

Included is \$3.7 million to ensure proper royalties are collected on transported and processed natural gas and for the integration of compliance tools. An increase of \$10.0 million in appropriated funds will provide additional auditing capacity needed to offset an anticipated reduction in mandatory funding as Royalty-in-Kind operations are phased out.

The MMS will collect a total of \$20.0 million in offshore inspection fees in 2011, an increase of \$10.0 million above the 2010 enacted level.

The 2011 MMS budget includes reductions totaling \$1.1 million which reflect anticipated savings in travel and relocation costs, information technology, and strategic sourcing. Fixed costs totaling \$4.0 million are absorbed and there is an adjustment of \$16,000 related to a reduced WCF bill.

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

The 2011 budget request for OSM is \$146.1, a decrease of \$16.7 million below the 2010 enacted level.

The request for Regulation and Technology is \$115.8 million, a decrease of \$11.5 million below the 2010 enacted level. The OSM request reduces funding for State and tribal regulatory grants by \$11.0 million and will encourage States and Tribes to increase cost

recovery fees from the coal industry to maintain regulatory programs.

The 2011 budget request for Abandoned Mine Reclamation Fund is \$30.4 million, a decrease of \$5.2 million below the 2010 enacted level. The request continues an effort proposed in the 2010 budget to transfer responsibility for emergency programs to the States and Tribes. Funding for emergency programs and Federal High Priority Projects is reduced by \$4.5 million.

Fixed cost totaling \$1.5 million are absorbed and there is an adjustment of \$33,000 related to a reduced WCF bill.

BUREAU OF RECLAMATION

The 2011 Reclamation budget request is \$1.1 billion in current appropriations, \$23.0 million below the 2010 enacted level. The 2011 budget request emphasizes the WaterSMART program, working to achieve a sustainable water strategy.

Reclamation's 2011 budget request targets an additional \$27.4 million for a total of \$62.0 million for the WaterSMART sustainability strategy.

Reclamation's 2011 budget includes significant increases for Central Valley projects, including increases of \$26.9 million for Red Bluff, \$7.3 million for the West San Joaquin diversion/San Luis Unit, and \$6.7 million for Trinity River.

The 2011 budget request also includes increases of \$2.1 million for the Colorado River Storage project, \$5.7 million for Endangered Species Act consultation and recovery activities, \$4.6 million for the Lower Colorado River Operations, \$7.0 million for the Navajo Gallup water supply project, and \$2.7 million for the Yakima River basin water enhancement project.

A total of \$95.2 million is requested in the 2011 budget for the Safety of Dams program, a decrease of \$2.6 million from 2010. While keeping the work at Folsom Dam in California on schedule with \$45.0 million, the decrease is in recognition of American Recovery and Reinvestment Act funding that accelerated planned dam safety project activities. In addition to the \$45.0 million, \$29.3 million will be used to initiate other safety of dams corrective actions, \$19.0 million will address safety evaluations of existing dams, and \$1.9 million supports the Interior Safety of Dams program.

The 2011 budget request for rural water supply projects is \$62.0 million, \$58.3 million below 2010 enacted. The 2011 budget for Title XVI Water Reclamation and Reuse programs is \$29.0 million, an increase of \$15.4 million above 2010 enacted. This increase is part of the WaterSMART sustainability water strategy. In addition, funding for WaterSMART grants is increased by \$9.0 million over the 2010 enacted level.

A total of \$30.3 million, an increase of \$2.5 million over 2010 enacted, is requested for site security to ensure the safety and security of the public, Reclamation employees, and key facilities. Site security measures include facility fortification, surveillance and guard activities, and improved security procedures.

The budget requests \$40.0 million for California Bay-Delta restoration, the same as 2010 enacted, pursuant to the extended authorization for this water management, ecosystem restoration, water quality, water supply, and flood protection program. This adaptive management program in California's Central Valley and the San Francisco Bay-Delta is addressing conflicts over water supply and is highlighted as a target ecosystem in the Department's Treasured Landscapes initiative.

The budget also requests \$7.5 million for Reclamation's Native American Affairs program an increase of \$1.4 million over the 2010 enacted level. The funding supports Reclamation's participation on Federal negotiation teams of Indian water rights settlements.

U.S. GEOLOGICAL SURVEY

The 2011 budget for USGS totals \$1.1 billion, \$21.6 million above the 2010 enacted level. The 2011 budget includes funding for Department-wide initiatives in renewable energy, climate change adaptation, water sustainability, and treasured landscapes.

Land Remote Sensing is funded at \$75.9 million in the 2011 budget, including an increase of \$13.4 million to accommodate new ground system requirements for the Landsat Data Continuity Mission. The Geologic Landscape and Coastal Assessments program is funded at \$77.6 million, including an increase of \$4.0 million for marine spatial planning and the geospatial modernization effort. The USGS will partner in this activity with the MMS and other agencies. Biological Research and Monitoring is funded at \$201.3 million, including an increase of \$4.0 million for science support to BLM, FWS, and NPS.

The 2011 budget includes three technical adjustments that improve management efficiencies at the USGS. The USGS establishes a Construction subactivity within the Facilities activity by moving \$2.5 million from the Deferred Maintenance and Capital Improvements subactivity for improvements in building envelope integrity. The USGS also moves \$8.5 million and 51 FTE from Geography, Geology, Water Resources, Biology, and Global Change activities to the Science Support activity to realign funds to better fit the realignment model of October 1, 2007 in which the regional executive staffs shifted from a single disciplinary focus in each region to a multidisciplinary focus in a geographic area. Finally, USGS moves \$284,000 and five FTE from Geography to Science Support for contract support provided to the Earth Resources and Observation Center.

The budget includes \$51.8 million in program increases, offset by \$18.6 million in program reductions including elimination of earmarks and \$11.6 million in management efficiencies. Fixed cost totaling \$13.5 million are absorbed and there is an adjustment of \$73,000 related to a reduced WCF bill.

FISH AND WILDLIFE SERVICE

The 2011 FWS budget request is \$1.6 billion, a decrease of \$4.6 million from the 2010 enacted level.

The request for Resource Management is \$1.3 billion, a decrease of \$3.0 million from the 2010 enacted level. Within the Resource Management account, program increases for the Secretary's initiatives include \$18.8 million for Climate Change Adaptation, \$4.0 million for New Energy Frontier, and \$2.5 million for Youth in Natural Resources.

The 2011 budget eliminates \$58.2 million in unrequested add-ons and earmarks and includes a reduction of \$12.0 million in anticipation of Interior-wide management savings in travel and relocation, information technology, and strategic sourcing as well as bureau specific management efficiencies.

The request for land acquisition is \$106.3 million, an increase of \$20.0 million over the 2010 enacted level. The request for construction is \$23.7 million, \$13.7 million below the level enacted in 2010. The request maintains the Cooperative Endangered Species Conservation Fund at \$85.0 million and the State and Tribal Wildlife Grants at \$90.0 million, level with 2010 enacted.

Fixed cost totaling \$14.6 million are absorbed and there is an adjustment of \$80,000 related to a reduced WCF bill.

NATIONAL PARK SERVICE

The NPS 2011 budget request is \$2.7 billion, \$21.7 million below 2010 enacted but \$200.5 million above the 2009 level.

The 2011 request includes \$195.2 million for construction projects, equipment replacement, management planning, and other special projects. This funding, together with recreation fee revenue, park roads funding, and maintenance funding, will provide substantial resources toward protecting and maintaining existing park assets. The NPS construction program is \$37.8 million below the 2010 level, primarily due to reductions in line-item construction projects. Line-item construction projects are funded at \$109.0 million, including \$8.0 million for the Everglades Modified Water Deliveries project. The budget also provides additional funding to study areas that are candidates for inclusion in the national park system.

The National Recreation and Preservation appropriation funds programs connected with local community efforts to preserve natural and cultural resources. The 2011 budget includes \$51.0 million for programs to preserve natural and cultural resources. The budget proposes \$9.0 million for national heritage area grants, a reduction of \$8.8 million from 2010. Funding is not requested for Statutory and Contractual Aid or Preserve America grants.

The 2011 budget for the Historic Preservation Fund is \$54.5 million which funds Historic Preservation Offices in States, Territories, and tribal Nations to preserve historically and culturally significant sites. The budget maintains 2010 funding which was \$5.0 million over the 2009 enacted level. Funding is not requested for Save America's Treasures grants.

Across all accounts, the budget includes anticipated efficiency savings of \$527,000 from travel and relocation expenses, \$5.9 million from information technology, and \$8.7 million from strategic sourcing. Fixed cost totaling \$32.1 million are absorbed and there is an adjustment of \$46,000 for an increased WCF bill.

INDIAN AFFAIRS

The 2011 budget request for Indian Affairs is \$2.6 billion in current appropriations, which is \$53.6 million or 2.0 percent below the enacted 2010 level, or level with last year after excluding the forward funding of Tribal Colleges and Universities in 2010 and Department-wide efficiency reductions. As part of this request, \$2.4 billion is for the Operations of Indian Programs, \$115.7 million for Construction, \$46.5 million for Indian Land and Water Settlements, \$8.2 million for the Indian Guaranteed Loan Program, and \$1.0 million for the Indian Land Consolidation Program.

Within the OIP account, program increases for the Tribal Government and Human Services activities include \$21.5 million in contract support and self-determination funds, \$1.0 million to create new Self-Determination Specialist positions, \$3.0 million to support small and needy Tribes, and \$2.0 million for additional social workers. These activities also include a program reduction of \$98,000 for the elimination of one conference.

The Trust-Natural Resource Management, Trust-Real Estate Services, and Community and Economic Development activities include program increases of \$1.5 million for water related programs, \$1.9 million for land management and development on the Navajo and Nez Perce Reservations, \$200,000 for Climate Change activities, \$2.5 million for energy projects, and \$2.0 million for environmental audits at BIE schools. The budget also includes program reductions in Trust-Real Estate Services of \$7.5 million for probate since the backlog has been eliminated and \$200,000 for oversight activities.

The Indian Education budget includes program increases of \$3.9 million to implement safety and security programs at BIE-funded schools and \$3.0 million for Tribal Grant Support Costs. Program decreases in the BIE budget include a \$50.0 million reduction to eliminate a one-time increase in 2010 to forward-fund Tribal Colleges and Universities and \$1.1 million for Education Program Management.

Other program increases in the OIP budget request include \$19.0 million in Public Safety and Justice for funding to support additional FBI agents at the Department of Justice and \$1.0 million for detention center operations and maintenance. An additional \$500,000 is included to aid Tribes with the development of a performance data management

system. Additional program funding is included for acquisitions and property management, which is funded with savings gained from competitive sourcing and printing cost reductions.

The 2011 budget requests \$115.7 million for Construction, a program reduction of \$51.6 million from the 2010 enacted level. The budget also reflects a proposed transfer of \$57.3 million in facilities operations and maintenance funding from the Construction account to the OIP account. The \$57.3 million transfer will increase transparency of the operations and maintenance funding by consolidating all funds in the operations account. Included in the budget are decreases of \$8.9 million for education replacement facilities, \$41.5 million for new construction of detention center facilities, and \$5.0 million for public safety employee housing. An increase of \$3.8 million for the Safety of Dams program is also included.

The 2011 budget requests \$46.5 million for Indian Land and Water Claim Settlements and \$8.2 million for the Indian Guaranteed Loan Program. The budget also includes \$1.0 million for the Indian Land Consolidation Program, a reduction of \$2.0 million from 2010, to maintain this program and to assist in estate planning.

Across all accounts, the budget includes anticipated efficiency savings of \$271,000 from travel and relocation expenses, \$2.3 million from information technology, and \$2.7 million from strategic sourcing. Fixed costs totaling \$19.4 million are absorbed and there is an adjustment of \$210,000 for an increased WCF bill.

OFFICE OF THE SPECIAL TRUSTEE

The 2011 OST budget requests \$160.2 million in current appropriations, which is \$25.8 million below the 2010 enacted level. The 2011 OST budget includes decreases of \$25.0 million for historical accounting and \$2.6 million for the completion of certain trust reform tasks. The budget also includes increases of \$740,000 for trust services and \$72,000 for Electronic Official Personnel Folders. Fixed cost increases total \$1.5 million, of which \$1.4 million are funded and \$125,000 are absorbed.

OFFICE OF THE SECRETARY

The Salaries and Expenses 2011 budget request is \$122.0 million, an increase of \$3.2 million above the 2010 enacted level. Increases include \$2.0 million

for appraisal services for land acquisition support, \$250,000 for Program Evaluations, and \$225,000 to fund the Assistant Secretary for Insular Areas. Fixed cost increases total \$1.1 million, of which \$1.0 million are budgeted, and \$126,000 are absorbed.

OFFICE OF INSULAR AFFAIRS

The 2011 budget for the Office of Insular Affairs requests \$87.0 million in current funding, \$15.5 million below the 2010 enacted level and including reductions of \$1.5 million in Assistance to Territories and \$14.0 million in the Compact of Free Association current funds. In place of current appropriations for the Compact of Free Association, the budget includes a mandatory proposal to fund a new compact with Palau. The 2011 budget presumes agreement on and enactment of a new compact with Palau. The compact expired in 2009, but was extended for one year in the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2010.

The 2011 OIA budget includes an increase of \$5.0 million for the Empowering Insular Communities program that will strengthen the foundations for economic development in the islands and pursue economic development initiatives. Fixed cost increases total \$129,000, of which \$96,000 are funded and \$33,000 are absorbed.

The Department of Defense is planning to move some 17,000 military personnel and their dependents from Okinawa, Japan, to Guam that will generate an influx of approximately 20,000 civilian workers and residents to take advantage of new jobs opening on Guam. As plans for the realignment are settled, Interior will work with the Departments of Agriculture and Defense to promote the development of high priority infrastructure projects related to the military realignment.

Permanent appropriations in 2011 total \$370.8 million, which includes \$224.8 million to the Compact of Free Association and \$146.0 million in payments to Guam and the U.S. Virgin Islands.

OFFICE OF THE SOLICITOR

The 2011 budget for the Office of the Solicitor is \$67.9 million, \$2.8 million above the 2010 enacted level. The budget includes program increases of \$1.4 million to restructure the Ethics Office and expand capacity; \$400,000 to reestablish the Solicitor's Honors Program; \$250,000 for retention of high performing attorneys; Department-wide management efficiency

reductions of \$231,000 related to travel, information technology, and strategic sourcing savings; and \$1.0 million for fixed costs.

OFFICE OF INSPECTOR GENERAL

The 2011 budget for the Office of Inspector General is \$49.6 million, \$970,000 above the 2010 enacted level. The budget includes a program increase of \$394,000 for the Councils on Inspector General; Department-wide reductions of \$201,000 for management savings related to travel, information technology, and strategic sourcing; and fixed costs of \$777,000.

DEPARTMENT-WIDE PROGRAMS

Wildland Fire Management – The 2011 budget request includes a total of \$933.9 million to meet the wildland fire management needs of the Department of the Interior, an increase of \$78.0 million over the 2010 enacted level, which did not fully fund the ten-year suppression average.

The request includes a total of \$459.0 million for Suppression Operations, which is allocated among three different accounts. The inflation adjusted ten-year average of suppression expenditures of \$384.0 million is split between \$288.0 million in the regular suppression account in the Wildland Fire Management appropriation and \$96.0 million in the FLAME Wildfire Suppression Reserve Fund. To ensure that sufficient suppression funds are available for suppression activities, the budget request includes \$75.0 million for the Presidential Wildland Fire Contingency Reserve, as was first proposed in the 2010 President's budget.

The budget proposes to reduce funding for Hazardous Fuels Reduction by \$42.6 million; discontinue the \$7.0 million in funding for the Rural Fire Assistance program; reduce funding for Preparedness by \$5.0 million; and reduce funding for Burned Area Rehabilitation by \$2.0 million. In addition to these specific program funding reductions, the wildland fire budget includes \$4.5 million in Department-wide management savings related to travel, information technology, and strategic sourcing. A total of \$7.4 million in fixed costs is absorbed.

Central Hazardous Materials Fund – The 2011 budget request includes \$10.2 million for the Central Hazardous Materials Fund, a decrease of \$23,000 below the 2010 enacted level. The request fully funds fixed costs of \$85,000.

Natural Resource Damage and Restoration – The 2011 budget includes \$6.4 million for NRDAR, \$28,000 below the 2010 enacted level. The \$6.4 million request includes \$3.9 million for damage assessment projects; \$1.9 million for program management; \$621,000 for restoration support; \$91,000 for fixed costs; and Department-wide reductions of \$119,000 for management savings related to travel, information technology, and strategic sourcing. Additionally, \$52.0 million represents the anticipated amount of settlement receipts to be recovered in settled damage assessment cases in 2010. These receipts are used exclusively by trustees for restoration of damaged lands and resources or for reimbursement of past assessment costs.

Working Capital Fund – The 2011 budget request includes \$84.1 million for the Working Capital Fund, \$1.7 million below the 2010 enacted level. This includes \$74.1 million for the continued development and deployment of the Financial and Business Management System, a decrease of \$6.3 million from the 2010 enacted level. The 2011 funding will help support the bureaus' efforts in preparing for deployment and transition to the new system.

To help the Department to achieve the \$50.0 million in efficiency savings identified in the 2011 budget for information technology and acquisition. The budget provides \$10.0 million in the Working Capital Fund including \$5.0 million for investments that will lead to the consolidation and centralization of infrastructure across the Department's information technology portfolio. An additional \$5.0 million is included in the WCF for acquisition improvements to support the creation of centers of acquisition excellence and the necessary training and oversight to achieve acquisition goals and savings.

MANDATORY PROPOSALS

Legislative proposals will be submitted to the Congress in support of the assumptions in the 2011 budget. The principal proposals include:

Abandoned Mine Land Payments to Certified States and Tribes – The Administration proposes to end mandatory payments from the General Treasury to States and Tribes that have been certified as completing reclamation of abandoned coal mine sites and, consequently, no longer need funds for that purpose. These payments to certified States and Tribes currently can be used for any purpose approved by the State legislatures or tribal councils

and do not contribute to reclamation of abandoned coal mines. This proposal would not affect payments to States that have active reclamation programs, but would require non-certified States to focus their AML funding on only priority coal mine reclamation needs. This is similar to the 2010 budget proposal, except this new proposal reserves \$10.0 million annually to address the highest priority coal projects, including Federal high-priority coal issues that develop or are discovered in certified States and Tribes. Savings of \$115.0 million are anticipated in 2011 with savings of \$1.2 billion over ten years.

Fee on Nonproducing Oil and Gas Leases – The budget assumes a proposal that is part of an Administration initiative to encourage energy development on lands and waters leased for development. A \$4.00 per acre fee on non-producing Federal leases on lands and waters would provide a financial incentive for oil and gas companies to either get their leases into production or relinquish them so that the tracts can be re-leased to and developed by new parties. The proposed \$4.00 per acre fee would apply to all new leases and would be indexed annually. In October 2008, the Government Accountability Office issued a report critical of past efforts by Interior to ensure that companies diligently develop their Federal leases. Although the GAO report focused on administrative actions that the Department could undertake, this proposal requires legislative action. This proposal is similar to other non-producing fee proposals considered by the Congress in the last several years. This will result in savings of \$8.0 million in 2011 and \$760.0 million over ten years.

Net Receipts Sharing for Energy Minerals – The budget proposes to make permanent the current arrangement for sharing the cost of administering energy and minerals receipts, beginning in 2012. Under current law, States receiving significant payments from mineral revenue development on Federal lands also share in the costs of administering the Federal mineral leases from which the revenue is generated. In 2011, this net receipts sharing change would be implemented as an offset to the Interior Appropriations Act, consistent with the proposal adopted in 2010. Permanent implementation of net receipts sharing is expected to result in savings of \$45.0 million in 2012 and \$450.0 million over nine years.

Repeal Oil and Gas Fee Prohibition and Mandatory Permit Funds – The Administration will submit legislation to repeal portions of Section 365 of the

Energy Policy Act, beginning in 2012. Section 365 diverted mineral leasing receipts from the Treasury to a BLM Permit Processing Improvement Fund and also prohibited BLM from establishing cost recovery fees for processing applications for oil and gas permits to drill. Congress has effectively overridden the fee prohibition and implemented permit fees through appropriations language for the last several years. The budget proposes to continue the permit fees through appropriations language in 2011. Upon elimination of the fee prohibition, BLM will promulgate regulations to establish fees for applications for permits to drill administratively, starting in 2012. In combination with normal discretionary appropriations, these fees will then replace the mandatory permit funds, which would also be repealed starting in 2012. Savings from terminating this mandatory funding are estimated at \$20.0 million in 2012 and \$84.0 million over five years.

Geothermal Energy Receipts – The Administration will submit legislation to repeal Section 224(b) of the Energy Policy Act of 2005. Prior to passage of this legislation, geothermal lease payments were split 50-50 between the Federal government and States, with 50 percent directed to States, 40 percent to the Reclamation Fund, and ten percent to the General Fund. The Energy Policy Act changed this distribution beginning in 2006 to direct 50 percent to States, 25 percent to counties, and 25 percent to the Geothermal Steam Act Implementation Fund. Authorization for the Geothermal Steam Act Implementation Fund expires in 2010, and Congress, through the 2010 Interior Appropriations Act, has already repealed the last year of funding for this program as well as the 2010 payments to counties. The repeal of Section 224(b) will permanently discontinue payments to counties and restore the disposition of the geothermal revenue to the historical formula of 50 percent to the States and 50 percent to the Treasury. This results in savings of \$8.0 million in 2011 and \$80.0 million over ten years.

Deep Gas and Deepwater Incentives – The budget proposes to repeal Section 344 of the Energy Policy Act of 2005. Section 344 extended existing deep gas incentives. This change will help ensure that Americans receive fair value for Federally-owned mineral resources. Based on current oil and gas price projections, the budget does not assume savings from these changes; however, the proposal could generate savings to the Treasury if future oil or gas prices end up being lower than currently projected.

Federal Land Transaction Facilitation Act – The Administration proposes to reauthorize FLTFA, eliminating the 2010 sunset date and allowing lands identified as suitable for disposal in recent land use plans to be sold using the FLTFA authority. The FLTFA sales revenues would continue to be used to fund the acquisition of environmentally sensitive lands and the administrative costs associated with conducting sales.

Federal Migratory Bird Hunting and Conservation Stamps – Federal Migratory Bird Hunting and Conservation Stamps, commonly known as Duck Stamps, were originally created in 1934 as the Federal license required for hunting migratory waterfowl. Today, ninety-eight percent of the receipts generated from the sale of these stamps at \$15.00 per stamp per year are used to acquire important migratory bird breeding areas, migration resting places, and wintering areas. The price of the Duck Stamp has not increased since 1991; however, the cost of land and water has increased significantly. The Administration proposes to increase these fees to \$25.00 per stamp per year, beginning in 2011. Increasing the cost of Duck Stamps will bring the estimate for the Migratory Bird Conservation Account to \$58.0 million. With the additional receipts, the Department anticipates acquisition of approximately 7,000 additional acres in fee and approximately 10,000 additional conservation easement acres in 2011. Total acres acquired for 2011 would then be approximately 28,000 acres in fee title and 47,000 acres in perpetual conservation easements. WORD

Compact of Free Association – The Office of Insular Affairs is currently engaged with the State Department, the Defense Department, and other agencies in a review of the Compact of Free Association with the Republic of Palau. Permanent and indefinite funding for the compact expires at the end of 2010. The 2011 budget seeks to authorize permanent funding for the Compact as it strengthens the foundations for economic development by

developing public infrastructure, and improving health care and education. It would also improve Palau's financial policies and procedures, upgrade the automated financial management system, and train staff. The Republic of Palau has a strong track record of supporting the U.S. and its location is strategically linked to Guam and U.S. operations in Kwajalein Atoll. The cost for this proposal for 2011-2020 is \$179.0 million.

OFFSETTING COLLECTIONS AND FEES

New Fee for Onshore Oil and Gas Inspections – Through appropriations language, the Administration proposes to implement an inspection fee in 2011 for onshore oil and gas drilling activities that are subject to inspection by BLM. The proposed inspection fee is expected to generate an estimated \$10.0 million in 2011, offsetting about 25 percent of the cost of onshore inspections. The fee would support Federal efforts to provide services that ensure production accountability, human safety, environmental protection and the conservation of energy.

Onshore Oil and Gas Drilling Permit Fee – The 2011 budget proposes to continue a fee for processing drilling permits through appropriations language, an approach taken by Congress in the 2009 and 2010 Appropriations Acts. A fee of \$6,500 per drilling permit was established in 2010, and if continued, would generate an estimated \$45.5 million in offsetting collections.

Fee Increase for Offshore Oil and Gas Inspections – Through appropriations language, the Administration proposes to increase the inspection fees in 2011 for offshore oil and gas drilling activities that are subject to inspection by MMS. The increased fees are expected to generate an estimated \$20.0 million in 2011, offsetting about half of the cost of inspections. These inspections ensure production accountability, human safety, environmental protection, and the conservation of energy.

DEPARTMENT OF THE INTERIOR FACTS

Land – Interior manages more than 500 million acres or about 20 percent of the land area of the United States and 700 million acres of subsurface minerals. The Interior Department is also responsible for 53 million acres of submerged land in four Pacific marine national monuments. The Department has jurisdiction over an additional 1.7 billion acres of the Outer Continental Shelf.

Parks, Refuges, Public Lands – Interior manages 392 units of the national park system, 551 national wildlife refuges, 70 fish hatcheries, as well as 21 national conservation areas and similarly designated areas, and 16 national monuments in BLM's National Landscape Conservation System.

People – Interior has about 70,000 employees located in approximately 2,400 locations across the United States, Puerto Rico, U.S. Territories, and Freely Associated States.

Volunteers – Interior benefits from approximately 242,000 volunteers who provide over 8.6 million hours of service, valued at over \$165 million per year.

Conservation – About 249,000 acres of high-priority abandoned coal mine sites have been reclaimed through the OSM's Abandoned Mine Lands program. The FWS acts to protect 1,900 endangered and threatened species; over 1,300 are in the United States.

Revenues – Revenues collected over the last eight years vary from \$26.0 billion to \$9.0 billion, including revenues from energy, minerals, grazing, timber, land sales, and other revenue producing activities. Interior's estimated revenue projections in 2011 are \$14.0 billion.

Water – The Department is the largest supplier and manager of water in the 17 western States. Reclamation manages 476 dams and 348 reservoirs that deliver irrigation water to 31 million people and one out of every five western farmers irrigating 10 million acres of farmland.

Energy – Interior manages lands, subsurface rights, and offshore areas that produce approximately 30 percent of the Nation's energy, including 22 percent of natural gas, 30 percent of oil, 42 percent of coal, 17 percent of hydropower, two percent of wind, and 50 percent of geothermal.

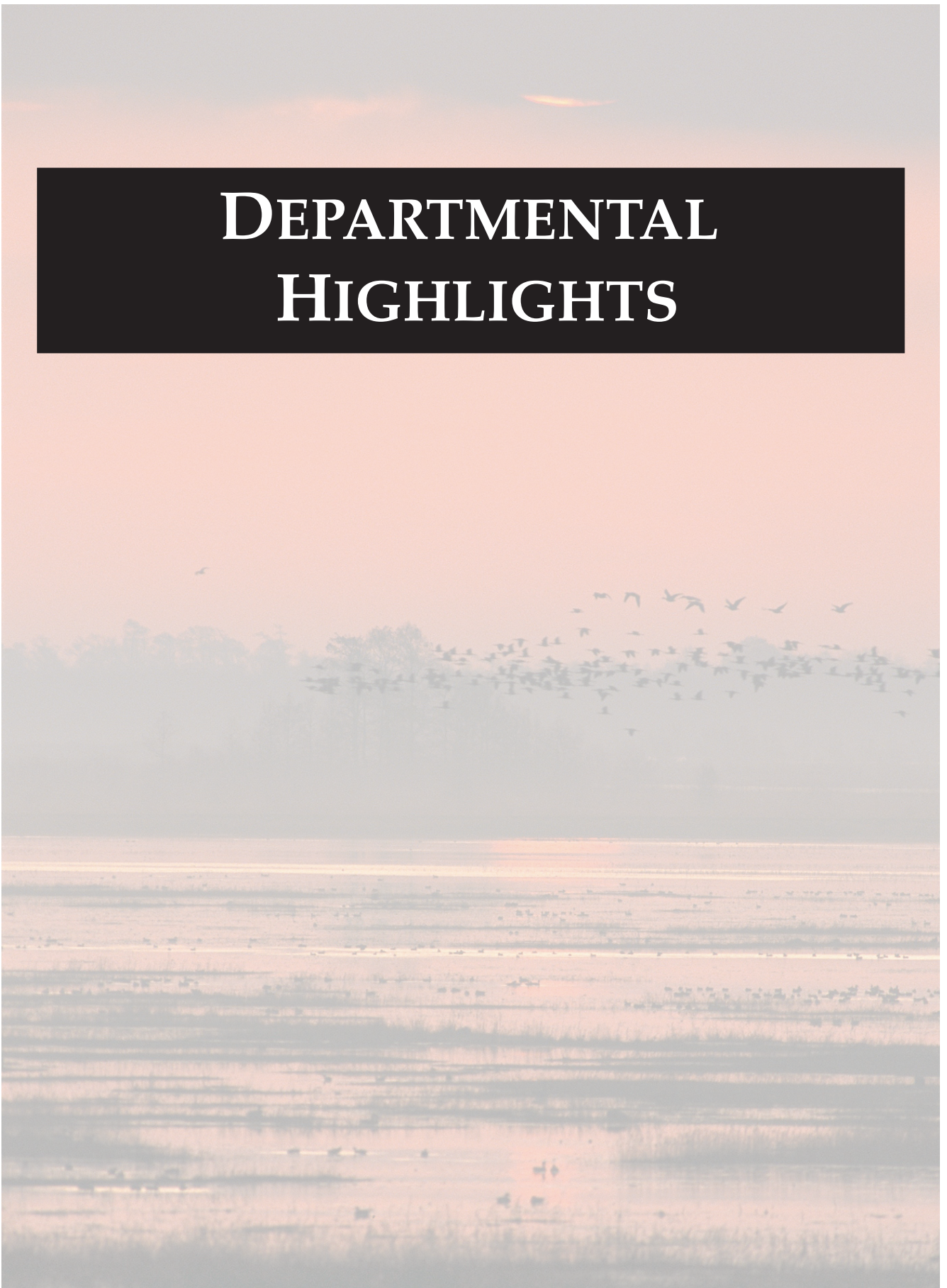
Visitation – Annually, more than 57.4 million visits are made to BLM public lands, over 286 million visits to national park units, 42.5 million visits to national wildlife refuges, two million visits to fish hatcheries, and 90 million visits to Reclamation recreation sites.

American Indians – Interior maintains relationships with 564 federally recognized Tribes in the lower 48 States and Alaska, and provides support to a service population of more than 1.7 million people. The BIE provides education services to approximately 42,000 students in 23 States attending 183 elementary and secondary schools and dormitories and supports 30 tribally controlled community colleges, universities, and post-secondary schools. There are 85 BIA funded correction centers and 191 BIA funded law enforcement programs.

American Indian Trust – The Department has responsibility for the Indian trust, which encompasses approximately 55 million surface acres and 57 million acres of subsurface mineral estates. On these lands, Interior manages over 100,000 leases for uses such as farming, grazing, and oil and gas production on behalf of individual Indians and Tribes. The Office of the Special Trustee manages over \$3.6 billion of funds held in over 2,700 trust accounts for more than 250 Indian Tribes, and over 380,000 open Individual Indian Monies accounts.

Science – Interior provides unbiased, multi-discipline science. Data is available to the public from over 7,600 streamgages and 900 earthquake sensors. Over one million satellite scenes have been downloaded from the Landsat archives since being made available at no cost. Over 61,000 publications dating back to 1882 are available through the publishing warehouse.

DEPARTMENTAL HIGHLIGHTS



New Energy Frontier

Collectively, the actions we have taken in the past 11 months are opening a new frontier for renewable energy production in America. We will have more clean power, more investment, and more jobs.

*Ken Salazar, Secretary of the Interior
December 10, 2009*



In 2009, Secretary Salazar began implementation of a comprehensive energy plan, making renewable energy a priority for the Department. Already, 1,000 square miles of public lands have been identified or set aside for potential development of solar energy and for siting of 5,000 miles of transmission lines. Four exploratory leases for wind energy production have been awarded on the Outer Continental Shelf. The Department of the Interior has partnered with States and other Federal agencies to expedite renewable energy projects on Interior-managed lands. These are important accomplishments that are moving the Nation to a clean energy economy and will create jobs and reduce the dependence on foreign oil.

In 2010 and 2011, Interior will continue to make progress toward a new energy frontier. The Department has a High-Priority Performance Goal:

Increase approved capacity for production of renewable (solar, wind, and geothermal) energy resources on Department of the Interior managed lands, while ensuring full environmental review, by at least 9,000 megawatts through 2011.

INTERIOR'S ENERGY PROGRAMS

The New Energy Frontier initiative invests \$73.3 million in renewable energy programs, an increase of \$14.2 million over 2010. The initiative funds programs in Bureau of Land Management, Minerals Management Service, U.S. Geological Survey, and Fish and Wildlife Service that will help Interior to achieve its performance goal. It also funds programs in the Bureau of Indian Affairs that will help facilitate renewable energy development on tribal lands. The

2011 budget continues to support the development of conventional energy, with \$460.2 million in BLM, MMS, and BIA, an increase of \$13.1 million over the 2010 enacted level. The increase includes the collection of an additional \$20.0 million in inspection fees in 2011.

Renewable Energy – Interior's vast land holdings and management jurisdiction are key to realizing the Secretary's renewable energy vision. Through responsible development of onshore and offshore resources, the Department is supporting this national priority to enhance domestic supplies of clean energy. Interior's leadership in science and its knowledge of the Nation's land and water-based resources facilitates this development. Most importantly, this is being accomplished while preserving land health and without compromising resource values.



On March 11, 2009 Secretary Salazar issued a Secretarial Order establishing a framework for the

Department's renewable energy program. Since that time, significant progress has been made in developing onshore and offshore renewable programs. The BLM established four Renewable Energy Coordination Offices and six coordination teams in western States to fast-track large scale projects. The MMS has awarded the first-ever exploratory lease for renewable wind energy production on the Outer Continental Shelf offshore New Jersey and Delaware. In 2011, MMS will focus on the specific needs of the Atlantic and Pacific regions by continuing efforts to establish an Atlantic Renewable Energy Office. This office will be responsible for evaluating permits for renewable energy activities in an effective, efficient, and consistent manner, working with the States, developers, and other stakeholders to address their requests and concerns.



Conventional Energy and Compliance—The Department is using a balanced approach as it considers future oil and gas exploration and production onshore and offshore. Recently announced BLM reforms will result in new oil and gas leasing policies that require more detailed environmental reviews, greater engagement with the public, and increased coordination of interdisciplinary teams. The result is expected to be better public participation and environmental documentation, which will reduce the number of protests filed and resolve potential protest issues prior to lease sales.

During the final days in office, the previous Administration proposed a new five-year plan for oil and gas leasing to supersede the current 2007-2012 plan. Secretary Salazar extended the public comment period, solicited public input

through regional meetings, and gathered available scientific information to support decisions. The Department continues to use this inclusive approach while making additional resources available for exploration and production. In 2010, BLM will hold 38 lease sales for oil and natural gas on public lands onshore. In addition, MMS will hold an oil and natural gas lease sale for the Central Gulf of Mexico offshore, which will offer nearly 36 million acres for lease, with the potential to produce up to 1.3 billion barrels of oil and 5.4 trillion cubic feet of natural gas over 40 years.

Royalty Payments—A complete energy policy requires attention to the accurate and timely collection and distribution of royalty payments. The Department is implementing a series of reforms designed to ensure American taxpayers receive a fair return on the development of public resources. Based on the findings of an internal review, Secretary Salazar announced his intent to phase out the Royalty-in-Kind program, which allowed producers to make royalty payments with specific volumes of oil and gas in lieu of cash royalty payments. In addition, Interior has reorganized revenue management programs within MMS, improved production accountability in BLM, and strengthened auditing and compliance operations within BIA.

NEW ENERGY FRONTIER			
(dollars in millions)			
Program/Bureau	2010	2011	Change
Renewable Energy			
BLM	16.8	19.8	+3.0
MMS	31.7	34.9	+3.2
USGS.....	3.6	6.6	+3.0
FWS.....	3.0	7.0	+4.0
BIA	<u>4.0</u>	<u>5.0</u>	<u>+1.0</u>
Subtotal	59.1	73.3	+14.2
Conventional Energy and Compliance			
BLM	135.8	134.2	-1.7
MMS	310.2	323.5	+13.3
BIA	<u>1.0</u>	<u>2.5</u>	<u>+1.5</u>
Subtotal	447.0	460.2	+13.1
TOTAL	506.2	533.5	+27.4

RENEWABLE ENERGY

Interior's New Energy Frontier will harness the renewable energy potential of America's public lands. The Department manages over 500 million surface acres of public land, 700 million acres of subsurface minerals, and 1.7 billion acres on the OCS. Many of these lands and offshore areas offer extensive, untapped opportunities for development of wind, wave, solar, geothermal, hydroelectric, and biomass-based energy. Wind energy potential exists on 20.6 million acres of public land; there is solar potential on 30 million acres; and geothermal potential on over 140 million acres. The Nation's forests and rangelands offer opportunities for expanded development of biomass-based energy sources. Significant solar, wind, and wave potential also exists offshore. The New Energy Frontier is developing renewable energy projects involving all of these renewable energy sources and transmission corridors are being identified to move this clean power to areas of high demand.

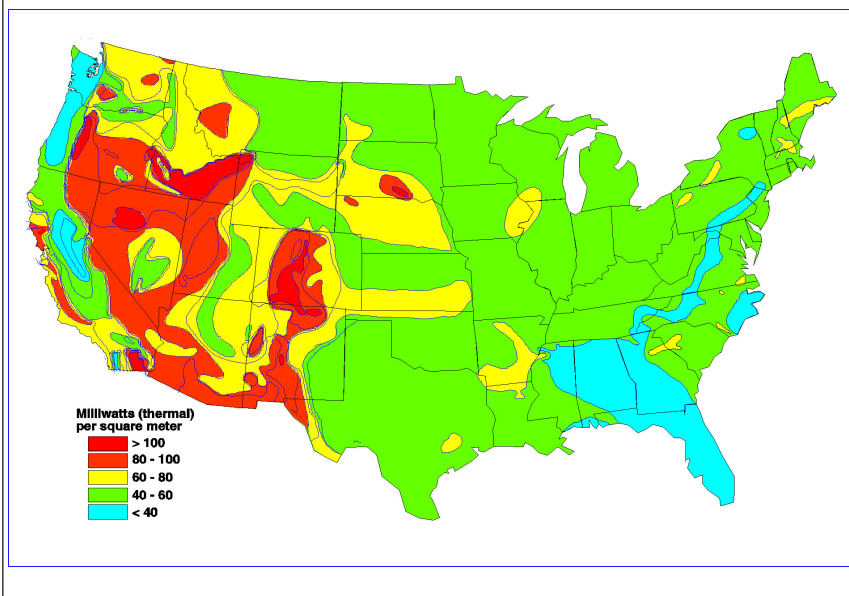
The budget includes an increase of \$14.2 million to support environmentally sound development of renewable energy sources on public lands and the OCS. The request will support evaluation of the impacts of renewable energy development on wildlife and habitat and assemble the expertise needed to assess energy resources and evaluate project proposals.

Bureau of Land Management – The BLM is responsible for managing public lands and regulating energy development through a program of permitting, inspection, and monitoring. The BLM's renewable energy priorities include solar, wind, and geothermal energy development.

Solar radiation levels in the Southwest are some of the best in the world, and the BLM manages 30 million acres of public lands with solar potential in the region. The BLM has received more than 220 applications for utility-scale solar energy projects in California, Nevada, Arizona, New Mexico, Colorado, and Utah. In 2009, the Department created Renewable Energy Coordination Offices in Arizona, California, Nevada, and Wyoming and six coordination teams in other western States, which are using funding from the American Recovery and Reinvestment Act to fast-track large scale renewable energy projects to create green jobs while protecting natural resources. The BLM allocated \$41.0 million in ARRA funding to facilitate 65 projects that will result in large-scale production of solar, wind, and geothermal energy, as well as the siting of transmission infrastructure on public lands to support renewable energy development.

Not all lands with energy potential are appropriate for development. The BLM reviews and approves permits and licenses from companies seeking to explore, develop, and produce renewable energy on Federal lands. The BLM is ensuring that proposed projects meet all applicable environmental laws and regulations. The 2011 budget for renewable energy includes an increase of \$3.0 million to focus on the environmental elements of renewable energy project proposals. The BLM will use the increased funding to prepare site-specific environmental impact studies of potential solar energy sites in Nevada and regional Environmental Impact Statements for potential wind energy zones in Nevada and Oregon. These studies will be completed in addition to those currently under development in Arizona, New Mexico, and California. These analyses will help BLM propose future renewable energy zones and avoid areas with potential conflict. They may also lead to identification of additional fast-track projects when new renewable energy zones are designated.

SOLAR ENERGY POTENTIAL



For more than a decade, wind energy has been the fastest growing energy technology worldwide, achieving an annual growth rate of over 30 percent. Nearly 330 megawatts of installed capacity is located on lands managed by BLM, who also manages more than 20 million acres of land with enough wind resources to generate electricity. The BLM has identified seven fast-track projects that will harness wind resources and generate clean electricity in four western States. Once complete, these projects will provide 1,200 megawatts of electricity. The BLM recently approved a wind energy development project in Utah with an additional capacity of 120 megawatts and 15 more projects with the potential to generate 3,000 megawatts are being processed. This is enough electricity to power nearly 800,000 homes every year.



The BLM also leases public lands, including National Forest lands, for geothermal energy development. The BLM presently manages 630 geothermal leases, with 58 leases in producing status, generating 1,300 megawatts of geothermal energy from public lands. This amounts to over one-third of the United States' current geothermal energy capacity.

Minerals Management Service – The Energy Policy Act of 2005 gave MMS a significant new mandate to implement a comprehensive renewable energy program on the OCS. The Act gave MMS the authority to grant leases, easements, or rights-of-way for activities on the OCS that produce or support production, transportation, or transmission of energy from sources other than oil and gas. In 2009, the Department issued the first renewable energy framework to guide OCS development. With the regulatory framework for renewable energy established, the Department is preparing to grant leases, easements, and rights-of-way for development activities.

In 2011, MMS anticipates a substantial increase in leasing activity on OCS sites for the commercial generation of renewable energy. Numerous States have cooperative efforts and Renewable Portfolio Standards in place to facilitate the development of wind, solar, and wave energy.

The 2011 budget includes a net increase of \$3.2 million for renewable energy activities in MMS. The budget funds region-specific planning needs in energy frontier areas to attain expert knowledge of local resources, consult and collaborate with local stakeholders, and develop substantial and expansive region-specific environmental analyses. The MMS will focus efforts on the Atlantic and Pacific regions based on the expressed interest of the States and renewable energy developers.

U.S. Geological Survey – The USGS fulfills a key role in determining the availability and the effects of renewable energy development. The USGS conducts targeted research to provide the basis for science-based policies and decisions.

In collaboration with BLM and MMS, USGS has already provided critical scientific information regarding domestic development of renewable and conventional energy sources. The USGS cooperated with MMS to assemble and characterize the available scientific information concerning the OCS, thereby allowing the Department to simultaneously evaluate available energy and natural resources. The budget request includes an increase of \$3.0 million for USGS to analyze and document the effects of renewable energy development on wildlife populations. The USGS will focus efforts on areas with the strongest wind resources, including the Great Plains and offshore locations.

Fish and Wildlife Service – The 2011 request includes an increase of \$4.0 million to expand the ability of FWS to fulfill endangered species consultation requirements for renewable energy projects. This includes \$2.0 million for the Endangered Species Consultation program to conduct environmental reviews and thereby facilitate development of renewable energy projects; and \$2.0 million for the Conservation Planning Assistance program to enable FWS to cooperate with Federal, State, and local governments, and the renewable energy industry to ensure that priority landscape-level planning efforts include consideration of the impacts on wildlife and habitat. Proactive consultation and cooperation will limit lengthy delays as project planning nears completion and limit legal challenges that



would hinder the development of clean renewable energy sources.

Bureau of Indian Affairs – The BIA can play a significant role in achieving the Administration’s goal to significantly increase U.S. renewable energy production by helping to facilitate development of more than 50 ongoing projects on tribal lands that include solar, wind, biomass, geothermal, and hydropower projects. These projects have been well received in Indian Country because Tribes are seeking ways to develop their communities using sustainable practices that include the use of renewable energy and achievement of energy efficiencies.

The New Energy Frontier initiative includes an increase of \$1.0 million to provide grants directly to Tribes to evaluate and develop renewable energy resources on tribal trust land. This funding will support 12 tribal technical assistance projects to develop renewable energy resources, creating business opportunities and jobs while increasing renewable energy supplies for local and national use. Revenue resulting from renewable energy generation will improve tribal government management and advance self-governance and self-determination.

CONVENTIONAL ENERGY AND COMPLIANCE

The Department’s conventional energy programs are an important component of the Nation’s energy portfolio, supporting both economic and national security goals. Roughly one-third of the energy produced in the United States each year comes from Federal lands and waters managed by Interior.

Secretary Salazar recently announced onshore oil and gas reforms to improve certainty, reduce

conflicts, and restore balance on public lands between conventional energy development and environmental protection. The BLM will implement a program of more robust environmental reviews, greater public input, and multi-disciplinary input in order to reduce the number of formal protests.

Secretary Salazar also ordered a comprehensive review of the royalty rates from energy development on Federal lands to ensure that American taxpayers receive a fair return on the development of these resources. In 2011, Interior will initiate rulemaking to adjust onshore royalty rates. Currently, the onshore rate is 12.5 percent, as compared to an offshore rate of 18.75 percent. Adjusting the onshore rate will partially address the findings from a 2008 Government Accountability Office report, which suggests that taxpayers could be getting a better return from Federal oil and gas resources.

Production on the OCS is expected to increase as new deepwater production comes on-line with recent discoveries in the deep and ultra-deep waters of the Gulf of Mexico. The MMS also manages the revenue generated from the sale of mineral revenues, which reached nearly \$11 billion in 2009. This revenue is distributed and disbursed to 38 States, 41 Indian Tribes, some 30,000 American Indian mineral royalty owners, and to various U.S. Treasury accounts.

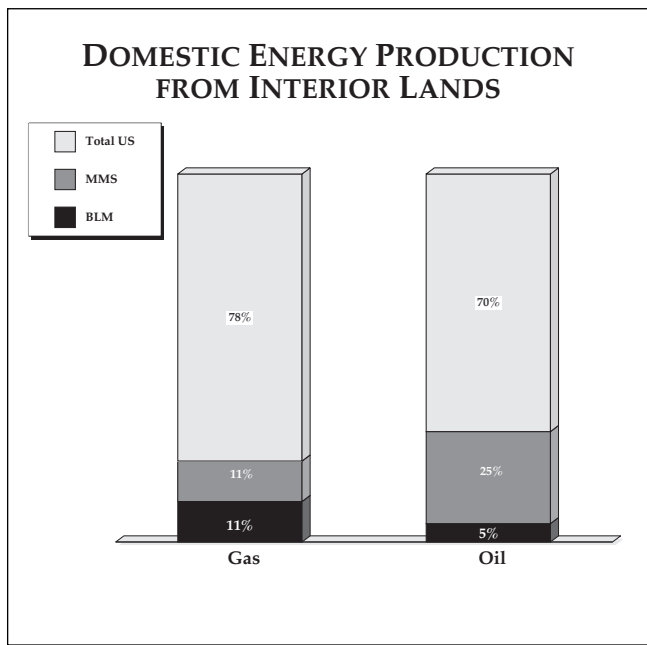
The MMS improved its revenue management operations in 2009 with a reorganization of the Minerals Revenue Management program. The new organizational structure will enhance managerial oversight and provide clear reporting responsibilities, consolidate all oil and gas production reporting and accountability functions under one organization, and improve the timeliness and accuracy of oil and gas production reports.

The 2011 budget includes a modified version of the 2010 budget proposal for a \$4 per acre per year fee on new non-producing oil and gas leases in the Gulf of Mexico. This fee would provide a financial incentive for oil and gas companies to either get leases into production or relinquish them so that tracts can be re-leased and developed by new parties. This proposal would also be expanded to apply the fee to all new Federal oil and gas leases, both onshore and offshore.

Bureau of Land Management – The 2011 budget maintains the BLM oil and gas program capacity at the 2010 level with total funding from discretionary and mandatory sources of approximately \$134.2

million. A reduction of \$3.0 million is proposed to reflect the completion of an energy study required by the Energy Act of 2000. In 2011, BLM will begin to charge for a portion of the inspection costs for the oil and gas program, allowing for a reduction of \$10.0 million in discretionary appropriations. The fee would defray Federal costs and ensure continued diligent oversight of oil and gas production on Federal lands. Fee levels would be based on the number of oil and gas wells per facility so that costs are shared equitably across the industry. According to BLM data, the bureau currently spends about \$40 million on compliance inspections, so the fee would cover about 25 percent of BLM inspection costs.

The BLM's program will ensure responsible development of mineral resources on public lands, using sound information to manage energy resources. The initiative includes an increase of \$2.0 million to improve air quality monitoring capabilities. The BLM will use this funding to acquire additional ozone-measuring instruments, contribute to a multi-agency air quality data warehouse, and expand its technical expertise. These tools and capabilities will assure the clean development of conventional energy resources on BLM lands.



Funding of approximately \$21.0 million continues to be available for the oil and gas program from the Permit Processing Improvement Fund in 2011. The budget proposes to repeal Section 365 of the Energy Act of 2005 in 2012 and redirect the rental income to the Treasury. The budget continues charging fees

for processing Applications for Permits to Drill, generating \$45.5 million in 2011.

Minerals Management Service – The 2011 budget includes an increase of \$4.4 million for the MMS' 2007-2012 five-year oil and gas leasing program, which will continue programs that supply 11 percent of natural gas and 25 percent of the Nation's oil. The requested increase will allow MMS to ensure fair value is received for offshore energy resources and that the increasing number of deepwater production facilities receive mandated inspections. This increase is offset by redirecting \$2.0 million from lower priority environmental studies and \$900,000 from the elimination of a Congressional earmark. The MMS anticipates a decline in offsetting rental receipts. Declines in rental receipts result primarily from fluctuations in the leasing process and the time required to begin production. The MMS uses carryover funding to minimize the year-to-year operational impacts from these fluctuations.

The 2010 appropriation established an inspection fee on above-water OCS oil and gas facilities subject to inspection, except mobile offshore drilling units. A total of \$10.0 million will be collected in 2010. In 2011, the budget proposes to increase the inspection fees total to \$20.0 million.

Responsible development of domestic energy supplies includes compliance and auditing activities to ensure revenue estimation and collection from public resources in compliance with laws, regulations, and lease terms. The 2011 MMS budget includes a net increase of \$13.1 million for audit and compliance activities, including increases to implement a series of improvements in validation, revenue collection, and oversight of energy revenue management. An increase of \$1.7 million will be used to integrate isolated revenue management systems to support compliance planning, analysis, tracking, and data management. The MMS will use \$2.0 million to ensure proper royalties are paid on transported and processed natural gas. Assuring proper royalties are paid can be complicated because the gas can originate from more than 100 index points and travel through more than 500 pipeline systems and 200 processing plants before reaching its destination. These two increases actively address long-standing recommendations from the GAO and the Office of Inspector General.

In September 2009, Secretary Salazar announced that MMS would begin an orderly termination of its Royalty-in-Kind program, which accepted oil and

natural gas from producers in lieu of cash royalty payments. Through an orderly transition over time, the Royalty-in-Kind program will be converted to a more transparent royalty collection system to increase the accuracy of the revenue management operations and ensure proper royalties are paid. The New Energy Frontier initiative includes an increase of \$10.0 million to support this increased audit effort.

Bureau of Indian Affairs – Indian Affairs works closely with Tribes to assist them with the exploration and development of 1.8 million acres with active and potential energy resources. The budget contains a \$1.5 million increase for conventional energy leasing activities on the Fort Berthold Reservation, which sits atop the Bakken Basin, one of the most prolific oil and gas producing areas in the United States. The BIA will also cooperate with BLM, MMS, and the Office of the Special Trustee for American Indians to create a virtual one-stop shop to increase coordination and expedite conventional energy development on the Fort Berthold Reservation in North Dakota.



Climate Change Adaptation



Climate change is affecting every corner of the American continent. It's making droughts drier and longer, floods more dangerous, and hurricanes more severe.

*Ken Salazar, Secretary of the Interior
December 10, 2009*

Climate change is affecting every corner of the American continent. Shifting precipitation patterns are occurring up and down the seven-State Colorado River basin. The glaciers in Montana's Glacier National Park are melting and are expected to disappear in the next two decades. The world's first wildlife refuge—Florida's Pelican Island, which President Theodore Roosevelt set aside in 1903—is being consumed by rising seas.

Land and resource managers are confronting longer and hotter fire seasons, new incursions of invasive species, the early impacts of sea level rise, and changes in wildlife migration habits and species interactions. Water managers are experiencing new precipitation patterns, diminished snow packs, and more extreme wet and dry periods. Scientists are observing droughts that are drier and longer, floods that are more dangerous, and hurricanes that are more severe. Scientific evidence indicates that many of these transformations are likely to be due to, or enhanced by, climate change.

These are the symptoms of a large-scale problem that requires a comprehensive approach that integrates the talents of government at all levels, the private sector, and others. The United Nations Climate Change Conference held in Copenhagen in December 2009 reinforced the imperative to work collaboratively on a global scale to address the causes and solutions to climate change.

Carbon pollution is putting our world – and our way of life – in peril. The places we love... the resources on which we rely... the peoples of the world who are most vulnerable... are all at risk if we do not act.

*Secretary Ken Salazar
December 10, 2009*

A CLIMATE CHANGE ADAPTATION HIGH-PRIORITY PERFORMANCE GOAL

The Department of the Interior's Climate Change Adaptation initiative is an effort to gain effective and broad collaboration to determine the causes, formulate solutions, and implement changes to reduce or reverse climate impacts to lands, waters, natural and cultural resources. This initiative reflects Interior's leadership as the primary land and wildlife manager for the Nation. The Department's resource managers will make science-based climate change adaptation and mitigation decisions using data and other resources provided by Interior bureaus and other governmental and non-governmental partners. Working at the national, regional, and landscape scales, the initiative integrates science,



adaptation, and mitigation expertise with the expertise of partners and makes this information and best management practices available for application on both public and private lands across the United States and internationally.

The Department’s High-Priority Performance Goal for this initiative is:

By 2012, the Department will identify the areas and species ranges in the US that are most vulnerable to climate change, and begin implementing comprehensive climate change adaptation strategies in these areas.

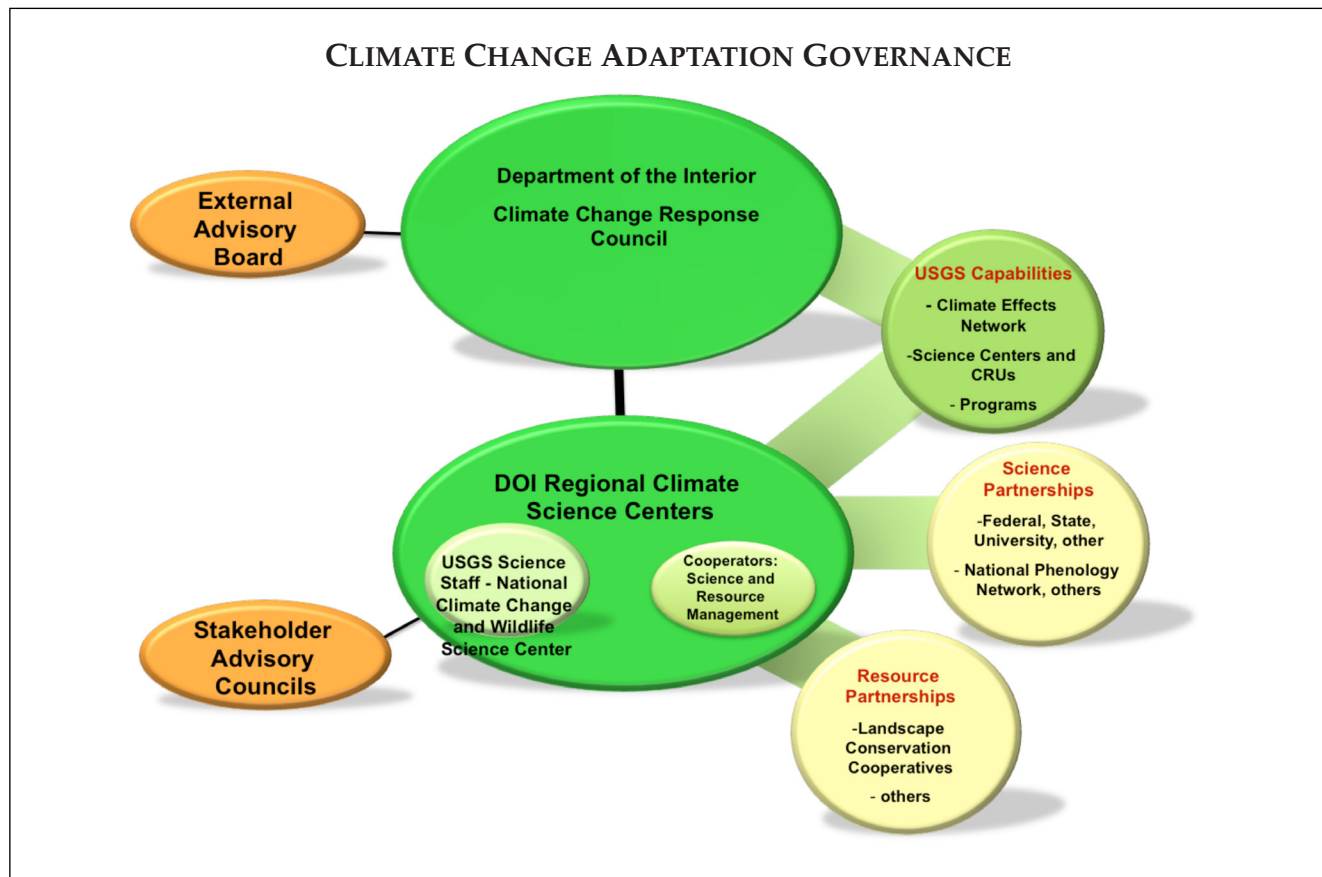
This initiative provides several new approaches that will provide significant resources for Interior land, fish, wildlife, water, marine, tribal, and cultural heritage managers, and leverage the resources of Federal, State, local, tribal, nongovernmental organizations, and private landowner partners.

Climate Change Impact Science – Interior’s Climate Science Centers and Landscape Conservation Cooperatives will conduct and communicate research and monitoring to improve the understanding and forecasting of which elements of Interior-managed land, water, marine, fish and wildlife, and cultural

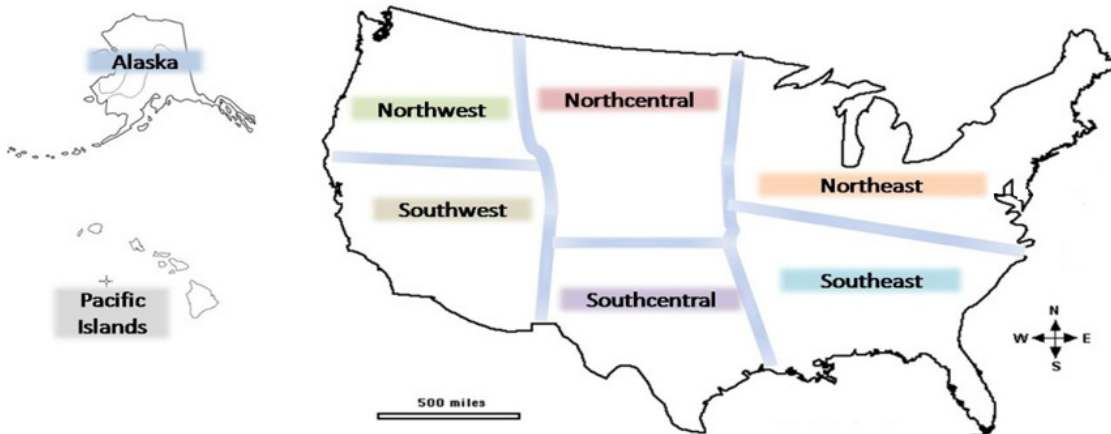
heritage resources are most vulnerable to climate change impacts and how to make them more resilient in the face of those impacts. The CSCs will provide basic climate change science associated with broad regions of the country and LCCs will focus more on applied science at the landscape-level. Both CSCs and LCCs will be involved in integrating and disseminating data and helping resource managers develop adaptation strategies.

Data Integration and Dissemination – The Interior Department will improve the Nation’s scientific database integration and management and the ability for both natural and cultural resource managers to access and apply climate change impact data. The Department will improve the availability and dissemination of climate change impact data with analytical information and decision-support tools to scientists, resource managers, decisionmakers, and the general public through www.data.gov and other appropriate mechanisms.

Enabling Science-Based Adaptation Strategies – Interior will provide scientific and technical capacities to cultural and natural resource managers to help them design and implement adaptive management strategies in the face of a changing climate.



DOI Climate Science Centers



These new approaches form the foundational elements for Climate Science Centers that Interior is establishing on a regional basis around the country and for Landscape Conservation Cooperatives. In these geographically-based cooperatives, Interior bureaus will work with other agencies and outside partners to expand the understanding of the impacts that climate change is having on natural and cultural resources and will facilitate appropriate and coordinated responsive actions.

This initiative will enable each of the bureaus to better meet their individual missions while, at the same time, taking advantage of synergies with other Interior bureaus as well as governmental and non-governmental partners to implement integrated climate change science, adaptation, and mitigation strategies across broad landscapes.

CLIMATE CHANGE ACTIONS UNDERWAY

Secretary Salazar set the framework for Interior's climate change program with issuance of Secretarial Order No. 3289 on September 14, 2009. The Department's implementation of a \$90.5 million program expansion that was funded in the 2010 Interior, Environment and Related Agencies Appropriations Act is based on this framework. The Department is also integrating its actions as closely as possible with other Federal agencies and is

participating actively in the interagency process on adaptation policy led by the Council on Environmental Quality.

Climate Change Response Council – Leadership for this initiative is provided by Interior's Climate Change Response Council. The Council is chaired by the Secretary and is directing the execution of a coordinated Department-wide strategy to increase scientific understanding and the development and implementation of natural and cultural resource adaptive management strategies. The Council is composed of senior leaders throughout the Department's bureaus and offices.

Climate Science Centers – The strategy includes the establishment of eight regional Climate Science Centers, serving the Alaska, Pacific Islands, Northwest, Southwest, Northcentral, Southcentral, Northeast, and Southeast regions. These centers will synthesize existing climate change impact data and management strategies, help resource managers put them into action on the ground, and engage the public through education initiatives. The centers will maximize collaboration with academia, other Federal agencies, and partners and will prioritize their work based on the needs of the land managers.

In 2010, centers will be established in three locations: Alaska, the Northwest, and the Southeast. The 2011 budget includes an increase of \$8.0 million for the U.S. Geological Survey to establish two additional



centers, which will be located in the Southwest and Northcentral regions. As there are multiple universities with the potential to be hosts, locations will be determined through a competitive process that involves program announcements to solicit proposals from potential hosts. In setting up the Alaska Center, no competition was conducted, as there is only one dominant university or institution that has the necessary scientific and technical capabilities to host the CSC.

The Bureau of Land Management, Fish and Wildlife Service, National Park Service, Bureau of Reclamation, and Bureau of Indian Affairs have committed funding and staff support beginning in 2011 to the centers in order to encourage collaborative sharing of research results and data and to provide a direct link with the on-the-ground work taking place in the Landscape Conservation Cooperatives. These partners and others will leverage resources available for climate change science, and the National Advisory Board and Regional Advisory Councils will ensure that partners play a significant role in shaping center priorities, directions, and activities.

Landscape Conservation Cooperatives – The network of Landscape Conservation Cooperatives will engage other Federal agencies, local and State partners,

and the public in crafting practical, landscape-level strategies for managing climate change impacts in coordination with the eight regional CSCs. The cooperatives’ focus is on impacts such as wildlife migration patterns, wildfire risk, drought, or invasive species that typically extend beyond the borders of any single national wildlife refuge, BLM unit, or national park, but not encompassing an area as large as an entire region.

All of Interior’s land management agencies will be investing in the development of an integrated network of LCCs, with FWS taking the lead in standing up nine LCCs in 2010 including an LCC that will be formed from the Lower Mississippi Joint Venture, and with the Bureau of Reclamation, BLM and the BIA initiating the formation of additional LCCs in 2010. In order to maximize the leverage of the LCCs, all bureaus will be working closely with the bureau that is leading the investment, so that the LCCs can help address the mission needs of all Interior bureaus. The USGS will place scientists at LCCs to integrate science and adaptive management and ensure coordination with regional Climate Science Centers.

The LCCs will facilitate coordination among land and resource managers within the region that is

The National Climate Change and Wildlife Science Center provides a nexus for the DOI Climate Science Centers. The NCCWSC will focus on providing habitat and population modeling and forecasting information and tools, integrating physical climate models with ecological models, assessing vulnerabilities and forecasting changes, and developing standardized approaches. The NCCWSC capacity for wildlife-oriented science will be leveraged with the other Federal scientists from BLM, FWS, NPS, BOR, and BIA, other disciplines in USGS; other Federal agencies; State and local agencies; and academia.

defined by the LCC boundary. The LCCs are not limited by hard boundaries but will serve as catalysts for the identification and prioritization of key climate impact issues, modeling needs, and data needs.

With resident staff and through connections with partners, LCCs will develop, test, implement, and monitor conservation strategies that will be responsive to the dynamic landscape changes resulting from climate change. The LCCs will facilitate broad availability of data, modeling, and tools to land managers that will allow them to effectively predict habitat and species changes and to implement conservation actions to address impacts. This same approach will facilitate improved management of water resources, historical and cultural resources, and resources that are needed by Indian Tribes and Alaska Natives.

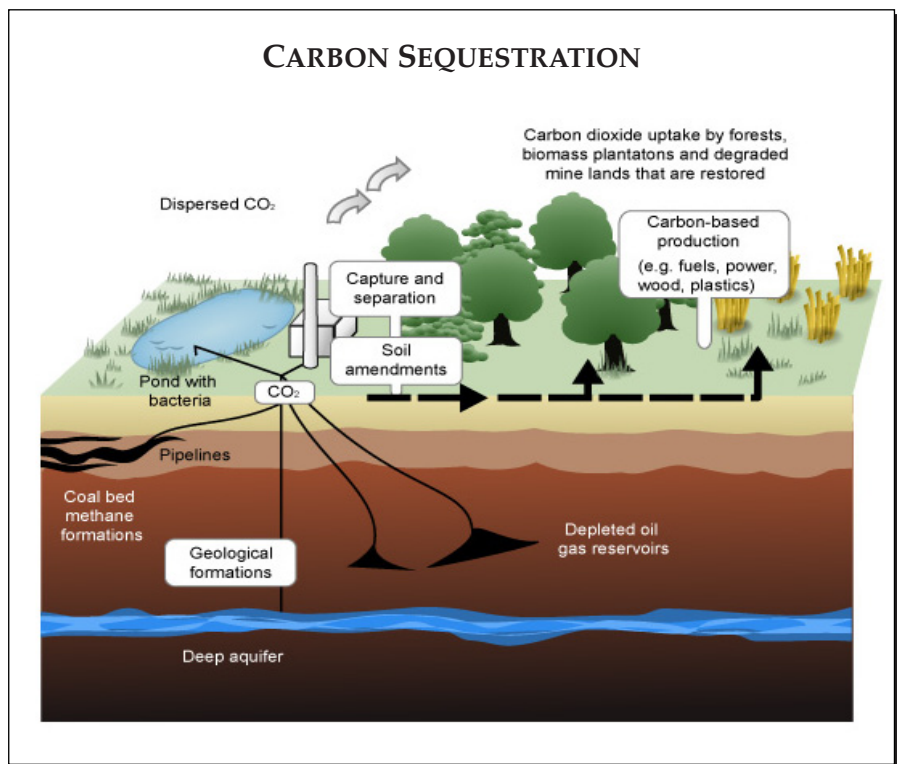
Global Change Effects Network – The Climate Change Council is developing a strategy to put in place a unified climate change monitoring network. Currently, Interior bureaus collect valuable data from numerous monitoring networks; however, the information cannot easily be integrated and shared. In addition, the protocols for collection, storage, and analysis

are not consistent. The Department’s integrated strategy for the collection, management, and use of monitoring information – the Global Change Effects Network – will unify monitoring approaches and make information more relevant and readily available for sharing.

Through this effort, environmental indicators linked to climate change causes and effects will be tracked and can be used to improve understanding of the changes and the efficacy of the responses. Science applications and related data from this effort will support the development of scenario and forecast-based decision-support tools.

Carbon Sequestration – Interior’s carbon storage project is developing methodologies for assessing the geological and biological carbon sequestration potential of various U.S. resources. With USGS leadership, the project will provide information about the potential for carbon storage in geologic formations and in plants and soils.

There are challenges to understanding the Nation’s potential for carbon sequestration, both geological and biological. Biological carbon sequestration removes carbon dioxide, or CO₂, from the atmosphere for storage in vegetation, soils, and sediments. Deliberate biological sequestration can be accomplished through forest and soil conservation practices including restoring and



establishing forests, wetlands, and grasslands. There are challenges to long-term biological storage, but increased biological sequestration of carbon in the coming decades, as the Nation and world transition to a clean energy economy, potentially could play a key role in reducing the rate of greenhouse gas increases in the meantime. Interior's extensive land and resource management experience provides a practical context for assessment of rates and capacity for carbon storage in ecosystems. Early scientific analysis completed by the USGS already is demonstrating the importance of biological sequestration as part of the carbon cycle.



The Energy Independence and Security Act of 2007 called for a comprehensive assessment of geological and biological carbon sequestration as the basis for evaluation of the full range of sequestration options. The USGS Energy Resources program has developed a methodology to assess the potential for carbon sequestration in oil and gas reservoirs and saline formations.

THE CLIMATE CHANGE BUDGET

The 2011 budget request includes \$171.3 million for the Climate Change Adaptation initiative, an increase of \$35.4 million over 2010. The budget includes continued investments in the USGS National Climate Change and Wildlife Science Center, which will serve as the nexus for eight Climate Science Centers; expansion of monitoring in USGS and FWS that will be integrated, standardized, and accessible; expansion of the USGS carbon sequestration project; expanded FWS science and planning capacity, which will support additional

LCCs; and BLM and FWS adaptive management activities. Beginning with the 2011 budget, the Bureau of Reclamation budget includes dedicated climate change funding including basin studies and scientific support; and the Bureau of Indian Affairs will participate in a LCC.

CLIMATE CHANGE ADAPTATION INITIATIVE BY BUREAU

Bureau of Land Management – The BLM 2011 budget request for the Climate Change Adaptation initiative is \$17.5 million, an increase of \$2.5 million over the 2010 enacted level. The requested funding will be used to conduct assessments, create adaptive strategies, and initiate restoration projects. As a result of drought, global climate change, altered fire regimes, invasive plant and animal species, and changes in land use associated with energy development and urban growth, BLM lands are experiencing a period of unprecedented environmental change. The BLM will participate in LCCs and develop climate change adaptation strategies based on assessments of conditions, develop strategies to reduce vulnerability caused by climate change impacts, and implement conservation and restoration actions on the ground.

Bureau of Reclamation – The 2011 budget request for the Climate Change Adaptation initiative is \$7.0 million, an increase of \$3.5 million over the 2010 enacted level. Reclamation will assess climate change impacts and water shortages through its Basin Study program. The program will evaluate basin-wide water supply and demand; conduct West-wide risk assessments; collect baseline climate change information; and provide leadership for two LCCs in the Colorado River Basin to develop climate change adaptation strategies through local cooperative partnerships.

CLIMATE CHANGE ADAPTATION INITIATIVE (dollars in millions)			
<u>Bureau</u>	<u>2010</u>	<u>2011</u>	<u>Change</u>
BLM.....	15.0	17.5	+2.5
Reclamation	3.5	7.0	+3.5
USGS	67.5	77.9	+10.4
FWS	40.0	58.8	+18.8
NPS.....	10.0	10.0	+0.0
BIA.....	<u>0.0</u>	<u>0.2</u>	<u>+0.2</u>
TOTAL	136.0	171.3	+35.4

U.S. Geological Survey – The USGS 2011 budget request for the Climate Change Adaptation initiative is \$77.9 million, a net increase of \$10.4 million over the 2010 enacted level. This includes \$8.0 million to support the National Climate Change and Wildlife Science Center, and \$2.0 million for the Biological Carbon Sequestration program. An increase of \$1.0 million for science applications and decision support will be used to develop decision-support tools and strategies for resource managers and policy makers.

Fish and Wildlife Service – The FWS 2011 budget request for the Climate Change Adaptation initiative is \$58.8 million, an increase of \$18.8 million over the 2010 request. Included are increases for climate change planning, science capacity, Partners for Fish and Wildlife, and the national wildlife refuge system.



An increase of \$3.8 million for the climate change planning and science capacity will enable FWS to establish three new LCCs; this includes \$750,000 that will be allocated for Gulf Coast Conservation activities. An increase of \$5.0 million for Climate Change Science Capacity will be allocated to the Gulf Coast for mission-critical scientific information and science support needed for landscape-scale conservation. Because the highest priority science needs relate to biological assessments and conservation design, work will focus mostly on the species and habitats that are most vulnerable to climate change or which represent broad species' vulnerabilities to climate change.

Important fish, wildlife, and plant habitats that are affected by climate change are often located on private land. The 2011 budget includes a \$2.0 million increase for the Partners for Fish and Wildlife program. The FWS will provide financial and technical assistance to landowners who voluntarily cooperate. Federal project funds will be leveraged

and habitats adjacent to or near refuges will be improved. Emphasis will be placed on strategic areas that focus on species that FWS considers most vulnerable to climate change, and that implement cost-effective measures to restore, enhance, and manage fish, wildlife, and plants and their habitats.

An increase of \$8.0 million is requested for the national wildlife refuge system to continue building its landscape-scale, long-term inventory and monitoring program. A primary emphasis will be on building a data architecture that can store and serve the necessary large datasets. The FWS will coordinate its efforts to tie this data architecture to the Department-wide Global Change Effects Network and will work with other bureaus to develop a unified monitoring and data collection protocol.

The number of inventories of fish, wildlife, plants, and their habitats on refuges will be expanded. The FWS has identified 100 new inventories that need to be completed, including biodiversity, vegetative communities, and the abiotic features that support fish and wildlife populations. Detecting climate-driven changes in these resources is important to help focus the FWS response to climate change at multiple landscape scales. Species at risk occur across a broad range of terrestrial, coastal, marine, and arctic ecosystems, and these inventories are necessary to focus adaptation efforts on those species most in need. The inventories will include cross program work with migratory birds, endangered species, fisheries, and habitat conservation.



National Park Service – While no new funding is requested in the 2011 budget for NPS climate change activities, \$10.0 million is programmed in base

funds for work on projects begun in 2010. The NPS will assess the vulnerability of natural and cultural resources to the effects of climate changes at 150 park units and develop mitigation and adaptation strategies to mitigate these effects as needed. The NPS will work through the CSCs and LCCs to develop and implement these plans at the regional and park level.

Bureau of Indian Affairs – The budget includes \$200,000 to support the Northwest LCC. The BIA will seek tribal input and perspective from Tribes in traditional ecological knowledge. Both Indian Affairs staff and local tribal members will be involved with the LCC to develop strategies to address adaptation.

WaterSMART



With dwindling water supplies, lengthening droughts, and rising demand for water in many areas of the country, a sustainable water strategy for America's water resources is one of my highest priorities. We must ensure stable, secure water supplies for future generations.

*Ken Salazar, Secretary of the Interior
February 1, 2010*

WATERSMART SUSTAIN AND MANAGE AMERICA'S RESOURCES FOR TOMORROW

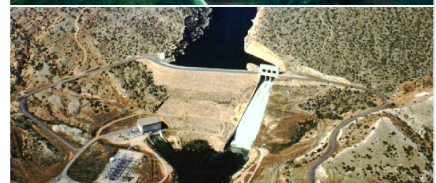
The Nation faces an increasing set of water resource challenges. Aging infrastructure, rapid population growth, depletion of groundwater resources, impaired water quality associated with particular land uses and land covers, water needed for human and environmental uses, and climate variability and change all play a role in determining the amount of fresh water available at any given place

and time. Water shortage and water-use conflicts have become more commonplace in many areas of the United States, even in normal water years. As competition for water resources grows – for irrigation of crops, growing cities and communities, energy production, and the environment – the need for information and tools to aid water resource managers also grows. Water issues and challenges are increasing across the Nation but particularly in the West and Southeast due to prolonged drought. These water issues are exacerbating the challenges facing traditional water management approaches,

WATERSMART (dollars in millions)

<u>Bureau/Program</u>	<u>2010</u>	<u>2011</u>	<u>Change</u>
Bureau of Reclamation			
WaterSMART Grants*	18.0	27.0	+9.0
Basin Studies	3.0	6.0	+3.0
Title XVI Projects	<u>13.6</u>	<u>29.0</u>	<u>+15.4</u>
Subtotal, Reclamation.....	34.6	62.0	+27.4
U.S. Geological Survey			
WaterSMART Availability/Use Assessments			
Geographic Analysis/Monitoring ..	0.0	0.5	+0.5
Nat'l. Coop. Geologic Mapping	0.0	0.5	+0.5
Ground Water Resources.....	1.6	2.7	+1.1
Hydrologic Networks/ Analysis	0.4	6.8	+6.4
Biologic Research/Monitoring	<u>0.0</u>	<u>0.5</u>	<u>+0.5</u>
Subtotal, USGS	1.9	10.9	+9.0
Total	<u>36.5</u>	<u>72.9</u>	<u>+36.4</u>

*Formerly known as Challenge Grants.



which by themselves no longer meet today's needs. The Department's WaterSMART program is working to achieve a sustainable water strategy to meet the Nation's water needs.

The 2011 budget includes \$72.9 million for the WaterSMART program, which is a total increase of \$36.4 million over the 2010 enacted, including \$27.4 million for the Bureau of Reclamation and \$9.0 million for the U.S. Geological Survey.

Bureau of Reclamation – Reclamation is the largest supplier and manager of water in the 17 western States. It maintains 476 dams and 348 reservoirs with the capacity to store 245 million acre-feet of water. These facilities deliver water to one in every five western farmers for about ten million acres of irrigated land and provide water to over 31 million people for municipal, rural, and industrial uses. Reclamation is also the Nation's second largest producer of hydroelectric power, generating 40 billion kilowatt hours of energy each year from 58 power plants. In addition, Reclamation's facilities provide substantial flood control, as well as many recreation and fish and wildlife benefits. The bureau has an important role to play in providing leadership and assistance to States, Tribes, and local communities to address these competing demands for water.

The 2011 Reclamation budget includes \$62.0 million for water sustainability efforts through WaterSMART grants, basin studies, and water reclamation and reuse programs. Within this total is \$27.0 million, an increase of \$9.0 million, for competitive cost-share grants that will fund the following types of on-the-ground water conservation projects:

- Water marketing projects with willing sellers and buyers, including water banks that transfer water to other uses to meet critical needs for water supplies.
- Water efficiency and conservation projects that allow users to decrease diversions and use or transfer the water saved.
- Projects that improve water management by increasing operational flexibility such as constructing aquifer recharge facilities or making system optimization and management improvements.

- Pilot and demonstration projects that showcase the technical and economic viability of treating and using brackish groundwater, seawater, or impaired waters within a specific locale.

With the funding requested in 2011, Reclamation will be able to fund at least 60 new water conservation projects that will be completed within two years from the date of funding to encourage near-term impacts on water savings. Reclamation believes that water conservation, use of water markets, and improved efficiency are crucial elements of any plan to address western water issues. With leveraged water sustainability grants, an important step will be taken towards increasing conservation for a more efficient use of water in the West.

All grant proposals will be evaluated using established criteria giving priority to projects that save the most water, facilitate transfers to new uses, address endangered species and other environmental issues, improve energy efficiency, conserve Reclamation project water, and exceed the minimum 50 percent non-Federal cost-share requirement.

This request also increases the Reclamation Basin Study program by \$3.0 million, for a total \$6.0 million, to partner with State and local entities to initiate comprehensive water supply and demand studies in the West. Such efforts are critical in dealing with the impacts of climate change coupled with record droughts and population increases. Each study will include four key components:



- State-of-the-art projections of future supply and demand by river basin.
- An analysis of how the basin's existing water and power operations and infrastructure will perform in the face of changing water realities.
- Development of options to improve operations and infrastructure to supply adequate water in the future.
- Recommendations on how to optimize operations and infrastructure in a basin to supply adequate water in the future.

The WaterSMART program is directly aligned with Reclamation's High-Priority Performance Goal.

Enable capability to increase available water supply for agricultural, municipal, industrial, and environmental uses in the western United States by 350,000 acre-feet (estimated amount) by 2012 through the bureau's conservation-related programs, such as water reuse and recycling (Title XVI) and WaterSMART Grants.

EXAMPLES OF TITLE XVI PROJECTS IN CALIFORNIA

The City of Long Beach Recycled Water System Expansion project will expand an existing distribution system that allows the use of recycled water throughout the City. The expansion consists of pumps, pipes, storage facilities, and control systems that will increase use of recycled water from 4,585 acre-feet per year to 16,677 acre-feet per year—more than tripling the use of recycled water and avoiding the use of treated water.

The San Diego Water Reclamation project is being implemented by the cities of San Diego and Poway, the Sweetwater Authority, and the Otay Water District. The project provides for the construction of five new wastewater treatment plants, expansion of an existing plant, along with recycled water distribution systems, and two conjunctive use projects. Total system capacity will be approximately 57,116 acre-feet of recycled water per year.

The WaterSMART program also increases the Title XVI, Water Reclamation and Reuse program by \$15.4 million for a total of \$29.0 million. Title XVI projects will identify and investigate opportunities to reclaim and reuse wastewater and naturally impaired ground and surface water in the 17 western States and Hawaii. Title XVI also provides authority for project sponsors to receive Federal funding on a cost-share basis for planning and pre-construction activities such as feasibility studies and financial capability preparation or environmental compliance, as well as construction of specific water recycling projects. Title XVI projects have a huge potential to stretch water supplies using both time-tested methodologies and piloting new concepts.

The Federal government will continue to work collaboratively with the 17 western States and other non-Federal stakeholders to reduce water conflicts and enhance existing water supplies.

U.S. Geological Survey – The USGS provides a broad range of expertise in geography, geology, hydrology, biology, and data integration that is used by States, local communities, and others. Analyses of water quality and quantity at USGS help water and land resource managers develop, regulate, and monitor management practices to ensure the continued availability of water resources for human consumption, agriculture, industry, recreation, and fish and wildlife habitat.

WATERSMART AVAILABILITY AND USE ASSESSMENT GOALS

- Bring existing plans and legislative mandates together in one strategy.
- Integrate existing science efforts across Interior to focus resources on water availability questions.
- Set forth a strategy to answer the questions: 1) Does the Nation have an adequate quantity of water, with sufficient quality and timing-characteristics, to meet both human and ecological needs? 2) Will this water be present to meet both existing and future needs?

CALIFORNIA WATER ISSUES

While there have been more severe droughts, never before has drought fallen upon a State with so large a population, and so many competing uses for its water.

*Michael L. Conner
Bureau of Reclamation Commissioner
January 25, 2010*

California Bay-Delta – On December 22, 2009 the Administration announced a new Interim Federal Action Plan for the California Bay-Delta. A discussion of the Interim Plan and Interior’s activities in the California Bay-Delta are contained in the Treasured Landscapes chapter.

Other California – In addition to the Bay-Delta, other portions of California are suffering from unmet water needs. More than \$400 million, roughly 40 percent of Reclamation’s American Recovery and Reinvestment Act funding, has gone to California projects, significantly more than any other Reclamation State. This funding is going to a mix of projects to promote not just traditional water supplies, but also to healthy fisheries and habitat projects to sustain and protect species’ ability to reproduce and thrive.

Since 2004, Reclamation has awarded over \$40 million in cost-shared financial assistance for 67 projects in California under the competitive challenge grant program. The improvements resulting from these grants are projected to create or conserve 177,000 acre-feet of water annually for agricultural and urban uses.

Interior helped California move record amounts of water, more than 600,000 acre-feet of water to communities most in need, and continues taking steps to prepare for a potential fourth year of drought.

In October 2009, Reclamation initiated implementation of the San Joaquin River Restoration Settlement. Implementation began with the release of “interim flows” from Friant Dam, which is designed to provide valuable information necessary in designing the improvements needed in the river to support salmon reintroduction as called for in the settlement.

In 2010, Interior is facilitating final permitting and construction of the Delta-Mendota and California Aqueduct Intertie, a project which will connect the Federal Delta-Mendota Canal and California Aqueduct. It will allow greater flexibility in operating pumping systems which each have its own export constraints, and allow for recovery of water between the State and Federal systems. Interior expects to initiate construction in June of this year and complete construction in 2011.

Groundwater continues to be an essential water supply for many of California’s coastal and inland communities. With the combined impact of the drought and environmental needs, existing groundwater sources are being significantly stressed. The USGS is actively engaged in expanding the range of information available to water users and policymakers regarding groundwater. The USGS developed the Central Valley groundwater model to assess water resources in the Central Valley and provide an important tool to evaluate the impacts of drought on groundwater conditions. This new hydrologic model can also be used by water managers to address water issues related to conjunctive water use, recognizing the interdependence of surface water supplies and groundwater.

The need to quantify, forecast, and secure freshwater sources to meet human, environmental, and wildlife demands now and into the future has been well established. The National Research Council's 2004 Report, *Confronting the Nation's Water Problems: The Role of Research* noted, "The strategic challenge for the future is to ensure adequate quantity and quality of water to meet human and ecological needs in the face of growing competition among domestic, industrial-commercial, agricultural, and environmental uses." The USGS Science Strategy, *Facing Tomorrow's Challenges – U.S. Geological Survey Science in the Decade 2007-2017*, identifies the need to address this gap in understanding.

Most information about human water use is obtained through programs operated by State water resource agencies. Through the WaterSMART program, USGS will provide grants to State water agencies that are developing water use availability datasets that can be integrated with appropriate national water use data to advance understanding.

The Congress recognized the need to quantify, forecast, and secure fresh water and thus directed the Secretary of the Interior to establish a National Water Availability and Use Assessment Program in the Omnibus Public Land Management Act of 2009. An assessment of the availability and use of water resources in the U.S. was last completed in 1978 – more than 30 years ago. Much has changed since then and the time has come to establish a program that will address the need for a new and continuing assessment of the Nation's water resources.

The 2011 budget request includes \$10.9 million, an increase of \$9.0 million to fund the USGS WaterSMART Availability and Use Assessment program. An interdisciplinary science approach will be used to implement this assessment, which will include:

- Estimates of the distribution and abundance of freshwater resources over time.
- Evaluation of factors affecting water availability including energy development, changes in agricultural practices, increasing population pressures, and competing priorities for limited water resources.

- Assessments of water use and distribution for human, environmental, and wildlife needs.
- Estimates of undeveloped potential water resources such as saline and brackish water and wastewater.
- Data and information needed to forecast likely outcomes of water availability, quality, and aquatic ecosystem health due to changes in land use and cover, natural and engineered infrastructure, water use, and climate.
- A grant program to assist State water resource agencies in integrating State water use and availability datasets with Federal databases for a more comprehensive assessment of water availability.

Water Use Evaluations – In order to address water-use conditions and integrate that information to provide a comprehensive picture of water availability, water-use evaluations will be conducted that will address not only human uses, but also environmental needs for water. This will assess the use of groundwater and surface water by a variety of sectors including agriculture, municipalities, industry, and electric power generation. The USGS, in collaboration with other bureaus, will provide information that can be used by land managers in developing adaptive management strategies.

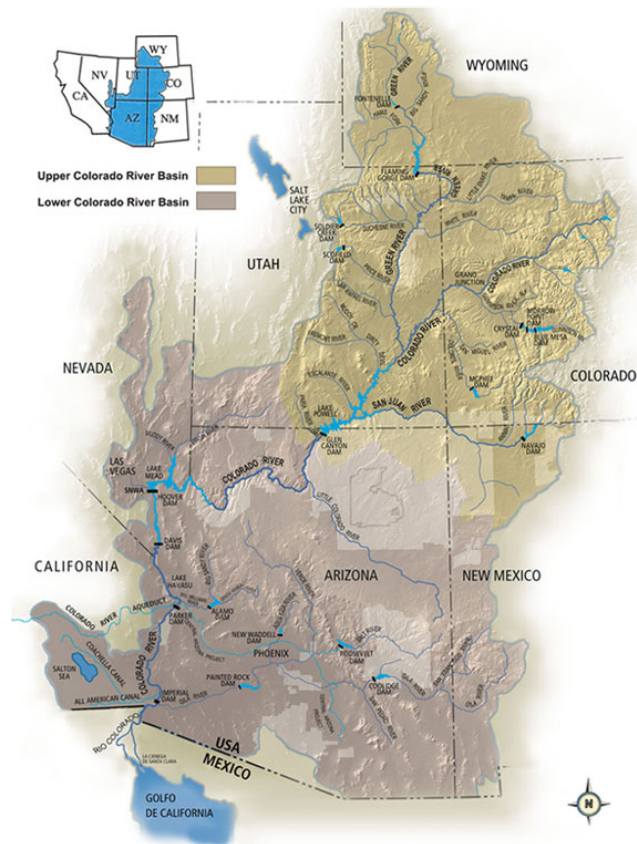
Water Availability – To focus its efforts, USGS will conduct water availability studies to define the need for freshwater in comparison with resource availability. Water availability will be



studied comprehensively, including quantity and quality aspects of both surface and groundwater resources. Water uses will be examined for human, environmental, and wildlife needs with special emphasis on impacts to biodiversity and threatened and endangered species.

Surface Water Availability Studies – In 2011, USGS will initiate studies and examine the challenges in high priority river basins such as:

- *Colorado River Basin* – This region has one of the fastest-growing populations in the Nation combined with the potential for expanded development of renewable energy and fossil fuels. The river supports fragile ecosystems and provides the backbone for hydroelectric power, irrigation, industry, and recreation throughout the region. River flows have been progressively decreasing since the 1920s, and future projections of consumptive use along the river pit the water supply needs of the upper basin States against those in the lower basin and Mexico.



- *Delaware River Basin* – The basin is the subject of the largest inter-basin withdrawal of water east of the Mississippi River and provides water to over 15 million people, more than five percent of the Nation’s population. Two Supreme Court decrees and coordination by an interstate river basin commission including the States of Delaware, New Jersey, New York, and Pennsylvania, are just part of the history of allocating scarce resources in the basin. In the upper portions of the basin, concerns over the effects of new natural gas development and the freshwater requirements for a recently-discovered endangered mussel species have added new complexities to managing water resources in the basin.

- *Apalachicola, Chattahoochee, and Flint River Basin* – Competition for scarce water resources is occurring in the southern region of the country. In the ACF Basin, comprising portions of Alabama, Florida, and Georgia, severe drought has exacerbated an ongoing issue driven by increased public water supply demands associated with growth in the Atlanta region and increased agricultural withdrawals in the southern portion of the basin. This basin is a prime example of where competing demands for water have resulted in litigation between States to determine who gets how much water and when.

Groundwater Availability Studies – The WaterSMART availability and use assessment will require that regional groundwater availability studies be conducted in each of the 30 principal water-use aquifers of the U.S. These studies will be linked with surface water studies to improve our understanding of these as a single resource. The focus in the first year will be on two high priority aquifers and will also include a preliminary national assessment of brackish and saline groundwater resources.

As competition for water resources grows, for irrigation of crops, for growing cities and communities, for energy production, and for the environment – the need for information and tools to aid water resource and land managers grows. WaterSMART, through the combined efforts of Reclamation in the West and USGS throughout the entire Nation, provides the foundation for a sustainable water strategy.

U.S. GEOLOGICAL SURVEY SCIENCE STRATEGY

The last decade has witnessed the emergence of a new model for managing Federal lands – ecosystem-based management. The USGS has developed a science strategy that embraces this new model of management and recognizes the global trends of climate change and rapidly-evolving societal needs that pose important natural science challenges. The changing natural environment poses risks to society in the form of volcanoes, earthquakes, wildland fires, floods, droughts, invasive species, variable and changing climate, natural and anthropogenic toxins, as well as animal-borne diseases that affect humans. The use of, and competition for, natural resources on a global scale and natural threats to those resources, requires greater understanding and innovation to sustain the Nation’s economy, national security, quality of life, and natural environment.

Responding to these national priorities and global trends requires a science strategy that builds on existing USGS strengths and partnerships and integrates the full breadth and depth of these interdisciplinary capabilities into an ecosystem-based approach. The USGS science strategy, outlined in Circular 1309, *Facing Tomorrow’s Challenges – U.S. Geological Survey Science in the Decade 2007 – 2017*, addresses societal issues in six science directions, which represent major challenges for the Nation’s future and for the stewards of Federal lands, both onshore and offshore.

- Understanding ecosystems and predicting ecosystem change ensuring the Nation’s economic and environmental future.
- Climate variability and change clarifying the record and assessing consequences.
- Energy and minerals for America’s future providing a scientific foundation for resource security, environmental health, economic vitality, and land management.
- A national hazards, risk, and resilience assessment program ensuring the long-term health and wealth of the Nation.
- The role of environment and wildlife in human health, identifying environmental risk to public health in America.
- A water availability and use assessment of the United States, quantifying, forecasting, and securing freshwater for America’s future.

The science strategy identifies opportunities for USGS to better use its scientific capabilities to serve Interior and the Nation. The strategy takes an ecosystem-based approach to inform planning, technology investment, partnership development, and workforce and human capital strategies.

The six science directions of the strategy serve as an outline for USGS research and development efforts that promote the economic growth and innovation necessary to enhance the economic competitiveness of the U.S. in a global market. The USGS programs contribute to the economy by providing all sectors of society with the information necessary to avoid or mitigate natural hazard risks, manage natural resources, and enhance quality of life and national security.

The science strategy also calls for research and development practices that foster innovation and competitiveness through implementation of its programs. For example, USGS engages youth to achieve organizational goals today and to train the next generation of scientists critical to a competitive workforce in the future. The USGS programs invest in new technologies that range from satellites to streamgages and wireless biological monitoring to advanced geographic information systems and advanced computing technology. These technologies are widely deployed across the country, both in urban and rural settings. Finally, USGS employs partnerships to leverage funding and enhance open innovation of science and technology.

Contributing to an integrated science approach, USGS participates in the coordinated, government-wide strategy for Science, Technology, Engineering, and Math education by identifying and validating effective approaches to increasing STEM program completion at the undergraduate level and by increasing the number of graduate fellows with the goal of expanding the number who enter employment in STEM fields. This strategy is relevant to both STEM-focused and many broader purpose programs, such as job training and new higher education programs.

Youth in Natural Resources



Children today spend half as much time outdoors as their parents.... We must help our children get close to nature while helping the natural resources upon which their future depends.

*Ken Salazar, Secretary of the Interior
August 5, 2009*

The future success of resource conservation efforts and effective stewardship of public lands and resources relies on an engaged public that values nature. Informed citizens and stewards are developed and nurtured over time. According to Richard Louv, author of *Last Child in the Woods*, "Studies have shown that most conservation leaders credit their commitment to the environment to two sources: many hours spent outdoors, when they were children...and an adult who taught respect for nature." The initial childhood wonder about the natural world can be sustained through hands-on experiences during the school-age years and enriched through long-term engagement and involvement in natural resource programs.

The 2011 budget recognizes the importance of youth to the future of natural resource conservation as well as the importance of nature to youth and their well-being. A large body of evidence attributes improved health, particularly in youth, to nature and early exposure to the natural environment. In addition, childhood experiences with nature are associated with increased environmental awareness, which is linked to environmentally responsible behavior.

One of the recommendations of the July 2009 Outdoor Resources Review Group report, *Great Outdoors America*, is for public and private organizations to aggressively promote recreation and outdoor education for America's youth. The report underscores the need to engage early in children's lives in order to realize the lifelong health and other benefits from participating in outdoor activities.

A key theme of the report is the importance of youth programs that can engage children at a young

age; environmental education through schools, clubs, parks, nature centers, conservation groups, and others; and the inclusion of conservation employment programs and partners. In other words, there is no single answer to reconnecting children and youth to nature. The report identifies proximity as a critical component in determining participation in environmental programs and in the use of parks and open space. Thus, Interior's youth strategy will



Golden Gate National Recreation Area hosts regular programs for "knee-high naturalists" to learn the A-Zs of indigenous plants. Students gain an understanding of plant adaptation and life cycles. Older students go with their school classes on hikes through volcanoes that erupted underwater millions of years ago and learn about the geologic forces that shaped the Bay Area. Interior plans to replicate successful programs like these to reach even more youth around the country.



reach greater numbers of youth at parks, refuges, and public lands; programs that take conservation into the classroom; and promotional events through National Fishing Day, and other such events.

As the Nation's population moves to urban areas and more indoor recreational pursuits, Americans are developing a gap in their knowledge of resource conservation. Reduced engagement is most acute in the younger generations – the most important population component relative to future protection and conservation of natural resources. In the past, young people would aspire to careers in public service, working as park rangers, biologists, and recreation managers. Today, the appeal to work in natural resource jobs must compete with new vocational interests and careers that reflect our changing society. The Department of the Interior and other government conservation agencies will experience a recruitment problem as more baby boomers retire. The Federal government must be proactive in its efforts to recruit talented and capable young people who are interested in careers as natural resource professionals. Another challenge for agencies is recruiting new workers who represent the changing demographics of the labor pool.

In recognition of an expanding gap in knowledge, engagement, and appreciation for nature, the Secretary of the Interior has set forth a bold vision to engage, educate, and develop new generations of Americans with an ethic for conservation and resource stewardship.

In keeping with the Secretary's vision and commitment to youth, the 2011 budget includes \$45.4 million, an increase of \$9.3 million over 2010 for the Youth in Natural Resources initiative. The purpose of the initiative is to expand public engagement, particularly youth from underrepresented groups, in the management of the Nation's resources and to prepare young people for careers in conservation. Interior bureaus, including the Bureau of Land Management, U.S. Geological Survey, Fish and Wildlife Service, and National Park Service, will implement new, creative ways to reach America's young people and instill a life-long commitment to protect, preserve, and enjoy our natural environment and cultural treasures. The initiative builds on bureau strengths in youth programs and introduces new ways to significantly expand upon their success.

THE SECRETARY'S COMMITMENT TO YOUTH

Youth are a special interest of the Secretary of the Interior, Ken Salazar. One of his proudest legacies is the youth programs he established when he held a cabinet post in the State of Colorado. In June 2009, Secretary Salazar joined Senior White House Advisor Valerie Jarrett and several hundred schoolchildren on the National Mall to sign a Secretarial Order establishing an Office of Youth in Natural Resources at the Department of the Interior. The Secretary pointed out to the assembled crowd that President Obama and he believe that, during tough economic times, national youth programs are needed to provide jobs, outdoor experiences, and career opportunities for young people, especially minorities, tribal members, and other under-served youth.

Youth employment programs in BLM, USGS, FWS, and NPS engage thousands of young men and women in all States and Territories, from diverse backgrounds, including tribal and under-served populations and those who have little opportunity to experience the outdoors. These jobs are urgently needed because the unemployment rate among young people continues to grow. Last summer, three million young people were unemployed. The youth unemployment rate in July 2009 was 18 percent, the highest it has been during a comparable period since 1982. Youth unemployment disproportionately affects minorities.

Educational and employment opportunities offered by the Department offer a wide range of opportunities for today's youth to experience and appreciate America's heritage hands-on. In 2010, the first year

THE NEXT GENERATION OF CONSERVATION LEADERS

THE SECRETARY'S VISION

The Department of the Interior offers unlimited opportunities to engage young people to explore and connect with the great outdoors. Interior can change the lives of millions of young Americans and, in doing so, transform the Department itself by bringing in a new generation of employees. Interior will:

- **Employ youth to protect our resources and restore our environment.** I have and will continue to advocate for the resources to expand our youth employment. These are truly investments in the future that can provide immediate and direct benefits in employment and opportunity. We will recruit thousands of young people to do important work.
- **Educate youth about our lands, waters, and heritage.** Beyond direct employment, we engage millions of young people every year. We will expand our educational programs both within our parks and refuges, as well as outside of our boundaries to reach classrooms throughout the country. And we will ensure that these programs are delivering high quality, educationally important opportunities for youth of all ages.
- **Reach youth from all backgrounds.** The Department of the Interior can connect young Americans from all backgrounds with opportunities to serve our Nation. As the stewards of our Nation's lands and waters, we have a unique opportunity to reach out to under-served populations, as well as a responsibility to ensure that these lands are available and meaningful for all Americans.

of the initiative, Interior bureaus received \$20.5 million to expand programs that engage, educate, and employ youth in exploring, connecting with, and preserving the shared natural and cultural heritage represented by the lands, waters, and physical assets of the Department. Funding in 2010 included \$4.3 million to expand existing FWS education programs and other opportunities for youth participation in activities in refuges, fish hatcheries, and urban areas; \$5.0 million for NPS to expand youth internship programs that bring young people into the parks to restore habitat and assist visitors; \$5.0 million for BLM to expand youth programs for children and families, school-age children, high school and college age youth, and also to recruit and retain youth in natural resource professions; and \$2.0 million for USGS youth internships to introduce youth to earth science as an education and career option. In addition, the FWS National Conservation Training Center received \$4.2 million to coordinate training and program support activities with all Interior bureaus; provide the skills, best practices, and program resources needed to engage and mentor young people; and increase awareness of nature based careers.

The Administration has established a High-Priority Performance Goal to increase the employment of youth between the ages of 15 and 25 in Interior's conservation mission by 50 percent by 2012.

Of the \$20.5 million increase in 2010, about half is for programs at parks, refuges, and other public lands that employ youth in meaningful environmental education and service-learning programs. Many

YOUTH EMPLOYMENT

SECRETARY'S CHALLENGE

- The Secretary has challenged the bureaus to increase in 2010 the employment of youth between the ages of 15 to 25 by 50 percent over 2009, a year ahead of the High Priority Performance goal.
- The Secretary has challenged the bureaus to increase in 2011 the employment of youth by 60 percent over 2009.

YOUTH EMPLOYMENT GOALS

Bureau	2009	Percent Change	
	Employed Youth*	from 2009	
		2010	2011
BLM	2,223	+35	+45
MMS	50	+35	+35
OSM	111	+35	+35
Reclamation	181	+40	+40
USGS	742	+35	+35
FWS	1,420	+50	+75
NPS	3,466	+60	+75
BIA	17	+500	+500
Total	8,210	+50	+60

* Estimate

of these programs are accomplished with the aid of partner groups that provide additional financial resources and often match the funds made available by the bureaus. With the help of partners, the increased level of support in 2010 for these programs is expected to generate permanent and temporary employment opportunities for 50 percent more youth than employed in 2009, an increase of approximately 4,000 youth. This ambitious goal will involve bureaus and offices throughout the Department. In 2009 and 2010, projects funded under the American Recovery and Reinvestment Act further bolstered youth employment. With these funds, Interior employed over 1,000 youth in 2009 and an estimated 3,700 youth in 2010. The 2011 initiative will employ an additional 1,000 youth in BLM, FWS, and NPS.

THE 2011 YOUTH IN NATURAL RESOURCES INITIATIVE

The 2011 Youth in Natural Resources initiative builds on the 2010 program of \$36.1 million that funds operational components in BLM, USGS, FWS, and NPS and the \$4.4 million in revenues authorized under the Federal Lands Recreation Enhancement Act that NPS utilizes to fund certain youth activities. These agencies and other Interior bureaus and offices support youth activities including internships, summer youth employment programs, and outreach.

The 2011 budget dedicates \$45.4 million, an additional \$9.3 million, to expand on the BLM, FWS and NPS programs. This includes a \$1.0 million redirection in base funding for BLM to partner with the National Fish and Wildlife Foundation

to promote conservation programs on public and private lands. The Foundation will leverage the funding by more than two to one with corporate and other donations.

For NPS, there is an increase of \$5.8 million in the operations account for youth employment and education programs in 19 units of the national park system, benefitting 27 parks as part of the park base allocation. The NPS will also dedicate an additional \$2.0 million in recreation fee revenues in 2011.

The budget proposes an increase of \$2.0 million for national wildlife refuge system youth programs in the FWS Resource Management account. The FWS budget also includes an increase of \$1.0 million in its General Operations for youth partnerships with the National Fish and Wildlife Foundation.

YOUTH IN NATURAL RESOURCES (dollars in millions)

Bureau	2010	2011	Change
BLM	7.6	8.6	+1.0
USGS	4.3	4.3	0.0
FWS	13.2	15.7	+2.5
NPS	<u>11.1</u>	<u>16.9</u>	<u>+5.8</u>
Total	36.1	45.4	+9.3
<i>NPS Recreational Fees</i>	[4.4]	[6.4]	[+2.0]

Youth Programs at the Parks – With long-standing traditions of preserving and protecting national treasures, the NPS works to ensure that young Americans age five to 25 from different economic, ethnic, social, and cultural backgrounds learn about and enjoy park resources. In 2010, NPS will invest more than \$15.5 million in programs that directly expand opportunities for America’s children and families and expand the use of volunteers through groups such as the Student Conservation Association and Youth Conservation Corps. In 2009, NPS employed over 3,400 youth in Youth Conservation Corps projects, internships, and temporary positions. In 2010, the increase for youth internships will generate a 60 percent growth in youth employment opportunities. With few exceptions, the parks receiving increases are located in or very near major metropolitan areas, which should facilitate easier engagement of urban youth from diverse ethnic and economic backgrounds.

The youth programs foster a strong relationship between youth and the natural and cultural resources managed by NPS. There are numerous park managers, past and present, who developed a life-long commitment to parks through these programs. The cadre includes Robert Stanton, former Director of the NPS, who began his career as a Youth Conservation Corps enrollee. Participants learn valuable natural and cultural resource management skills and develop a greater appreciation of American history and our Nation's most renowned ecosystems.

The 2011 NPS increase of \$5.8 million in park operational funding will establish or enhance programs that introduce youth to the park mission of conserving and preserving the Nation's treasures. Over half of the increases are for youth employment programs designed to engage underserved populations. The programs will lead to employment opportunities for additional youth in 2011 and will increase youth employment by 75 percent over 2009. The programs involve work in resource management, interpretation and visitor services, maintenance, and special events. Examples of proposed park youth programs include:

- The \$249,000 increase request at Chamizal National Memorial in Texas will fund educational and employment opportunities for minority youth.
- An increase of \$220,000 at Canyonlands National Park will lead to the expansion and enhancement of curriculum-based youth education programs at four parks in southeast Utah. The four parks are located in large rural counties, with significant communities of Hispanic and Navajo populations. The increase will fund both the Canyon Country Outdoor Education program and the educational element of the Canyon Country Conservation Corps.
- An increase of \$313,000 for 15 National Capital Region parks in and around Washington, D.C., will enhance a youth employment program which attracts an urban minority population and provides job readiness training, progressive work assignments, skill development, and educational and vocational experiences.
- An increase of \$129,000 at Lowell National Historical Park in Massachusetts will

foster partnerships that will engage urban youth from diverse ethnic and economic backgrounds within communities surrounding Lowell and three other parks in New England. The program will engage 75 youth in experiential learning using park resources, leadership development, and occupational skills training. In addition, eight to 16 interns will be recruited for jobs in resource management, interpretation, and visitor services annually.

- The \$306,000 increase for the Anchorage Interagency Visitor Center in Alaska will create urban education programs for the local Native Alaskan community developed in concert with Native Alaskans.

The Federal Lands Recreation Enhancement Act authorizes NPS to collect recreation fees at select parks. Fees are used to improve visitor services and enhance the visitor experience. The majority of



Grace Talmadge worked with the Student Conservation Association to fix campsites along the Flat Creek Trail in North Cascades National Park. She created new tent pads and dug out fire pits. She also re-routed a trail that had been washed away by a flood. Grace says: "The experience was filled with thrills and plenty of spills. It's great to know that hikers will appreciate all our hard work now and ten years from now." She dreams of one day joining the National Park Service. We are creating pathways for Grace and others like her to fulfill their dreams and serve at the Interior Department.

the revenues return directly to the park where they were collected. The NPS estimates that it will collect \$173.0 million in revenues in 2011. In recent years, NPS has dedicated \$4.4 million in revenue to youth projects that benefit the visitor experience. The NPS will increase that amount to \$6.4 million in 2011.

Youth Programs at National Wildlife Refuges

– Hundreds of national wildlife refuges offer employment, education, and recreation opportunities that connect youth with the outdoors. In 2009, the refuges, fish hatcheries, and other FWS operations employed over 1,400 youth. The operational request in 2010 will increase that number by 50 percent. In 2011, the proposed increase, which will partly be leveraged through a partnership with the National Fish and Wildlife Foundation, will increase youth employment by 75 percent over 2009.



Joe Pete is a young Native Alaskan. Last summer, he counted salmon on the Kwethluk River for the Fish and Wildlife Service. The Native Alaska Science and Engineering Program recruits and retains Alaskan Native and indigenous Americans for science and engineering positions. Mike Rearden, former manager of the Yukon Delta Refuge, notes: "A Native student who has grown up on the Yukon-Kuskokwim Delta and goes on to college to obtain a degree in biology will bring valuable skills and knowledge to a refuge biologist position in this region." We hope to expand this program and create others to bring on board the next generation of talented employees.

The FWS has existing partnerships with friends organizations, volunteers, educational institutions, and local conservation organizations. For example, FWS's longstanding Shorebird Sister Schools Program engages students in learning about the mechanics of the shorebird's annual migration along the Pacific Flyway. These connections foster understanding and appreciation of the need to conserve America's migratory birds and their natural habitats. The FWS youth programs also provide opportunities to promote career opportunities and public service as part of a life-long commitment to natural resource conservation.

The 2011 budget will build upon existing proven programs and offer public service opportunities on refuges, science-based education and outdoor learning laboratories, and engage young Americans in wildlife-related activities such as monitoring. The 2011 budget includes an increase of \$2.0 million for the Youth Conservation Corps program to provide opportunities for young adults from varied backgrounds to work together on conservation projects such as maintenance and construction, habitat management, and visitor services. The budget will result in youth employment totals 75 percent higher than in 2009.

National Fish and Wildlife Foundation Partnerships

– Congress created the National Fish and Wildlife Foundation to foster private sector-government partnerships for the conservation and management of fish, wildlife, and plant resources of the United States. The budget provides an increase of \$2.0 million for this purpose. This includes \$1.0 million each in FWS and BLM, to foster youth programs through public-private partnerships managed by the Foundation.

The public-private partnership expanded with these increases will leverage the Federal funding with at least an equal amount of privately financed contributions. Funds will be competitively awarded to friends groups, the Youth Conservation Corps, non-governmental organizations, and others who will work with FWS and BLM managers to develop innovative conservation employment opportunities for youth. The primary focus of the grant program will be to preserve and protect priority species and their habitats on both public and private lands. Summer employment opportunities will be specifically targeted, but after-school and weekend employment programs will also be considered.

The Foundation will seek matching funds for Federal grants through partnerships with corporations who participate in the commerce of recreational goods and services. By reaching out to private partners, the Foundation, BLM, and FWS will be able to engage a broader audience of participants and incorporate programs that can attract youth from urban areas and sectors of the population that may not be adequately served by current programs and introduce these activities to youth. Historically, the Foundation has leveraged Federal funds with non-Federal matching contributions at a two to one or greater ratio.

Environmental education will be an integral aspect of the grant program. Eligible grantee organizations will need to demonstrate how environmental learning goals have been incorporated into the traditional job opportunity. To assist potential grantee organizations, the National Conservation Training Center will work with the Foundation to develop learning goals, curricula, and other training material that can be made available through the web or through a handbook. The material will include both lessons and suggestions for hands-on educational activities that can be conducted outdoors.



THE SHOREBIRD SISTER SCHOOLS PROGRAM

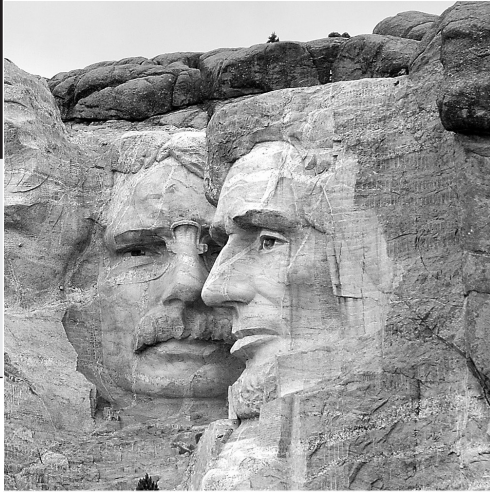
The Shorebird Sister Schools program is a science-based environmental education program designed to engage students in learning about shorebirds and their conservation. The program began as part of the Kachemak Bay Shorebird Festival hosted by the Alaska Maritime National Wildlife Refuge, the Homer Chamber of Commerce, and local public schools to help students better understand the mechanics of the shorebirds' annual migration along the Pacific Flyway to arrive to nest in Alaska each year. It also provides opportunities for students to learn about endangered, threatened, and vulnerable species and their habitats in their local area.

Every May for two short weeks, thousands of shorebirds arriving from the south descend on the town of Homer in Kachemak Bay, Alaska, en route to their Arctic breeding grounds. A local teacher proposed to build an information-sharing e-mail network among schools



located all along the Pacific Flyway, from Alaska down to Latin America, where many birds spend the winter. Students from each migratory stopover site could monitor the progress of shorebird migration and report their observations by sending e-mail to all other schools participating in the program. Starting in 1994, 17 schools from Alaska to California were connected to the shorebird information network. Eventually the network grew to include schools all across the U.S. and beyond to many Latin American countries, Japan, and Russia.

Treasured Landscapes



As custodians of our Nation's natural, cultural, and historic resources, we have a duty to protect the places that Americans love, and to help all Americans connect with their land and heritage.

*Ken Salazar, Secretary of the Interior
January 14, 2010*

Americans are losing – and losing touch with – the lands and places that set our Nation apart. The great outdoors that fuels the American spirit and the American economy is disappearing under the pressures of population growth, habitat fragmentation, and climate change. Every year, Americans lose large areas of open space to development.

Thanks to the foresight of great conservation leaders including John Muir, President Theodore Roosevelt, Stephen T. Mather, and many others, the Nation enjoys a diverse, awe-inspiring bounty of natural places and open spaces. The Department of the Interior manages much of this national treasure, including 392 park units, 551 national wildlife refuges, and the National Landscape Conservation System that comprises over 27 million acres.

Secretary Salazar has placed an emphasis on treasured landscapes, implementing wise stewardship, science based decisions, and forward-looking policies that will help protect the Nation's land, water, and wildlife for future generations.

The 2011 President's budget request will allow Interior to intensify efforts to manage these precious resources; to operate programs to maintain landscapes and facilities and to participate in major restoration efforts that restore, protect, and preserve key ecosystems and identify new areas for protection.

Interior's 2011 budget includes \$445.4 million, an increase of \$106.0 million for Federal land acquisition and State and Tribal grants funded through the Land and Water Conservation Fund. The budget also includes \$288.2 million, an increase of \$71.4 million targeted to key ecosystems for restoration and renewal including the Everglades, California's



Bay-Delta ecosystem, the Gulf Coast of Louisiana and Mississippi, and the Chesapeake Bay. Additionally, the 2011 Environmental Protection Agency budget includes \$50.2 million targeted for Interior agencies participation in the Great Lakes Restoration initiative, a decrease of \$37.2 million from the 2010 enacted level.

INVESTING IN AMERICA – THE LAND AND WATER CONSERVATION FUND

In 1964, Congress created the Land and Water Conservation Fund to fulfill a promise to protect the Nation's natural and recreational resources for future generations. In a February 14, 1963, letter transmitting the initial LWCF legislation to Congress, President John F. Kennedy noted the need for a land acquisition program to preserve Federal and State areas to provide a reliable source for national parks, monuments, forests, and wildlife refuges.



appropriation, to fund Federal land acquisition; conserve threatened and endangered species; and provide grants to States for recreation planning, acquiring lands and waters, and developing recreation facilities. The trust fund receives revenues primarily generated from outer continental shelf oil and gas drilling activities. Although \$900.0 million is deposited annually into the fund, appropriations have been provided at this level only twice during the program's 40-plus year history.

"We do not inherit the Earth from our ancestors," says a familiar Native American proverb, "we borrow it from our children."

Secretary Ken Salazar
January 15, 2010

Actions deferred are all too often opportunities lost, particularly in safeguarding our natural resources.

President John F. Kennedy
February 14, 1963

Since 1964, for more than 40 years, LWCF has been a funding source for Federal, State, and local land acquisition and other conservation programs. A total of \$15.5 billion has been appropriated for Federal and State programs. Every year \$900.0 million is collected into the fund, and is available, subject to

President Obama's 2011 budget protects open spaces, forests, and wildlife habitat by providing \$619.2 million from the Land and Water Conservation Fund for key conservation and land acquisition programs in the Departments of the Interior and Agriculture. This is a 29 percent increase in 2011 over the 2010 enacted funding. The 2010 enacted level was a 58 percent increase over the 2009 enacted level. With these consecutive increases, appropriations from the LWCF are on track to reach \$900.0 million in full funding annually starting in 2014.

TREASURED LANDSCAPES			
(dollars in millions)			
	<u>2010</u>	<u>2011</u>	<u>Change</u>
LAND AND WATER CONSERVATION FUND			
Department of the Interior			
Federal Land Acquisition.....	214.4	310.4	+96.0
State LWCF Grants - NPS.....	40.0	50.0	+10.0
Cooperative Endangered Species			
Conservation Fund - FWS ^{1/}	<u>85.0</u>	<u>85.0</u>	<u>+0.0</u>
Subtotal, Interior	339.4	445.4	+106.0
Department of Agriculture, Forest Service			
Federal Land Acquisition.....	63.5	73.7	+10.2
Forest Legacy.....	<u>76.5</u>	<u>100.1</u>	<u>+23.6</u>
Subtotal, Agriculture	140.0	173.8	+33.8
TOTAL, LAND AND WATER CONSERVATION FUND	479.4	619.2	+139.8

^{1/} For comparability, numbers display enacted levels for CESCO. Congress funded \$56.0 million from LWCF in 2010.

The 2011 budget funds Federal Land Acquisition for Interior bureaus at \$310.4 million, an increase of \$96.0 million over the 2010 level. The 2011 budget includes \$50.0 million for the Department to assist States, local, and tribal governments with the protection and creation of park lands, open space, and wildlife habitat through competitively awarded State LWCF grants. This is an increase of \$10.0 million over the 2010 level. The Cooperative Endangered Species Conservation Fund is funded at \$85.0 million, level with 2010. These funds will be used to provide grants to States for the conservation of threatened and endangered species.

Federal Land Acquisition – The Bureau of Land Management, Fish and Wildlife Service, and National Park Service acquire important properties available for sale by willing sellers through fee title and easement. Lands are normally acquired at fair-market value or through partial or outright donations of property. Landowners can also sell or donate easements on their property while keeping the land in private ownership. Most lands acquired by these bureaus are additions to park units, national wildlife refuges, national monuments, and national conservation areas. Acquisition also results in additions to other areas including National Wild and Scenic Rivers, National Historic Trails, and Wilderness areas. Lands and waters are acquired to protect important natural and cultural resources, to consolidate lands within the boundaries of existing units, to provide public access to Federal management units, and to improve recreational use.

The three Interior land management bureaus use prioritization systems that consider multiple factors when determining which lands to acquire. These criteria include the mission value of their planned acquisitions, feasibility of acquiring and operating lands, the availability of willing sellers, the potential for imminent development of the property, and the participation of partners. Within the bureaus, there is a significant degree of coordination at the field and local level in developing conservation goals. However, for the first time, in 2011, Interior is proposing a list of land acquisition projects that demonstrate integration across the bureaus using consistent and merit-based criteria.

This new approach to the prioritization of projects will significantly advance projects that are collaborative and integrate the efforts of multiple entities and focus on highest priority conservation objectives. This approach begins to address repeated requests from the House and Senate Appropriations

LWCF INVESTMENT CRITERIA

As part of the Secretary's reform agenda, Interior developed initial Department-wide criteria that the bureaus used to select projects that meet common conservation goals. These goals include optimizing landscape conservation for wildlife and their habitat, developing additional recreational opportunities in urban and rural areas, preserving historical and cultural assets, and leveraging private funds and donations.

Projects should demonstrate how they advance the following:

Project Types

- Landscape level conservation. Projects that achieve goals on a landscape or ecosystem level with particular emphasis on:
 - Rivers, riparian, and natural water bodies.
 - Land conservation for wildlife and their habitat.
- Great urban parks and open spaces.
- Historical and cultural preservation.

Project Criteria

- Leveraging: The amount of matching funds and donations that non-Federal partners bring to the project.
- Partnerships: The number, diversity, and relevance of all of the partners involved in advancing and supporting the project.
- Interior Integration: The degree to which projects involve more than one Interior bureau. Interior will also engage other Federal land management partners, such as the Forest Service, in pursuing common land acquisition and conservation goals.
- Urgency of completing the project.

Committees to evaluate opportunities to better integrate the priorities of the three Interior bureaus and the Forest Service, to implement national conservation strategies, and to consider the need to adapt and mitigate for climate change impacts. Work will continue on this approach to harmonize land acquisition strategies.

The BLM request of \$83.7 million includes \$3.9 million in acquisition management, inholdings, exchanges, and emergency acquisition and \$79.8 million in line-item projects. This includes \$42.5 million for the proposed planning and acquisition of a wild horse preserve, a part of the Department's Wild Horse and Burro national management strategy. The BLM plans to establish wild horse preserves on productive grasslands that can better sustain these animals in contrast to western States where water and forage are extremely limited, and drought and wildfire threaten both rangeland and animal health. These new preserves would be located on lands, or interests in lands, acquired by BLM, or partners, and would be home to non-reproducing herds of wild horses. They would provide excellent opportunities to remove animals from short-term holding facilities, celebrate the historic significance of wild horses, showcase these animals to the American public, and serve as natural assets that support local tourism and economic activity.

The balance of the BLM land acquisition request, \$37.8 million, will be used to acquire 25,679 acres of high priority lands in Arizona, California, Colorado, Idaho, Montana, New Mexico, Oregon, Utah, and Wyoming. These acquisitions will focus on the protection of large blocks of habitat important for the preservation of natural and cultural resources and for recreation.



The BLM's top priority for 2011 is acquiring 450 acres along the Trinity National Wild and Scenic River. Encompassed by the Klamath region, the acquisition parcels are included in the landscape system of the 43-mile Trinity National Wild and Scenic River corridor and Grass Valley Watershed. Within these landscape systems, extensive watershed and forest restoration treatments have occurred and continue to occur, through partnerships, to support the habitat and management of threatened and endangered fish and wildlife species, promote forest health, and protect communities while providing and promoting a mix of recreational opportunities from hiking to white-water rafting. These restoration efforts are aimed at healing a landscape damaged by historic mining and extensive dredging activity within the river corridor.

The FWS request of \$106.3 million includes \$21.6 million in acquisition management, inholdings, exchanges, and emergency acquisition and \$84.8 million in line-item projects. The FWS projects address protection of 106,678 acres of significant and high priority wildlife and their habitat and will make investments in significant river and riparian habitat that will protect aquatic and terrestrial species that are dependent on these habitats. Included in the FWS request is \$5.0 million for grants to the States of New York, New Jersey, Connecticut, and Pennsylvania authorized by the Highlands Conservation Act. Conservation of the Highlands region protects some of the last remaining natural habitat near major metropolitan areas in this region to protect wildlife, provide recreational opportunities, and protect the watershed, which is an important source of water for nearby communities.

One of the FWS largest single requests in 2011 will acquire lands in Vermont, New Hampshire, Massachusetts, and Connecticut for the Silvio O. Conte National Fish and Wildlife Refuge. The \$6.0 million request will be used to acquire tracts in the Fort River division that will contribute toward the protection of a large grassland project. Recovery and long-term viability of habitats for the upland sandpiper, dwarf wedge mussel, and fish rely on the longest, unobstructed tributary to the Connecticut River in Massachusetts. Tracts in the Nulhegan Basin Division of the northern boreal forest and associated wetland complex and tracts in the Pondicherry Division will provide wildlife-dependent recreation and education opportunities.

The NPS request of \$106.3 million includes \$30.5 million in acquisition management, inholdings,

exchanges, emergency acquisition, and American battlefield grants and \$82.4 million in line-item projects. The NPS projects address the protection of high priority natural, cultural, and historical properties. The request includes \$6.0 million for the American Battlefield Protection program, which will be used to provide matching grants to States and local communities to preserve and protect American battlefield sites.



An important acquisition for NPS in 2011 is in the Petrified Forest National Park. The park contains globally significant fossils from the Late Triassic Period. The park is a virtual laboratory offering opportunities for paleontological research and visitor understanding that are unparalleled. The \$7.5 million request would be used to complete acquisition of Twin Buttes Ranch and acquire the Paulsell Ranch. These ranches include numerous significant cultural sites, such as rock art panels, as well as structures from the Puebloan period of the Southwest. This large ecosystem acquisition in Northeastern Arizona consists of 35,960 acres, including nine miles of the Puerco River Riparian Area. The Puerco River Riparian Area provides crucial habitat for many local species, from insects and rodents to raptors and migrating elk.

NPS State LWCF Grants – Since 1965, NPS has approved more than 41,300 matching grants to States and Territories for the acquisition, development, and planning of outdoor recreational facilities and lands in the United States. These grants supported the purchase and protection of 2.6 million acres of recreation



lands and the acquisition or development of over 40,000 sites and facilities to provide recreation opportunities in every State and Territory. Approximately 66 percent of the total funds obligated have supported locally sponsored projects that provide close-to-home recreation opportunities.

The 2011 budget includes \$50.0 million for grants for the program, an increase of \$10.0 million over 2010. Excluding administrative costs of \$2.8 million, the budget includes \$47.2 million for grants that will be allocated to States and Territories in conjunction with \$740,000 in mandatory funding paid into the LWCF that is available from certain Outer Continental Shelf leasing revenues.

Cooperative Endangered Species Conservation Fund – The 2011 budget includes \$85.0 million, the same as 2010, for grants to States and Territories for the protection of endangered and threatened species. States can pass funding on to municipalities, Tribes, and private landowners to support species conservation partnerships. The 2011 budget includes \$2.9 million for administration, with the balance of funding for the following program components:

Conservation Grants – The 2011 Cooperative Endangered Species Conservation Fund program includes \$11.0 million for conservation grants to States that are used to implement recovery actions for listed species, develop and implement conservation measures for candidate species, implement recovery actions for listed species, and monitor species to ensure conservation activities are having the desired outcome.

Habitat Conservation Planning Assistance Grants – The 2011 program includes \$10.0 million for States to assist local governments and planning jurisdictions to develop regional, multi-species habitat conservation plans. Through the development of regional, multiple-species HCPs, local governments and planning jurisdictions incorporate species conservation into local land use plans, which streamlines the project approval process.

Habitat Conservation Planning Land Acquisition – The 2011 program includes \$41.0 million in grant funds that will be used by States and non-Federal

entities to acquire habitats from willing sellers and are meant to complement, but not replace, the mitigation responsibilities of HCP permittees. States and Territories receive grant funds for land acquisitions associated with approved HCPs because of their authorities and close working relationships with local governments and private landowners.

Species Recovery Land Acquisition – The 2011 program includes \$15.2 million in grant funds that will be matched by States and non-Federal entities to acquire habitat essential for recovery of listed species. Loss of habitat is the primary threat to most listed species. Land acquisition is often the most effective and efficient means of safeguarding habitats before development or other land use changes impair or destroy key habitat values.

Nez Perce – The 2011 program includes \$5.0 million to fund water supply and habitat restoration projects in the Snake River basin as part of a settlement agreement with the Nez Perce Tribe, the United States, the State of Idaho, and local communities and water users in Idaho.



Everglades – Water in south Florida once flowed freely from the Kissimmee River to Lake Okeechobee and southward over low-lying lands to the estuaries of Biscayne Bay, the Ten Thousand Islands, and Florida Bay. This shallow, slow-moving sheet of water covered almost 11,000 square miles, creating a mosaic of ponds, sloughs, sawgrass marshes, hardwood hammock, and forested uplands. For thousands of years, this intricate system evolved into a finely balanced ecosystem that formed the biological infrastructure for the southern half of the State of Florida. However, early colonial settlers and developers turned the rivers of grass into farmland and communities. By the early 1900s, the drainage process to transform the wetlands was underway.

The remaining Everglades no longer exhibit the functions, richness, and size that historically defined the ecosystem. Most of the negative changes in the ecosystem are a direct result of water management activities to control floods and provide for water supply. Today, water flows to the Everglades are often too much, or too little, and frequently at the wrong times of the year. Water quality throughout south Florida has also deteriorated over the past 50

RESTORATION OF AMERICA'S GREAT ECOSYSTEMS

The Everglades remains one of our world's most treasured – and most threatened – places. The Federal government must once again stand up and meet its responsibilities to Everglades restoration.

Secretary Ken Salazar
June 24, 2009

TREASURED LANDSCAPES (dollars in millions)			
	2010	2011	Change
Ecosystems			
Everglades.....	68.4	74.5	+6.0
California Bay-Delta	104.7	155.2	+50.6
Gulf Coast.....	22.1	26.9	+4.8
Chesapeake Bay.....	21.6	31.6	+10.0
TOTAL, ECOSYSTEMS.....	216.8	288.2	+71.4
Great Lakes ^{1/}	[87.4]	[50.2]	[-37.2]

^{1/} Non-add. Funded through the EPA budget.

years. More than one half of the wetlands that act as natural filters and retention areas are gone. Some untreated urban and agricultural storm water is sent directly to natural areas and estuaries. Too many nutrients are entering the Everglades that favor invasive species at the expense of native species adapted to this unique environment.

Despite this damage, the Everglades is still a treasured landscape. The Department, through NPS, FWS, the U.S. Geological Survey, and the Bureau of Indian Affairs, is a key player in restoring this ecosystem. In 2011, the budget includes \$74.5 million, an increase of \$6.0 million over the 2010 enacted level for restoration of the Everglades.

Included in the request is \$8.0 million for the Modified Water Deliveries program, a decrease of \$400,000 from the 2010 enacted level. This ecological restoration project will improve the quantity, quality, timing, and distribution of fresh water to the Everglades National Park. Funding supports construction of the one-mile bridge on the Tamiami Trail, the largest construction project in NPS history and a key component of the Modified Waters Delivery Project. The project will restore more natural water flow to Northeast Shark River Slough, a portion of Everglades National Park, which Congress added in 1989; while still allowing the Trail to serve its important transportation function for the people of the State of Florida. The level requested, along with existing balances, covers all of the obligations in 2011 for the U.S. Army Corps of Engineers to keep the project on track for completion in 2013.



The 2011 request also includes \$12.3 million for FWS ecological services in South Florida, an increase of \$1.8 million over the 2010 enacted level. In 2011, FWS will take action that will help to restore the

ecosystem, including: develop conservation plans and strategies to protect imperiled species such as the Florida panther, sea turtles, and various avian species; undertake recovery actions in support of 67 listed species in south Florida through monitoring species health and addressing threats such as the Burmese python, an invasive species that is quickly expanding its range in Florida; and study the potential distribution and impact of environmental contaminants found in former agricultural lands that are being restored to their original wetland state.

California Bay-Delta – On December 22, 2009, the Administration announced a new Interim Federal Action Plan for the California Bay-Delta. The plan noted that the Bay-Delta is in crisis and further described the current status as follows: “... the ecosystem has reached a point of collapse, with imperiled fish species at all-time low population levels and threats from climate change and associated sea-level rise, seismic risks, and other stressors—such as pesticides, pollutant discharges, and invasive species – underscoring the system’s vulnerability.” Good quality water and water availability for irrigators, fishers, and other users are also at risk due to a continuing multi-year drought.



The Administration announced in the Interim Plan that it is giving priority attention to Bay-Delta water issues in an aggressive and coordinated way because the Sacramento/San Joaquin River Delta-San Francisco Bay Estuary is among the most important ecosystems in the Nation. The Bay-Delta is the hub of the Nation’s largest water delivery system, providing drinking water to 25 million Californians. It sustains about \$400 billion in annual economic activity, including a \$28 billion dollar agricultural industry and recreational opportunities. Until recently, it had supported a thriving commercial

and recreational fishing industry. The closure of the commercial salmon fishing season in 2009 is estimated to have caused the loss of 2,690 jobs and \$279 million, as cited in the April 21, 2009, proclamation by Governor Arnold Schwarzenegger, "State of Emergency – Chinook Salmon." The Bay-Delta is home to 55 species of fish and 750 species of plants and wildlife that are in need of protection from the consequences of drought, climate change, and urbanization.

The Interim Plan is the result of a Memorandum of Understanding signed by six Federal agencies – Interior, Commerce, Agriculture, the Army, the Environmental Protection Agency, and the Council on Environmental Quality – that established a Federal Leadership Committee to coordinate the Federal response to the California water crisis and to develop the Interim Plan. The Interim Plan calls for:

- Committing to work closely with the State of California and local authorities.
- Promoting science-based decisions.
- Ensuring effective performance.

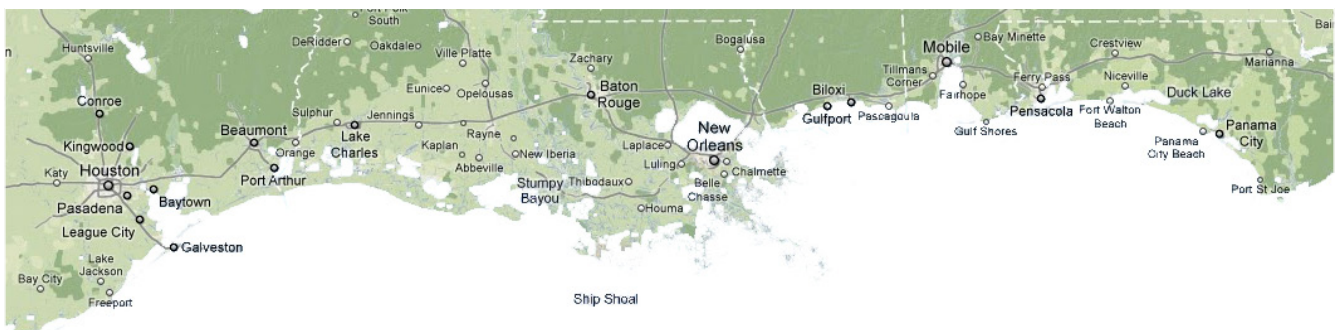
Agencies will also:

- Encourage the smarter supply and use of Bay-Delta water.
- Ensure healthy Bay-Delta ecosystems and improve water quality.
- Help deliver drought relief services.
- Ensure integrated flood risk management.

Interior, through the Bureau of Reclamation, FWS, and USGS, has a key role in this plan. In 2011, Interior is requesting \$155.2 million for studies, projects and

other efforts directly in the Bay-Delta, an increase of \$50.6 million above 2010. This request will fund ecosystems, habitat and anadromous restoration efforts, the development of fish screens and fish ladders, efforts to eradicate or mitigate invasive species, water acquisition, increases in water recycling and reuse programs, various water quality and quantity studies and assessments, endangered species programs, land acquisition, and other efforts. These efforts are an integral part of the Administration's plan to develop both short-term actions and a long-term strategy for providing a sustainable water supply and successful ecosystem restoration.

Gulf Coast Ecosystem – Interior plays a critical role in the restoration of wetlands along the Gulf Coast of Louisiana and Mississippi. The FWS owns and manages ten national wildlife refuges, totaling 300,000 acres along the coast, which are important to the overall restoration program and can serve as demonstration areas for the rest of the impacted coast. An increase of \$5.0 million will support the restoration of key fish and wildlife habitat along the Gulf Coast of Louisiana and Mississippi. These refuges are some of the last havens for species that depend upon habitats in the Louisiana and Mississippi gulf area. The FWS is an active partner with the many Federal and State agencies working on coastal protection and restoration projects, including the U.S. Army Corps of Engineers, the National Oceanic and Atmospheric Administration, EPA, NPS, and USGS. As a member of the Louisiana and Mississippi Coastal Ecosystem Restoration Working Group, FWS will play a significant role in coastal Louisiana and Mississippi restoration akin to the collaborative role played in Everglades restoration efforts. A detailed scientific assessment on the coastal refuges will be completed by FWS to identify the land-building restoration measures that will sustain resources into the future, taking into consideration sea-level rise and other potential impacts of climate change.



The national wildlife refuge system manages a considerable portion of this area as coastal marsh that needs restoration and protection from sea level rise and impacts of storms and climate change. Key plant and wildlife species must be inventoried and monitored to document impacts on their status as habitats change and as the basis for planned restoration efforts. Significant oil and gas reserves with active production and seismic exploration occur on these refuges. Oversight is needed to avoid negative impacts to these sensitive marsh and coastal habitats.

The requested funding will directly contribute to FWS' efforts to design and implement an accelerated Gulf Coast restoration program. It will enable FWS to work with partners to develop shared scientific and technical capacity for biological planning and conservation design to address landscape-scale conservation issues and the associated impacts on fish and wildlife resources along the northern Gulf Coast in Louisiana and Mississippi. The ability to understand, design, and drive conservation across broad scales is fundamental to the ability to successfully restore sustainable ecosystems and address climate change along the northern Gulf Coast.

Funding will also be used to facilitate development of a spatially-explicit decision-support tool that identifies focused geographic priorities for coastal Louisiana and Mississippi to achieve sustainable landscape level restoration, while maximizing the best use of human, fiscal, and natural resources. This tool will incorporate key information, including Federal lands, fish and wildlife trust resources, and other information that will allow the Service and its partners to identify those areas which exhibit the highest probability for sustainable restoration and greatest contribution to trust resource conservation and protection. From this, the most feasible restoration strategies will be applied across the spectrum of prioritized landscapes for multiple-agency actions.

We at the Department of the Interior are proud to have joined with our partners at all levels of government and the private sector to move forward with President Obama's vision to restore and protect the Chesapeake Bay.

Secretary Ken Salazar
September 10, 2009

Chesapeake Bay – The Chesapeake Bay watershed encompasses 64,000 square miles, parts of six States, and the District of Columbia. The Chesapeake Bay is the largest estuary in North America and is ecologically, economically, and culturally critical to the region and the country. Nearly 17 million people live in the watershed, and it is also home to more than 3,600 species of fish, plants, and animals, from blue crabs to bald eagles. The region includes countless cultural and historical sites from Civil War battlefields to America's first permanent European settlement at Jamestown, Virginia.



On May 12, 2009, President Obama signed an Executive Order on Chesapeake Bay Protection and Restoration. The Order calls for a renewed shared leadership action to control pollution, protect and restore habitat, improve natural resource management, and accelerate water quality and ecosystem health improvements. The efforts of the past 25 years to reduce pollution and clean up the Bay and its tributaries have yielded some progress. However, the Chesapeake Bay and many of its tributaries remain in poor health. The Bay continues to be polluted, primarily by nitrogen and phosphorus from agriculture, and runoff and discharge from cities, towns, and wastewater plants. Airborne contaminants also adversely impact the Bay. Human activity and development has transformed the natural landscape. Forests and wetlands that previously filtered pollution and provided wildlife

habitat have been lost to development. Farms have been converted to subdivisions, and suburban sprawl has led to a proliferation of roads, parking lots, and rooftops, intensifying runoff and non-point source pollution. Overharvesting of fish and shellfish has contributed to the decline of key species in the Bay. These declines have had a very significant impact on traditional Bay uses, like oystering and crabbing. Populations of oysters are at an all-time low, and habitats such as underwater grass beds and wetlands are degraded. Climate change is anticipated to result in increased sea levels, temperature changes in the water and air, and increased frequency and intensity of storms.

The 2011 budget includes \$31.6 million, an increase of \$10.0 million over the 2010 enacted level to expand the Department's efforts to conserve and protect the Bay's resources within the budget requests for USGS, FWS, and NPS.

The 2011 budget for USGS includes an increase of \$3.6 million to restore water quality by monitoring and assessing the effectiveness of current practices to reduce nutrient and sediment loads from agricultural and urban/suburban lands in the Bay watershed; restore habitats and sustain species by documenting the occurrence of emerging contaminants in water, sediment, and fish, evaluating potential causes of "intersex" conditions of fish and fish kills; and work with FWS on potential management solutions and interact with EPA on implications for reducing toxic discharges in the Bay watershed.

The 2011 budget for FWS includes an increase of \$5.0 million and a redirection of \$394,000 in base funding to restore habitats for priority species on and off FWS lands, investigate wildlife impacts from contaminant discharges, develop and expand migratory bird monitoring protocols and fish surveys, and expand opportunities for Chesapeake Bay-oriented wildlife observation and public education.

The 2011 budget for NPS includes an increase of \$1.0 million to provide matching grants to State, local, and non-governmental partners throughout the Chesapeake Bay watershed, particularly along the Bay, Susquehanna River, and other major tributaries. This funding will be used to facilitate additional or expanded public access to the Bay and tributaries. In addition, NPS will assist partners in enhancing public interpretation and education of watershed resources and stories, strengthen heritage tourism within the region, and promote citizen stewardship of the Bay.

Great Lakes – The environment of the Great Lakes region is blessed with wide swaths of forest and wilderness areas, rich agricultural land, hundreds of tributaries, thousands of small lakes, and extensive mineral deposits. The region's sand dunes, coastal marshes, rocky shorelines, lakeplain prairies, savannas, forests, fens, wetlands, and other landscapes contain features that are globally unique. The region's glacial history and the influence of the lakes themselves create unique conditions that support a wealth of biological diversity, including over 200 globally rare plants and animals and more than 40 species that are found nowhere else in the world. The Great Lakes environment supports a world-class fishery, with an estimated 180 species of native fish.

Yet for all their size and diversity, the Great Lakes are not as resilient as they appear, and they face a number of serious challenges. History has shown that the Great Lakes are highly sensitive to biological and chemical stresses. The most significant of these include toxic substances, invasive species, non-point source pollution and near shore impacts, and habitat and species loss. Better information about mitigating these effects is also necessary to guide decisionmaking. Collectively, these problems have seriously compromised the environmental health of the Great Lakes. As a result, there is a new sense of urgency for action to address the highest priorities for restoring and protecting the Great Lakes.



As part of the Great Lakes initiative led by EPA, Interior bureaus are instrumental in helping to restore this ecosystem. The 2011 EPA budget request includes \$300.0 million for the Great Lakes initiative, \$175.0 million less than the 2010 level. Of this amount, \$50.2 million is planned for allocation to Interior bureaus for a variety of activities. The FWS would receive \$32.5 million primarily for habitat

and wildlife protection and restoration, invasive species, and toxic substances. The USGS would receive \$10.3 million principally for accountability, education, monitoring, evaluation, communication and partnerships, and for near shore health and non-point source pollution. The NPS would receive \$4.7 million mainly for habitat and wildlife protection and restoration and for invasive species. The BIA would receive \$2.8 million for habitat and wildlife protection and restoration. Ongoing programs in the three bureaus will provide \$66.7 million in 2011 for Great Lakes activities, an increase of \$761,000 over 2010.

PROTECTING, PROMOTING, AND RESTORING TREASURED LANDSCAPES

As Americans, we possess few blessings greater than the vast and varied landscapes that stretch the breadth of our continent. Our lands have always provided great bounty: food and shelter for settlers and pioneers, the raw materials that grew our industry, the energy that powers our economy. What these gifts require in return is our wise and responsible stewardship.

*President Barack Obama
March 30, 2009*

As manager of nearly one-fifth of the land area of the United States, the Department protects America's landscapes. Its lands and waters host more than 450 million visitors per year. The work of Interior's 70,000 employees is complemented by the efforts of 242,000 volunteers. While providing recreational opportunities and protecting significant natural and cultural resources, the lands and waters Interior manages also generate \$14 billion annually



in revenue from commercial, recreational, and other uses. These lands and waters maintain historic uses and support the livelihood of millions of Americans. A recent economic study reports that in 2008 Interior lands and waters generated \$370 billion in benefits nationwide.

Among the vast array of treasured landscapes that the Department manages are units of the National Landscape Conservation System, the national wildlife refuge system, and the national park system. Respectively, BLM, FWS, and NPS protect these treasured lands.

National Landscape Conservation System – The National Landscape Conservation System is comprised of over 27 million acres, including 37 national monuments and national conservation areas, 223 wilderness areas, 545 wilderness study areas, 69 wild and scenic rivers, and 16 national scenic and historic trails. Units include red-rock deserts, rugged ocean coastlines, deep river canyons, and Alaskan tundra. These areas support extensive recreational use, cultural and paleontological research, and preserve awe-inspiring landscapes. The NLCS units offer primitive backcountry experiences, and others are just minutes from major metropolitan areas.

The Omnibus Land Management Act of 2009 added nearly 929,000 acres of wilderness, one national monument, four national conservation areas, 362 miles of wild and scenic rivers, and 40 miles of national scenic trails.

The budget for the National Landscape Conservation System in 2011 is \$65.4 million, a net increase of \$1.3 million over the 2010 enacted level. These amounts represent the recurring base funding for the system; they do not include one-time funding. The net increase includes an increase of \$414,000 in the National Monuments and National Conservation Areas subactivity for high-priority operating needs. There are offsetting reductions of \$198,000 in this subactivity for Interior-wide management efficiencies. The budget also includes an increase of \$1.3 million in the Wilderness Management subactivity targeted to new wilderness areas designed by the Omnibus Land Management Act. There are offsetting reductions of \$201,000 for Interior-wide management efficiencies.

National Wildlife Refuge System – The refuge system is comprised of 551 units that are in every State in the Union. This network of 150 million

acres of land and waters, including nearly 53 million acres of submerged land in four marine national monuments, provides habitat for many species of fish and wildlife, sanctuary for threatened and endangered species, and secure spawning areas for native fisheries. There are also numerous recreational opportunities on refuges.

The 2011 budget for the national wildlife refuge system is \$499.5 million, a net reduction of \$3.3 million. The 2011 budget increases refuge climate science inventory and monitoring by \$8.0 million, and adds \$2.0 million for youth programs. Reductions include unrequested congressional increases totaling \$4.5 million, discontinuation of the \$6.5 million Challenge Cost Share program, Interior-wide management efficiencies that are expected to achieve savings of \$4.6 million in the refuge program, and FWS specific efficiencies of \$459,000.

National Park System – The National Park Service operates 392 units, comprised of 84 million acres in 49 States, the District of Columbia, American Samoa, Guam, Puerto Rico, the Northern Mariana Islands, and the U.S. Virgin Islands. The park system celebrates the Nation’s history by interpreting and preserving natural and cultural sites and providing opportunities for respite, reflection, and outdoor recreation. The system includes sites that are a testament to the early ideals of conservationists who strove to protect treasured landscapes. John Muir,

for example, was a driving force in the preservation of the Yosemite Valley.

The 2011 budget for operation of the national parks is \$2.3 billion, an increase of \$35.3 million above the 2010 level. New funding for operations will address mission-critical needs at existing and new parks, improve visitor services, protect national icons, and maintain the facilities and investments restored with Recovery Act funds. Increases for Service-wide programs will be used for resource stewardship projects nationwide and will also facilitate collaborative efforts to improve administrative services and employee development. These increases are offset by reductions of \$13.8 million in Interior-wide management efficiencies that are expected to achieve savings.



WILD HORSE AND BURRO INITIATIVE

The 2011 budget request will begin implementing a new national management strategy for protecting America's iconic wild horses and the open lands on which they roam.

Since 1971, when Congress passed the Wild Free-Roaming Horses and Burros Act, the BLM has proudly managed the Nation's wild horses and burros. In four decades under BLM protection, wild horse populations that were once fast disappearing from the American scene have rapidly grown.

This success in reviving wild horse populations, however, has created a new set of challenges for BLM



and the landscapes they manage. The total wild horse and burro population is now approximately 69,000, including 37,000 roaming the public lands, and 32,000 held in expensive short-term corrals and long-term pastures. With no natural predators, wild horse populations on the range continue to grow. This population growth has been a contributing factor in steadily increasing program costs – from \$36.4 million in 2007, to \$51.6 million in 2009, to an estimated \$66.1 million in 2010. Additionally, arid western lands and watersheds cannot support a population this large without significant damage to the environment that threatens all wildlife species that depend on healthy rangelands, including wild horses. To prevent starvation of animals and to protect the lands from over-grazing, the BLM each

year moves thousands of wild horses to short-term corrals and long-term pastures.

The BLM's management strategy up to this point has primarily focused on removing animals from the range in an effort to reach appropriate management population levels, offering these gathered animals up for adoption, and placing any unadopted horses in holding facilities. However, declining adoption rates over the last several years and rising feed and fuels costs have led to skyrocketing holding costs. The current path of the wild horse and burro program is not sustainable for the animals, the environment, or the taxpayer.

To respond to these challenges, on October 7, 2009, Secretary Salazar announced a new comprehensive long-term plan to put the wild horse and burro program on a sustainable track. Full implementation of the plan requires increased funding in the short term and additional legislative authorities. The plan identifies three management strategies to improve the protection and management of wild horses: managing sustainable herds on western rangelands through the aggressive application of fertility control measures; establishing new wild horse preserves, primarily in the Midwest and East for horses that must be removed from western rangelands; and providing special designations for selected treasured herds in the West.

Wild horse population growth rates must be brought into balance with adoption demand to ensure that the herds on the western rangelands are kept at more sustainable levels. Only by reducing breeding populations will this program come into balance. The Secretary's plan will achieve sustainable populations on the range through far more aggressive use of fertility control than is currently practiced, active management of sex ratios on the range, and possibly the introduction of non-reproducing herds in some existing herd management areas. At the same time, the success of the plan depends on the placement of more animals into good homes by making adoptions more flexible where appropriate.

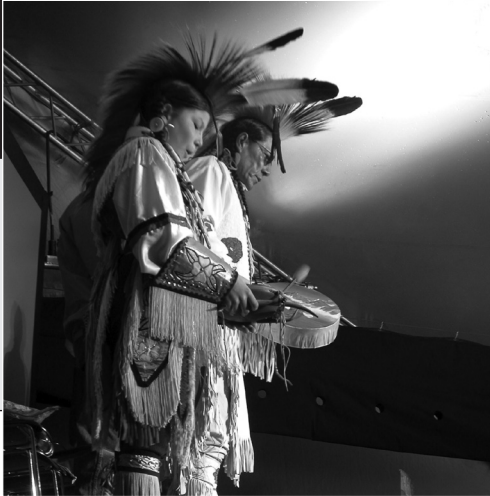
The BLM will establish a new set of wild horse preserves across the Nation, particularly on the productive grasslands of the Midwest and in the

East. Siting these preserves in areas outside the western States is necessary because water and forage are extremely limited in the West, and drought and catastrophic wildfire threaten both rangeland and animal health. These new preserves will be located on lands acquired by BLM or partners, and would be home to non-reproducing herds of wild horses. They will provide excellent opportunities to reduce the number of animals in short-term holding, celebrate the historic significance of wild horses, showcase these animals to the American public, and serve as natural assets that support local tourism and economic activity.

Lastly, the Secretary's plan will showcase certain unique herds on public lands in the West that deserve special recognition. These select herds

would be highlighted with Secretarial or possibly congressional designations. The special designations would highlight the unique qualities of America's wild horses, providing a focal point for publicity, environmental education, and increased eco-tourism that could boost economies and create jobs in nearby rural communities.

The 2011 BLM budget request includes \$75.7 million, an increase of \$12.0 million for the Wild Horse and Burro Management program to support implementation of the Secretary's plan. In addition, the BLM budget includes an increase of \$42.5 million in land acquisition funding to plan and purchase land for one wild horse preserve. The plan will enable BLM to achieve appropriate management population levels on the range by 2013.



Empowering Tribal Nations

Self-determination, sovereignty, self-government, empowerment, and self-reliance are not abstract concepts; they are the tools that enable Indian Country to shape its own destiny.

*Ken Salazar, Secretary of the Interior
November 5, 2009*

The American Indian and Alaska Native communities that the Department of the Interior serves face great challenges. On Indian reservations, poverty is still commonplace; unemployment and violence are higher than the national average; and incidents of infant mortality, alcoholism, and substance abuse are far in excess of the rest of America. The key to overcoming these challenges are strong and stable tribal governments built through self-determination. Interior, through Indian Affairs, plays a critical role in removing obstacles to tribal self-determination, building strong and stable governing institutions, and promoting economic development. The Indian Affairs programs offer assistance to Tribes to help them improve the quality of life for their members.

The Empowering Tribal Nations initiative is a multi-faceted effort that will advance Nation-to-Nation relationships, improve Indian education, improve the safety of Indian communities, and reform trust land management with an ultimate goal of greater self-determination. The initiative builds on the historic White House Tribal Nations Conference and the President's commitment to improving conditions throughout Indian Country. At the November 2009 Conference, attended by over 400 tribal leaders, the President pledged to strengthen Nation-to-Nation relationships, improve the tribal consultation process, and empower strong and stable Indian communities.

In addition to providing key increases for both the law enforcement and education programs, and maintaining the 2010 increases for natural resources, the 2011 budget includes programmatic increases of \$70.6 million for the Empowering Tribal Nations initiative. Overall the 2011 budget request for Indian

Affairs is \$53.6 million below the 2010 enacted amount. This reflects a reduction of \$50.0 million in one-time funding to forward-fund tribal colleges and \$6.0 million in anticipated efficiency savings. There are additional reductions in lower priority programs and completions totaling \$68.4 million, which serve as offsets for key initiative increases.

The budget continues initiatives begun with the 2010 budget, while providing necessary support for the Tribes to run these programs and focusing additional resources in the areas of Indian self-determination, social services, and economic development. Specifically, the 2011 budget:

- Advances Nation-to-Nation relationships and Indian self-determination by providing additional funding for contract support costs, assisting in the unique needs of small and needy Tribes, and increasing social services.



- Protects Indian Country by increasing the number of Federal Bureau of Investigation agents that are on-the-ground and dedicated to Indian Country and supporting the President’s High-Priority Performance Goal to reduce crime in Indian Country.
- Advances Indian education by addressing environmental and security concerns at BIE schools and strengthening grant support funding for tribally operated BIE schools.
- Improves trust land management by promoting both renewable and conventional energy development on tribal lands, defending and asserting Indian water rights, and assisting Tribes with dam safety.

ADVANCING NATION-TO-NATION RELATIONSHIPS

President Obama respects the inherent sovereignty of Indian Nations and believes that the Federal government must honor its commitments to American Indian and Alaska Native communities.

Secretary Ken Salazar
November 25, 2009

At the White House Tribal Nations Conference, President Obama pledged to bring about meaningful change for American Indians and Alaska Natives. The President spoke of how Tribes have been marginalized and excluded from pursuing the American dream. Some reservations face unemployment rates of up to 80 percent. Roughly a quarter of all Native Americans live in poverty, more than 14 percent of all reservation homes don’t have electricity, and 12 percent don’t have access to a safe water supply.

The President also spoke of how the Federal government has treated Tribes in the past. Tribal Nations were not treated as equals. Instead, decisions were made for the Tribes by leaders in Washington. The President pledged to change this practice, engage in meaningful consultation, build tribal capacity, and have true Nation-to-Nation relations.

The 2011 President’s budget request will advance Nation-to-Nation relationships through investments

EMPOWERING TRIBAL NATIONS 2011 INCREASES (dollars in millions)	
Advancing Nation-to-Nation Relationships	
Contract Support.....	+21.5
Small and Needy Tribes	+3.0
Social Workers	+2.0
Other Program Changes	+3.4
Subtotal.....	+29.9
Protecting Indian Country	
FBI Agents.....	+19.0
Detention Center Maintenance	+1.0
Subtotal.....	+20.0
Advancing Indian Education	
ISEP Program Adjustments	+3.9
Environmental Audits	+2.0
Tribal Grant Support	+3.0
Subtotal.....	+8.9
Improving Trust Land Management	
New Energy Frontier.....	+2.5
Climate Change Adaptation.....	+0.2
Trust Natural Resources.....	+1.2
Cadastral Surveys	+0.7
Probate.....	+1.9
Water Management Planning and Pre-Development.....	+0.5
Water Rights Negotiations.....	+1.0
Safety of Dams.....	+3.8
Subtotal.....	+11.8
TOTAL	+70.6

in contract support, increased assistance to Tribes in self-determination contracting, additional social workers, and support for small tribal governments. In total, \$29.9 million in programmatic increases are proposed for these efforts. The increases, taken together, will build tribal capacity, thereby furthering the goal of self-determination.

Contract Support – The largest increase within this component of the initiative is \$21.5 million, an increase of 13 percent, for the Contract Support program and the Indian Self-Determination Fund. The Tribes continue to identify funding for contract support as their top priority. The additional funding will allow BIA to pay approximately 94 percent

of the contract support costs. Further, increased funding of tribal contract support will reduce the need for Tribes to utilize program funds to fulfill administrative requirements. This is an issue of equity as well as good business. The funding for the Indian Self-Determination Fund will pay start-up and initial contract support costs, the primary barrier to Tribes that want to contract and compact new programs. On average, 25 Tribes are contracted with these funds each year.

Small and Needy Tribes – Although all Tribes face obstacles to achieving self-determination, smaller Tribes tend to have more difficulty obtaining the resources necessary to run their own programs. In 1992, the Senate Committee on Indian Affairs authorized the establishment of the Joint Tribal/BIA/Interior Task Force on BIA Reorganization to make recommendations on the reorganization of the BIA. One of the recommendations was an initiative targeted for Tribes designated as small and needy. In 1993, the Small and Needy Tribes initiative was created to ensure small Tribes had the minimum amount of Tribal Priority Allocation base funding needed to run viable tribal governments. Small Tribes were designated as those having a population of 1,700 or less. A small and needy designation was based on population and funding thresholds. Small and needy designation was for those that received less than \$160,000 in recurring Tribal Priority Allocation funds in the lower 48 States and \$200,000 in Alaska. The Small and Needy funding augmented the TPA allocation and allowed these Tribes to carry out basic tribal services and programs. At the time of the original initiative, there were 450 Tribes that met the population criteria for a small Tribe and 264 Tribes that met both the population and funding threshold criteria for a small and needy Tribe.

From 1995 through 1998, BIA received a total of \$26.4 million for this initiative. In 1999, the program was cancelled as all Tribes' TPA bases had been brought to the minimum threshold of \$160,000 with the funds received in 1998.

In 2011, Interior proposes a \$3.0 million increase to begin funding for these small and needy Tribes again. Currently a total of 114 small Tribes receive less than the recommended thresholds for base funding. The funding in this initiative will be used to bring 17 Tribes in the lower 48 States back to the minimum threshold funding of \$160,000 and will bring 86 Alaska Tribes up to \$190,000. With this

funding, small and needy Tribes will be able to develop stronger tribal governments.

Social Services – Tribal and BIA social workers are first responders for child protection and child welfare services on reservations. The 2011 budget includes a \$2.0 million increase for 15 additional social workers to help tribal communities deal with substance abuse, child abuse, sexual abuse, child and elderly neglect, loss of cultural knowledge, domestic violence, and increasing teen suicide. According to the Centers for Disease Control, suicide is the second leading cause of death among American Indians and Alaska Natives ages 15-34 years. Suicide rates among American Indian and Alaska Native adolescents and young adults are close to two times higher than the national average.

These additional bureau and tribal staff will work with counties and counsel parents to understand and implement changes that will correct these behaviors and ultimately reunite the families. The workers also will provide training to parents, which is an important tool in reducing the number of child welfare cases.

Effective Management – The budget contains a \$1.0 million increase for ten new self-determination specialist positions, which is part of the five-year effort launched in 2009 to increase the number of awarding officials. Having sufficient self-determination staff will result in timely BIA management decisions that allow Tribes to assume responsibility for operation of programs on their reservations. These officials can help Tribes to resolve issues that hamper effective operation and management, including tribal audit delinquencies, BIA audit deficiencies, and contract compliance. The budget also includes an increase of \$500,000 for a tribal data management system to assist Tribes with performance reporting and \$450,000 to improve acquisition management.

Land and Water Settlements – The budget contains a \$1.5 million increase for a total request of \$6.5 million to satisfy the requirements of the Puget Sound Regional Shellfish Settlement. The 2011 budget marks the final year of funding for the settlement, which resolves disputes regarding several Tribes' treaty rights to take shellfish from tidelands on the Puget Sound. The budget also includes a reduction of \$2.4 million as the Department has met the terms of the Pueblo of Isleta Settlement.

PROTECTING INDIAN COUNTRY

And none of our efforts will take root if we can't even guarantee that our communities are safe – safe places to learn, safe places to grow, safe places to thrive. So Tribes need support in strengthening their law enforcement capability. They need better resources and more training.

President Barack Obama
November 5, 2009

Public safety remains a top priority for tribal leaders. National Bureau of Justice Statistics findings reveal a disturbing picture of the victimization of American Indians and Alaska Natives by crime. The rate of violent crime estimated from reported incidents for American Indians is well above that of other U.S. racial or ethnic groups and is more than twice the national average, and many incidents go unreported. This disparity in the rates of exposure to violence affecting American Indians occurs across age groups, housing locations, and gender.

In three recent BJS-sponsored tribal level criminal victimization surveys, victims reported that alcohol use by the offender was a factor in more than 40 percent of the incidents of overall violence, and more specifically, domestic violence.

In addition, many tribal leaders have identified substance abuse, including the use of methamphetamine, as a public safety threat to their communities. This is supported by the fact that a large percentage of the violent crimes in Indian Country prosecuted by the U.S. Attorney's Offices involve individuals under the influence of methamphetamine or other illegal substances. The

fight against this highly addictive drug requires coordination at the Federal, tribal, State, and local levels. The combination of small populations spread over large geographic areas, underdeveloped economies, and the resulting high levels of unemployment have created an environment highly conducive to the current meth crisis, especially when these characteristics are combined with the widely dispersed law enforcement presence generally found on Indian reservations.



Significant investments have been made to improve these conditions. Since 2008, increases totaling \$85.2 million, or 35 percent, have been provided for Indian Affairs Public Safety and Justice programs. In 2010, Congress increased the budget by \$25.0 million over the President's request. The 2011 budget retains these increases that are achieving results with additional staffing, training, and equipment. The BIA has allocated resources based on an assessment of the greatest need and implemented organizational, hiring, and management reforms. The 2011 budget will improve the effective utilization of these resources through increased coordination between Federal agencies, additional resources for agents on the ground, and accountability with a high priority goal of reducing crime in Indian Country.

Federal Bureau of Investigation Agents – The 2011 budget contains a \$19.0 million proposal for Indian Affairs to reimburse the Department of Justice for 81 additional FBI agents, analysts, and support staff who will be strictly dedicated to Indian Country. This arrangement will ensure the FBI officers are targeted to Indian Country and will improve coordination between BIA, Tribes, and the FBI.

The FBI has primary Federal jurisdiction over more than 200 reservations with approximately 105 agents



available to investigate crimes that occur in Indian Country. The agents operate out of remote FBI resident agencies. Although the FBI has established 17 Safe Trails Task Forces in an effort to proactively address the growing drug and gang problems on reservations, agents are often assigned to the task forces as a collateral duty, in addition to their regular case work. These 81 agents, analysts, and support staff will be dedicated to support BIA and tribal efforts to combat crime.

The FBI will focus on crime related to drugs, gangs, and gaming, all of which have a tie to organized crime. Drug use, which is a significant factor in a large percentage of violent crime committed in Indian Country, has been identified as a priority by the Bureau of Indian Affairs and Department of Justice's Native American Issues Subcommittee. There are 425 Indian gaming establishments operating throughout the United States, providing another source of potential for public corruption

and financial crime. Personnel enhancements will allow the FBI to proactively focus on criminal enterprise investigations in drugs, gangs, public corruption, and Indian gaming issues throughout Indian Country. The FBI response will target crime in areas of high risk.

Funding in the Department of Justice's budget will also provide forensic support for investigations and sentencing. Since October 2005, the FBI Forensic Laboratory Division has received 1,124 submissions from Indian Country investigations. The laboratory has completed 880 of these with an average turnaround time of 164 days. The average pending time to process the remaining 250 submissions is 219 days. The increased FBI agents and BIA and tribal agents will generate a high volume of forensic materials and evidentiary items. Without a commensurate increase in forensic capacities, the timeliness of services in support of Indian Country program operations and investigations will suffer. The request will assist the

OPERATION DAKOTA PEACEKEEPER

In 2008, the Department of the Interior initiated Operation Dakota Peacekeeper on the Sioux Standing Rock Reservation as a part of the Safe Indian Communities initiative. The key objectives of the operation were to reduce crime, target illegal drug activities, and provide investigative support to prosecute domestic violence offenses and crimes against children.

The mission of Operation Dakota Peacekeeper was to deploy additional personnel to the Standing Rock Reservation and use community-policing tactics to carry out the operation. Teams staffed by officers on detail from other BIA and tribal police departments across the country provided patrol and investigative services as needed. They provided proactive law enforcement presence, implemented contingency plans to provide continuing law enforcement, assisted local governments and law enforcement agencies, and provided additional support to criminal investigations by utilizing special agents assigned to the deployment team. A total of 56 officers were detailed to Operation Dakota Peacekeeper over approximately seven months of the surge.

The Standing Rock community also played a vital role in Operation Dakota Peacekeeper. Interior worked with the community and tribal leaders and sponsored community events, developed crime-fighting strategies and community watch practices, performed outreach on drug education and prevention, and increased patrol in high crime areas. Interior also provided additional funding to the tribal court to deal with the case load generated by the arrests.

Overall, Operation Dakota Peacekeeper assisted BIA in developing future strategies to promote safer Indian communities within Indian Country. During the peacekeeper operations, a significant decrease in violent crime from the previous year was noted. The violent crime rate showed a continued decrease over the life of the surge and stabilized during the few months after the surge concluded. Part II crime saw a significant increase at the beginning of the operation before showing a decline. This was attributed to the increase in officer presence which allowed policing activities to arrest offenders at a misdemeanor level as opposed to crimes escalating to more violent offenses. Even though the spike in other crimes was seen during the heart of the operation, that spike then began to decline and returned to lower levels after the operation.

FBI Laboratory Division in achieving an average 60-day turnaround time for forensic examinations in Indian Country cases.

Detention Center Maintenance – The 2011 budget also contains a \$1.0 million increase for the operations and maintenance of detention facilities. From 1997 to 2002, DOJ provided funding to Tribes to build 21 new detention facilities. The last four of these facilities are slated to open in 2011, and once open, the Bureau of Indian Affairs will be responsible for their operation and maintenance. The \$1.0 million increase will allow BIA to open these facilities, increasing bed space, which is severely limited in many communities.



Detention Center Construction – The Public Safety and Justice Construction program is funded at \$11.4 million in 2011, \$53.0 million below the level enacted in 2010. The funding will support employee housing and facilities improvement and repairs at detention centers. No funding is included for the new construction of detention centers. The budget takes into consideration the \$285.0 million that was provided to Indian Affairs for school and detention center construction activities and the \$225.0 million provided to the Department of Justice for detention center construction under the American Recovery and Reinvestment Act. The budget also reflects a proposed transfer of \$6.5 million in detention center facilities operations and maintenance funding from the Construction account to the Operation of Indian Programs account. This action will increase transparency of the operations and maintenance funding by consolidating all funds in the operations account.

High-Priority Performance Goal – The 2011 budget increases support the President’s goal to achieve a significant reduction in criminal offenses of at least five percent on targeted tribal reservations by

implementing a comprehensive strategy involving community policing, tactical deployment, and critical interagency and intergovernmental partnerships.

In support of the high-priority performance goal, BIA is implementing strategies in 2010 to reduce violent crime in Indian Country. These strategies include the deployment of a community assessment and police improvement project. This pilot project focuses on four communities with excessive crime problems. The pilot will begin with a full assessment to determine the root causes. Using the information obtained in the assessment, a customized action plan will be developed identifying the best strategies and practices to sustain crime reduction in that particular community. Action plans will include such things as customized community policing

PROTECTING INDIAN COUNTRY HIGH-PRIORITY PERFORMANCE GOAL

Beginning in 2010, achieve significant reduction in crime of at least five percent within 24 months on targeted tribal reservations by implementing a comprehensive strategy involving community policing, tactical deployment, and critical interagency and intergovernmental partnerships.

Targeted Communities

- Standing Rock Reservation, ND
- Rocky Boys Reservation, MT
- Wind River Reservation, WY
- Mescalero Apache Reservation, NM

Performance Measures

- Reduction in Part I violent crime, reported as total incidents on reservation or incidents per 100,000 service population. Crimes in this category include homicide, aggravated assault, simple assault, rape, and robbery.
- Reduction in Part II crime total incidents. Crimes in this category include narcotic drug offenses, alcohol-related offenses, malicious destruction and vandalism, stolen property possession, weapons violations, family-related offenses, vice-sex offenses, and fraud.

programs suitable to the community to ensure the best chance of success; strategic operation practices tailored to the community for stronger patrol and enforcement within current staffing levels; and necessary partnerships with various Federal, State, and local programs that can be leveraged, such as the Drug Enforcement Administration or drug task forces, social services, and rehabilitation programs.

Pilots will build on lessons learned in last year's Dakota Peacekeeper initiative on the Sioux Standing Rock Indian reservation. This law enforcement effort will serve as a model to focus on individual communities and tailor a unified Federal and tribal effort to their needs. The Standing Rock Reservation was experiencing one of the highest crime rates among Indian reservations. Violent crime at the reservation is six times the national average. While the Standing Rock police force has now returned to the pre-initiative staffing level, it has a better understanding of the appropriate community policing efforts and partnerships needed to sustain control of their community.

ADVANCING INDIAN EDUCATION

But the future of Indian Country rests on something more: the education we provide our children.

*President Barack Obama
November 5, 2009*

Providing education to American Indian and Alaska Native children will build a foundation for strong tribal Nations and an improved economy throughout Indian Country.

The 2011 request advances the Department's continuing commitment to Indian education at 183 schools and dormitories funded by the Bureau of Indian Education. Since 2008, the budget for Indian education has increased by \$109.8 million. In recent years, investments in the education program have achieved improvements in the educational environment with new schools, facility improvements, operations and transportation, and new programs focused on student achievement. Excluding one-time funding to forward-fund tribal colleges, the budget maintains 2010 funding for education operations and contains increases of \$8.9 million for key program activities to promote student safety and well-being.

The 2011 budget includes \$52.9 million for education construction, a decrease of \$60.1 million from the level enacted in 2010. As with detention center construction, the budget takes into consideration the \$285.0 million that was provided to Indian Affairs for school and detention center construction activities in the American Recovery and Reinvestment Act of 2009. The budget also reflects a proposed transfer of \$50.7 million in education facilities operations and maintenance funding from the Construction account to the Operation of Indian Programs account to increase transparency and improve the management of the maintenance and construction programs.

Overview – The BIE operates one of two Federal school systems; the other is operated by the Department of Defense. The BIE elementary and secondary school system, located on 63 reservations in 23 States, educates or provides residential facilities for approximately 42,000 students in 183 academic or resident-only facilities. Total funding for school operations from Federal sources for BIE-funded schools was about \$1 billion in 2009, including \$715 million from BIE and \$206 million from the Department of Education. Most students attending BIE schools come from remotely located, rural communities with underdeveloped economies. These communities are characterized by below-average literacy rates, low incomes, and high unemployment. Elementary and secondary schools range in size from eight to more than 1,000 students, representing over 250 Tribes with different cultural backgrounds.

To monitor performance, BIE's elementary and secondary schools are required to measure and determine achievement using adequate yearly progress measures established by the No Child Left Behind Act of 2001. Schools measure performance



based on goals for student achievement in math, reading, and language arts; student attendance; high school graduation rates; and teacher qualifications. Student performance at BIE schools remains lower than the national average. Over the past year, the number of schools reaching adequate yearly progress increased modestly, however, only 24 percent of BIE schools have met this goal. Of the 173 schools measured, 42 reached AYP in 2009, while 131 did not. The No Child Left Behind Act provides an expectation that 100 percent of all students across the Nation will achieve AYP by 2014. The focus in 2011 will continue to be on increasing students' benchmark scores.

Education and learning beyond high school are also critical to a successful life and career; 80 percent of new jobs in the competitive global economy require post-secondary education such as a college degree or vocational training. The BIE operates two post-secondary schools, administers operating grants to 26 tribal colleges and universities and two tribal technical colleges, and promotes post-secondary opportunities with scholarships to approximately 32,000 students.

Indian School Equalization Program Adjustments— The 2011 request of \$3.9 million for the Indian School Equalization Program will be used to implement safety and security programs at ten schools and train staff to deal effectively with high-risk student behaviors. In recent years, a growing number of residential students have engaged in violent or disruptive behaviors and had other difficulties

functioning in a traditional school environment. According to a 2008 annual survey sponsored by the Substance Abuse and Mental Health Services Administration on drug use and health, American Indians reporting alcohol and drug abuse is higher than among other ethnic populations. The same study also revealed that Indian youth reported the second highest percentage of any racial group in the incidence of high-risk behaviors, including carrying a handgun, gang fighting, and attacks with intent to harm. Because many of the BIE students are from economically impoverished communities where alcohol, drug abuse, and gang violence are prevalent, they are at high risk to engage in dangerous behaviors.

An Office of Inspector General review of 17 BIE residential programs and off-reservation boarding schools reported significant safety and security issues. In school year 2008-2009, the number of high risk incidents at BIE dormitories increased 13 percent, alcohol and drug related infractions increased by ten percent, weapons violations increased by 40 percent, and occurrences of property damage increased by 15 percent over the prior year.

To address these concerns, the 2011 budget includes funding for training, equipment, and facility modifications that will reduce the threat of injury to students and faculty posed by high-risk behaviors. In some cases, security systems will be installed to monitor activity on campus and control access to the school. Behavior intervention programs will be implemented to assist teachers with managing

**TRIBAL COLLEGES AND UNIVERSITIES
BIE-FUNDED**

Bay Mills Community College, Michigan
 Cankdeska Cikana Community College, North Dakota
 College of Menominee, Wisconsin
 Fort Belknap Community College, Montana
 Fort Peck Community College, Montana
 Ilisagvik College, Alaska
 Leech Lake Tribal College, Minnesota
 Little Priest Tribal College, Nebraska
 Nebraska Indian Community College, Nebraska
 Oglala Lakota Community College, South Dakota
 Salish Kootenai College, Montana
 Sisseton Wahpeton Community College, South Dakota
 Southwestern Indian Polytechnic Institute, New Mexico
 Tohono O'Odham Community College, Arizona
 United Tribes Technical College, North Dakota

Blackfeet Community College, Montana
 Chief Dull Knife College, Montana
 Dine College, Arizona
 Fort Berthold Community College, North Dakota
 Haskell Indian Nations University, Kansas
 Lac Courte Oreilles Community College, Wisconsin
 Little Big Horn Community College, Montana
 Navajo Technical College, New Mexico
 Northwest Indian College, Washington
 Saginaw Chipewa Tribal College, Michigan
 Sinte Gleska University, South Dakota
 Sitting Bull College, North Dakota
 Stone Child Community College, Montana
 Turtle Mountain College, North Dakota
 White Earth Tribal & Comm. College, Minnesota

problem behavior and preventing and eliminating certain types of behavior within the school. It is anticipated that this initiative will reduce incidents of high-risk behaviors such as vandalism, weapons violations, violence, and drug or alcohol abuse at the selected schools.

Environmental Audits and Environmental Management at Schools – Just as important as the physical safety of the school is the environmental safety of the school. The Environmental Protection Agency found widespread, systemic violations of Federal environmental statutes at schools in Indian Country. Indian Affairs will assure compliance by implementing a comprehensive environmental management program for schools. The budget includes an increase of \$2.0 million to enable Indian Affairs to meet the terms of a settlement agreement with EPA.

The budget request includes \$2.0 million for 13 environmental professionals who will conduct environmental audits at all 183 BIE-funded schools and dormitories. These professionals will be strategically located across the country in order to efficiently reach the schools they are auditing. Any violations will be rectified with facilities operations and maintenance funding.

These staff will also assist schools with developing, implementing, and maintaining environmental management systems. These systems will be used by schools to mitigate and prevent environmental violations, and to monitor and improve energy use and environmental quality.

Tribal Grant Support Costs – The Indian Affairs 2011 budget request includes a \$3.0 million increase for Tribal Grant Support Costs program. The BIE currently funds 124 tribally controlled schools and residential facilities. Grant support funding helps to cover administrative and indirect costs incurred by a Tribe operating contract and grant schools. Expenses typically include fiscal audits, personnel, property and procurement management, office services and record keeping, insurance, security, and legal services.

Program Review – The Interior Department is committed to providing a safe, secure, and healthy learning environment that promotes student achievement. To this end, in 2011 BIE will potentially be one of the first programs to undergo an independent review by the new program evaluation office within the Office of the Secretary.

IMPROVING TRUST LAND MANAGEMENT

While we have made significant progress in improving and strengthening the management of Indian trust assets, our work is not over....

*Secretary Ken Salazar
December 8, 2009*

The Improving Trust Land Management initiative assists Tribes in the management, development, and protection of Indian trust land and natural resources on 55 million surface acres and 57 million acres of subsurface mineral estates of trust land. The BIA resource management activities assist tribal landowners to optimize resource use, which provides many benefits to tribal landowners such as revenue, jobs, and the protection of cultural, spiritual, and traditional resources. The budget includes an increase of \$2.5 million for renewable and conventional energy projects discussed in the New Energy Frontier chapter of the Departmental Highlights and an increase of \$200,000 for climate adaptation as discussed in the Climate Change Adaptation chapter of the Departmental Highlights. Discussed below are \$9.1 million in programmatic increases for land management improvements, water management, cadastral surveys, and dam safety, and \$9.5 million in reductions for the Indian Land Consolidation program and probate backlog activities as a result of programmatic changes.



Trust Natural Resources – The budget includes an increase of \$1.2 million to begin development of the former Bennett Freeze area. The Bennett Freeze was the product of a long-standing land dispute that impacted the Navajo people and prevented development of land at the Navajo Reservation for over 40 years. The predominant land uses are

agriculture and grazing. The freeze was recently lifted through a settlement between the Navajo and Hopi Nations. The former Bennett Freeze area consists of nine Navajo Nation chapters in the Western Navajo Agency that encompasses three million acres. More than 12,000 Navajo people live in the area.

During the freeze era, the Navajo people were prohibited from building new homes, schools, and health facilities; building infrastructure; and engaging in community and economic development projects, including development for grazing, energy, and other land uses. The freeze influenced the Navajo people socially, economically, emotionally, physically, mentally, and spiritually. With the lifting of the freeze, the region will be developed through partnerships and collaboration.

The funding will be used by BIA to assist the Navajo Tribe to implement rangeland inventories, monitor strategies that establish livestock carrying capacities, and set stocking rates for grazing permits. The funding will also be used for agricultural land use development and grazing permit administration. In addition, the program will develop and implement strategic range management and conservation plans, establish range units, rehabilitate and restore degraded rangelands, maintain and replace water storage tanks and windmills, construct fence lines associated with range units, and develop numerous water resources such as stock ponds and springs.

Trust Real Estate Services – The budget includes a \$659,000 increase for cadastral surveys on the Nez Perce Reservation in Idaho. These surveys must be completed as a requirement of the Nez Perce/Snake River Water Rights Settlement. Funding will be provided to the Bureau of Land Management through a reimbursable agreement.

The budget also includes a net reduction of \$5.6 million to the probate program. This includes a \$7.5 million reduction as a result of the elimination of the probate backlog. The 18,101 backlog cases are expected to be completed by the end of fiscal year 2010. There is a corresponding \$1.9 million increase for the probate office at the BIA central office. This funding was previously provided through the probate backlog program line item, and supports the management of the program and the distribution of assets among heirs and devisees.

Water Management Planning and Pre-Development – The budget includes a \$500,000 program increase

for the Water Management Planning and Pre-Development program. This program assists Tribes in identifying and quantifying available water resources. Funds from this program are competitively distributed to Tribes for a variety of studies and activities to protect the quality, quantity, management, and use of tribal water resources.

Water Rights Negotiations and Litigation Support – The budget includes an increase of \$1.0 million for the Water Rights Negotiations and Litigation Support program. This program provides the funds that are used by the United States and Tribes for activities associated with establishing or defending Indian water rights through negotiations and litigation. Increased program funding will advance the research, litigation support, documentation, and outreach with communities for resolution of Indian water rights litigation cases and the Federal and tribal negotiations being conducted to secure adjudicated water rights in lieu of litigation.

Currently, there are 19 appointed Federal Indian Water Rights Negotiation Teams that are active in negotiating water rights claims through settlement agreements and congressional ratification. There are also 14 Federal Indian Water Rights Implementation Teams working on implementing the provisions of congressionally ratified settlements completed during the past 20 years. With the increasing drought conditions in the western part of the country and the pressures of an expanding population, the number of tribal requests for the appointment of new negotiation teams has grown.

Safety of Dams – The 2011 budget includes \$23.8 million, an increase of \$3.8 million, for the Safety of Dams program. The additional funding will support program management, emergency management, and expedited projects to correct high risks at dams. The number of dams that have the potential to



significantly impact human populations, those in the high and significant hazard category, has increased by more than 20 dams since 1998. Populations near these dams have grown. As a result, dams which were previously classified as low hazard are reclassified as high or significant hazard and require attention to protect populations downstream. The BIA collaborates with the Bureau of Reclamation to determine these classifications. Some of these dams are in poor condition and require extensive maintenance efforts. The budget increase will help the bureau to reduce the overall risk to the public from dam safety deficiencies in Indian Country.

Indian Land Consolidation – The budget includes \$1.0 million for the Indian Land Consolidation Program, a reduction of \$2.0 million from 2010, to maintain this program and to assist in estate planning. Pending congressional action and final approval by the U.S. District Court for the District of Columbia, the *Cobell v. Salazar* settlement agreement would establish a \$2.0 billion fund for trust land consolidation. This new funding would be used to reduce the number of fractionated land interests, consolidate those interests to make them more economically viable, and decrease administrative costs over the long run.

Management Effectiveness



With your work, President Barack Obama's leadership, and the passion we share for what we do, there is no limit to what we can achieve together.

*Ken Salazar, Secretary of the Interior
January 14, 2010*

The Obama Administration has challenged Federal agencies to make the Federal government more effective by reviewing programs for savings opportunities, eliminating lower priority and underachieving programs, allowing employees to identify savings opportunities, and looking for new ideas to increase the effectiveness and efficiency of government operations.

Over the years, the Department of the Interior has weeded out overlapping, duplicative, and unnecessary programs. Interior leverages resources with State, local, Tribal, and non-profit organizations through partnerships and cost-sharing arrangements. Departmental programs have a long history of using strategic and workforce planning, employee development programs, and other business strategies to improve the effectiveness of management and operations.

Interior is a leader in such practices as shared services, facility co-location, centralized acquisition, recycling and reuse, equipment life-cycle management, and many other administrative business management practices. Nonetheless, there remain areas for improvement – opportunities where additional creativity and out-of-the-box thinking could garner additional savings and efficiencies.

Interior's 2011 budget request reflects the President's management challenge in three targeted areas:

- Eliminate waste and redundancy.
- Reform Federal contracting and acquisition to make sure taxpayers get the best value possible.
- Put performance first by setting aggressive performance targets and holding managers responsible for progress.

MANAGEMENT EFFICIENCY SAVINGS

The 2011 budget assumes management efficiency savings throughout the Department totaling \$82.1 million. Each bureau and program office, including the Departmental Working Capital Fund, assumes reductions from efficiency savings that are either bureau specific or are part of a Department-wide reform. The budget assumes \$20.1 million in bureau specific management efficiency savings, which include \$3.4 million from property consolidation.

The Department's 2011 budget assumes \$62.0 million in savings from three specific Department-wide management initiatives launched in 2010 – travel and relocation, information technology consolidation,

and strategic sourcing. All of these improvements were identified from the Administration's SAVE Award effort, where Federal employees across the country put forward their best ideas to improve government operations. Each of these initiatives target unnecessary redundancy. Implementing management policies will reinforce these initiatives to ensure efficiencies are achieved. Savings from these reforms are assumed in each bureau and program office budget request commensurate with established criteria.

Travel and Relocation – The Interior Department will reduce expenditures for travel and relocation through improved management. The 2011 budget assumes \$12.0 million in savings from changes in how Interior manages employee travel, conferences, and permanent change of station relocations.

The Department has asked each bureau and program office to examine their travel practices to make sure that funding is allocated to the highest priority mission travel. Technological advancements have created alternatives to travel for long distance meetings – teleconferencing, video conferencing, shared websites and web conferencing – all enabling real-time communication and document sharing. Interior will leverage its current inventory of video conferencing facilities by making them available across bureaus to maximize their use. The



Department will issue travel ceilings against which managers can track travel spending throughout the year and reinforce smarter travel practices.

A recent Office of Inspector General report has identified opportunities to improve the Interior Department's management of permanent change of duty station relocations. The Inspector General finding suggests a need for improved policies,

practices, oversight, and reporting in multiple areas, including travel authorizations, payments, and standard requirements. The Department is evaluating options to integrate information to manage relocation data. Additionally, the Department is evaluating potential improvements in voucher and payment processing and oversight.

Information Technology Consolidation – In 2010, Interior will spend an estimated \$997 million on information technology systems. Through careful planning, strategic investments, and unprecedented cooperation, there is significant opportunity to realize efficiencies in the Department's IT infrastructure. The Chief Information Officers from each bureau and office have been evaluating options to reduce duplication and parallel investment in infrastructure across Interior. The initial findings are promising.

Initial recommendations include consolidating or clustering responsibilities for information technology support, streamlining and standardizing infrastructure, and reducing duplication. The result would be increased efficiency from more effectively utilized staff, services, and equipment and improved quality of services with consistent training, policies, and procedures. Specific proposals include consolidation of Interior's nine major bureaus and multiple offices on one messaging system, use of a single intranet site for hosting information, and central hosting of messaging and Web-portal services by a single entity.

Interior has conducted inventories and evaluations of servers, data centers, and help desks. In addition, the Department will be investigating the potential benefits and costs associated with migrating to a cloud infrastructure, as directed by the Administration.

The first Interior-wide efforts will focus on migration to a common e-mail system and an accelerated consolidation of servers, data centers, help desks, and hosting services. Earlier studies and assessments have been performed to examine options and costs for the Department to migrate to a common e-mail system. Initial planning indicates that savings can be realized by eliminating redundant equipment, services, and support. The Department currently operates multiple e-mail systems and utilizes resources to address issues related to incompatibility of messages between these systems.

Interior has taken the next step to convene an Interior IT Innovations and Efficiencies Team, comprised of

technical experts to prepare deployment plans and identify additional opportunities to leverage the Department's information technology investments to create efficiencies and reduce costs.

This initiative is a multi-year effort, which will begin in 2010. Based on initial plans, the Department estimates potential early savings of \$20.0 million in 2011. This savings target has been allocated among the bureaus and offices in proportion to estimated e-mail usage using end-of-year 2009 full time equivalent employee levels. Over a period of years, the Department expects that careful coordination of targeted investments to consolidate information technology infrastructure and services will reduce costs of the bureaus and program offices.

The 2011 budget includes \$5.0 million in the Department's Working Capital Fund to implement significant change in the agency's approach to information technology infrastructure management. The funding will be used for investments that achieve long-term improvements in the infrastructure and yield additional savings.

Strategic Sourcing—The Department has evaluated current acquisition practices and is developing an Acquisition Improvement Plan to target acquisition reforms. To develop the Acquisition Improvement Plan, Interior's procurement chiefs reviewed the agency's current practices and identified potential reforms. The Department will eliminate less-than-effective contracts, leverage the collective buying power, and implement process improvements. The most fully developed option is to expand the use of strategic sourcing.

Strategic sourcing is the practice of coordinating and consolidating large acquisition needs across Interior to negotiate lower costs. The Department has experience with this approach. Contracts have been in place for a number of years to purchase information technology hardware and software through consolidated contracts used by all bureaus and offices to leverage Interior's purchasing power. Using these contracts has achieved more effective deployment of information technology as purchases are consistent with a set of standards, greater efficiency with the use of consistent technology, and cost savings through economies of scale.

In 2010, Interior will move aggressively to expand the use of strategic sourcing. The Department will develop shared contracts to use Interior-wide for the acquisition of commodities, supplies, and

services. Targeted areas for this proposal include: furniture, copiers and printers, vehicle fleet, wireless communications, and supplies.

The 2011 budget request assumes that \$30.0 million in savings will be realized from these reforms. The budget allocates these savings among the Department's bureaus and programs according to their average acquisition costs for supplies, materials, and equipment.

Additionally, to help instill a new sense of responsibility when it comes to spending the taxpayers' dollars, President Obama has charged Federal agencies to cut contracting costs by 3.5 percent in 2010 and an additional 7.0 percent in 2011. For the Department of the Interior, this is a savings target of \$93 million in 2010 and \$186 million in 2011 to be derived from acquisition reforms.

ACQUISITION REFORM

The 2011 efficiency savings from expanded strategic sourcing is one component of a comprehensive plan to improve acquisition practices throughout Interior. The Department's Acquisition Improvement Plan recommends centralized purchasing to reduce labor costs and shipping expenses, reduce costs with quantity discounts, and more efficient processing of purchases, charge card processing, undelivered order management, and prompt pay.

In response to Interior's Acquisition Improvement Plan, the Department has been selected as one of seven Federal agencies that will pilot an initiative to determine the best mix of in-house and contractor skills and workforce size to operate acquisition functions at their best. During the pilot, Interior will evaluate processes, practices and workforce factors, and identify remedies to improve the organization's performance. The Department will conduct the necessary planning and evaluation to strike the right balance between staffing positions with permanent Federal employees—to build and sustain its in-house capabilities—and, where appropriate, utilizing the expertise and capacities of contractors available in the marketplace. The results of the pilot may lead to a number of changes in procurement policy and management practice.

In recent years, acquisition staffing throughout the Department remained static while challenges to the acquisition workforce are changing. Some of the need has been filled with contractor expertise. The advent of improvements such as the use of charge

card procurements for smaller acquisitions, has reduced the number of procurement actions, but the complexity of contractual issues has increased dramatically. The demand for experienced and technically savvy acquisition professionals has skyrocketed to meet this need – much of which is also met by hiring contractors.

The 2011 budget includes \$5.0 million in the Department’s Working Capital Fund to implement significant change in the agency’s approach to acquisition. The funding will allow Interior to address identified skill gaps in acquisition staffing and pursue options to maximize the effectiveness of an expanded strategic sourcing strategy. In 2010, the Department will

AMERICAN RECOVERY AND REINVESTMENT ACT

The Department of the Interior received over \$3.0 billion in American Recovery and Reinvestment Act funding for eight bureaus and offices. The Office of Inspector General received \$15.0 million to provide oversight of Recovery Act implementation.

Excluding the Office of Inspector General, funding of \$2.9 billion is available to other bureaus and offices. Interior is investing in nearly 3,400 projects. Approximately one-third of Interior’s Recovery Act funding is for water infrastructure needs. Another 30 percent is for nearly 240 construction projects across the bureaus and offices. Fifteen percent is for approximately 1,500 deferred maintenance and energy retrofit projects. Another nine percent is for over 600 road and bridge maintenance projects. The remaining funds will be used for habitat restoration; abandoned mine and well remediation; USGS monitoring and mapping; renewable energy studies and environmental reviews; trail maintenance; housing improvement for Tribes; workforce training for Tribes; Wildland Fire hazardous fuels reduction; preservation grants to Historically Black Colleges and Universities; and administration.

In contrast to other agency Recovery Act programs, only \$70 million of Interior’s Recovery Act funding is awarded via grants. Approximately 63 percent, or \$1.9 billion, of Interior’s Recovery Act funding will be obligated via contracts. Nearly \$420 million, or 14 percent, of Interior’s funding will be awarded via tribal agreements. Another \$395 million, or 13 percent, will be obligated via cooperative agreements, primarily in the areas of water infrastructure projects and habitat and trail restoration.

Through January 15, 2010, the Department has obligated over 40 percent of its Recovery Act funding. By the end of June, work will be on the ground on nearly 100 percent of Interior’s Recovery Act projects.

AMERICAN RECOVERY AND REINVESTMENT ACT STATUS OF FUNDING AS OF JANUARY 15, 2010 (whole dollars)

<u>Bureau</u>	<u>Actual</u>	<u>Obligations</u>	<u>Outlays</u>
Land Management	303,475,000	98,847,962	15,357,672
Reclamation.....	949,525,000	524,837,611	101,714,354
Central Utah Project.....	50,000,000	49,607,983	21,166,467
Geological Survey.....	139,300,000	35,614,426	11,161,767
Fish and Wildlife.....	278,600,000	133,914,779	25,490,483
National Parks.....	746,250,000	250,691,625	57,615,157
Indian Affairs	497,500,000	168,584,898	31,566,351
Wildland Fire.....	15,000,000	7,279,175	2,318,052
Working Capital Fund	<u>10,350,000</u>	<u>1,579,389</u>	<u>884,381</u>
TOTAL.....	2,990,000,000	1,270,957,848	267,274,684

develop a plan to establish centers of expertise with specialists in certain types of procurement, strategically located to implement master contracts. This approach of developing dedicated acquisition expertise will leverage Interior's acquisition capabilities and better position the Department to implement an aggressive strategic sourcing strategy.

MANAGING FOR PERFORMANCE

A key component of President Obama's agenda for building a high-performing government has been the identification of High-Priority Performance Goals throughout the government. The Administration plans regular reviews of agency progress to identify problems encountered with implementation and plans to address those problems. The selected goals will reflect achievement in key agency missions with high direct value to the public; are achievable without additional legislation; have clear performance outcomes; and are unlikely to be achieved without a concerted focus of agency resources.

Working closely with OMB, the Department has identified five specific outcome oriented goals to be achieved by the end of 2011 and is developing defined strategies to achieve them. These goals have been selected to demonstrate real progress in each of Secretary Salazar's identified priorities. The Department's High-Priority Performance Goals are:

- **Renewable Energy Development** - Increase approved capacity for production of renewable (solar, wind, and geothermal) energy resources on Department of the Interior managed lands, while ensuring full environmental review, by at least 9,000 megawatts through 2011.
- **Climate Change** - By 2012, the Department will identify the areas and species ranges in the US that are most vulnerable to climate change, and begin implementing comprehensive climate change adaptation strategies in these areas.
- **Youth Programs** - By 2012, increase by 50 percent (from 2009 levels) the employment of youth between the ages of 15 and 25 in the conservation mission of the Department.

- **Safe Indian Communities** - Achieve significant reduction in criminal offenses of at least five percent within 24 months on targeted tribal reservations by implementing a comprehensive strategy involving community policing, tactical deployment, and critical interagency and intergovernmental partnerships.
- **Water Conservation** - Enable capability to increase available water supply for agricultural, municipal, industrial, and environmental uses in the western United States by 350,000 acre-feet (estimated amount) by 2012 through the bureau's conservation-related programs, such as water reuse and recycling (Title XVI) and WaterSMART Grants.

Interior has developed an internal review process to focus management attention toward their achievement, regularly track progress, and identify impediments toward the end goal. Each goal has been broken down to identify each bureau's contribution toward the goal. Each bureau has further identified the actions needed to deliver their part of the goal with key milestones and interim performance measures. Secretarial leadership focused on operational issues will meet regularly to review progress toward the goal and identify the need for any mitigating actions.

The operations focus of the Department's High-Priority Performance Goals is a departure from prior performance-oriented efforts. The focus is on specific outcomes to be achieved within a defined timeframe. Performance measures and milestones have been selected for their usefulness in the internal management of the goal rather than for external reporting. A series of meaningful performance metrics is also being developed for external reporting and evaluation.

To further programmatic effectiveness, Interior has also been selected to participate in a government-wide effort to build Federal capacity in program evaluation. The 2011 budget includes \$250,000 to support an interagency evaluation capability. Program areas will be identified which could benefit from a rigorous evaluation of actionable research questions, improved data quality, and coordinated input from within Interior and researchers outside of the agency.

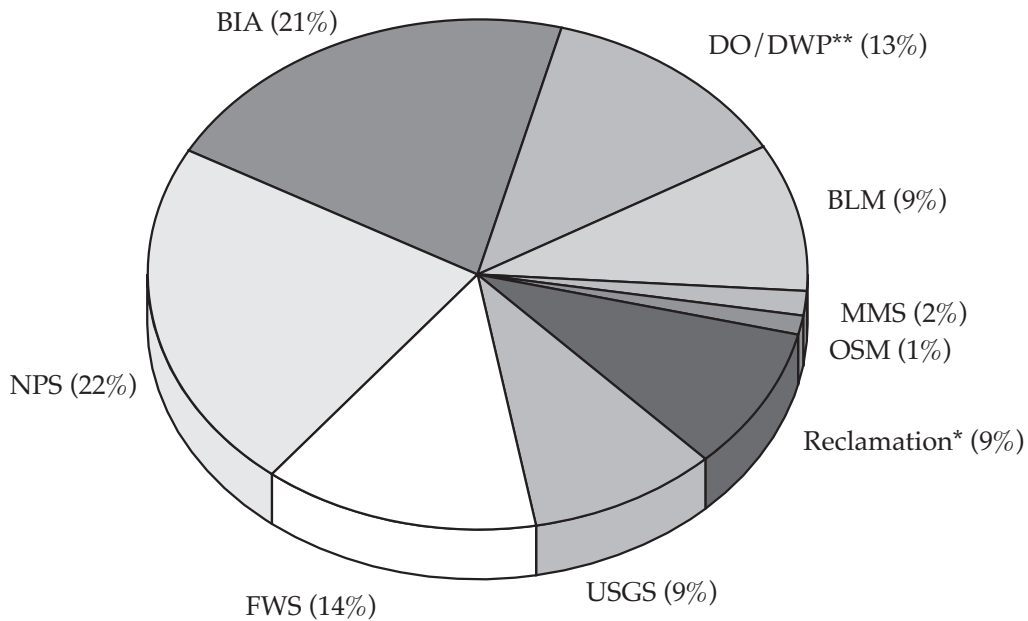
An underwater photograph of a coral reef. The scene is filled with various types of coral, including large, flat, table-like corals and smaller, branching and rounded corals. A large school of striped surgeonfish is swimming in the upper half of the frame. Several yellow tangs are also visible, swimming near the coral. The water is clear and blue. A black rectangular box is overlaid on the upper part of the image, containing the text 'BUREAU HIGHLIGHTS' in white, serif, all-caps font.

BUREAU HIGHLIGHTS

BUREAU HIGHLIGHTS

This section summarizes the budget requests of the bureaus and offices of the Department, comparing the 2011 request to the 2010 enacted. The graph below and the tables on the following pages show the allocation of the proposed 2011 budget authority to the bureaus and offices. Additional details on the Department's budget authority can be found in Appendix A.

FISCAL YEAR 2011 CURRENT APPROPRIATIONS



BLM	1,142	Reclamation*	1,108	NPS	2,729
MMS	190	USGS	1,133	BIA	2,566
OSM	146	FWS	1,642	DO / DWP**	1,521

* Includes Central Utah Project Completion Act

** Includes OS, OIA, SOL, OIG, OST, Wildland Fire, HAZMAT, NRDAR, and WCF

BUDGET AUTHORITY BY BUREAU

(in millions of dollars)

<u>Bureau</u>	<u>2009 Actual</u>	<u>2010 Enacted</u>	<u>2011 Request</u>	<u>Change</u>
<i>Current Budget Authority</i>				
Bureau of Land Management.....	1,056	1,134	1,142	+8
Minerals Management Service.....	164	182	190	+8
Office of Surface Mining Reclamation and Enforcement.....	165	163	146	-17
U.S. Geological Survey.....	1,044	1,112	1,133	+22
Fish and Wildlife Service.....	1,443	1,647	1,642	-5
National Park Service.....	2,526	2,744	2,729	-15
Bureau of Indian Affairs.....	2,376	2,620	2,566	-54
Departmental Offices				
Office of the Secretary - Salaries and Expenses.....	107	119	122	+3
Insular Affairs.....	84	103	87	-16
Office of the Solicitor.....	62	65	68	+3
Office of Inspector General.....	46	49	50	+1
Office of the Special Trustee for American Indians.....	182	186	160	-26
<i>Subtotal, Departmental Offices.....</i>	<i>481</i>	<i>521</i>	<i>487</i>	<i>-34</i>
Department-wide Programs				
Central Hazardous Materials.....	10	10	10	0
Wildland Fire Management.....	909	795	763	-32
FLAME Wildfire Suppression Reserve Account.....	0	61	96	+35
Presidential Wildland Fire Contingency Reserve.....	0	0	75	+75
Natural Resource Damage Assessment and Restoration.....	6	6	6	0
Working Capital Fund.....	73	86	84	-2
<i>Subtotal, Department-wide Programs.....</i>	<i>999</i>	<i>958</i>	<i>1,035</i>	<i>+76</i>
Bureau of Reclamation.....	1,076	1,088	1,065	-23
Central Utah Project Completion Act.....	42	42	43	+1
Total Current Budget Authority.....	11,371	12,209	12,177	-32
Adjustments				
M-Savers (net receipt sharing).....	-47	-45	-40	+5
Mandatory Current Accounts.....	-51	-68	-53	+15
Discretionary Receipts Offsets.....	-53	-35	-50	-15
MMS Spending of Pre-August 1993 Receipts.....	0	3	0	-3
Net Discretionary at Time of Bill Passage.....	11,221	12,064	12,034	-29
American Recovery and Reinvestment Act.....	3,005	0	0	0
Department of Defense Appropriations Act.....	0	7	0	-7
Total Net Discretionary as Enacted.....	14,226	12,071	12,034	-36
Adjustment for BLM APD and OSM Penalty Collections.....	-15	0	0	0
BLM Misc. Permenant Operating Fund Cancellations....	13	0	0	0
NPS Contract Authority Rescission.....	30	30	0	-30
Net Receipts Sharing.....	47	45	0	-45
Palau Compact Extension.....	0	-12	0	+12
Compact of Free Association.....	0	-2	0	+2
Transfer from Department of Defense - Fort Baker.....	3	0	0	0
Transfer from Recreation Fees for Park Partnerships.....	0	10	0	-10
Geothermal Implementation Fund/ County Payments ...	0	15	0	-15
Adjust. for MMS Spending of Pre-Aug. 1993 Receipts....	0	-3	0	+3
Other Net Transfers.....	2	0	0	0
Total Net Discretionary Budget Authority [OMB/MAX].....	14,306	12,154	12,034	-119

BUDGET AUTHORITY BY BUREAU

(in millions of dollars)

<u>Bureau</u>	<u>2009 Actual</u>	<u>2010 Enacted</u>	<u>2011 Request</u>	<u>Change</u>
Total Budget Authority				
Bureau of Land Management.....	1,582	1,317	1,314	-2
Minerals Management Service.....	2,354	2,094	2,171	+77
Office of Surface Mining Reclamation and Enforcement.....	587	704	606	-99
U.S. Geological Survey.....	1,186	1,113	1,134	+21
Fish and Wildlife Service.....	2,715	2,764	2,873	+108
National Park Service.....	3,669	3,154	3,147	-7
Bureau of Indian Affairs.....	2,987	4,762	2,707	-2,055
Departmental Offices.....				
Office of the Secretary - Salaries and Expenses.....	107	119	122	+3
Insular Affairs.....	444	480	458	-23
Office of the Solicitor.....	62	65	68	+3
Office of Inspector General.....	61	49	50	+1
Office of the Special Trustee for American Indians.....	550	526	518	-8
National Indian Gaming Commission.....	16	17	18	+1
Subtotal, Departmental Offices.....	1,240	1,256	1,234	-22
Department-wide Programs				
Payments in Lieu of Taxes.....	382	395	409	+14
Central Hazardous Materials Fund.....	10	10	10	0
Wildland Fire Management.....	924	795	763	-32
FLAME Wildfire Suppression Reserve Account.....	0	61	96	+35
Presidential Wildland Fire Contingency Reserve.....	0	0	75	+75
Natural Resource Damage Assessment and Restoration.....	47	191	58	-133
Working Capital Fund.....	73	86	84	-2
Subtotal, Department-wide Programs.....	1,437	1,539	1,496	-43
Bureau of Reclamation.....	2,115	1,210	1,232	+22
Central Utah Project Completion Act.....	99	42	43	+1
Total Budget Authority.....	19,971	19,955	17,957	-1,998

Note: Numbers may not add due to rounding. Includes current and permanent authority. Includes enacted transfers. Excludes 2009 discretionary budget authority transfers for comparability purposes.

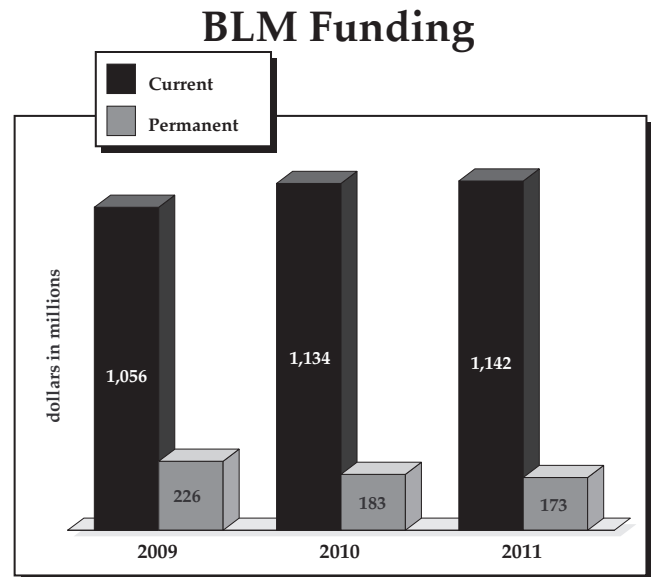


BUREAU OF LAND MANAGEMENT

Mission – The Bureau of Land Management’s mission is to sustain the health, diversity, and productivity of the public lands for the use and enjoyment of present and future generations.

Background – The BLM was established in 1946 through the consolidation of the General Land Office, created in 1812, and the U.S. Grazing Service, which was formed in 1934. The BLM is responsible for the management and conservation of resources on 253 million surface acres, as well as 700 million acres of onshore subsurface mineral estate. In addition, BLM has trust responsibilities on 56 million acres of Indian trust lands for mineral operations and cadastral surveys. These public lands make up about 13 percent of the total land surface of the United States and more than 40 percent of all land managed by the Federal government, making BLM the Nation’s largest land manager.

Program Overview – Most of the public lands managed by BLM are located in the western United States, including Alaska, and are characterized predominantly by extensive grassland, forest, high mountain, arctic tundra, and desert landscapes. The most prominent landscapes managed by BLM are those in its National Landscape Conservation System. The NLCS, which totals over 27 million acres, is comprised of specific geographic areas of BLM-administered public lands designated by Acts of Congress or Presidential proclamations to be specially managed on a landscape level to enhance their conservation value while allowing for appropriate multiple use. Many of these treasured landscapes are some of America’s best kept secrets, yet are just minutes from major metropolitan areas. Others are rugged and remote, offering solitude in a primitive backcountry setting. The mission of the NLCS is to conserve, protect, and restore nationally significant landscapes recognized for their outstanding cultural, ecological, and scientific values. Units of the NLCS include red-rock deserts, rugged ocean coastlines, deep river canyons, and broad Alaskan tundra. Many serve as outdoor scientific laboratories where significant cultural and paleontological discoveries are commonly made. The NLCS areas include 37 National Monuments and National Conservation Areas, 223 Wilderness Areas,



545 Wilderness Study Areas, 69 Wild and Scenic Rivers (totaling 2,416 miles), and 16 National Scenic and Historic Trails (totaling over 6,000 miles). On March 31, 2009, President Obama signed the Omnibus Public Land Management Act of 2009, adding to the NLCS nearly 929,000 acres of Wilderness, one National Monument, four National Conservation Areas, 362 miles of Wild and Scenic Rivers, and 40 miles of National Scenic Trails. The additions to the NLCS from the 2009 Act total over 1.2 million acres of lands designated for conservation.

The BLM manages multiple resources and uses, including energy and minerals, timber, forage, recreation, wild horse and burro herds, fish and wildlife habitat, wilderness areas, and archaeological, paleontological, and historical sites. The public lands provide significant economic benefits to the Nation and to States and counties where these lands are located. The BLM is guided by the Federal Land Policy and Management Act of 1976, which gives BLM its comprehensive mission to manage the public lands for a variety of uses so as to benefit present and future generations.

One of the most significant management challenges for BLM stems from the rapid population and urban growth

in the West, and the increased demands for access to and utilization of the public lands that have accompanied this growth. The BLM customers are as diverse as the natural resources the bureau manages. Public lands support millions of visitors. In 2011, 57 million visitors are expected to participate in recreational activities such as wildlife watching, hiking, camping, hunting, and whitewater rafting.

In addition, BLM programs provide access to lands and resources that are keys to expanding opportunities for renewable energy and also address the Nation's needs for oil, natural gas, coal and non-energy minerals, grazing land, and timber. The BLM conducts programs in partnership with States, Tribes, and local communities and with conservation groups and research scientists. The BLM management activities benefit recreational and traditional land users while contributing to the vitality of State and local economies. In 2011, public lands will generate an estimated \$4.5 billion in revenues, mostly from energy development.

Budget Overview – The 2011 request is \$1.1 billion, an increase of \$8.0 million over the 2010 enacted level. The budget proposes \$923.6 million for Management of Lands and Resources and \$105.6 million for Oregon and California Grant Lands, BLM's two operating accounts. This represents a total decrease of \$41.0 million for these two accounts. The reduction is comprised of base funding reductions, the elimination of funding for one-time earmarks, and anticipated efficiency savings. A portion of this reduction is offset by \$10.0 million in collections from a new onshore oil and gas inspection fee.

The budget includes a significant funding increase required to implement a new management strategy for the Wild Horse and Burro program that was recently announced by Secretary Salazar. In addition to funding this new strategy, the 2011 BLM budget request includes funding increases for the Secretary's ongoing initiatives for Climate Change Adaptation and Treasured Landscapes. The request also advances the Secretary's New Energy Frontier initiative. Funding reductions are proposed for lower priority BLM programs.

New Energy Frontier Initiative – The budget request will enable BLM to continue to move forward aggressively in supporting the President's goal of promoting the development of renewable energy on public lands. To encourage and facilitate renewable energy development, the budget proposes a \$3.0 million increase in the Lands and Realty Management program that builds on the \$16.1 million increase provided in 2010. The \$3.0 million will be used to prepare site-specific National Environmental Policy Act studies of potential solar energy sites in Nevada and regional Environmental Impact Statements of potential

wind energy zones in Nevada and Oregon. These studies will be completed in addition to those being funded with the American Recovery and Reinvestment Act and base funding in Arizona, New Mexico, and California. All of these studies will help BLM propose future renewable energy zones that support the strategy of avoiding areas with potential conflict. They may also lead to the identification of additional fast track projects when new renewable energy zones are designated. From the start, environmental review has been the cornerstone of the Secretary's New Energy Frontier initiative to ensure a balanced and mindful approach to the development of renewable energy that addresses the impacts of development on wildlife, water resources, and other interests under the Department's jurisdiction.

The budget also supports the Secretary's recently announced onshore oil and gas leasing reforms to improve certainty, reduce conflicts, and restore balance on public lands between conventional energy development and environmental protection. The 2011 budget includes a \$2.0 million increase in the Soil, Water, and Air Management program to increase BLM's air quality monitoring capabilities. The funds will help BLM to resolve shortcomings in assessing and monitoring regional air quality on public lands to gain a better understanding of current ambient conditions and improve BLM's ability to forecast the impact of public land activities on future air quality. The BLM will target the additional monitoring instruments and activities to areas with current or anticipated intensive oil and gas development to help BLM ensure that the energy development complies with NEPA and Clean Air Act requirements and minimize or address potential litigation issues.

The BLM Oil and Gas Management program reflects a \$13.7 million reduction in appropriations funding. This includes a \$3.0 million reduction in base funding that reflects the completion of Energy Policy and Conservation Act studies and a \$10.0 million decrease in base funding for oil and gas inspection and enforcement activities that the budget fully offsets with a proposed new inspection fee. The budget includes appropriations language to begin charging inspection fees to oil and gas operations that are subject to inspection by BLM. The fees would be based on the number of oil and gas wells per facility, providing for costs to be shared equitably across the industry. According to agency data, BLM currently spends about \$40 million on compliance inspections. Inspection costs include, among other things, the salaries and travel expenses of inspectors. The proposed fee will generate approximately \$10 million in 2011, thereby requiring energy developers on Federal lands to fund roughly 25 percent of compliance costs. The inspection fee will defray Federal costs and ensure continued oversight of oil and gas operations on Federal land.

The Administration will submit legislation to repeal portions of Section 365 of the Energy Policy Act, beginning in 2012. Section 365 diverts mineral leasing receipts from the Treasury to a BLM Permit Processing Improvement Fund and also prohibits BLM from establishing cost recovery fees for processing applications for oil and gas permits to drill. Upon repeal of Section 365, BLM will promulgate regulations to establish fees for applications for permits to drill.

The budget also proposes a new fee on non-producing Federal oil and gas leases. This is part of a broader Administration initiative to encourage energy development on lands already leased for development. A new \$4 per acre fee on non-producing Federal leases on Federal lands and waters would provide a financial incentive for oil and gas companies to either get their leases into production or relinquish them so that the tracts can be re-leased to and developed by new parties. The proposed \$4 per acre fee would apply to all new leases and would be indexed annually.

The Administration believes that American taxpayers should get a fair return on the development of energy resources on their public lands. A 2008 Government Accountability Office report suggests that taxpayers could be getting a better return from Federal oil and gas resources, at least in some areas. In 2010, Interior will take steps to implement reforms, including the completion of a rulemaking to adjust onshore royalty rates. The budget assumes these reforms will increase Federal oil and gas revenues by \$1.0 billion over the next ten years.

Climate Change Adaptation Initiative – The 2011 BLM budget request includes a \$2.5 million increase in support of the Secretary's initiative. In 2010, BLM received a \$15.0 million increase to conduct eco-regional assessments to improve understanding of the existing condition of BLM landscapes at a broader level, identify potential impacts from climate change, and develop and implement strategies and conduct on-the-ground restoration projects to help native plant and animal communities adapt to climate change. These efforts are coordinated with other Interior bureaus and other partners through a network of Landscape Conservation Cooperatives. The work of the LCCs will help inform, facilitate, and integrate the on-the-ground management activities of the Department's resource management bureaus. In 2009, BLM and its partners completed pilot landscape scale assessments in four eco-regions. In 2010, working through the LCC concept, BLM and its partners are initiating landscape scale assessments in an additional six eco-regions and developing proposed management strategies for the four eco-regions with completed assessments. In 2010, BLM will also undertake on-the-ground restoration projects to help natural communities adapt to climate change. In

2011, BLM will complete the assessments for those eco-regions with significant public land ownership, develop management strategies for the six new eco-regions with completed assessments and begin to implement the management strategies for the initial four eco-regions with assessments completed in 2009. In 2011, BLM will initiate up to four landscape scale assessments.

Treasured Landscapes Initiative – The 2011 BLM budget request makes a major contribution to the Treasured Landscapes initiative with a \$13.1 million increase for high priority line-item land acquisition projects that will add Federal protection to over 25,000 acres of land with important natural, cultural, and recreation resource values. The request also includes a program increase of \$1.3 million in Wilderness Management targeted to new wilderness areas designated by the recently enacted Omnibus Public Land Management Act. A \$414,000 program increase in the National Monuments subactivity will fund high priority operating needs in monuments and national conservation areas.

Youth in Natural Resources Initiative – In 2011, BLM will direct \$1.0 million in base funding to support the Secretary's Youth in Natural Resources initiative through a new public-private partnership program with the National Fish and Wildlife Foundation. Specifically, BLM will work with NFWF to support projects that leverage private sector contributions to engage and employ youth in conservation activities.

Wild Horses and Burros – The 2011 budget request proposes a significant increase in funding to begin implementation of the Secretary's new management strategy for the Wild Horse and Burro program. The strategy emphasizes a combination of aggressive fertility control and the relocation of wild horses to new preserves in the Midwest or eastern portions of the United States as a means to accelerate the attainment of appropriate management population levels. The achievement of appropriate management levels is critical to improving and maintaining the health of western rangelands for all species. The funding request to implement this new national strategy includes a program increase of \$12.0 million in the Wild Horse and Burro Management program for operational costs and fertility control and an increase of \$42.5 million in the Land Acquisition account for the Secretary's initiative to acquire land for the wild horse and burro preserve.

In recent years, the Wild Horse and Burro Management program has encountered serious challenges, most notably, declining adoptions of wild horses and higher holding costs caused by rising feed and fuel costs. The confluence of these and other factors put the program on an unsustainable budget trajectory. The Secretary's

plan will reduce and control future program costs by reducing the number of animals that must be removed from the range and placed in expensive short-term holding facilities. Implementing the Secretary's plan will allow for the humane and cost-effective achievement of appropriate management population levels by 2013.

Other Program Increases – The BLM will use a \$400,000 increase in the Cultural Resources Management program to conduct social landscape assessments and inventories that will result in the development of management strategies tailored to cultural-social needs and address them through land use changes and on-the-ground projects. The funding increase will also be used to emphasize a more effective government-to-government relationship with Tribes; continue to repatriate Native American remains and objects, curate artifacts, and develop reports for Assistant U.S. Attorneys from the Four Corners Archaeological Resources Protection Act investigation; and provide support for specific mandates stemming from the Paleontological Resources Preservation subtitle of the 2009 Omnibus Public Land Management Act.

Other Program Reductions – The 2011 BLM budget reduces funding for lower priority programs, projects, and activities. The budget ends the \$9.5 million Challenge Cost Share program based on an Inspector General report finding that the Department has not demonstrated effective program management or oversight of non-Federal contributions. The budget reduces funding for the Alaska Conveyance program by \$13.0 million. Interior will explore opportunities to further streamline the program. The budget proposes an \$8.2 million reduction to the Resource Management Planning program, including \$1.0 million provided in 2010 for travel management plans and a \$7.2 million base reduction in planning efforts. A reduction of \$600,000 reflects the discontinuation of funding for two one-time earmarks. The Management of Lands and Resources account includes an additional \$3.8 million in base funding reductions comprised of smaller reductions in several programs. In the Oregon and California Grant Lands account, the budget proposes a \$2.0 million reduction in the Forest Management program and a \$3.0 million reduction in the Other Forest Resources Management program.

Construction – The 2011 budget request includes \$3.6 million for BLM's construction program, a reduction of \$5.0 million below the 2010 enacted level. Of the total, \$3.4 million is for 11 projects in six States. Site and facility priorities are determined through an evaluation of applicable health and safety issues, resource protection needs, mission support objectives, and public service goals. The construction budget includes \$198,000 for architectural and engineering services.

Land Acquisition – The 2011 BLM budget proposes \$83.7 million for Land Acquisition, an increase of \$54.0 million above the 2010 enacted level. The request for acquisition projects is \$79.8 million. This includes \$37.8 million for 20 high priority line item acquisition projects in nine States and \$42.0 million to purchase land for a wild horse preserve. Emergencies and Hardships are funded at \$1.5 million. A total of \$2.4 million is requested for Acquisition Management, including \$500,000 to support the costs associated with acquiring land for the wild horse preserve.

Federal Land Transaction Facilitation Act – The budget proposes eliminating the Act's July 2010 sunset date and allowing lands identified as suitable for disposal in recent land use plans to be sold using the FLTFA authority. The FLTFA sales revenues would continue to be used to fund the acquisition of environmentally sensitive lands and the administrative costs associated with conducting sales.

Fixed Costs and Related Changes – Fixed costs of \$15.9 million are absorbed. There is a fixed cost adjustment of \$6,000 for a reduced Departmental Working Capital Fund bill.

Management Efficiencies – The 2011 budget request includes reductions that are proposed Interior-wide based on SAVE Award nominations reflecting anticipated efficiency savings of \$3.3 million from travel and relocation, \$2.4 million from information technology, and \$3.4 million from strategic sourcing. Reductions unique to BLM totaling \$1.5 million are proposed reflecting efficiencies from energy savings and the disposal of surplus assets and from the elimination of funding that supported competitive sourcing.

SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

Comparison of 2011 Request with 2011 Enacted:

	2010 Enacted		2011 Request		Change from 2010	
	FTE	Amount	FTE	Amount	FTE	Amount
Appropriations						
Management of Lands and Resources	5,529	959,571	5,518	923,559	-11	-36,012
Recission of prior year balances.....	0	-1,000	0	0	0	+1,000
Construction	23	8,626	23	3,590	0	-5,036
Land Acquisition.....	13	29,650	15	83,650	+2	+54,000
Oregon and California Grant Lands.....	703	111,557	678	105,573	-25	-5,984
Range Improvements	43	10,000	43	10,000	0	0
Service Charges, Deposits and Forfeitures (Indefinite)	182	33,300	182	33,300	0	0
Minus SCDF Offset	0	-33,300	0	-33,300	0	0
Miscellaneous Trust Funds (Indefinite)	62	15,200	62	15,200	0	0
Subtotal, Appropriations (w/o ARRA)	6,555	1,133,604	6,521	1,141,572	-34	+7,968
American Recovery and Reinvestment Act	21	0	0	0	-21	0
Subtotal, Appropriations (w/ ARRA)	6,576	1,133,604	6,521	1,141,572	-55	+7,968
Permanents and Trusts						
Miscellaneous Trust Funds	13	1,800	13	1,800	0	0
Miscellaneous Permanent Payments.....	5	100,436	5	90,750	0	-9,686
Permanent Operating Funds						
Operations and Maintenance of Quarters.....	1	630	1	660	0	+30
Recreation Fee Demonstration	123	19,000	123	19,500	0	+500
Forest Ecosystems Health and Recovery.....	62	6,501	62	3,627	0	-2,874
Expenses, Road Maintenance Deposits	6	2,000	6	2,000	0	0
Timber Sale Pipeline Restoration Fund.....	162	4,543	162	3,998	0	-545
Southern Nevada Land Sales	48	1,700	48	2,125	0	+425
Southern Nevada Earnings on Investments.....	0	3,000	0	17,000	0	+14,000
Lincoln County Land Sales.....	3	28	3	64	0	+36
Interest, Lincoln County Land Sales Act	0	100	0	500	0	+400
Washington County, UT Land Acquisition Acct..	0	0	0	2,400	0	+2,400
Silver Saddle Endowment	0	360	0	0	0	-360
Carson City Special Account	0	0	0	475	0	+475
Stewardship Contract, Excess Receipts.....	0	100	0	100	0	0
Navy Petroleum Reserve #2 Lease Revenues....	4	25	4	25	0	0
Geothermal Lease and Use Auth. Fund.....	30	0	30	0	0	0
Oil and Gas Permit Processing Imp. Fund	187	23,562	187	22,878	0	-684
Federal Land Disposal Account.....	9	19,200	9	4,800	0	-14,400
White Pine (85 percent special account)	0	77	0	64	0	-13
Subtotal, Permanent Operating Funds	635	80,826	635	80,216	0	-610
Helium Fund.....	55	103,837	55	129,418	0	+25,581
Offsetting Collections	0	-103,837	0	-129,418	0	-25,581
Working Capital Fund.....	25	42,000	25	43,000	0	+1,000
Offsetting Collections	0	-42,000	0	-43,000	0	-1,000
Subtotal, Permanents and Trusts	733	183,062	733	172,766	0	-10,296
Reimbursable and Other FTE.....	3,798	0	3,615	0	-183	0
TOTAL, LAND MANAGEMENT (w/o ARRA)	11,086	1,316,666	10,869	1,314,338	-217	-2,328
TOTAL, LAND MANAGEMENT (w/ ARRA).....	11,107	1,316,666	10,869	1,314,338	-238	-2,328

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Management of Land and Resources

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Land Resources				
Soil, Water, and Air Management.....	40,292	58,971	46,932	-12,039
Rangeland Management	71,195	74,193	72,821	-1,372
Public Domain Forest Management.....	10,086	10,543	9,866	-677
Riparian Management	21,935	22,718	22,632	-86
Cultural Resources Management.....	15,618	16,131	16,736	+605
Wild Horse and Burro Management....	49,913	63,986	75,721	+11,735
Subtotal, Land Resources.....	209,039	246,542	244,708	-1,834
Wildlife and Fisheries Management				
Wildlife Management	34,823	36,592	35,341	-1,251
Fisheries Management.....	13,302	13,765	13,516	-249
Subtotal, Wildlife/Fisheries Mgmt...	48,125	50,357	48,857	-1,500
Threatened/Endangered Species Mgmt..	21,574	22,612	22,020	-592
Recreation Management				
Wilderness Management.....	17,759	18,421	19,520	+1,099
Recreation Resources Management.....	45,356	49,971	48,625	-1,346
Subtotal, Recreation Management....	63,115	68,392	68,145	-247
Energy and Minerals Management				
Oil and Gas Management	78,151	69,336	55,662	-13,674
Permit Processing Fees	36,400	45,500	-45,500	0
Offsetting Collections (Fees).....	-21,221	-45,500	+45,500	0
Inspection Fees	0	0	10,000	+10,000
Offsetting Collections (Inspection Fees) ...	0	0	-10,000	-10,000
Coal Management	9,461	9,739	9,654	-85
Other Mineral Resources Mgmt.....	10,325	10,614	10,515	-99
Subtotal, Energy/Minerals Mgmt	113,116	89,689	75,831	-13,858
Realty and Ownership Management				
Alaska Conveyance and Lands.....	33,382	34,109	20,873	-13,236
Cadastral Survey	12,778	12,863	12,305	-558
Land/Realty Management	44,229	50,660	53,085	+2,425
Subtotal, Realty/Ownership Mgmt .	90,389	97,632	86,263	-11,369
Resource Protection and Maintenance				
Resource Management Planning	47,259	49,961	41,394	-8,567
Abandoned Mine Lands	0	0	15,851	+15,851
Resource Protection/Law Enfrmnt.....	27,389	28,457	27,580	-877
Hazardous Materials Management	16,745	17,159	16,942	-217
Subtotal, Resource Protection.....	91,393	95,577	101,767	+6,190
Transportation and Facilities Maintenance				
Operations.....	5,939	6,067	6,007	-60
Annual Maintenance	30,987	32,003	31,693	-310
Deferred Maintenance	24,454	35,085	34,498	-587
Subtotal, Trans/Facilities Maint.....	61,380	73,155	72,198	-957
Land/Resource Information System.....	16,233	16,754	16,631	-123

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Mining Law Administration				
Administration	34,696	36,696	36,696	0
Offsetting Fees	-34,696	-36,696	-36,696	0
Subtotal, Mining Law Admin.....	0	0	0	0
Workforce and Organizational Support				
Information Systems Operations	14,969	15,406	15,322	-84
Administrative Support	48,784	51,377	49,982	-1,395
Bureau-wide Fixed Costs	89,572	91,277	90,318	-959
Subtotal, Support	153,325	158,060	155,622	-2,438
Communications Site Management				
Communications Site Management	2,000	2,000	2,000	0
Offsetting Fees	-2,000	-2,000	-2,000	0
Subtotal, Comm. Site Mgmt	0	0	0	0
Challenge Cost Share.....	9,488	9,500	0	-9,500
National Landscape Conservation System				
National Monuments and National Conservation Areas	28,196	31,301	31,517	+216
TOTAL APPROP. (w/o ARRA, recession, and transfers).	905,373	959,571	923,559	-36,012
Recession of Balances	0	-1,000	0	+1,000
Am. Recovery and Restoration Act	+125,000	0	0	0
Transfers	+8,150	0	0	0
TOTAL APPROP. (w/ ARRA, recession, and transfers) .	1,038,523	958,571	923,559	-35,012

Highlights of Budget Changes

Fixed costs

Fixed costs of \$14,523 are absorbed. There is a fixed cost adjustment of \$6 for a reduced Departmental Working Capital Fund bill.

Land Resources

Soil, Water and Air Management: A net decrease of \$12,039 is proposed for this subactivity, which includes an increase of \$2,000 for air quality data monitoring, an increase of \$2,500 for climate change adaptation strategies and restoration activities coordinated with Landscape Conservation Cooperatives, and a shift of \$15,929 to create the new Abandoned Mine Lands subactivity. The budget eliminates an unrequested base funding increase of \$350. Reductions in travel (-\$95), information technology (-\$80), and strategic sourcing (-\$85) are also included.

Range Management: A decrease of \$1,372 is proposed for this subactivity, which includes a decrease of \$700 for elimination of the 2010 base increase for range health assessments. Reductions in travel (-\$237), information technology (-\$240), and strategic sourcing (-\$195) are also included.

Public Domain Forest Management: A decrease of \$677 is proposed for this subactivity, which includes a decrease of \$100 for elimination of the 2010 general base increase and reduction of \$492 that reflects a shift of Headwaters Reserve funding. Reductions in travel (-\$28), information technology (-\$26), and strategic sourcing (-\$31) are also included.

Riparian Management: A net decrease of \$86 is proposed for this subactivity, which includes a decrease of \$200 for elimination of the 2010 general base increase and an increase of \$325 that reflects a shift of Headwaters Reserve funding. Reductions in travel (-\$71), information technology (-\$66), and strategic sourcing (-\$74) are also included.

Cultural Resources Management: A net increase of \$605 is proposed for this subactivity, which includes a base funding increase of \$400 to conduct social landscape assessments and inventories and an increase of \$400 that reflects the shift of funding for the Antiquities Act. Reductions in travel (-\$94), information technology (-\$45), and strategic sourcing (-\$56) are also included.

Wild Horse and Burro Management: A net increase of \$11,735 is proposed for this subactivity, which includes a base funding increase of \$12,000 to fund the implementation of the Secretary's Wild Horse and Burro initiative. Reductions in travel (-\$145), information technology (-\$56), and strategic sourcing (-\$64) are also included.

Wildlife and Fisheries Management

Wildlife Management: A decrease of \$1,251 is proposed for this subactivity, which includes a decrease of \$500 for elimination of the 2010 general base increase and a decrease of \$500 for a one-time 2010 Congressional increase for plant conservation activities. Reductions in travel (-\$81), information technology (-\$79), and strategic sourcing (-\$91) are also included.

Fisheries Management: A decrease of \$249 is proposed for this subactivity, which includes a decrease of \$125 for elimination of the 2010 general base increase. Reductions in travel (-\$43), information technology (-\$37), and strategic sourcing (-\$44) are also included.

Threatened and Endangered Species Management

A net decrease of \$592 is proposed for this subactivity, which includes a decrease of \$200 for elimination of the 2010 general base increase, a decrease of \$300 for elimination of a one-time earmark for red band trout and salmon habitat restoration, and an increase of \$115 that reflects the transfer of Headwaters Reserve funding. Reductions in travel (-\$56), information technology (-\$60), and strategic sourcing (-\$91) are also included.

Recreation Management

Wilderness Management: A net increase of \$1,099 is proposed for this subactivity, which includes a base funding increase of \$1,300 to fund new wilderness areas designated in the recently enacted Omnibus Public Land Management Act. Reductions in travel (-\$53), information technology (-\$58), and strategic sourcing (-\$90) are also included.

Recreation Resource Management: A net decrease of \$1,346 is proposed for this subactivity, which includes a decrease of \$500 for elimination of the 2010 general base increase, an increase of \$52 that reflects the shift of Headwaters Reserve funding, and a decrease of \$400 that reflects a shift of funding from travel management activities to Antiquities Act activities. Reductions in travel (-\$165), information technology (-\$144), and strategic sourcing (-\$189) are also included.

Energy and Minerals Management

Oil and Gas Management: A decrease of \$13,674 is proposed for this subactivity, which includes a decrease of \$3,000 that reflects the completion of oil and gas resource studies pursuant to the Energy Policy and Conservation Act. The request also proposes a \$10,000 reduction in base appropriations funding for inspection and enforcement activities that the budget assumes will be fully offset with offsetting collections generated through the imposition of a new inspection fee. Reductions in travel (-\$254), information technology (-\$224), and strategic sourcing (-\$196) are also included.

Coal Management: A decrease of \$85 is proposed for this subactivity, which includes reductions in travel (-\$28), information technology (-\$29), and strategic sourcing (-\$28).

Other Mineral Resources Management: A decrease of \$99 is proposed for this subactivity, which includes reductions in travel (-\$32), information technology (-\$33), and strategic sourcing (-\$34).

Realty and Ownership Management

Alaska Conveyance: A decrease of \$13,236 is proposed for this subactivity, which includes a reduction in base funding of \$13,000. The Department will explore opportunities to further streamline the program. Reductions in travel (-\$116), information technology (-\$81), and strategic sourcing (-\$39), are also included.

Cadastral Survey: A decrease of \$558 is proposed for this subactivity, which includes the elimination of a 2010 general base increase of \$100 and the elimination of a one-time earmark of \$300 for the Utah rural government GIS assistance program. Reductions in travel (-\$65), information technology (-\$36), and strategic sourcing (-\$57) are also included.

Land and Realty Management: A net increase of \$2,425 is proposed for this subactivity, which includes an increase of \$3,000 for studies and related activities to facilitate renewable energy development on public lands. Reductions in travel (-\$316), information technology (-\$116), and strategic sourcing (-\$143) are also included.

Resource Protection and Maintenance

Resource Management Planning: A decrease of \$8,567 is proposed for this subactivity. This includes an \$8,192 reduction in base funding, including an unrequested 2010 increase of \$1,000 for travel management planning. Reductions in travel (-\$154), information technology (-\$108), and strategic sourcing (-\$113) are also included.

Abandoned Mine Lands: A net increase of \$15,851 is proposed for this subactivity. This includes a shift of \$15,929 from the Soil, Water, and Air Management subactivity to create this new AML subactivity. Reductions in travel (-\$36), information technology (-\$9), and strategic sourcing (-\$33) are also included.

Resource Protection and Law Enforcement: A decrease of \$877 is proposed for this subactivity, which includes the elimination of an unrequested 2010 base increase of \$500. Reductions in travel (-\$194), information technology (-\$52), and strategic sourcing (-\$131) are also included.

Hazardous Materials Management: A decrease of \$217 is proposed for this subactivity, which includes reductions in travel (-\$111), information technology (-\$36), and strategic sourcing (-\$70).

Transportation and Facilities Maintenance

Operations: A decrease of \$60 is proposed for this subactivity, which includes reductions in travel (-\$15), information technology (-\$18), and strategic sourcing (-\$27).

Annual Maintenance: A decrease of \$310 is proposed for this subactivity, which includes reductions in travel (-\$112), information technology (-\$87), and strategic sourcing (-\$111).

Deferred Maintenance: A decrease of \$587 is proposed for this subactivity, which includes a program reduction of \$500 to reflect the disposal of surplus assets and facilities. Reductions in travel (-\$44), information technology (-\$32), and strategic sourcing (-\$11) are also included.

Land and Resource Information Systems

A decrease of \$123 is proposed for this subactivity, which includes reductions in travel (-\$56), information technology (-\$28), and strategic sourcing (-\$39).

Workforce and Organizational Support

Information Systems Operations: A decrease of \$84 is proposed for this subactivity, which includes reductions in travel (-\$26), information technology (-\$24), and strategic sourcing (-\$34).

Administrative Support: A decrease of \$1,395 is proposed for this subactivity, which includes a reduction of \$562 in funding that supported competitive sourcing studies. Reductions in travel (-\$307), information technology (-\$177), and strategic sourcing (-\$349) are also included.

Bureauwide Fixed Costs: A decrease of \$959 is proposed for this subactivity, which includes a reduction of \$391 reflecting efficiencies achieved from energy savings and a reduction of \$6 due to a lower Departmental Working Capital Fund bill. A reduction of \$562 for strategic sourcing is also included.

Challenge Cost Share

A proposed funding reduction of \$9,500 will end the Challenge Cost Share program.

National Landscape and Conservation System

National Monuments and National Conservation Areas: A net increase of \$216 is proposed for this subactivity, which includes a program increase of \$414 for high priority operating needs in national monuments and national conservation areas. Reductions in travel (-\$75), information technology (-\$65), and strategic sourcing (-\$58) are also included.

APPROPRIATION: Construction

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
TOTAL APPROPRIATION <i>(w/o ARRA or trans)</i>	6,590	8,626	3,590	-5,036
Am. Recovery and Restoration Act	+180,000	0	0	0
Transfers	-753	0	0	0
TOTAL APPROPRIATION <i>(w/ ARRA and trans)</i>	185,837	8,626	3,590	-5,036

Highlights of Budget Changes**Construction**

The budget request of \$3,590 for Construction includes \$3,392 for 11 line item construction projects in six States and \$198 for architectural and engineering services. A detailed list of construction projects is included in Appendix M.

APPROPRIATION: Land Acquisition

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Acquisitions	11,425	24,650	79,771	+55,121
Emergencies and Hardships.....	1,500	3,000	1,500	-1,500
Acquisition Management.....	1,850	2,000	2,379	+379
TOTAL APPROPRIATION <i>(w/o transfers)</i>	14,775	29,650	83,650	+54,000
Transfers	-1,127	0	0	0
TOTAL APPROPRIATION <i>(w/ transfers)</i>	13,648	29,650	83,650	+54,000

Highlights of Budget Changes**Fixed costs**

Fixed costs of \$24 are absorbed.

Land Acquisition

The budget includes \$79,771 in project funding, an increase of \$55,121 over the 2010 level. This includes an increase of \$16,121 for high priority line-item projects, for a total of \$37,771, and \$42,000 for the purchase of land for a wild horse preserve. The \$37,771 is for 20 projects in nine States. A detailed list of land acquisition projects is included in Appendix G.

Emergencies and Hardships

A decrease of \$1,500 restores funding to the 2009 enacted level.

Acquisition Management

A net increase of \$379 is proposed, which includes \$500 to support the acquisition of land for wild horse preserves and a discontinuation of an unrequested 2010 base increase of \$121.

APPROPRIATION: Oregon and California Grant Land

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
W. Oregon Resources Management	95,611	97,052	91,216	-5,836
W. Oregon Info./Resources Data Sys.....	2,152	2,153	2,116	-37
W. Oregon Trans. and Facilities Maint.	11,053	11,202	11,100	-102
W. Oregon Construction/ Acquisition.....	313	317	313	-4
W. Oregon NLCS	820	833	828	-5
TOTAL APPROPRIATION	109,949	111,557	105,573	-5,984

Highlights of Budget Changes**Fixed costs**

Fixed costs of \$1,312 are absorbed.

Western Oregon Resources Management

A decrease of \$5,836 is proposed, which includes base program reductions of \$2,000 in the Forest Management subactivity and \$3,000 in the Other Forest Resources Management subactivity. Reductions in travel (-\$232), information technology (-\$279), and strategic sourcing (-\$325) are also included.

Western Oregon Information and Data Systems

A decrease of \$37 is proposed, which includes reductions in travel (-\$12), information technology (-\$2), and strategic sourcing (-\$23).

Western Oregon Transportation and Facilities Maintenance

A decrease of \$102 is proposed, which includes reductions in travel (-\$25), information technology (-\$33), and strategic sourcing (-\$44).

Western Oregon Construction & Acquisition

A decrease of \$4 is proposed, which includes reductions in travel (-\$1), information technology (-\$2), and strategic sourcing (-\$1).

Western Oregon National Landscape Conservation System

National Monuments and National Conservation Areas: A decrease of \$5 is proposed, which includes reductions in travel (-\$1), information technology (-\$2), and strategic sourcing (-\$2).

APPROPRIATION: Range Improvements

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Improvements to Public Lands	7,873	7,873	7,873	0
Farm Tenant Act Lands	1,527	1,527	1,527	0
Administrative Expenses	600	600	600	0
TOTAL APPROPRIATION	10,000	10,000	10,000	0

APPROPRIATION: Service Charges, Deposit, and Forfeitures

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Rights-of-Way Processing	14,318	16,400	16,400	0
Energy and Minerals Cost Recovery	2,498	2,600	2,600	0
Recreation Cost Recovery	840	1,000	1,000	0
Adopt-a-Horse Program	433	500	500	0
Repair of Damaged Lands	77	5,600	5,600	0
Cost Recovable Realty Cases	870	900	900	0
Timber Purchaser Expenses	79	100	100	0
Commercial Film / Photography Fees	161	200	200	0
Copy Fees	1,095	2,000	2,000	0
Trans Alaska Pipeline	3,645	4,000	4,000	0
TOTAL APPROPRIATION <i>(w/o offsets or trans)</i> ..	24,016	33,300	33,300	0
Offsets	-20,216	-33,300	-33,300	0
Transfers	-3,800	0	0	0
TOTAL APPROPRIATION <i>(w/ offsets and trans)</i>	0	0	0	0

APPROPRIATION: Miscellaneous Trust Funds

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
TOTAL APPROPRIATION	10,805	15,200	15,200	0



MINERALS MANAGEMENT SERVICE

Mission – The Minerals Management Service manages access to the Nation's energy and mineral resources of the Outer Continental Shelf to help meet the domestic demands and other needs of the United States while balancing such access with the protection of the human, marine, and coastal environments.

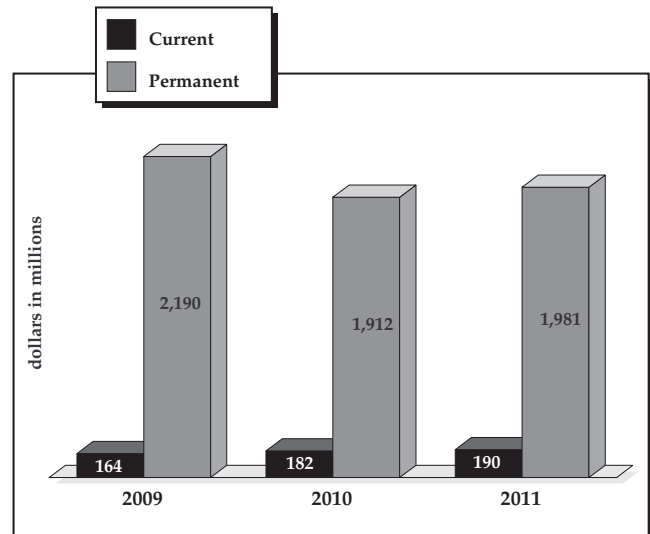
Background – The MMS was formed by Secretarial Order in 1982 to facilitate the Nation's mineral revenue collection efforts and the management of its Outer Continental Shelf offshore lands. The MMS manages energy and mineral resources, including renewable energy resources, on the Nation's OCS in an environmentally sound and safe manner. The MMS is also responsible for the timely and accurate collection, distribution, accounting, and auditing of revenues owed by holders of energy and mineral leases on Federal onshore, offshore, and Indian lands.

Program Overview – Currently, MMS administers more than 8,000 active mineral leases containing over 32,000 wells, and oversees production from nearly 3,800 facilities on the OCS. Production from these mineral leases generates billions of dollars in revenue for the Federal Treasury and State governments and supports thousands of jobs. The MMS oversees production of 11 percent of the natural gas and 25 percent of the oil produced domestically. The MMS is also developing a robust renewable energy program that will complement traditional energy sources and contribute to the Nation's transition to a low-carbon economy.

To ensure OCS development is carried out in a safe and environmentally responsible manner, MMS inspects all offshore facilities, reviews plans for exploration and development, analyzes statements of financial responsibility, and funds scientific and engineering research related to mineral and renewable energy development on the OCS.

Revenues collected from onshore and offshore Federal lands by MMS are one of the largest sources of non-tax revenue to the Federal government. In 2009, MMS disbursed \$10.7 billion in mineral revenues to States; the Office of the Special Trustee for American Indians

MMS Funding



for distribution to Indian Tribes and individual owners; other Federal agencies; and U.S. Treasury accounts. Additionally, MMS delivered oil valued at \$268.5 million to the Department of Energy for the Strategic Petroleum Reserve. Total revenues are expected to be \$11.0 billion in 2011. The MMS comprehensive compliance strategy includes an automated compliance verification program to validate the accuracy and timeliness of revenues paid and an audit program staffed by MMS, State, and tribal auditors to ensure proper revenues are collected and disbursed. Since 1994, a portion of OCS rental revenues has been used to offset MMS appropriations.

Budget Overview – The 2011 MMS budget request is \$364.8 million, including \$189.9 million in current appropriations and \$174.9 million in offsetting collections from rental receipts and fees. Current appropriations are increased by \$8.4 million above 2010.

OCS Inspection Fee – The Royalty and Offshore Minerals Management account has traditionally been credited with offsetting collections to help defray the cost of MMS operations. These include certain rental receipts and cost recovery fees. To defray increasing inspection

costs, the 2010 appropriation established an inspection fee on OCS above-water oil and gas facilities subject to inspection, except mobile offshore drilling units. The MMS developed the fee structure based on the complexity of the facility, as determined by the number of wells. The 2011 budget proposes an increase in inspection fees to require OCS energy developers to fund approximately 50 percent of MMS compliance inspection costs. This represents a reasonable contribution on the part of the energy developers, who are the primary beneficiaries of the OCS development program. The fee would support Federal efforts to provide services that not only ensure human safety, but also protect the environment and conserve energy and marine resources.

New Energy Frontier Initiative – The OCS program is a major component of the Department’s New Energy Frontier initiative. With substantial enhancements in the 2010 budget, MMS has a new mandate to implement a comprehensive offshore renewable energy program on the OCS. Secretary Salazar has increased efforts to support the development of renewable energy first by working with Federal Energy Regulatory Commission Chairman Jon Wellinghoff to reach an agreement regarding the process by which permits and licenses related to hydrokinetic energy resources in offshore waters are to be handled. Interior then finalized the first regulatory framework to guide development of significant domestic offshore renewable energy sources including wind, wave, and ocean current forces. More recently, Secretary Salazar announced the creation of a new Renewable Energy Office in the Atlantic region to focus efforts on developing the abundant wind resources on the eastern seaboard. The 2010 budget provided a substantial increase of \$24.0 million that MMS is using to establish that office and expand its expertise and capacity to consider OCS renewable energy leasing in collaboration with coastal States, as well as development proposals presented by industry. In 2009, MMS achieved a significant milestone when it issued the first exploratory leases for renewable energy along the Atlantic coast.

The 2011 budget request under the New Energy Frontier initiative includes an increase of \$16.5 million to support comprehensive energy development activities on the OCS and effective royalty management. The initiative includes a program increase of \$3.5 million to advance renewable energy development and enhance capabilities in the Atlantic and Pacific regions. The funding will increase the capacity to evaluate project proposals, accumulate knowledge of local resources and regulations, and foster development of valuable renewable resources. The initiative also includes an increase of \$4.4 million to ensure safe operations and fair market value for public mineral resources. This is partially offset by the redirection of \$2.0 million for environmental studies. The initiative

also includes \$1.0 million for marine spatial planning activities to ensure OCS energy resources are considered as ocean management plans are developed. The MMS will use an increase of \$13.7 million to improve royalty compliance and auditing operations to ensure proper revenues are collected and disbursed in a timely manner.

Royalty Reforms – The Administration believes that American taxpayers should get a fair return on the development of energy resources on their public lands. A 2008 Government Accountability Office report suggests that taxpayers could be getting a better return from Federal oil and gas resources, at least in some areas. In 2010, Interior will take steps to implement reforms, including the completion of a rulemaking to adjust onshore royalty rates. The budget assumes these reforms will increase Federal oil and gas revenues by \$1.0 billion over the next ten years.

In addition, on September 16, 2009, Secretary Salazar announced that the Royalty-in-Kind program will be discontinued. The Secretary directed MMS to “. . . ensure that the termination of the RIK program will not adversely affect MMS’ commitment to ensure that the Nation’s Federal and Indian energy and mineral revenues are accurately reported and paid in compliance with laws, regulations, and lease terms and that the American people receive fair market value for their valuable energy and mineral resources.” As RIK oil and natural gas sales contracts expire, RIK properties will revert to in-value status. The MMS is requesting an increase of \$10.0 million in appropriated funds to support royalty-in-value compliance and auditing activities resulting from this transition. This increase in appropriations will be offset by an equivalent reduction in outlays from receipts previously used to fund RIK activities.

Oil and Gas Leasing – The Gulf of Mexico Energy Security Act of 2006 expanded OCS oil and gas leasing activities in the Gulf of Mexico, significantly increasing MMS responsibilities. The 2011 MMS budget request includes an increase of \$4.4 million, offset by the redirection of \$2.0 million from environmental studies, to support the additional leasing areas now included in the 2007-2012 Five-Year OCS Oil and Gas Leasing program. The five-year program includes six lease sales in 2011 including two in the Gulf of Mexico and one in the Beaufort Sea, Alaska. There is the potential for a “special interest” sale in Alaska’s Cook Inlet. However, the resolution of ongoing litigation and the level of industry interest in certain frontier areas may affect the number of sales actually held.

Offshore Energy and Minerals Management – The goal of the Offshore Energy and Minerals Management program is to provide for safe and environmentally

sound energy and mineral development on the OCS and to ensure that the public receives fair market value for these resources. To carry out this goal, MMS activities include administration of OCS leases for renewable and mineral energy resources, review of new exploration and development plans, examination of pipeline rights-of-way applications, environmental assessments, and annual safety inspections of nearly 3,800 mineral extraction and exploration facilities. The MMS requests \$200.6 million in 2011 for Offshore program activities, \$3.8 million above 2010.

The Department has significantly increased responsibility for renewable energy development on the OCS as a result of the Energy Policy Act of 2005. The 2011 budget continues the 2010 investment in the development of offshore renewable energy resources. Completion of a Memorandum of Agreement with the Federal Energy Regulatory Commission to cooperate on permitting the development of wave and current energy offshore resolved differences that languished since Congress passed the Energy Policy Act of 2005. The MMS subsequently released the first framework for developing renewable energy on the OCS and has issued the first exploratory leases for renewable energy on the Atlantic Coast. The MMS continues to work with coastal States to consider the impacts, requirements, and potential to harness wind resources and has established several State-based task forces to support this cooperation. The new Atlantic Renewable Energy Office will implement and manage the offshore renewable energy program, including leasing, environmental programs, the formation of task forces, State consultation, and post-lease permitting in Federal waters off the East Coast.

The MMS continues to focus on developing a robust OCS-based renewable energy program and is requesting a program increase of \$3.5 million to support those efforts in the 2011 budget. Funding will be directed to the Atlantic and Pacific regions to increase the capacity to evaluate project proposals, accumulate knowledge of local resources and regulations, and foster development of valuable renewable resources. This funding will advance OCS renewable energy leasing activities, including collaboration with coastal States, federally recognized Indian Tribes, and other stakeholders; conducting environmental and technological studies; preparing environmental analyses; initiating up to four competitive renewable energy lease sales, or comparable noncompetitive individual renewable energy projects; and processing limited leases for offshore resource data collection and technology testing.

The budget also recognizes that as the Nation works to transition its economy toward cleaner, renewable energy sources, America's oil and gas supplies remain an

important component of a comprehensive energy plan. Interior is working to ensure that the oil and gas resources it manages are developed in a safe and responsible manner and that Americans receive fair market value for public resources. The Department conducts regular lease sales in OCS areas open to development according to a five-year OCS Oil and Gas Leasing program.

The 2011 President's budget request includes an increase of \$4.4 million to invest in the systems and people necessary to ensure fair market value for America's OCS energy resources. The increase will also fund additional inspection staff required to ensure that expanding deepwater energy development occurs in a safe and environmentally responsible manner. This investment is offset by a redirection of \$2.0 million from environmental studies funding that will result in the deferral or cancellation of lower priority oil and gas studies.

The MMS is also requesting a \$1.0 million increase to enhance its marine spatial planning capabilities and coordinate efforts with the U.S. Geological Survey, Fish and Wildlife Service, and other government entities to optimize management of offshore ecosystems. The Administration's Interagency Ocean Policy Task Force released an interim framework to guide marine spatial planning in December 2009, and MMS will use the additional funding requested to support the framework's call for increased "integration, cooperation, and coordination."

Secretary Salazar has stressed the Administration's view that decisions about the future development of OCS resources should be based on the best available information and public input. The Department is currently analyzing the public comments submitted in response to publication of the draft proposed five-year program for the OCS. The MMS and USGS have assembled a report on the available resources in the OCS, and Secretary Salazar held four regional meetings around the country to gather public input. The information collected throughout this process will guide the Administration's decisions as it considers the next five-year OCS Oil and Gas Leasing program.

Minerals Revenue Management – The goal of the MRM program is to ensure that revenue from Federal and Indian mineral leases are effectively, efficiently, and accurately collected, accounted for, and disbursed to recipients. These revenue distributions, which totaled nearly \$11 billion last year, are disbursed to 38 States, 41 Indian Tribes, some 30,000 American Indian mineral royalty owners, and to U.S. Treasury accounts. In the 2011 budget request, the MRM program is funded at \$100.4 million, an increase of \$11.0 million above 2010. The primary element of this request is a \$10.0 million increase to enhance compliance activities and increase auditing

capacity to cover a larger set of royalty payments that will be collected through traditional “in value” collections. This funding will offset an anticipated reduction in RIK mandatory funding as RIK operations are phased out.

The MMS also requests an increase of \$1.7 million to enhance the capabilities and integration of compliance tools. The two-year initiative will address several overlapping recommendations from external entities including the Government Accountability Office. The funding will support the development of a compliance tool suite that will convert current manual calculations and analyses to automated formats. The tools will provide a single, reliable and consistent source for compliance planning, tracking, analysis, performance measurement, and records management.

To support the accurate collection and accounting of royalties owed for the production of natural gas, the MRM program must establish a value for natural gas. The MMS requests an increase of \$2.0 million to complement the production assurance efforts currently underway by increasing its valuation and market research capabilities. This increase will provide reliable and timely access to gas index and location differential data, which will be used in valuation. The MMS will also review and audit targeted gas plants and transportation systems. With

more than 100 different index points for gas, 500 pipeline systems transporting gas, and 200 gas plant systems, all of which complicate the valuation process, this funding is a key element to ensure taxpayers receive a fair return on Federal resources.

Oil Spill Research Program – This program supports oil pollution research and other duties related to oil spill prevention, as authorized by the Oil Pollution Act of 1990. The National Oil Spill Response Test Facility is the only one of its type in the world providing full-scale equipment and methodology testing in a safe, controlled environment. The budget proposes total funding of \$6.3 million in 2011, which is equal to 2010.

Fixed Costs and Related Changes – Fixed costs are estimated at \$4.0 million and are expected to be absorbed. There is a fixed cost adjustment of \$16,000 for a decrease in the Departmental Working Capital Fund bill.

Management Efficiencies – The 2011 budget request includes reductions that are proposed Interior-wide based on SAVE Award nominations reflecting anticipated efficiency savings of \$402,000 from travel and relocation, \$480,000 from information technology, and \$261,000 from strategic sourcing.

SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

Comparison of 2011 Request with 2010 Enacted:

	2010 Enacted		2011 Request		Change from 2010	
	FTE	Amount	FTE	Amount	FTE	Amount
Appropriations						
Royalty and Offshore Minerals Management.....	1,666	175,217	1,706	183,587	+40	+8,370
Oil Spill Research	18	6,303	18	6,303	0	0
Subtotal, Direct Appropriations.....	1,684	181,520	1,724	189,890	+40	+8,370
Offsetting Collections	0	166,730	0	174,890	0	+8,160
Subtotal, Appropriations.....	1,684	348,250	1,724	364,780	+40	+16,530
Permanents and Trusts						
Mineral Leasing and Associated Payments.....	0	1,647,999	0	1,960,045	0	+312,046
Leases of Lands Acquired for Flood Control, Navigation, and Allied Purposes.....	0	2,116	0	2,303	0	+187
National Forests Funds, Payments to States	0	5,009	0	5,448	0	+439
Qualified OCS Revenue to Gulf Producing States .	0	2,220	0	1,894	0	-326
National Petroleum Reserve - Alaska	0	4,900	0	11,650	0	+6,750
Coastal Impact Assistance Program	24	250,000	24	0	0	-250,000
Subtotal, Permanents and Trusts	24	1,912,244	24	1,981,340	0	+69,096
TOTAL, MINERALS MGMT. SERVICE (w/o OC)	1,708	2,093,764	1,748	2,171,230	+40	+77,466
TOTAL, MINERALS MGMT. SERVICE (w/ OC)	1,708	2,260,494	1,748	2,346,120	+40	+85,626

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Royalty and Offshore Minerals Management

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Offshore Energy and Minerals Mgmt.				
Renewable Energy				
Appropriation.....	0	7,413	9,840	+2,427
Offsetting Collections	0	14,000	13,795	-205
Total, Renewable Energy	0	21,413	23,635	+2,222
Leasing and Environmental Program				
Appropriation.....	20,457	24,955	25,602	+647
Offsetting Collections	34,506	34,506	33,938	-568
Total, Leasing/ Environmental	54,963	59,461	59,540	+79
Resource Evaluation Program				
Appropriation.....	19,572	21,159	22,822	+1,663
Offsetting Collections	14,126	14,126	13,797	-329
Total, Resource Evaluation Prog	33,698	35,285	36,619	+1,334
Regulatory Program				
Appropriation.....	36,219	29,212	19,907	-9,305
Offsetting Collections	21,049	31,049	40,473	+9,424
Total, Regulatory Program.....	57,268	60,261	60,380	+119
Information Management Program				
Appropriation.....	721	9,205	9,205	0
Offsetting Collections	19,549	11,249	11,249	0
Total, Info Management Program	20,270	20,454	20,454	0
Total, Offshore Energy /Minerals Mgmt..	76,969	91,944	87,376	-4,568
Offsetting Collections	89,230	104,930	113,252	+8,322
Subtotal, Offshore Energy /Minerals Mgmt	166,199	196,874	200,628	+3,754
Minerals Revenue Management				
Compliance and Asset Management				
Appropriation.....	26,465	27,887	38,381	+10,494
Offsetting Collections	21,500	23,053	23,053	0
Total, Compliance/ Asset Mgmt.....	47,965	50,940	61,434	+10,494
Revenue and Operations				
Appropriation.....	18,719	16,883	17,536	+653
Offsetting Collections	20,000	21,551	21,434	-117
Total, Revenue and Operations	38,719	38,434	38,970	+536
Total, Minerals Revenue Management	45,184	44,770	55,917	+11,147
Offsetting Collections	41,500	44,604	44,487	-117
Subtotal, Minerals Revenue Mgmt	86,684	89,374	100,404	+11,030
General Administration				
Executive Direction				
Appropriation.....	1,741	1,818	2,198	+380
Offsetting Collections	1,000	1,000	998	-2
Total, Executive Direction	2,741	2,818	3,196	+378

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Policy and Management Improvement				
Appropriation.....	3,236	3,328	3,414	+86
Offsetting Collections	1,000	1,000	997	-3
Total, Policy/Mgmt Improvement ...	4,236	4,328	4,411	+83
Administrative Operations				
Appropriation.....	16,099	17,474	18,302	+828
Offsetting Collections	1,555	2,555	2,548	-7
Total, Administrative Operations	17,654	20,029	20,850	+821
General Support Services				
Appropriation.....	14,144	15,883	16,380	+497
Offsetting Collections	12,445	12,641	12,608	-33
Total, General Support Services	26,589	28,524	28,988	+464
Total, General Administration.....	35,220	38,503	40,294	+1,791
Offsetting Collections	16,000	17,196	17,151	-45
Subtotal, General Administration.....	51,220	55,699	57,445	+1,746
TOTAL				
Appropriation.....	157,373	175,217	183,587	+8,370
Offsetting Collections	146,730	166,730	174,890	+8,160
TOTAL	304,103	341,947	358,477	+16,530

Highlights of Budget Changes

Fixed Costs

Fixed costs of \$4,016 are absorbed. There is a fixed cost adjustment of \$16 for a decrease in the Departmental Working Capital Fund.

Offshore Energy and Minerals Management

Renewable Energy Program

A net increase of \$2,222 is proposed for this subactivity. An increase is proposed for renewable energy (+\$2,500). The proposal reduces funding for information technology, travel, acquisitions, operating efficiencies, and strategic sourcing (-\$73), and offsetting collections for a reduction in eligible rental receipts and cost recoveries (-\$205).

Leasing and Environmental Program

A net increase of \$79 is proposed for this subactivity. Increases are proposed for ensuring fair market value and safe operations (+\$850), renewable energy (+\$1,000), and marine spatial planning (+\$1,000). The proposal redirects environmental studies (-\$2,000) and reduces funding for information technology, travel, acquisitions, operating efficiencies, and strategic sourcing (-\$203), and offsetting collections for a reduction in eligible rental receipts and cost recoveries (-\$568).

Resource Evaluation Program

A net increase of \$1,334 is proposed for this subactivity. An increase is proposed for ensuring fair market value and safe operations (+\$2,680). The proposal reduces unrequested funding for the Center for Marine Resources and Environmental Technology (-\$900); information technology, travel, acquisitions, operating efficiencies, and strategic sourcing (-\$117); and offsetting collections for a reduction in eligible rental receipts and cost recoveries (-\$329).

Regulatory Program

A net increase of \$119 is proposed for this subactivity. An increase is proposed for ensuring fair market value and safe operations (+\$900). The proposal reduces funding for information technology, travel, acquisitions, operating efficiencies, and strategic sourcing (-\$205), and offsetting collections for a reduction in eligible rental receipts and cost recoveries (-\$576).

Minerals Revenue Management

Compliance and Asset Management

A net increase of \$10,494 is proposed for this subactivity. Increases are proposed for transition to royalty-in-value (+\$7,077), to enhance capabilities and integration of compliance tools (+\$1,717), and to ensure proper royalties are paid on transported and processed natural gas (+\$1,850). The proposal reduces funding for information technology, travel, acquisitions, operating efficiencies, and strategic sourcing (-\$150).

Revenue and Operations

A net increase of \$536 is proposed for this subactivity. An increase is proposed for transition to royalty-in-value (+\$879). The proposal reduces funding for information technology, travel, acquisitions, operating efficiencies, and strategic sourcing (-\$226), and offsetting collections for a reduction in eligible rental receipts and cost recoveries (-\$117).

General Administration

A net increase of \$1,746 is proposed for this subactivity. Increases are proposed for transition to royalty-in-value (+\$2,044) and ensuring proper royalties are paid on transported and processed natural gas (+\$150). The proposal reduces funding for information technology, travel, acquisitions, operating efficiencies, and strategic sourcing (-\$403), and offsetting collections for a reduction in eligible rental receipts and cost recoveries (-\$45).

APPROPRIATION: Oil Spill Research

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
TOTAL APPROPRIATION	6,303	6,303	6,303	0



OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

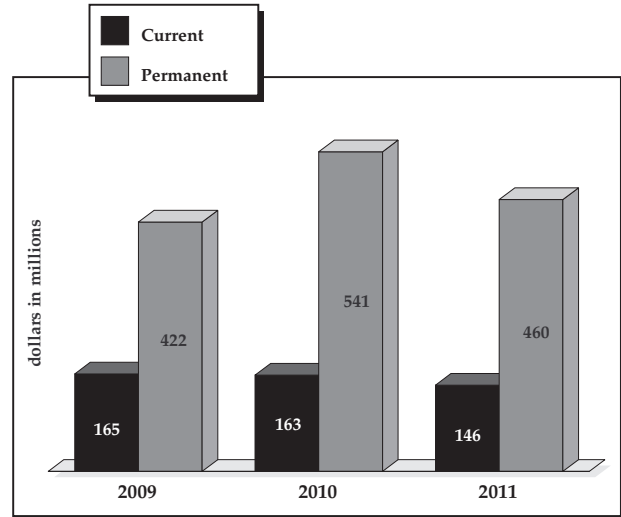
Mission –The mission of the Office of Surface Mining Reclamation and Enforcement is to ensure that through a nationwide regulatory program, coal mining is conducted in a manner that protects citizens and the environment during mining, restores the land to beneficial use following mining, and mitigates the effects of past mining by aggressively pursuing reclamation of abandoned mine lands.

Background – The OSM was established by the Surface Mining Control and Reclamation Act of 1977 to address environmental and public safety concerns associated with surface coal mining. Coal has played a central role in the development of the Nation’s industrial and economic strength. Today, coal remains the Nation’s leading source of domestic energy production and provides over half of the Nation’s electricity.

Program Overview – The SMCRA created a cooperative federalist approach to the regulation of coal mining, whereby OSM serves as the regulatory entity or delegates that authority to States or Tribes that choose to accept it, known as primacy States. The primacy States and Tribes regulate about 97 percent of the Nation’s coal production and carry out over 90 percent of the abandoned mine lands abatement work. The OSM administers regulatory programs on tribal lands and both regulatory and reclamation programs in non-primacy States. To encourage States and Tribes to take primacy, OSM provides funding, oversight, regulatory and policy framework, training, and technical assistance and tools to maintain stable regulatory and reclamation programs of high quality. The OSM works closely with States and Tribes to implement its results-oriented regulatory oversight system and provides technical information and tools to help States and Tribes develop sufficient knowledge, expertise, and capability to meet their responsibilities under SMCRA.

The SMCRA established the Abandoned Mine Reclamation Fund to finance the restoration of land mined and abandoned prior to August 1977. Section 402(a) of SMCRA established an Abandoned Mine Lands fee based on tonnage of mined coal, which is then deposited in the

OSM Funding



Abandoned Mine Reclamation Fund. Interest accrues on the collected fees and is transferred, as necessary, to the United Mine Workers of America health benefit plans for unassigned beneficiaries.

The Tax Relief and Health Care Act of 2006, which included the Surface Mining Control and Reclamation Act of 2006 amendments, revised the fee collections and distribution of the AML payments. The 2006 amendments extended the AML fee collection authority through September 30, 2021, reduced the fee by ten percent, and changed the fee structure. The amendments also dramatically increased funding and changed the distribution of the fee receipts to States and Tribes. As of 2008, State and tribal reclamation grants are funded by permanent (or mandatory) appropriations so that, once fully phased in, approximately 83 percent of the fees collected each year will be disbursed without further appropriation. The amendments provide for payments to States and Tribes that have been certified as having completed their reclamation programs equal to what they would have received if they still had abandoned coal mines to address. Non-certified States use these funds predominately for coal mine reclamation, while certified States and Tribes

can use these funds for any purpose approved by their State legislatures or tribal governments. In addition, the amendments provide for distribution of an amount comparable to the unappropriated receipts that had accumulated in the AML fund in proportion to the States' contribution. The amendments also directed all of the interest, which accrues on the collected fees, to three United Mine Workers of America retiree benefit plans.

Budget Overview – The 2011 budget request for OSM is \$146.1 million in discretionary appropriations, \$16.7 million below the 2010 enacted level. In 2011, OSM will receive and distribute \$459.5 million in permanent appropriations. This includes \$259.5 million for high-priority coal mine reclamation and \$200.0 million in payments to three United Mine Workers of America retiree health benefit plans.

Regulation and Technology – The Regulation and Technology program implements Title V of SMCRA by providing oversight and technical support for the regulation of active mining. Title V contains the regulatory provisions which serve to protect the environment during coal mining and ensure prompt restoration of the land when mining is done. In the 24 primacy States, OSM provides oversight and technical assistance, as well as grants for up to 50 percent of the State's cost of administering the program.

The 2011 budget for Regulation and Technology is \$115.8 million, a decrease of \$11.5 million below the 2010 enacted level. State and tribal regulatory grants are funded at \$60.3 million in 2011, a decrease of \$11.0 million below 2010. States will be encouraged to offset this decrease in Federal funding by increasing user fees from the coal industry. Other energy industries, such as oil and gas producers, pay inspection or permit fees to reimburse the Federal government for the cost of regulating their industry. Increasing user fees on coal producers to contribute to the cost of coal mine regulation will treat these similar industries more comparably. The decrease is proposed in part to fulfill the United States' commitment to the Group of 20 Nations to reduce subsidies to fossil-fuel industries.

The Administration has committed to move America toward a 21st century clean energy economy in which a sustainable economy and clean environment work hand in hand. In 2009, the Department entered into an interagency agreement with the Environmental Protection Agency and the U.S. Army Corps of Engineers to stimulate clean enterprise and green jobs development, encourage better

coordination among existing Federal efforts, and support innovative new ideas and initiatives. The agreement is designed to reduce the environmental impact of surface coal mining in the Appalachian region while maintaining vibrant communities. The agreement includes a series of short term actions to which OSM will contribute that will strengthen environmental reviews; assist States with regulatory, enforcement, and permitting actions; and clarify guidance concerning the evaluation of impacts to streams from surface mining operations.

Abandoned Mine Reclamation Fund – The total discretionary funding requested for current appropriations is \$30.4 million, a decrease of \$5.2 million below the 2010 enacted level. The 2011 AML mandatory grant payments will total an estimated \$259.5 million, which includes \$249.5 million for non-certified States and \$10.0 million for Federal High-Priority Projects to address high-priority coal mine reclamation. The increased mandatory funding available to the States allows each State to take responsibility for its AML emergencies. The 2011 budget includes a decrease of \$4.5 million of discretionary funding for State and tribal emergency grants and federally managed emergency projects. The budget also proposes a reduction of \$500,000 for coal export and auditing activities that are no longer required.

The Administration is proposing to focus all AML payments toward high-priority coal mine reclamation by eliminating unrestricted payments to certified States and Tribes. As a modification from the 2010 budget, this proposal will set aside \$10.0 million for federally managed high-priority projects to include any high-priority coal problems that develop or are discovered after certification, and will require all non-certified States to use their AML funding for priority coal reclamation projects only.

Fixed Costs and Related Changes – Fixed costs of \$1.5 million are absorbed. There is a fixed cost adjustment of \$33,000 for a reduced Departmental Working Capital Fund bill.

Management Efficiencies – The request includes reductions that are proposed Interior-wide based on SAVE Award nominations reflecting anticipated efficiency savings of \$418,000 from travel and relocation, \$151,000 from information technology, and \$119,000 from strategic sourcing. Reductions unique to the OSM totaling \$49,000 are proposed reflecting efficiencies from energy savings and the disposal of surplus assets, such as e-mail servers, and from the elimination of funding that supported competitive sourcing.

SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

Comparison of 2011 Request with 2010 Enacted:

	2010 Enacted		2011 Request		Change from 2010	
	FTE	Amount	FTE	Amount	FTE	Amount
Appropriations						
Regulation and Technology	341	127,280	341	115,785	0	-11,495
Abandoned Mine Reclamation Fund	174	35,588	174	30,350	0	-5,238
Subtotal, Appropriations	515	162,868	515	146,135	0	-16,733
Permanent Appropriations						
Payments to UMWA Health Plans (AML)	0	63,926		71,944	0	+8,018
Payments to UMWA Health Plans (Treasury Funds)	0	108,286		128,056	0	+19,770
Payments to States in Lieu of						
Coal Fee Receipts (Treasury Funds)*	0	227,200		95,400	0	-131,800
Mandatory Grants to States and Tribes (AML)	0	141,914		164,100	0	+22,186
Subtotal, Permanent Appropriations	0	541,326	0	459,500	0	-81,826
TOTAL, OFFICE OF SURFACE MINING	515	704,194	515	605,635	0	-98,559

* The 2010 budget amount assumes enactment of a legislative proposal to eliminate payments to certified States and Tribes.

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Regulation and Technology

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Environmental Restoration	384	260	260	0
Environmental Protection	88,425	94,771	83,679	-11,092
Technology Development and Transfer...	15,386	15,663	15,440	-223
Financial Management	510	516	514	-2
Executive Direction/ Administration	15,676	16,070	15,892	-178
TOTAL APPROPRIATION	120,382	127,280	115,785	-11,495

Highlights of Budget Changes

Fixed costs

Fixed costs totaling \$964 are absorbed. There is a fixed cost adjustment of \$22 for a reduced Departmental Working Capital Fund bill.

Environmental Protection

A reduction of \$10,991 is proposed in this request for State regulatory grants. Reductions in travel (-\$73) and strategic sourcing (-\$28) are also included.

Technology Development and Transfer

Reductions in travel (-\$188) and strategic sourcing (-\$35) are included.

Financial Management

A reduction in travel (-\$2) is included.

Executive Direction

Reductions in travel (-\$18), information technology (-\$98), strategic sourcing (-\$9), and e-mail system efficiencies (-\$32) are included. A reduction for the Departmental Working Capital Fund (-\$22) is included.

APPROPRIATION: Abandoned Mine Reclamation Fund

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Environmental Restoration.....	34,123	16,364	11,829	-4,535
Technology Development and Transfer...	3,970	4,032	3,952	-80
Financial Management	6,836	6,961	6,435	-526
Executive Direction/ Administration	8,017	8,231	8,134	-97
TOTAL APPROPRIATION <i>(w/o cancellation)</i>	52,946	35,588	30,350	-5,238
Cancellation of Prior Year BA.....	-8,500	0	0	0
TOTAL APPROPRIATION <i>(w/ cancellation)</i>	44,446	35,588	30,350	-5,238

Highlights of Budget Changes**Fixed Costs**

Fixed costs totaling \$514 are absorbed. There is a fixed cost adjustment of \$11 for a reduced Departmental Working Capital Fund bill.

Environmental Restoration

Reductions are proposed for State Emergency Grants (-\$1,500), Federal Emergency Projects (-\$2,000), and Federal High-Priority Projects (-\$972). In addition, reductions in travel (-\$37) and strategic sourcing (-\$26) are included.

Technology Development and Transfer

Reductions in travel (-\$70) and strategic sourcing (-\$10) are included.

Financial Management

A reduction of \$500 is proposed for the coal audit and export program. Reductions in travel (-\$20) and strategic sourcing (-\$6) are also included.

Executive Direction

Reductions in travel (-\$10), information technology (-\$53), strategic sourcing (-\$5), and e-mail system efficiencies (-\$17) are included. A reduction for the Working Capital Fund (-\$11) is included.



BUREAU OF RECLAMATION

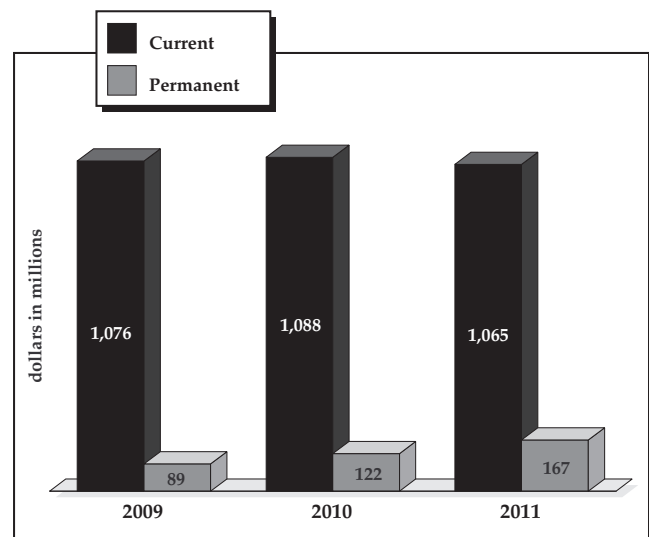
Mission – The Bureau of Reclamation’s mission is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.

Background – Since its establishment in 1902, Reclamation has developed water supply and power generation facilities that have contributed to sustained economic growth and an enhanced quality of life in the western United States. Reclamation is the largest supplier and manager of water in the 17 western States. It maintains 476 dams and 348 reservoirs with the capacity to store 245 million acre-feet of water. These facilities deliver water to one in every five western farmers for about ten million acres of irrigated land and provide water to over 31 million people for municipal, rural, and industrial uses. Reclamation is also the Nation’s second largest producer of hydroelectric power, generating 44 billion kilowatt hours of energy each year from 58 power plants.

Program Overview – Over the course of the 107 years that Reclamation has been in existence the West has grown and transformed itself and Reclamation has continuously evolved to respond to changing priorities in order to meet contemporary needs. Over this time-span, nearly every major river system in the West – the Colorado, Columbia, Rio Grande, and Missouri – became heavily developed and over-allocated. In the face of climate change and increasingly complex challenges facing both Reclamation and western communities in the 21st century, Interior must find ways to meet the needs of the growing population, provide water supplies in times of drought, address environmental needs in the face of degraded aquatic environments, address depleted aquifers, and manage the over-allocated water resources. By its mere presence and ownership of facilities, Reclamation directly influences water uses and supply patterns in many western river basins.

These supply and management challenges guarantee that water supply-related crises will become more frequent if action is not taken now. Reclamation is committed to working with its customers, States, Tribes, and other stakeholders to find ways to balance and provide for the

Reclamation Funding



mix of water resource needs in 2011 and beyond. The 2011 request supports the WaterSMART program aimed at addressing 21st century water challenges and ensuring water security for future generations.

Budget Overview – Reclamation’s 2011 budget request is \$1.1 billion, which includes \$49.9 million for the Central Valley Project Restoration Fund. This request is offset by discretionary receipts in the CVPRE, estimated to be \$49.6 million. The request for permanent appropriations in 2011 totals \$167.0 million.

Water and Related Resources – The 2011 budget request for Water and Related Resources, Reclamation’s principal operating account, is \$913.6 million, a decrease of \$37.6 million from the 2010 enacted level.

The budget continues to address the water needs of a growing population in an environmentally responsible and cost-efficient manner and assists States, Tribes, and local entities to solve contemporary water resource issues. It also emphasizes the operation and maintenance of

Reclamation facilities in a safe, efficient, economic, and reliable manner; assuring systems and safety measures are in place to protect the facilities and the public. Funding for each project or program within Reclamation's request is based upon Administration, Interior, and bureau priorities – key focus areas include water sustainability, climate change adaptation and renewable energy, restoring rivers, and supporting tribal nations.

The request includes a total of \$489.9 million for water and energy, land, and fish and wildlife resource management and development activities. Funding in these activities provides for planning, construction, water sustainability activities, management of Reclamation lands including recreation areas, and actions to address the impacts of Reclamation projects on fish and wildlife.

The request also provides a total of \$423.7 million for facility operations, maintenance, and rehabilitation activities. Providing adequate funding for these activities continues to be one of Reclamation's highest priorities. The bureau continues to work closely with water users and other stakeholders to ensure that available funds are used effectively. These funds are used to allow the timely and effective delivery of project benefits; ensure the reliability and operational readiness of Reclamation's dams, reservoirs, power plants, and distribution systems; and identify, plan, and implement dam safety corrective actions and site security improvements.

Climate Change Adaptation and Renewable Energy – Interior is implementing an integrated strategy to respond to climate change impacts on the resources managed by the Department, through the establishment of Interior Climate Science Centers, Landscape Conservation Cooperatives, and a Climate Effects Network. The 2011 budget includes a 50 percent increase of \$3.0 million for Reclamation's Basin Studies program. In 2011, the Basin Studies program will implement West-wide risk assessments to be coordinated through the Department's LCCs. Reclamation will take the lead to coordinate work at two of these LCCs. The bureau has identified \$4.0 million in its Science and Technology program to support fundamental scientific work through Interior Climate Science Centers. Through its Power Program Service program, Reclamation is assessing and implementing new renewable energy generation development in association with Reclamation facilities. This work is being done in cooperation with other Federal and State agencies, water users, and private sector entities.

WaterSMART Program – The 2011 budget request focuses resources on the Department's WaterSMART program. This program concentrates on expanding and stretching limited water supplies in the West to reduce conflict, facilitate solutions to complex water issues, and meet

the growing needs of expanding municipalities, the environment, and agriculture.

Interior plays an important role in providing leadership and assistance to States, Tribes, and local communities to address competing demands for water and the need to be more energy efficient in the operation of facilities. Reclamation proposes to increase its WaterSMART program by \$27.4 million for total funding of \$62.0 million. The three ongoing programs include: the WaterSMART Grant program funded at \$27.0 million; Basin Studies funded at \$6.0 million; and the Title XVI Water Reclamation and Reuse program funded at \$29.0 million. Through these programs, Reclamation will provide competitive grants for water marketing and conservation projects; basin-wide planning studies to identify the water related impacts of climate change; identify potential adaptation measures and address comprehensive water supply and demand in the West; and continued support for Title XVI water reuse and recycling projects.

Restoring Rivers – In order to meet Reclamation's core mission goals of delivering water and generating hydropower, a growing part of its programs must focus on the protection and restoration of the aquatic and riparian environments influenced by its operations. This growing focus area allows Reclamation to better balance environmental considerations with its role as a water supplier and power generator. This fully integrated approach better positions Reclamation to address the ongoing challenges associated with drought, climate change, increasing populations, growing water demand associated with energy generation, and environmental needs. Reclamation's Restoring Rivers initiative involves a large number of activities, including its Endangered Species Act recovery programs, which directly address the environmental aspects of the Reclamation mission.

The 2011 request provides \$171.7 million to operate, manage, and improve California's Central Valley Project. This amount includes \$39.9 million for the CVP, Sacramento River Division, Red Bluff pumping plant, which will be constructed to facilitate passage for threatened fish species, as well as providing water deliveries. This investment complements \$109.8 million provided in the American Recovery and Reinvestment Act of 2009 for the Red Bluff pumping plant. Funding for the CVP also includes \$11.8 million for the Trinity River Restoration program that includes development of a comprehensive monitoring and adaptive management program for fishery restoration and construction of channel rehabilitation projects at various sites along the Trinity River. The 2011 budget also includes \$21.7 million for the CVP Replacements, Additions, and Extraordinary Maintenance program, for modernization, upgrade, and refurbishment of facilities throughout the Central Valley.

The request includes \$25.3 million for Lower Colorado River Operations, an increase of \$4.6 million, to fulfill the role of the Secretary as water master for the Lower Colorado River. The request provides funding for management and oversight of both the annual and long-range operating criteria for Colorado River reservoirs; water contract administration; and implementation of the Lower Colorado River Multi-Species Conservation program. Reclamation remains committed to maximizing efficient ways to deliver water under its contracts and to conserve water for multiple uses, including endangered species protection.

The budget requests \$23.7 million for Endangered Species Act Recovery Implementation programs. The request includes \$12.7 million in the Great Plains Region to implement the Platte River Endangered Species Recovery Implementation program, based upon approval of the program by the Secretary and the Governors of Colorado, Nebraska, and Wyoming in late 2006 and authorized by the Consolidated Natural Resources Act of 2008. Implementation of this program provides measures to help recover four endangered or threatened species, thereby enabling existing water projects in the Platte River Basin to continue operations, as well as allowing new water projects to be developed in compliance with the Endangered Species Act. It also provides an increase of \$4.9 million for a total of \$8.4 million for the Upper Colorado River Endangered Fish Recovery program, which was established in January 1988, to provide habitat management; augmentation and conservation of genetic integrity; and conservation of other aquatic and terrestrial endangered species. The increase will fund construction of a system that automates canal operations to conserve and redirect water for instream flows.

The 2011 budget includes \$22.5 million for the Klamath project which supports studies and initiatives to improve water supplies to meet the competing demands of agricultural, tribal, wildlife refuge, and environmental needs. Key areas of focus include continuing a water bank; making improvements in fish passage and habitat; taking actions to improve water quality; developing a basin-wide recovery plan; increasing surface and groundwater supplies; and continuing coordination of Reclamation's Conservation Improvement program.

The budget continues support for the Klamath Dam Removal and Sedimentation Studies being conducted as a result of negotiations initiated in 2005 and completed in 2010 regarding restoration of the Klamath River. Study results will be used to inform a Secretarial Determination to decide if removing PacifiCorp's four dams on the Lower Klamath River is in the public interest and advances restoration of the Klamath River fisheries. The Reclamation budget request includes \$5.0 million

to further assess the costs and benefits of removing the dams. The Fish and Wildlife Service also has \$2.0 million in its request to support these studies.

The 2011 budget includes \$25.1 million for the Middle Rio Grande project and will continue funding of endangered species activities and Reclamation's participation in the Middle Rio Grande Endangered Species Act Collaborative program. Funding of the repair of priority river levee maintenance sites is also included.

The Yakima River Basin Water Enhancement Project request is \$12.4 million, which will continue funding grants to the Benton and Roza Irrigation Districts and Sunnyside Division Board of Control, to implement conservation measures and monitor the effects of those measures on the river diversions.

Supporting Tribal Nations – The 2011 Reclamation budget supports tribal nations through a number of projects. The request includes \$12.5 million for the Animas-La Plata project to continue implementation of the Colorado Ute Settlement Act. Project completion is anticipated in 2013 and this funding will provide for directional drilling and pipeline construction on the Navajo Nation Municipal Pipeline and the continued filling of Lake Nighthorse.

The request includes \$10.0 million for the Navajo-Gallup Water Supply Project, a key element of the Navajo Nation Water Rights Settlement on the San Juan River in New Mexico. With its \$7.0 million increase, the project will provide a reliable and sustainable municipal, industrial, and domestic water supply from the San Juan River to 43 Chapters of the Navajo Nation.

The request includes \$4.0 million for the Soboba Water Rights Settlement Project to complete funding for the payment or reimbursement for constructing, operating, and maintaining the portion of the basin recharge project for which the United States is responsible under the settlement.

The 2011 Reclamation budget requests \$62.0 million for on-going authorized rural water projects. The projects that benefit tribal nations include Mni Wiconi, the rural water component of the Garrison Diversion Unit, Fort Peck Reservation/Dry Prairie, Jicarilla Apache Reservation, and Rocky Boys/North Central Montana. Other rural water projects include Perkins County and Lewis and Clark.

Other Project Requests – The request provides \$9.4 million for the Central Arizona Project for continued work activities that include recreation development; fulfilling native fish protection requirements along the Verde River and at Sheehy Springs fish barrier on the Santa Cruz

River; continued work on the New Mexico Unit; and work with Tucson area municipal entities on preconstruction activities for Tucson Northwest Reservoir.

On December 22, 2006, the Rural Water Supply Act of 2006 was signed. Reclamation requests \$2.7 million for Title I of the Act, which authorizes Reclamation to establish a formal rural water supply program to address the water supply needs of rural communities in the 17 western States. In November 2008, the Department published an interim final rule establishing prioritization and evaluation criteria for the program, as required under the Act. Reclamation is currently finalizing internal directives and standards governing program implementation.

A total of \$95.2 million is requested for Reclamation's Safety of Dams program, which includes \$45.0 million directed to dam safety issues at Folsom Dam. Funding also includes \$29.3 million to initiate other safety corrective action activities and \$19.0 million for safety evaluations of existing dams. It also includes \$1.9 million to oversee the Interior Department's Safety of Dams program.

A total of \$30.3 million is requested for Site Security to ensure the safety and security of the public, Reclamation's employees, and key facilities. This funding includes \$9.2 million for physical security upgrades at high risk critical assets and \$21.1 million to continue all aspects of bureauwide security efforts including law enforcement, risk and threat analysis, personnel security, information security, risk assessments and security-related studies, and guards and patrols.

Section 513 of the Consolidated Natural Resources Act of 2008 includes provisions for the treatment of Reclamation site security costs. Under these provisions, Reclamation will collect approximately \$20 million, as indexed for inflation, in security-related operation and maintenance costs that are reimbursable under Reclamation law. Approximately 60 percent of this amount is reimbursable through up-front revenues. Approximately 40 percent of this amount is appropriated and then reimbursed to projects through the normal operations and maintenance cost allocation process.

Central Valley Project Restoration Fund – The 2011 budget includes a request of \$49.9 million for the CVPRF. This budget request is offset by collections estimated at \$49.6 million from mitigation and restoration charges authorized by the Central Valley Project Improvement Act. The San Joaquin River Restoration Fund section below describes the impact that the San Joaquin River Restoration Settlement Act has on the CVPRF.

The 2011 program funds a variety of activities to restore fish and wildlife habitat and populations in the CVP

service area of California. The budget will support water acquisition for anadromous fish and other environmental purposes; long-term water deliveries to wildlife refuges; the anadromous fish restoration program with the goal of doubling their natural production; and monitoring the effectiveness of restoration actions. The program will continue to acquire fee title or conservation easements to facilitate better management; restore land to improve wildlife habitat, conserve water, and reduce drainage; and continue funding for fish screens on diversions along the Sacramento River.

California Bay-Delta Restoration – The 2011 budget requests \$40.0 million for CALFED, pursuant to the CALFED Bay-Delta Authorization Act that was signed into law on October 25, 2004. The legislation provides a six-year Federal authorization to implement the collaborative CALFED program. These authorities were extended until 2014, by the Energy and Water Development and Related Agencies Appropriations Act, 2010. A consortium of Federal and State agencies fund and participate in the CALFED program, focusing on the health of the ecosystem and improved water management and supplies. In addition, CALFED addresses the issues of water supply reliability, aging levees, and threatened water quality. The CALFED is a targeted ecosystem in the Department's Treasured Landscape initiative.

The 2011 request of \$40.0 million will support \$5.0 million for water storage, \$3.5 million for the conveyance program, \$7.5 million for water use efficiency, \$8.5 million for the science program, \$5.0 million for water quality assurance investigations, \$8.5 million for ecosystem restoration projects, and \$2.0 million for Reclamation's oversight function to ensure program balance and integration.

San Joaquin River Restoration Fund – The 2011 budget also reflects the settlement of *Natural Resources Defense Council v. Rodgers*. The San Joaquin River Restoration Settlement Act, signed on March 30, 2009, includes a provision to establish the San Joaquin River Restoration Fund. Under the Settlement, the legislation redirects an estimated \$72.1 million of payments in 2011 from the Central Valley Project Friant Division into the Fund, which will be available without further appropriation to implement the provisions of the Settlement.

Reclamation's Working Capital Fund – This Fund is operated for the purpose of managing financial activities such as acquisition and replacement of capital equipment; recovery of the cost of services provided to others; indirect cost recovery for the Technical Service Center; management services and human resources in regional and area offices; and information technology-related costs and services. The fund operates on a self-supporting basis through user charges.

Other Accounts – The 2011 budget request for the Policy and Administration appropriation, the account that finances Reclamation’s central management functions, is \$61.2 million. Permanent appropriations available in the Colorado River Dam Fund are estimated to be \$93.1 million in 2011.

Management Efficiencies – The 2011 budget request includes reductions that are proposed Interior-wide based on SAVE Award nominations reflecting anticipated efficiency savings of \$204,000 from travel and relocation reductions, \$1.6 million from information technology, and \$2.1 million from strategic sourcing.

SUMMARY OF BUREAU APPROPRIATIONS
(all dollar amounts in thousands)

Comparison of 2011 Request with 2010 Enacted:

	2010 Enacted		2011 Request		Change from 2010	
	FTE	Amount	FTE	Amount	FTE	Amount
Appropriations						
Water and Related Resources	2,919	951,158	2,871	913,582	-48	-37,576
Policy and Administration.....	289	61,200	289	61,200	0	0
Central Valley Project Restoration Fund.....	27	35,358	27	49,915	0	+14,557
California Bay-Delta Restoration.....	30	40,000	30	40,000	0	0
Working Capital Fund	1,529	0	1,504	0	-25	0
Subtotal, Appropriations.....	4,794	1,087,716	4,721	1,064,697	-73	-23,019
<i>Central Valley Project Restoration Fund Offset.....</i>	<i>0</i>	<i>-35,057</i>	<i>0</i>	<i>-49,614</i>	<i>0</i>	<i>-14,557</i>
<i>Net Discretionary</i>	<i>4,794</i>	<i>1,052,659</i>	<i>4,721</i>	<i>1,015,083</i>	<i>-73</i>	<i>-37,576</i>
Permanents and Other						
Colorado River Dam Fund,						
Boulder Canyon Project	208	98,892	208	93,052	0	-5,840
Basin Funds.....	217	0	217	0	0	0
Loan Program Subsidy Re-estimate	0	4,892	0	0	0	-4,892
Loan Program Liquidating Account.....	0	-2,698	0	-2,320	0	+378
Miscellaneous Permanents	0	280	0	280	0	0
Reclamation Trust Funds	5	4,500	5	3,500	0	-1,000
Federal Lands Recreation Enhancement Act	0	416	0	416	0	0
San Joaquin River Restoration Fund	0	15,900	0	72,100	0	+56,200
Subtotal, Permanents and Other.....	430	122,182	430	167,028	0	+44,846
TOTAL, BUREAU OF RECLAMATION	5,224	1,209,898	5,151	1,231,725	-73	+21,827

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Water and Related Resources

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Animas-La Plata Project	49,992	49,608	12,462	-37,146
Central Arizona Project	25,355	17,417	9,416	-8,001
Central Valley Project	124,486	133,820	171,697	+37,877
Colorado-Big Thompson.....	12,839	13,246	12,778	-468
Colorado River Basin Salinity Control.....	18,226	21,274	22,019	+745
Colorado River Storage Project	6,275	10,536	12,654	+2,118
Columbia Basin Project	12,078	15,733	11,075	-4,658
Columbia / Snake River				
Salmon Recovery.....	16,497	16,980	18,000	+1,020
Dam Safety Program.....	88,300	97,820	95,174	-2,646
Endangered Species				
Recovery Implementation.....	20,107	18,036	23,721	+5,685
Klamath Project	22,995	23,767	22,500	-1,267
Klamath Sedimentation /				
Dam Removal Studies	0	1,897	5,000	+3,103
Lower Colorado River				
Operations Program	15,030	20,664	25,300	+4,636
Middle Rio Grande Project	26,136	22,684	25,095	+2,411
Native American Affairs ^{1/}	6,644	6,089	7,465	+1,376
Navajo Gallup Water Supply.....	0	3,000	10,000	+7,000
Pick-Sloan Missouri Basin Program (excl. Garrison)	39,234	37,913	40,357	+2,444
Rural Water Supply Projects				
Eastern New Mexico Project.....	242	1,000	0	-1,000
Fort Peck Reservation /				
Dry Prairie Rural Water System.....	10,000	8,000	2,000	-6,000
Garrison Diversion Unit.....	69,986	70,000	36,551	-33,449
Less Non-Rural Water Component ..	-12,986	-12,900	-8,531	+4,369
Jicarilla Rural Water Component.....	3,000	3,000	500	-2,500
Lewis and Clark Rural Water	27,000	10,000	2,000	-8,000
Mni Wiconi Project.....	32,770	32,200	27,480	-4,720
North Central Montana				
Rural Water Supply.....	7,000	9,000	1,000	-8,000
Perkins County Rural Water Systems ..	2,265	1,000	1,000	0
Subtotal, Rural Water Projects.....	139,277	121,300	62,000	-59,300
Rural Water Supply Act of 2006, Title I....	916	2,231	2,677	+446
Science and Technology Program	8,248	9,195	11,488	+2,293
Site Security.....	28,014	27,727	30,268	+2,541
WaterSMART Program				
Basin Studies	4,000	3,000	6,000	+3,000
WaterSMART Grants ^{2/}	7,048	18,000	27,000	+9,000
Title XVI Water Reclamation				
and Reuse Projects	39,245	13,595	29,000	+15,405
Subtotal, WaterSMART Program	50,293	34,595	62,000	+27,405
Yakima River Basin Water Enhancement Project	7,793	9,700	12,395	+2,695
Yuma Area Project.....	21,320	23,508	21,420	-2,088
Other Project / Programs.....	180,204	212,418	186,621	-25,797
TOTAL Appropriation (w/o ARRA).....	920,259	951,158	913,582	-37,576
Am. Recovery and Reinvestment Act ..	+950,000	0	0	0
TOTAL Appropriation (w/ ARRA)	1,870,259	951,158	913,582	-37,576

^{1/} Funding in 2010 includes \$210,000 for the Sidney R. Yates Scholarship Program.

^{2/} Formerly known as Challenge Grants.

Program Highlights

The 2011 request includes funds for the following projects and programs.

Animas-La Plata Project

In December 2000, legislation was enacted to resolve the Colorado Ute Tribes' water rights claims and allow construction of a smaller Animas La-Plata project to proceed. The reformulated project limits depletions to an average of 57,100 acre-feet per year and provides only municipal and industrial water for the Tribes and local non-Indian entities. The project is now nearing completion. The 2011 funding would provide for continued construction of components of the Navajo Nation's municipal pipeline and the continued filling of Lake Nighthorse.

Central Arizona Project

Funds are requested for continued work activities to include recreation development; fulfilling native fish protection requirements along the Verde River and at Sheehy Springs fish barrier on the Santa Cruz River; continued work on the New Mexico Unit; and work with Tucson area municipal entities on preconstruction activities for the Tucson Northwest Reservoir. Funding for the Gila River Indian Community in 2011 is part of the funding provided by the Arizona Water Settlements Act and is no longer included in Reclamation's discretionary appropriations request.

Central Valley Project

Funds are requested for continued facility operations, maintenance, rehabilitation; numerous management and development efforts; and water conservation. Funding continues support for implementation of the drainage management plan consisting of source control projects including groundwater pumping, drainage reuse, and drainage treatment and salt disposal projects. The project continues to monitor overall drainage implementation through on-site drainage and water quality monitoring, data analysis, and geographic site conditions in order to make appropriate adjustments and to identify and develop specific projects to meet the environmental objectives of the plan. Funding also provides for the Trinity River restoration program; construction of screens on unscreened diversions; and construction of the new fish screen and pumping plant at Red Bluff Diversion Dam. Related activities will be funded by the CVP Restoration Fund and California Bay-Delta appropriation.

Colorado-Big Thompson Project

The Colorado-Big Thompson project diverts approximately 260,000 acre-feet of water annually from the Colorado River headwaters on the western slope of the Rocky Mountains for distribution to eastern slope project lands. Funding is provided for project operations and continued coordination of activities associated with conservation, enhancement, development, and restoration of fish and wildlife populations and their habitats.

Colorado River Basin Salinity Control Program

Funds are provided for operation, maintenance, and rehabilitation of completed projects in the Upper Colorado River Basin and for a basin-wide program to identify and implement cost-effective salinity control options based on proposals from non-Federal interests. The Yuma desalting plant will be maintained in ready reserve status, while Reclamation works to identify and evaluate the options for replacing or recovering bypass flows to Mexico. Reclamation, in collaboration with representatives from California, Arizona, and Nevada, signed a funding agreement in 2009 for a pilot run of the Yuma desalting plant at one-third of full capacity for 365 days over an 18-month period beginning in 2010. Significant funding for this effort will come from non-Federal water districts in the lower basin States. The pilot run is expected to add approximately 29,000 acre-feet of water to Colorado River system storage through recovery of the bypass flow.

Colorado River Storage Project

Funds are requested for the Federal share of the costs of facility operations, maintenance, and rehabilitation, including the rehabilitation of recreation facilities at Reclamation constructed reservoirs. Implementation of mitigation measures continue.

Columbia Basin Project

The Bonneville Power Administration, through a memorandum of agreement, directly funds power operation and maintenance costs. In addition, BPA through subagreements, directly funds major power replacements, additions, and improvements. Funds are requested for the day-to-day operations of two storage dams and reservoirs; three Grand Coulee power plants; one pump and generating plant; associated switchyards and transmission lines; the feeder canal at Grand Coulee; and the distribution canal systems for the irrigation reserved works.

Columbia/Snake River Salmon Recovery

This program implements actions required by both the Endangered Species Act and the 2008 Biological Opinion issued in May 2008 by the National Oceanic and Atmospheric Administration's National Marine Fisheries Service. A separate 2000 BiOp issued by the Fish and Wildlife Service is still in effect as well. The 2008 BiOp requires extensive collaboration with States and Tribes in the Columbia River basin to ensure that operation of the Federal Columbia River Power System by the agencies is not likely to jeopardize the continued existence of endangered or threatened species, or to adversely modify or destroy their designated critical habitats. Reclamation actions include modifications to hydrosystem operations and specific actions to improve tributary habitat and hatcheries for salmon and steelhead.

Dam Safety Program

This program provides funding for the Safety of Dams Evaluation and Modification program, which identifies and evaluates Safety of Dams issues at Reclamation dams and implements modifications to reduce associated risks to the public. The request continues dam safety risk management and risk reduction activities throughout Reclamation's inventory of high and significant hazard dams. The program continues planned ongoing safety of dams modifications activities at Folsom Dam (CA), Glendo Dam (WY), A.R. Bowman Dam (OR), and will begin modifications at Echo Dam (UT). Preconstruction and project formulation activities are planned on B.F. Sisk Dam (CA), Stampede Dam (CA), East Canyon Dam (UT), Guernsey Dam (WY), and several other dams. Funds are also provided for the Department of the Interior Safety of Dams Program.

Endangered Species Recovery Implementation

This program provides for the development and implementation of measures for the preservation, conservation, and recovery of native and endangered, threatened, proposed, and candidate species that are resident in, or migratory to, habitats affected by the operation of Reclamation projects. On-going efforts funded by this program involve the Colorado, San Juan, and Platte river basins, as well as watersheds in the Pacific Northwest and areas impacted by the Central Valley Project.

Klamath Project

The Klamath request includes funds for studies and initiatives related to improving water supplies to meet the competing demands of agricultural, tribal, wildlife refuge, and environmental needs in the Klamath River basin. Key areas of focus include continuing a water bank, making improvements in fish passage and habitat, taking actions to improve water quality, developing a basin-wide recovery plan, increasing surface and groundwater supplies, and continuing coordination of Reclamation's Conservation Implementation program.

Klamath Sedimentation and Dam Removal Studies

The Reclamation request includes \$5.0 million to further assess the costs and benefits of removing PacifiCorp's four dams on the Lower Klamath River below the Federal project. The FWS also has \$2.0 million in its request to support these studies. These studies will be conducted by Reclamation in coordination with FWS, the Bureau of Land Management, Bureau of Indian Affairs, U.S. Forest Service, and National Oceanic and Atmospheric Administration's National Marine Fisheries Service.

Lower Colorado River Operations Program

This program funds work necessary to carry out the Secretary's responsibilities as water master of the lower Colorado River, including the administration of the Colorado River interim guidelines and reservoir management strategies during low reservoir conditions. It funds measures under the multi-species conservation program to provide long-term Endangered Species Act compliance for lower Colorado River operations for both Federal and non-Federal purposes.

Middle Rio Grande Project

Funds are provided for operations, maintenance, and rehabilitation of project facilities, river maintenance, and for efforts focused on the protection and recovery of the Rio Grande silvery minnow and southwestern willow flycatcher.

Native American Affairs Program

This program provides funding for efforts to promote the successful application of Reclamation's programs to Indian water issues and needs; for support of Indian water rights negotiations and the implementation of enacted settlements; and for assistance to Tribes in their efforts to become self-sufficient in the management and development of their water resources.

Navajo Gallup Water Supply Project

This program provides funding for a reliable and sustainable municipal, industrial, and domestic water supply from the San Juan River to 43 Chapters of the Navajo Nation. Funds in 2011 are requested to continue design data collection, final design, and preparation of a construction cost estimate for project facilities in New Mexico between Twin Lakes and Gallup and for other selected facilities. Funding also provides for feasibility level data collection; designs; cost estimates for the remainder of the project; and starts final design data collection, rights-of-way acquisition, and cultural resource activities for selected project facilities. In 2011, the negotiation and execution of contracts, required by the legislation as prerequisites for construction, will be completed.

Pick-Sloan Missouri Basin Program

Funds are provided for the Federal share of the costs of operations, maintenance, and rehabilitation of facilities on thirty-three units of the Pick-Sloan Missouri Basin program.

Rural Water Supply Act – Title I

In December 2006, Congress enacted the Rural Water Supply Act of 2006, authorizing Reclamation to establish a formal process to address the water supply needs of rural communities in the West. Implementation of the Act will allow the Department, the Administration, and Congress to set priorities and establish clear guidelines for project development to help meet the water supply needs of rural communities throughout the West. In November 2008, the Department published an interim final rule establishing prioritization and evaluation criteria for the program as required under the Act. Reclamation is currently finalizing internal directives and standards governing program implementation.

Rural Water Supply Projects

Fort Peck Reservation/Dry Prairie Rural Water System

Funding in 2011 will be used to complete construction work on both the waterline to Wolf Point, Montana and the remaining waterline to Poplar, Montana. Dry Prairie rural water sponsors will continue planning and designing pipeline branch lines on the west end of the project boundary.

Garrison Diversion Unit

Funds are requested for financial assistance to the State of North Dakota for municipal, rural, and industrial water projects; development of Indian municipal, rural, and industrial water and irrigation facilities; work at several wildlife refuges; and operation and maintenance of completed project facilities.

Jicarilla Apache Reservation Rural Water System

Funding is requested for the Jicarilla Apache Nation to complete final design and construction of authorized project facilities. This project would replace existing water and wastewater facilities in and around the town of Dulce, New Mexico and provide services to the newly developed area of Mundo Ranch, New Mexico.

Lewis and Clark Rural Water System

Construction would continue on Phase II of the water treatment plant, maintain administrative staff, and accomplish a limited amount of engineering for future projects. The completed project would address concerns regarding the low quality, contamination vulnerability, and insufficient supply of existing drinking water sources throughout the project area.

Mni Wiconi Project

Funds are requested for design and construction activities on the Oglala Sioux and Rosebud Sioux Indian reservations and the West River / Lyman-Jones rural water systems; and for operation and maintenance of new and existing facilities on the Indian reservations.

North Central Montana Rural Water System (Rocky Boys)

The 2011 request continues oversight associated with management of the project and begins funding for constructing phase I of the water treatment plant. The rural water system will serve an estimated population of 43,000 at full build-out.

Perkins Rural Water System

Funding will complete the construction of Phase VII of the pipeline distribution system that is located south of the city of Bison, South Dakota.

Science and Technology Program

Funds are requested for the development of new solutions and technologies that respond to Reclamation's mission-related needs, which provide for innovative management, development, and protection of water and related resources. Additionally, this program supports Interior's integrated strategy for responding to climate change impacts on the resources managed by the Department.

Site Security

Funds are requested to continue Reclamation's on-going site security efforts that include physical security upgrades at key facilities, guards and patrols, anti-terrorism program activities, security risk assessments, and security-related studies. The 2011 budget request assumes reimbursement of approximately \$20 million, as indexed for inflation, for security operations and maintenance.

WaterSMART Program

The request includes funding to continue a comprehensive WaterSMART program focused on meeting increased demands for water from growing populations and energy needs; a better understanding of environmental water requirements; and the potential for decreased supplies due to drought and climate change. This will be accomplished through sustainable water management improvement projects, basin-wide planning studies that will address the impacts of climate change, and funding of water reclamation and reuse projects.

The WaterSMART program will assess climate change impacts through the Basin Study program, including the implementation of Landscape Conservation Cooperatives, and will implement adaptation strategies through its Title XVI Water Reclamation and Reuse and WaterSMART grant programs. WaterSMART grants include cost-shared funding for the following types of on-the-ground projects: 1) water marketing projects with willing sellers and buyers, including water banks that transfer water to other uses to meet critical needs for water supplies; 2) water efficiency and conservation projects that allow users to decrease diversions and to use or transfer the water saved; 3) projects that improve water management by increasing operational flexibility such as constructing aquifer recharge facilities or making system optimization and management improvements; and 4) pilot and demonstration projects that illustrate the technical and economic viability of treating and using brackish groundwater, seawater, or impaired waters within a specific locale. All grant proposals will be evaluated using criteria that give priority to projects that save the most water; facilitate transfers to new uses; address endangered species and other environmental issues, improve energy efficiency; conserve Reclamation project water; and exceed the minimum 50 percent non-Federal cost-share requirement. The Title XVI Program will include funding for continued Federal cost sharing for six water reclamation and reuse projects and studies. This year, eligible project sponsors will be invited to submit proposals for the additional funding. Individual projects will be evaluated and selected using criteria developed by Reclamation to identify projects that reduce existing diversions or address specific water supply issues in a cost-effective manner, address environmental and water quality concerns, and meet other program goals.

Reclamation, through this program, supports Interior’s high priority performance goal, which seeks to conserve an estimated 350,000 acre-feet of water by 2012.

Yakima Project / River Basin Enhancement

Work includes operation and maintenance of existing facilities and the implementation of water conservation actions; fish and wildlife improvements; and other measures authorized by the Yakima River Basin Water Enhancement Act. Funding is also included to continue implementation of the Yakama Nation’s water conservation plans.

Yuma Area Projects

The request funds infrastructure maintenance along the lower Colorado River necessary to ensure uninterrupted water delivery to both urban and agricultural users in Arizona and California, and to Mexico. Funding also supports river management, well inventory, drainage control, protection of endangered species and their habitat, and land use management activities.

APPROPRIATION: Policy and Administration

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
TOTAL APPROPRIATION	59,400	61,200	61,200	0

Program Highlights

Policy and Administration

This appropriation funds Reclamation’s centralized management functions, and supports management and administrative activities that are not directly chargeable to a specific project or program.

APPROPRIATION: Central Valley Project Restoration Fund

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Fish and Wildlife Resources Habitat	50,379	30,508	41,875	+11,367
Fish and Wildlife Resources Mgmt.....	5,700	4,850	8,040	+3,190
TOTAL APPROPRIATION	56,079	35,358	49,915	+14,557

Program Highlights**Central Valley Project Restoration Fund**

Funds collected from project beneficiaries are used for protection, restoration, and enhancement of fish and wildlife and associated habitat in the CVP area of California. Programs are planned in cooperation with FWS and the Central Valley Project Restoration Fund Roundtable. The discretionary receipts are adjusted annually to maintain payments totaling \$30.0 million, which is October 1992 price levels, on a three-year rolling average basis.

APPROPRIATION: California Bay-Delta Restoration

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
TOTAL APPROPRIATION	40,000	40,000	40,000	0

Program Highlights**California Bay-Delta Restoration.**

This account funds activities that are authorized by the CALFED Bay-Delta Authorization Act that was signed into law on October 25, 2004, and focuses on the health of the Bay-Delta ecosystem and improving water management and supplies. Funds are requested for water use efficiency, water conservation, the storage program, conveyance, ecosystem restoration, water quality, science, and planning and management activities. These authorities were extended until 2014, by the Energy and Water Development and Related Agencies Appropriations Act, 2010.



CENTRAL UTAH PROJECT

Mission – The purpose of this program is to complete the Central Utah Project in an environmentally sound and timely manner.

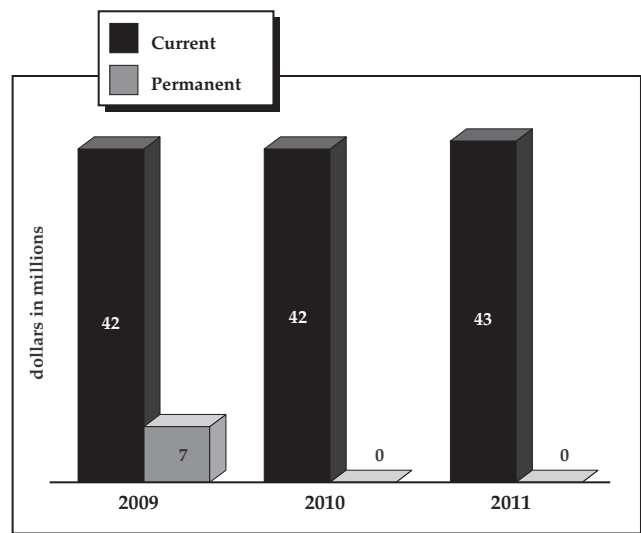
Background – The Central Utah Project Completion Act, enacted on October 30, 1992, distributes responsibility for completion of the Central Utah Project among the stakeholders. Construction of the remainder of the Central Utah Project is the responsibility of the local water district—the Central Utah Water Conservancy District. The Utah Reclamation Mitigation and Conservation Commission is responsible for mitigating the environmental effects of the Central Utah Project and the Department of the Interior is responsible for oversight of the entire project.

Program Overview – The Central Utah Project Completion Act provides for completion of the Central Utah project by the Central Utah Water Conservancy District. The Completion Act also authorizes funding for fish, wildlife, and recreation mitigation and conservation activities; establishes the Utah Reclamation Mitigation and Conservation Commission to oversee implementation of those activities; and authorizes funding for the Ute Indian Water Rights Settlement. A program office located in Provo, Utah provides a liaison function with the District, Mitigation Commission, and the Ute Indian Tribe and otherwise assists in carrying out responsibilities of the Secretary of the Interior.

In 2009, significant progress was made in the program. Construction of the Utah Lake Drainage Basin Water Delivery System continued, and the first section of the Spanish Fork Canyon pipeline was completed. Also, the Mitigation Commission continued its plans for hatcheries; began implementation of the Lower Duchesne wetlands project; worked to recover the endangered June sucker; and developed fisherman access.

In addition to the 2009 appropriations, \$50.0 million in American Recovery and Reinvestment Act funding was provided to accelerate work on CUPCA projects that were previously planned and designed. These projects are key to meeting the goals and objectives of CUPCA while supporting the creation of jobs and helping to stimulate

CUPCA Funding



the economy. Of this funding, \$41.0 million was used to accelerate construction of the Utah Lake System by building three new sections of pipeline, and \$8.7 million was provided to the Mitigation Commission to meet its objectives of implementing projects to offset the impacts to fish, wildlife, and related recreation resources caused by the CUP and other Federal reclamation projects in Utah. The remaining \$270,000 was allocated for the Green River Wyoming killdeer wetlands project.

In 2010, the construction of the Uinta Basin replacement project continues and the project will meet its contractual commitment for water delivery. The other major construction project, the Utah Lake Drainage Basin Water Delivery System, continues in 2010 which, when complete, will provide 60,000 acre-feet of water to Salt Lake and Utah Counties. Funds made available in 2010 assist in meeting CUPCA's water delivery goal by conserving an estimated 114,000 acre-feet water on an annual basis.

The Mitigation Commission will continue the construction of the mitigation measures associated with the Uinta Basin replacement project; continue development of the Big

Springs tribal fish hatchery; acquire lands for wetlands projects; continue development of the Lower Duchesne wetlands project; work to recover the endangered June sucker; and continue development of fisherman access. Funds for these activities will improve the health of watersheds, landscapes, and marine resources and sustain biological communities. By law, the mitigation associated with the water delivery projects is supposed to be completed concurrently with the construction activities.

Budget Overview – The 2011 Central Utah Project budget request is \$43.0 million, which is \$1.0 million above the 2010 enacted level. The request continues to implement water management improvement projects; provides funding for design work and construction of the Spanish Fork Canyon Pipeline, Spanish Fork Canyon – Provo Reservoir Canal Pipeline, and the Mapleton-Springville Pipeline; and implements fish, wildlife, and recreation mitigation and conservation projects. The \$1.0 million increase from 2010 enacted is primarily for mitigation and conservation activities.

The 2011 budget request includes \$37.6 million for planning and construction activities administered by the District; \$1.2 million for mitigation and conservation activities funded through the program office; \$1.7 million for program administration; and \$2.5 million for mitigation and conservation activities funded through the Mitigation Commission.

The 2011 CUPCA budget request assumes that the Western Area Power Administration receives its 2011 budget request of \$7.6 million so that WAPA can make its annual payment to the Mitigation Commission. This annual payment will end in 2013.

As of September 2009, authorized work is 69 percent complete, and the project is estimated to be finished by 2021.

Management Efficiencies – The request includes reductions that are proposed Interior-wide based on SAVE Award nominations reflecting anticipated efficiency savings of \$1,000 from information technology and \$36,000 from strategic sourcing.

SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

Comparison of 2011 Request with 2010 Enacted:

	2010 Enacted		2011 Request		Change from 2010	
	FTE	Amount	FTE	Amount	FTE	Amount
Appropriations						
Central Utah Project Completion Account.....	5	40,504	5	40,504	0	0
Utah Reclamation Mitigation and Conservation ...	0	1,500	0	2,500	0	+1,000
Subtotal, Appropriations.....	5	42,004	5	43,004	0	+1,000
Permanents and Trusts						
Utah Reclamation Mitigation and Conservation...	12	0	12	0	0	0
Subtotal, Permanents and Trusts	12	0	12	0	0	0
TOTAL, CENTRAL UTAH PROJECT.....	17	42,004	17	43,004	0	+1,000

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Central Utah Project Completion Account

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Central Utah Project Construction.....	38,300	37,686	37,640	-46
Mitigation and Conservation	1,073	1,114	1,170	+56
Program Administration	1,640	1,704	1,694	-10
TOTAL APPROPRIATION (w/o ARRA)	41,013	40,504	40,504	0
Am. Recovery / Reinvestment Act.....	+50,000	0	0	0
TOTAL APPROPRIATION (w/ ARRA).....	91,013	40,504	40,504	0

Program Highlights

Central Utah Project Construction

The request includes \$37,640 for use by the Central Utah Water Conservancy District, including \$30,754 to continue construction of the Utah Lake System; \$5,886 to administer and implement approved water conservation measures and the review of proposed future conservation measures; and \$1,000 for groundwater conjunctive use projects.

Mitigation and Conservation

The request includes \$1,170 for mitigation and conservation activities funded through the program office.

Program Administration

The request includes \$1,694 to support the program office in Provo, Utah, and other activities necessary to carry out the responsibilities of the Secretary. The request includes reductions reflecting anticipated efficiency savings of \$1 from information technology and \$36 from strategic sourcing.

APPROPRIATION: Utah Reclamation Mitigation and Conservation Account

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
TOTAL APPROPRIATION	987	1,500	2,500	+1,000

Program Highlights

Fish, Wildlife, and Recreation Mitigation and Conservation

The request includes \$2,500 for the Utah Reclamation Mitigation and Conservation Commission, including \$2,229 to implement the fish, wildlife, and recreation mitigation and conservation projects authorized in Title III and \$271 to complete mitigation measures previously agreed to by the Bureau of Reclamation.



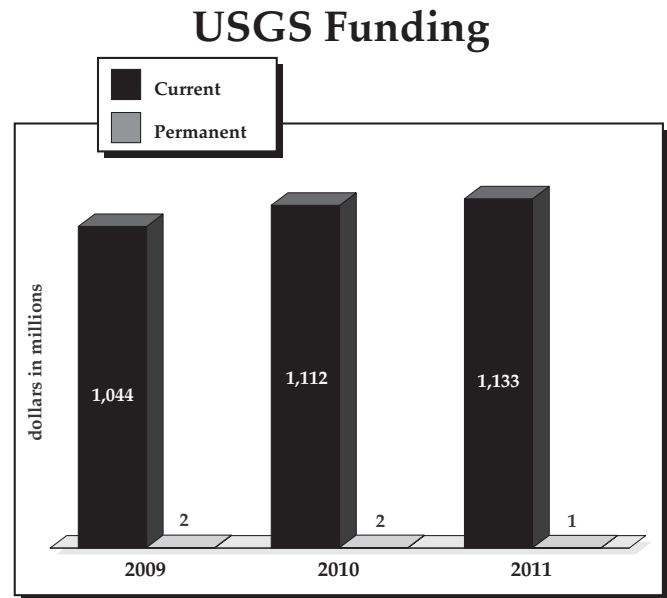
U.S. GEOLOGICAL SURVEY

Mission – The mission of the U.S. Geological Survey is to provide reliable and objective scientific information to describe and understand the Earth, minimize loss of life and property from natural disasters, and assist others in managing water, biological, geological, geographical, and other natural resources.

Background – Created by an act of Congress in 1879, the U.S. Geological Survey has evolved over the ensuing 131 years, matching its talent and knowledge to the progress of science and technology. Today, USGS stands as the fundamental science agency for the Department of the Interior. It is sought out by thousands of partners and customers for its natural science expertise and its vast earth and biological data holdings. The USGS provides science enabling access to information and understanding to help resolve complex natural resource problems across the Nation and around the world.

Program Overview – The USGS provides a broad range of expertise in geography, geology, hydrology, biology, and data integration that is used by States, local communities, and others. The USGS focuses on and has programs dedicated to providing scientific information and geospatial data to Interior's land and resource management bureaus. The geologic hazards programs maintain monitoring networks, conduct geologic investigations, and produce long-term risk assessments for natural catastrophes, such as earthquakes, volcanic eruptions, and landslides, which are used to reduce the impacts of these events on human life and the economy. The USGS is a primary Federal source of objective resource assessments and unbiased research on oil, gas, and alternative energy potential, production, consumption, and environmental effects. These investigations enable the Nation to make science-based decisions regarding domestic energy production with an understanding of potential impacts on the environment.

Analyses of water quality and quantity at USGS help water and land resource managers develop, regulate, and monitor management practices to ensure the continued availability of safe water resources for human consumption, agriculture, business, recreation, and



fish and wildlife habitat. The USGS biological studies help managers determine the health of ecosystems and natural resources and identify restoration activities so that these habitats can provide food, energy, medicine, transportation, and recreation. The USGS geography program maintains partnerships with Federal agencies and State and local governments to develop and promote the use of geographic data and accessible products that are important tools for economic and community development, land and natural resource management, and health and safety services.

To deliver the most accurate, timely, and impartial scientific information and geospatial data possible, USGS integrates its diverse programs, capabilities, and talents to address issues that require a multi-disciplinary solution. The USGS places great value on partnerships and is increasing customer involvement to work collaboratively on issue identification, resource needs, and science solutions. Natural science supports informed decisionmaking by land and resource managers, government program managers at Federal, State, and local levels, industrial and agricultural corporations, scientists and academia, and the public.

Budget Overview – The 2011 budget for USGS totals \$1.1 billion, \$21.6 million above the 2010 enacted level. Increases are requested in the areas of renewable energy, climate change, water availability and use, natural hazards, and Landsat. The budget emphasizes science that will assist managers in ensuring the long-term viability of wildlife and habitat as energy and alternative energy resources are developed on Federal lands and the Outer Continental Shelf; contribute research to enhance ecosystem-based management of coastal resources around the Chesapeake Bay and other critical ecosystems; enhance multi-disciplinary work related to climate change; and ensure the initial phase of the establishment of Landsat ground stations.

New Energy Frontier Initiative – As part of the New Energy Frontier initiative, the 2011 USGS budget includes an increase of \$3.0 million over the 2010 enacted level to assess the impacts to wildlife associated with the development of wind energy. The USGS will work closely with Interior bureaus to provide the scientific information they need to make informed decisions concerning the permitting, implementation, and operation of wind facilities on public lands. Building on work begun in 2010, USGS research, monitoring, and modeling will focus on the Great Plains and several offshore locations and will develop an assessment methodology that can be applied nationwide.

Climate Change Adaptation Initiative – The 2011 USGS budget expands climate change science activities with a program increase of \$11.0 million over 2010, as part of a Department-wide initiative to address climate change and develop adaptation measures. The increase includes \$8.0 million to continue the National Climate Change and Wildlife Science Center, which provides a nexus for the Interior Climate Science Centers. Two new science centers will be established in the Southwest and the North Central regions of the Nation to add to the three science centers established in 2010. The increase also includes \$2.0 million for the national assessment of biologic carbon sequestration; and \$1.0 million for science applications and decision support tools for Interior bureaus, including the Fish and Wildlife Service and National Park Service, that enable resource managers and policy makers to cope with and adapt to a changing climate.

WaterSMART Program – As part of the WaterSMART program, Interior's sustainable water strategy, the 2011 USGS budget includes an increase of \$9.0 million over the 2010 enacted level for the WaterSMART Availability and Use Assessment. The USGS will conduct water availability studies to define the need for freshwater in comparison to its availability. Water availability will be studied comprehensively, including the quantity and quality aspects of both surface and groundwater resources.

Water uses will be examined for human, environmental, and wildlife needs, with special emphasis on impacts to biodiversity and threatened and endangered species. The first year effort will initiate studies and examine the challenges in the Colorado River Basin, Delaware River Basin, and Apalachicola-Chattahoochee-Flint River Basin.

Youth in Natural Resources Initiative – Although there is no increase in the 2011 budget request, the USGS will maintain 2010 efforts to expand education, training, and workshop opportunities to provide more in-depth training through coursework and internships for high school and college students. This initiative will increase the total number of internships and fellowships supported or facilitated by the USGS educational program from 120 to 175.

Treasured Landscapes Initiative – The 2011 USGS budget includes an increase of \$3.6 million above 2010 for ecosystem work in the Chesapeake Bay. Based on Executive Order 13508, the Interior Department will participate in a Federal partnership including the Environmental Protection Agency and the Departments of Agriculture, Commerce, Defense, and Homeland Security to use their collective expertise and resources to protect and restore the Chesapeake Bay and its watershed. The USGS will enhance models to better predict the impact of sea-level rise and storm surge on coastal areas, plan an integrated monitoring program, and construct ecosystem models of priority fish and wildlife species and their habitats in the Bay watershed to document changing ecosystem conditions, in particular those impacts resulting from climate change.

Geography – The 2011 budget includes \$153.4 million in Geography that supports a strong role for USGS in the Landsat Program. The request level represents an increase of \$7.9 million above the 2010 level. In 2011, the Land Remote Sensing budget of \$75.9 million will allow USGS to continue operations and maintenance for Landsats 5 and 7, and includes a program increase of \$13.4 million to accommodate new ground system requirements for the Landsat Data Continuity Mission. The new ground system will improve the USGS' ability to monitor and analyze changes on the Earth's surface and will maintain the constant data record used by scientists and decisionmakers.

The 2011 National Geospatial program budget of \$65.9 million will allow the program to continue to gain efficiencies, improve effectiveness, promote geographic research, leverage remote sensing technologies, and engage in partnerships to update geospatial data layers for the next generation USGS topographic map, a digital product made from The National Map data. The USGS will continue collaboration and development work to

fully automate topographic map production, and will continue to conduct customer research and analysis, data integration, and ongoing investigations to support the needs of the USGS topographic map user community.

The 2011 Geography budget also includes program increases of \$500,000 for Geographic Analysis and Monitoring for participation in the WaterSMART Availability and Use Assessment and \$250,000 for research on increasing resilience to natural hazards. With a total budget of \$11.7 million, Geography research will focus on documenting the combined impacts of land use and climate change on natural hazards and on water resources. Research in Geography improves the understanding of the rates, causes, and consequences of natural and human-induced processes that shape and change the landscape over time, and will provide comprehensive information needed to understand the environmental, resource, and economic consequences of landscape change.

Geology – The 2011 budget includes \$253.8 million for geologic activities, \$4.7 million above the 2010 enacted level. This level provides \$92.9 million for Geologic Hazard Assessments and includes program increases of \$1.8 million for earthquake hazards and \$1.5 million for volcano hazards for research on increasing resilience to natural hazards. Geologic Hazard Assessments will continue to provide the scientific information and knowledge necessary to reduce fatalities, injuries, and economic loss from earthquakes and earthquake-induced tsunamis, landslides, and liquefaction.

The 2011 USGS budget request provides \$77.6 million for Geologic Landscape and Coastal Assessments and includes a program increase of \$500,000 for participation in the WaterSMART Availability and Use Assessment, and through the Presidential Executive Order on Oceans, includes a program increase of \$4.0 million for marine spatial planning and the geospatial modernization effort to be conducted in partnership with the Minerals Management Service. The Geologic Landscape and Coastal Assessments program strives to improve the understanding of national ecosystems and resources through integrated interdisciplinary assessments, with a focus on water conservation and marine spatial planning.

The request for Geologic Resource Assessments is \$83.3 million in 2011 to better understand the fundamental processes that lead to the formation and accumulation of mineral and energy resources. Program increases include \$250,000 for research on increasing resilience to natural hazards and \$3.0 million to assess the impacts to wildlife associated with the development of wind energy. The Mineral Resources program maintains up-to-date minerals surveys and studies that are relevant to ongoing Departmental land management requirements.

Water Resources – The Water Resources Investigations activity is funded at \$228.8 million in the 2011 budget, which is \$3.5 million below the 2010 enacted level. The budget proposes \$158.7 million for Hydrologic Monitoring, Assessments, and Research for collection, management, and dissemination of hydrologic data, analysis of hydrologic systems through modeling or statistical methods, and research and development leading to new methods and new understanding, with a focus on water conservation. Program increases are requested for the National Water Availability and Use Assessment including \$1.1 million for the Groundwater Resources program and \$6.4 million for Hydrologic Networks and Analysis. The WaterSMART Quality Assessment program describes status and trends in water quality, provides an improved understanding of the natural factors and human activity affecting these conditions, and provides information to Federal, State, and local regulatory and policy decisionmakers. A net reduction of \$1.5 million is proposed in Hydrologic Monitoring, Assessments, and Research to focus on the WaterSMART program.

The Cooperative Water program is funded at \$63.6 million, \$2.0 million below the 2010 level. The program will build on its efforts to leverage funds with State, local, and tribal partners to provide support for the majority of the national hydrologic data network of streamgages, wells, and monitoring sites. The Water Resources Research Act program is funded at \$6.5 million to promote State, regional, and national coordination of water resources research and training and a network of Water Resources Research Institutes to facilitate research coordination and information and technology transfer.

Biological Research – The Biological Research activity is funded at \$201.3 million in the 2011 budget, which is \$3.6 million below the 2010 level. The budget includes \$159.5 million for Biological Research and Monitoring to gain an understanding of how ecosystems are structured and function, with a focus on climate adaptation, water conservation, and natural hazards. Program increases include \$500,000 for participation in the WaterSMART Availability and Use Assessment, \$200,000 for research on increasing resiliency to natural hazards, and \$4.0 million to increase science support to FWS, NPS, and the Bureau of Land Management. A reduction of \$1.2 million in Biological Research and Monitoring eliminates unrequested increases in funding enacted in 2010.

Biological Information Management and Delivery is funded in the 2011 budget request at \$22.8 million, \$2.2 million below the 2010 level. The focus of the program is to integrate information across geographic and political scales and biological levels of organization into the National Biological Information Infrastructure, which

was reduced \$1.9 million from 2010. The budget request includes \$19.1 million for Biology's Cooperative Research Units to enhance cooperative partnership offices for research, education and technical assistance on issues related to fish, wildlife, ecology, and natural resources.

Enterprise Information – The 2011 budget for USGS includes \$41.5 million for Enterprise Information, \$4.5 million below the 2010 level, reflecting efficiencies in the USGS' effort to consolidate information technology resources. Enterprise Information Security and Technology is funded at \$23.5 million for information security, telecommunications, and computing infrastructure. Enterprise Information Resources is funded at \$18.0 million to manage bureau-level systems and activities in information policy, information integration and delivery, and science education.

Global Change – The 2011 budget request for USGS includes \$72.1 million for the Global Change activity, an increase of \$13.9 million above the 2010 enacted level. The budget includes program increases of \$8.0 million for the National Climate Change and Wildlife Science Center, the USGS component of the Interior Climate Science Centers, \$2.0 million for biologic carbon sequestration, and \$1.0 million for science applications and decision support. A strong science component is essential to develop adaptive management approaches that can be used by land managers to respond to changes on the landscape. Regional ecosystem forecasting models will be developed that will utilize data collected by USGS to predict ecosystem change at scales useful to resource managers for on-the-ground decisionmaking.

Other activities related to global change in 2011 include \$3.3 million for the satellite data archive in Geography and \$1.0 million for research activities in Biology.

Science Support – The Science Support activity is funded

at \$77.4 million in the 2011 budget, \$8.2 million above the 2010 enacted level. Science Support funds the executive and managerial direction of the bureau, as well as bureau-sustaining support services. The majority of the increase from 2010 reflects the realignment of salaries, benefits, and operating costs of the 2008 regional executives' realigned organizational model.

Facilities – The Facilities activity is funded at \$104.9 million in the 2011 budget, \$1.5 million below the 2010 enacted level. Funds for this activity provide safe, functional workspace and facilities needed to accomplish the bureau's scientific mission. Rental Payments and Operations and Maintenance are funded at \$97.6 million. Deferred Maintenance and Capital Improvement is funded at \$4.8 million. The 2011 budget creates a Construction subactivity of \$2.5 million from Deferred Maintenance and Capital Improvements. This new subactivity will fund improvements in building envelope integrity (i.e., foundation, roof systems, facades, and exterior doors) and in future replacement of existing structures.

Fixed Costs and Related Changes – Fixed costs of \$13.5 million are absorbed. There is a fixed cost adjustment of \$73,000 reflecting a reduced Departmental Working Capital Fund bill.

Management Efficiencies – The 2011 budget request includes reductions that are proposed Interior-wide based on SAVE Award nominations reflecting anticipated efficiency savings of \$2.3 million from travel and relocation, \$2.5 million from information technology, and \$3.6 million from strategic sourcing. Reductions unique to USGS, totaling \$3.3 million, are also proposed reflecting additional efficiencies from rent savings and renovations, consolidation of the field administrative support functions, reduction of travel and meeting sponsorships, and from the elimination of funding that supported competitive sourcing.

SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

Comparison of 2011 Request with 2010 Enacted:

	2010 Enacted		2011 Request		Change from 2010	
	FTE	Amount	FTE	Amount	FTE	Amount
Appropriations						
Surveys, Investigations, and Research.....	5,445	1,111,740	5,434	1,133,359	-11	+21,619
Subtotal, Appropriations (<i>w/o</i> ARRA).....	5,445	1,111,740	5,434	1,133,359	-11	+21,619
American Recovery and Reinvestment Act	30	0	0	0	-30	0
Subtotal, Appropriations (<i>w/</i> ARRA).....	5,475	1,111,740	5,434	1,133,359	-41	+21,619
Permanents and Other						
Operations and Maintenance of Quarters.....	0	71	0	72	0	+1
Contributed Funds.....	7	1,450	7	956	0	-494
Working Capital Fund.....	284	0	282	0	-2	0
Subtotal, Permanents, Trust Funds, and Others.	291	1,521	289	1,028	-2	-493
Reimbursables and Allocations						
Reimbursables	2,813	0	2,798	0	-15	0
Allocations	17	0	17	0	0	0
Subtotal, Reimbursables and Allocations.....	2,830	0	2,815	0	-15	0
TOTAL, U. S. GEOLOGICAL SURVEY (<i>w/o</i> ARRA) .	8,566	1,113,261	8,538	1,134,387	-28	+21,126
TOTAL, U. S. GEOLOGICAL SURVEY (<i>w/</i> ARRA)...	8,596	1,113,261	8,538	1,134,387	-58	+21,126

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Surveys, Investigations, and Research

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Geographic Research, Investigations, and Remote Sensing				
Land Remote Sensing	61,718	63,707	75,862	+12,155
Geographic Analysis and Monitoring..	10,598	11,135	11,693	+558
National Geospatial Program.....	0	70,748	65,887	-4,861
Subtotal, Geography	72,316	145,590	153,442	+7,852
Geologic Hazards, Resources, and Processes				
Geologic Hazard Assessments	90,585	92,763	92,920	+157
Geologic Landscape/ Coastal Assess....	72,381	74,351	77,585	+3,234
Geologic Resource Assessments	79,176	82,017	83,328	+1,311
Subtotal, Geology	242,142	249,131	253,833	+4,702
Water Resources Investigations				
Hydrologic Monitoring, Assess/ Rsch.	150,786	160,246	158,730	-1,516
Cooperative Water Program.....	64,078	65,561	63,598	-1,963
Water Resources Rsch Act Program	6,500	6,500	6,499	-1
Subtotal, Water Resources.....	221,364	232,307	228,827	-3,480
Biological Research				
Biological Research and Monitoring	146,416	160,685	159,451	-1,234
Biological Info. Mgmt. and Delivery	21,965	24,946	22,750	-2,196
Cooperative Research Units	16,949	19,313	19,143	-170
Subtotal, Biological Research.....	185,330	204,944	201,344	-3,600
Enterprise Information				
Enterprise Info. Security/Technology..	25,176	26,263	23,477	-2,786
Enterprise Information Resources	17,478	19,706	18,024	-1,682
National Geospatial Program.....	69,816	0	0	0
Subtotal, Enterprise Information	112,470	45,969	41,501	-4,468
Global Change	40,628	58,177	72,099	+13,922
Science Support	67,430	69,225	77,384	+8,159
Facilities	102,123	106,397	104,929	-1,468
TOTAL APPROPRIATION (w/o ARRA)	1,043,803	1,111,740	1,133,359	+21,619
Am. Recovery / Reinvestment Act.....	+140,000	0	0	0
TOTAL APPROPRIATION (w/ ARRA).....	1,183,803	1,111,740	1,133,359	+21,619

Highlights of Budget Changes

Fixed Costs

Fixed costs of \$13,528 are absorbed. There is a fixed cost adjustment of \$73 for a decreased Departmental Working Capital Fund bill.

Geographic Research, Investigations, and Remote Sensing

Land Remote Sensing

The budget proposes a net increase of \$12,155, including an increase of \$13,350 for the Landsat Data Continuity Mission to accommodate ground system requirements changes for LDCM associated with moving the Operational Land Imager sensor to a free-flying satellite system and the addition of a Thermal Infrared Sensor on board the spacecraft. Decreases include \$791 for a technical adjustment to move regional executives' staff and Earth Resources and Observation Center contracting support staff to the Science Support budget activity and \$404 for Department-wide management efficiencies.

Geographic Analysis and Monitoring

The budget proposes a net increase of \$558, including an increase of \$250 to bolster the Nation's resiliency to natural hazards by extending partnerships in California communities and expanding efforts in the Pacific Northwest and Alaska coastal communities. An additional \$500 is proposed to begin to implement the requirements of the Omnibus Public Lands Management Act of 2009 to determine the quantity, quality, and use of the Nation's water supply as it relates to the WaterSMART program. Decreases include \$81 for a technical adjustment to move regional executives' staff to the Science Support budget activity and \$111 for Department-wide management efficiencies.

National Geospatial Program

The budget proposes a net decrease of \$4,861, including a reduction of \$3,500 for National Map partnerships which will eliminate all funds used specifically to leverage participation with Federal, State, and local agencies to acquire new data. Additional decreases include \$564 for a technical adjustment to move regional executives' staff to the Science Support budget activity and \$797 for Department-wide management efficiencies.

Geologic Hazards, Resources, and Processes

Geologic Hazard Assessments

The budget proposes a net increase of \$157, including an increase of \$1,800 in the Earthquake Hazards program and \$1,500 in the Volcano Hazards program to bolster the Nation's resiliency to natural hazards by extending partnerships in California communities and expanding efforts in the Pacific Northwest and Alaska coastal communities.

Decreases include \$1,000 in the Earthquake Hazards program to eliminate a 2010 unrequested increase in funding for Light Detecting and Ranging and seismological studies, \$250 in the Volcano Hazards program to eliminate a 2010 unrequested increase in funding for the cooperative partnership between the University of Hawaii-Manoa and the USGS Hawaii Volcano Observatory, and \$250 in the Global Seismic Network program. Additional decreases include \$691 for a technical adjustment to move regional executives' and safety staff to the Science Support budget activity and \$952 for Department-wide management efficiencies.

Geologic Landscape and Coastal Processes

The budget proposes a net increase of \$3,234, including increases of \$500 in the National Cooperative Geologic Mapping program to begin to implement the requirements of the Omnibus Public Lands Management Act of 2009 to determine the quantity, quality, and use of the Nation's water supply as it relates to the WaterSMART program and \$4,000 in the Coastal and Marine Geology program for Marine Spatial Planning to support the implementation of the Administration's National Ocean Policy. Decreases include \$566 for a technical adjustment to move regional executives' staff to the Science Support budget activity and \$700 for Department-wide management efficiencies.

Geologic Resource Assessments

The budget proposes a net increase of \$1,311, including \$250 in the Mineral Resources program to increase the Nation's resiliency to natural hazards by extending partnerships in California communities and expanding efforts in the Pacific Northwest and Alaska coastal communities and \$3,000 in the Energy Resources Program for the New Energy Frontier initiative to expand work on the impacts of wind development on ecosystems. Decreases include \$650 in the Mineral Resources Program to eliminate a 2010 unrequested increase in funding of \$650 for a Mineral Resource Assessment for Nye County, Nevada, \$742 for a technical adjustment to move regional executives' and safety staff to the Science Support budget activity, and \$547 for Department-wide management efficiencies.

Water Resources Investigations

Hydrologic Monitoring, Assessments, and Research

The budget proposes a net decrease of \$1,516, including increases of \$1,100 in the Groundwater Resources Program and \$6,400 in the Hydrologic Networks and Analysis Program to begin to implement the requirements of the Omnibus Public Lands Management Act of 2009 to determine the quantity, quality, and use of the Nation's water supply as it relates to the WaterSMART program.

Decreases in the Groundwater Resources Program include \$900 to eliminate a 2010 unrequested increase in funding for San Diego Aquifer Mapping, \$300 for Arkansas Sparta Aquifer Recovery, and \$280 for the McHenry County, Illinois, Groundwater and Stormwater Project, \$200 in Hydrologic Research and Development to eliminate a 2010 unrequested increase in funding for the Hood Canal Dissolved Oxygen Study, \$400 for the Long Term Estuary Assessment Group, \$1,000 for the U.S.-Mexico Transboundary Aquifer Assessment Act, \$346 in the Hydrologic Networks and Analysis program to eliminate a 2010 unrequested increase in funding for the Lake Champlain Basin Toxic Material Study, \$500 for Hawaii Water Resources Monitoring, and \$500 for Maryland Coastal Plain Groundwater Modeling. Additional decreases include \$2,493 for a technical adjustment to move regional executives' and safety staff to the Science Support budget activity and \$2,097 for Department-wide management efficiencies.

Cooperative Water Program

The budget proposes a net decrease of \$1,963, which is comprised of \$969 for a technical adjustment to move regional executives' and safety staff to the Science Support budget activity and \$994 for Department-wide management efficiencies.

Water Resources Research Act Program

The budget proposes a decrease of \$1 for Department-wide management efficiencies.

Biological Research

Biological Research and Monitoring

The budget proposes a net decrease of \$1,234, including increases of \$200 to bolster the Nation's resiliency to natural hazards by extending partnerships in California communities and expanding efforts in the Pacific Northwest and Alaska coastal communities, \$500 to begin implementation of the requirements of the Omnibus Public Lands Management Act of 2009 to determine the quantity, quality, and use of the Nation's water supply as it relates to the WaterSMART program, and \$4,000 to increase science support for FWS, NPS, and BLM.

Decreases to eliminate 2010 unrequested increases in funding include \$1,000 for San Francisco Salt Ponds Studies, \$220 for the Conte Anadromous Fish Research Lab, \$750 for General Genetics and Genomic Research, \$600 for Tropical Ecosystems and Watershed Health Research, and \$350 for invasive species protocols in the Columbia River Basin. Additional decreases include \$1,302 for a technical adjustment to move regional executives' and safety staff to Science Support and \$1,712 for Department-wide management efficiencies.

Biological Information Management and Delivery

The budget proposes a decrease of \$2,196, to eliminate a 2010 unrequested increase in funding of \$1,428 for State Conservation Data Agencies and reductions of \$200 for the National Biological Information Infrastructure, \$316 for a technical adjustment to move regional executives' staff to the Science Support budget activity, and \$252 for Department-wide management efficiencies.

Cooperative Research Units

The budget proposes a decrease of \$170 for Department-wide management efficiencies.

Enterprise Information

Enterprise Information Security and Technology

The budget proposes a decrease of \$2,786 resulting from reductions of \$2,500 for Enterprise Information Security and Technology information technology efficiencies, \$78 for the Department Working Capital Fund adjustment, and \$208 for Department-wide management efficiencies.

Enterprise Information Resources

The budget proposes a net decrease of \$1,682 resulting from a reduction of \$1,500 for Enterprise Information Education and Information Dissemination, an increase of \$32 for the Department Working Capital Fund adjustment, and a decrease of \$214 for Department-wide management efficiencies.

Global Change

The budget proposes a net increase of \$13,922, including program increases for the Climate Adaptation initiative of \$8,000 for the National Climate Change and Wildlife Science Center that includes funding to create and staff two new DOI Climate Science Centers, \$2,000 to accelerate assessment of biological carbon sequestration, \$1,000 for Science Applications and Decision Support to develop decision-support tools that enable resource managers and policymakers to cope with and adapt to a changing climate, and \$3,614 for the Treasured Landscapes initiative in support of the Chesapeake Bay Executive Order to have the Federal government lead the restoration of the Chesapeake Bay. Decreases include \$239 for a technical adjustment to move regional executives' staff to the Science Support budget activity and \$453 for Department-wide management efficiencies.

Science Support

The budget proposes a net increase of \$8,159, of which \$8,754 results from a technical adjustment to realign the regional executives' and safety staffs from the science disciplines to Science Support and realign five Geography FTE that are related to contract and administrative support from the Earth Resources and Observation Center to Science Support. Decreases include \$27 for the Department Working Capital Fund adjustment and \$568 for Department-wide management efficiencies.

Facilities

The budget proposes a decrease of \$1,468 resulting from Department-wide management efficiencies.



FISH AND WILDLIFE SERVICE

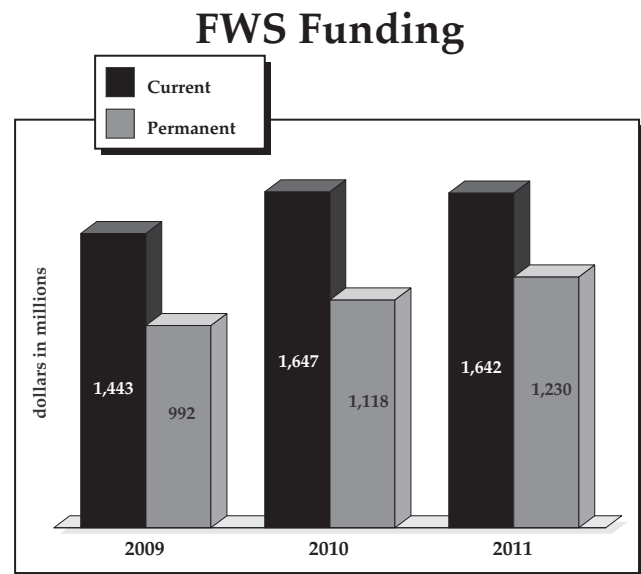
Mission – The mission of the Fish and Wildlife Service is to work with others to conserve, protect, and enhance fish, wildlife, plants, and their habitats for the continuing benefit of the American people.

Background – The FWS originated in 1871 as the U.S. Commission on Fish and Fisheries, created by Congress with the purpose of studying and recommending solutions to a decline in food fish. The Fish and Wildlife Service was created in 1940, when the Bureaus of Fisheries and Biological Survey were combined after being moved to the Department of the Interior from the Departments of Commerce and Agriculture, respectively. Today, FWS consists of a central administrative office with eight regional offices and nearly 700 field offices distributed throughout the United States.

Program Overview – The Fish and Wildlife Service’s major responsibilities are to protect and conserve migratory birds, threatened and endangered species, certain marine mammals, and inter-jurisdictional fish, as well as Federal refuge lands. To accomplish its mission, FWS seeks opportunities to partner in conservation with farmers and ranchers, State and local governments, Federal agencies, Tribes, citizen volunteers, corporations, and conservation groups.

The FWS, along with its Federal, State, and tribal partners, has responsibility to conserve and manage fish, wildlife, plants, and their habitats that are affected by climate change. This includes the need to manage these resources to mitigate the impacts of climate change. The FWS continues to develop science-based land management approaches to address the challenges of a changing climate that affect natural communities on and off Federal lands.

Created in 1903, the national wildlife refuge system is the world’s most extensive network of public lands devoted to the conservation of wildlife habitat and wildlife species. The 551 refuges in the refuge system have more than 150 million acres of land and waters that provide habitat for many species of fish, wildlife, and plants; sanctuary for hundreds of threatened and endangered species; and secure spawning areas for native fish. These



refuges range from the relatively arid habitat of the San Bernardino Refuge along the U.S.-Mexican border, to the vast Arctic National Wildlife Refuge spanning 19.6 million acres of boreal forest, tundra, and estuary in Alaska, to the 53 million acres of submerged land of four Pacific marine national monuments. The refuge system also encompasses 4.1 million acres of land managed under easement, agreement or lease, including 37 wetland management districts and 49 wildlife coordination areas.

The Fisheries and Aquatic Resource Conservation program helps safeguard inter-jurisdictional fisheries worth billions of dollars, conserves at-risk species, and provides recreational opportunities. The program includes 70 national fish hatcheries, one historic fish hatchery, 65 fish and wildlife conservation offices, seven fish technology centers, and nine fish health centers.

Another significant FWS role is administering the Endangered Species Act. The 1,323 domestic listed species under the FWS jurisdiction are conserved through regulatory actions and innovative public-private partnerships. The goal of FWS is to recover these threatened and endangered species and to prevent at-risk species from needing to be listed by acting early to conserve them.

Through its Migratory Bird Management program, FWS promotes the long-term conservation of migratory bird populations while providing opportunities for the public to study, use, and enjoy migratory birds. The program works through locally-based joint ventures to conserve migratory birds through habitat improvement projects, and administers the Migratory Bird Treaty Act, the Bald and Golden Eagle Conservation Act, and other bird conservation statutes. The program monitors bird populations in order to set management objectives and regulate the taking of migratory birds.

The FWS operates a number of grant programs that help restore, conserve, and enhance the Nation's fish and wildlife resources. These programs assist FWS to work collaboratively with States, Tribes, and private landowners to conserve and protect species and habitats. The Wildlife and Sportfish Restoration programs, as well as the State and Tribal Wildlife Grants program, provide grants to State and Tribal fish and wildlife agencies to manage and conserve wildlife resources. Through these programs, FWS works with States, Tribes, insular areas, and the District of Columbia to conserve, protect, and enhance fish, wildlife, plants, and their habitats, and the hunting, sport fishing, and recreational boating opportunities they provide. In 2011, these programs will fund an estimated \$1.0 billion in activities which benefit fish and wildlife. Other grant programs, such as the Cooperative Endangered Species Conservation Fund, are tailored to address specific resources such as threatened and endangered species. The North American Wetlands Conservation Act grant program provides grants to protect wetlands for waterfowl and other wetland-associated migratory birds.

Budget Overview – The 2011 request for current appropriations totals \$1.6 billion, a decrease of \$4.6 million compared to 2010 enacted. The budget also includes \$1.2 billion available under permanent appropriations, most of which will be provided directly to States for fish and wildlife restoration and conservation.

New Energy Frontier Initiative – The budget proposes an increase of \$4.0 million for Endangered Species activities associated with renewable energy development including \$2.0 million for the Endangered Species Consultation program to adequately support development of renewable energy projects and \$2.0 million for Conservation Planning Assistance. The increase for the CPA program will enable FWS to participate more fully in priority landscape level planning and assist industry and State fish and wildlife agencies as they plan for the siting of renewable energy projects and transmission corridor infrastructure.

Climate Change Adaptation Initiative – Climate change is the greatest environmental and conservation challenge

of the 21st Century. The effects are already urgent in Alaska; and are increasingly evident in the rising sea levels along coastal refuges, in the increasingly arid West, in the shifting ecologies of wildlife migration, and invasion by introduced species. The threat of even greater impacts looms large, as changing climates amplify already vexing conservation challenges associated with habitat loss and fragmentation, water scarcity, non-native species invasions, disease, and ongoing developmental pressures on wild lands.

It is the FWS goal to protect the viability of fish, wildlife, plants, and their habitats in the face of climate change. This will require that FWS, conservation stakeholders, and all levels of government come together and rapidly develop the capacity to deliver conservation across connected landscapes of habitats, based on the best available scientific understanding. The FWS is establishing new partnerships to address climate change at the landscape scale and leverage the conservation capacity of individual organizations to attain biological outcomes larger than those they could have achieved alone. These partnerships are the Department of the Interior's Landscape Conservation Cooperatives.

The 2011 budget proposes an increase of \$18.8 million to enhance FWS's existing core capacity in biological planning and conservation design to better identify landscapes, habitats, and species that are most vulnerable to climate change; to acquire key scientific information needed to properly inform planning and design; to define clear conservation objectives; and to focus management actions where they will be most effective on the landscape. To accomplish this work, the budget proposes to use \$3.8 million of the increase to establish additional Landscape Conservation Cooperatives and to conduct climate planning and design conservation strategies for additional areas across the country. The FWS will implement nine LCCs by the end of 2010 and an additional three LCCs in 2011. To address climate change, FWS will continue to develop an in-house applied science capability. An increase of \$5.0 million is requested for FWS to develop expertise for climate models, species and habitat assessments, and other information needed to make management decisions at the landscape level.

The initiative also includes \$2.0 million to deliver conservation through the Partners for Fish and Wildlife program. This program will expand efforts to provide technical and financial assistance to private landowners in order to conserve and restore lands that will improve wildlife values while sequestering carbon.

The 2011 budget includes \$8.0 million to accelerate the development of a monitoring system for the refuge system. The monitoring effort is part of a national strategy

coordinated with U.S. Geological Survey, Bureau of Land Management, and National Park Service. Detecting climate-driven changes is important to optimize habitat improvement and protection strategies.

Youth in Natural Resources Initiative – The 2011 budget request proposes an increase of \$2.5 million for the Youth in Natural Resources initiative. The FWS programs included in this initiative provide a platform to orient children and young adults to the importance of fish and wildlife conservation while encouraging careers in natural science. The initiative will provide opportunities for young adults from varied backgrounds to work together on conservation projects such as maintenance and construction, habitat management, and visitor services at refuges.

The \$2.5 million increase for the Youth in Natural Resources initiative includes increases of \$2.0 million for the national wildlife refuge system to hire youth through programs such as the Youth Conservation Corps and \$1.0 million for a public-private partnership with the National Fish and Wildlife Foundation to engage and employ young people in conservation. There is a reduction of \$500,000 for the Migratory Bird Urban Treaties program.

Treasured Landscapes Initiative – The Treasured Landscapes initiative includes increased investments for ecosystem restoration and the Land and Water Conservation Fund, and maintains funding in refuge operations and maintenance.

Ecosystems – To address major ecosystem restoration initiatives, the budget includes increases of \$16.2 million. Within this increase is \$1.8 million for work on the Everglades ecosystem, \$4.0 million to support activities in the Bay Delta area of California, and \$5.4 million to implement Executive Order 13508 regarding the restoration of the Chesapeake Bay, the Nation's largest estuary. The increase also includes \$5.0 million for restoration activities along the Gulf Coast. The FWS owns and manages 10 national wildlife refuges totaling 300,000 acres along the Gulf Coast which are important to the overall coastal restoration program and can serve as demonstration areas for the rest of the impacted region. The FWS is also contributing to the Environmental Protection Agency-led effort to restore and protect the Great Lakes, assisting with efforts to control invasive species, protect wildlife, and restore habitat.

Land and Water Conservation Fund – The 2011 budget commits to fully funding the Land and Water Conservation Fund by 2014, and includes an increase of \$20.0 million for the FWS acquisition of treasured landscapes.

Resource Management – The 2011 request for the principal FWS operating account, Resource Management, is \$1.3 billion, \$3.0 million below the 2010 level.

Endangered Species – The budget includes \$181.3 million to administer the Endangered Species Act, an increase of \$2.0 million compared to 2010. This includes \$1.1 million to increase funding for captive breeding of Attwater's prairie chicken, \$2.0 million to support increased staff to conduct consultations for renewable energy projects identified as part of the New Energy Frontier initiative, and \$1.8 million for an Endangered Species Recovery initiative to implement actions in listed species recovery plans. These increases are offset by reductions in earmarks.

National Wildlife Refuge System – Operation and maintenance of the national wildlife refuge system is funded at \$499.5 million. This includes an increase of \$8.0 million to support the Climate Change Adaptation initiative, which along with the \$12.0 million funded in 2010, will be used to complete additional landscape-scale inventories, monitoring, and assessments to inform climate change adaptation activities. An additional \$2.0 million will be used for the FWS youth program to offer public service opportunities, support science-based education and outdoor learning laboratories, and engage young Americans in conservation.

Law Enforcement – The budget provides \$63.3 million for the law enforcement program, which is \$2.5 million below the 2010 funding level.

Fisheries and Aquatic Resource Conservation – The budget includes a total of \$142.5 million for the Fisheries and Aquatic Resource Conservation program. This continues \$2.0 million for Klamath Dam removal studies, and funds ecosystem restoration activities of \$1.5 million for the Chesapeake Bay and \$1.4 million for the Bay Delta. The budget proposes a \$380,000 increase to protect the polar bear in compliance with the Marine Mammal Protection Act. Combined with the amount in Endangered Species, the total available for polar bear activities is \$3.6 million in 2011.

Climate Change Adaptive Science Capacity – The climate change activity is funded at \$28.8 million, an increase of \$8.8 million over 2010. This includes an increase of \$3.8 million for climate change planning and an increase of \$5.0 million for adaptive science to support climate change planning and landscape conservation. Included in these amounts is \$1.8 million that will be allocated to the Gulf Coast, part of the \$5.0 million increase for Gulf Coast restoration.

General Operations – General Operations funding totals \$151.7 million, \$1.1 million lower than 2010. This includes increases of \$1.0 million that will be used in partnership with the National Fish and Wildlife Foundation.

Construction – The 2011 Construction budget request totals \$23.7 million, a decrease of \$13.7 million compared to the 2010 enacted level. The 2011 budget request includes visitor facility enhancements and green energy projects at refuges and hatcheries. The specific projects are ranked as the top priority projects using the FWS merit-based process.

Land Acquisition – The Land Acquisition request is \$106.3 million, a \$20.0 million increase compared to the 2010 enacted level. This increase is part of the Administration's commitment to protect important habitat through the acquisition of land, bringing the 2011 requested level to \$106.3 million.

The 2011 budget includes 45 land acquisition projects that were selected based on their relative priority using a strategic, merit-based process with a focus on landscape conservation goals, leveraging with non-Federal partners, alignment with other Interior bureau projects, and collaboration with Federal agencies, Tribes, States, and others. Interior land acquisition bureaus worked together to align and prioritize projects in order to optimize landscape conservation goals.

State and Tribal Wildlife Grants – The State and Tribal Wildlife Grants request is \$90.0 million, equal to the 2010 enacted level. These grants will support high priority species conservation by States.

Cooperative Endangered Species Conservation Fund – The request includes \$85.0 million for the Cooperative Endangered Species Conservation Fund, the same as the 2010 enacted level. Funding will be used for additional conservation grants (\$11.0 million), Habitat Conservation Planning Assistance Grants (\$10.0 million), Species Recovery Land Acquisition (\$15.2 million), HCP Land Acquisition Grants to States (\$41.0 million), the Nez Perce Settlement (\$5.0 million), and administrative costs (\$2.9 million). The 2011 budget request continues the Administration's progress toward fully funding LWCF

programs, including the Cooperative Endangered Species Conservation Fund, by 2014.

Multinational Species Conservation Fund – The request includes \$10.0 million for the Multinational Species Conservation Fund, a decrease of \$1.5 million from the 2010 enacted level, and equal to the 2009 enacted amount. These grants to protect African and Asian elephants, rhinoceros, tigers, great apes, and marine turtles are leveraged by partners, nearly doubling the available funding for these projects.

Neotropical Migratory Bird Conservation Fund – The 2011 request includes \$4.0 million for the Neotropical Migratory Bird Conservation Fund, a decrease of \$1.0 million from the 2010 enacted level. Grants for the conservation of migratory birds are matched at least three-to-one by partners throughout the western hemisphere.

North American Wetlands Conservation Fund – The 2011 request includes \$42.7 for the North American Wetlands Conservation Fund, a decrease of \$5.0 million from the 2010 enacted level, but equal to the 2009 enacted amount. Projects funded through the standard and small grants program are leveraged by more than one-to-one with partners for wetlands and waterfowl conservation.

Other Program Changes – The budget includes \$14.1 million for the National Wildlife Refuge Fund. This is \$400,000 below the 2010 level, but equal to 2009 funding.

Fixed Costs and Related Changes – Fixed costs of \$14.6 million are absorbed. There is a fixed cost adjustment of \$80,000 for a reduced Departmental Working Capital Fund bill.

Management Efficiencies – The request includes reductions that are proposed Interior-wide based on SAVE Award nominations reflecting anticipated efficiency savings of \$4.0 million from travel and relocation, \$2.4 million from information technology, and \$4.6 million from strategic sourcing. Reductions unique to FWS totaling \$50,000 are proposed reflecting efficiencies from energy savings, \$500,000 from the disposal of surplus assets, and \$425,000 from the elimination of funding that supported competitive sourcing.

SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

Comparison of 2011 Request with 2010 Enacted:

	2010 Enacted		2011 Request		Change from 2010	
	FTE	Amount	FTE	Amount	FTE	Amount
Appropriations						
Resource Management	7,094	1,269,406	7,184	1,266,410	+90	-2,996
Construction	97	37,439	97	23,737	0	-13,702
Land Acquisition	87	86,340	87	106,340	0	+20,000
Landowner Incentive Grants	2	0	0	0	-2	0
Cooperative Endangered Species Fund	19	85,000	19	85,000	0	0
National Wildlife Refuge Fund	0	14,500	0	14,100	0	-400
North American Wetlands Conservation Fund	12	47,647	12	42,647	0	-5,000
Multinational Species Conservation Fund	4	11,500	4	10,000	0	-1,500
Neotropical Migratory Bird Grants	1	5,000	1	4,000	0	-1,000
State and Tribal Wildlife Grants	23	90,000	23	90,000	0	0
Subtotal, Appropriations (w/o ARRA)	7,339	1,646,832	7,427	1,642,234	+88	-4,598
American Recovery and Reinvestment Act	280	0	0	0	-280	0
Subtotal, Appropriations (w/ ARRA)	7,619	1,646,832	7,427	1,642,234	-192	-4,598
Mandatory Appropriations						
Federal Lands Recreation Enhancement Act	28	4,800	28	4,800	0	0
Migratory Bird Conservation Account	62	44,000	72	58,000	+10	+14,000
National Wildlife Refuge Fund	21	10,000	21	10,000	0	0
North American Wetlands Conservation Fund	0	5,834	0	1,000	0	-4,834
Sport Fish Restoration Account	53	477,829	53	455,210	0	-22,619
Federal Aid in Wildlife Restoration	52	507,597	52	628,021	0	+120,424
Miscellaneous Permanent Appropriations	3	4,495	3	4,495	0	0
Contributed Funds	16	4,000	16	4,000	0	0
Cooperative Endangered Species Fund	0	58,951	0	64,847	0	+5,896
Subtotal, Mandatory Appropriations	235	1,117,506	245	1,230,373	+10	+112,867
Reimbursements and Allocation Transfers						
Reimbursements	733	0	723	0	-10	0
Offsetting Collections	192	0	192	0	0	0
Energy Policy Act	14	0	14	0	0	0
Southern Nevada Public Lands Mgmt. Act	13	0	13	0	0	0
Wildland Fire Management	518	0	466	0	-52	0
NRDAR	55	0	55	0	0	0
Central Hazardous Materials	7	0	7	0	0	0
Federal Roads (FHWA)	13	0	13	0	0	0
Forest Pest (Agriculture)	1	0	1	0	0	0
Subtotal, Other	1,546	0	1,484	0	-62	0
TOTAL, FISH AND WILDLIFE SERVICE (w/o ARRA) .	9,120	2,764,338	9,156	2,872,607	+36	+108,269
TOTAL, FISH AND WILDLIFE SERVICE (w/ ARRA)...	9,400	2,764,338	9,156	2,872,607	-244	+108,269

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Resource Management

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Ecological Services				
Endangered Species				
Candidate Conservation	10,670	12,580	11,471	-1,109
Listing	19,266	22,103	20,945	-1,158
Consultation.....	53,462	59,307	63,299	+3,992
Recovery	74,575	85,319	85,611	+292
Subtotal, Endangered Species	157,973	179,309	181,326	+2,017
Habitat Conservation	105,055	117,659	119,547	+1,888
Environmental Contaminants	13,242	13,987	13,929	-58
Subtotal, Ecological Services	276,270	310,955	314,802	+3,847
National Wildlife Refuge System				
Wildlife and Habitat Management	199,859	230,778	232,235	+1,457
Visitor Services	75,571	79,973	76,056	-3,917
Refuge Law Enforcement.....	36,089	38,684	38,211	-473
Conservation Planning.....	11,789	13,021	11,871	-1,150
Subtotal, Refuge Operations.....	323,308	362,456	358,373	-4,083
Refuge Maintenance	139,551	140,349	141,173	+824
Subtotal, NWR System	462,859	502,805	499,546	-3,259
Migratory Bird Management, Law Enforcement and International Affairs				
Migratory Bird Management.....	50,846	54,483	52,738	-1,745
Law Enforcement				
Operations.....	61,690	64,801	62,323	-2,478
Maintenance.....	977	977	977	0
Subtotal, Law Enforcement.....	62,667	65,778	63,300	-2,478
International Affairs.....	13,204	14,379	13,093	-1,286
Subtotal, Bird Mgmt., Law Enforce., and International Affairs.....	126,717	134,640	129,131	-5,509
Fisheries/ Aquatic Resources Conservation				
National Fish Hatchery System Ops	48,649	54,370	50,307	-4,063
Maintenance and Equipment	19,048	18,350	18,214	-136
Aquatic Habitat and Species Conserv..	64,134	75,494	73,956	-1,538
Aquatic Invasive Species.....	0	0	0	0
Marine Mammals	0	0	0	0
Subtotal, Fisheries/ Aquatic Resources	131,831	148,214	142,477	-5,737
Climate Change Adaptive Science Capacity				
Climate Change Planning	0	10,000	13,750	+3,750
Climate Change Adaptive Science Capacity	0	10,000	15,000	+5,000
Subtotal, Climate Change/ Science...	0	20,000	28,750	+8,750

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
General Operations				
Central Office Operations	39,652	40,485	40,142	-343
Regional Office Operations.....	42,305	43,340	42,649	-691
Operational Support.....	34,620	36,440	36,358	-82
Nat'l. Conservation Training Center	19,171	24,990	24,018	-972
National Fish/Wildlife Foundation.....	7,537	7,537	8,537	+1,000
Subtotal, General Operations	143,285	152,792	151,704	-1,088
Net Transfer	+2,500	0	0	0
TOTAL APPROPRIATION <i>(w/o ARRA)</i>	1,143,462	1,269,406	1,266,410	-2,996
Am. Recovery and Reinvestment Act ..	+165,000	0	0	0
TOTAL APPROPRIATION <i>(w/ ARRA)</i>	1,308,462	1,269,406	1,266,410	-2,996

Highlights of Budget Changes

Fixed Costs and Related Changes

Fixed costs of \$14.3 million are absorbed. There is a fixed cost adjustment of -\$80 for a reduced Departmental Working Capital Fund bill.

Ecological Services

A net increase of \$3,847 is requested for Ecological Services in 2011, compared to 2010 enacted and is spread through the various subactivities as follows.

Endangered Species

Candidate Conservation: A net decrease of \$1,109 is proposed for this subactivity in the 2011 President's budget, which includes a reduction of \$1,000 for Idaho sage grouse. Other reductions are \$22 for travel, \$26 for information technology, \$50 for strategic sourcing, \$5 for competitive sourcing, and \$6 for disposition of excess property.

Listing: The 2011 budget request includes a decrease of \$1,158 for this subactivity. A general program reduction of \$1,000 is included. Other reductions are \$38 for travel, \$39 for information technology, \$74 for strategic sourcing, and \$7 for competitive sourcing. The subactivity will now include \$8,897 for listing activities for domestic species, \$1,500 for listing and delisting activities for international species, and \$10,548 for critical habitat designations.

Consultation: The 2011 budget request includes a net increase of \$3,992 for this subactivity, which includes increases for consultations on energy projects (+\$2,000), the Everglades (+\$700), Atlantic Salmon (+\$220), the California Bay Delta (+\$1,220), and the Gulf Coast (+\$500). Reductions are \$146 for travel, \$155 for information technology, \$291 for strategic sourcing, \$28 for competitive sourcing, and \$28 for disposition of excess property.

Recovery: The 2011 budget request is a net increase of \$292, including increases for an Attwater's Prairie Chicken captive breeding facility (+\$1,095), the Everglades Treasured Landscapes ecosystem (+\$900), Atlantic salmon recovery (+\$110), the Bay Delta (+\$620), and general program activities (+\$4,000). Reductions reflect the following unrequested projects: the Wolf Livestock Loss Demonstration Program (-\$1,000), Lahontan Cutthroat trout (-\$350), National Fish and Wildlife Foundation Endangered Species Grants (-\$1,500), White Nose Bat Syndrome (-\$1,900), Whooping crane facilities (-\$500), and Steller and spectacled eider recovery (-\$350). Other reductions are \$306 for travel, \$159 for information technology, \$300 for strategic sourcing, \$28 for competitive sourcing, and \$40 for the disposition of excess property.

Habitat Conservation

A net increase of \$1,888 is requested for Habitat Conservation in 2011 compared to 2010 enacted and is spread throughout the various subactivities as follows.

Partners for Fish and Wildlife: The 2011 budget request includes a net decrease of \$363 for this subactivity. This includes an increase for Climate Change (+\$2,000) as well as for the Chesapeake Bay Treasured Landscapes ecosystem (+\$400). The budget includes reductions for the Maine Lakes Milfoil invasive species project (-\$500), Hawaii invasive species management (-\$1,000), Georgia streambank restoration (-\$500), and the Mississippi State University Natural Resource Economic Enterprise program (-\$350). Other reductions are \$104 for travel, \$92 for information technology, \$173 for strategic sourcing, \$16 for competitive sourcing, and \$28 for the disposition of excess property.

Conservation Planning Assistance: The 2011 budget request includes a net increase of \$2,932 for this subactivity. This includes increases for renewable energy (+\$2,000) and for the Treasured Landscapes' Bay Delta (+\$620) and Gulf Coast (+\$1,500) ecosystems. A reduction of \$750 is for the Sacramento-San Joaquin Water Study. Other reductions are \$156 for travel, \$85 for information technology, \$164 for strategic sourcing, \$16 for competitive sourcing, and \$17 for the disposition of excess property.

Coastal Program: The 2011 budget request includes a net decrease for this subactivity of \$375. Included are increases of \$500 for the Chesapeake Bay ecosystem and \$250 for the Gulf Coast ecosystem. The request includes a decrease of \$1,000 for general program activities. Other reductions are \$45 for travel, \$23 for information technology, \$46 for strategic sourcing, \$4 for competitive sourcing, and \$7 for disposition of excess property.

National Wetlands Inventory: The 2011 budget includes a reduction of \$306 for this subactivity, including a general program reduction of \$250. Other reductions include the disposition of excess property (-\$3), travel (-\$28), information technology (-\$8), strategic sourcing (-\$16), and competitive sourcing (-\$1).

Environmental Contaminants

The Environmental Contaminants program is requested at \$13,929, a net decrease of \$58 for this activity. The 2011 budget request includes increases of \$180 for the Chesapeake Bay, \$175 for Everglades, and \$250 for Gulf Coast ecosystems. The budget request also contains a reduction of \$500 in general program activities. Other reductions are \$60 for travel, \$31 for information technology, \$59 for strategic sourcing, \$6 for competitive sourcing, and \$7 for disposition of excess property.

National Wildlife Refuge System

The budget request for the National Wildlife Refuge System is \$499,546, a net decrease of \$3,259 from 2010 enacted. The changes are spread throughout the various subactivities as follows.

Wildlife and Habitat Management: This subactivity is requested at \$232,235, an increase of \$1,457 over 2010 enacted. Program changes include an increase of \$8,000 for the Climate Change Adaptation initiative. Climate Change initiative funds will support the Refuge System's landscape-scale, long-term ecological assessment and monitoring program. Increases for the Treasured Landscapes initiative is provided for the Chesapeake Bay (+\$1,460), Bay Delta (+\$180), and Gulf Coast (+\$750). Reductions include \$4,096 for this subactivity's Challenge Cost Share program, \$1,200 for rat eradication at Palmyra Atoll, and \$1,260 for Wildlife and Habitat Management general program activities. Other reductions are \$920 for travel, \$470 for information technology, \$901 for strategic sourcing, and \$86 for competitive sourcing.

Visitor Services: The budget proposes a net reduction of \$3,917, including an increase of \$360 for the Chesapeake Bay. Reductions include \$2,404 for this subactivity's Challenge Cost Share program and \$1,000 for the volunteer program. Other reductions are \$208 for travel, \$213 for information technology, \$413 for strategic sourcing, and \$39 for competitive sourcing.

Refuge Law Enforcement: The budget proposes a reduction of \$473 for Refuge law enforcement, comprised of reductions for travel (-\$210), information technology (-\$85), strategic sourcing (-\$163), and competitive sourcing (-\$15).

Refuge Conservation Planning: The budget includes a general program reduction of \$1,000 for refuge planning. Other reductions include travel (-\$52), information technology (-\$32), strategic sourcing (-\$60), and competitive sourcing (-\$6).

Refuge Maintenance: The budget proposes a net increase of \$824, including an increase of \$2,000 for youth programs. Reductions include travel (-\$157), information technology (-\$243), strategic sourcing (-\$463), competitive sourcing (-\$44), energy efficiencies (-\$35), and disposition of excess property (-\$234). The budget includes a proposed shift of \$2,000 from Annual Maintenance to Deferred Maintenance

Migratory Birds Management, Law Enforcement, and International Affairs

Migratory Birds: A net decrease of \$1,745 is requested, including increases of \$100 for Conservation and Monitoring for the Chesapeake Bay as part of the Treasured Landscapes initiative and \$285 for the North American Waterfowl Management Plan's Joint Ventures for the Chesapeake Bay. The request includes reductions in Urban Bird Treaties (-\$500) and North American Waterfowl Management Plan activities (-\$1,000). Other reductions are for travel (-\$344), information technology (-\$89), strategic sourcing (-\$161) competitive sourcing (-\$15), and the disposition of excess property (-\$21).

Law Enforcement: The requested net decrease of \$2,478 to this program consists of an increase of \$140 for Chesapeake Bay and a decrease of \$2,000 in Law Enforcement operations. Other reductions are for travel (-\$252), information technology (-\$120), strategic sourcing (-\$197), competitive sourcing (-\$19), and the disposition of excess property (-\$30).

International Affairs: A net decrease of \$1,286 is requested for this program, including a decrease for International Conservation for the Caddo Lake RAMSAR Center (-\$150) and general program activities of the International Wildlife

Trade Wildlife Without Borders program (-\$1,000). Other reductions are for travel (-\$72), information technology (-\$18), strategic sourcing (-\$42), and competitive sourcing (-\$4).

Fisheries and Aquatic Resource Conservation

National Fish Hatchery Operations: The proposed net decrease of \$4,063 in this budget subactivity includes an increase of \$740 for the Bay Delta ecosystem as part of the Treasured Landscape initiative. Reductions include \$1,000 for Great Lakes fish mass marking, \$500 for West Virginia muscle recovery, and \$2,150 for the scientific review of California hatcheries. Other reductions are for travel (-\$199), information technology (-\$139), strategic sourcing (-\$265), competitive sourcing (-\$25), and the disposition of excess property (-\$25).

Maintenance and Equipment: The budget request for this subactivity is \$18,214, which is \$136 below the 2010 enacted level. Reductions are for travel (-\$13), information technology (-\$32), strategic sourcing (-\$62), energy cost savings (-\$15), competitive sourcing (-\$6), and the disposition of excess property (-\$8).

Aquatic Habitat and Species Conservation: The 2011 budget request is \$73,956, a net reduction of \$1,538 for this subactivity, which includes increases of \$1,575 for the Chesapeake Bay and \$620 for the Bay Delta ecosystem, as part of the Treasured Landscapes initiative. Reductions include \$1,300 for the West Virginia Fisheries Office and \$2,000 for aquatic invasive species. There is an increase proposed in the Marine Mammal program for polar bear conservation (+\$380) and a decrease for sea otter and steller sea lions in Alaska (-\$200). Other reductions are for the disposition of excess property (-\$35), travel (-\$224), information technology (-\$110), strategic sourcing (-\$223), and competitive sourcing (-\$21). The budget proposes to consolidate the subactivities for Aquatic Habitat and Species Conservation, Aquatic Invasive Species, and Marine Mammals.

Climate Change

Climate Change is proposed at \$28,750, an increase of \$8,750 over 2010 enacted. Increases are \$750 for Gulf Coast LCC planning, \$3,000 for nationwide LCC planning, \$1,000 for Gulf Coast Climate Change Science, and \$4,000 for nationwide Climate Change Science activities.

General Operations

The 2011 budget proposes a net decrease of \$1,088 for this activity. Funding is increased for the National Fish and Wildlife Foundation (+\$1,000) and reduced for both the National Conservation Training Center (-\$750) and the Working Capital Fund (-\$80). Other reductions are for the disposition of excess property (-\$11), travel (-\$421), information technology (-\$277), strategic sourcing (-\$515), and competitive sourcing (-\$34).

APPROPRIATION: Construction

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Line Item Construction.....	25,267	26,423	12,721	-13,702
Dam Safety	750	1,115	1,115	0
Bridge Safety	600	740	740	0
Engineering Services.....	8,970	9,161	9,161	0
TOTAL APPROPRIATION <i>(w/o cancellations)</i> ...	35,587	37,439	23,737	-13,702
Cancellation of Unobligated Balances ..	-54	0	0	0
TOTAL APPROP. <i>(w/ cancellations; w/o ARRA)</i>	35,533	37,439	23,737	-13,702
Am. Recovery and Reinvestment Act ..	+115,000	0	0	0
TOTAL APPROP. <i>(w/ cancellations and ARRA)</i>	150,533	37,439	23,737	-13,702

Highlights of Budget Changes

Fixed Costs and Related Changes

Fixed costs of \$145,000 are absorbed.

Construction

A reduction of \$13,702 is proposed for this appropriation for line-item projects. Nationwide engineering services are funded at the 2010 level. Construction projects will address the highest priority health, safety, and resource protection needs including dams and bridges. A detailed list of requested projects is provided in Appendix M.

APPROPRIATION: Land Acquisition

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Acquisition Management.....	8,140	10,555	12,555	+2,000
User Pay Cost Share.....	1,500	2,000	2,000	0
Acquisition - Federal Refuge Lands.....	28,315	66,785	84,785	+18,000
Exchanges.....	1,500	2,000	2,000	0
Inholdings, Emergency, and Hardships...	3,000	5,000	5,000	0
TOTAL APPROPRIATION	42,455	86,340	106,340	+20,000

Highlights of Budget Changes

Fixed Costs and Related Changes

Fixed costs of \$162,000 are absorbed.

Land Acquisition

Land Acquisition is proposed at \$106,340, an increase of \$20,000. Land Acquisition Management is increased by \$2,000 and Refuge Projects by \$18,000, compared to the 2010 funding level. A detailed list of projects is included in Appendix G.

APPROPRIATION: Cooperative Endangered Species Conservation Fund

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Section 6 Grants to States				
Traditional Grants to States	10,001	11,000	11,000	0
HCP Planning Grants	7,642	10,000	10,000	0
Species Recovery Land Acquisition	14,186	15,000	15,159	+159
HCP Land Acquisition Grants/States..	36,008	41,000	41,000	0
HCP Land Acquisition Grants/States..	4,500	0	0	0
Snake River Water Rights Act of 2004..	5,146	5,146	4,987	-159
Administration	2,518	2,854	2,854	0
TOTAL APPROPRIATION <i>(w/o cancellations)</i>	80,001	85,000	85,000	0
Cancellation of prior year balances	-4,500	0	0	0
TOTAL APPROPRIATION <i>(w/ cancellations)</i>	75,501	85,000	85,000	0

APPROPRIATION: National Wildlife Refuge Fund

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
TOTAL APPROPRIATION	14,100	14,500	14,100	-400

Highlights of Budget Changes

National Wildlife Refuge Fund

The request includes a decrease of \$400 for this account.

APPROPRIATION: North American Wetlands Conservation Fund

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
TOTAL APPROPRIATION	42,647	47,647	42,647	-5,000

Highlights of Budget Changes

North American Wetlands Conservation Fund

The request includes a reduction of \$5,000 for this account.

APPROPRIATION: Multinational Species Conservation Fund

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
African Elephant Conservation.....	2,000	2,000	2,000	0
Rhinoceros and Tiger Conservation	2,500	3,000	2,500	-500
Asian Elephant Conservation.....	2,000	2,000	2,000	0
Great Ape Conservation.....	2,000	2,500	2,000	-500
Marine Sea Turtle	1,500	2,000	1,500	-500
TOTAL APPROPRIATION	10,000	11,500	10,000	-1,500

Highlights of Budget Changes

Multinational Species Conservation Fund

The request includes a reduction of \$1,500 for this account.

APPROPRIATION: Neotropical Bird Conservation

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
TOTAL APPROPRIATION	4,750	5,000	4,000	-1,000

Highlights of Budget Changes

Neotropical Species Conservation Fund

The budget request includes a reduction of \$1,000 for this account.

APPROPRIATION: State and Tribal Wildlife Grants

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
TOTAL APPROPRIATION	75,000	90,000	90,000	0

APPROPRIATION: Wildlife Conservation and Appreciation

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
TOTAL APPROPRIATION	-529	0	0	0



NATIONAL PARK SERVICE

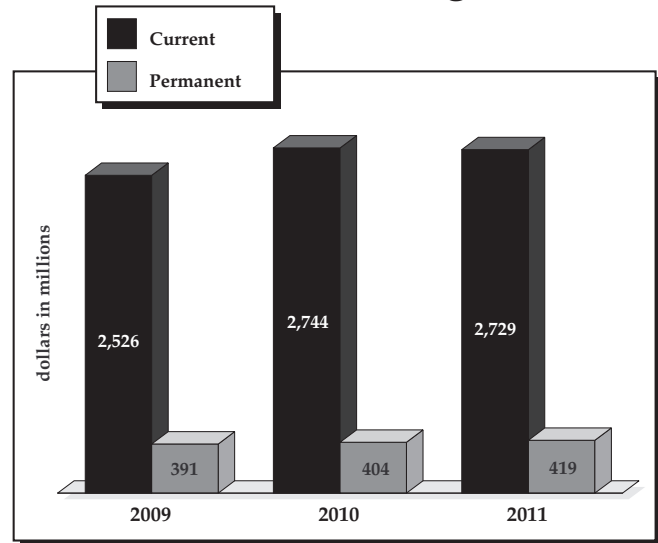
Mission—As stated in the original authorizing legislation, the National Park Service mission is to “preserve unimpaired the natural and cultural resources and values of the national park system for the enjoyment, education, and inspiration of this and future generations.”

Background – In 1872, the Congress designated Yellowstone National Park as the Nation’s first public park for the benefit and enjoyment of the people. The subsequent establishment of the National Park Service on August 25, 1916, reflected a national consensus that natural and cultural resources must be set aside for public enjoyment and preserved for future generations. Since its establishment, the stewardship responsibilities of NPS have become increasingly complex as the number of units has grown and the nature of the units diversified. Currently, the national park system includes 392 units encompassing 84.4 million acres in 49 States, the District of Columbia, American Samoa, Guam, Puerto Rico, the Northern Mariana Islands, and the U.S. Virgin Islands. In its entirety, the national park system represents, interprets, and preserves both natural and cultural sites that are testaments to the Nation’s history and the human history. The parks offer an array of rewarding opportunities for much needed respite, reflection, and outdoor recreation to the American public. In 2009, over 286 million people visited the Nation’s national parks.

In 2016, the National Park Service will celebrate 100 years as stewards of America’s natural and cultural resources. With the funding appropriated in 2008 through 2010, NPS took the first steps in attaining new levels of distinction in park stewardship, recreational and educational opportunities, environmental leadership, management, and partnership excellence. The 2011 budget continues to build this legacy for current and future generations. In 2011, increases in operations will ensure that national parks preserve the Nation’s most precious treasures, foster increased educational efforts with a focus on America’s youth, and prepare a new generation of leaders to guide NPS in the 21st Century.

Program Overview – Employees are central to carrying out the Park Service mission. The NPS estimates that staffing will total 21,501 full time equivalents in 2011.

NPS Funding



Park employees serve a diverse clientele of visitors and function in multiple roles, including stewards of the public trust, interpreters of natural and cultural sites, and guarantors of visitor safety. In the area of cultural resource preservation, park employees serve as historians, curators, archeologists, and conservators. In the natural resource programs, park employees serve as biologists, hydrologists, geologists, and general resource management specialists.

Budget Overview – The NPS 2011 budget request of \$2.7 billion is \$21.7 million below 2010 enacted but \$200.5 million above the 2009 level.

The budget includes \$5.8 million in park base increases associated with the Youth in Natural Resources initiative for youth employment and education programs at 19 park units benefitting 27 parks. The NPS continues to participate in the Climate Change Adaptation initiative with \$10.0 million in funding provided in 2010 but does not propose new funding for these activities in 2011. As a major contributor to the Secretary’s Treasured Landscapes initiative, the NPS budget includes increases of \$50.9

million for park operations, servicewide programs, and ecosystem restoration.

The 2011 budget includes \$91.2 million in program reductions. The budget ends the Save America Treasures grants, Preserve America grants, and Challenge Cost Share programs; eliminates congressional earmarks for statutory aid; and reduces funding for construction and the heritage partnership programs. These reductions will enable NPS to focus on activities which more closely align with its core mission.

Climate Change Adaptation Initiative – The 2011 budget maintains NPS funding of \$10.0 million for the Secretary's Climate Change Adaptation initiative. In 2011, NPS will monitor and analyze the impacts of climate changes on the condition of park resources as a contributing partner in the Department's Landscape Conservation Cooperatives and the new Interior Climate Science Centers. The NPS, in coordination with other Interior bureaus, is developing land, water, and wildlife adaptation strategies; expanding NPS natural resource monitoring to focus on climate changes; and engaging in park-specific projects that will provide park managers the tools that they need to best protect park resources in the face of a changing climate.

Youth In Natural Resources Initiative – In 2011, the Secretary continues his vision to engage youth from all backgrounds to enjoy, work on, and learn about the public lands. The Youth in Natural Resources initiative will employ thousands of youth to protect the Nation's most important natural and cultural resources, restore the environment and educate millions of young people about America's lands, waters, and national heritage. The goal of the initiative is to engage youth in nature and help them achieve an environmental awareness and respect for resources. By connecting youth to public lands like the national parks, the Secretary hopes to instill in youth a life-long commitment to protect, preserve, and enjoy America's natural environment and cultural treasures.

In 2010, NPS received an increase of \$5.0 million for internships to introduce high school and college age students to career opportunities in natural and cultural resource management. In 2011, NPS will direct \$5.8 million for specific park base increases for permanent youth employment and education programs run by the parks. In recent years, NPS has dedicated \$4.4 million of recreation fees collected at parks to youth projects that benefit the visitor experience. The NPS will increase that amount to \$6.4 million in 2011.

Treasured Landscapes Initiative – Funding for park operations, as represented by the Operation of the National Park System account, is \$2.3 billion in current appropriations. The request is a net increase of \$35.3

million, or nearly two percent, above the 2010 enacted level. This includes \$50.9 million in program increases to enhance operations and maintain the Nation's treasured landscapes. New funding for operations will address mission critical needs at existing and new parks, improve visitor services, protect national icons, and maintain the facilities and investments restored with the American Recovery and Reinvestment Act funds. Increases for servicewide programs will be used for resource stewardship projects nationwide and will also allow collaborative efforts to improve administrative services and employee development. As part of the Treasured Landscapes initiative, the budget continues discretionary funding for Park Partnerships Projects at the 2010 level of \$5.0 million.

Park Operations – The 2011 budget includes \$31.5 million in park base increases that will enhance core visitor services and improve resource protection at 127 park sites. This increase supports projects such as initiating comprehensive vegetation and aquatic resource management programs and enhancing the management of oil and gas operations at Big Thicket National Preserve. It also funds maintenance activities to preserve important historic buildings and grounds at parks such as Sagamore Hill National Historic Site. Park base funding also supports the operation of recently established new parks such as Port Chicago National Historic Site.

As a complement to the park base funding, the budget includes a \$7.2 million increase to strengthen the Park Service's ability to recruit, train, and retain staff to strategically position itself as an effective, responsive, and accountable 21st century NPS. This funding will support reorganization of the NPS human resources functions by consolidating the number of human resources offices, streamlining the hiring process, and providing front-line managers with more guidance in the areas of employee relations and performance management. In 2011, NPS will leverage existing satellite delivery systems to provide improved training opportunities to its staff at dispersed locations. It will also improve access to career field academies that develop basic competencies and subject matter experts in specific fields such as natural resources, cultural resources, facility management, and interpretation. As a result, employees will improve their ability to protect park resources and interpret these resources for visitors. The NPS also will complete the implementation of the contracting and procurement restructuring initiative that began in 2010.

The 2011 budget includes several increases that will enhance critical resource stewardship activities. This includes \$1.3 million to NPS to expand integrated ocean and coastal stewardship activities by working with its partners at the 74 park units that are adjacent to an

ocean or Great Lake, consistent with the Interagency Ocean Policy Task Force interim report. This framework emphasizes an integrated, ecosystem-based approach to planning and management uses and activities. The NPS will continue its long-standing support of other ecosystem restoration activities such as efforts in the Everglades and Chesapeake Bay. An increase of \$210,000 will support the Underground Railroad Network to Freedom program. This unique public-private partnership coordinates preservation and education efforts for over 400 sites, programs, and facilities nationwide.

Visitor service activities support the NPS mission by ensuring that a diverse array of quality park facilities and services are available to the public, and that the cultural, historical, and natural resources that NPS preserves are understood and can be appreciated for generations to come. In 2011, the budget includes \$1.0 million to expand educational opportunities for the public through the NPS educational portal at the website www.NPS.gov. This will allow the public to easily locate park activities, Junior Ranger programs, teacher professional development opportunities, and other online educational information.

Visitor and employee safety, as well as the protection of the Nation's natural and cultural resources, is a key responsibility of the NPS. The budget includes an increase of \$1.8 million for U.S. Park Police operations. This will provide additional law enforcement at the Statue of Liberty National Monument, a critical need in light of the reopening of the Statue's crown on July 4th, 2009. Funding will also provide for additional U.S. Park Police patrols at the new Martin Luther King, Jr. National Memorial in Washington, D.C., scheduled to open in 2011. Additional funding will be directed toward strengthening professional support activities to ensure that adequate systems are in place to support law enforcement. The budget provides \$700,000 for a risk management program that will train NPS staff to recognize and avoid workplace risks. This training program will reduce injuries, enable a more efficient workplace, and ultimately reduce costs to the park system. The budget requests \$2.0 million to expand the land use planning program. This increase will provide greater support in the realty area to parks following acquisition of tracts of land.

In 2011, the Park Service budget requests a \$3.2 million increase for cyclic maintenance providing a total of \$99.7 million. Funds will be used for the preventive maintenance necessary to maintain the condition of assets throughout the national park system and protect the safety of park visitors and staff. This proactive attention to cyclic maintenance will slow or prevent deterioration of NPS priority assets, which is less expensive than repairing or replacing assets.

Park Partnerships – The NPS has benefited greatly from the energy and interest of its partners. The Park Partnerships Program matches partner donations with Federal funds to complete projects throughout the national park system that prepare the parks for the next century of service. The 2010 budget included \$5.0 million in appropriated funds and \$10.0 million in recreation fee balances to leverage contributions from private groups and citizens. The 2011 budget continues the appropriated funding at \$5.0 million and will use \$5.0 million in recreational fee receipts to foster additional partnerships.

Land and Water Conservation Fund – In NPS, LWCF funds the NPS Federal Land Acquisition and State Conservation Assistance Grants programs. The NPS land acquisition program provides funding to acquire land, or interests in lands to preserve nationally important natural and historic resources within park boundaries. The 2011 budget land acquisition projects were selected based on their relative priority using a strategic, merit-based process with a focus on landscape conservation goals, leveraging with non-Federal partners, alignment with other Interior bureau projects, and collaboration with Federal agencies, Tribes, States, and others. Interior land acquisition bureaus work together to align and prioritize projects to optimize landscape conservation goals. The 2011 budget proposes \$106.3 million for NPS land acquisition, an increase of \$20.0 million above the 2010 enacted level and \$61.1 million above 2009. Included within the proposal is \$6.0 million to provide matching grants to States and local entities to preserve and protect American battlefield sites outside the national park system.

The State Conservation Assistance Grant program distributes funding by formula to States for the purchase of lands for preservation and recreation purposes. The States allot a portion of this funding to local communities. The 2011 request includes \$50.0 million for State grants, an increase of \$10.0 million above the 2010 enacted level and \$31.0 million above 2009. In addition, the State Conservation Grants program will receive \$740,000 in mandatory appropriations from revenues generated by leasing activities in the Outer Continental Shelf and paid into the LWCF.

Construction – The 2011 request includes \$195.2 million for construction projects, equipment replacement, management planning, and other special projects. This funding, together with recreation fees, park roads funding, and maintenance funding, will provide substantial resources toward protecting and maintaining existing park assets. The NPS construction program is \$44.6 million below the 2010 level, primarily in line-item construction projects. Line-item construction projects are funded at \$109.0 million, including \$8.0 million for the

Everglades Modified Water Deliveries project. The budget also provides additional funding to study areas that are candidates for inclusion in the national park system.

National Recreation and Preservation – This appropriation funds programs connected with local community efforts to preserve natural and cultural resources. The 2011 request includes \$51.0 million for these programs. The budget proposes \$9.0 million for national heritage areas and eliminates funding for Statutory and Contractual Aid earmarks and Preserve America grants. Funding is not requested for Preserve America grants in order to focus on core NPS mission activities.

Historic Preservation – The NPS plays a vital role in preserving the Nation’s cultural history through a variety of programs that address preservation needs nationwide. The 2011 budget for the Historic Preservation Fund is \$54.5 million which funds Historic Preservation Offices in States, Territories, and tribal nations to preserve historically and culturally significant sites. The budget maintains the 2010 funding level for grants to States and Tribes, which was \$5.0 million over the 2009 enacted level. Funds are distributed by formula, based on population and number of historic entities served, along with other criteria. Funding is not requested for Save America’s Treasures grants in order to focus on core NPS mission activities.

Recreational Fee Program – This permanent funding program operates under the Federal Lands Recreation Enhancement Act authorizing NPS to collect recreation fees at selected parks. Fee revenues are required to be used to improve visitor services and enhance the visitor experience. The majority of the revenues return directly to the park where they were collected. The NPS estimates that it will collect \$173.0 million in revenues in 2011. The program is carrying substantial balances and has implemented rigorous action plans to draw down the

balances to reasonable levels. The NPS plans to obligate \$223.0 million in recreation fees in 2011 which will reduce the unobligated balances to under \$100.0 million, a reduction of over 30 percent from the previous year. In 2010, half of the revenues collected were spent on asset repairs and maintenance, 20 percent on interpretation and visitor services, and ten percent on habitat restoration. The remaining 20 percent of recreation fee revenue was spent on operations and administrative activities such as law enforcement, cost of collecting fees, and visitor reservation services. This program has been very successful in improving the condition of the park assets.

Fixed Costs and Related Changes – Fixed costs of \$32.1 million are absorbed. There is a fixed cost adjustment of \$46,000 for an increased Departmental Working Capital Fund bill.

Management Efficiencies – The request includes reductions that are proposed Interior-wide based on SAVE Award nominations reflecting anticipated efficiency savings of \$527,000 from travel and relocation, \$5.9 million from information technology, and \$8.7 million from strategic sourcing. Reductions unique to the NPS totaling \$3.2 million include a reduction of \$2.4 million for operational savings realized through American Recovery and Reinvestment Act projects and a reduction of \$821,000 to discontinue competitive sourcing studies.

Program Reductions – The NPS construction program is reduced by \$44.6 million primarily in line-item projects. The 2011 budget request also includes \$46.6 million in program reductions consisting of a constrained heritage partnership program, elimination of congressional earmarks for statutory aid, ending the Save America Treasures and Preserve America grant programs as well as the Challenge Cost Share program. Reductions were taken so NPS can focus on higher priority activities related to core mission responsibilities.

SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

Comparison of 2011 Request with 2010 Enacted:

	2010 Enacted		2011 Request		Change from 2010	
	FTE	Amount	FTE	Amount	FTE	Amount
Appropriations						
Operation of the National Park System.....	16,997	2,261,559	17,017	2,296,877	+20	+35,318
Park Partnerships Projects	21	5,000	7	5,000	-14	0
National Recreation and Preservation	255	68,436	249	51,024	-6	-17,412
Historic Preservation Fund.....	0	79,500	0	54,500	0	-25,000
Construction	505	239,769	489	195,198	-16	-44,571
Land Acquisition and State Assistance	100	126,266	103	156,266	+3	+30,000
LWCF Contract Authority (rescission).....	0	-30,000	0	-30,000	0	0
Subtotal, Appropriations (<i>w/o</i> ARRA)	17,878	2,750,530	17,865	2,728,865	-13	-21,665
Am. Recovery and Reinvestment Act	348	0	0	0	-348	0
Subtotal, Appropriations (<i>w/</i> ARRA).....	18,226	2,750,530	17,865	2,728,865	-361	-21,665
Mandatory Appropriations						
Recreation Fee Permanent Appropriations	1,527	177,289	1,527	188,310	0	+11,021
Other Permanent Appropriations	316	150,244	316	154,222	0	+3,978
Miscellaneous Trust Funds	163	45,231	163	45,231	0	0
Outer Continental Shelf Oil Lease Revenue.....	1	910	1	740	0	-170
LWCF Contract Authority.....	0	30,000	0	30,000	0	0
Subtotal, Mandatory Appropriations.....	2,007	403,674	2,007	418,503	0	+14,829
Allocations and Reimbursables						
Allocations	916	0	856	0	-60	0
Reimbursables	773	0	773	0	0	0
Subtotal, Allocations and Reimbursables	1,689	0	1,629	0	-60	0
TOTAL, NATIONAL PARK SERVICE (<i>w/o</i> ARRA) ...	21,574	3,154,204	21,501	3,147,368	-73	-6,836
TOTAL, NATIONAL PARK SERVICE (<i>w/</i> ARRA).....	21,922	3,147,204	21,501	3,147,368	-421	-6,836

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Operation of the National Park System

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Park Management				
Resource Stewardship	313,423	343,615	349,801	+6,186
Visitor Services	223,678	244,815	258,017	+13,202
Park Protection	345,244	367,352	371,193	+3,841
Facility Operations and Maintenance ..	676,324	700,638	701,166	+528
Park Support	425,031	449,609	445,977	-3,632
Subtotal, Park Management	1,983,700	2,106,029	2,126,154	+20,125
External Administrative Costs	148,055	155,530	170,723	+15,193
TOTAL APPROPRIATION (w/o ARRA)	2,131,755	2,261,559	2,296,877	+35,318
Am. Recovery and Reinvestment Act ..	+146,000	0	0	0
TOTAL APPROPRIATION (w/ ARRA)	2,277,755	2,261,559	2,296,877	+35,318

Highlights of Budget Changes

Fixed Costs

Fixed costs of \$30,577 are absorbed. There is a fixed cost adjustment of \$46 for an increased Departmental Working Capital Fund bill.

Park Management

Resource Stewardship

Proposals support park base increases (+\$6,389), ocean and coastal resources stewardship (+\$1,250), and the Underground Railroad Network to Freedom operations (+\$210). Reductions in travel (-\$96), information technology (-\$798), and strategic sourcing (-\$769) are also included.

Visitor Services

Increases are proposed to support park base increases (+\$13,443) and support interpretive media transformation (+\$1,000). Reductions in travel (-\$49), information technology (-\$823), and strategic sourcing (-\$369) are also included.

Park Protection

Increases are proposed to support park base increases (+\$2,241), expand Land Use Management Program (+\$2,000), enhance security at national icons (+\$1,800), and enhance servicewide risk management training (+\$700). Reductions in travel (-\$74), information technology (-\$1,142), and strategic sourcing (-\$1,052) are also included. Park Protection intends to transfer human resources activities to Park Support (-\$632).

Facility Operations and Maintenance

Increases are proposed to support park base increases (+\$7,712) and enhance cyclic maintenance (+\$3,207). Decreases are proposed to end the Challenge Cost Share program (-\$2,344) and for operational savings realized from ARRA projects (-\$2,405). Reductions in travel (-\$98), information technology (-\$1,632), and strategic sourcing (-\$3,912) are also included.

Park Support

Increases are proposed to support park base increases (+\$2,703), consolidate workforce management offices (+\$6,000), support employee development (+\$400), and professionalize acquisition management offices (+\$750). A decrease is proposed to end competitive sourcing studies (-\$821). Reductions in travel (-\$166), information technology (-\$1,281), and strategic sourcing (-\$1,554) are also included. The GSA space costs (-\$1,206) and servicewide information technology licenses (-\$9,089) are transferred to External Administrative Costs. Human resources activities are transferred from Park Protection (+\$632).

External Administrative Costs

An increase is proposed for servicewide communications and support at parks (+\$4,852) and to adjust the Working Capital Fund (+\$46). The GSA space costs (+\$1,206) and servicewide information technology licenses (+\$9,089) are transferred from Park Support.

APPROPRIATION: Park Partnerships

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
TOTAL APPROPRIATION	0	15,000	5,000	-10,000
Transfer Use of Unobligated Balances from Recreation Fees	0	-10,000	0	+10,000
TOTAL APPROPRIATION (<i>w/ transfers</i>)....	0	5,000	5,000	0

Highlights of Budget Changes

Park Partnerships

The 2010 budget included a \$10,000 transfer of unobligated balances from recreational fees that is not repeated in 2011.

APPROPRIATION: National Recreation and Preservation

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Recreation Programs.....	575	591	588	-3
Natural Programs.....	10,008	10,713	12,668	+1,955
Cultural Programs.....	22,655	25,026	24,932	-94
Environmental Compliance and Review.	423	434	434	0
Grants Administration	3,096	1,753	1,752	-1
International Park Affairs	1,625	1,655	1,649	-6
Heritage Partnership Programs				
Commissions and Grants.....	14,718	16,805	7,994	-8,811
Administrative Support	984	1,009	1,007	-2
Subtotal, Heritage Partnership.....	15,702	17,814	9,001	-8,813
Preserve America	0	4,600	0	-4,600
Statutory or Contractual Aid				
Angel Island Immigration Station	1,250	1,000	0	-1,000
Chesapeake Bay Gateways and Water Trails	1,000	1,000	0	-1,000
CrossRoads/ West Historic District	300	0	0	0
Hudson-Fulton-Champlain Quadricentennial.....	750	750	0	-750
Lamprey Wild and Scenic River.....	200	200	0	-200
National Law Enforcement Acts.....	500	0	0	0
National Tropical Botanical Garden	0	500	0	-500
National Voting Rights Interp. Center .	350	0	0	0
Native Hawaiian Culture and Arts Program	500	500	0	-500
River Rasin Battlefield - War of 1812....	350	0	0	0
Sewall-Belmont House NHS	0	1,000	0	-1,000
Star Spangled Banner NHT	0	500	0	-500
Yosemite Schools	400	400	0	-400
Subtotal, Stat./ Contractual Aid	5,600	5,850	0	-5,850
TOTAL APPROPRIATION	59,684	68,436	51,024	-17,412

Highlights of Budget Changes

Fixed Costs

Fixed costs of \$524 are absorbed.

Recreation Programs

Reductions in information technology (-\$2) and strategic sourcing (-\$1) are included.

Natural Programs

An increase is proposed to support Chesapeake Bay Ecosystem stewardship (+\$2,000). Reductions in travel (-\$5), information technology (-\$33), and strategic sourcing (-\$7) are included.

Cultural Programs

Reductions in travel (-\$6), information technology (-\$55), and strategic sourcing (-\$33) are included.

Grants Administration

A reduction in travel (-\$1) is included.

International Park Affairs

Reductions in travel (-\$1), information technology (-\$4), and strategic sourcing (-\$1) are included.

Heritage Partnership Program

A decrease is proposed to reduce heritage partnership programs (-\$8,805). Reductions in travel (-\$1), information technology (-\$3), and strategic sourcing (-\$4) are also included.

Preserve America

Preserve America grants are not requested in 2011 (-\$4,600).

Statutory or Contractual Aid

The NPS proposes to eliminate all statutory or contractual aid (-\$5,850).

APPROPRIATION: Urban Park and Recreation Fund

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
TOTAL APPROPRIATION	-1,300	0	0	0

APPROPRIATION: Historic Preservation Fund

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Grants-in-Aid to States.....	42,500	46,500	46,500	0
Tribal Grants	7,000	8,000	8,000	0
Save America's Treasures.....	20,000	25,000	0	-25,000
TOTAL APPROPRIATION <i>(w/o cancellation)</i>	69,500	79,500	54,500	-25,000
Cancellation of unobligated balances ..	-516	0	0	0
TOTAL APPROP. <i>(w/ cancellation; w/o ARRA)</i>	68,984	79,500	54,500	-25,000
Am. Recovery and Reinvestment Act ..	+15,000	0	0	0
TOTAL APPROP. <i>(w/ cancellation, w/ ARRA)</i>	83,984	79,500	54,500	-25,000

Highlights of Budget Changes

Grants-in-Aid to Save America's Treasures

Save America's Treasures grants are not requested in 2011 (-\$25,000).

APPROPRIATION: Construction

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Line Item Construction and Maint.	149,223	142,988	105,042	-37,946
North Shore Road Settlement.....	0	6,800	4,000	-2,800
Special Programs				
Emergency, Unscheduled.....	2,975	3,975	3,861	-114
Housing	6,000	5,000	2,965	-2,035
Dam Safety	2,500	2,500	2,500	0
Equipment Replacement.....	14,516	14,516	13,750	-766
Construction Planning.....	10,100	10,117	8,999	-1,118
Construction Program Mgmt. and Ops ...	34,552	38,535	38,300	-235
Management Planning	13,292	15,338	15,781	+443
TOTAL APPROP. (w/o cancel, trans, or ARRA)	233,158	239,769	195,198	-44,571
Cancellation of unobligated balances ..	-640	0	0	0
Other Net Transfers.....	+2,500	0	0	0
Am. Recovery and Reinvestment Act ..	+589,000	0	0	0
TOTAL APPROP. (w/ cancel, trans, and ARRA).....	824,018	239,769	195,198	-44,571

Highlights of Budget Changes

Fixed Costs

Fixed costs of \$811 are absorbed.

Line-item Construction

A net reduction of \$37,946 is proposed for line item construction. A list of proposed construction projects is included in Appendix M.

North Shore Road Settlement

A lower level of funding is proposed for activities relating to the North Shore Road settlement (-\$2,800).

Special Programs

A decrease is proposed to reduce support for housing improvement program (-\$2,000). Reductions in travel (-\$7), information technology (-\$10), and strategic sourcing (-\$898) are also included.

Construction Planning

A decrease is proposed for construction planning (-\$1,117). A reduction in strategic sourcing (-\$1) is included.

Construction Program Management and Operations

Reductions in travel (-\$15), information technology (-\$117), and strategic sourcing (-\$103) are included.

Management Planning

An increase is proposed for special resource studies (+\$485). Reductions in travel (-\$8), information technology (-\$22), and strategic sourcing (-\$12) are also included.

APPROPRIATION: Land Acquisition and State Assistance

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Assistance to States				
State Conservation Grants	19,000	37,200	47,200	+10,000
Administrative Expenses	1,000	2,800	2,800	0
Federal Land Acquisition				
Acquisitions	30,940	68,766	81,793	+13,027
Emergencies and Hardships.....	2,500	3,000	7,000	+4,000
Inholdings	2,500	5,000	7,000	+2,000
Acquisition Management.....	9,250	9,500	10,473	+973
TOTAL APPROPRIATION <i>(w/o cancellation)</i>	65,190	126,266	156,266	+30,000
Cancellation of balances.....	-1,000	0	0	0
TOTAL APPROPRIATION <i>(w/ cancellation)</i>	64,190	126,266	156,266	+30,000

Highlights of Budget Changes

Fixed Costs

Fixed costs of \$175 are absorbed.

State Conservation Grants and Administration

A \$10,000 increase is proposed for State conservation grants.

Federal Land Acquisition and Administration

Increases are proposed for emergencies, hardships, relocations, and deficiencies (+\$4,000), inholdings, donations, and exchanges (+\$2,000), Federal land acquisition projects (+\$13,027), and Federal acquisition management (+\$973). A list of proposed acquisition projects is included in Appendix G.

APPROPRIATION: Land and Water Conservation Fund Contract Authority

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
TOTAL APPROPRIATION	-30,000	-30,000	-30,000	0



INDIAN AFFAIRS

Mission – The mission of the Bureau of Indian Affairs is to fulfill its trust responsibilities and promote self-determination on behalf of federally recognized Indian Tribes. The mission of the Bureau of Indian Education is to provide quality education opportunities from early childhood through life in Indian Country.

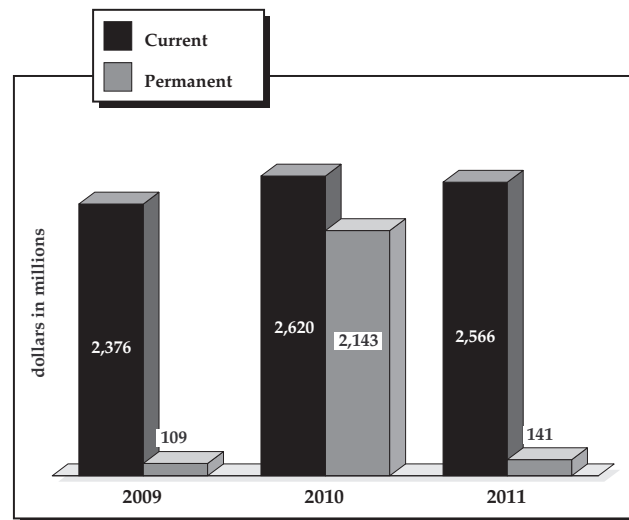
Background – In the last two centuries, the Congress has passed more Federal laws affecting American Indians and Alaska Natives than any other group of people in the United States. The Snyder Act, the Indian Self-Determination and Education Assistance Act, the Native American Education Improvement Act of 2001, and the Indian Reorganization Act are just a few of the laws that have defined the Federal authority and obligation to provide various programs and services to Indian Country. The scope of the United States' responsibilities to Indians includes a wide range of services delivered in concert with the enhancement of Indian self-determination.

The Congress has placed the major responsibility for Indian matters in the Department of the Interior, primarily within Indian Affairs. However, there are over 20 Federal departments and agencies that collectively provide a full range of Federal programs to Native Americans.

This budget includes the Empowering Tribal Nations initiative which builds on the historic Tribal Nation's conference, and the President's commitment to improve conditions throughout Indian Country. At the November 2009 Conference, attended by over 400 tribal leaders, the President pledged to strengthen Nation-to-Nation relationships, improve the tribal consultation process, and empower strong and stable Indian communities.

Program Overview – The BIA and BIE provide services directly or through contracts, grants, or compacts to a service population of 1.7 million American Indians and Alaska Natives who are members of 564 federally recognized Indian Tribes in the 48 contiguous United States and Alaska. The BIA manages Indian trust, social services, and self-determination programs. The BIE supports a 183-unit school system in Indian Country and administers grants to Tribal Colleges and Universities. The

Indian Affairs Funding

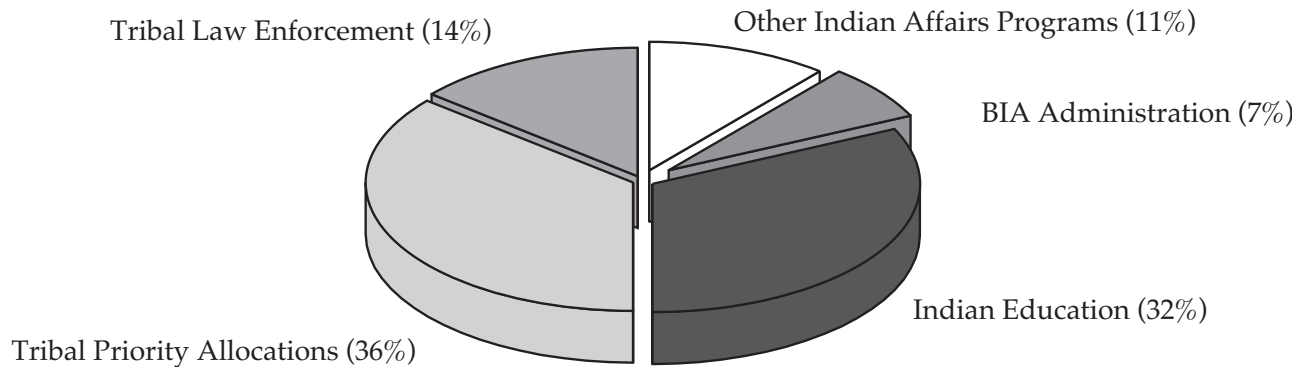


directors of both the BIA and BIE report to the Assistant Secretary of Indian Affairs. The bureaus share executive direction and administrative services.

The role of BIA and BIE has changed significantly in the last three decades in response to a greater emphasis on Indian self-determination. Programs are funded and operated in a highly decentralized manner, with almost 90 percent of all appropriations expended at the local level, and over 50 percent of appropriations provided directly to Tribes and tribal organizations through grants, contracts, and compacts for Tribes to operate government programs and schools.

Collectively, the Department's Indian programs cover virtually the entire range of State and local government services. Programs administered by either Tribes or BIA include social services such as welfare assistance; natural resources management on 55 million surface acres and 57 million acres of subsurface mineral estates; economic development programs; law enforcement; administration of tribal courts; implementation of Indian settlements; replacement and repair of schools; repair and maintenance of roads and bridges; operation and

Operation of Indian Programs \$2.6 billion



In 2011, more than nine of every ten dollars appropriated to Indian Affairs will be provided to education, human services, trust services, and other on-the-ground programs.

** Includes the following: resources management, trust services, information technology, and other program-related costs.*

maintenance of irrigation infrastructure; and repair of structural deficiencies at high hazard dams. Programs administered by either Tribes or BIE include an education system for approximately 42,000 elementary and secondary students and 30 tribal colleges, universities, and post-secondary schools.

Budget Overview – The 2011 budget request for Indian Affairs is \$2.6 billion in current appropriations, which is \$53.6 million or 2.0 percent below the enacted 2010 level. Excluding a one-time increase in 2010 to “forward-fund” Tribal Colleges and Universities and efficiency reductions, the 2011 budget is level with 2010 and an eight percent increase from the 2009 appropriation.

Empowering Tribal Nations Initiative– The Empowering Tribal Nations initiative is a multi-faceted effort that will advance Nation-to-Nation relationships, improve Indian education, protect Indian communities, and reform trust land management, with an ultimate goal of greater self-determination. The initiative builds on the historic White House Tribal Nation’s Conference held in November 2009, and the President’s commitment to improve conditions throughout Indian Country.

Advancing Nation-to-Nation Relationships – The 2011 President's budget will advance Nation-to-Nation relationships through investments in contract support, self-determination contract specialists, social workers, support for small tribal governments, and settlements. In total, \$29.9 million in programmatic increases are requested for these efforts. The Tribes identify funding

for contract support as their top priority. The additional funding increase of \$21.5 million in contract support and self-determination funds will allow BIA to pay approximately 94 percent of the contract support costs, not including Tribal Grant Support Costs in BIE. This funding increase will strengthen the capacity of Tribes to manage the Federal programs they contract, as well as eliminate the need for Tribes to utilize program funds to fulfill administrative requirements. An additional \$1.0 million in the budget will fund new Self-Determination Specialist positions to ensure proper contract oversight.

Another identified need in tribal communities is additional social workers to assist communities in addressing the problems associated with high unemployment and substance abuse. The budget contains an additional \$2.0 million for this activity. The initiative includes \$3.0 million to support small Tribes, with a population under 1,700 members, in order to improve the effectiveness of their tribal governments. An additional increase of \$500,000 will aid Tribes with the development of a performance data management system to track information needed for annual audit and reporting requirements. The 2011 budget request for BIA also includes an increase of \$1.5 million for the final payment of the Puget Sound Regional Shellfish settlement.

Protecting Indian Country – The 2011 President's budget will advance the Protecting Indian Country initiative through the addition of new law enforcement agents and funding for detention center operations. The 2011 request builds on the congressional support realized in

2010 and provides an additional \$20.0 million in program funding over the 2010 enacted level.

This budget reflects the Department's commitment to public safety in Indian Country by collaborating with the Department of Justice for additional Federal Bureau of Investigation agents dedicated to protecting Indian lands. Of this increase, \$19.0 million will go to DOJ to fund additional agents. The FBI has primary jurisdiction over major crimes on more than 200 reservations with approximately 105 agents available to investigate crimes that occur in Indian Country. The budget also proposes an increase of \$1.0 million for detention center operations and maintenance for new facilities built with DOJ grants.

Improving Trust Land Management – The Improving Trust Land Management initiative assists Tribes in the management, development, and protection of Indian trust land and natural resource assets. The budget includes \$9.1 million in programmatic increases for land management improvements, water management, cadastral surveys, and dam safety.

Within the increase, \$1.2 million is requested to begin land development of the former Bennett Freeze area. The Bennett Freeze was the product of a long standing land dispute which severely impacted the Navajo people. More than 12,000 Navajo people living in the area were subjected to over a 40 year freeze on development. With the lifting of the freeze in 2009, the region can be developed. The budget also includes a \$659,000 increase for cadastral surveys on the Nez Perce Reservation in Idaho. These surveys must be completed as a requirement of the Nez Perce/Snake River water rights settlement. The budget also includes a \$1.9 million increase for the probate program.

For the Water Management Planning and Pre-Development program as well as the Water Rights Negotiation and Litigation program, the budget includes a \$1.5 million program increase. The Management Planning and Pre-Development program assists Tribes in identifying and quantifying available water resources. The Water Rights Negotiation and Litigation program provides financial support for the United States to defend and assert Indian water rights. In addition, the 2011 budget includes an increase of \$3.8 million to improve program management, support emergency management, and to expedite repairs at high risk dams.

Advancing Indian Education – The 2011 request maintains the Department's ongoing commitment to improve Indian education for students in bureau-funded schools and tribally controlled colleges. The budget sustains congressional increases in 2010, and provides an

additional increase of \$8.9 million for key programs. The 2011 budget includes a decrease of \$50.0 million reflecting one-time forward funding in 2010 for Tribal Colleges and Universities that is no longer needed.

The budget request includes \$5.9 million to promote safe and secure schools. Of this increase, \$3.9 million will be used to implement safety and security programs at ten schools to mitigate security issues identified by the Inspector General in the past year, and to train staff to deal effectively with high risk student behaviors. The remaining \$2.0 million will provide funds for 13 full-time environmental professionals to conduct environmental audits at BIE schools.

Tribal Grant Support Costs cover administrative and indirect costs at 124 tribally controlled schools and residential facilities. Tribes operating BIE-funded schools under contract or grant authorization use these funds to pay for the administrative overhead necessary to operate a school, meet legal requirements, and carry out other support functions that would otherwise be provided by the BIE school system. The budget increases funding for these activities by \$3.0 million.

New Energy Frontier Initiative – Indian Affairs works closely with Tribes to assist them with the exploration and development of 1.8 million acres of tribal lands with active and potential energy resources. These lands have the potential for both conventional and renewable energy resource development. The 2011 budget includes an increase of \$2.5 million in Indian Affairs for energy projects as part of the Department's New Energy Frontier initiative. This increase includes \$1.0 million in the Minerals and Mining program to provide grants directly to Tribes for projects to evaluate and develop renewable energy resources on tribal trust land. The budget also contains a \$1.0 million increase for conventional energy development on the Fort Berthold Reservation, which sits atop the Bakken Basin, one of the most prolific oil and gas producing geographic areas in the U.S. To further expedite energy development on the Fort Berthold Reservation, Indian Affairs, the Bureau of Land Management, Minerals Management Service, and Office of the Special Trustee for American Indians will create a "virtual" one-stop shop. The budget includes a \$500,000 increase to support staff onsite, as well as provide on-call access to the full range of the Department's operational and financial management services.

Climate Change Adaptation Initiative – The budget includes \$200,000 as part of Interior's Climate Change Adaptation strategy. This funding will support BIA and tribal collaboration with the Department's Landscape Conservation Cooperatives, providing tribal input and

perspective to climate adaptation issues in the form of traditional ecological knowledge. A reduction of the same amount is included in Trust-Real Estate Services Oversight to fund this activity. Working as part of the LCCs, Indian Affairs will suggest strategies to address adaptation and mitigation for climate change on Indian lands. Both Indian Affairs staff and local tribal members will be involved with the LCCs.

Operation of Indian Programs – The 2011 budget for this account is funded at \$2.4 billion, \$58.7 million or 2.5 percent above the 2010 level. The 2011 budget emphasizes programs that provide a safe, secure, and economically sound future for Indian communities. The budget includes funding to foster strong tribal governments and advance Nation-to-Nation relationships.

Construction – The 2011 budget requests \$115.7 million for Construction, a program reduction of \$51.6 million from the 2010 enacted level. This includes a proposed transfer of \$57.3 million in facilities operations and maintenance funding from the Construction account to the Operation of Indian Programs account. The request takes into consideration the \$285.0 million that was provided to Indian Affairs for school and detention center construction activities and \$225.0 million provided to the Department of Justice for detention center construction under the American Recovery and Reinvestment Act. With funding from the Recovery Act, Indian Affairs will complete a number of high priority projects.

Included in the Construction request is \$52.9 million for Education, \$11.4 million for Public Safety and Justice, \$42.2 million for Resource Management, and \$9.3 million for other program construction. The budget includes decreases of \$8.9 million for education replacement facilities, \$41.5 million for new construction of detention center facilities, and \$5.0 million for public safety employee housing. An increase of \$3.8 million for the Safety of Dams program is also included. The \$57.3 million proposed transfer from the Construction account will consolidate operations and maintenance funding in the operations account. With greater transparency, the transfer will improve the management of the maintenance and construction programs.

At \$52.9 million, the Education Construction budget will fund phase two of the Denehotso replacement school, one school facility replacement project, and support employee housing. The budget maintains essential funding for facility improvement and repair projects at \$34.6 million. The Public Safety and Justice Construction program is funded at \$11.4 million to support employee housing and facilities improvement and repairs at detention centers. The Resource Management Construction program, funded at \$42.2 million, primarily focuses on irrigation

and dam safety projects. Other Program Construction focuses on management and facility repairs across the entire Construction program with a request of \$9.3 million.

Improving Trust Management – The Interior Department has made significant improvements in programs that provide essential services to trust beneficiaries and has established a viable trust organization. The 2011 budget request provides \$318.3 million to meet the requirements outlined in the Fiduciary Trust Model and continues trust reform initiatives.

Tribal Priority Allocations – Collectively, the budget proposes an increase of \$28.0 million in Tribal Priority Allocations, which is 3.4 percent above the 2010 enacted level. The TPA program increases include \$21.5 million for contract support and the Indian Self-Determination Fund, \$3.0 million for Small and Needy Tribes, \$2.0 million for additional social workers, \$1.2 million to develop the former Bennett Freeze area, and \$1.5 million for energy development in the Fort Berthold area.

Resolving Land and Water Claims – The 2011 budget request for BIA Indian Land and Water Claim Settlements is \$46.5 million. The budget request includes \$15.5 million for the fifth of seven required payments for the Nez Perce/Snake River Water Rights Settlement. The Settlement authorizes the Department to provide the Nez Perce Tribe and the State of Idaho a total of \$170.9 million to be funded over seven years. The \$95.8 million BIA portion of the Settlement funds water supply, habitat restoration, and other purposes.

The request includes \$6.5 million for the final year of funding for the Puget Sound Regional Shellfish Settlement, fulfilling the Department's \$23.5 million portion of the \$34.5 million Settlement. The Settlement resolves disputes regarding the treaty rights of several Tribes to take shellfish from tidelands on the Puget Sound.

In July 2008, the Soboba Band of Luiseño Indians Settlement Act became law. The Act authorized \$11.0 million to be appropriated over two years to the Soboba Band of Luiseño Indians' Water Development Fund. The budget request includes \$5.5 million, the second and last payment to satisfy the settlement requirements.

The Omnibus Public Land Management Act of 2009 authorizes \$60.0 million over five years for the Shoshone-Paiute Tribes of the Duck Valley Reservation Water Settlement. The budget includes \$12.0 million, the second of five payments to satisfy this requirement. The Act also authorizes \$50.0 million over ten years for the Navajo Nation Water Resources Development Trust Fund. The budget request includes \$6.0 million, the second payment to satisfy this requirement.

Indian Land Consolidation Program – The budget includes \$1.0 million for the Indian Land Consolidation Program, a reduction of \$2.0 million from 2010, to maintain this program and to assist in estate planning. Pending congressional action and final approval by the U.S. District Court for the District of Columbia, the *Cobell v. Salazar* settlement agreement would establish a \$2.0 billion fund for trust land consolidation. This new funding would be used to reduce the number of fractionated land interests, consolidate those interests to make them more economically viable, and decrease administrative costs over the long run.

Other Decreases – Reductions include \$1.1 million for Education Program Management to fund other priorities within the education program and \$7.5 million for probate activities reflecting elimination of the backlog.

Fixed Costs and Related Changes – Fixed costs of \$19.4 million are absorbed. There is a fixed cost adjustment of \$210,000 for an increased Departmental Working Capital Fund bill.

Management Efficiencies – The request includes reductions that are proposed Interior-wide based on SAVE Award nominations reflecting anticipated efficiency savings of \$271,000 from travel and relocation, \$2.3 million from information technology, and \$2.7 million from strategic sourcing. Reductions unique to Indian Affairs totaling \$748,000 are proposed reflecting efficiencies from the elimination of conferences, reductions to printing costs, and the elimination of funding that supported competitive sourcing.

SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

Comparison of 2011 Request with 2010 Enacted:

	2010 Enacted		2011 Request		Change from 2010	
	FTE	Amount	FTE	Amount	FTE	Amount
Appropriations						
Operation of Indian Programs	5,792	2,335,965	6,080	2,394,640	+288	+58,675
Reimbursable Programs.....	818	0	818	0	0	0
Allocations from Other Agencies.....	549	0	511	0	-38	0
Construction	401	225,000	118	115,723	-283	-109,277
Reimbursable Programs.....	22	0	22	0	0	0
Allocations from Other Agencies.....	389	0	389	0	0	0
Indian Land and Water Claim Settlements						
and Miscellaneous Payments to Indians	0	47,380	0	46,480	0	-900
Indian Guaranteed Loan Program Account.....	0	8,215	0	8,158	0	-57
Indian Land Consolidation Program	12	3,000	5	1,000	-7	-2,000
Subtotal, Appropriations (w/o ARRA).....	7,983	2,619,560	7,943	2,566,001	-40	-53,559
American Recovery and Reinvestment Act	75	0	0	0	-75	0
Subtotal, Appropriations (w/ ARRA).....	8,058	2,619,560	7,943	2,566,001	-115	-53,559
Permanents and Trusts						
Operation and Maintenance of Quarters.....	53	5,643	53	5,617	0	-26
Miscellaneous Permanent Appropriations.....	328	112,674	328	114,377	0	+1,703
White Earth Settlement Fund	0	2,000	0	2,000	0	0
Gifts and Donations	0	60	0	60	0	0
Indian Loan Guaranty and Insurance Fund						
Liquidating Account.....	0	-250	0	-250	0	0
Indian Direct Loan Program Account.....	0	691	0	0	0	-691
Indian Guaranteed Loan Program Account.....	0	17,791	0	0	0	-17,791
Revolving Fund for Loans, Liquidating Account..	0	-900	0	-900	0	0
Trust Land Consolidation Fund.....	12	2,000,000	19	0	+7	-2,000,000
Indian Education Scholarship Holding Fund.....	0	5,000	0	20,000	0	+15,000
Subtotal, Permanents and Trusts	393	2,142,709	400	140,904	+7	-2,001,805
TOTAL, BUREAU OF INDIAN AFFAIRS (w/o ARRA) ..	8,376	4,762,269	8,343	2,706,905	-33	-2,055,364
TOTAL, BUREAU OF INDIAN AFFAIRS (w/ ARRA)....	8,451	4,762,269	8,343	2,706,905	-108	-2,055,364

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Operation of Indian Programs

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Tribal Government				
Aid To Tribal Government.....	33,596	33,195	31,862	-1,333
Consolidated Tribal Gov't Program.....	68,933	71,659	71,538	-121
Self Governance Compacts.....	144,397	147,762	148,633	+871
Contract Support.....	147,294	166,000	187,526	+21,526
Indian Self Determination Fund.....	0	2,000	2,000	0
New Tribes.....	311	311	311	0
Small and Needy Tribes.....	0	0	2,950	+2,950
Road Maintenance.....	0	0	26,413	+26,413
Tribal Gov't Program Oversight.....	8,000	8,851	9,804	+953
Subtotal, Tribal Government.....	402,531	429,778	481,037	+51,259
Human Services				
Social Services.....	33,538	33,766	35,863	+2,097
Welfare Assistance.....	74,915	74,915	74,911	-4
Indian Child Welfare Act.....	10,798	11,143	11,039	-104
Housing Improvement Program.....	13,614	12,620	12,619	-1
Human Services Tribal Design.....	444	455	429	-26
Human Services Program Oversight ...	4,139	4,097	3,908	-189
Subtotal, Human Services.....	137,448	136,996	138,769	+1,773
Trust - Natural Resources Management				
Natural Resources, General.....	4,454	4,641	5,741	+1,100
Irrigation Ops. and Maintenance.....	11,922	11,970	11,923	-47
Rights Protection Implementation.....	18,250	30,451	28,451	-2,000
Tribal Mgmt. / Development Program..	5,679	5,636	7,634	+1,998
Endangered Species.....	1,234	1,249	1,249	0
Climate Change.....	0	0	200	+200
Integrated Resource Info. Program.....	2,130	2,130	2,109	-21
Agriculture and Range.....	24,363	28,912	28,894	-18
Forestry.....	43,203	43,854	43,698	-156
Water Resources.....	10,018	10,084	10,453	+369
Fish, Wildlife and Parks.....	7,429	11,410	11,340	-70
Minerals and Mining.....	12,474	18,622	0	-18,622
Resource Mgmt. Program Oversight....	6,554	6,659	6,645	-14
Subtotal, Trust-NR Management.....	147,710	175,618	158,337	-17,281
Trust - Real Estate Services				
Trust Services, General.....	11,082	9,672	9,652	-20
Navajo-Hopi Settlement Program.....	1,203	1,230	1,226	-4
Probate.....	20,334	20,573	13,083	-7,490
Land Title and Records Offices.....	14,747	14,556	14,525	-31
Real Estate Services.....	48,140	48,398	49,804	+1,406
Land Records Improvement.....	15,659	15,454	15,271	-183
Environmental Quality.....	11,601	14,714	16,696	+1,982
Alaskan Native Programs.....	1,022	1,033	1,033	0
Rights Protection.....	11,137	12,036	13,025	+989
Real Estate Services Oversight.....	15,162	14,827	16,439	+1,612
Subtotal, Trust-Real Estate Services..	150,087	152,493	150,754	-1,739

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Public Safety and Justice				
Law Enforcement	255,077	303,152	335,788	+32,636
Tribal Courts	14,508	24,704	24,681	-23
Fire Protection.....	1,200	999	1,106	+107
Subtotal, Public Safety and Justice ...	270,785	328,855	361,575	+32,720
Community/Economic Development				
Job Placement and Training.....	11,864	11,654	11,567	-87
Economic Development	3,493	2,241	2,368	+127
Road Maintenance	26,046	26,490	0	-26,490
Community Development.....	400	1,400	1,400	0
Minerals and Mining	0	0	19,998	+19,998
Community Development Oversight ..	1,786	3,125	3,080	-45
Subtotal, Comm./Economic Dev.	43,589	44,910	38,413	-6,497
Executive Direction/ Admin. Services	260,327	267,915	261,260	-6,655
Education				
Elementary and Secondary Programs - Forward Funded	499,470	518,702	524,990	+6,288
Elementary and Secondary Programs.. Post Secondary Programs -	75,126	77,379	127,823	+50,444
Forward Funded	0	50,000	64,321	+14,321
Post Secondary Programs	115,272	126,791	62,269	-64,522
Education Management	26,285	26,528	25,092	-1,436
Subtotal, Education Programs.....	716,153	799,400	804,495	+5,095
TOTAL APPROPRIATION (w/o ARRA or trans).	2,128,630	2,335,965	2,394,640	+58,675
Am. Recovery and Reinvestment Act ..	+40,000	0	0	0
Other Net Transfers.....	+2,083	0	0	0
TOTAL APPROPRIATION (w/ ARRA and trans)	2,170,713	2,335,965	2,394,640	+58,675

Highlights of Budget Changes

Fixed Costs and Related Changes

Fixed costs of \$18,789 are absorbed. There is a fixed cost adjustment of \$210 for an increased Departmental Working Capital Fund bill.

Tribal Government

A net increase of \$51,259 is proposed for this activity, which includes increases of \$19,526 for Contract Support and \$2,000 for the Indian Self-Determination Fund in support of self-determination. Increases of \$2,950 are proposed to assist small and needy Tribes and \$1,000 is proposed for Tribal Government Regional Oversight for self-determination specialists. A decrease is proposed for management efficiencies from conference savings (-\$98). Internal transfers total an increase of \$26,043. The request includes reductions reflecting anticipated efficiency savings of \$17 from travel and relocation expenses, and \$145 from strategic sourcing.

Human Services

A net increase of \$1,773 is proposed for this activity and includes an increase of \$2,000 for additional social workers. Internal transfers total a decrease of \$177. The request includes reductions reflecting anticipated efficiency savings of \$10 from travel and relocation expenses, \$12 from information technology, and \$28 from strategic sourcing.

Trust – Natural Resources Management

A net decrease of \$17,281 is proposed for this activity. Increases include \$1,200 for the development of the former “Bennett Freeze” area, \$200 in support of Interior’s Climate Change initiative, and \$500 for Water Management, Planning, and Predevelopment. Internal transfers total a decrease of \$18,922. The request includes reductions reflecting anticipated efficiency savings of \$25 from travel and relocation expenses, \$55 from information technology, and \$179 from strategic sourcing.

Trust – Real Estate Services

A net decrease of \$1,739 is proposed for this activity. An increase of \$1,000 is proposed for Water Rights Negotiation and Litigation support. An increase of \$1,000 is proposed for the real estate services program for energy development on the Ft. Berthold reservation. Increases are also proposed for Environmental Audits at BIE funded schools (+\$2,000), cadastral surveys for the Snake River Water Rights settlement (+\$659), and Real Estate Services central oversight (+\$1,679). A decrease of \$7,452 is proposed for the elimination of the probate backlog. Internal transfers total a decrease of \$186. The request includes reductions reflecting anticipated efficiency savings of \$55 from travel and relocation expenses, \$178 from information technology, and \$206 from strategic sourcing.

Public Safety and Justice

A net increase of \$32,720 is proposed for this activity. Increases are proposed for additional FBI agents (+\$19,000) and for the operation and maintenance of new detention centers (+\$1,000). Internal transfers total \$13,398. The request includes reductions reflecting anticipated efficiency savings of \$54 from travel and relocation expenses, \$252 from information technology, and \$372 from strategic sourcing.

Community and Economic Development

A net decrease of \$6,497 is proposed for this activity, composed of increases of \$1,000 for Minerals and Mining Projects, \$500 for the Ft. Berthold one-stop shop, and internal transfers total a decrease of \$7,956. The request includes reductions reflecting anticipated efficiency savings of \$5 from travel and relocation expenses, \$14 from information technology, and \$22 from strategic sourcing.

Executive Direction and Administrative Services

A net decrease of \$6,655 is proposed for this activity. Increases are proposed for a performance data management system (+\$500) and acquisitions and property management (+\$450). Decreases are proposed for competitive sourcing (-\$350) and savings from reduced printing costs (-\$100). Internal transfers total a decrease of \$5,477. There is a fixed cost adjustment of +\$210 for an increased Departmental Working Capital Fund bill. The request includes reductions reflecting anticipated efficiency savings of \$58 from travel and relocation expenses, \$1,508 from information technology, and \$322 from strategic sourcing.

Education

A net increase of \$5,095 is proposed for Education. Increases of \$3,000 are proposed for Tribal Grant Support costs and \$3,900 for ISEP program adjustments for the Safe and Secure Schools initiative. Decreases are proposed for the elimination of one-time funding to forward fund Tribal Colleges (-\$50,000) and for Education Program Management (-\$1,100). Internal transfers total an increase of \$50,385. The request includes reductions reflecting anticipated efficiency savings of \$36 from travel and relocation expenses, \$171 from information technology, and \$883 from strategic sourcing.

APPROPRIATION: Construction

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Education	128,837	112,994	52,854	-60,140
Public Safety and Justice	39,399	64,407	11,377	-53,030
Resources Management	40,306	38,385	42,159	+3,774
Other Program Construction.....	2,060	2,064	2,043	-21
Construction Management	7,086	7,150	7,290	+140
TOTAL APPROPRIATION <i>(w/o ARRA)</i>	217,688	225,000	115,723	-109,277
Am. Recovery and Reinvestment Act..	+450,000	0	0	0
TOTAL APPROPRIATION <i>(w/ ARRA)</i>	667,688	225,000	115,723	-109,277

Highlights of Budget Changes

Fixed Costs and Related Changes

Fixed costs of \$536 are absorbed.

Education Construction

The School Construction program has a net decrease of \$60,140, including a reduction of \$8,928 for Replacement Facility Construction. Internal transfers total a decrease of \$50,746. The request includes reductions reflecting anticipated efficiency savings of \$3 from travel and relocation expenses and \$463 from strategic sourcing.

Public Safety and Justice Construction

The Public Safety and Justice Construction program has a net decrease of \$53,030, including reductions of \$41,500 for Facilities Replacement and \$5,000 for Employee Housing. Internal transfers total a decrease of \$6,523. The request includes reductions reflecting anticipated efficiency savings of \$7 from strategic sourcing.

Resources Management Construction

This activity has a net increase of \$3,774. An increase of \$3,830 is proposed for the Safety of Dams program. The request includes reductions reflecting anticipated efficiency savings of \$6 from travel and relocation expenses, \$30 from information technology, and \$20 from strategic sourcing.

Other Program Construction

This activity has a net increase of \$119. Internal transfers total \$183. The request includes reductions reflecting anticipated efficiency savings of \$2 from travel and relocation expenses, \$26 from information technology, and \$36 from strategic sourcing.

A detailed list of construction projects is included in Appendix M.

APPROPRIATION: Indian Land and Water Claim Settlements and Miscellaneous Payments to Indians

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Land Settlements				
White Earth Land Settlement (Admin) ..	625	625	625	0
Hoopa-Yurok Settlement Fund	250	250	250	0
Water Settlements				
Pyramid Lake Water Rights Settlemt ...	142	142	142	0
Nez Perce/Snake River	15,210	15,463	15,463	0
Navajo Water Resources Development Trust Fund	0	6,000	6,000	0
Duck Valley Water Rights Settlement ..	0	12,000	12,000	0
Miscellaneous Payments				
Puget Sound Regional Shellfish Settle .	3,000	5,000	6,500	+1,500
Pueblo of Isleta Settlement.....	2,400	2,400	0	-2,400
Soboba Band / Luiseño Indians Settle...	0	5,500	5,500	0
TOTAL APPROPRIATION	21,627	47,380	46,480	-900

Highlights of Budget Changes

Indian Settlements and Miscellaneous Payments

A net decrease of \$900 is proposed for this activity comprised of an increase of \$1,500 for the Puget Sound Regional Shellfish Settlement and a decrease of \$2,400 for the completion of the Pueblo of Isleta Settlement.

APPROPRIATION: Indian Guaranteed Loan Program Account

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
TOTAL APPROPRIATION <i>(w/o ARRA)</i>	8,186	8,215	8,158	-57
Am. Recovery and Reinvestment Act..	+10,000	0	0	0
TOTAL APPROPRIATION <i>(w/ ARRA)</i>	18,186	8,215	8,158	-57

Highlights of Budget Changes

Fixed Costs and Related Changes
Fixed costs of \$22 are absorbed.

Indian Guaranteed Loan Program

A net decrease of \$57 is proposed for the Indian Guaranteed Loan Program, a program which enables banks to provide loans to Indian entrepreneurs, thereby further enhancing reservation development. Internal transfers total a decrease of \$22. The request includes reductions reflecting anticipated efficiency savings of \$13 from information technology and \$22 from strategic sourcing.

APPROPRIATION: Indian Land Consolidation Program

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
TOTAL APPROPRIATION	0	3,000	1,000	-2,000

Highlights of Budget Changes

Fixed Costs and Related Changes
Fixed costs of \$29 are absorbed.

Indian Land Consolidation Program

A decrease of \$2,000 is proposed for the Indian Land Consolidation Program.



DEPARTMENTAL OFFICES

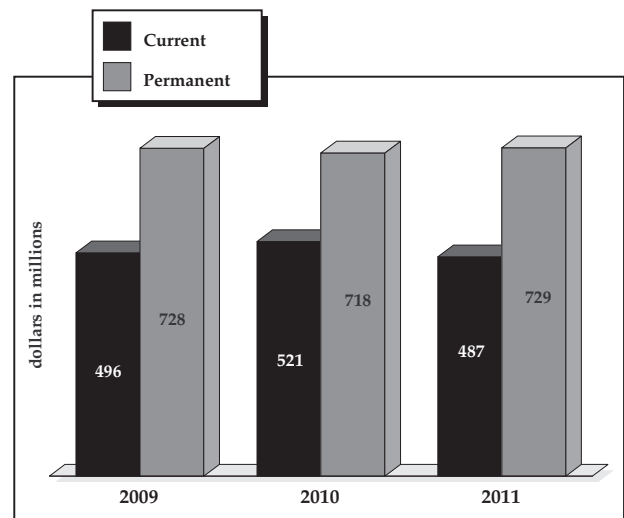
Overview – The Department of the Interior protects and manages the Nation’s cultural heritage and natural resources; provides scientific and other information about those resources; and honors trust responsibilities and commitments to American Indians, Alaska Natives, and affiliated island communities.

Departmental Offices principally provide leadership, management, and coordination activities; deliver services to Interior’s bureaus and offices; and operate unique cross-cutting functions that do not logically fit elsewhere. The Office of the Secretary provides executive direction for the Department through the development of policy, legislation, and the annual budget. The Office of the Secretary also provides central administrative activities such as finance, information resources, acquisition, and human resources. The Office also manages the administrative appeals functions contained in the Office of Hearings and Appeals, protection and promotion of native arts in the Indian Arts and Crafts Board, and valuation of lands and minerals through centralized realty appraisal services.

There are several programs within Departmental Offices that are funded in separate appropriations. The Office of Insular Affairs provides assistance to insular areas. The Office of the Special Trustee for American Indians manages and discharges the Secretary of the Interior’s responsibility for over \$3.6 billion in trust assets for American Indians. Departmental Offices also include the Office of the Solicitor, which provides legal services to the bureaus and offices on behalf of the Secretary, and the Office of Inspector General, which reviews Interior activities and conducts audits and investigations.

The Office of the Secretary also manages four Department-wide programs. The Payments in Lieu of Taxes program provides payments to local governments in jurisdictions where Federal lands are located; the Central Hazardous Materials Fund provides a coordinated, consistent approach to remediate Interior sites impacted by hazardous substances; the Natural Resource Damage Assessment and Restoration program coordinates all of

Departmental Offices Funding



the Department’s restoration efforts for affected resources injured as a result of oil spills or hazardous substance releases into the environment; and the Wildland Fire Management program addresses wildfire on public lands. Working collaboratively with the participating bureaus, the Department coordinates wildland fire activities within Interior and with the U.S. Forest Service. The Office of the Secretary also manages the Department’s Working Capital Fund and the Interior Franchise Fund. These programs are discussed in a separate chapter.

The 2011 budget reflects the implementation of several management improvements to achieve greater efficiency and accountability, employ modern technology, eliminate duplication, and enhance service to citizens. The Department’s 2011 budget includes three efficiency proposals based on Securing Americans Value and Efficiency, known as SAVE. These award ideas will be managed through the organizations of the Office of the Secretary. The budget assumes efficiency savings of \$62.0 million throughout the Department from these three proposals.

The budget assumes a reduction of \$12.0 million in travel and relocation expenses to be achieved by implementing Department-wide policies, including travel ceilings, to focus funding toward the highest priority mission travel; reform permanent change of station relocations; and reduce the number of conferences through enhanced use of teleconferencing and website systems. A reduction of \$20.0 million in information technology will be achieved by implementing Interior-wide solutions to reduce duplication and parallel investment in information technology infrastructure by eliminating redundant equipment, services, and support. For example, efforts are currently underway to deploy a common e-mail system to eliminate inefficiencies related to incompatibility among multiple systems. A reduction of \$30.0 million in acquisitions will be achieved through an Interior strategic sourcing effort to consolidate acquisition for common services and commodities and leverage savings. The Department has successfully utilized strategic sourcing for the acquisition of information technology software and hardware and plans to expand this approach to enterprise contracts for furniture, copiers and printers, vehicle fleet, wireless communications, and supplies. The Working Capital Fund budget includes an increase of \$5.0 million for acquisition reforms including the expansion of strategic sourcing capabilities.

The 2011 budget request continues support for deployment of an integrated business management system, the Financial and Business Management System. This system has been deployed at three bureaus including the Minerals Management Service, Office of Surface Mining, and Bureau of Land Management, with the U.S. Geological Survey scheduled for deployment in late 2010. To strengthen accountability and financial management, FBMS will replace a variety of outdated, stand-alone systems that are costly to operate, difficult to secure, and unable to provide integrated financial and performance information.

Office of the Secretary

Mission – The Office of the Secretary provides the executive level leadership, policy, guidance, and coordination needed to manage the diverse, complex, and nationally significant programs that are the Department of the Interior’s responsibilities.

Program Overview – The Interior Department is comprised of nine bureaus and numerous offices, each with a unique mission. The Department of the Interior’s 2011 budget request includes \$12.2 billion in current appropriations and anticipates the collection of \$14.0 billion in receipts. To deliver Interior’s broad mission, the Department employs approximately 70,000 employees including physical and social scientists, historians,

architects, engineers, attorneys, trust officers, rangers, law enforcement officers, teachers, and construction and maintenance workers, who are geographically dispersed at 2,400 locations across the United States. In 2011, Interior will manage more than 500 million acres onshore and 1.7 billion acres offshore to promote renewable energy and continue conventional energy activities; develop adaptive management solutions to address the impacts of climate change; engage thousands of children and young adults in conservation; help Indian, Alaska Native, and insular communities to prosper; and improve water conservation with a sustainable water strategy. The direction and coordination activities conducted in the Office of the Secretary have large impacts, guiding the efforts to deliver water to 31 million people; maintain and operate parks, wildlife refuges, and recreation areas that will host over 477 million visits; and educate approximately 42,000 Indian children.

Although a sizable task, the Office of the Secretary leads this dynamic agency with less than one percent of Interior’s total budget. The majority of management activities associated with the Office of the Secretary are funded from the Salaries and Expenses appropriation. Most of the offices funded within this appropriation are located in Washington, D.C. while field offices across the country provide support for environmental protection, Indian probate, hearings and appeals, indirect cost negotiations, appraisal services, and aircraft services.

The National Business Center, which is the Office of the Secretary’s business component, is funded primarily through the Working Capital Fund and the Franchise Fund. The National Business Center provides business and administrative services to Interior bureaus and offices and to other Federal agencies. The business lines that NBC manages include financial management, payroll and personnel, aircraft services, acquisition, information technology, and appraisal services.

Budget Overview – The 2011 budget request for Salaries and Expenses is \$122.0 million, which is a \$3.2 million increase above the 2010 enacted level. This includes increases of \$2.0 million for consolidated appraisal services, \$250,000 for a Program Evaluation initiative, and \$225,000 to support the Assistant Secretary for Insular Areas.

Treasured Landscapes Initiative – The 2011 budget for the Office of the Secretary includes an increase of \$2.0 million for consolidated appraisal services to support the Administration’s robust Land and Water Conservation Fund proposal. Increased valuation support will be needed to ensure timely completion of appraisals associated with a requested \$96.0 million increase in Federal land acquisition.

Salaries and Expenses – The 2011 budget includes two other program changes. First, an increase of \$225,000 is required to fund the Assistant Secretary for Insular Areas and associated support costs. This position was created in 2009 to promote the economic, social and political development of the U.S. affiliated insular areas.

Second, an increase of \$250,000 is requested for a new Program Evaluation initiative that will build the foundation for the Department to conduct strong independent evaluations of program activities. This funding supports a government-wide effort to incorporate rigorous evaluation analysis into budget formulation and policy decisions. Funding in 2011 will be used to build capacity through intra-Departmental coordination and data preparation, and begin several program evaluations.

Fixed Costs and Related Changes – Fixed cost increases total \$1.1 million, of which \$1.0 million are funded, and \$126,000 are absorbed.

Management Efficiencies – The request includes reductions that are proposed Interior-wide based on SAVE Award nominations reflecting anticipated efficiency savings of \$22,000 from travel and relocation, \$198,000 from information technology, and \$107,000 from strategic sourcing. The increased cost of a centralized service agreement for personnel, acquisition, and financial services will be offset by a \$100,000 reduction reflecting the elimination of the competitive sourcing program; a \$70,000 savings from data circuit consolidation; and a \$40,000 savings due to cancellation of an annual conference.

Office of Insular Affairs

Mission – The Office of Insular Affairs assists U.S. affiliated islands to develop more efficient and effective governments by providing financial and technical assistance, and helps manage Federal-island relations by promoting appropriate Federal policies.

Program Overview – The OIA carries out the Secretary’s responsibilities for U.S. affiliated insular areas. These include the Territories of Guam, American Samoa, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands, as well as the three Freely Associated States: the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau. The OIA achieves its mission by improving the financial management practices of insular governments, increasing economic development opportunities, and increasing Federal responsiveness to the unique needs of island communities.

The insular areas are strategic for the U.S. from a national security perspective. The Department of Defense is

planning to move some 17,000 military personnel and their dependents from Okinawa, Japan, to Guam. This move is expected to generate an influx of approximately 20,000 civilian workers and residents to take advantage of new jobs opening on Guam. An influx of this magnitude will significantly strain the government of Guam’s ability to provide housing and services to these new residents, particularly as the island’s current systems and infrastructure are inadequate in many areas. As plans for the realignment are settled, Interior will work with the Departments of Agriculture and Defense to promote the development of high priority infrastructure projects related to the military realignment.

Budget Overview – The 2011 OIA budget request is \$457.7 million, of which \$87.0 million is in current appropriations. The current appropriation request is \$15.5 million below 2010 enacted, reflecting a decrease of \$1.5 million in Assistance to Territories and a reduction of \$14.0 million in the Compact of Free Association current funds. The Assistance to Territories decrease includes a \$250,000 program reduction to the Office of Insular Affairs operations account.

In addition to this request is permanent funding for insular areas, which reflects long-term commitments that are guaranteed in law. Permanent appropriations for OIA in 2011 total \$370.8 million. This funding includes \$224.8 million in Compact of Free Association payments to the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau. Also included is \$146.0 million in payments to Territories that reimburse both the Virgin Islands for Federal excise taxes collected on rum sales and Guam for the income taxes collected from Federal employees and military personnel residing in Guam.

Assistance to Territories – The 2011 budget for Assistance to Territories includes an increase of \$5.0 million for the Empowering Insular Communities program. The program is designed to strengthen the foundations for economic development in the islands by addressing challenges that prevent reliable delivery of critical services needed to attract investment and to pursue economic development initiatives that encourage private sector investment in the insular areas.

Compact of Free Association – The 2011 budget includes a \$14.0 million reduction to discontinue the one-year extension of the Palau Compact from 2010. The 2011 budget presumes the enactment of legislation to extend the Compact of Free Association to Palau through 2024. This legislative proposal for Palau would provide a total of \$250.0 million in financial assistance over a period of 15 years, including \$20.8 million in 2011. The proposal also includes funds for reimbursement to the United

States Postal Service for services they provide to Palau and the Freely Associated States.

Fixed Costs and Related Changes – Fixed cost increases total \$129,000, of which \$96,000 are funded and \$33,000 are absorbed.

Management Efficiencies – The 2011 budget request includes reductions that are proposed Interior-wide based on SAVE Award nominations reflecting anticipated efficiency savings of \$136,000 from travel and relocation, \$10,000 from information technology, and \$107,000 from strategic sourcing.

Office of the Solicitor

Mission – The Office of the Solicitor’s mission is to provide high quality legal and counseling services to the Secretary and Interior’s offices and bureaus, administer the Ethics program, help resolve legal issues among bureaus and offices as they fulfill their duties, and manage Interior’s Freedom of Information Act appeals.

Program Overview – The Solicitor’s Office attorneys provide legal advice and counsel to all areas of the Department to ensure that Interior’s programs are carried out in a manner consistent with applicable laws, regulations, and Administration policy. They prepare formal legal opinions; review draft legislation, regulations, contracts, and other documents; and provide informal legal advice in a wide variety of circumstances. In addition, the attorneys represent Interior in administrative litigation and assist the Department of Justice with judicial litigation.

Along with the legal and counseling responsibilities of the Interior Department, the Solicitor’s Office also administers the Ethics and FOIA appeals programs. The Ethics staff oversees Interior’s statutorily mandated ethics program by implementing the laws, executive orders, regulations, and Departmental policies concerning conflicts of interest and employee responsibilities and conduct. The FOIA appeals staff manages the extensive FOIA appeals processing function by reviewing appeals to determine the issues and develop the Department’s response or decision.

Budget Overview – The Solicitor’s 2011 budget request is \$67.9 million, an increase of \$2.8 million above the 2010 enacted level.

Salaries and Expenses – The Office of the Solicitor’s 2011 budget request includes an increase of \$1.4 million to restructure and expand the current capacity of the Ethics Office and provide additional staff working on ethics within the Department; \$400,000 to reestablish the

Solicitor’s Honors Program; and \$250,000 for workforce planning to allow for retention and promotion of high performing attorneys within the Solicitor’s Office. The Office will also redirect \$50,000 in efficiency savings from publication subscriptions to support the Office’s training program.

Fixed Costs and Related Changes – Fixed costs are fully funded at \$1.0 million.

Management Efficiencies – The 2011 budget request includes reductions that are proposed Interior-wide based on SAVE Award nominations reflecting anticipated efficiency savings of \$6,000 from travel and relocation, \$118,000 from information technology, and \$107,000 from strategic sourcing.

Office of Inspector General

Mission – The mission of the Office of Inspector General is to promote excellence, accountability, and integrity in the programs, operations, and management of the Department of the Interior.

Program Overview – The OIG assists the Secretary and the Congress by targeting resources toward oversight of the Department’s most serious management and program challenges, and high risk areas vulnerable to fraud, waste, and mismanagement. The OIG is responsible for independently and objectively identifying risks and vulnerabilities that directly impact or could impact Interior’s ability to accomplish its mission. The OIG is required to keep the Secretary and the Congress fully and currently informed about problems and deficiencies relating to the administration of Interior programs and operations. Effective implementation of this mandate addresses the public’s demand for greater accountability and integrity in the administration of government programs and operations and the demand for programs that work better, cost less, and achieve the results about which Americans care most. The OIG headquarters is located in Washington, D.C., with field offices and staff in locations across the continental United States, the U.S. Virgin Islands, and Hawaii.

Budget Overview – The 2011 budget request for the OIG is \$49.6 million, an increase of \$970,000 above the 2010 enacted level.

Salaries and Expenses – The 2011 budget request includes an increase of \$394,000 for the Council of the Inspectors General on Integrity and Efficiency.

Fixed Costs and Related Changes – Fixed costs are funded at \$777,000.

Management Efficiencies – The 2011 budget request includes reductions that are proposed Interior-wide based on SAVE Award nominations reflecting anticipated efficiency savings of \$13,000 from travel and relocation, \$81,000 from information technology, and \$107,000 from strategic sourcing.

Office of the Special Trustee for American Indians

Mission – The Office of the Special Trustee for American Indians provides fiduciary guidance, management, and leadership for both Tribal Trust accounts and Individual Indian Money accounts. The OST oversees and coordinates the Department’s efforts to establish consistent policies, procedures, systems, and practices throughout Interior for the Indian fiduciary trust. The OST has operational responsibility for financial trust fund management, including receipt, investment, and disbursement of Indian trust funds and for real estate appraisals on Indian trust lands. The OST’s Office of Historical Trust Accounting has responsibility to plan, organize, direct, and execute the historical accounting of Tribal Trust accounts and IIM accounts. The Bureau of Land Management, Minerals Management Service, Bureau of Indian Affairs, and the Secretary’s Office of Hearings and Appeals carry out additional trust functions of the Department with oversight by the Special Trustee.

Program Overview – The OST manages over \$3.6 billion of funds held in over 2,700 trust accounts for more than 250 Indian Tribes, and over 380,000 open IIM accounts. The balances that have accumulated in the trust funds have resulted generally from judgment awards, settlement of claims, land-use agreements, royalties on natural resource use, other proceeds derived directly from trust resources, and financial investment income.

The Department has developed a comprehensive and systematic plan to reform the management of its trust responsibilities, the Fiduciary Trust Model. The status of the implementation of FTM has been described in the reports provided to the U.S. District Court in *Cobell v. Salazar*. The FTM includes a guide to improve delivery of fiduciary trust services, effectiveness, and accountability of trust operations; and the re-engineering of Interior’s fiduciary trust business processes and systems to ensure that the Interior Department meets its fiduciary trust goals and objectives.

The primary concept of the FTM, working in partnership with the beneficiaries, is to improve the business processes for the delivery of services to tribal and individual Indian beneficiaries by standardizing, streamlining, and automating these processes and services. Recent progress includes the following accomplishments, the FTM:

- Operated a state-of-the-market Trust Beneficiary Call Center where beneficiaries can call toll-free with issues and questions regarding their accounts or lands. In 2009, the TBCC handled over 243,000 calls with a first line resolution rate of 95 percent.
- Recovered addresses on 31 percent of the Whereabouts Unknown accounts. This represented 26,225 accounts totaling \$27.5 million.
- Collected and moved 13,647 boxes of records to the American Indian Records Repository and also indexed 12,960 boxes. The AIRR now contains approximately 500 million pages of records.
- Distributed funds for 8,502 completed probates which closed 9,447 estate accounts.
- Provided records management training to 711 BIA and OST records contacts and 272 tribal employees.
- Processed a total of \$520.8 million through the centralized commercial lockbox and posted 77 percent to beneficiaries’ accounts within two days of receipt.
- Made tribal and individual trust beneficiary services available directly from highly-skilled Regional Trust Administrators and Fiduciary Trust Officers experienced in fiduciary trust matters. The RTAs and FTOs are the primary points of contact for tribal and individual beneficiary inquiries and provide proactive outreach education and training on a variety of trust and financial issues.
- Assisted BIA with the distribution of \$232,708 in appealed range rate receipts from 168 aged special deposit accounts through the Trust Asset and Accounting Management System invoicing and distribution module.
- Continued to emphasize debit card and direct deposit options in lieu of paper checks, increasing the total number to over 26,500. In 2008, surveyed cardholders reported a 77 percent extremely or very satisfied experience using the debit cards.
- Provided remote and on-site support to the Fort Berthold Agency by researching oil and gas development activities, producing maps identifying new well site locations, and monitoring production data to track and design a field monitoring process for wells on leased land.

Budget Overview – The 2011 OST budget requests \$160.2 million in current appropriations, which is \$25.8 million below the 2010 enacted level.

The 2011 OST budget includes decreases of \$25.0 million for the Office of Historical Trust Accounting, and \$2.6 million due to the completion of certain trust reform tasks. The budget request includes increases of \$740,000 for trust services, and \$72,000 for implementation of Electronic Official Personnel Folders.

Historical Accounting – The OST request includes \$31.5 million for the OHTA, a decrease of \$25.0 million from the 2010 level. The request provides \$27.5 million for tribal accounting and \$4.0 million for special deposit accounts.

The 2011 budget assumes enactment and Court approval in 2010 of a settlement of the *Cobell v. Salazar* lawsuit, including \$1.4 billion to compensate for historical accounting claims and to resolve potential mismanagement claims of individual Indian trust accounts. The potential settlement also includes \$2.0 billion for a Trust Land Consolidation Fund. The settlement does not address pending tribal cases.

The budget reduces \$25.0 million for historical accounting of IIM accounts resulting from the proposed settlement of the *Cobell v. Salazar* class action lawsuit. The settlement addresses all existing and potential trust-related claims that the plaintiffs may have against the U. S. to date.

A total of \$27.5 million will support analysis of tribal claims in coordination with the U.S. Department of Justice. There are currently 95 tribal cases pending involving 116 Tribes. The OHTA intends to continue its strategy

in 2011 of satisfying the critical information needs of Tribes through briefings, settlement negotiations, targeted document production, and analysis of tribal accounts. The OHTA will also support active litigation in coordination with the U.S. Department of Justice. The provision of tribal historical accountings and continued analysis of tribal claims are essential to resolving the 95 tribal cases, whether through settlement or active litigation.

A total of \$4.0 million will be used to resolve the proper ownership of residual balances in special deposit accounts and distribute account balances to Tribes, individual Indians, and non-trust entities.

Fixed Costs and Related Changes – Fixed cost increases total \$1.5 million, of which \$1.4 million are funded and \$125,000 are absorbed.

Management Efficiencies – The 2011 budget request includes reductions that are proposed Interior-wide based on SAVE Award nominations reflecting anticipated efficiency savings of \$35,000 from travel and relocation, \$190,000 from information technology, and \$107,000 from strategic sourcing.

SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

Comparison of 2011 Request with 2010 Enacted:

	2010 Enacted		2011 Request		Change from 2010	
	FTE	Amount	FTE	Amount	FTE	Amount
Appropriations						
Office of the Secretary.....	371	118,836	374	121,987	+3	+3,151
Assistance to Territories	41	85,195	41	83,670	0	-1,525
Compact of Free Association.....	0	17,318	0	3,318	0	-14,000
Office of the Solicitor	354	65,076	365	67,894	+11	+2,818
Office of Inspector General.....	277	48,590	277	49,560	0	+970
Office of Special Trustee for American Indians	689	185,984	710	160,215	+21	-25,769
Subtotal, Appropriations (w/o ARRA)	1,732	520,999	1,767	486,644	+35	-34,355
American Recovery and Reinvestment Act	10	0	10	0	0	0
Subtotal, Appropriations (w/ ARRA).....	1,742	520,999	1,777	486,644	+35	-34,355
Permanents and Other						
Take Pride in America	0	5	0	5	0	0
Indian Arts and Crafts Board	0	50	0	50	0	0
Payments to U.S. Territories, Fiscal Assistance.....	0	177,000	0	146,000	0	-31,000
Compact of Free Association.....	0	200,971	0	224,750	0	+23,779
Tribal Special Funds.....	0	265,967	0	280,170	0	+14,203
Tribal Trust Fund.....	0	73,988	0	77,939	0	+3,951
Allocation Account - Office of the Secretary	81	0	81	0	0	0
Reimbursements - Office of the Secretary	243	0	243	0	0	0
Reimbursements - Office of the Solicitor	51	0	48	0	-3	0
Subtotal, Other Accounts	375	717,981	372	728,914	-3	+10,933
TOTAL, DEPARTMENTAL OFFICES (w/o ARRA)	2,107	1,238,980	2,139	1,215,558	+32	-23,422
TOTAL, DEPARTMENTAL OFFICES (w/ ARRA).....	2,117	1,238,980	2,149	1,215,558	+32	-23,422
National Indian Gaming Commission.....	112	17,000	119	18,000	+7	+1,000

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Office of the Secretary - Salaries and Expenses

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Executive Direction.....	14,190	15,212	15,687	+475
Policy, Management, and Budget	32,628	33,419	34,211	+792
Hearings and Appeals.....	7,658	7,868	8,001	+133
Consolidated Appraisal Services	8,012	12,136	14,136	+2,000
Indian Arts and Crafts Board	1,177	1,201	1,221	+20
Central Administrative Services	41,976	47,401	47,168	-233
USBM Workers Compensation	623	599	563	-36
Nat'l Museum of Am. Latino Comm.....	1,000	1,000	1,000	0
TOTAL APPROPRIATION <i>(w/o cancellation)</i>	107,264	118,836	121,987	+3,151
Federal Subsistence Balances Cancelled.....	-108	0	0	0
TOTAL APPROPRIATION <i>(w/ cancellation)</i>	107,156	118,836	121,987	+3,151

Highlights of Budget Changes

Fixed Costs

Fixed cost increases total \$1,129, of which \$1,003 are funded and \$126 are absorbed.

Executive Direction

An increase of \$475 is proposed for this activity. The request includes a program increase of \$225 for the Assistant Secretary for Insular Affairs' Office. Fixed cost increases total \$283, of which \$250 are funded and \$33 are absorbed.

Policy Management and Budget

An increase of \$792 is proposed for this activity. The request includes a program increase of \$250 for Program Evaluations. Fixed cost increases total \$614, of which \$542 are funded and \$72 are absorbed.

Consolidated Appraisal Services

The request includes a program increase of \$2,000 to support the requested increase for Federal land acquisition.

Central Administrative Services

A decrease of \$233 is proposed for this activity. The request includes a fixed cost increase of \$193 for the GSA space, offset by decreases of \$94 for the Departmental Working Capital Fund bill and \$5 in the cost of workers and unemployment compensation. The request also includes reductions reflecting anticipated efficiency savings of \$22 from travel and relocation expenses, \$198 from information technology, and \$107 from strategic sourcing. The increased cost of a centralized service agreement for personnel, acquisition, and financial services will be offset by a \$100,000 reduction reflecting the elimination of the competitive sourcing program; a \$70,000 savings from data circuit consolidation; and a \$40,000 savings due to cancellation of an annual conference.

APPROPRIATION: Assistance to Territories

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
American Samoa				
Operations Grants.....	22,752	22,752	22,752	0
Northern Marianas				
Covenant Grants (Mandatory).....	27,720	27,720	27,720	0
Territorial Assistance				
Office of Insular Affairs.....	8,850	9,280	9,080	-200
Technical Assistance	11,018	15,302	12,084	-3,218
Maintenance Assistance Fund.....	2,241	2,241	2,241	0
Brown Tree Snake.....	2,631	3,000	3,000	0
Insular Management Controls	1,453	0	0	0
Coral Reef Initiative	1,000	1,000	1,000	0
Water and Wastewater Projects.....	1,000	1,900	793	-1,107
Guam Infrastructure	0	2,000	0	-2,000
Empowering Insular Communities.....	0	0	5,000	+5,000
Subtotal, Territorial Assistance.....	28,193	34,723	33,198	-1,525
TOTAL APPROPRIATION	78,665	85,195	83,670	-1,525

Highlights of Budget Changes**Fixed Costs**

Fixed cost increases total \$129, of which \$96 are funded and \$33 are absorbed.

Office of Insular Affairs

The 2011 budget request for the Office of Insular Affairs is a decrease of \$200 from the 2010 enacted level of \$9,280. This amount includes an increase of \$50 for fixed costs and other related changes and a program decrease of \$250. The program decrease will be accomplished by reducing travel and OIA staffing as necessary.

Technical Assistance

The budget contains a \$3,218 program decrease in the amount available for direct grants to the insular areas for Technical Assistance activities that provide support not otherwise available to the insular areas, to improve the productivity and efficiency of government operations, develop local expertise, and build institutional capacity in critical areas. These critical areas typically include grants awarded directly to the insular areas in support of projects in the following categories: accountability, financial management, tax system modifications, insular management controls, economic development, training and education, energy, public safety, and health.

Water and Wastewater Projects

The \$1,107 decrease in Water and Wastewater Projects is comprised of the removal of a \$900 earmark in 2010 for the U.S. Virgin Islands; and a \$207 general decrease resulting from mandated operational reductions that could not be absorbed by the Office of Insular Affairs account without impacting financial assistance oversight capabilities.

Guam Infrastructure

In 2011, Guam Infrastructure will no longer be an independent subactivity. Instead, the \$2,000 available for activities that assist with civilian infrastructure improvements needed as a result of the U.S. military's increased presence on the island will now be funded as part of the proposed Empowering Insular Communities program.

Empowering Insular Communities

The new Empowering Insular Communities program of \$5,000 is designed to strengthen the foundations for economic development in the islands by addressing challenges preventing reliable delivery of critical services needed to attract investment, and to pursue economic development initiatives that encourage private sector investment in the insular areas.

APPROPRIATION: Compact of Free Association

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Federal Services.....	2,818	2,818	2,818	0
Palau Program Grant Assistance	2,000	2,000	0	-2,000
Enewetak Support.....	500	500	500	0
Palau Compact.....	0	12,000	0	-12,000
TOTAL APPROPRIATION	5,318	17,318	3,318	-14,000

Highlights of Budget Changes**Compact of Free Association**

The 2011 budget includes a \$14.0 million reduction to discontinue the one-year extension of the the Palau Compact from 2010. As a result, no funding is requested in the budget for Palau.

APPROPRIATION: Office of the Solicitor

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Legal Services	45,938	47,255	48,844	+1,589
General Administration	14,966	16,635	16,493	-142
Ethics	1,146	1,186	2,557	+1,371
TOTAL APPROPRIATION	62,050	65,076	67,894	+2,818

Highlights of Budget Changes**Fixed Costs**

Fixed costs of \$1,049 are fully funded.

Legal Services

The 2011 budget proposes an increase of \$1,589. The request includes program increases to reestablish the Solicitor Honor's program (+\$400) and for retention of high performing attorneys in the Office (+\$250). A reduction in travel (-\$6) is also included. Fixed costs of \$945 are fully funded.

General Administration

The 2011 budget requests a \$142 decrease in General Administration. Reductions in information technology (-\$118) and strategic sourcing (-\$107) are included. In addition, the Office will redirect \$50,000 in efficiency savings from publication subscriptions to support the Office's training program. Fixed costs of \$83 are fully funded.

Ethics

The 2011 budget request proposes an increase of \$1,371 for Ethics. The request includes a program increase to restructure and expand the current capacity of the Ethics office. Fixed costs of \$21 are fully funded.

APPROPRIATION: Office of Inspector General

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Audit	20,083	21,333	21,597	+264
Investigations.....	16,690	17,533	17,855	+322
Management	9,180	9,724	10,108	+384
TOTAL APPROPRIATION <i>(w/o ARRA)</i>	45,953	48,590	49,560	+970
Am. Recovery and Reinvestment Act ..	+15,000	0	0	0
TOTAL APPROPRIATION <i>(w/ ARRA)</i>	60,953	48,590	49,560	+970

Highlights of Budget Changes**Fixed Costs**

Fixed costs of \$777 are fully funded.

Management

The 2011 budget proposes an increase of \$384. The request includes an increase of \$394 for the Council of the Inspectors General on Integrity and Efficiency. Reductions in travel (-\$13), information technology (-\$81), and strategic sourcing (-\$107) are also included. Fixed costs of \$191 are fully funded.

APPROPRIATION: Office of the Special Trustee for American Indians

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Federal Trust Programs				
Executive Direction.....	2,163	2,256	2,272	+16
Program Ops. and Support.....	179,485	183,728	157,943	-25,785
TOTAL APPROPRIATION	181,648	185,984	160,215	-25,769

Highlights of Budget Changes**Fixed Costs**

Fixed cost increases total \$1,515, of which \$1,390 are funded and \$125 are absorbed.

Program Operations and Support

The 2011 budget includes decreases of \$25,000 for the Office of Historical Trust Accounting and \$2,639 due to the completion of certain trust reform tasks. The budget also includes increases of \$740 for trust services and \$72 for implementation of Electronic Official Personnel Folders. The request includes reductions reflecting anticipated efficiency savings from travel and relocation expenses (-\$35), information technology (-\$190), and strategic sourcing (-\$107).



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.

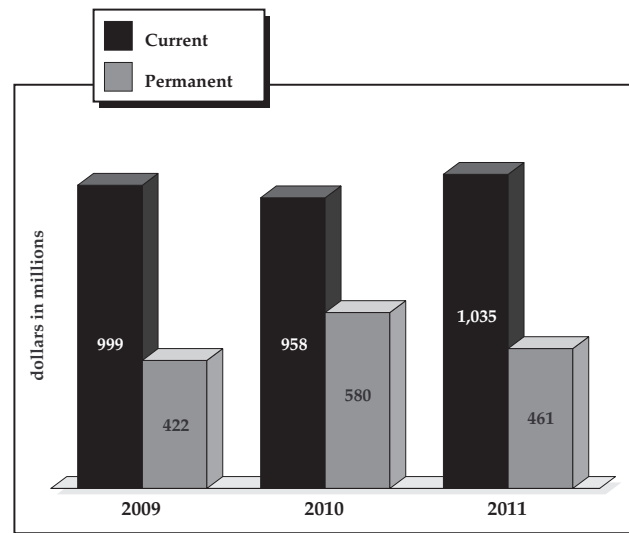
The Department’s Wildland Fire Management program funds fire prevention, suppression, and rehabilitation activities performed by the land management agencies and the Bureau of Indian Affairs. The Payments in Lieu of Taxes program supports the activities and functions of the Department’s land management bureaus by funding payments to local governments in jurisdictions where Federal lands are located. These payments assist local jurisdictions to offset costs incurred 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 to collect funds 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.

Wildland Fire Management

Mission – The goal of the Wildland Fire Management program is to achieve both a cost-efficient and technically effective fire management program that meets resource and safety objectives, while minimizing both the cost of suppression and damage to resources.

Department-wide Programs Funding



Program Overview – The Wildland Fire Management appropriation and two new appropriation accounts discussed below provide the Department’s funding for wildland fire preparedness, suppression, hazardous fuels reduction and other prevention activities, and rehabilitation activities. Wildland Fire Management activities are performed by four Interior bureaus: the 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 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 wildland fire management 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 participating agencies.

The Wildland Fire Management program continues to improve 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 Interior wildland fire management agencies adopted a systematic hazardous fuels allocation process in 2007. The Hazardous Fuels Prioritization and Allocation System is now used each year to make hazardous fuels reduction agency allocations. The HFPAS employs the use of a modeling tool called Ecosystem Management Decision Support, or EMDS. The EMDS tool provides a common approach that all agencies use to direct funds to those areas of the country that have higher risk of wildland fire and to help minimize the loss of valued resources. The EMDS outputs are mapped nationally by agency to produce a visual representation of relative priorities. In recent years, Interior and the Forest Service have been working on the development and implementation of the Fire Program Analysis, a common interagency process for fire management planning and budgeting with a cost-effective trade-off analysis incorporating land and resource management objectives. This FPA was deployed in 2009. Outputs from the 2010 analysis will be used to evaluate 2011 program budget allocations relative to the agencies' potential performance. 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 through 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 Obama Administration has built on these improvements by implementing important reforms within the Wildland Fire Management programs that strengthen oversight and accountability of suppression spending and use risk management principles to guide decision-making at the strategic, program, and operational levels. For example, the agencies have implemented policies that allow management of fires for multiple objectives, reducing impediments to risk-informed decisionmaking.

Budget Overview – The 2011 budget proposes a total of \$933.9 million to support the fire preparedness, suppression, fuels reduction, and burned area rehabilitation needs of the Department of the Interior. This represents an increase of \$78.0 million over the 2010 enacted level, which did not fully fund the ten-year suppression average.

The 2011 budget request provides sufficient funding for wildland fire suppression to minimize the need for transferring funds from non-fire accounts, and also

emphasizes budget transparency. The 2011 budget allocates suppression funding among three accounts. The ten-year average of \$384.0 million is split between \$288.0 million in the regular suppression account in the Wildland Fire Management appropriation and \$96.0 million in the FLAME Wildfire Suppression Reserve Fund that was authorized by Congress in Title V of the 2010 Interior Appropriations Act. Consistent with the FLAME Act, the regular suppression account will fund initial attack and predictable firefighting costs, while the FLAME Fund will fund the costs of large catastrophic-type fires and also serve as a reserve when funds available in the regular suppression account are exhausted.

In the event that suppression needs exceed the ten-year average, the 2011 budget request also includes a \$75.0 million Presidential Wildland Fire Contingency Reserve. This contingency reserve helps ensure that sufficient funds are available for suppression activities. It cannot be tapped until all suppression funds have been depleted and the President issues a finding that the amounts are necessary for emergency suppression operations.

In total, the 2011 request for suppression for all three accounts is \$459.0 million, an increase of \$139.2 million over the 2010 enacted level. The budget proposes to reduce funding for Hazardous Fuels Reduction by \$42.6 million. The Department will apply the funding decrease for the fuels program to treatments outside of the wildland-urban interface. The budget request gives greater priority to reducing the risk of wildfire to communities by increasing the proportion of fuels funding spent on treatments in the wildland-urban interface. The budget also proposes to discontinue the \$7.0 million in funding for the Rural Fire Assistance program, reduces funding for Preparedness by \$5.0 million, and funding for Burned Area Rehabilitation by \$2.0 million.

Fixed Costs and Related Changes – Fixed costs of \$7.4 million are absorbed.

Management Efficiencies – The request includes reductions that are proposed Interior-wide based on SAVE Award nominations reflecting anticipated efficiency savings of \$300,000 from travel and relocation, \$1.3 million from information technology, and \$2.9 million from strategic sourcing.

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 integrates the Department’s interests in 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 other programs, leveraging staff and resources to maximize efforts. Annually, the program funds remediation and restoration at approximately 35 sites.

Budget Overview – The 2011 budget request for the Central Hazardous Materials Fund is \$10.2 million, a decrease of \$23,000 below the 2010 enacted level. In 2011, cleanup activities at the larger on-going sites such as the Crab Orchard National Wildlife Refuge in Illinois and Topock, California where soil and groundwater contamination continue to threaten the Colorado River and the adjacent Havasu National Wildlife Refuge will continue to be funded. The Central Hazardous Materials Fund also plans to conduct ten internal control reviews, provide technical and legal support on Central Hazardous Materials Fund projects, aggressively pursue cost avoidance or cost recoveries at sites with viable potentially responsible parties, and provide technical training for bureau staff working at Central Hazardous Materials Fund sites. The Central Hazardous Materials Fund Technical Review Committee will make a recommendation on the complete list of sites to be funded for 2011 in late 2010. The Central Hazardous Materials Fund also plans to begin utilization of the newly developed nomination module to track site specific data that will be used for prioritization and performance monitoring.

Fixed Costs and Related Changes – Fixed costs are fully funded at \$85,000.

Management Efficiencies – The request includes reductions that are proposed Interior-wide based on SAVE Award nominations reflecting anticipated efficiency savings of \$1,000 from information technology and \$107,000 from strategic sourcing.

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 Federal, State, tribal, and 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 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.

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.

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 is an integrated Departmental program, drawing upon the interdisciplinary strengths of the various bureaus and offices. Funds are leveraged by staff and resources in bureaus and other offices. A centralized program management function minimizes redundant administrative and managerial functions in the bureaus.

Budget Overview – The 2011 request for the Restoration program is \$6.4 million, \$28,000 below the 2010 enacted level. The \$6.4 million request includes \$3.9 million for

damage assessment projects, \$1.9 million for program management, and \$621,000 for restoration support. Additionally, \$52.0 million represents the anticipated amount of settlement receipts to be recovered in settled damage assessment cases in 2011. Current balances in the NRDAR Fund, as of December 31, 2009 total over \$415 million. Restoration planning and implementation are underway in various stages at hundreds of sites nationwide. Consistent with statutory and regulatory requirements, the receipts are used exclusively by trustees for restoration of injured lands and resources or for reimbursement of past assessment costs. In 2011, the Restoration program will continue partnership efforts with Federal, State, and tribal co-trustees to restore injured lands and resources.

Fixed Costs and Related Changes – Fixed costs are fully funded at \$91,000.

Management Efficiencies – The 2011 budget request includes reductions that are proposed Interior-wide based on SAVE Award nominations reflecting anticipated efficiency savings of \$9,000 from travel and relocation, \$3,000 from information technology, and \$107,000 from strategic sourcing.

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, as well as pooled costs for activities like water settlement negotiations. 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.

There is an appropriated component of the WCF that funds the Financial and Business Management System deployment and information technology and acquisition support for improved efficiency. There is another component that is not appropriated, but funded from collections 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 procured. Customers are billed each year on 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. In 2011, the WCF centralized bill is held level with 2010, consistent with the constrained budget across the Department. 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. The Department negotiates these annual changes with all Interior bureaus and offices, which helps to contain costs and ensure transparency and accountability.

Budget Overview – The 2011 budget proposes \$84.1 million for the appropriated portion of the Department's Working Capital Fund, a decrease of \$1.7 million from the 2010 enacted level. Of this amount, \$74.1 million is included to fund the continued deployment of the Financial and Business Management System, a decrease of \$6.3 million from the 2010 enacted level. The System has been deployed to the Minerals Management Service, the Office of Surface Mining and BLM, and deployment is scheduled for the U.S. Geological Survey by late 2010. The 2011 funding will complete the deployment of FBMS to the Office of the Secretary and Fish and Wildlife Service and initiate deployment for the remaining Interior bureaus. Also included are funds to cover bureau costs in preparing and transitioning to the new system.

The request includes \$5.0 million for on-going enterprise-wide information technology enhancements required by Administration directives, Office of Inspector General findings, technology developments, and security threats. This funding will allow the Department to reconfigure and consolidate its infrastructure. These efficiency actions will posture the Department to realize additional fiscal savings in information technology infrastructure costs. An increase of \$5.0 million is included for acquisition improvements and will support the recruitment of additional skilled acquisition staff, the creation of centers of acquisition excellence, and the necessary training and oversight to achieve acquisition goals and savings. The Department will develop shared contracts that will be used Interior-wide for the acquisition of commodities, supplies, and services. In 2011, Interior will stand-up centers of expertise that will be strategically located to implement these master contracts.

In 2011, estimated collections into the WCF total \$202.5 million for centralized billing and \$358.8 million for direct billed activities.

Fixed Costs and Related Changes – There are no fixed costs requested for funds appropriated to the Working Capital Fund.

Management Efficiencies – The 2011 budget request includes reductions that are proposed Interior-wide based on SAVE Award nominations reflecting anticipated efficiency savings of \$69,000 from travel and relocation, \$405,000 from information technology, and \$724,000 from strategic sourcing.

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 2011 budget continues this program as 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 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 this program in 1977, \$4.8 billion in payments have been made. Local governments may receive other benefits from having Federal lands located within their borders, including direct payments from economic uses of the public lands. In 2009, counties reported a total of \$306.9 million in these direct payments.

Budget Overview – Since the inception of the PILT program in 1977 and through 2007, PILT funding had been subject to appropriation. The Emergency Economic Stabilization Act of 2008 converted PILT to a mandatory classification, and authorized the program through 2012. In 2009, payments of \$381.6 million were made to counties, which were funded from the mandatory appropriation at the full entitlement level of \$382.0 million. The remaining \$400,000 covered administrative costs which are authorized to be funded from the mandatory appropriation. The 2010 PILT payment amounts for local jurisdictions will be formulated with a scheduled payment to be made in June 2010.

SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

Comparison of 2011 Request with 2010 Enacted:

	2010 Enacted		2011 Request		Change from 2010	
	FTE	Amount	FTE	Amount	FTE	Amount
Appropriations						
Wildland Fire Management (FTE DWP only).....	10	794,897	13	762,925	+3	-31,972
FLAME Wildfire Suppression Reserve Fund.....	0	61,000	0	96,000	0	+35,000
Presidential Wildland Fire Contingency Reserve...	0	0	0	75,000	0	+75,000
Central Hazardous Materials Fund.....	5	10,175	5	10,152	0	-23
Natural Resource Damage Assessment.....	9	6,462	9	6,434	0	-28
Working Capital Fund.....	19	85,823	49	84,119	+30	-1,704
Subtotal, Appropriations.....	43	958,357	76	1,034,630	+33	+76,273
Permanents and Other						
Payments in Lieu of Taxes.....	1	395,297	1	409,434	0	+14,137
Natural Resource Damage Assessment.....	0	185,000	0	52,000	0	-133,000
Working Capital Fund.....	1,299	0	1,309	0	+10	0
Interior Franchise Fund.....	103	0	103	0	0	0
Subtotal, Permanents and Other.....	1,403	580,297	1,413	461,434	+10	-118,863
TOTAL, DEPARTMENT-WIDE PROGRAMS.....	1,446	1,538,654	1,489	1,496,064	+43	-42,590

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Wildland Fire Management

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Preparedness.....	281,767	290,452	282,679	-7,773
Suppression Operations.....	335,191	258,797	287,968	+29,171
Other Operations				
Hazardous Fuels Reduction	203,053	206,206	162,069	-44,137
Burned Area Rehabilitation	20,305	20,305	18,072	-2,233
Fire Facilities	6,137	6,137	6,137	0
Joint Fire Science	6,000	6,000	6,000	0
Rural Fire Assistance	7,000	7,000	0	-7,000
Subtotal, Other Operations.....	242,495	245,648	192,278	-53,370
TOTAL APPROP. (w/o supp and ARRA).....	859,453	794,897	762,925	-31,972
Supplemental Appropriations.....	+50,000	0	0	0
TOTAL APPROP. (w/ supp)	909,453	794,897	762,925	-31,972
Am. Recovery and Reinvestment Act..	+15,000	0	0	0
TOTAL APPROP. (w/ supp and ARRA)	924,453	794,897	762,925	-31,972

Highlights of Budget Changes

Fixed Costs

Fixed costs of \$7,410 are absorbed within the total request.

Preparedness

A decrease of \$7,773 is proposed for this activity, including a program decrease of \$4,969 which includes a reduction of \$3,720 for wildland firefighter training, equipment and supply replacement, and technical contract services. An additional reduction of \$1,249 will be achieved through elimination of the Ready Reserve program. Management savings of \$2,804 for travel, information technology, and strategic sourcing are allocated to this program. Fixed cost increases of \$5,190 are absorbed within this program.

Suppression Operations

A program increase of \$29,171 fully funds the Department's estimated initial fire attack portion of the ten-year average.

Other Operations

Hazardous Fuels Reduction: A decrease of \$44,137 is proposed for this subactivity, including a program decrease of \$42,627. The Department will focus the balance of program funds on reducing risks in the wildland urban interface. Management savings of \$1,510 are allocated to this program. Fixed cost increases of \$2,220 are absorbed within this program.

Burned Area Rehabilitation: A program decrease of \$2,000 will allow the Department to maintain funding at a level in line with the cost of treatments in an average year. Management savings of \$233 are allocated to this program.

Rural Fire Assistance: A program reduction of \$7,000 eliminates the grant program, which is duplicative of others within the Departments of Homeland Security and Agriculture.

APPROPRIATION: FLAME Wildfire Suppression Reserve Fund

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
TOTAL APPROPRIATION	0	61,000	96,000	+35,000

Highlights of Budget Changes**FLAME Wildfire Suppression Reserve Fund**

The budget proposes an increase of \$35,000 to fully fund the FLAME Wildfire Suppression Reserve Fund that was authorized by Congress in Title V of the 2010 Interior Appropriations bill. Together with funds in the regular suppression account in the Wildland Fire Management appropriation, the budget request fully funds the ten-year average of \$384 million. Funds in the FLAME account will be used to pay for the costs of large catastrophic-type fires and also serve as a reserve when funds available in the regular suppression account are exhausted.

APPROPRIATION: Presidential Wildland Fire Contingency Reserve

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
TOTAL APPROPRIATION	0	0	75,000	+75,000

Highlights of Budget Changes**Presidential Wildland Fire Contingency Reserve**

The budget proposes to establish a new contingency reserve of \$75,000 for suppression operations that may be transferred to Wildland Fire Management and expended for emergency fire suppression under the following conditions: the Secretary of the Interior has issued a declaration that all funds appropriated for emergency fire suppression operations in the Wildland Fire Management and FLAME Wildfire Suppression Reserve Fund accounts will be exhausted within 30 days, and the President issues a written determination that the transfer of such amounts is necessary for emergency fire suppression and Federal emergency response operations.

APPROPRIATION: Central Hazardous Materials Fund

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
TOTAL APPROPRIATION	10,148	10,175	10,152	-23

APPROPRIATION: Natural Resource Damage Assessment and Restoration Fund

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Damage Assessments	3,979	4,022	3,880	-142
Restoration Support	604	615	621	+6
Program Management	1,744	1,825	1,933	+108
TOTAL APPROPRIATION	6,327	6,462	6,434	-28

APPROPRIATION: Working Capital Fund

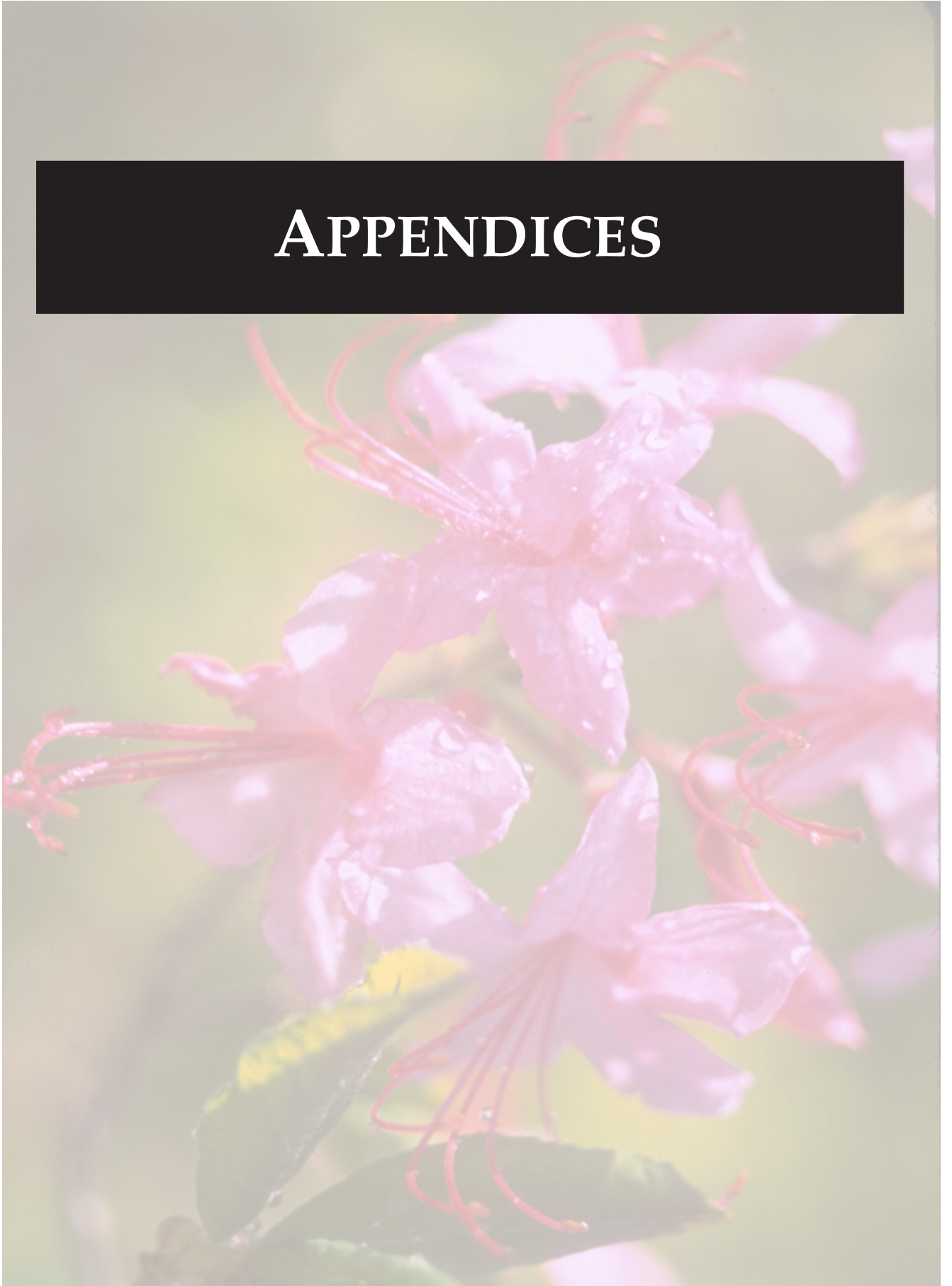
	2009 Actual	2010 Enacted	2011 Request	Change from 2010
TOTAL APPROPRIATION	73,435	85,823	84,119	-1,704

Highlights of Budget Changes

Working Capital Fund

The WCF budget request is \$1,704 below the 2010 level. This decrease includes a \$6,308 reduction for the development and deployment of the Financial and Business Management System, which also includes reductions for anticipated efficiency savings of \$69 for travel, \$405 for information technology, and \$724 for the Department's strategic sourcing initiative. The request also includes a decrease of \$396 for on-going enterprise-wide information technology enhancements. An increase of \$5,000 for acquisition improvements is also requested.

APPENDICES



**COMPARISON OF 2009, 2010, AND 2011
BUDGET AUTHORITY***
(in thousands of dollars)

Appropriation/ Bureau/Account	2009 Actual	2010 Enacted	2011 Request	Change from 2010
INTERIOR, ENVIRONMENT, AND RELATED AGENCIES				
BUREAU OF LAND MANAGEMENT				
<i>Current Appropriations</i>				
Management of Lands and Resources	905,373	959,571	923,559	-36,012
Rescissions/reductions of prior BA.....	0	-1,000	0	+1,000
Mandated Interior transfers	+8,150	0	0	0
Account total (w/o ARRA).....	913,523	958,571	923,559	-35,012
ARRA	+125,000	0	0	0
Account total (w/ ARRA and transfers).....	1,038,523	958,571	923,559	-35,012
Construction (w/o ARRA and transfers)	6,590	8,626	3,590	-5,036
ARRA	+180,000	0	0	0
Other net transfers	-753	0	0	0
Account total (w/ ARRA and transfers).....	185,837	8,626	3,590	-5,036
Oregon and California Grant Lands.....	109,949	111,557	105,573	-5,984
Land Acquisition (w/o transfers)	14,775	29,650	83,650	+54,000
Other net transfers	-1,127	0	0	0
Account total (w/ transfers).....	13,648	29,650	83,650	+54,000
Service Charges, Deposits, and Forfeitures.....	24,016	33,300	33,300	0
Other net transfers	-3,800	0	0	0
Account total (w/ transfers).....	20,216	33,300	33,300	0
Service Charges, Deposits, and Forfeitures Offset	-20,216	-33,300	-33,300	0
Range Improvements	10,000	10,000	10,000	0
Miscellaneous Permanent Operating Funds (M-Saver)	0	0	0	0
Rescissions.....	-12,996	0	0	0
Cancellation of prior year BA.....	-46	0	0	0
Account total.....	-13,042	0	0	0
Miscellaneous Trust Funds	10,805	15,200	15,200	0
Subtotal, current appropriations (w/o cancel, ARRA and transfers) ...	1,056,446	1,134,604	1,141,572	+6,968
Cancellation of prior year BA.....	-46	0	0	0
Rescissions/reductions of prior BA.....	0	-1,000	0	+1,000
Subtotal, current appropriations (w/ cancel)	1,056,400	1,133,604	1,141,572	+7,968
Other net transfers.....	-5,680	0	0	0
ARRA	+305,000	0	0	0
Subtotal, current appropriations (w/ cancel, ARRA, and transfers)....	1,355,720	1,133,604	1,141,572	+7,968
Budget authority	[1,061,292]	[1,134,604]	[1,141,572]	[+6,968]
ARRA	[+305,000]	[0]	[0]	[0]
Rescissions/reductions of new BA	[-12,996]	[0]	[0]	[0]
Cancellation of prior year BA.....	[-46]	[0]	[0]	[0]
Rescissions/reductions of prior BA.....	[0]	[-1,000]	[0]	[+1,000]
Net transfers.....	[+2,470]	[0]	[0]	[0]

* Notes explaining the scoring assumptions for this table are found beginning on page A-15.

APPENDIX A

COMPARISON OF 2009, 2010, AND 2011 BUDGET AUTHORITY
(in thousands of dollars)

Appropriation/ Bureau/Account	2009 Actual	2010 Enacted	2011 Request	Change from 2010
BLM (continued)				
<i>Permanent Appropriations</i>				
Permanent Operating Funds	113,809	80,826	80,216	-610
Miscellaneous Permanent Payments.....	110,715	100,436	90,750	-9,686
Miscellaneous Trust Funds	1,889	1,800	1,800	0
Subtotal, permanent appropriations	226,413	183,062	172,766	-10,296
Total, Land Management (w/o ARRA, cancel, and transfers).....	1,282,859	1,317,666	1,314,338	-3,328
ARRA	+305,000	0	0	0
Cancellation of prior year BA.....	-46	0	0	0
Rescissions / reductions of prior BA.....	0	-1,000	0	+1,000
Other net transfers	-5,680	0	0	0
Total, Land Management (w/ ARRA, cancel, and transfers)	1,582,133	1,316,666	1,314,338	-2,328
Budget authority	[1,287,705]	[1,317,666]	[1,314,338]	[-3,328]
ARRA	[+305,000]	[0]	[0]	[0]
Rescissions / reductions of new BA	[-12,996]	[0]	[0]	[0]
Cancellation of prior year BA.....	[-46]	[0]	[0]	[0]
Net transfers.....	[+2,470]	[0]	[0]	[0]
Rescissions / reductions of prior BA.....	[0]	[-1,000]	[0]	[+1,000]

MINERALS MANAGEMENT SERVICE

<i>Current Appropriations</i>				
Royalty and Offshore Minerals Management.....	157,373	175,217	183,587	+8,370
Oil Spill Research	6,303	6,303	6,303	0
Subtotal, current appropriations.....	163,676	181,520	189,890	+8,370
Budget authority	[163,676]	[181,520]	[189,890]	[+8,370]
<i>Permanent Appropriations</i>				
Mineral Leasing and Associated Payments.....	1,838,525	1,647,999	1,960,045	+312,046
Leases of Lands Acquired for Flood Control, Navigation, and Allied Purposes.....	38,919	2,116	2,303	+187
Payments to Alaska from Oil and Gas leases, NPRA	16,279	4,900	11,650	+6,750
National Forests Fund, Payment to States.....	8,789	5,009	5,448	+439
Geothermal Revenue, County Share	12,679	0	0	0
State Share from Certain Gulf of Mexico Leases	25,240	2,220	1,894	-326
Coastal Impact Assistance Program.....	250,000	250,000	0	-250,000
Subtotal, permanent appropriations	2,190,431	1,912,244	1,981,340	+69,096
Total, Minerals Management.....	2,354,107	2,093,764	2,171,230	+77,466
Budget authority	[2,354,107]	[2,093,764]	[2,171,230]	[+77,466]

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

<i>Current Appropriations</i>				
Regulation and Technology	120,382	127,280	115,785	-11,495

COMPARISON OF 2009, 2010, AND 2011 BUDGET AUTHORITY
(in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2009 Actual</u>	<u>2010 Enacted</u>	<u>2011 Request</u>	<u>Change from 2010</u>
OSM (continued)				
Abandoned Mine Reclamation Fund (w/o cancel).....	52,946	35,588	30,350	-5,238
Cancellation of prior year BA.....	-8,500	0	0	0
Account total (w/ cancel).....	44,446	35,588	30,350	-5,238
Subtotal, current appropriations (w/o cancel).....	173,328	162,868	146,135	-16,733
Cancellation of prior year BA.....	-8,500	0	0	0
Subtotal, current appropriations (w/ cancel).....	164,828	162,868	146,135	-16,733
Budget authority	[173,328]	[162,868]	[146,135]	[-16,733]
Cancellation of prior year BA.....	[-8,500]	[0]	[0]	[0]
Permanent Appropriations				
Payments to United Mine Workers Association Health Plans (AML)	61,224	108,286	128,056	+19,770
Supplemental Payments to UMWA Health Plans (General fund).....	62,825	63,926	71,944	+8,018
Payments to States in Lieu of Coal Fee Receipts (Treasury) .	208,041	227,200	95,400	-131,800
Mandatory Grants to States and Tribes (AML)	90,031	141,914	164,100	+22,186
Subtotal, permanent appropriations	422,121	541,326	459,500	-81,826
Total, Surface Mining (w/o cancel).....	595,449	704,194	605,635	-98,559
Cancellation of prior year BA.....	-8,500	0	0	0
Total, Surface Mining (w/ cancel)	586,949	704,194	605,635	-98,559
Budget authority	[595,449]	[704,194]	[605,635]	[-98,559]
Cancellation of prior year BA.....	[-8,500]	[0]	[0]	[0]
U.S. GEOLOGICAL SURVEY				
Current Appropriations				
Surveys, Investigations, and Research (w/o ARRA).....	1,043,803	1,111,740	1,133,359	+21,619
ARRA	+140,000	0	0	0
Account total (w/ ARRA)	1,183,803	1,111,740	1,133,359	+21,619
Subtotal, current appropriations (w/o ARRA).....	1,043,803	1,111,740	1,133,359	+21,619
ARRA	+140,000	0	0	0
Subtotal, current appropriations (w/ ARRA)	1,183,803	1,111,740	1,133,359	+21,619
Budget authority	[1,043,803]	[1,111,740]	[1,133,359]	[+21,619]
ARRA	[+140,000]	[0]	[0]	[0]
Permanent Appropriations				
Operations and Maintenance of Quarters	92	71	72	+1
Contributed Funds.....	2,129	1,450	956	-494
Subtotal, permanent appropriations	2,221	1,521	1,028	-493
Total, Geological Survey (w/o ARRA).....	1,046,024	1,113,261	1,134,387	+21,126
ARRA	+140,000	0	0	0
Total, Geological Survey (w/ ARRA)	1,186,024	1,113,261	1,134,387	+21,126
Budget authority	[1,046,024]	[1,113,261]	[1,134,387]	[+21,126]
ARRA.....	[+140,000]	[0]	[0]	[0]

COMPARISON OF 2009, 2010, AND 2011 BUDGET AUTHORITY
(in thousands of dollars)

Appropriation/ Bureau/Account	2009 Actual	2010 Enacted	2011 Request	Change from 2010
FISH AND WILDLIFE SERVICE				
<i>Current Appropriations</i>				
Resource Management	1,140,962	1,269,406	1,266,410	-2,996
Mandated Interior transfers	+2,500	0	0	0
Account total (w/o ARRA)	1,143,462	1,269,406	1,266,410	-2,996
ARRA	+165,000	0	0	0
Account total (w/ ARRA)	1,308,462	1,269,406	1,266,410	-2,996
Construction (w/o ARRA and cancel)	35,587	37,439	23,737	-13,702
ARRA	+115,000	0	0	0
Cancellation of prior year BA	-54	0	0	0
Account total (w/ ARRA and cancel)	150,533	37,439	23,737	-13,702
Land Acquisition	42,455	86,340	106,340	+20,000
Multinational Species Conservation Fund	10,000	11,500	10,000	-1,500
Wildlife Conservation and Appreciation (w/o cancel)	0	0	0	0
Cancellation of prior year BA	-529	0	0	0
Account total (w/ cancel)	-529	0	0	0
North American Wetlands Conservation Fund	42,647	47,647	42,647	-5,000
Coop. Endangered Species Conservation Fund (w/o cancel)	80,001	85,000	85,000	0
Cancellation of prior year BA	-4,500	0	0	0
Account total (w/ cancel)	75,501	85,000	85,000	0
National Wildlife Refuge Fund	14,100	14,500	14,100	-400
Neotropical Migratory Bird Conservation	4,750	5,000	4,000	-1,000
State and Tribal Wildlife Grants	75,000	90,000	90,000	0
Subtotal, current appropriations (w/o ARRA and cancel)	1,448,002	1,646,832	1,642,234	-4,598
Cancellation of prior year BA	-5,083	0	0	0
Subtotal, current appropriations (w/ cancel)	1,442,919	1,646,832	1,642,234	-4,598
ARRA	+280,000	0	0	0
Subtotal, current appropriations (w/ ARRA and cancel)	1,722,919	1,646,832	1,642,234	-4,598
Budget authority	[1,445,502]	[1,646,832]	[1,642,234]	[-4,598]
ARRA	[+280,000]	[0]	[0]	[0]
Cancellation of prior year BA	[-5,083]	[0]	[0]	[0]
Net transfers	[+2,500]	[0]	[0]	[0]
<i>Permanent Appropriations</i>				
Sport Fish Restoration	720,749	691,285	657,509	-33,776
Net transfers	-223,469	-213,456	-202,299	+11,157
Account total	497,280	477,829	455,210	-22,619
Migratory Bird Conservation Account	52,380	44,000	58,000	+14,000
North American Wetlands Conservation Fund	799	5,834	1,000	-4,834
National Wildlife Refuge Fund	6,746	10,000	10,000	0
Miscellaneous Permanent Appropriations	4,105	4,495	4,495	0
Federal Lands Recreation Enhancement Act	4,783	4,800	4,800	0
Federal Aid in Wildlife Restoration	367,051	507,597	628,021	+120,424

COMPARISON OF 2009, 2010, AND 2011 BUDGET AUTHORITY
(in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2009 Actual</u>	<u>2010 Enacted</u>	<u>2011 Request</u>	<u>Change from 2010</u>
FWS (continued)				
Contributed Funds.....	4,508	4,000	4,000	0
Coop. Endangered Species Conservation Fund	54,479	58,951	64,847	+5,896
Subtotal, permanent appropriations	992,131	1,117,506	1,230,373	+112,867
Budget authority	[1,215,600]	[1,330,962]	[1,432,672]	[+101,710]
Net transfers.....	[-223,469]	[-213,456]	[-202,299]	[+11,157]
Total, Fish and Wildlife (w/o ARRA and cancel).....	2,440,133	2,764,338	2,872,607	+108,269
ARRA	+280,000	0	0	0
Cancellation of prior year BA.....	-5,083	0	0	0
Total, Fish and Wildlife (w/ ARRA and cancel)	2,715,050	2,764,338	2,872,607	+108,269
Budget authority	[2,661,102]	[2,977,794]	[3,074,906]	[+97,112]
ARRA	[+280,000]	[0]	[0]	[0]
Cancellation of prior year BA.....	[-5,083]	[0]	[0]	[0]
Net transfers.....	[-220,969]	[-213,456]	[-202,299]	[+11,157]
NATIONAL PARK SERVICE				
<i>Current Appropriations</i>				
Operation of the National Park System (w/o ARRA and transfers).....	2,131,529	2,261,559	2,296,877	+35,318
ARRA	+146,000	0	0	0
Other net transfers	+226	0	0	0
Account total (w/ARRA and transfers).....	2,277,755	2,261,559	2,296,877	+35,318
Park Partnership Projects Grants.....	0	15,000	5,000	-10,000
Mandated Interior transfers	0	-10,000	0	+10,000
Account total.....	0	5,000	5,000	0
National Recreation and Preservation	59,684	68,436	51,024	-17,412
Construction (w/o cancel, ARRA, and transfers)	233,158	232,969	195,198	-37,771
ARRA	+589,000	0	0	0
North Shore Road in Defense Appropriation	0	+6,800	0	-6,800
Cancellation of prior year BA.....	-640	0	0	0
Other net transfers	+2,500	0	0	0
Account total (w/ cancel, ARRA, and transfers).....	824,018	239,769	195,198	-44,571
Rescission of contract authority (LWCF)	-30,000	-30,000	-30,000	0
Urban Park and Recreation Fund	0	0	0	0
Cancellation of prior year BA.....	-1,300	0	0	0
Account total.....	-1,300	0	0	0
Land Acquisition and State Assistance (w/o cancel).....	65,190	126,266	156,266	+30,000
Cancellation of prior year BA.....	-1,000	0	0	0
Account total (w/ cancel).....	64,190	126,266	156,266	+30,000
Historic Preservation Grants-in-Aid Fund (w/o cancel and ARRA).....	69,500	79,500	54,500	-25,000
ARRA	+15,000	0	0	0
Cancellation of prior year BA.....	-516	0	0	0
Account total (w/ cancel and ARRA).....	83,984	79,500	54,500	-25,000

COMPARISON OF 2009, 2010, AND 2011 BUDGET AUTHORITY
(in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2009 Actual</u>	<u>2010 Enacted</u>	<u>2011 Request</u>	<u>Change from 2010</u>
NPS (continued)				
Subtotal, current appropriations (w/o ARRA, cancel, and transfers) ..	2,529,061	2,743,730	2,728,865	-14,865
Cancellation of prior year BA.....	-3,456	0	0	0
Subtotal, current appropriations (w/ cancel)	2,525,605	2,743,730	2,728,865	-14,865
ARRA	+750,000	0	0	0
North Shore Road in Defense Appropriation	0	+6,800	0	-6,800
Other net transfers	+2,726	0	0	0
Subtotal, current appropriations (w/ ARRA, cancel, and transfers)....	3,278,331	2,750,530	2,728,865	-21,665
Budget authority	[2,559,061]	[2,783,730]	[2,758,865]	[-24,865]
ARRA	[+750,000]	[0]	[0]	[0]
North Shore Road in Defense Appropriation	[0]	[+6,800]	[0]	[-6,800]
Cancellation of prior year BA.....	[-3,456]	[0]	[0]	[0]
Net transfers.....	[+2,726]	[-10,000]	[0]	[+10,000]
Rescission of contract authority	[-30,000]	[-30,000]	[-30,000]	[0]
Permanent Appropriations				
Federal Lands Recreation Enhancement Act	182,048	177,289	188,310	+11,021
Other Permanent Appropriations.....	139,099	150,244	154,222	+3,978
Stateside LWCF Grants from OCS revenues.....	8,413	910	740	-170
Miscellaneous Trust Funds	31,239	45,231	45,231	0
Land and Water Conservation Fund Contract Authority	30,000	30,000	30,000	0
Subtotal, permanent appropriations	390,799	403,674	418,503	+14,829
Total, Park Service (w/o cancel, ARRA, and transfers)	2,919,860	3,147,404	3,147,368	-36
ARRA	+750,000	0	0	0
North Shore Road in Defense Appropriation	0	+6,800	0	-6,800
Cancellation of prior year BA.....	-3,456	0	0	0
Other net transfers	+2,726	0	0	0
Total, Park Service (w/ cancel, ARRA, and transfers).....	3,669,130	3,154,204	3,147,368	-6,836
Budget authority	[2,949,860]	[3,177,404]	[3,177,368]	[-36]
ARRA	[+750,000]	[0]	[0]	[0]
North Shore Road in Defense Appropriation	[0]	[+6,800]	[0]	[-6,800]
Cancellation of prior year BA.....	[-3,456]	[0]	[0]	[0]
Net transfers.....	[+2,726]	[0]	[0]	[0]
Rescission of contract authority	[-30,000]	[-30,000]	[-30,000]	[0]

BUREAU OF INDIAN AFFAIRS**Current Appropriations**

Operation of Indian Programs (w/o ARRA and transfers)	2,128,630	2,335,965	2,394,640	+58,675
ARRA	+40,000	0	0	0
Other net transfers	+2,083	0	0	0
Account total (w/ ARRA and transfers).....	2,170,713	2,335,965	2,394,640	+58,675
Construction (w/o ARRA)	217,688	225,000	115,723	-109,277
ARRA	+450,000	0	0	0
Account total (w/ ARRA)	667,688	225,000	115,723	-109,277
Indian Land and Water Claims and Settlements and Miscellaneous Payments to Indians	21,627	47,380	46,480	-900

COMPARISON OF 2009, 2010, AND 2011 BUDGET AUTHORITY
(in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2009 Actual</u>	<u>2010 Enacted</u>	<u>2011 Request</u>	<u>Change from 2010</u>
BIA (continued)				
Indian Guaranteed Loan Program Account (w/o ARRA).....	8,186	8,215	8,158	-57
ARRA	+10,000	0	0	0
Account total (w/ ARRA)	18,186	8,215	8,158	-57
Indian Land Consolidation.....	0	3,000	1,000	-2,000
Subtotal, current appropriations (w/o ARRA and transfers)	2,376,131	2,619,560	2,566,001	-53,559
ARRA	+500,000	0	0	0
Other net transfers	+2,083	0	0	0
Subtotal, current appropriations (w/ ARRA and transfers)	2,878,214	2,619,560	2,566,001	-53,559
Budget authority	[2,376,131]	[2,619,560]	[2,566,001]	[-53,559]
ARRA	[+500,000]	[0]	[0]	[0]
Net transfers.....	[+2,083]	[0]	[0]	[0]
Permanent Appropriations				
Operation and Maintenance of Quarters.....	5,486	5,643	5,617	-26
Gifts and Donations.....	75	60	60	0
Miscellaneous Permanent Appropriations.....	99,929	112,674	114,377	+1,703
White Earth Settlement Fund	2,173	2,000	2,000	0
Indian Loan Guaranty and Insurance Fund, Liquidating Account	-118	-250	-250	0
Indian Direct Loan Program Account	718	691	0	-691
Indian Guaranteed Loan Program Account.....	1,958	17,791	0	-17,791
Revolving Fund for Loans, Liquidating Account.....	-944	-900	-900	0
Trust Land Consolidation Fund	0	2,000,000	0	-2,000,000
Indian Education Scholarship Holding Fund.....	0	5,000	20,000	+15,000
Subtotal, permanent appropriations	109,277	2,142,709	140,904	-2,001,805
Total, Indian Affairs (w/o ARRA and transfers)	2,485,408	4,762,269	2,706,905	-2,055,364
ARRA	+500,000	0	0	0
Other net transfers	+2,083	0	0	0
Total, Indian Affairs (w/ ARRA and transfers).....	2,987,491	4,762,269	2,706,905	-2,055,364
Budget authority	[2,485,408]	[4,762,269]	[2,706,905]	[-2,055,364]
ARRA	[+500,000]	[0]	[0]	[0]
Net transfers.....	[+2,083]	[0]	[0]	[0]

DEPARTMENTAL OFFICES**OFFICE OF THE SECRETARY***Current Appropriations*

Office of the Secretary - Salaries and Expenses	107,264	118,836	121,987	+3,151
Federal Lands Subsistence Management (w/o cancel)	0	0	0	0
Cancellation of prior year BA.....	-165	0	0	0
Account total (w/ cancel).....	-165	0	0	0

COMPARISON OF 2009, 2010, AND 2011 BUDGET AUTHORITY
(in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2009 Actual</u>	<u>2010 Enacted</u>	<u>2011 Request</u>	<u>Change from 2010</u>
OS (continued)				
Subtotal, current appropriations (w/o cancel).....	107,264	118,836	121,987	+3,151
Cancellation of prior year BA.....	-165	0	0	0
Subtotal, current appropriations (w/ cancel)	107,099	118,836	121,987	+3,151
Budget authority	[107,264]	[118,836]	[121,987]	[+3,151]
Cancellation of prior year BA.....	[-165]	[0]	[0]	[0]
Permanent Appropriations				
Indian Arts and Crafts Board	50	50	50	0
Take Pride in America	14	5	5	0
Subtotal, permanent appropriations	64	55	55	0
Total, Office of the Secretary	107,163	118,891	122,042	+3,151
Budget authority	[107,328]	[118,891]	[122,042]	[+3,151]
Cancellation of prior year BA.....	[-165]	[0]	[0]	[0]
INSULAR AFFAIRS				
Current Appropriations				
Assistance to Territories	78,665	85,195	83,670	-1,525
Compact of Free Association.....	5,318	17,318	3,318	-14,000
Subtotal, current appropriations.....	83,983	102,513	86,988	-15,525
Budget authority	[83,983]	[102,513]	[86,988]	[-15,525]
Permanent Appropriations				
Compact of Free Association.....	211,484	200,971	224,750	+23,779
Payments to the U.S. Territories, Fiscal Assistance	148,678	177,000	146,000	-31,000
Subtotal, permanent appropriations	360,162	377,971	370,750	-7,221
Total, Insular Affairs.....	444,145	480,484	457,738	-22,746
Budget authority	[444,145]	[480,484]	[457,738]	[-22,746]
OFFICE OF THE SOLICITOR				
Current Appropriations				
Office of the Solicitor - Salaries and Expenses	62,050	65,076	67,894	+2,818
Subtotal, current appropriations.....	62,050	65,076	67,894	+2,818
Total, Solicitor.....	62,050	65,076	67,894	+2,818
Budget authority	[62,050]	[65,076]	[67,894]	[+2,818]

COMPARISON OF 2009, 2010, AND 2011 BUDGET AUTHORITY
(in thousands of dollars)

Appropriation/ Bureau/Account	2009 Actual	2010 Enacted	2011 Request	Change from 2010
OFFICE OF INSPECTOR GENERAL				
<i>Current Appropriations</i>				
Office of Inspector General - Salaries and Expenses (w/o ARRA)	45,953	48,590	49,560	+970
ARRA	+15,000	0	0	0
Account total (w/ ARRA)	60,953	48,590	49,560	+970
Subtotal, current appropriations (w/o ARRA).....	45,953	48,590	49,560	+970
ARRA	+15,000	0	0	0
Subtotal, current appropriations (w/ ARRA)	60,953	48,590	49,560	+970
Total, Inspector General (w/o ARRA).....	45,953	48,590	49,560	+970
ARRA	+15,000	0	0	0
Total, Inspector General (w/ ARRA)	60,953	48,590	49,560	+970
Budget authority	[45,953]	[48,590]	[49,560]	[+970]
ARRA	[+15,000]	[0]	[0]	[0]
OFFICE OF THE SPECIAL TRUSTEE FOR AMERICAN INDIANS				
<i>Current Appropriations</i>				
Federal Trust Programs	181,648	185,984	160,215	-25,769
Subtotal, current appropriations.....	181,648	185,984	160,215	-25,769
Budget authority	[181,648]	[185,984]	[160,215]	[-25,769]
<i>Permanent Appropriations</i>				
Tribal Special Funds.....	270,324	265,967	280,170	+14,203
Tribal Trust Fund.....	97,700	73,988	77,939	+3,951
Subtotal, permanent appropriations	368,024	339,955	358,109	+18,154
Total, Office of the Special Trustee for American Indians.	549,672	525,939	518,324	-7,615
Budget authority	[549,672]	[525,939]	[518,324]	[-7,615]
DEPARTMENTAL OFFICES SUMMARY				
Subtotal, current appropriations (w/ ARRA)	495,733	520,999	486,644	-34,355
Budget authority	[480,898]	[520,999]	[486,644]	[-34,355]
ARRA	[+15,000]	[0]	[0]	[0]
Cancellation of prior year BA.....	[-165]	[0]	[0]	[0]
Subtotal, permanent appropriations	728,250	717,981	728,914	+10,933
Budget authority	[728,250]	[717,981]	[728,914]	[+10,933]
Total, Departmental Offices	1,223,983	1,238,980	1,215,558	-23,422
Budget authority	[1,209,148]	[1,238,980]	[1,215,558]	[-23,422]
ARRA	[+15,000]	[0]	[0]	[0]
Cancellation of prior year BA.....	[-165]	[0]	[0]	[0]

COMPARISON OF 2009, 2010, AND 2011 BUDGET AUTHORITY
(in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2009 Actual</u>	<u>2010 Enacted</u>	<u>2011 Request</u>	<u>Change from 2010</u>
NATIONAL INDIAN GAMING COMMISSION				
<i>Permanent Appropriations</i>				
National Indian Gaming Commission, Gaming Activity Fees.....	15,867	17,000	18,000	+1,000
Subtotal, permanent appropriations	15,867	17,000	18,000	+1,000
Total, National Indian Gaming Commission	15,867	17,000	18,000	+1,000
Budget authority	[15,867]	[17,000]	[18,000]	[+1,000]
DEPARTMENT-WIDE PROGRAMS				
<i>Current Appropriations</i>				
Central Hazardous Materials Fund.....	10,148	10,175	10,152	-23
Wildland Fire Management.....	859,453	794,897	762,925	-31,972
Fire Supplementals	+50,000	0	0	0
Account total (w/o ARRA).....	909,453	794,897	762,925	-31,972
ARRA	+15,000	0	0	0
Account total (w/ ARRA)	924,453	794,897	762,925	-31,972
FLAME Wildfire Suppression Reserve Account.....	0	61,000	96,000	+35,000
Presidential Wildland Fire Contingency Reserve.....	0	0	75,000	+75,000
Natural Resource Damage Assessment Fund.....	6,338	6,462	6,434	-28
Other net transfers	-11	0	0	0
Account total.....	6,327	6,462	6,434	-28
Working Capital Fund	73,435	85,823	84,119	-1,704
Subtotal, current appropriations (w/o ARRA and transfers)	999,374	958,357	1,034,630	+76,273
ARRA	+15,000	0	0	0
Other net transfers	-11	0	0	0
Subtotal, current appropriations (w/ ARRA and transfers).....	1,014,363	958,357	1,034,630	+76,273
Budget authority	[949,374]	[958,357]	[1,034,630]	[+76,273]
ARRA	[+15,000]	[0]	[0]	[0]
Fire Supplementals.....	[+50,000]	[0]	[0]	[0]
Other net transfers.....	[-11]	[0]	[0]	[0]
<i>Permanent Appropriations</i>				
Payments in Lieu of Taxes	382,048	395,297	409,434	+14,137
Natural Resource Damage Assessment Fund.....	42,830	188,000	55,000	-133,000
Net transfers.....	-2,622	-3,000	-3,000	0
Account total.....	40,208	185,000	52,000	-133,000
Subtotal, permanent appropriations	422,256	580,297	461,434	-118,863
Budget authority	[424,878]	[583,297]	[464,434]	[-118,863]
Net transfers.....	[-2,622]	[-3,000]	[-3,000]	[0]

COMPARISON OF 2009, 2010, AND 2011 BUDGET AUTHORITY
(in thousands of dollars)

Appropriation/ Bureau/Account	2009 Actual	2010 Enacted	2011 Request	Change from 2010
DWP (continued)				
Total, Department-wide Programs.....	1,436,619	1,538,654	1,496,064	-42,590
Budget authority (w/ fire supplemental).....	[1,424,252]	[1,541,654]	[1,499,064]	[-42,590]
ARRA	[+15,000]	[0]	[0]	[0]
Net transfers.....	[-2,633]	[-3,000]	[-3,000]	[0]
 INTERIOR, ENVIRONMENT, AND RELATED AGENCIES SUMMARY				
Total, Interior, Environment and Related Agencies				
(w/o supp, ARRA, and transfers)	15,753,235	18,696,530	16,682,092	-2,014,438
One time supplementals and ARRA.....	+2,005,000	0	0	0
North Shore Road in Defense Appropriation	0	+6,800	0	-6,800
Other net transfers (current authority only)	-882	0	0	0
Total, Interior, Environment & Related Agencies				
(w/ supp, ARRA, and transfers).....	17,757,353	18,703,330	16,682,092	-2,021,238
Grand total, current authority, regular appropriations.....	[10,263,715]	[11,110,210]	[11,099,330]	[-10,880]
Supplementals (including ARRA)	[+2,055,000]	[0]	[0]	[0]
North Shore Road in Defense Appropriation	[0]	[+6,800]	[0]	[-6,800]
Rescissions / reductions of new BA	[-12,996]	[0]	[0]	[0]
Cancellation of prior year BA.....	[-17,250]	[0]	[0]	[0]
Rescissions / reductions of prior BA.....	[0]	[-1,000]	[0]	[+1,000]
Net mandated transfers (current other net transfers only).....	[-882]	[0]	[0]	[0]
Rescission of contract authority	[-30,000]	[-30,000]	[-30,000]	[0]
Net, current authority (w/ ARRA).....	[12,257,587]	[11,086,010]	[11,069,330]	[-16,680]
Net, current authority (w/o ARRA and other transfers)	[10,253,469]	[11,086,010]	[11,069,330]	[-16,680]
Net, current authority (w/o ARRA, supps, and transfers).....	[10,210,069]	[11,086,010]	[11,069,330]	[-16,680]
 Grand total, permanent authority	[5,725,857]	[7,833,776]	[5,818,061]	[-2,015,715]
Net transfers.....	[-226,091]	[-216,456]	[-205,299]	[+11,157]
Net, permanent authority	[5,499,766]	[7,617,320]	[5,612,762]	[-2,004,558]

COMPARISON OF 2009, 2010, AND 2011 BUDGET AUTHORITY
(in thousands of dollars)

Appropriation/ Bureau/Account	2009 Actual	2010 Enacted	2011 Request	Change from 2010
ENERGY AND WATER DEVELOPMENT				
BUREAU OF RECLAMATION				
<i>Current Appropriations</i>				
Water and Related Resources (w/o ARRA)	920,259	951,158	913,582	-37,576
ARRA	+950,000	0	0	0
Account total (w/ ARRA)	1,870,259	951,158	913,582	-37,576
Policy and Administration	59,400	61,200	61,200	0
California Bay-Delta Restoration	40,000	40,000	40,000	0
Central Valley Project Restoration Fund	56,079	35,358	49,915	+14,557
Subtotal, current appropriations (w/o ARRA)	1,075,738	1,087,716	1,064,697	-23,019
ARRA	+950,000	0	0	0
Subtotal, current appropriations (w/ ARRA)	2,025,738	1,087,716	1,064,697	-23,019
Budget authority	[1,075,738]	[1,087,716]	[1,064,697]	[-23,019]
ARRA	[+950,000]	[0]	[0]	[0]
Discretionary Offsets	-52,685	-35,057	-49,614	-14,557
<i>Permanent Appropriations</i>				
Colorado River Dam Fund, Boulder Canyon Project	81,151	98,892	93,052	-5,840
Miscellaneous Permanent	350	280	280	0
Loan Program Subsidy Re-estimate	6,244	4,892	0	-4,892
Loan Program Liquidating Account	-4,267	-2,698	-2,320	+378
San Gabriel Basin Restoration Fund	2	0	0	0
San Joaquin River Restoration Fund	0	15,900	72,100	+56,200
Reclamation Trust Funds	1,646	4,500	3,500	-1,000
Federal Lands Recreation Enhancement Act	462	416	416	0
Spectrum Relocation Activities	3,450	0	0	0
Subtotal, permanent appropriations	89,038	122,182	167,028	+44,846
Total, Reclamation (w/o ARRA)	1,164,776	1,209,898	1,231,725	+21,827
ARRA	+950,000	0	0	0
Total, Reclamation (w/ ARRA)	2,114,776	1,209,898	1,231,725	+21,827
Budget authority	[1,164,776]	[1,209,898]	[1,231,725]	[+21,827]
ARRA	[+950,000]	[0]	[0]	[0]
Discretionary Offsets	-52,685	-35,057	-49,614	-14,557
CENTRAL UTAH PROJECT				
<i>Current Appropriations</i>				
Central Utah Project Completion Account	42,000	42,004	43,004	+1,000
Mandated Interior transfers	-987	-1,500	-2,500	-1,000
Account total (w/o ARRA)	41,013	40,504	40,504	0
ARRA	+50,000	0	0	0
Account total (w/ ARRA)	91,013	40,504	40,504	0

COMPARISON OF 2009, 2010, AND 2011 BUDGET AUTHORITY
(in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2009 Actual</u>	<u>2010 Enacted</u>	<u>2011 Request</u>	<u>Change from 2010</u>
CUPCA (continued)				
Utah Reclamation Mitigation and Conservation Account....	0	0	0	0
Mandated Interior transfers	+987	+1,500	+2,500	+1,000
Account total.....	987	1,500	2,500	+1,000
Subtotal, current appropriations (w/o ARRA).....	42,000	42,004	43,004	+1,000
ARRA	+50,000	0	0	0
Subtotal, current appropriations (w/ ARRA).....	92,000	42,004	43,004	+1,000
Budget authority	[42,000]	[42,004]	[43,004]	[+1,000]
ARRA	[+50,000]	[0]	[0]	[0]
Permanent Appropriations				
Utah Reclamation Mitigation and Conservation Account....	7,342	0	0	0
Subtotal, permanent appropriations	7,342	0	0	0
Total, Central Utah Project (w/o ARRA)	49,342	42,004	43,004	+1,000
ARRA	+50,000	0	0	0
Total, Central Utah Project (w/ ARRA).....	99,342	42,004	43,004	+1,000
Budget Authority	[49,342]	[42,004]	[43,004]	[+1,000]
ARRA	[+50,000]	[0]	[0]	[0]

ENERGY AND WATER DEVELOPMENT SUMMARY

Total, Energy and Water Development (w/o ARRA)	1,214,118	1,251,902	1,274,729	+22,827
ARRA	+1,000,000	0	0	0
Total, Energy and Water Development (w/ ARRA).....	2,214,118	1,251,902	1,274,729	+22,827
Grand total, current authority.....	[1,117,738]	[1,129,720]	[1,107,701]	[-22,019]
ARRA	[+1,000,000]	[0]	[0]	[0]
Net, current authority.....	[2,117,738]	[1,129,720]	[1,107,701]	[-22,019]
Grand total, permanent authority	[96,380]	[122,182]	[167,028]	[+44,846]

COMPARISON OF 2009, 2010, AND 2011 BUDGET AUTHORITY
(in thousands of dollars)

Appropriation/ Bureau/Account	2009 Actual	2010 Enacted	2011 Request	Change from 2010
DEPARTMENT OF THE INTERIOR				
Total, Department of the Interior (w/o ARRA and transfers).....	16,967,353	19,948,432	17,956,821	-1,991,611
ARRA	+3,005,000	0	0	0
North Shore Road in Defense Appropriation	0	+6,800	0	-6,800
Other net transfers	-882	0	0	0
Total, Department of the Interior (w/ ARRA and transfers)	19,971,471	19,955,232	17,956,821	-1,998,411
Grand total, current authority	[11,381,453]	[12,239,930]	[12,207,031]	[-32,899]
Supplementals (including ARRA)	[+3,055,000]	[0]	[0]	[0]
North Shore Road in Defense Appropriation	[0]	[+6,800]	[0]	[-6,800]
Rescissions / reductions of new BA	[-12,996]	[0]	[0]	[0]
Cancellation of prior year BA	[-17,250]	[0]	[0]	[0]
Net transfers	[-882]	[0]	[0]	[0]
Rescissions / reductions of prior BA	[0]	[-1,000]	[0]	[+1,000]
Rescission of contract authority	[-30,000]	[-30,000]	[-30,000]	[0]
Net, current authority (w/ fire supps, ARRA, and other transfers)	[14,375,325]	[12,215,730]	[12,177,031]	[-38,699]
Net, current authority (w/o ARRA and other transfers)	[11,371,207]	[12,215,730]	[12,177,031]	[-38,699]
Net, current authority (w/o fire supps, ARRA, and other transfers).....	[11,321,207]	[12,215,730]	[12,177,031]	[-38,699]
Grand total, permanent authority	[5,822,237]	[7,955,958]	[5,985,089]	[-1,970,869]
Net transfers.....	[-226,091]	[-216,456]	[-205,299]	[+11,157]
Net, permanent authority	[5,596,146]	[7,739,502]	[5,779,790]	[-1,959,712]

COMPARISON OF 2009, 2010, AND 2011 BUDGET AUTHORITY

Explanatory Notes

The budget totals in the Interior Budget in Brief differ slightly from the presentation in the President's budget. The President's budget presentation uses a system of budget scoring required by the Budget Enforcement Act that is based on "net discretionary budget authority." The Interior Budget in Brief document almost exclusively uses a system of scoring based on "current authority," in order to be consistent with the presentation used by the Appropriations Committees.

Current authority portrays the amounts that Congress appropriates each year to carry out the Department's programs, including funds classified as mandatory under the Budget Enforcement Act that must still be appropriated each year. Most mandatory funding does not require annual appropriations and is excluded from current authority. Net discretionary amounts exclude mandatory funding and are reduced by offsetting receipts. Additionally, there can be differences in how certain provisions are displayed or scored in appropriations as compared to the President's budget. For example, the rescission of NPS contract authority and the MMS net receipts sharing provisions are shown as reductions to current authority and as reductions in the Appropriations Committee scoring tables for the 2010 Interior, Environment, and Related Agencies Appropriations Act. However, in the 2010 enacted column of the 2011 President's budget, these provisions are not shown as reductions to reach discretionary budget authority.

The difference in scoring impacts the budgets of BLM, Reclamation, CUPCA, and OIA. Both BLM and OIA have current accounts or portions of accounts that are classified as mandatory and are included in the Committee scoring tables. These accounts are excluded from the net discretionary totals for these bureaus. Additionally, BLM, Reclamation, and CUPCA have receipts that offset account totals. The BLM Service Charges, Deposits and Forfeitures account and Reclamation's Central Valley Project include discretionary offsets (receipts) that reduce discretionary totals. In 2009, the CUPCA Utah Mitigation account includes offsetting receipts of \$6.0 million, which reduce the permanent discretionary appropriation of \$7.3 million for a net total of \$1.3 million.

As depicted on the next page, scoring differences do not impact other bureaus and are slight relative to the size of the budget, a net of \$149.9 million in 2010.

EXPLANATORY NOTES (CONTINUED)

Budget from Current Authority to Net Discretionary Authority

	<u>2009</u>	<u>2010</u>	<u>2011</u>
Total Current Authority*	11,371,207	12,208,930	12,177,031
North Shore Road (P.L. 111-118).....	0	+6,800	0
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Total, Current Authority Adjusted	11,371,207	12,215,730	12,177,031
Adjustments for Mandatory Current Accounts			
Bureau of Land Management			
Range Improvements	-10,000	-10,000	-10,000
Miscellaneous Trusts	-10,805	-15,200	-15,200
Insular Affairs			
Current Mandatories.....	-29,720	-27,720	-27,720
Adjustments for Offsets			
Bureau of Land Management			
Geothermal Implementation Fund/County Payments	0	-15,000	0
Minerals Management Service			
Net Receipts Sharing	-47,000	-45,000	-40,000
Spending of Pre-August 1993 Receipts.....	0	+3,000	0
Reclamation Central Valley Restoration Receipts.....	-52,685	-35,057	-49,614
Utah Mitigation Net Offsets.....	+1,324	0	0
Adjustments for Collections			
BLM ADP Fee.....	-15,181	0	0
OSM Civil Penalty Collections	+126	0	0
<hr/>			
Total, Net Discretionary	11,207,266	12,070,753	12,034,497

* Funding for 2009 includes \$50.0 million in Emergency Wildland Fire funding.

The Office of Management and Budget presents the President's budget to the Congress in "millions of dollars." The presentation in the Interior Budget in Brief is based on amounts in "thousands of dollars," the level at which Congress appropriates. When several amounts that have been rounded to millions of dollars are added or subtracted, small differences in the sum of these rounded numbers may be created as compared to the sum of the same numbers not rounded. This rounding effect may result in slight differences between the totals in the President's budget and totals in this document.

Appendix A is structured to provide two account totals where applicable. Most accounts only have one total, which reflects Congressional action. This total includes supplemental appropriations that fund operations and are ongoing in nature, like Wildland Fire operations, in addition to transfers authorized by the Interior, Environment, and Related Agencies and the Energy and Water Development appropriations bills. When applicable, accounts include an additional total line, which includes one-time disaster supplemental appropriations, Sec. 102 emergency transfers and repayments, transfers authorized by other Committees, and optional transfers. The purpose is to provide an agency total for "normalized" activities that is comparable to the actions taken by the Appropriations Committees and a total that reflects all actions.

2009 Actuals

The Consolidated Security, Disaster Assistance, and Continuing Appropriations Act of 2009 (P.L. 110-329) included 2008 emergency supplemental funding, 2009 appropriations for the Departments of Defense,

EXPLANATORY NOTES (CONTINUED)

Homeland Security, and Veterans Affairs, and a continuing resolution through March 6, 2009 for other government agencies.

- The NPS was authorized to obligate \$2.0 million over the CR rate for inauguration costs (Sec. 151).
- The CR provided a one year extension for the Service First program (Sec. 149), a one year extension of BLM and Forest Service grazing permits pending final processing (Sec. 150), eliminated long-standing OCS moratoria language, eliminated a prohibition on issuance of final oil shale regulations (Sec. 152), and authorized work to proceed on the Everglades, Modified Waters, Tamiami Trail project despite certain legal impediments (Sec. 153).
- The NPS received \$2.5 million from the Department of Defense for Fort Baker improvements.
- On October 31, 2008, Reclamation received a transfer under the Commercial Spectrum Enhancement Act of \$3.5 million. The Act provides authority for agencies to a share of the spectrum auction revenues to fund their conversions to a bandwidth designated for public entities.
- A second short-term CR (P.L. 111-6) provided funding through March 11, 2009.
- The American Recovery and Reinvestment Act (P.L. 111-5), was signed into law on February 17, 2009. The Interior Department received \$3.0 billion under this Act. The enacted amounts are shown below and as one-time supplemental amounts in Appendix A.

American Recovery and Reinvestment Act

Bureau of Land Management	
Management of Lands and Resources	125,000
Construction.....	180,000
U.S. Geological Survey	
Surveys, Investigations, and Research.....	140,000
Fish and Wildlife Service	
Resource Management	165,000
Construction.....	115,000
National Park Service	
Operation of the National Park Service	146,000
Construction.....	589,000
Historic Preservation Fund	15,000
Indian Affairs	
Operation of Indian Programs	40,000
Construction.....	450,000
Guaranteed Loan Program	10,000
Office of Inspector General, Salaries and Expenses	15,000
Bureau of Reclamation	
Water and Related Resources	1,000,000
Transfer to CUPCA.....	[50,000]
Department-wide Programs	
Wildland Fire Management	15,000
Total, Department of the Interior	3,005,000

EXPLANATORY NOTES (CONTINUED)

- On March 11, 2009, the Consolidated Omnibus Appropriations Act of 2009 was signed into law (P.L.111-8).
- The Omnibus Act adopted the President's budget proposals to cancel \$30.2 million of balances in a number of accounts. These were a result of managing accounts and eliminating unneeded balances in accounts that had aged. Most were discretionary accounts, except for two cancellations in the BLM Miscellaneous Permanent Operating account. The cancellations are shown below and noted in Appendix A.

Cancellation of Prior Year Balances

Bureau of Land Management	
Naval Oil Shale	12,996
Sale of Water Proceeds.....	46
Office of Surface Mining, AML Emergency Grants.....	8,500
Fish and Wildlife Service	
Construction Anadromous Fish Grants	54
Cooperative Endangered Species Cons. Fund	4,500
Wildlife Conservation and Appreciation.....	497
National Park Service	
Construction Federal Infrastructure	637
Urban Parks and Recreation Recovery.....	1,300
LWCF State Grants.....	1,000
Historic Preservation Fund.....	516
Departmental Management – Federal Subsistence	108
Total, Department of the Interior	30,154

- The 2009 Omnibus Act included the following provisions:
 - o Payments in Lieu of Taxes – Language was included to fund the administrative costs from within the mandatory appropriations available for the fully funded authorized level.
 - o Net Receipts Sharing – The 2009 Act continued the 2008 provision to deduct two percent from States' mineral leasing payments to help offset the costs of BLM and MMS leasing programs. In 2009 the amount scored for this was \$47.0 million.
 - o LWCF Administration – The Act enacted a proposal under the NPS Administrative Provisions to fund some of the administrative costs of the LWCF State Assistance Grants program from three percent of the available mandatory receipts in lieu of appropriated funds.
 - o Trust Accounting Deficiencies – The Act enacted the Interior proposal to use unobligated balances up to \$6.0 million to address the difference between the OST investment balances and the underlying Individual Indian Monies account balances.
 - o Civil Penalties – The Act made the retention and use of civil penalties permanent for OSM.
 - o Cost Recovery – The Act segregated the authority to collect and retain cost recovery fees from OCS rental fee retention.
 - o Service First – The Act extended authority for the Forest Service and BLM Service First arrangements to cooperatively fund certain common activities.

EXPLANATORY NOTES (CONTINUED)

- The Energy Security Act of 2006 created a new coastal revenue sharing account for MMS and a new source for LWCF State Assistance Grants. These accounts are funded from receipts from certain OCS leases. Due to the complexity of the formula to determine State and local governments' shares, the payments are to be made in the year following the receipt collection. The first payments were made in 2009.
- On June 26, 2009, the Supplemental Appropriations Act, 2009 was signed into law (P.L. 111-32). The Act provided \$50.0 million in supplemental funding for Wildland Fire Management wildfire suppression activities.

2010 Enacted

- The Omnibus Public Land Management Act, P.L. 111-11, established the San Joaquin River Restoration Fund to meet the requirements of the *Rodgers v. NRDC settlement*. The Act redirects the Friant surcharge receipts to the new mandatory account. The result of this Act is to reduce the funding level for current appropriations for the Central Valley Restoration Fund. The first payment is made in 2010 and is \$15.9 million.
- On October 28, 2009, the President signed the Energy and Water Development Appropriations Act of 2010 (P.L. 111-85).
- On October 30, 2009, the President signed the Interior, Environment, and Related Agencies Appropriations Act of 2010 (P.L. 111-88).
- Net Receipts Sharing – The 2010 Interior Act continued the 2009 provision to deduct two percent from States' mineral leasing payments to help offset the costs of BLM and MMS leasing programs. In 2010, the amount scored for this was \$45.0 million.
- Implementation of New OCS Fees – The 2010 Interior Act included a new inspection fee on each OCS above-water oil and gas facility that is subject to inspection. The MMS developed the fee structure to defray inspection costs based on the complexity of the facility as determined by the number of wells. The fee will require OCS energy developers to fund roughly \$10.0 million, or 25 percent, of the compliance inspection costs.
- Increased OCS Rents for MMS Operations – The Interior Appropriation accepted the proposed increase of \$10.0 million in offsetting collections to the MMS operating budget that is funded by the OCS rents. The increase in the amount of acres leased in recent years makes this possible.
- Palau Compact Extension – The 2010 Interior Act provided for a one-year discretionary extension of the Compact with Palau, which expired at the end of 2009. The extension allows for continued payments to the Republic of Palau. The extension was scored as an increase of \$12.0 million in current authority. In addition, \$2.0 million that was included in the Insular Affairs budget as a current mandatory was treated as a discretionary appropriation.
- Geothermal Payments to Counties and Geothermal Steam Act Implementation Fund – The Interior Act adopted an offset of \$15.0 million for a one-year repeal of Energy Policy Act of 2005 Sections 224(b) and 234, which changed the formula for geothermal receipts and created the Geothermal Steam Act Implementation Fund and payments to counties.
- Rescission of Oil Shale Funding – The 2010 Interior Appropriations Act rescinded a 2009 one-time increase of \$1.0 million for oil shale core samples.

EXPLANATORY NOTES (CONTINUED)

- FLAME Wildfire Suppression Reserve Fund – The 2010 Interior Act included, in Title V, a new account for wildland fire suppression, the FLAME Wildfire Suppression Reserve Fund. Consistent with the FLAME Act, the regular suppression account will fund initial attack and predictable firefighting costs, while the FLAME Fund will fund the costs of large catastrophic-type fires and also serve as a reserve when funds available in the regular suppression account are exhausted.
- MMS Contributions – The Interior Act extended authority to 2013 for MMS to retain contributions from public and private sources to conduct work in support of the orderly development of OCS resources.
- MMS Civil Penalties – The Interior Act made permanent the authority for MMS to collect civil penalties for solid mineral, geothermal, and alternative energy projects.

2011 Appropriations

The following changes are proposed for inclusion in the 2011 Appropriations Acts.

- Implementation of Onshore Inspection Fees – The 2011 budget proposes to collect and retain \$10.0 million in fees to defray the costs of inspection of oil and gas production on Federal lands.
- Wildland Fire Contingency Reserve – The 2011 budget request includes a proposal to create a discretionary contingency reserve fund, the Presidential Wildland Fire Contingency Reserve, of \$75.0 million to fund suppression operations when appropriated funds for suppression are exhausted. The reserve includes conditions that must be met to access the fund and prohibits transfers from other appropriations and funds until both the regular fire suppression appropriation and the FLAME Wildfire Suppression Reserve Fund will be exhausted within 30 days.
- Increase of OCS Inspection Fee – The 2011 budget increases the inspection fee on OCS above-water oil and gas facilities by \$10.0 million.

2011 Authorization Proposals

Authorization proposals impacting receipts and spending assumed in the 2011 budget, include:

- Abandoned Mine Land Payments to Certified States and Tribes – The budget proposes to cease mandatory payments from the General Treasury to States and Tribes that have been certified as completing reclamation of abandoned coal mine sites. This proposal would not affect payments to States that have active reclamation programs. This is similar to the proposal contained in the 2010 budget; however, this proposal retains \$10.0 million for the highest priority projects. Savings of \$115.0 million are anticipated in 2011 with savings of \$1.2 billion over ten years.

EXPLANATORY NOTES (CONTINUED)

- Fee on Nonproducing Oil and Gas Leases – The budget includes a proposal for a \$4.00 per acre fee on non-producing Federal leases on Federal lands and waters that would apply to all new leases and would be indexed annually. This will result in savings of \$8.0 million in 2011 and \$760.0 million over ten years.
- Net Receipts Sharing for Energy Minerals – The budget proposes to make permanent sharing the cost of administering energy and minerals receipts, beginning in 2012. Under current law, States receiving payments from mineral revenue development on Federal lands also share in the costs of administering the Federal mineral leases from which the revenue is generated. In 2011, net receipts sharing is considered an offsetting collection, as adopted in the 2010 Interior Appropriations Act. This will result in savings of \$45.0 million in 2012 and \$450.0 million over nine years.
- Repeal of Section 365 of the Energy Policy Act of 2005 – The Administration will submit legislation to repeal portions of Section 365 of the Energy Policy Act, beginning in 2012. Section 365 diverted mineral leasing receipts from the Treasury to a BLM Permit Processing Improvement Fund and also prohibited BLM from establishing cost recovery fees for processing applications for oil and gas permits to drill. Upon repeal of Section 365, BLM will promulgate regulations to establish fees for applications for permits to drill. These funds continue to be available to BLM in 2011. Savings from this proposal in 2012 are \$20.0 million and \$84.0 million over five years.
- Geothermal Energy Receipts – The Administration will submit legislation to repeal Section 224(b) of the Energy Policy Act of 2005. Prior to passage of the Energy Policy Act, geothermal lease payments were split 50-50 between the Federal government and States, with 50 percent directed to States, 40 percent to the Reclamation Fund, and ten percent to the General Fund. The Energy Policy Act changed this distribution beginning in 2006 to direct 50 percent to States, 25 percent to counties, and 25 percent to the Geothermal Steam Act Implementation Fund. Authorization for the Geothermal Steam Act Implementation Fund expires in 2010. The repeal of Section 224(b) will restore the disposition of the geothermal revenue to the historical formula of 50 percent to the States and 50 percent to the Treasury and discontinue payments to counties. This proposal was adopted in the 2010 Interior Appropriations Act. This results in savings of \$8.0 million in 2011 and \$80.0 million over ten years.
- Deep Gas and Deepwater Incentives – The budget proposes to repeal Sections 344 and 345 of the Energy Policy Act of 2005. Section 344 extended existing deep gas incentives and Section 345 provided additional mandatory royalty relief for certain deepwater oil and gas production. No savings is anticipated related to these proposals.
- Federal Land Transaction Facilitation Act – The Administration proposes to reauthorize FLTFA, eliminating the 2010 sunset date. The budget also proposes to expand the number of land use plans that are used as the basis for identifying lands that are surplus to BLM's land management priorities and direct all of the funding for acquisition of lands. The collection of revenues will be slightly in excess of the level of spending resulting in no net impact to the Treasury.

EXPLANATORY NOTES (CONTINUED)

- Federal Migratory Bird Hunting and Conservation Stamps – The Administration proposes to increase duck stamp fees from \$15.00 to \$25.00 per stamp, beginning in 2011. This is revenue neutral as the increased revenues collected would be spent by the Fish and Wildlife Service on waterfowl habitat.
- Compact of Free Association – The Administration is currently reviewing the Compact of Free Association with the Republic of Palau. Permanent and indefinite funding for the compact expired at the end of 2009. In 2010, funding for the Compact was provided through the Interior, Environment, and Related Agencies Appropriations Act. The 2011 budget assumes authorization of permanent funding through 2024 with a total cost of \$250.0 million.

ENERGY PROGRAMS

(in thousands of dollars)

Bureau/Program	2009 Actual	2010 Enacted	2011 Request	2011 Compared to 2010
BUREAU OF LAND MANAGEMENT				
Energy and Minerals Program				
Appropriations.....	99,413	89,689	75,831	-13,858
Offsetting Collections (APD fees)	36,400	45,500	45,500	0
Renewable Energy (geothermal) (<i>estimate</i>).....	[1,200]	[1,200]	[1,200]	[0]
Offsetting Collections (Inspection fees).....	0	0	10,000	+10,000
Lands and Realty Management (<i>estimates only</i>)				
Renewable Energy (ROW/NEPA/Coord. Offices) ...	700	16,800	19,800	+3,000
Energy Delivery Infrastructure (rights-of-way).....	900	900	900	0
Soil, Water, and Air – Air Quality Monitoring	0	0	2,000	+2,000
Subtotal, Appropriations.....	137,413	152,889	154,031	+1,142
Other Funding Sources (<i>all amounts are estimates</i>)				
Cost Recoveries in Service Charges, Deposits Account				
Oil and Gas Cost Recoveries (non-APD) ^{1/}	1,800	1,800	1,800	0
Rights-of-Way Processing Cost Recoveries ^{2/}	5,200	10,900	10,900	0
ROW Cost Recoveries - Renewable Energy	[1,000]	[5,700]	[5,700]	[0]
Mandatories				
APD Permit Processing Improvement Fund ^{3/}	21,000	21,000	21,000	0
Geothermal Fund ^{4/}	7,100	0	0	0
NPR-2 Revenue	505	25	0	-25
Subtotal, Other Funding Sources.....	35,605	33,725	33,700	-25
Subtotal, Bureau of Land Management.....	173,018	186,614	187,731	+1,117
BLM Subtotal - New Energy Frontier Initiative ^{5/}	[0]	[152,636]	[153,962]	[+1,326]
MINERALS MANAGEMENT SERVICE				
Offshore Energy and Minerals Management	166,199	196,874	200,612	+3,738
Minerals Revenue Management.....	86,684	89,374	100,404	+11,030
General Administration	51,220	55,699	57,461	+1,762
Subtotal, Minerals Management Service	304,103	341,947	358,477	+16,530
Offsetting Collections: OCS Rents.....	[146,730]	[156,730]	[154,890]	[-1,840]
Inspection Fees	[0]	[10,000]	[20,000]	[+10,000]
MMS Subtotal - New Energy Frontier Initiative ^{5/}	[0]	[341,947]	[358,477]	[+16,530]
U.S. GEOLOGICAL SURVEY				
Energy Resources.....	26,749	28,237	30,992	+2,755
Subtotal, U.S. Geological Survey	26,749	28,237	30,992	+2,755
USGS Subtotal - New Energy Frontier Initiative	[0]	[3,575]	[6,575]	[+3,000]
FISH AND WILDLIFE SERVICE				
Consultation and Planning.....	8,559	11,559	15,559	+4,000
Subtotal, Fish and Wildlife Service.....	8,559	11,559	15,559	+4,000
FWS Subtotal - New Energy Frontier Initiative.....	[0]	[3,000]	[7,000]	[+4,000]
BUREAU OF INDIAN AFFAIRS				
Trust Natural Resources				
Mining and Minerals Program (TPA).....	3,265	3,265	3,762	+497
Mining and Minerals Program (non-TPA).....	6,933	12,972	13,896	+924
Mining and Minerals Central Oversight.....	1,492	1,522	2,342	+820
Mining and Minerals Regional Oversight ^{6/}	875	863	0	-863
Fort Berthold Real Estate Services	0	0	1,000	+1,000
Subtotal, Bureau of Indian Affairs.....	12,565	18,622	21,000	+2,378
BIA Subtotal - New Energy Frontier Initiative	[0]	[5,000]	[7,500]	[+2,500]

APPENDIX B

**ENERGY PROGRAMS
(in thousands of dollars)**

Bureau/Program	2009 Actual	2010 Enacted	2011 Request	2011 Compared to 2010
OFFICE OF THE SECRETARY				
Office of Hearings and Appeals.....	404	404	404	0
TOTAL, DEPARTMENT OF THE INTERIOR.....	525,398	587,383	614,163	+26,780
TOTAL, NEW ENERGY FRONTIER INITIATIVE	[0]	[506,158]	[533,514]	[+27,356]

^{1/} These cost recovery amounts are estimates only.

^{2/} Amounts shown are 50 percent of the total rights-of-way cost recoveries, reflecting estimates for energy related rights-of-way, or BLM staff assumptions.

^{3/} Actual mineral leasing rental receipts vary by year and are difficult to predict. As a result, BLM's spending plan for the Permit Processing Improvement Fund makes available a total of \$21.0 million. Actual receipts may vary. For example, receipts totaled \$22.6 million in 2008.

^{4/} Geothermal receipts deposited in BLM's Geothermal Fund vary by year, so BLM's spending plan may differ from actual and estimated receipts. The 2010 Interior Appropriations Act ended authority for the BLM Geothermal Fund.

^{5/} The New Energy Frontier initiative subtotals include discretionary and mandatory funding for BLM and MMS.

^{6/} The BIA consolidated Mining and Minerals Central and Regional Oversight is due to an organizational realignment.

CLIMATE CHANGE ADAPTATION

(in thousands of dollars)

Bureau/Account/Activity	2009 Actual	2010 Enacted	2011 Request	2011 Compared to 2010
BUREAU OF LAND MANAGEMENT				
Ecosystem Assessments	0	4,500	4,500	0
Seed Preservation.....	0	3,000	3,000	0
Ground Restoration Activities	0	7,500	7,500	0
Adaptation Strategies.....	0	0	2,500	+2,500
Subtotal, Bureau of Land Management	0	15,000	17,500	+2,500
BUREAU OF RECLAMATION				
Basin Studies	0	1,500	3,000	+1,500
Science and Technology	0	2,000	4,000	+2,000
Subtotal, Bureau of Reclamation.....	0	3,500	7,000	+3,500
U.S. GEOLOGICAL SURVEY				
Climate Effects Network/Science Application	5,500	10,500	11,500	+1,000
National Climate Change and Wildlife Science Center ..	10,000	15,000	23,000	+8,000
Geological Carbon Sequestration	1,500	5,000	5,000	0
Biological Carbon Sequestration	1,500	5,000	7,000	+2,000
Research and Development.....	22,128	22,128	22,073	-55
Other Climate Change Science Prog. Contributions ^{1/}	4,824	9,824	9,305	-519
Subtotal, U.S. Geological Survey	45,452	67,452	77,878	+10,426
FISH AND WILDLIFE SERVICE				
Climate Change Planning ^{2/}	0	10,000	13,750	+3,750
Climate Change Science Capacity ^{3/}	0	10,000	15,000	+5,000
Partners - Private Lands.....	0	6,000	8,000	+2,000
National Wildlife Refuge System	0	12,000	20,000	+8,000
National Fish Habitat Action Plan	0	2,000	2,000	0
Subtotal, Fish and Wildlife Service.....	0	40,000	58,750	+18,750
NATIONAL PARK SERVICE				
Land, Water, and Wildlife Adaptation Strategies.....	0	5,500	5,500	0
Climate Change Monitoring System.....	0	3,000	3,000	0
Climate Change Response Office	0	1,500	1,500	0
Subtotal, National Park Service	0	10,000	10,000	0
BUREAU OF INDIAN AFFAIRS				
Climate Change.....	0	0	200	+200
Subtotal, Bureau of Indian Affairs	0	0	200	+200
TOTAL, DEPARTMENT OF THE INTERIOR.....	45,452	135,952	171,328	+35,376

^{1/} The other Climate Change Science Program contributions include \$5.0 million for climate change science coordination with FWS, \$3.3 million for the National Satellite Land Remote Sensing Data Archive for CCSP data, and \$1.0 million for Biological Research and Monitoring activities that contribute to CCSP.

^{2/} Includes \$750,000 dedicated to Gulf Coast Landscape Conservation Cooperative activities.

^{3/} Includes \$1.0 million dedicated to Gulf Coast climate science activities.

WATERSMART PROGRAM

(in thousands of dollars)

Bureau/Account/Activity	2009 Actual	2010 Enacted	2011 Request	2011 Compared to 2010
BUREAU OF RECLAMATION				
Water and Related Resources				
WaterSMART Grants ^{1/}	7,048	18,000	27,000	+9,000
Basin Studies	4,000	3,000	6,000	+3,000
Title XVI Water Reclamation and Reuse Program	39,245	13,595	29,000	+15,405
Subtotal, Bureau of Reclamation	50,293	34,595	62,000	+27,405
U.S. GEOLOGICAL SURVEY				
Surveys, Investigations, and Research				
WaterSMART Availability and Use Assessment				
Geographic Analysis and Monitoring	0	0	500	+500
National Cooperative Geologic Mapping	0	0	500	+500
Groundwater Resources Program	1,594	1,594	2,694	+1,100
Hydrologic Networks and Analysis	355	355	6,755	+6,400
Biological Research and Monitoring	0	0	500	+500
Subtotal, U.S. Geological Survey	1,949	1,949	10,949	+9,000
TOTAL, DEPARTMENT OF THE INTERIOR	52,242	36,544	72,949	+36,405

^{1/} Formerly known as Challenge Grants.

YOUTH IN NATURAL RESOURCES

(in thousands of dollars)

Bureau/Program	2009 Actual	2010 Enacted	2011 Request	2011 Compared to 2010
BUREAU OF LAND MANAGEMENT				
Management of Lands and Resources	1,111	3,611	3,611	0
Recreation Management	1,509	4,009	4,009	0
National Fish and Wildlife Foundation.....	0	0	1,000	+1,000
Subtotal, Bureau of Land Management	2,620	7,620	8,620	+1,000
U.S. GEOLOGICAL SURVEY				
Science Support.....	2,250	2,250	2,250	0
Enterprise Information.....	0	2,000	2,000	0
Subtotal, U.S. Geological Survey	2,250	4,250	4,250	0
FISH AND WILDLIFE SERVICE				
Refuges	2,000	4,000	6,000	+2,000
Fisheries.....	2,400	3,700	3,700	0
Ecological Services.....	29	29	29	0
Migratory Bird Management	24	1,024	524	-500
National Conservation Training Center	200	4,400	4,400	0
National Fish and Wildlife Foundation.....	0	0	1,000	+1,000
Subtotal, Fish and Wildlife Service.....	4,653	13,153	15,653	+2,500
NATIONAL PARK SERVICE				
Operation of the National Park System.....	6,085	11,085	16,885	+5,800
Recreational Fee Program.....	[4,400]	[4,400]	[6,400]	[+2,000]
Subtotal, National Park Service	6,085	11,085	16,885	+5,800
TOTAL, DEPARTMENT OF THE INTERIOR.....	15,608	36,108	45,408	+9,300

LAND AND WATER CONSERVATION FUND

(in thousands of dollars)

Bureau/Account/Activity	2009 Actual	2010 Enacted	2011 Request	2011 Compared to 2010
FEDERAL LAND ACQUISITION				
Department of the Interior				
Bureau of Land Management	14,775	29,650	83,650	+54,000
Fish and Wildlife Service.....	42,455	86,340	106,340	+20,000
National Park Service.....	45,190	86,266	106,266	+20,000
Interior Appraisal Services.....	8,012	12,136	14,136	+2,000
Subtotal, Department of the Interior.....	110,432	214,392	310,392	+96,000
Department of Agriculture				
Forest Service	49,775	63,522	73,664	+10,142
TOTAL, FEDERAL LAND ACQUISITION	160,207	277,914	384,056	+106,142
OTHER CONSERVATION GRANTS				
Department of the Interior				
FWS Cooperative Endangered Species				
Conservation Fund	75,501	85,000	85,000	0
NPS State Grants - Discretionary *.....	19,000	40,000	50,000	+10,000
Subtotal, Department of the Interior.....	94,501	125,000	135,000	+10,000
Department of Agriculture				
Forest Legacy.....	49,445	76,460	100,110	+23,650
TOTAL, OTHER CONSERVATION GRANTS	143,946	201,460	235,110	+33,650
TOTAL, LAND AND WATER CONSERVATION FUND.....	304,153	479,374	619,166	+139,792
TOTAL, DEPARTMENT OF THE INTERIOR.....	204,933	339,392	445,392	+106,000
TOTAL, DEPARTMENT OF AGRICULTURE.....	99,220	139,982	173,774	+33,792

* Excludes mandatory appropriations from revenues generated by leasing activities on the Outer Continental Shelf and paid into the LWCF. The NPS received \$8.4 million in 2009 and is estimated to receive \$910,000 in 2010 and \$740,000 in 2011.

LAND ACQUISITION PROGRAM

LAND AND WATER CONSERVATION FUND

(in thousands of dollars)

Bureau/State/Project	Acres	2011 Request
BUREAU OF LAND MANAGEMENT		
Arizona		
Arizona Wilderness	450	700
Grand Canyon-Parashant National Monument.....	1,920	1,600
Subtotal		2,300
California		
Big Morongo Canyon Area of Critical Environmental Concern.....	496	1,700
California Wilderness.....	595	1,800
Carrizo Plain National Monument.....	2,853	2,200
Santa Rosa and San Jacinto Mountains National Monument.....	160	500
Trinity National Wild and Scenic River	450	1,800
Upper Sacramento River Area of Critical Environmental Concern.....	147	3,000
Subtotal		11,000
Colorado		
Canyons of the Ancients National Monument.....	1,800	2,521
Idaho		
Snake River Rim Recreation Area/ Oregon National Historic Trail	497	400
Upper Snake/South Fork Snake River ACEC/SRMA.....	895	3,000
Subtotal		3,400
Montana		
Chain-of-Lakes Recreation Management Area/ Lewis and Clark National Historic Trail	1,165	1,000
Upper Madison River Special Resource Management Area.....	320	1,100
Subtotal		2,100
New Mexico		
Lesser Prairie Chicken Habitat Conservation ACEC	7,440	1,750
Oregon		
Cascade-Siskiyou National Monument.....	5,400	7,500
Crooked National Wild and Scenic River	101	1,200
Owyhee National Wild and Scenic River.....	320	800
Sandy River/Oregon National Historic Trail.....	245	1,500
Subtotal		11,000
Utah		
Grand Staircase-Escalante National Monument.....	48	700
Wyoming		
North Platte River Special Resource Management Area	377	3,000

**LAND ACQUISITION PROGRAM
LAND AND WATER CONSERVATION FUND**

(in thousands of dollars)

State/Project	Acres	2011 Request
Multi-State		
National Wild Horse Preserve	TBD	42,000
Subtotal, BLM line-item projects		79,771
Acquisition Management *		2,379
Emergencies, Inholdings, and Hardships		1,500
Subtotal, Bureau of Land Management.....		83,650
FISH AND WILDLIFE SERVICE		
Alabama		
Cahaba River National Wildlife Refuge	163	500
Alaska		
Alaska National Wildlife Refuges	40,660	2,000
Arkansas		
Cache River National Wildlife Refuge.....	1,250	3,000
California		
Grasslands Wildlife Management Area.....	1,648	4,000
Sacramento River National Wildlife Refuge.....	176	1,300
San Diego National Wildlife Refuge	80	1,500
San Joaquin River National Wildlife Refuge	208	2,500
Stone Lakes National Wildlife Refuge	110	750
Subtotal		10,050
Florida		
St. Marks National Wildlife Refuge	750	1,000
Georgia		
Savannah National Wildlife Refuge.....	110	1,375
Illinois		
Cypress Creek National Wildlife Refuge	200	500
Louisiana		
Red River National Wildlife Refuge.....	755	1,000
Upper Ouachita National Wildlife Refuge.....	1,200	3,000
Subtotal		4,000
Maryland		
Blackwater National Wildlife Refuge	1,515	2,500
Minnesota		
Minnesota Valley National Wildlife Refuge	200	750

* The BLM Acquisition Management includes \$500,000 to support the development of the Wild Horse and Burro Preserve.

**LAND ACQUISITION PROGRAM
LAND AND WATER CONSERVATION FUND**

(in thousands of dollars)

State/Project	Acres	2011 Request
Mississippi		
Panther Swamp National Wildlife Refuge	256	500
Missouri		
Big Muddy National Fish and Wildlife Refuge.....	250	1,000
Montana		
Red Rock Lakes National Wildlife Refuge	670	3,000
Rocky Mountain Front Conservation Area	17,545	7,895
Subtotal		<u>10,895</u>
North Dakota		
North Dakota Wildlife Management Area.....	14,286	2,500
Oklahoma		
Ozark Plateau National Wildlife Refuge.....	485	500
Pennsylvania		
Cherry Valley National Wildlife Refuge.....	90	500
South Carolina		
Cape Romain National Wildlife Refuge	73	500
Waccamaw National Wildlife Refuge	738	2,125
Subtotal		<u>2,625</u>
Tennessee		
Chickasaw National Wildlife Refuge.....	200	500
Texas		
Balcones Canyonlands National Wildlife Refuge	750	2,000
Laguna Atascosa National Wildlife Refuge	400	1,000
Lower Rio Grande Valley National Wildlife Refuge	1,401	2,500
San Bernard National Wildlife Refuge	1,844	4,000
Trinity River National Wildlife Refuge.....	1,759	1,500
Subtotal		<u>11,000</u>
Utah		
Bear River Migratory Bird Refuge.....	500	1,500
Virginia		
Rappahannock River Valley National Wildlife Refuge.....	200	1,000
Washington		
Nisqually National Wildlife Refuge.....	209	1,500
Turnbull National Wildlife Refuge.....	744	1,640
Willapa National Wildlife Refuge	290	1,500
Subtotal		<u>4,640</u>
Wyoming		
Cokeville Meadows National Wildlife Refuge.....	850	500

LAND ACQUISITION PROGRAM
LAND AND WATER CONSERVATION FUND

(in thousands of dollars)

State/Project	Acres	2011 Request
Multi-State		
Dakota Tallgrass Prairie Wildlife Management Area (ND/SD).....	6,667	3,000
Driftless Area National Wildlife Refuge (IA/IL/MN/WI)	170	500
Grand Bay National Wildlife Refuge (AL/MS).....	1,123	450
Highlands Conservation Area (CT/NJ/NY/PA)	TBD	5,000
Lake Umbagog National Wildlife Refuge (ME/NH)	2,000	2,000
Middle Mississippi National Wildlife Refuge (IL/MN)	111	500
Northern Tallgrass Prairie National Wildlife Refuge (IA/MN).....	1,240	1,500
Silvio O. Conte National Fish and Wildlife Refuge (CT/MA/NH/VT)	2,250	6,000
Upper Mississippi River National Wildlife and Fish Refuge (IA/IL/MN/WI)	625	2,500
Subtotal		<u>21,450</u>
Subtotal, FWS line item acquisition.....		<u>84,785</u>
Acquisition Management		12,555
User-Pay Cost Share		2,000
Emergencies, Inholdings, and Hardships		5,000
Exchanges		2,000
Subtotal, Fish and Wildlife Service.....		<u>106,340</u>
NATIONAL PARK SERVICE		
Alaska		
Glacier Bay National Park and Preserve	470	2,500
Wrangell-St. Elias National Park and Preserve	20	1,492
Subtotal		<u>3,992</u>
Arizona		
Petrified Forest National Park.....	35,960	7,540
California		
Golden Gate National Recreation Area	1,500	6,058
Mojave National Preserve	846	1,250
Santa Monica Mountains National Recreation Area	286	3,750
Subtotal		<u>11,058</u>
Colorado		
Sand Creek Massacre National Historic Site	680	259
Georgia		
Chattahoochee River National Recreation Area.....	50	3,620
Maine		
Acadia National Park.....	23	1,764

**LAND ACQUISITION PROGRAM
LAND AND WATER CONSERVATION FUND**

(in thousands of dollars)

State/Project	Acres	2011 Request
Maryland		
Catoctin Mountain Park.....	18	640
Massachusetts		
Minute Man National Historical Park	5	2,170
Minnesota		
Voyageurs National Park.....	4	366
Mississippi		
Natchez National Historical Park.....	6	500
New Mexico		
Pecos National Historical Park	188	1,171
New York		
Home of Franklin D. Roosevelt National Historic Site	2	1,575
Saratoga National Historical Park.....	171	650
Subtotal		<u>2,225</u>
Ohio		
Cuyahoga Valley National Park	418	6,816
South Carolina		
Congaree National Park.....	436	1,400
South Dakota		
Wind Cave National Park.....	5,555	8,557
Texas		
Palo Alto National Historic Park.....	540	2,425
San Antonio Missions National Historical Park.....	40	1,760
Subtotal		<u>4,185</u>
Virgin Islands		
Virgin Islands National Park.....	90	3,750
Virginia		
Fredericksburg and Spotsylvania National Military Park..	166	3,750
Prince William Forest Park	183	6,035
Subtotal		<u>9,785</u>
Washington		
Ebey's Landing National Historical Reserve.....	236	1,000
Mount Rainier National Park.....	40	857
Subtotal		<u>1,857</u>
West Virginia		
New River Gorge National River	2,020	4,138
Subtotal, NPS line item acquisition		<u>75,793</u>

LAND ACQUISITION PROGRAM
LAND AND WATER CONSERVATION FUND

(in thousands of dollars)

State/Project	Acres	2011 Request
Acquisition Management		10,473
Emergencies, Hardship, and Relocation		7,000
Inholdings and Exchanges		7,000
American Battlefield Grants.....		6,000
Subtotal, National Park Service		106,266
OFFICE OF THE SECRETARY		
Appraisal Services		14,136
TOTAL, DEPARTMENT OF THE INTERIOR.....		310,392

CHESAPEAKE BAY INITIATIVE

(in thousands of dollars)

Bureau/Account/Program Activity	2009 Actual	2010 Enacted	2011 Request	2011 Compared to 2010
U.S. GEOLOGICAL SURVEY				
Surveys, Investigations, and Research				
Geographic Research, Investigations, Remote Sensing				
Land Remote Sensing	170	170	170	0
Geological Analysis and Monitoring.....	505	105	105	0
Geologic Hazards, Resources, and Processes				
Geologic Landscape and Coastal Assessments				
Coastal and Marine Geology.....	196	196	196	0
National Cooperative Geologic Mapping	0	0	0	0
Water Resources Investigations				
Cooperative Water Program	780	780	780	0
Hydrologic Monitoring, Assessments, Research				
Hydrologic Networks and Analysis.....	228	228	228	0
Toxic Substances Hydrology	50	50	50	0
National Streamflow Information Program	189	189	189	0
Biological Research				
Biological Research and Monitoring				
Wildlife: Terrestrial and Endangered Resources ...	131	131	131	0
Contaminant Biology.....	400	400	400	0
Fisheries: Aquatic and Endangered Resources....	438	438	438	0
Terrestrial Freshwater and Marine Ecosystems	83	83	83	0
Priority Ecosystems Science.....	1,313	1,313	1,313	0
Global Change	705	705	4,319	+3,614
Subtotal, U.S. Geological Survey	5,188	4,788	8,402	+3,614
FISH AND WILDLIFE SERVICE				
Resource Management				
Ecological Services				
Endangered Species				
Consultation	514	532	551	+19
Recovery	445	461	477	+16
Candidate Conservation	11	11	12	+1
Habitat Conservation				
Partners for Fish and Wildlife.....	1,809	1,872	2,338	+466
Conservation Planning Assistance	613	634	657	+23
Coastal Program	873	904	1,435	+531
Environmental Contaminants	236	244	433	+189
National Wildlife Refuge System Ops. and Maintenance				
National Wildlife Refuge System Operations				
Wildlife and Habitat Management.....	2,981	3,085	4,653	+1,568
Visitor Services	1,438	1,488	1,900	+412
Refuge Law Enforcement.....	314	325	336	+11
Conservation Planning.....	71	73	76	+3
National Wildlife Refuge System Maintenance				
Maintenance.....	2,207	2,284	2,364	+80
Migratory Birds, Law Enforcem't and Internat'l Affairs				
Migratory Bird Management				
Conservation and Monitoring.....	61	63	165	+102
Permits.....	10	10	11	+1
North American Waterfowl Management Plan....	8	8	294	+286
Law Enforcement				
Law Enforcement Operations.....	0	0	140	+140

CHESAPEAKE BAY INITIATIVE
(in thousands of dollars)

Bureau/Account/Program Activity	2009 Actual	2010 Enacted	2011 Request	2011 Compared to 2010
FISH AND WILDLIFE SERVICE <i>(continued)</i>				
Fisheries and Aquatic Resource Conservation				
National Fish Hatchery Operations				
Operations.....	733	759	785	+26
Maintenance and Equipment				
Hatchery Maintenance and Rehabilitation.....	4	0	0	0
National Fish Hatchery System Maintenance.....	285	299	310	+11
Fish and Wildlife Conservation Office Maint.	8	8	9	+1
Aquatic and Habitat and Species Conservation				
Anadromous Fish Management.....	4	0	0	0
Fish and Wildlife Technical Assistance	34	0	0	0
Habitat Assessment and Restoration	254	276	1,716	+1,440
Population Assessment and Coop. Mgmt	465	508	525	+17
Aquatic Invasive Species Control	0	0	158	+158
State Plans and Natl. Inv. Species Act Impl.	4	4	0	-4
Control and Management	8	8	0	-8
General Operations				
Regional Office Operations.....	92	95	0	-95
Subtotal, Fish and Wildlife Service.....	13,482	13,951	19,345	+5,394
NATIONAL PARK SERVICE				
Operation of the National Park System				
Park Management and Resource Management				
Natural Resource Project Funding.....	0	153	187	+34
National Trails				
Capt. John Smith Chesapeake NHT	381	381	381	0
Star Spangled Banner NHT	150	150	150	0
Field Offices and Associated Areas				
Chesapeake Bay Project Office	476	496	967	+471
Chesapeake Watershed - Cooperative				
Ecosystems Studies Units.....	154	154	154	0
Subtotal, Operation of the National Park System.....	1,161	1,334	1,839	+505
National Recreation and Preservation				
Statutory Aid				
Chesapeake Bay Gateways and Water Trails	1,000	1,000	2,000	+1,000
Star Spangled Banner NHT	0	500	0	-500
Subtotal, National Recreation and Preservation.....	1,000	1,500	2,000	+500
Subtotal, National Park Service	2,161	2,834	3,839	+1,005
TOTAL, DEPARTMENT OF THE INTERIOR.....	20,831	21,573	31,586	+10,013

GREAT LAKES RESTORATION

(in thousands of dollars)

Bureau/Program	2009 Actual	2010 Enacted	2011 Request
U.S. GEOLOGICAL SURVEY			
Bioinformatics	147	78	78
Coastal and Marine Geology	600	600	600
Cooperative Water Program	2,790	2,741	2,741
Ecosystem Program	1,189	1,211	1,211
Fisheries Program	3,781	3,852	3,852
Groundwater Resources Program	1,010	10	10
WaterSMART Quality Assessment Program	2,582	2,607	2,607
Status and Trends of Biological Resources Program	3,546	3,617	3,617
Global Climate Change Program	500	0	250
Invasive Species Program	414	422	422
Wildlife Program	109	26	26
National Streamflow Information Program	525	540	540
EPA Great Lakes Restoration Initiative ^{2/}		[16,492]	[10,282]
Subtotal, U.S. Geological Survey	17,193	15,704	15,954
FISH AND WILDLIFE SERVICE			
Clean Vessel Grant Program	1,000	1,000	1,000
Coastal Wetlands Grant Program	3,000	3,000	3,000
Endangered Species	3,000	3,000	3,000
Fire Management/Roads	2,000	2,000	2,000
Fish and Wildlife Management	4,000	4,000	4,000
Fish Hatcheries ^{1/}	5,000	5,000	5,000
Great Lakes Consent Decree	1,000	1,000	1,000
Great Lakes Fish and Wildlife Restoration	1,000	1,000	1,000
Habitat Conservation ^{1/}	7,000	8,000	8,000
Habitat Restoration Projects	0	0	0
Law Enforcement	2,000	2,000	2,000
National Wildlife Refuge System ^{1/}	12,000	13,000	13,000
EPA Great Lakes Restoration Initiative ^{2/}		[57,501]	[32,489]
Subtotal, Fish and Wildlife Service	41,000	43,000	43,000
NATIONAL PARK SERVICE			
Competitive Park Projects - Water Management Plans ^{1/}	400	400	300
Operating Program	7,000	7,000	7,100
Vital Signs Water Quality Monitoring	300	300	300
EPA Great Lakes Restoration Initiative ^{2/}		[10,450]	[4,660]
Subtotal, National Park Service	7,700	7,700	7,700
BUREAU OF INDIAN AFFAIRS			
EPA Great Lakes Restoration Initiative ^{2/}		[3,000]	[2,771]
TOTAL, DEPARTMENT OF THE INTERIOR.....			
	65,893	66,404	66,654
Total, EPA Great Lakes Restoration Initiative ^{2/}		[87,443]	[50,202]

^{1/} The 2009 American Recovery and Reinvestment Act funds are not included in this table but are displayed below:

U.S. Geological Survey	
Deferred Maintenance/Capital Improvements..	9,930
Fish and Wildlife Service	
Fish Hatcheries	4,000
Habitat Conservation	1,000
National Wildlife Refuge System	3,000
National Park Service	
Competitive Park Projects-Water Mgmt Plans	5,003
Total, Department of the Interior	22,933

^{2/} Funding for all Interior bureaus' Great Lakes Restoration projects is requested within the Environmental Protection Agency's budget and totals \$87.4 million in 2010 enacted funds and \$50.2 million in the 2011 budget request.

EVERGLADES RESTORATION

(in thousands of dollars)

Bureau/Account/Program Activity	2009 Actual	2010 Enacted	2011 Request	2011 Compared to 2010
U.S. GEOLOGICAL SURVEY				
Surveys, Investigations, and Research.....	6,907	6,907	6,907	0
FISH AND WILDLIFE SERVICE				
Resource Management				
Comprehensive Everglades Restoration				
Implementation.....	3,251	3,251	3,251	0
Ecological Services.....	2,475	2,475	4,250	+1,775
Refuges and Wildlife.....	4,022	4,022	4,022	0
Migratory Birds.....	99	99	99	0
Law Enforcement.....	609	609	609	0
Fisheries.....	92	92	92	0
Subtotal, Fish and Wildlife Service.....	10,548	10,548	12,323	+1,775
Comprehensive Everglades Restoration Plan				
Reimbursible Agreement with the U.S. Army				
Corps of Engineers.....	[3,000]	[3,000]	[3,000]	[0]
NATIONAL PARK SERVICE				
Operation of the National Park System				
Park Operations.....	29,852	31,413	32,566	+1,153
Comprehensive Everglades Restoration				
Implementation.....	4,699	4,789	4,750	-39
Task Force.....	1,303	1,320	1,320	0
Everglades Research.....	3,849	3,873	3,873	0
Construction				
Modified Water Deliveries Project.....	60,000	8,400	8,000	-400
Big Cypress Sustainable Trail System.....	0	0	3,559	+3,559
Land Acquisition				
Everglades Acquisition Management.....	730	775	775	0
Subtotal, National Park Service.....	100,433	50,570	54,843	+4,273
BUREAU OF INDIAN AFFAIRS				
Operation of Indian Programs				
Seminole and Miccosukee Tribal Water Studies.....	390	390	390	0
TOTAL, DEPARTMENT OF THE INTERIOR.....	118,278	68,415	74,463	+6,048

OCEANS

(in thousands of dollars)

Bureau/Account/Activity	2009 Actual	2010 Enacted	2011 Request	2011 Compared to 2010
MINERALS MANAGEMENT SERVICE				
Royalty and Offshore Minerals Management				
Outer Continental Shelf Lands	166,199	195,974	200,628	+4,654
Minerals Revenue Management.....	40,844	44,687	50,202	+5,515
General Administration.....	23,728	27,850	28,723	+873
Oil Spill Research.....	6,303	6,303	6,303	0
Coastal Impact Assistance Program ^{1/}	250,000	250,000	0	-250,000
Subtotal, Minerals Management Service	487,074	524,814	285,856	-238,958
U.S. GEOLOGICAL SURVEY				
Surveys, Investigations, and Research				
Geologic Hazards, Resource, and Processes				
Geography.....	3,100	3,100	2,940	-160
Geologic Hazard Assessment.....	13,300	13,600	13,600	0
Geologic Landscape and Coastal Assessments....	44,600	46,188	49,317	+3,129
Geologic Resource Assessments	1,500	1,500	1,500	0
Water Resources Investigations				
Hydrologic Monitoring, Assessments, and Research.....	14,200	14,200	14,200	0
Cooperative Water Program	3,160	3,160	3,160	0
Water Resources Research Act Program	0	0	0	0
Biological Research	30,100	30,100	30,100	0
Mapping, Remote Sensing, and Enterprise Info..	6,100	0	0	0
Subtotal, U.S. Geological Survey	116,060	111,848	114,817	+2,969
FISH AND WILDLIFE SERVICE				
Resource Management.....	183,840	195,950	206,590	+10,640
Construction	7,050	0	0	0
Sport Fish Restoration Account ^{2/}	32,600	31,180	30,720	-460
North American Wetlands Conservation Fund ^{2/}	19,000	18,120	17,850	-270
Cooperative Endangered Species Fund (Section 6) ^{2/} ...	600	600	600	0
Subtotal, Fish and Wildlife Service.....	243,090	245,850	255,760	+9,910
NATIONAL PARK SERVICE				
Operation of the National Park System.....	83,730	79,690	83,310	+3,620
Everglades Restoration and Research.....	4,630	4,800	4,800	0
Subtotal, National Park Service	88,360	84,490	88,110	+3,620
OFFICE OF INSULAR AFFAIRS				
Assistance to Territories, Coral Reef Initiative	1,000	1,000	1,000	0
DEPARTMENT-WIDE PROGRAMS				
Natural Resource Damage Assessment and Restoration ^{3/}				
Damage Assessments.....	4,514	3,500	3,500	0
Restoration Implementation	20,175	20,000	20,000	0
Subtotal, Department-wide Programs	24,689	23,500	23,500	0
TOTAL, DEPARTMENT OF THE INTERIOR.....	960,273	991,502	769,043	-222,459

^{1/} The Coastal Impact Assistance Program is a grant program which was authorized by the Energy Policy Act of 2005 to disburse \$250 million from OCS oil and gas revenues each fiscal year 2007-2010 to producing States and coastal political subdivisions.

^{2/} Grant amounts for 2010 and 2011 are estimates until awarded.

^{3/} The 2010 and 2011 figures are estimates as of January 2010 since restoration implementation is funded by receipts from legal settlements.

MAINTAINING AMERICA'S HERITAGE

(in thousands of dollars)

Bureau/Account	2009 Actual	2010 Enacted	2011 Request	2011 Compared to 2010
MAINTENANCE				
Bureau of Land Management				
Management of Land and Resources	73,857	73,155	72,198	-957
Oregon and California Grant Lands	11,053	11,202	11,100	-102
National Landscape Conservation System	1,754	1,754	0	-1,754
Subtotal, Bureau of Land Management	86,664	86,111	83,298	-2,813
U.S. Geological Survey				
Surveys, Investigations, and Research	30,989	31,097	30,429	-668
Fish and Wildlife Service				
Resource Management	161,151	161,742	160,962	-780
National Park Service				
Operation of the National Park System	718,651	721,713	718,782	-2,931
Bureau of Indian Affairs				
Operation of Indian Programs	82,405	84,219	142,230	+58,011
Department-wide Programs				
Wildland Fire Management	6,137	6,137	3,137	-3,000
SUBTOTAL, MAINTENANCE	1,085,997	1,091,019	1,138,838	+47,819
CONSTRUCTION				
Bureau of Land Management	6,590	8,626	3,590	-5,036
U.S. Geological Survey	0	0	2,500	+2,500
Fish and Wildlife Service	35,533	37,432	23,737	-13,695
National Park Service	232,521	239,769	195,198	-44,571
Bureau of Indian Affairs	217,688	225,000	115,723	-109,277
SUBTOTAL, CONSTRUCTION	492,332	504,027	340,748	-163,905
TOTAL, DEPARTMENT OF THE INTERIOR	1,578,329	1,595,046	1,479,586	-116,086
TOTALS BY BUREAU				
Bureau of Land Management	93,254	94,737	86,888	-7,849
U.S. Geological Survey	30,989	31,097	32,929	+1,832
Fish and Wildlife Service	196,684	199,174	184,699	-14,475
National Park Service	951,172	961,482	913,980	-47,502
Bureau of Indian Affairs	300,093	309,219	257,953	-51,266
Department-wide Programs, Wildland Fire	6,137	6,137	3,137	-3,000
TOTAL, DEPARTMENT OF THE INTERIOR	1,578,329	1,595,046	1,479,586	-116,086

CONSTRUCTION PROGRAM

INTERIOR, ENVIRONMENT, AND RELATED AGENCIES

(in thousands of dollars)

Bureau/State/Project	Estimated Cost	Through 2010	2011 Request
BUREAU OF LAND MANAGEMENT			
Alaska			
Swede Lake Trailhead Sanitary Improvement Construct a single-vault toilet at Swede Lake trailhead. Construction will be the standard design for the district, a stick-built structure on a concrete slab over a steel tank.	106	0	106
Arizona			
Empire Ranch Historic Building Complex Fire Protection System Install a 50,000-gallon storage tank and 5,280 feet of eight-inch PVC water line to three fire hydrants.	311	0	311
Fairbank Historic Town Site Building Complex Fire Protection System Phase I Install a 35,000-gallon storage tank and 1,880 feet of eight-inch PVC water line to two fire hydrants and a new fire alarm system.	341	0	68
California			
King Range National Conservation Area Water Storage Purchase and erect a 50,000-gallon water storage tank for the BLM's King Range Project Office. This tank is to be part of an already existing potable water system at the King Range NCA.	193	0	193
Ridgecrest Wild Horse and Burro Shelter Construct a three-sided metal shelter to cover the horse and burro corral and working area. The structure is to be mounted on footings.	172	0	172
South Spit Development Pave approximately one-half mile of South Jetty Road, install a new entrance gate, install barriers to prevent off-road driving, install new tsunami warning signage, and construct a new garage at Lighthouse Ranch.	683	0	368
Colorado			
Radium Boat Ramp Construct three concrete boat ramps, 20,000 square feet of aggregate parking, 500 feet of access road, two double-vault toilets, and a kiosk.	424	0	424
Idaho			
Burnt Creek Road Renovation Reconstruct one-half mile portion of Burnt Creek Road No. 1921 using a "floating road base." Work is to include regrading and reconstructing the roadbed with pit run material; and installing culverts, geotextile, confinement grid, and aggregate surfacing.	102	0	102

CONSTRUCTION PROGRAM
INTERIOR, ENVIRONMENT, AND RELATED AGENCIES
(in thousands of dollars)

Bureau/State/Project	Estimated Cost	Through 2010	2011 Request
Lucile Recreation Site Turn Lanes and Infrastructure Construct approach turn lanes for a newly constructed boat launch facility. Complete landscaping and irrigation.	1,338	0	1,338
Utah			
Desilt Pond Improvements, Phase I Raise an existing dam approximately five feet in elevation for the length of the dam crest. The project will be accomplished in two phases.	1,262	0	190
Little Sahara Air Med Helipads Construct two helipads for Air Med helicopters at the Little Sahara Recreation Site. One helipad will be next to the visitors center and the other will be placed in a centralized location to serve each of the four campgrounds. Each of the two proposed sites will have a 50-by-50 foot concrete pad, approximately 200 feet of concrete walkway, site lighting, a wind sock, and 120 volt electrical service.	120	0	120
Bureau-wide			
Architectural and Engineering Services Provide for the completion of survey and design work, final project design, and initial contract development for construction projects within the BLM Five-Year Plan.	-	-	198
TOTAL, BUREAU OF LAND MANAGEMENT			3,590
U. S. GEOLOGICAL SURVEY			
Guam			
Geomagnetic Observatory Design and build a new instrumentation building. Demolish and dispose of two existing buildings.	296	0	296
Michigan			
Great Lakes Science Center Construct energy-efficient, sustainable roofs.	923	0	923
New York			
Tunison Laboratory of Aquatic Science Construct energy-efficient, sustainable roofs that meet the Department and USGS sustainability building standards.	277	0	277

CONSTRUCTION PROGRAM
INTERIOR, ENVIRONMENT, AND RELATED AGENCIES
(in thousands of dollars)

Bureau/State/Project	Estimated Cost	Through 2010	2011 Request
West Virginia			
Leetown Science Center Construct energy-efficient, sustainable roofs.	437	0	437
Wisconsin			
Upper Midwest Environmental Science Center Construct energy-efficient, sustainable roofs.	480	0	480
Multiple States			
Geomagnetic Observatories Upgrade the heating, ventilating, and air conditioning systems at geomagnetic observatories in Arizona, Colorado, and Washington.	87	0	87
TOTAL, U.S. GEOLOGICAL SURVEY			2,500
FISH AND WILDLIFE SERVICE			
Alaska			
Kenai National Wildlife Refuge Construct a headquarters/visitor facility, Phase I	9,900	0	2,448
Arizona			
Alchesay National Fish Hatchery Replace the water supply pipeline.	3,500	1,061	2,439
Arkansas			
Pond Creek National Wildlife Refuge Plan, design, and construct a maintenance shop.	1,030	0	1,030
California			
Kern National Wildlife Refuge Construct the Poso Creek weir.	550	0	550
San Luis National Wildlife Refuge Construct and install water monitoring stations.	245	0	245
Maine			
Green Lake National Fish Hatchery Replace an ultraviolet disinfection system.	1,300	0	1,300
Washington			
Turnbull National Wildlife Refuge Construct Lower Pine Lake Dam, Phase II.	1,500	250	1,250
Servicewide			
National Wildlife Refuge System Green Energy Projects	-	-	1,500
Visitor Facility Enhancements	-	-	1,309

CONSTRUCTION PROGRAM
INTERIOR, ENVIRONMENT, AND RELATED AGENCIES
(in thousands of dollars)

Bureau/State/Project	Estimated Cost	Through 2010	2011 Request
National Fish Hatchery System			
Green Energy Projects	-	-	250
Visitor Facility Enhancements	-	-	400
Dam Safety Program and Inspections	-	-	1,115
Bridge Safety Program and Inspections	-	-	740
Core Engineering Services	-	-	5,485
Seismic Safety Program	-	-	120
Environmental Compliance Management	-	-	1,000
Waste Prevention, Recycling, and Environmental Management Systems	-	-	100
User Cost Share	-	-	2,456
Subtotal, Servicewide Programs			11,016
TOTAL, FISH AND WILDLIFE SERVICE			23,737
 NATIONAL PARK SERVICE			
Alaska			
Denali National Park and Preserve Rehabilitate Headquarters utility infrastructure.	3,631	0	3,631
Lake Clark National Park and Preserve Replace Port Alsworth hangar and maintenance building for Federal Aviation Administration safety standards.	1,243	0	1,243
District of Columbia			
National Mall and Memorial Parks Enhance and improve the Washington Monument visitor screening facility.	6,124	0	6,124
National Mall and Memorial Parks Reconstruct turf and soil in the National Mall, Phase I.	24,921	0	16,173
Florida			
Big Cypress National Preserve Stabilize and construct an off-road sustainable trail system.	9,410	0	3,559
Everglades National Park Modify the water delivery system (ongoing).	414,400	313,400	8,000
Minnesota			
Mississippi National River and Recreation Area Demolish a former Bureau of Mines site.	3,734	734	3,000

CONSTRUCTION PROGRAM
INTERIOR, ENVIRONMENT, AND RELATED AGENCIES
(in thousands of dollars)

Bureau/State/Project	Estimated Cost	Through 2010	2011 Request
Missouri			
Jefferson National Expansion Memorial Repair hazardous cornice and column units on the Old Courthouse.	5,460	0	5,460
New York			
Gateway National Recreation Area Replace primary electric cables at Floyd Bennett Field.	6,541	0	6,541
Statue of Liberty National Monument and Ellis Island Address life and safety deficiencies at Statue of Liberty NM.	25,263	0	25,263
North Carolina			
North Shore Road Provide an increment of funding to resolve long- standing road issue with Swain County, the State of North Carolina, and the Tennessee Valley Authority.	TBD	12,800	4,000
Utah			
Bryce Canyon National Park Rehabilitate the failing sewer system.	3,052	0	3,052
Washington			
Olympic National Park Restore the Elwha River ecosystem (ongoing).	313,400	249,600	20,000
Wyoming			
Yellowstone National Park Improve seismic stabilization at the historic Old Faithful Inn dining room and fireplace.	2,996	0	2,996
Servicewide			
Special Programs			
Emergency/Unscheduled	-	-	3,861
Housing Replacement	-	-	2,965
Dam Safety	-	-	2,500
Equipment Replacement	-	-	13,750
Subtotal, Special Programs			<u>23,076</u>
Construction Planning	-	-	8,999
Construction Program Management and Operations	-	-	38,300
Management Planning	-	-	15,781
TOTAL, NATIONAL PARK SERVICE			<u>195,198</u>

CONSTRUCTION PROGRAM
INTERIOR, ENVIRONMENT, AND RELATED AGENCIES
(in thousands of dollars)

Bureau/State/Project	Estimated Cost	Through 2010	2011 Request
INDIAN AFFAIRS			
<i>Education Construction</i>			
Replacement School Construction			5,755
Replace schools in accordance with an established priority list as listed below.			
Arizona			
Dennehotso Replacement School, Phase II.			**
Multiple States			
Advance Planning and Design.			**
Replacement Facility Construction			8,085
Oklahoma			
Riverside Indian School, Phase I.			**
Multiple States			
Advance Planning and Design.			**
Employee Housing Repair			4,447
Repair critical life safety-related deficiencies in employee housing.			
Multiple States			
Multiple Facilities			**
Demolition			**
Facilities Improvement and Repair			34,567
Repair critical life safety items, consolidate or close under-utilized facilities, and repair education facilities for BIE-funded schools.			
Arizona			
Keams Canyon Elementary School			**
Multiple States			
Program Management			**
Special Programs			**
<i>Subtotal, Education Construction</i>			52,854

CONSTRUCTION PROGRAM
INTERIOR, ENVIRONMENT, AND RELATED AGENCIES
(in thousands of dollars)

Bureau/State/Project	Estimated Cost	Through 2010	2011 Request
<i>Public Safety and Justice Construction</i>			
Facilities Improvement and Repair			
Address detention facilities improvement and repair needs, with emphasis on critical health and safety items identified in safety reports.			
Multiple States			
Program Management			400
Minor Improvement and Repair			2,806
Condition Assessments			300
Emergency Repair			370
Environmental Projects			547
Detention Center Employee Housing			
Multiple States			
Construct New Employee Housing			3,000
Advance Planning and Design			500
Fire Protection and Safety Coordination			
Procure fire trucks and equipment and install fire sprinklers and fire and smoke alarms in dormitories, detention centers, and other buildings.			
Multiple States			
Fire Protection			3,279
Fire Safety Coordination			175
<i>Subtotal, Public Safety and Justice Construction</i>			11,377
<i>Resources Management Construction</i>			
Irrigation Project Construction			
New Mexico			
Navajo Indian Irrigation Project	142,992	53,652	12,433
Multiple States			
Irrigation Projects - Rehabilitation			1,000
Engineering and Supervision			2,093
Survey and Design			292
Safety of Dams Projects			
Rehabilitation – Expedited Actions.			
Arizona			
Tsaile Dam			**
Montana			
Tabor Dam			**

CONSTRUCTION PROGRAM
INTERIOR, ENVIRONMENT, AND RELATED AGENCIES
(in thousands of dollars)

Bureau/State/Project	Estimated Cost	Through 2010	2011 Request
New Mexico			
Red Lake Dam			**
North Dakota			
Gordon Dam			**
South Dakota			
South Okreek Dam			**
<i>Subtotal, Safety of Dams Projects</i>			12,800
Multiple States			
Expedited Issues - Mitigation of High Risks Failure Modes			1,652
Issues Evaluations			1,028
Security			300
Emergency Management Systems			2,600
Safety of Dams Inspection/Evaluations			2,700
Program Coordination			2,684
Multiple States			
Dam Maintenance			1,921
Multiple States			
Federal Power Compliance (FERC)			656
<i>Subtotal, Resources Management Construction</i>			42,159
<i>Other Program Construction, Improvement, and Repair</i>			
Telecommunications Improvement and Repair			
Multiple States			863
Facilities Quarters Improvement and Repair			1,180
Multiple States			
Condition Assessments			**
Emergency Repair			**
Environmental Projects			**
Minor Improvement and Repairs			**
Construction Program Management			7,290
Multiple States			
Program Management			**
Facilities Management Information System			**
Building Management			**
<i>Subtotal, Other Program Construction</i>			9,333
TOTAL, INDIAN AFFAIRS			115,723

** Indian Affairs does not provide cost estimates for construction projects until the planning and design for a project has progressed to the point where an accurate cost estimate can be made.

CONSTRUCTION PROGRAM
ENERGY AND WATER DEVELOPMENT
(in thousands of dollars)

Bureau/State/Project	Estimated Cost	Through 2010	2011 Request
BUREAU OF RECLAMATION ^{1/}			
Arizona			
Colorado River Front Work and Levee System	202	0	202
Colorado River Backwater			
California			
Colorado River Front Work and Levee System	202	0	202
Colorado River Backwater			
Colorado River Front Work and Levee System Mohave Valley Division Bankline Stabilization	6,076	0	275
Colorado River Front Work and Levee System Palo Verde Irrigation District "C" Canal Levee and Spillway	300	0	300
Red Bluff Diversion Dam	223,000	131,756	39,937
Sacramento River Division, California Central Valley Project			
Colorado			
Animas-La Plata Project ^{2/}	561,811	528,189	12,134
Navajo Municipal Pipeline and Lake Nighthorse			
Colorado River Endangered Fish Recovery Program Fish Rearing Ponds	1,300	300	1,000
Orchard Mesa Irrigation District Canal Automation and System Improvements	16,500	0	5,654
Safety of Dams			
A.R. Bowman (OR)	7,000	6,000	1,000
Echo (UT)	95,000	1,018	4,000
Folsom (CA)	408,300	250,000	45,000
Glendo (WY)	70,000	24,240	19,500
TOTAL, BUREAU OF RECLAMATION			129,204
 ^{1/} Projects include only construction funding and therefore may differ from funding amounts shown in the Highlights of Budget Changes Section.			
^{2/} Project also obtained funding through the American Recovery and Reinvestment Act of 2009.			
 CENTRAL UTAH PROJECT			
Central Utah Project	805,574	457,333	37,640
TOTAL, CENTRAL UTAH PROJECT			37,640

RECREATIONAL FEE PROGRAM

(in thousands of dollars)

Bureau	2009 Actual	2010 Estimate	2011 Estimate
BUREAU OF LAND MANAGEMENT			
Unobligated Balance Brought Forward and Recoveries	11,016	11,063	12,097
Plus: Fee Revenues	+16,740	+18,200	+18,700
America the Beautiful Pass	[800]	[800]	[800]
Less: Funds Obligated	-16,693	-17,166	-17,731
Unobligated Balance	11,063	12,097	13,066
 Total Expenditures (outlays).....	 16,063	 16,018	 15,108
<i>Obligations by Type of Project</i>			
Asset Repair and Maintenance			
Facilities Routine and Annual Maintenance.....	3,678	3,800	3,900
Facilities Capital Improvements Health and Safety.....	11	11	11
Facilities Deferred Maintenance.....	696	700	710
Subtotal, Asset Repair and Maintenance	4,385	4,511	4,621
Interpretation and Visitor Services	5,179	5,300	5,400
Habitat Restoration, Resource Protection.....	812	850	900
Law Enforcement, Recreation.....	2,827	2,900	3,000
Direct Operation Costs - Cost of Collection	302	305	310
Fee Management Agreement and Reservation Services.....	2,045	2,100	2,200
Pass Administration, Overhead, and Indirect Costs	1,143	1,200	1,300
Total Obligations	16,693	17,166	17,731
 FISH AND WILDLIFE SERVICE			
Unobligated Balance Brought Forward and Recoveries	5,295	5,797	4,006
Plus: Fee Revenues	4,783	4,800	4,800
America the Beautiful Pass	[336]	[350]	[375]
Less: Funds Obligated	-4,281	-6,591	-5,511
Unobligated Balance	5,797	4,006	3,295
 Total Expenditures (outlays).....	 4,493	 4,400	 5,000
<i>Obligations by Type of Project</i>			
Asset Repair and Maintenance			
Facilities Routine and Annual Maintenance.....	765	750	750
Facilities Capital Improvements.....	380	1,630	1,650
Facilities Deferred Maintenance.....	460	250	250
Subtotal, Asset Repair and Maintenance	1,605	2,630	2,650
Interpretation and Visitor Services	1,200	2,600	1,600
Habitat Restoration	115	350	150
Law Enforcement	251	180	181
Direct Operation Costs - Cost of Collection	700	400	500
Fee Management Agreement and Reservation Services.....	30	31	30
Pass Administration, Overhead and Indirect Costs	380	400	400
Total Obligations	4,281	6,591	5,511

Recreational Fee Program
(in thousands of dollars)

Bureau	2009 Actual	2010 Estimate	2011 Estimate
NATIONAL PARK SERVICE ^{1/}			
Unobligated Balance Brought Forward and Recoveries ^{2/}	269,996	218,389	149,769
Plus: Fee Revenues	+170,990	+171,990	+172,990
Less: Funds Obligated	-222,597	-240,610	-223,000
Unobligated Balance	218,389	149,769	99,759
 Total Expenditures (outlays).....	 200,546	 210,000	 200,000
<i>Obligations by Type of Project</i>			
Asset Repairs and Maintenance			
Facilities Routine and Annual Maintenance.....	4,197	2,500	4,000
Facilities Capital Improvements.....	15,500	20,000	15,000
Facilities Deferred Maintenance.....	100,000	89,710	88,500
Subtotal, Asset Repair and Maintenance	119,697	112,210	107,500
Interpretation and Visitor Services	35,000	45,000	45,000
Habitat Restoration	20,000	22,000	20,000
Law Enforcement	1,000	1,500	1,500
Direct Operation Costs - Cost of Collection	34,000	35,700	36,500
Fee Management Agreement and Reservation Services.....	4,000	5,000	5,000
Administration, Overhead, and Indirect Costs.....	8,900	9,200	7,500
Total Obligations	222,597	230,610	223,000
Transfer to Park Partnership projects ^{3/}	0	10,000	0
Total Obligations with Transfers.....	222,597	240,610	223,000
 BUREAU OF RECLAMATION			
Unobligated Balance Brought Forward and Recoveries	143	364	0
Plus: Fee Revenues	462	416	416
Less: Funds Obligated	-241	-780	-416
Unobligated Balance	364	0	0
 Total Expenditures (outlays).....	 272	 712	 416
<i>Obligations by Type of Project</i>			
Visitor Services.....	241	780	416
Total Obligations	241	780	416

^{1/} The above information represents accounting changes per FLREA that combine Recreation Fee, National Park Pass, America the Beautiful Pass, and Deed Restricted revenues when reporting obligations and unobligated balances for the Recreation Fee program. This table does not include other programs administered under the Recreation Fee Permanent account such as the Transportation Systems Fund, Education Expenses for the Children of Yellowstone National Park Employees, and the Payment of Tax Losses on Land Acquired at Grand Teton National Park.

^{2/} Unobligated balances brought forward do not equal prior-year end-of-year unobligated balances due to actual or estimated recoveries added to the amount.

^{3/} In accordance with 2010 Conference Report, \$10.0 million will be transferred from unobligated balances to the Park Partnership Grant program.

GRANTS AND PAYMENTS

(in thousands of dollars)

Bureau/Grant or Payment	2009 Actual	2010 Enacted	2011 Request	2011 Compared to 2010
BUREAU OF LAND MANAGEMENT				
General Fund Payment to Counties and Native Corporations.....	92,083	80,384	61,364	-19,020
Payments to States and Counties from Shared Receipts including SNPLMA Payments.....	18,632	20,052	29,386	+9,334
MINERALS MANAGEMENT SERVICE				
8(g) Payments to States	54,651	79,479	98,302	+18,823
Cooperative and Delegated Audits of Oil and Gas Operations	9,700	10,000	10,000	0
Mineral Revenue Payments to States*	1,902,512	1,660,024	1,979,446	+319,422
Geothermal Payments to Counties.....	12,679	0	0	0
Qualified OCS Revenue Payments to Gulf of Mexico States (GOMESA).....	25,240	2,220	1,894	-326
Coastal Impact Assistance Program.....	250,000	250,000	0	-250,000
OFFICE OF SURFACE MINING				
Abandoned Mine Reclamation State Grants	298,072	369,100	259,500	-109,600
State and Tribal Regulatory Grants.....	65,536	71,314	60,323	-10,991
BUREAU OF RECLAMATION				
Boulder Canyon Project Payments to AZ, NV	600	600	600	0
Water Reclamation and Reuse Program.....	39,245	13,595	29,000	+15,405
WaterSMART Grants.....	7,048	18,000	27,000	+9,000
FISH AND WILDLIFE SERVICE				
Boating Infrastructure Grants	13,935	13,061	12,865	-196
Clean Vessel Act Grants	13,935	13,061	12,865	-196
Coastal Wetlands Conservation	38,536	36,242	35,700	-542
Cooperative Endangered Species Conservation Fund.....	75,501	85,000	85,000	0
Federal Aid in Wildlife Restoration Payments to States	327,901	464,340	585,931	+121,591
Fish and Wildlife Foundation	7,537	7,537	8,537	+1,000
Fish Commission and Boating Council	1,200	1,200	1,200	0
Hunter Education and Safety Grant Program.....	8,000	8,000	8,000	0
Multi-State Conservation Grant Program	3,143	3,000	3,000	0
Multinational Species Conservation Fund.....	10,000	11,500	10,000	-1,500
National Outreach Program.....	13,935	13,061	12,865	-196
National Wildlife Refuge Fund (current and permanent)	20,846	24,500	24,100	-400
Neotropical Migratory Bird Conservation.....	4,750	5,000	4,000	-1,000
North American Wetlands Conservation Fund.....	43,446	53,481	43,647	-9,834
Sport Fish Restoration, Apportionment to States.....	402,670	388,406	366,647	-21,759
State and Tribal Wildlife Grants.....	75,000	90,000	90,000	0
NATIONAL PARK SERVICE				
American Battlefield Sites Matching Grants.....	4,000	9,000	6,000	-3,000
Challenge Cost Share	2,344	2,344	0	-2,344
Chesapeake Bay Gateway Grants.....	1,000	1,000	2,000	+1,000
Heritage Partnership Program.....	14,718	16,805	7,994	-8,811
Historic Preservation Grants - Indian Tribes	7,000	8,000	8,000	0
Historic Preservation Grants - State Portion.....	42,500	46,500	46,500	0

GRANTS AND PAYMENTS
(in thousands of dollars)

Bureau/Grant or Payment	2009 Actual	2010 Enacted	2011 Request	2011 Compared to 2010
NATIONAL PARK SERVICE (continued)				
Japanese-American Confinement Site Grants	1,000	3,000	3,000	0
LWCF State Conservation Grants.....	19,000	37,200	47,200	+10,000
LWCF State Conservation Grants from OCS				
Oil Lease Revenues	8,161	883	718	-165
Native American Graves Protection Act Grants	2,331	2,331	1,850	-481
Park Partnership Grants **	0	15,000	5,000	-10,000
Preserve America	0	4,600	0	-4,600
Save America's Treasures	20,000	25,000	0	-25,000
OFFICE OF INSULAR AFFAIRS				
American Samoa	22,752	22,752	22,752	0
Brown Tree Snake	2,631	3,000	3,000	0
Compact of Free Association (permanent).....	211,484	212,119	224,750	+12,631
Compact of Free Association (current)	5,318	5,318	3,318	-2,000
Coral Reef Initiative.....	1,000	1,000	1,000	0
Covenant Grants	27,720	27,720	27,720	0
Insular Management Controls	1,453	0	0	0
Maintenance Assistance Fund	2,241	2,241	2,241	0
Return Federal Taxes to Guam and Virgin Islands	149,000	177,000	146,000	-31,000
Technical Assistance	11,018	15,302	12,084	-3,218
Water and Wastewater Projects.....	1,000	1,900	793	-1,107
Guam Infrastructure.....	0	2,000	0	-2,000
Empowering Insular Communities.....	0	0	5,000	+5,000
DEPARTMENT-WIDE PROGRAMS				
Rural Fire Assistance	7,000	7,000	0	-7,000
Payments in Lieu of Taxes (permanent)	381,648	394,897	409,034	+14,137
TOTAL, DEPARTMENT OF THE INTERIOR.....	4,782,652	4,836,069	4,847,126	+11,057

* Figures include receipts for sales in the National Petroleum Reserve – Alaska, Mineral Leasing Associated Payments, National Forest Fund Payments to States, and Payments to States from Lands Acquired for Flood Control, Navigation, and Allied Purposes.

** The 2010 enacted level includes \$10.0 million in recreation fee receipts. The 2011 proposed level includes \$5.0 million from discretionary funds and \$5.0 million from recreation fee receipts.

RECEIPTS BY SOURCE CATEGORY

(in thousands of dollars)

Source Category	2009 Actual	2010 Estimate	2011 Estimate	2011 Compared to 2010
OFFSETTING RECEIPTS				
Onshore Energy Mineral Leasing				
Rents and Bonuses				
Oil and Gas.....	455,203	159,041	172,117	+13,076
Coal	392,015	338,563	637,184	+298,621
Geothermal.....	39,138	12,584	12,658	+74
All Other	79,557	1,520	1,520	0
Royalties				
Oil and Gas.....	2,345,772	2,169,030	2,473,007	+303,977
Coal	716,951	665,731	697,975	+32,244
Geothermal.....	11,623	14,701	17,879	+3,178
All Other	-27,668	28,389	28,389	0
Subtotal, Onshore Energy Mineral Leasing	4,012,591	3,389,559	4,040,729	+651,170
Noncompetitive Filing Fees	54	100	100	0
Grazing Fees	17,750	14,106	14,456	+350
Timber Fees.....	31,732	28,476	35,005	+6,529
Recreation Entrance /Use Fees.....	204,758	210,792	212,292	+1,500
Park Concession Special Accounts and Other Fees	112,477	129,603	131,624	+2,021
Rent of Land and Structures.....	38,140	39,083	39,923	+840
Sale of Land, Water, Power, Buildings, etc.....	201,722	254,115	248,589	-5,526
Offsetting Earnings on Investments.....	166,749	146,997	188,035	+41,038
All Other Offsetting Receipts.....	167,075	469,449	386,892	-82,557
Subtotal, Offsetting Receipts	4,953,048	4,682,280	5,297,645	+615,365
UNDISTRIBUTED PROPRIETARY RECEIPTS				
OCS Mineral Leasing				
Rents and Bonuses.....	1,271,139	539,990	537,660	-2,330
Royalties*	4,021,430	2,994,861	6,688,914	+3,694,053
Fee on Non-Producing Leases	0	0	2,527	+2,527
Subtotal, OCS Mineral Leasing.....	5,292,569	3,534,851	7,229,101	+3,694,250
Escrow Payout Interest	160	0	0	0
Subtotal, Undistributed Proprietary Receipts.....	5,292,729	3,534,851	7,229,101	+3,694,250
NON-OFFSETTING GOVERNMENTAL RECEIPTS				
Mined Land Reclamation Fees.....	272,764	279,132	284,950	+5,818
All Other Non-Offsetting Receipts.....	985,005	1,116,984	1,131,289	+14,305
Subtotal, Non-Offsetting Governmental Receipts.....	1,257,769	1,396,116	1,416,239	+20,123
UNDISTRIBUTED INTERFUND RECEIPTS				
Non-offsetting Earnings on Investments	-213,000	39,000	39,000	0
TOTAL, DEPARTMENT OF THE INTERIOR.....	11,290,546	9,652,247	13,981,985	+4,329,738

* The 2010 OCS Royalties estimate is reduced by \$2.1 billion comparable to the approximate amounts that will be refunded or credited to lease holders as a result of the January 2009 Fifth Circuit Court of Appeals ruling in the Kerr McGee case.

MINERAL REVENUE PAYMENTS TO STATES*

(in thousands of dollars)

State	2009 Actual	2010 Estimate	2011 Estimate
Alabama	2,210	1,912	2,267
Alaska	32,650	19,574	29,103
Arizona	253	226	269
Arkansas.....	3,321	2,117	2,448
California.....	51,315	45,996	54,705
Colorado.....	187,319	167,904	199,697
Florida.....	2	2	2
Idaho	1,482	1,329	1,580
Illinois	176	10	10
Indiana.....	14	8	9
Kansas.....	1,596	1,422	1,691
Kentucky	437	224	244
Louisiana.....	914	691	811
Michigan.....	837	654	761
Minnesota.....	13	8	8
Mississippi	583	343	376
Missouri.....	2,060	1,174	1,277
Montana	46,559	41,734	49,636
Nebraska	31	27	33
Nevada	20,845	18,685	22,223
New Mexico.....	388,527	348,264	414,207
North Dakota.....	61,155	25,633	30,296
Ohio.....	453	82	92
Oklahoma.....	3,942	3,185	3,781
Oregon.....	661	592	704
Pennsylvania.....	43	2	3
South Dakota	951	852	1,013
Texas.....	7,407	3,582	4,036
Utah.....	128,636	115,306	137,139
Virginia	143	45	49
Washington	346	310	368
West Virginia.....	400	97	105
Wyoming.....	957,232	858,034	1,020,502
TOTAL**	1,902,512	1,660,024	1,979,446

Note: Numbers may not add due to rounding.

* Payments include Mineral Leasing Associated Payments, National Forest Fund Payments to States, Payments to States from Lands Acquired for Flood Control, Navigation and Allied Purposes, and National Petroleum Reserve - Alaska. Payments in 2009 and 2010 are reduced by the Net Receipts Sharing provision enacted in the 2009 and 2010 Appropriations Acts and proposed in the 2011 President's Budget.

** All years exclude payments made to coastal States under the Outer Continental Shelf Lands Act and Geothermal Revenue Sharing Payments to Counties under the Energy Policy Act of 2005.

STAFFING

(Full-Time Equivalent Staff Years)

Bureau/Office	2009 Usage	2010 Estimated Usage	2011 Estimated Usage	2011 Compared to 2010
Bureau of Land Management.....	10,834	11,107	10,869	-238
Minerals Management Service.....	1,643	1,708	1,748	+40
Office of Surface Mining	516	515	515	0
Bureau of Reclamation	5,352	5,224	5,151	-73
U.S. Geological Survey	8,482	8,596	8,538	-58
Fish and Wildlife Service.....	8,925	9,400	9,156	-244
National Park Service	20,991	21,922	21,501	-421
Bureau of Indian Affairs.....	8,265	8,451	8,343	-108
Departmental Offices				
Office of the Secretary	679	695	698	+3
Central Utah Project	5	5	5	0
Office of Insular Affairs.....	34	41	41	0
Office of the Solicitor	405	405	413	+8
Office of Inspector General.....	276	287	287	0
Office of Special Trustee for American Indians	651	689	710	+21
Department-wide Programs				
Wildland Fire Management.....	0	10	13	+3
Payments in Lieu of Taxes	1	1	1	0
Central Hazardous Materials Fund.....	4	5	5	0
Natural Resource Damage Assessment.....	9	9	9	0
Working Capital Fund / Franchise Fund.....	1,398	1,421	1,461	+40
National Indian Gaming Commission.....	107	112	119	+7
TOTAL, DEPARTMENT OF THE INTERIOR.....	68,577	70,603	69,583	-1,020
Utah Mitigation Commission.....	12	12	12	0
COMBINED TOTAL.....	68,589	70,615	69,595	-1,020



