



UNITED STATES
DEPARTMENT OF THE INTERIOR
Director of Budget

**SUMMARY: HOUSE COMMITTEE ACTION ON THE FISCAL YEAR
2004 INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL**

On Wednesday, June 25, 2003, the House Appropriations Committee reported out the Fiscal Year 2004 Appropriations bill for Interior and Related Agencies passing the measure by voice vote. After adopting two technical amendments, the Committee reported out the bill on a voice vote. House floor action is not scheduled but is imminent.

House Subcommittee action took place on June 18. The Subcommittee adopted the measure with a voice vote, unanimously agreeing to its passage without amendment.

The President's budget request for discretionary appropriations in the Interior bill totaled \$9.76 billion. The House Committee bill provides \$9.67 billion for Interior programs. This is \$96.3 million, or approximately one percent less than the President's budget, and \$39.0 million or 0.4 percent above the 2003 enacted level.

The House bill funds most operational programs at or slightly above the President's budget. Land acquisition and grant programs are reduced from the request, as is funding for Departmental Offices. The House Committee provides significant increases above the President's budget for U.S. Geological Survey programs and the Office of Surface Mining's AML program.

For the priorities requested in the President's budget, the House provides the following:

Cooperative Conservation Initiative: The House increases CCI challenge cost share funding by \$9 million over the 2003 level, including an additional \$3 million each for BLM, FWS, and NPS. This is a reduction of \$12.1 million from the President's request for challenge cost share. Overall, the CCI initiative is funded at \$106.0 million, a reduction of \$7.2 million from the President's budget request and \$15.2 million above 2003. Aside from the challenge cost share component, the House mark includes:

- \$600,000 for the Take Pride in America program, reduced from the \$1.0 million request;
- \$43.0 million for the FWS Partners for Fish & Wildlife program, an increase of \$4.6 million from the request of \$38.4 million, and \$5.2 million more than 2003;
- \$10.3 million for the FWS Coastal program, an increase of \$675,000 over the President's request and \$707,000 below 2003 enacted;
- \$10.4 million for FWS' Migratory Bird Joint Ventures, the same as the request and \$3.0 million over 2003.

Landowner Incentive and Private Stewardship Grants: The House continues funding for these two programs at the 2003 enacted and 2004 request levels of \$40.0 million and \$10.0 million.

FWS Conservation Grants: The House significantly reduces funding for the North American Wetlands Conservation Fund from the request of \$49.6 million to \$24.6 million, a reduction of \$13.7 million below 2003. In the House mark State and Tribal Wildlife grants are funded at \$75.0 million, an increase of \$15.0 million above the request and \$10.4 million above 2003. The House provides \$86.6 million for the Cooperative Endangered Species Conservation Fund, the same as the request and \$6.1 million above 2003.

LWCF: The House funds the NPS State grants program at \$97.5 million, decreasing the program \$62.5 million below the request and funding it level with 2003. Federal land acquisition is funded at \$70.7 million, a reduction of \$72.3 million below the request level and \$112.4 million below 2003. The House takes these reductions in line-item project funding and funds acquisition management, land exchange programs, emergencies and inholding funding at the request level.

Trust Programs: The House mark provides \$494.0 million for the unified trust budget, a reduction of \$60 million below the request, but \$123.8 million above 2003. The House reduced the Administration's \$130.0 million historical accounting request by \$55.0 million to \$75.0 million. This is an increase of \$59.1 million above the 2003 level. The House provides \$43.7 million for BIA's requested information technology investments, a reduction of \$5.0 million from the request and \$27.3 million above 2003.

BIA Schools: The House includes \$292.6 million, the same as the President's budget request for replacement of seven schools and major facilities improvement and repair at eight schools. This reflects a proposed reduction of \$1.2 million from the 2003 level. School operations is funded at \$528.5 million, the same as the President's request and \$16.0 million above 2003 including increases of \$7.1 million for ISEP formula funds, \$1.3 million for student transportation, \$2.4 million for facilities operations, and \$1.4 million for administrative cost grants.

NPS Backlog: The House includes \$664.5 million for NPS facility maintenance and construction, a reduction of \$41.3 million below the \$705.8 million request and \$16.0 million above 2003. This level of funding would be increased with an additional \$75.0 million in recreation fees revenue dedicated to backlog projects and \$300.0 million Federal Highway Administration funds for backlogged road projects proposed in the transportation bill reauthorization.

Natural Resource Challenge: The House funds the Natural Resource Challenge at the \$76.1 million request level, an increase of \$9.0 million over 2003.

National Wildlife Refuge System: The House provides \$397.3 million for operation and maintenance of the refuge system, a decrease of \$4.7 million from the request, but \$29.9 million above 2003. Within this funding level, reductions made by the House include: \$5.0 million for refuge maintenance and \$2.0 million for a proposed land management research and demonstration program. Increases include \$2.0 million for

minimum staffing of refuges and \$300,000 to restore Spartina grass control at the Willapa NWR, Washington.

Energy: For BLM's Energy and Minerals activity, the House funds \$107.4 million, \$1.5 million above the President's budget and the 2003 level. The House increase is to address the coalbed methane APD backlog. For MMS, the House provides a total of \$271.6 million the same as the request and \$1.0 million above 2003. This includes increases of \$1.6 million for Gulf of Mexico workload, \$3.9 million for the e-government transformation initiative (providing a total of \$11.7 million), and \$1.0 million for maintenance of the National Oil Spill Response Test Facility.

Wildland Fire: The House funds the Wildland Fire program at \$698.7 million, level with the request and \$48.6 million over the base 2003 appropriation. (The base excludes \$189.0 million appropriated in 2003 to partially repay funds borrowed from construction and land acquisition accounts). The House realigns funding, increasing preparedness by \$20.0 million, reducing suppression by \$25.0 million and increasing burned area rehabilitation by \$5.0 million.

For other Department-wide proposals, the House mark provides the following:

Uncontrollables: The House mark funds the \$77 million request level, including absorption of 57% in pay costs.

Information Technology: The House mark supports the proposed \$56.2 million reduction for information technology and the requested \$13.8 million for IT security. The House does not fund the request of \$13.8 million for the Financial and Business Management System.

More details on funding levels and legislative provisions included in the bill follow. A comparison of funding levels for bureaus is provided as Attachment 1. Attachment 2 provides a comparison of key numbers. Attachments 3 and 4 provide a summary of construction and land acquisition.

FUNDING LEVELS

Cooperative Programs

Cooperative Conservation Initiative

\$000	<u>03 Enacted</u>	<u>04 Budget</u>	<u>House</u>	<u>House +/- 03 Enacted</u>	<u>House +/- 04 Budget</u>
BLM Challenge Cost Share	13,882	20,973	16,882	+3,000	-4,091
Traditional	[8,915]	[8,973]	[8,973]	[+58]	[0]
Conservation Initiative	[4,967]	[12,000]	[7,909]	[+2,942]	[-4,091]
FWS Challenge Cost Share	6,831	11,876	9,876	+3,045	-2,000
Traditional	[1,864]	[3,876]	[1,876]	[+12]	[-2,000]
Conservation Initiative	[4,967]	[8,000]	[8,000]	[+3,033]	[0]
NPS Challenge Cost Share	11,902	20,980	14,974	+3,072	-6,006
Traditional	[1,974]	[3,980]	[2,007]	[+33]	[-1,973]
Lewis and Clark	[4,961]	[5,000]	[5,000]	[+39]	[0]
Conservation Initiative	[4,967]	[12,000]	[7,967]	[+3,000]	[-4,033]
FWS Invasives/ Fisheries	1,987	0	0	-1,987	0
FWS Partners for Fish & Wildlife	37,826	38,378	42,978	+5,152	+4,600
[Amount above for Invasive Species	[8,112]	[6,765]	[7,065]	[-1,047]	[+300]
FWS Coastal Programs	11,021	9,639	10,314	-707	+675
FWS Migratory Bird Joint Ventures	7,369	10,355	10,355	+2,986	0
Take Pride in America (in DM)	<u>0</u>	<u>1,000</u>	<u>600</u>	<u>+600</u>	<u>-400</u>
Totals	90,818	113,201	105,979	+15,161	-7,222
				16.7%	-6.4%

The President's budget included \$113.2 million for the Cooperative Conservation Initiative, including \$53.8 million for challenge cost share programs, reflecting increases of \$21.2 million over 2003. The House provides a total of \$106.0 million for CCI, including \$41.7 million for challenge cost share. Within the challenge cost share programs of BLM, NPS, and FWS, the House provides increases of \$3.0 million each for the conservation initiative.

Aside from the challenge cost share component, the House mark includes:

- \$600,000 for the Take Pride in America program, reduced from the \$1.0 million request;
- \$43.0 million for the FWS Partners for Fish & Wildlife program, an increase of \$4.6 million from the request of \$38.4 million, and \$5.2 million more than 2003;
- \$10.3 million for the FWS Coastal program, an increase of \$675,000 over the President's request and \$707,000 below 2003 enacted;
- \$10.4 million for FWS' Migratory Bird Joint Ventures, the same as the request and \$3.0 million over 2003.

Landowner Incentive Program/Stewardship Grants

\$000	<u>03 Enacted</u>	<u>04 Budget</u>	<u>House</u>	<u>House +/- 03 Enacted</u>	<u>House +/- 04 Budget</u>
Landowner Incentive	-37	40,000	40,000	+40,037	0
Stewardship Grants	<u>-46</u>	<u>10,000</u>	<u>10,000</u>	<u>+10,046</u>	<u>0</u>
Totals	-83	50,000	50,000	+50,083 -60341.0%	0 0.0%

The President's budget included \$40.0 million for Landowner Incentive grants and \$10.0 million for Private Stewardship grants. The House mark funds both programs at the requested level.

Fish and Wildlife Service Grants

\$000	<u>03 Enacted</u>	<u>04 Budget</u>	<u>House</u>	<u>House +/- 03 Enacted</u>	<u>House +/- 04 Budget</u>
CESCF	80,474	86,614	86,614	+6,140	0
NAWCF	38,309	49,560	24,560	-13,749	-25,000
Wildlife Grants	64,578	59,983	75,000	+10,422	+15,017
Multinational* Species Conservation	4,769	7,000	5,000	+231	-2,000
Noetropical Birds*	<u>2,981</u>	<u>[3,000]</u>	<u>5,000</u>	<u>+2,019</u>	<u>+5,000</u>
Totals	191,111	203,157	196,174	+5,063 +2.6%	-6,983 -3.4%

The President's budget requested \$203.2 million for FWS conservation grants. The House reduces funding to \$196.2 million as described below.

The President's budget included \$86.6 million for the Cooperative Endangered Species Conservation Fund, a \$6.1 million increase over 2003. The House funds CESCF grants at the requested level.

The budget request included \$49.6 million for the North American Wetlands Conservation Fund, an \$11.3 million increase over 2003. The House provides \$24.56 million, only half of the requested funding and \$13.8 million below 2003.

The budget request included \$60.0 million for State and Tribal Wildlife grants, a \$4.6 million decrease compared to 2003. The House funds this program at \$75.0 million, an increase of \$15.0 million above the requested level and \$10.4 million above 2003.

The budget funded the Multinational Species Conservation Fund at \$7.0 million, including \$3.0 million for Neotropical Birds. The House funds the Multinational Species Conservation fund at \$5.0 million, and provides separately \$5.0 million for Neotropical Birds.

Stateside LWCF Grants

\$000				House +/-	
	<u>03 Enacted</u>	<u>04 Budget</u>	<u>House</u>	<u>03 Enacted</u>	<u>04 Budget</u>
Grants	94,383	156,000	95,000	617	-61,000
Administration	<u>2,980</u>	<u>4,011</u>	<u>2,500</u>	<u>-480</u>	<u>-1,511</u>
Total	97,363	160,011	97,500	137	-62,511
				+1.1%	-39.1%

The President’s budget requested \$160.0 million for LWCF State grants composed of \$156.0 million for grants and \$4.0 million for administration of the program.

The House provides a total of \$97.5 million including \$95.0 million for grants and \$2.5 million for administration. This funding level is \$62.5 million or 39.1 percent below the 2004 request and essentially level with 2003.

Land Management Operations

National Park Service Operations

\$000				House +/-	
	<u>03 Enacted</u>	<u>04 Budget</u>	<u>House</u>	<u>03 Enacted</u>	<u>04 Budget</u>
ONPS	1,564,331	1,631,882	1,636,882	+72,551	+5,000
				+4.6%	+0.3%

The President’s 2004 budget request for NPS Operations included an increase of \$67.6 million including the following: \$16.4 million for park units bringing the total for park base operations to \$998.8 million, \$14.3 million for cyclic maintenance, and \$13.8 million for the repair and rehabilitation program. Of the requested repair and rehabilitation increase, \$7.6 million was for condition assessments and \$1.6 million was for the Facility Management Software System.

The House mark funds park operations at \$1.64 billion, an increase of \$5.0 million above the President’s budget request and \$72.6 million above 2003.

The House mark includes the following changes from the request:

- A reduction of \$6.4 million from the request for park base providing an increase of \$10.0 million over 2003;
- A total of \$569.2 million for facility maintenance and operations, \$529,000 less than the request;
- An increase of \$3.0 million for resource restoration challenge cost share, \$4.0 million less than the Administration’s requested increase.
- Restoration of \$4.0 million for the Critical Ecosystems Studies Initiative which the budget requested in USGS;
- Elimination of the \$1.0 million requested for a strategic business advisor; and

- Disapproval of the \$1.0 million requested for a volunteer-in-parks senior ranger program.

The House mark does not include \$1.0 million requested through NPS for Take Pride in America, or public land volunteers. However, \$600,000 was included in Departmental Management for this initiative.

NPS Natural Resource Challenge

\$000				House +/-	
	<u>03 Enacted</u>	<u>04 Budget</u>	<u>House</u>	<u>03 Enacted</u>	<u>04 Budget</u>
Natural Resource Challenge	67,109	76,072	76,072	+8,963 +13.4%	0 0.0%

The 2004 budget request included a total of \$76.1 million for the Natural Resource Challenge, an increase of \$9.0 million from the 2003 enacted level. The House funds the Administration's budget request.

Everglades Restoration

\$000				House +/-	
	<u>03 Enacted</u>	<u>04 Budget</u>	<u>House</u>	<u>03 Enacted</u>	<u>04 Budget</u>
Everglades	84,555	112,314	87,937	3,382 -100.0%	-24,377 -100.0%

The 2004 budget request included \$112.3 million for Everglades activities, an increase of \$27.8 million over the 2003 enacted level. The request included \$40.0 million to acquire the Collier family mineral rights in Big Cypress National Preserve, which was offset by a reduction of \$20.0 million for grants to the State of Florida.

The House provides \$87.9 million for Everglades, \$24.4 million less than the request, eliminating funding for acquisition of the Collier mineral rights. The House also disallows the proposed consolidation of Everglades research in USGS and funds the \$4.0 CESI program in NPS.

U.S. Park Police

\$000				House +/-	
	<u>03 Enacted</u>	<u>04 Budget</u>	<u>House</u>	<u>03 Enacted</u>	<u>04 Budget</u>
Park Police	77,921	78,859	78,859	+938 1.2%	0 0.0%

The President's budget requested \$78.9 million for the U.S. Park Police, including an additional \$12.6 million for counter-terrorism measures and a reduction of \$12.7 million reflecting discontinuation of one-time project funding provided in the first 2002 supplemental. The House funds the Administration's budget request.

Fish and Wildlife Service

\$000				House +/-	
	<u>03 Enacted</u>	<u>04 Budget</u>	<u>House</u>	<u>03 Enacted</u>	<u>04 Budget</u>
Resource Management	911,466	941,526	959,901	+48,435 5.3%	+18,375 2.0%

The President's budget funded FWS operations at \$941.5 million, a \$30.1 million increase over the 2003 enacted level. The budget proposed key program increases including: \$3.3 million for listing activities, \$33.6 million for National Wildlife Refuge System operations and maintenance, \$3.5 million for migratory bird and law enforcement programs, and \$3.9 million for hatchery operations and maintenance.

Overall, the House provides \$959.9 million, \$18.4 million more than the request and \$48.4 million more than 2003.

The House mark includes the following changes from the request:

- An increase of \$5.7 million for Endangered Species programs, as discussed in the next section of the summary;
- An increase of \$4.6 million for the Partners program, including \$1.4 million for the Washington regional fisheries enhancement groups, \$1.5 million for Walla Walla Basin fish passage and salmon recovery efforts, \$1.0 million for restoration in the Tunkhannock and Bowman's Creek watersheds in Pennsylvania, and \$700,000 for Willapa Bay, Washington spartina grass control;
- An increase of \$300,000 for Portland Metro Greenspaces;
- An increase of \$675,000 for coastal programs, including: \$175,000 for the Hood Canal Salmon Enhancement Group, \$200,000 for Long Live the Kings, and \$300,000 to continue funding provided in 2003 for the Tampa and Florida panhandle field offices;
- A net reduction of \$4.7 million for Refuge Operations and Maintenance, including: a decrease of \$2.0 million for the proposed land management research and demonstration program, a decrease of \$5.0 million for refuge maintenance, an increase of \$ 2.0 million to continue "minimum staffing" implementation, and \$300,000 to restore the Spartina grass control program at the Willapa NWR, Washington.
- An increase of \$1.75 million for law enforcement operations of which \$1.0 million is for wildlife inspectors and the northern and southern borders and \$750,000 is for the operation of the Atlanta, GA port of entry.
- An increase of \$1.0 million for hatchery operation and maintenance, including: a decrease of \$1.0 million for hatchery operations, an increase of \$3.0 million for the Washington State hatchery improvement project, and a decrease of \$1.0 million for general maintenance activities.
- Fish and wildlife assistance increases totaling \$8.6 million including: \$4.0 million for fish passage/cooperative projects, \$900,000 for sea lamprey program administration, \$2.4 million to restore Yukon River salmon treaty implementation, \$500,000 for the Great Lakes fish and wildlife restoration, \$1.6 million for mass marking machines for hatchery fish, and \$1.2 million for the marine mammals program.
- An increase of \$400,000 for operations and maintenance at NCTC.

The report language also notes that the FWS Cost Allocation Methodology needs to be fully justified and changes to CAM must be more transparent.

FWS Endangered Species Program

\$000	<u>03 Enacted</u>	<u>04 Budget</u>	<u>House</u>	House +/- <u>03 Enacted</u>	House +/- <u>04 Budget</u>
Candidate Conservation	9,867	8,670	9,920	+53	+1,250
Listing	9,077	12,286	12,286	+3,209	0
Consult/ HCP	47,460	45,734	47,734	+274	+2,000
Recovery	<u>65,412</u>	<u>62,029</u>	<u>64,529</u>	<u>-883</u>	<u>+2,500</u>
Totals	131,816	128,719	134,469	+2,653 0.5%	+5,750 14.4%

The President's budget included a total of \$128.7 million for the endangered species program, a \$3.0 million reduction compared to 2003. The request included \$12.3 million for listing activities, an increase of almost \$3.3 million. This included \$8.9 million for critical habitat designations.

The House provides a total of \$134.5 million, an increase of \$5.75 million over the request and \$2.7 million above 2003. This includes an increase of \$1.25 million over the request level for candidate conservation activities, including \$300,000 for the Idaho Sage Grouse, \$150,000 for the Kootenai River Burbot, \$750,000 for Alaska Sea Otter Research, and \$50,000 for Slickspot Peppergrass in Idaho.

The listing program is funded at the request level, \$3.2 million above 2003. The House includes proposed bill language with a cap of \$12.3 million for listing and a subcap of \$8.9 million for critical habitat.

The consultation program is funded at \$47.7 million, an increase of \$2.0 million over the request. The House added these funds to continue funding for the Natural Communities Conservation Plan proposed for reduction in the President's budget.

Recovery is funded at \$64.5 million, an increase of \$2.5 million over the request and \$883,000 below 2003. The House added \$500,000 for Tri-State Wolf Monitoring and \$2.0 million for Pacific Salmon Grants through the National Fish and Wildlife Foundation.

Bureau of Land Management Operations

\$000				House +/-	House +/-
	<u>03 Enacted</u>	<u>04 Budget</u>	<u>House</u>	<u>03 Enacted</u>	<u>04 Budget</u>
Mgt. Of Lands and Resources	820,345	828,079	834,088	+13,743	+6,009
O&C Grant Lands	104,946	106,672	106,672	+1,726	0
Total, BLM Ops	925,291	934,751	940,760	+15,469 +1.7%	+6,009 +.6%

The 2004 President's budget provided \$934.8 million for BLM operations, a net increase of \$9.5 million over the 2003 enacted level. The budget included program increases to facilitate and stimulate energy development on public lands; reinvigorate forestry management programs to increase timber production and forest health treatments; enhance resource protection and restoration; improve recreational opportunities, access, and services on public lands; and strengthen law enforcement capabilities. The 2004 budget request included a \$2.0 million reduction to the Alaska Conveyance program and reductions of \$2.8 million to be offset through cost recovery proposals.

The House funds BLM operations at \$940.8 million, an increase of \$6.0 million above the budget request and \$15.5 million above the 2003 enacted level. Generally, the House Committee supports the program increases requested in the President's Budget and accepts the proposed decreases.

House changes from the President's budget include the following:

- An increase of \$2.0 million above the budget request for Land Resources, including \$1.0 million for the San Pedro Partnership and \$1.0 million to continue an increase provided in 2003 for rangeland health monitoring and grazing permitting;
- For Recreation Management, \$1.0 million above the request for Otay Mountains management;
- An additional \$1.5 million for Energy and Minerals for the coalbed methane APD backlog. Because of funding increases provided by Congress in 2003, this is \$850,000 over the 2003 level. Likewise, because of increases provided in 2003 for geothermal energy, the House's recommendation to fund the 2004 request level represents a \$50,000 decrease from the 2003 enacted;
- An increase of \$3.6 million for Resource Protection and Maintenance continues additions funded in 2003 and not included in the President's budget, including \$1.0 million for implementation of the Mojave Desert resource management plan, \$1.0 million to address environmental degradation associated with illegal immigration, \$600,000 for California Desert rangers, and \$1.0 million for Imperial Sand Dunes law enforcement.
- For Transportation and Maintenance, an increase of \$2.0 million over the request continues the repair and replacement of fish passage barriers (culverts) at the 2003 level.
- For Challenge Cost Share, the Committee reduced funding by \$4.1 million below the request. This still represents an increase of \$3.0 million above the 2003 enacted level.

	<u>03 Enacted</u>	<u>04 Budget</u>	<u>House</u>	<u>03 Enacted</u>	<u>04 Budget</u>
Preparedness	275,411	282,725	302,725	+27,314	+20,000
Suppression	159,309	195,310	170,310	+11,001	-25,000
Other Operations			0	0	0
Rehabilitation	19,870	24,500	29,500	0	+5,000
non-WUI Fuels	74,448	74,935	74,935	0	0
WUI Fuels	111,179	111,255	111,255	0	0
Rural Fire Asst	9,935	10,000	10,000	+65	0
Contingency		0	0	0	0
Supplemental		0	0	0	0
Total, Fire	650,152	698,725	698,725	+38,380	0
				5.9%	0.0%

Wildland Fire Management

The President's budget request for Wildland Fire Management of \$698.7 million represented a \$48.6 million increase over the base 2003 appropriation. (The base excludes \$189.0 million appropriated in 2003 to partially repay funds borrowed from construction and land acquisition accounts). Specific increases included in the request included \$36.0 million to fund Suppression at the 10-year average, \$4.5 million for the Burned Area Rehabilitation program, and \$7.3 million in Preparedness for increased aviation contract costs and uncontrollable cost increases.

The House Committee provides \$698.7 million for the Wildland Fire Management program, but shifts funds between the activities, significantly increasing funding for Preparedness (+\$20.0 million) and Burned Area Rehabilitation (+\$5.0 million) and reducing Suppression by \$25.0 million.

During markup of the bill, the full Committee considered an amendment by Representative Dicks to provide \$100.0 million in emergency suppression funding for 2003. The amendment was withdrawn without a vote. Chairman Young pledged to include the \$100.0 million in a FY 2003 supplemental appropriation bill if the Committee moves such a bill in 2003.

Native American Programs

Unified Trust Budget

\$000	<u>03 Enacted</u>	<u>04 Budget</u>	<u>House</u>	House +/- <u>03 Enacted</u>	House +/- <u>04 Budget</u>
Unified Trust*	370,203	554,048	494,048	+123,845	-60,000
				+33.5%	-10.8%

*All amounts included in BIA or OST, as described in the following sections.

The 2004 Unified Trust Budget request was \$554.0 million, an increase of \$183.8 million or 50% above 2003.

The budget included a total of \$130.0 million for historical accounting activities, an increase of \$112.5 million, including funds that would be used to provide for historical accounting activities related to tribal accounts. The 2004 budget proposed \$21.0 million for Indian land consolidation, an increase of \$13.1 million, to expand pilot efforts to reduce the fractionation of individual land ownership interests into a nation-wide program. The 2004 budget provided an increase of \$15.0 million to support the new organization, which together with base funding available in BIA and OST would provide resources needed for the new organization in 2004.

The proposed \$183.8 million increase for trust management reforms included increases of \$29.8 million for a ground-up rebuilding of the BIA IT infrastructure to support trust, as well as non-trust programs, and \$2.5 million for IT security. The 2004 budget also proposed an increase of \$4.5 million to accelerate a new strategy to administer, manage, search, retrieve, and store trust records.

The House provides a total of \$494.0 million for Unified Trust (BIA, Land Consolidation, and OST), a decrease of \$60.0 million below the request level, but an increase of \$123.8 million above 2003. The House provides all the increases requested except for historical accounting and BIA IT initiatives. The House provides \$75.0 million for historical accounting, a decrease of \$55.0 million from the request, and an increase of \$59.1 million above 2003. The House provides \$43.7 million for BIA IT enhancements, a decrease of \$5.0 million from the request, and an increase of \$27.3 million above 2003. However, the House noted in report language that the reduction in the budget request for BIA IT was a result of overall budget limitations, and recognized BIA efforts to implement a bureau-wide comprehensive approach to IT needs.

See the OST section for additional information on OST report and bill language concerning historical accounting.

Office of the Special Trustee for American Indians

\$000				House +/-	
	<u>03 Enacted</u>	<u>04 Budget</u>	<u>House</u>	<u>03 Enacted</u>	<u>04 Budget</u>
OST	140,359	274,641	219,641	+79,282	-55,000
Indian Land					
Consolidation	<u>7,928</u>	<u>0</u>	<u>20,980</u>	<u>+13,052</u>	<u>+20,980</u>
Total	140,359	274,641	240,621	+92,334	-34,020
				+56.5%	-20.%

Note The House did agree to transfer the Indian Land Consolidation Program from OST to BIA as proposed in the budget.

The 2004 budget request for OST included \$274.6 million, an increase of \$134.3 million, or 96 percent above the 2003 enacted level and provided additional funds for trust operations, reform activities, and historical accounting.

The budget proposed \$130.0 million for the Office of Historical Trust Accounting, an increase of \$112.5 million. The budget also requested increases of \$15.0 million for new trust officers in field locations, \$6.8 million for an expanded records and litigation support program, and \$2.5 million for costs associated with the mandated Special Master, associated contractors, Special Master-Monitor, and ongoing litigation support. The 2004 budget request reflected full ongoing operations of the trust funds accounting system and proposed a \$1.5 million increase, for a total of \$18.9 million, to continue improvements to financial services to beneficiaries through trust funds accounting system operations.

The House provides \$219.6 million for OST (excluding Indian Land Consolidation), a decrease of \$55.0 million below the request level, but an increase of \$79.3 million above 2003 enacted level. The House provides all the increases as requested except for historical accounting. The House mark includes \$75.0 million for historical accounting, a decrease of \$55.0 million from the request, and an increase of \$59.1 million above the

2003 enacted level. The House funds Indian Land Consolidation in OST rather than in BIA as requested in the budget.

The House includes Report language encouraging expeditious implementation of the recent reorganization.

General provisions bill language is retained that continues authority to:

- Transfer funds from OST litigation support and trust reform activities to SOL, BIA and Departmental Management;
- Hire administrative law judges to address Indian probate backlog;
- Limit compensation for the Special Master and Court Monitor in *Cobell v. Norton* to 200% of the highest SES rate of pay; and
- Pay private attorneys for employees and former employees incurred in connection with *Cobell v. Norton*.

A new general provision (§137) establishes a resolution process regarding individual Indian money account claims. Report language explains this new provision.

Bureau of Indian Affairs

\$000	<u>03 Enacted</u>	<u>04 Budget</u>	<u>House</u>	House +/- <u>03 Enacted</u>	House +/- <u>04 Budget</u>
Op. of Indian Programs	1,845,565	1,889,735	1,902,106	+56,541	+12,371
Construction	345,988	345,154	345,154	-834	0
Land & Water Settlements	60,553	51,375	55,583	-4,970	+4,208
Guaranteed Loan Program	5,457	6,497	6,497	+1,040	0
Indian Land Consolidation	<u>0</u>	<u>20,980</u>	<u>0</u>	<u>0</u>	<u>-20,980</u>
BIA Total	2,257,563	2,313,741	2,309,340	+51,777 2.3%	-4,401 -0.2%

FY 2003 OIP includes \$0.318m in reappropriation from Sec. 113 expiring loan balances for trust management improvement [as of 4/13].

House funds Indian Land Consolidation in OST

The President's budget request funded BIA at \$2.3 billion, an increase of \$48.6 million above the 2003 enacted level. The request emphasized areas of priority concern in Indian country, including funding for continued improvement in trust management services, detention center operations, Indian land consolidation and education. The budget includes an increase of \$29.6 million for information technology improvements related to trust reform, an increase of \$2.5 million for IT security, as well as an increase of \$5.2 million for trust-related resource management programs. In addition, the budget includes an increase of \$8.0 million for the new detention centers that will become operational in 2004. The 2004 budget proposes to transfer the Indian Land Consolidation program from OST to BIA, and provides \$13.1 million to expand the program nationwide. Finally, the budget continues support of Indian education programs with a total increase of \$16.0 million.

The House mark funds the BIA at \$2.3 billion, a decrease of \$4.4 million below the 2004 President's Budget request level and \$51.8 million above 2003. The House did not agree to the proposed transfer of the Indian Land Consolidation to BIA from OST. The House provides an increase of \$16.6 million over the 2004 request for BIA programs exclusive of the shift in funding for ILCA.

Funding for trust reform are largely supported in House markup. The requests for increases in funding for BIA forestry and energy programs are provided. The House provides an increase of \$24.6 million for information technology, \$5.0 million below request. Report language explains that the Committee recognizes the significant information technology needs of the Bureau, and that the reduction should not be viewed as repudiation of the Bureau's information technology initiative. The House mark also includes the requested increase in funding for the Indian Land Consolidation Program but does not transfer the program from OST to BIA as requested. Trust funding is more completely covered in the Unified Trust section.

The House provides \$3.5 million above the request for new detention center operations for a total funding increase of \$11.5 million.

The House fully funds the President's request for elementary and secondary school operations at \$528.5 million, an increase of \$16.0 million above 2003 enacted. This includes an increase of \$7.1 million for ISEP formula funds, \$1.3 million for student transportation, \$2.4 million for facilities operations, and \$1.4 million for administrative cost grants. In addition, the House includes \$3.0 million requested to establish a fund to cover start-up administrative costs (similar to the Indian Self-Determination fund) in order to encourage Tribes to assume responsibility for the remaining schools that are still being managed by the Bureau. Bill language formally establishes the fund.

The House fully funds the President's budget request for tribally controlled community colleges, a decrease of \$3.6 million from the 2003 enacted level. The House also funds Crownpoint Institute of Technology at \$1.2 million, United Tribes Technical College at \$3.0 million, and adds \$521,000 for the national ironworkers training program.

The House fully funds the President's request for education construction by continuing the construction and repair of Indian schools at \$292.6 million including the requested transfer of funding from Facilities Improvement and Repair to Replacement School Construction. The House mark does not fund the School Construction Demonstration Program. However, bill language in the General Provisions, Department of the Interior effectively applies the demonstration program rules to Education Construction for purposes of prioritizing projects. In Section 133, language states that BIA funded schools receive the highest priority for grants, and among such schools, those that agree to pay future operation and maintenance costs from other than federal funds receive the highest priority for grants. Other language clarifies the definition of 'tribally controlled school' as a school that currently receives funding from BIA and precludes non-BIA funded schools that receive a construction grant from receiving future school operations funding from BIA.

The House funds the request for Tribal Priority Allocations at \$778.8 million. This fully funds the President's request, and includes an additional \$1.1 million to provide base

funding for six new tribes that have been recognized. The House also adds \$500,000 for the Branch of Acknowledgement and Research in Central Office Operations.

The House provides \$55.6 million, \$4.2 million above the President's request of \$51.4 million for Indian Land and Water Claims Settlements. The House mark reflects an anticipated reduction of \$1.0 million for the final year payment on the Ute settlement due to low interest rates. In addition, the House includes \$10.0 million for the Quinault Indian Nation for the North Boundary Settlement Agreement of which \$4.5 million is to be derived by transfer from prior year appropriations to the U.S. Fish and Wildlife Service land acquisition account.

The House includes funding for natural resource programs not included in the request including \$4.0 million for the timber-fish-wildlife program, of which \$920,000 is for mass marking of hatchery fish as required by P.L. 108-7; \$500,000 for the Western Washington shellfish management, \$1.0 million for Chippewa/Ottawa Treaty fisheries, \$630,000 for Lake Roosevelt management, \$600,000 for the circle of flight program, and \$500,000 for the Intertribal Bison management program. The House also provides \$300,000 in additional funding for the Seminole tribe to address water quality programs as part of the Everglades restoration.

Report language is provided that reflects the Committees concern about the growing number of tribes that are attempting to claim reservation rights in another state for gambling purposes.

Report language encourages BIA to expand the number of internship slots it makes available for the Washington Semester Indian Program, hosted by American University, and to accommodate participants in a second-year internship program.

The House adds bill language under BIA Administrative Provisions to allow BIA to contract for services in support of the management, operation, and maintenance of the Power Division of the San Carlos Irrigation Project.

Bill language in Sec. 134 of the General Provisions, Department of the Interior requires the Secretary to submit a report on the condition and adequacy of education facilities for the Eastern Band of the Cherokee Indians, the availability of lands necessary for the construction of any necessary new or replacement education facilities, and the impacts that construction of such facilities might have on the Great Smoky Mountains National Park and the Blue Ridge Parkway. The report must address the land exchange in H.R. 1409, and be prepared in consultation with the Tribe.

Maintaining America's Heritage

\$000	03 Enacted	04 Budget	House	House +/- 03 Enacted	House +/- 04 Budget
BLM					
MLR	80,982	78,344	80,344	-638	+2,000
O&C	10,887	10,911	10,911	+24	+0
Wildland Fire	<u>12,294</u>	<u>12,374</u>	<u>12,974</u>	<u>+680</u>	<u>+600</u>
Subtotal, BLM	104,163	101,629	104,229	+66	+2,600
USGS	32,084	33,151	33,151	+1,067	0
FWS	114,379	129,113	123,513	+9,134	-5,600
NPS	511,028	569,695	569,166	+58,138	-529
BIA	<u>75,392</u>	<u>77,893</u>	<u>77,893</u>	<u>+2,501</u>	<u>0</u>
Total	837,046	911,481	907,952	+70,906 +7.8%	-3,529 -.4%

The Administration's 2004 budget proposed \$911.5 million for annual, deferred, and cyclic maintenance programs in BLM, USGS, FWS, NPS, and BIA.

The House mark provides \$908.0 million for these programs, \$3.5 million or 0.4 percent below the request, and \$70.9 million or 7.8 percent more than 2003. While BLM receives an increase of \$2.0 million and the Wildland Fire program receives \$600,000, FWS and NPS are reduced by \$5.6 million and \$0.5 million respectively.

Details on NPS deferred maintenance follow the Construction discussion.

Construction

\$000	03 Enacted	04 Budget	House	House +/- 03 Enacted	House +/- 04 Budget
BLM	11,898	10,976	10,976	-922	0
FWS	54,073	35,393	52,718	-1,355	+17,325
NPS	328,212	327,257	303,199	-25,013	-24,058
BIA Education	293,795	292,634	292,634	-1,161	0
BIA Other	<u>52,193</u>	<u>52,520</u>	<u>52,520</u>	<u>+327</u>	<u>0</u>
Subtotal, BIA	345,988	345,154	345,154	-834	0
Total	740,171	718,780	712,047	-28,124 -3.8%	-6,733 -.9%

The Administration requested \$718.8 million for construction that was comprised of \$11.0 million in BLM, \$35.4 million in FWS, \$327.2 million in NPS, and \$345.2 million in BIA.

The House mark provides \$712.0 million, a reduction of \$6.7 million from the request and \$26.4 million from 2003. The House omits funding for 19 of the 100 projects proposed in the President's budget but includes \$47.7 million for 33 add-on projects.

Specifics for each bureau follow:

BLM

All requested projects are funded.

FWS

The House funds all but two of the projects requested in the President's budget and 13 add-on projects totaling \$19.0 million. Centennial Legacy visitor center projects at Ottawa NWR in Ohio and Savannah NWR in Georgia are not funded, but \$3.0 million is provided for visitor contact facilities. The House mark funds \$700,000 for Service-wide security upgrades and \$765,000 for security at the Clark R. Bavin Forensics Laboratory in Oregon. The House funds the \$1.0 million request for Phase I of a program to replace aircraft used to survey migratory birds. Report language requires that the Office of Aircraft Services match this funding with OAS replacement funds.

NPS

The House funds all but seventeen of the 54 projects requested in the budget. The House adds on \$28.7 million for 20 projects including \$3.0 million for Cuyahoga NP in Ohio, \$6.0 million for the Lincoln Library in Illinois, \$4.9 million for St. Croix National Scenic River in Wisconsin, \$3.0 million for Thomas Stone National Historic Site in Maryland, and \$1.0 million for the Oklahoma City National Monument in Oklahoma. While the House does not fund \$15.0 million requested for President's Park security improvements, report language states that funding will be included in the 2004 Transportation appropriations bill.

BIA

The House funds the request of \$292.6 million for seven replacement schools, eight facility improvement and repair projects, and \$52.5 million for other construction projects.

A detailed list of construction projects for the bureaus is included in Attachment 3.

National Park Service Deferred Maintenance Backlog

\$000	<u>03 Enacted</u>	<u>04 Budget</u>	<u>House</u>	House +/- <u>03 Enacted</u>	House +/- <u>04 Budget</u>
ONPS/Facility					
Maintenance	320,259	378,501	361,279	+41,020	-17,222
Construction	<u>328,212</u>	<u>327,257</u>	<u>303,199</u>	<u>-25,013</u>	<u>-24,058</u>
Total	648,471	705,758	664,478	+16,007	-41,280
				+2.5%	-5.8%

The President's budget request included \$705.8 million, an increase of \$59.8 million, in support of the Administration's commitment to manage the NPS deferred maintenance backlog. The budget included an additional \$16.7 million for Repair and Rehabilitation projects and \$4.7 million for condition assessments. An additional \$14.3 million was requested for cyclic maintenance to fund preventative maintenance projects at park units.

The House provides a total of \$664.5 million for facility maintenance and construction, a decrease of \$41.3 million from the President's Budget, and \$16.0 million above 2003. As compared to the request, the House mark provides increases of \$9.3 million for Repair

and Rehabilitation, \$14.0 million for cyclic maintenance, and \$4.6 million for condition assessments.

The Committee report includes report language encouraging the National Capitol Parks to review and improve its management and maintenance procedures with regard to parks in the city of Washington to reflect public usage.

Science Programs

U.S. Geological Survey

\$000				House +/-	
	<u>03 Enacted</u>	<u>04 Budget</u>	<u>House</u>	<u>03 Enacted</u>	<u>04 Budget</u>
SIR	919,273	895,505	935,660	16,387	40,155
				+1.8%	+4.5%

The 2004 President's budget request of \$895.5 million was \$23.8 million or 3 percent below the 2003 enacted level. The request contained \$17.1 million supporting the Administration's commitment to strengthen science support to land and resource management bureaus and to enhance partnership opportunities with States and other Federal agencies in areas including chronic wasting disease, invasive species, geospatial information, and water resource investigations. The increases were offset by decreases in the National Mapping program and the Minerals Resources program.

The House provides \$935.7 million for USGS programs, an increase of \$40.2 million above the budget request and \$16.4 million above 2003. The House restored most of the reductions presented in the 2004 Budget Request and added a technical adjustment for science support funding, restructuring funding to more accurately reflect administrative costs.

National Mapping

The House funded the National Mapping program at \$130.2 million, \$9.7 million above the budget request and \$3.0 million below 2003. This includes \$4.4 million to restore mapping data collection activities, \$1.3 million to expand and enhance the National Map through partnerships, \$2.8 million for research activities, \$500,000 for a Tennessee GIS Mapping project, and \$775,000 as a science support adjustment.

Geology

The Geology Program receives \$231.4 million in the House markup, \$9.8 million above the request, and \$1.7 million below 2003. Increases include \$1.9 for the Advanced National Seismic System, \$750,000 to continue the study of impacts of global dust events, \$500,000 for the Great Lakes geologic mapping project, \$1.0 million for cooperative geologic mapping, \$2.0 million for the national coastal program to be implemented consistent with recommendations of the National Academy of Sciences, \$1.3 million for aggregate and industrial minerals, and \$9.1 million for mineral research and assessments. The House disagreed with consolidation of funding for Everglades research in USGS and shifted \$4.0 million for CESI to the National Park Service.

Water Resources

The House funds the Water Resources program at \$215.2 million, \$15.1 million above the request and \$8.0 million above 2003. Included are increases of \$6.5 million for the Water Resources Research Institutes, \$2.4 million for the Toxic Substance Hydrology Program, \$600,000 for work at Lake Ponchartrain, \$900,000 for the Long Term Estuary Group in Louisiana, \$500,000 for continuation of the Spokane Valley/Rathdrum Valley Aquifer study, and \$500,000 for the Chesapeake Bay program. Within the funds provided for the Lake Ponchartrain work, the Committee has directed that USGS sufficiently fund the continued operation of new flow and water quality sensors in the basin. The Committee also requested a 5-Year Plan, detailing USGS involvement in the Long Term Estuary Group (LEAG) in Louisiana.

Biology

In the House mark, biology programs are funded at \$173.3 million, \$4.5 million above the request and \$3.5 million above 2003. The increase includes \$2.8 million to restore funding to the 2003 level for the interagency cooperative fire science program, \$500,000 for amphibian research, \$1.0 million for chronic wasting disease, \$600,000 for Great Lakes research and operations, \$400,000 for a new fish and wildlife cooperative research unit established at the University of Nebraska, and \$500,000 for manatee research. The House also provides \$500,000 for the Tennessee NBII node and \$500,000 for the Northeast New York NBII node. The Committee also realigned funding for the Gap Analysis program shifting \$3.9 million from the biological research and monitoring subactivity into the biological information management and delivery subactivity.

The House funds the Facilities program at \$93.9 million, including \$1.0 million above the request for Atlantic salmon restoration research at Tunison Laboratory in New York. The House also directs USGS to budget sufficient funding for rent without jeopardizing science programs. Science Support is funded at the request level.

Other Bureaus, Offices, and Programs

\$000	<u>03 Enacted</u>	<u>04 Budget</u>	<u>House</u>	House +/- <u>03 Enacted</u>	House +/- <u>04 Budget</u>
NR&P	61,286	47,936	54,924	-6,362 -10.4%	+6,988 +14.6%

NPS National Recreation and Preservation

The President's budget request included \$47.9 million for National Recreation and Preservation, a decrease of \$13.3 million below 2003.

The Committee mark provides \$54.9 million for National Recreation and Preservation, a net increase of \$6.9 million above the President's budget request and \$6.3 million below the 2003 enacted level. Increases are provided to Heritage Partnership commissions and grants (\$6.2 million), and Statutory Aid (\$2.3 million). The House level does not include the \$1.5 million increase requested for the rivers and trails program.

The report language states that the Committee is concerned about the use of cooperative agreements in the rivers, trails and conservation assistance program. The Committee's surveys and investigative staff have been asked to conduct an evaluation of this practice and to report its findings by September 2003. Bill language is included which prohibits the use of competitive agreements and cash grants until the Committee has had an opportunity to review the survey and investigative staff recommendations.

NPS Historic Preservation Fund

\$000				House +/-	House +/-
	<u>03 Enacted</u>	<u>04 Budget</u>	<u>House</u>	<u>03 Enacted</u>	<u>04 Budget</u>
Historic Pres.	36,760	37,000	37,000	+240	0
Save Amer.					
Treasures	29,805	30,000	30,000	+195	0
Natl Trust	1,987	0	0	-1,987	0
HBCUs	<u>0</u>	<u>0</u>	<u>4,000</u>	<u>+4,000</u>	<u>+4,000</u>
Total	68,552	67,000	71,000	-1,552	0
				-2.3%	---

The President's budget request included \$67.0 million for the NPS Historic Preservation Fund. This included \$37.0 million in grants to States, Territories and Tribes and \$30.0 million for the Save America's Treasure program. The President did not request continued funding for the National Trust; last year Congress added \$2.0 million for this program. Overall, the 2004 request is a \$1.6 million decrease from the 2003 enacted level.

The House Committee mark funds Historic Preservation grants to States, Territories and Tribes, and the Save America's Treasures program at the President's request level. An additional \$4 million above the request level is for Historically Black Colleges and Universities bringing the total House mark for the Historic Preservation Fund to \$71.0 million.

Minerals Management Service

\$000				House +/-	House +/-
	<u>03 Enacted</u>	<u>04 Budget</u>	<u>House</u>	<u>03 Enacted</u>	<u>04 Budget</u>
Direct					
Appropriation	170,312	171,321	171,321	+1,009	+0
Offsetting					
Collections	<u>100,230</u>	<u>100,230</u>	<u>100,230</u>	<u>+0</u>	<u>+0</u>
Total	270,542	271,551	271,551	+1,009	+0
				+0.4%	+0.0%

The President's budget request included \$271.5 million for the Minerals Management service; a net increase of \$ 1.0 million above the 2003 enacted level. Offsetting receipts were estimated to be \$100.2 million, the same as the 2003 enacted level. The request for direct appropriations was \$171.3 million, including an increase of \$2.8 million in uncontrollable costs, \$1.6 million for anticipated increases in the Gulf of Mexico workload, \$3.9 million for e-government, and \$1.0 for the National Oil Spill Response Test Facility. The request also included a net decrease of \$3.0 million available from the completion of the royalty-in-kind system procurement. The budget included a

reduction of \$2.3 million for IT systems streamlining and an increase of \$645,000 for IT security.

The House mark provides the same amount as the President's budget with a total of \$271.5 million for MMS programs.

Office of Surface Mining

\$000	<u>03 Enacted</u>	<u>04 Budget</u>	<u>House</u>	House +/- <u>03 Enacted</u>	House +/- <u>04 Budget</u>
Reg & Tech	104,682	106,699	106,699	+2,017	+0
AML	<u>190,499</u>	<u>174,469</u>	<u>194,469</u>	<u>+3,970</u>	<u>+20,000</u>
Total	295,181	281,168	301,168	+5,987 +2.0%	+20,000 +7.1%

The President's budget included \$281.2 million for OSM programs, a net decrease of \$14.0 million from the 2003 enacted level. Changes from the 2003 enacted level included an increase of \$1.6 million for uncontrollables and a \$16.4 million decrease in AML grants.

The House mark provides a total of \$301.2 million for OSM programs. An increase of \$20.0 million over the President's request is included for AML grants to States and Tribes for environmental restoration. The Committee continues the Appalachian clean streams initiative at \$10.0 million.

Office of Insular Affairs

\$000	<u>03 Enacted</u>	<u>04 Budget</u>	<u>House</u>	House +/- <u>03 Enacted</u>	House +/- <u>04 Budget</u>
Assistance to Territories	75,902	71,343	74,343	-1,559	+3,000
Compact of Free Association	<u>20,927</u>	<u>16,125</u>	<u>16,354</u>	<u>-4,573</u>	<u>+229</u>
Total	96,829	87,468	90,697	-6,132 -6.3%	+3,229 +3.7%

The 2004 President's budget request for the Office of Insular Affairs proposed \$87.5 million in current appropriations. Included within the Assistance to Territories request was increased funding to support additional staffing and office requirements needed to monitor the proposed \$165.4 million in Compact of Free Association grant assistance and to begin development of a marine invasive species early warning system. The budget proposed reductions within Assistance to Territories reducing earmarks for Compact Impact Aid, the prior service trust fund, infrastructure needs of the U.S. Virgin Islands, and repairs to the Enewetak shipping vessel. The request for Compact of Free Association included a transfer of \$4.6 million in funding to the Weather Service and Federal Aviation Administration for the services that these agencies are providing in the insular areas.

The House mark provides \$90.7 million in current appropriations, \$6.2 million below the 2003 enacted level and \$3.2 million above the request. Within this amount, the

House provides \$74.3 million for Assistance to Territories and \$16.4 million for Compact of Free Association. The House accepts the \$4.6 million reduction under the Compact of Free Association for the transfer of budget authority to the Weather Service and the Federal Aviation Administration.

The House funds Territorial Assistance \$3.0 million above the request level, including \$2.0 million for urgent water system rehabilitation needed in the CNMI and \$1.0 million for technical assistance to address the financial management and economic development problems of all of the territories.

The House directs the Office of Insular Affairs to allocate the Northern Mariana Islands/Covenant Grants that were listed in the President’s Budget. This includes \$11.0 million for CNMI construction, \$580,000 for disaster assistance, \$5.0 million for court mandated infrastructure improvements in the U.S. Virgin Islands, \$1.0 million for the CNMI law enforcement initiative, and \$10.1 million for American Samoa construction. The House also directs OIA to work with insular governments and the Prior Service Benefits Board to establish a funding mechanism to replace the Prior Service Trust Fund.

Report language indicates that the House assumes that the new Compacts of Free Association with the FSM and the RMI will be ratified by the end of 2003. As the House mark for the Compact of Free Association does not take this into account, \$10.0 million of the \$12.0 million funded under mandatory payments that should transfer to permanent legislation under the new Compacts is still included in the current appropriation.

Departmental Offices

\$000				House +/-	
	<u>03 Enacted</u>	<u>04 Budget</u>	<u>House</u>	<u>03 Enacted</u>	<u>04 Budget</u>
Dept. Mgmt.	71,957	97,140	79,027	+7,070	-18,113
PILT	218,570	200,000	225,000	+6,430	+25,000
WCF			-20,000	-20,000	-20,000
Solicitor	47,462	50,374	50,374	+2,912	0
Inspect. General	36,003	39,049	39,049	+3,046	0
NRDA	<u>5,502</u>	<u>5,633</u>	<u>5,633</u>	<u>+132</u>	<u>0</u>
Total	379,493	392,196	379,083	-410	-13,113
				-1%	-3.3%

Departmental Management

For Departmental Management, the President’s budget request of \$97.1 million proposed strategic investments to address important Department-wide needs, including:

- \$13.8 million for migration to a new, Department-wide financial and business management system;
- \$1.4 million for improved security of information technology systems;
- \$800,000 for implement of a comprehensive program for workforce management;
- \$200,000 for implementation of the President’s Management Agenda;

- \$405,000 for improvement of Interior’s capacity to evaluate program performance;
- \$200,000 for Collaborative Action and Dispute Resolution;
- \$400,000 for further enhancements to the law enforcement and security program; and
- \$4.3 million for uncontrollable expenses *i.e.* rent increases and pay raises.

The House mark provides \$79.0 million, a decrease of \$18.1 million from the request, and \$7.0 million above 2003. The House funds requested increases for uncontrollable expenses, improved IT systems security, and law enforcement and security program enhancements. In addition, the House provides \$600,000 for public lands volunteers associated with the Take Pride in America program. The President’s budget requested \$1.0 million for this program in the NPS budget.

For the second year, the House does not agree to fund the payments of \$3.2 million to the Department of Labor to administer the Employees Compensation program as proposed by OMB.

In addition, the House Committee proposes a \$20.0 million rescission of balances from the Department’s Working Capital Fund.

Payments in Lieu of Taxes

The House accepts Interior’s proposal to transfer the Payments in Lieu of Taxes program from BLM and increases funding for PILT to \$225.0 million, \$25.0 million above the request.

Office of the Solicitor

For the Office of the Solicitor, the President’s budget requested \$50.4 million including the following increases:

- \$395,000 for the Ethics function;
- \$1.7 million for uncontrollable expenses *i.e.* rent increases and pay raises; and
- \$1.1 million for the Office’s information technology infrastructure and security requirements.

The House Committee mark funds the Solicitor’s appropriation as requested.

Office of the Inspector General

For the Office of Inspector General, the budget request was \$39.0 million and included the following increases:

- \$1.1 million for uncontrollable expenses *i.e.* rent increases and pay raises;
- \$506,000 to conduct discretionary audits and reviews related to high priority areas;
- \$572,000 for seven criminal investigative staff to support investigations involving high risk/high impact issues;
- \$627,000 for homeland security efforts including assessing Interior’s use of counter-terrorism funds received in prior years; and
- \$190,000 for information technology security accreditation and certification.

The House Committee mark funds the request.

Natural Resource Damage Assessment and Restoration Fund

For the Natural Resource Damage Assessment and Restoration Fund, the budget included \$5.6 million. The House Committee mark funds the program at the requested level.

Federal LWCF Land Acquisition

\$000			House +/-		House +/-	
	<u>03 Enacted</u>	<u>04 Budget</u>	<u>House</u>	<u>03 Enacted</u>	<u>04 Budget</u>	
BLM	33,233	23,686	14,000	-19,233	-9,686	
FWS	72,893	40,737	23,058	-49,835	-17,679	
NPS	73,984	78,623	33,654	-40,330	-44,969	
DM (BIA -Shivwit)	<u>2,981</u>	<u>0</u>	<u>0</u>	<u>-2,981</u>	<u>0</u>	
Total	183,091	143,046	70,712	-112,379	-72,334	
				-61.4%	-50.6%	

The Administration's budget request contained \$143.1 million for Interior Federal land acquisition. The request included \$23.7 million for BLM, \$40.7 million for FWS, and \$78.6 million for NPS.

The House mark for Interior land acquisition is \$70.7 million. This is \$72.3 million or 50.6 percent below the request and \$112.4 million or 61.4 percent below the 2003 level. The House mark funds the requested level for acquisition management, inholdings and emergencies and land exchange programs. The mark reduced the request for line item acquisition of \$101.8 million to \$30.0 million. No Congressional add-on projects are included.

Report language indicates that the Committee is very concerned about the unfocused direction demonstrated in Federal Land Acquisition priorities for the Departments of the Interior and Agriculture and directs the Secretaries of Interior and Agriculture to develop a joint long-term national plan outlining the acreage goals and conservation objectives for federal land acquisition by March 30, 2004. The Committee strongly discourages boundary expansions until such time as the agencies develop and submit the long-term report and encourages the use of conservation easements or land exchanges for each land acquisition before an "fee simple" purchase is proposed. The report also indicates Committee concerns about the involvement of third-party land conservation groups and their relations to the priorities set forth by Federal agencies acquisitions and their involvement must be indicated clearly in future budget submissions.

A detailed table of Federal land acquisition projects is provided as Attachment 4.

MAJOR LEGISLATIVE LANGUAGE ITEMS

Title I – General Provisions, Department of the Interior

Title I of the House Committee bill includes 38 numbered legislative provisions, including the following:

Outer Continental Shelf Moratoria. As requested in the President's budget, the House continues the moratoria on OCS oil and gas activities. (House §107-110)

Grazing. As requested in the President's budget, the House continues a provision extending the terms and conditions of expiring grazing permits until permit processing can be completed. The provisions specifically authorize NPS to renew grazing permits at Lake Roosevelt Cooperative Management Area that were in effect as of March 31, 1997 for the lifetime of the permittee or 20 years, whichever is less. (House §114) See also §325.

Huron Cemetery (KS). Language was retained in the President's budget and in the House making the Secretary of the Interior responsible for ensuring that the Huron Cemetery in Kansas City, Kansas, is used only for religious and cultural uses that are compatible with the use of the land as a cemetery and burial ground. (House §118)

White River Oil Shale Mine, Utah. The President's budget included language permitting the sale of improvements and equipment at the White River Oil Shale Mine in Utah and the retention and use of these funds by BLM and GSA. The House includes the language. (House §122)

Carlsbad Caverns. The House continues the limitation on the use of funds to enter into a concessions contract permitting or requiring the removal of the underground lunchroom at Carlsbad Caverns NP. The budget proposed to eliminate this provision. (House §125)

Bridge Demolition. The President's budget proposed to eliminate a provision that prohibits the use of funds for demolition of a bridge between Jersey City, New Jersey, and Ellis Island or to prevent pedestrian use of the bridge. The House continues the provision. (House §126)

Cape Canaveral. The President's budget proposed to eliminate a provision that prohibits the use of funds to designate or to post any sign designating any portion of the Canaveral National Seashore as clothing optional. The House continues the provision. (House §127)

Special Master/Court Monitor. The House continues a 2003 provision that precludes the Department of the Interior and the Department of Justice from compensating the Special Master and the Special Master-Monitor appointed by the United States District Court for the District of Columbia in the *Cobell v. Norton* litigation at an annual rate that exceeds 200 percent of the higher SES rate of pay for the Washington-Baltimore locality pay area. (House §128)

Employee Attorney Fees. The House bill continues a 2003 provision that allows the Secretary to use discretionary funds to pay private attorney fees and costs for employees and former employees of the Department of the Interior reasonably incurred in connection with *Cobell v. Norton*. (House §129)

Mass Marking. The House adds a provision requiring FWS to implement a system of mass marking of salmon intended for harvest that are released from Federally operated or funded hatcheries with a mark that can be readily identified by commercial and recreational fishers. (House §130)

Midway Atoll. The House includes a provision that allows the transfer of funds from Departmental Management to FWS for operational needs at Midway Atoll NWR airport. (House §131)

Lake Powell. The House includes a provision precluding the Department from studying or implementing a plan to drain Lake Powell or reduce the level of the lake below the range of water levels required for operation of the Glen Canyon dam. (House §132)

BIA School Demonstration Program. The House bill modifies earlier versions of a provision for a demonstration program that allows Tribes to receive grants to replace tribally controlled schools. The modifications provide that applications for funding to replace schools that currently receive funding for operations and maintenance from BIA receive the highest priority consideration and that priority be given to applications from Tribes that agree to fund future facility operations and maintenance costs. (House §133)

Educational Facilities for the Eastern Band of Cherokee Indians. The House adds a provision requiring a report on the condition and adequacy of education facilities available to the Eastern Band of Cherokee Indians, the availability of lands necessary for construction of facilities, and the impacts of construction on the Great Smoky Mountains NP. (House §134)

Mojave National Preserve. The House includes a provision authorizing the exchange of lands in order to convey a national memorial commemorating US participation in World War I and honoring veterans of war located in the Mojave National Preserve to the Veterans of Foreign Wars. (House §135)

Blue Ridge National Heritage Area. The House adds a provision authorizing the Blue Ridge National Heritage Area in North Carolina. (House §136)

Historical Accounting. The House adds a provision for expedited Indian trust accounting that directs the Secretary to formulate a statistical sampling evaluation in order to assess the administration of individual Indian money accounts, complete the evaluation within four years, certify as to the completion of the evaluation, and publish the certification in the Federal Register. The provision authorizes a process for resolution of claims with holders of individual Indian money accounts and provides for judicial review of actions taken to resolve claims. (House §137)

Klamath Fishery Management Council. The House adds a provision that precludes the use of any funds by Interior to support the Klamath Fishery Management Council. (House §138)

Legal Services. The House adds a provision that authorizes FWS to use funds for incidental expenses related to encouraging public participation in Service programs and to use up to \$2.0 million per year for contracts for employment-related services. (House §139)

Title III – General Provisions (Bill-wide)

Title III of the House Committee bill includes 34 numbered legislative provisions, including the following:

Assessments, Charges or Billings. The House modifies an existing provision that limited the use of assessments and directs that no assessments, charges, or billings may be levied against programs funded in the bill unless advance notice is presented to and approval is provided by the appropriations committees. (House §305)

Mine Patent Moratorium. As requested in the President’s budget, the House continues the mine patent moratorium for an additional year. (House §307)

Government-wide Administrative Functions. The House includes a provision that disallows the use of funds to support government-wide administrative functions unless justified in the budget and approved by the appropriations subcommittees. (House §313)

Answering Machines. The House continues to include a provision that precludes the use of funds to operate telephone answering machines during core business hours unless an option is provided that enables callers to promptly reach an individual on-duty. (House §317)

National Monuments. As requested in the President’s budget, the House continues a prohibition on the use of funds to conduct mineral preleasing, leasing, and related activities within the boundaries of a national monument that were established pursuant to the Antiquities Act, as such boundaries existed on January 20, 2001, except where such activities are allowed under the Presidential proclamation establishing the monument. (House §321)

Reciprocal Agreements for Firefighters. As requested in the President’s budget, the House includes a provision providing liability coverage to foreign firefighters. (House §324)

Grazing Permits. As requested in the President’s budget, the House continues authorization for automatic extension of grazing permits if not acted on by BLM before permit expiration. (House §325) See also §114.

Pennsylvania Avenue. The House continues the provision that prohibits the use of funds for planning, design, or construction of improvements to Pennsylvania Avenue in front of the White House. (House §329)

Declarations of Taking. The House adds a provision limiting the use of funds for the filing of declarations of taking or complains in condemnation without approval of the Committees on Appropriations. The provision does not apply to Everglades acquisitions. (House §331).

Recreational Fee Demonstration Program. The House includes a provision that extends the authority for the recreational fee demo program for an additional two years, with the collection of fees to expire in 2006 and the authority to expend fees to expire in 2009. (House §332)

Competitive Sourcing. The House adds a provision in Subcommittee, later modified in Committee action, to disallow the use of funds to initiate new competitive sourcing studies. (House §335)

Other Legislative Provisions

ESA Listing Language. The President's budget requested continuation of bill language establishing a spending cap for endangered species listing and a spending subcap for critical habitat designation. The requested bill language specified \$12.3 million for listing and \$8.9 million for critical habitat designation. The House includes the requested language. (Title I, FWS Resource Management)

Everglades – Modified Water Deliveries. Bill language is included under the Construction heading in the National Park Service on Everglades. The language limits the use of funds for the purpose of implementing the Modified Water Deliveries project unless the Secretaries of Interior and Army, the Administrator of the EPA, and the Attorney General file a joint report by September 30, 2003 and every six months thereafter until December 31, 2006 indicating that water entering A.R.M. Loxahatchee NWR and Everglades NP meets all applicable State water quality standards and numeric criteria adopted for phosphorus throughout the refuge and park, as well as water quality requirements set forth in the consent Decree entered in U.S. v. South Florida Water Management District and that the appropriations committees approve the use of funds.

Everglades – A.R.M. Loxahatchee NWR. Bill language is included under the Land Acquisition and State Assistance heading in the National Park Service. The language directs the transfer of \$5 million to FWS for water quality monitoring and eradication of invasive exotic plants at A.R.M. Loxahatchee NWR as well as recovery actions for listed species in the South Florida ecosystem. Funds remaining from this transfer after requirements are met may be used for Everglades restoration activities with the approval of the appropriations committees.

Working Capital Fund. Bill language is included under the Departmental Management Salaries and Expenses heading that preclude the creation of additional Working Capital Fund reserves without prior approval of the appropriations committees.

Technical Notes

All amounts are current dollars.

All years referred to are fiscal years unless otherwise noted.

Comparisons of House action in this document are to 2003 enacted to date appropriations (including supplemental appropriations) and the 2004 President's budget as scored by Congressional Appropriations Committees. The Committees' scoring of 2003 and the President's budget differs somewhat, with the result that comparisons in this document to the President's budget do not in all instances match comparisons in the budget.

OMB Budget Totals Compared with Appropriations Committee Totals

	2003 Enacted	04 Budget	House
OMB Scoring	\$9,566,190	\$9,701,536	\$9,605,197
Committee Scoring	\$9,591,471	\$9,763,661	\$9,667,322

The Committees' scoring for FY 2003 enacted differs from OMB scoring by a net \$25.3 million. The Committees exclude \$2.5 million transferred to NPS from the Defense appropriation for Ft. Baker maintenance and \$33.8 million for a one-time discretionary transfer for UMWA health benefits. The Committees include \$62.1 million in current mandatory funding not included in OMB's figure. Both figures include a \$9 million technical fix to NPS Operations account provided in the Wartime Emergency Supplemental, P.L. 108-11. The Committee's figures differ from OMB by \$565,000 for minor rounding differences in applying the 0.65 percent across-the-board rescission.

Legislative History

House Bill – H.R. unnumbered

House Subcommittee

The House Subcommittee reported the bill on June 18, 2003.

House Committee

The House Committee reported the bill on June 25, with 2 amendments, by voice vote.

Amendments were offered in Committee action on the following:

- Fire – Mr. Dicks offered an amendment providing an additional \$550 million (including \$100 million for Interior) for 2003 emergency wildland fire suppression funding with the stipulation that funds not required for the 2003 fire season would be used to repay funds borrowed in 2002. The amendment was withdrawn with agreement from Appropriations Committee Chairman Young that he would seek this funding in a 2003 supplemental appropriations bill.
- Klamath – Congressman Farr offered an amendment to strike a general provision (§138) that precludes the use of any funds by Interior to support the Klamath Fishery Management Council. After debate the measure was defeated on voice vote.

- Water Resource Investigations – Mr. Vitter offered an amendment making revisions to report language on USGS water quality studies within the Lake Ponchartrain basin to indicate that plans should be developed collaboratively with Southeastern Louisiana University and to ensure that the plan addresses the local problems of stakeholders. The measure passed on voice vote.
- Conservation Spending Category – Mr. Dicks offered an amendment seeking the addition of \$568.6 million for conservation programs including Federal land acquisition, LWCF State grants, State wildlife grants, North American Conservation Fund, historic preservation grants, Urban Parks and Recreation program, and forest Service’s Forest Legacy program. The offset offered by Congressman Dick’s amendment was a 2.9 percent across-the-board reduction to all agencies, activities, and programs funded in the appropriations bill. Congressman Dicks argued that the addition was needed to order to fund the Conservation Spending Category at the authorized level of \$1.56 billion. The amendment failed to pass on a voice vote.
- Conservation Spending Category – Congressman Obey offered an amendment to add \$568.6 million for conservation programs including Federal land acquisition, LWCF State grants, State wildlife grants, North American Conservation Fund, historic preservation grants, Urban Parks and Recreation program, and forest Service’s Forest Legacy program. The offset offered was a reduction to the tax reduction resulting from enactment of the Jobs and Growth Tax Relief Reconciliation Act of 2003 for taxpayers with adjusted gross income of more than \$1 million. Congressman Obey argued that this amendment was needed to fulfill the Committee’s commitment to dedicated conservation funding. The amendment failed to pass on a vote of 32 to 26.
- Competitive Sourcing – Congressman Dicks offered an amendment revising a general provision on competitive sourcing (§335) that eliminates bill language requiring a report on studies initiated in 2002 and 2003 and retains the limitation on the use of funds for new competitive sourcing studies. The House report includes language that requires the report. This amendment was adopted by voice vote.