

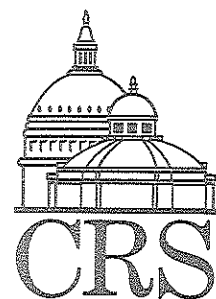
# CRS Report for Congress

## Appropriations for FY1996: Interior

*One of a series of CRS Reports on FY1996 appropriations*

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# Appropriations for FY1996: Interior

## Summary

The annual Interior and Related Agencies Appropriations bill includes funding for agencies and programs in five separate Federal Departments as well as numerous smaller agencies and diverse programs. The President's FY1996 budget request totaled \$13.8 billion compared to the \$13.6 billion enacted by Congress for FY1995 (P.L. 103-332) and later reduced to \$13.5 billion by the FY1995 Rescissions Bill (P.L. 104-19). This report and its previous updates provide information on H.R. 1977, the Interior and Related Appropriations bill for FY1996, from its initial subcommittee mark up in June 1995 to its veto by President Clinton in December 1995 through a series of continuing resolutions (CR's) until FY1996 funding was approved by H.R. 3019, the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (P.L. 104-134) signed by President Clinton on April 26, 1996.

The earlier House-Senate Conference Report on H.R. 1977 (H.Rpt. 104-259) of September 21, 1995 provided FY1996 funding at \$12.11 billion, \$1.7 billion below the President's request and \$1.4 billion less than the final FY1995 appropriation. Most agencies were funded at or below the FY1995 level with significant reductions to the Bureau of Indian Affairs (BIA), Department of Energy, National Endowment for the Arts and National Endowment for the Humanities. In addition, the National Biological Service, Bureau of Mines and Pennsylvania Avenue Development Corporation were scheduled for termination.

On September 29, 1995, the House voted to recommit H.R. 1977 with instructions that conferees support a moratorium on mining patents, and on October 31, 1995, the conference agreed to a mining patent moratorium. However, on November 15, 1995, the House again voted to recommit the bill. The conference met again on December 12, 1995, and agreed to continue the mining patent moratorium, to continue the Tongass Land Management Plan for FY1996-97 based on Alternative P, and to add \$25 million each for the BIA and the Indian Health Service (IHS). The House and Senate adopted the conference report (H.Rpt. 104-402), but President Clinton vetoed H.R. 1977 on December 18, 1995 citing policy differences including administration objections to: cuts in Indian programs, the level of timber harvest from the Tongass National Forest, and a moratorium on listing additional species as endangered. On January 4, 1996, the House failed to override the President's veto.

From January 6, 1996 until April 24, 1996, funding was provided in a series of continuing resolutions until passage of H.R. 3019 on April 25, 1996. The omnibus appropriations legislation (P.L. 104-134) provides \$12.54 billion for FY1996 funding of the Department of Interior and related Agencies, including \$245.3 million of emergency supplemental appropriations. However, most agency funding remains generally at the levels provided in H.R. 1977 (H.Rpt. 104-402).

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## Appropriations for FY1996: Interior

The annual Interior and Related Agencies Appropriations bill includes funding for agencies and programs in five separate Federal Departments as well as numerous smaller agencies and diverse programs. The President's FY1996 budget request totals \$13.8 billion compared to the \$13.6 billion enacted by Congress for FY1995.<sup>1</sup> Title I of the bill includes agencies within the Department of the Interior which manage land and other natural resource programs, the Bureau of Indian Affairs, and the Office of Territorial and International Affairs. Title II of the bill includes the Forest Service of the Department of Agriculture, research and development programs of the Department of Energy, the Naval Petroleum and Oil Shale Reserves, and the Strategic Petroleum Reserve. Programs involving Indian Health Services in the Department of Health and Human Services and Indian Education in the Department of Education are also included. In addition, Title II includes a variety of related agencies such as the Smithsonian Institution, National Gallery of Art, John F. Kennedy Center for the Performing Arts, the National Endowment for the Arts, the National Endowment for the Humanities, and the Pennsylvania Avenue Development Corporation.

### Status

#### Department of the Interior and Related Agencies, H.R. 1977

Subcommittee Markup		House Report	House Passage	Senate Report	Senate Passage	Conference Report	Conference Report Approval		Public Law
							House	Senate	
6/20/95	7/26/95	104-173 6/30/95	7/18/95 (244-181)	104-125 7/28/95	8/9/95 (92-6)	104-259 9/21/95 104-300 10/31/95 104-402 12/12/95	12/13/95 (244-181)	12/14/95 (58-40)	104-134*

\* President Clinton vetoed H.R. 1977 on December 18, 1995. On January 4, 1996, the House failed to override the President's veto. On April 25, 1996, Congress passed the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (P.L. 104-134, H.R. 3019) and President Clinton signed the bill into law on April 26, 1996.

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<sup>1</sup> The FY 1995 Rescissions Bill, H.R. 1944 (P.L. 104-19), reduced Interior Appropriations to \$13.5 billion. (See Appendix A.)

The FY1996 House Concurrent Resolution on the Budget (H. Con. Res. 67) and the FY1996 Senate Concurrent Resolution on the Budget (S. Con. Res. 13) both passed their respective bodies in late May. A House-Senate Conference issued its Report, 104-159, on June 26, 1995. (See Appendix D for a comparison of major differences between the House and Senate budget resolutions relating to the Interior Bill.) The Interior bill was marked up by the Interior Subcommittee of the House Appropriations Committee on June 22, 1995 and by the full committee on June 27, 1995. The Interior Appropriations Bill, H.R. 1977, was introduced on June 30, 1995, and the House passed the bill on July 18, 1995 by a vote of 244 to 181. (See Appendix A.) The House approved an FY1996 funding level of almost \$12 billion, \$1.5 billion below the FY1995 level and \$1.8 billion below the President's request.

The Interior Subcommittee of the Senate Appropriations Committee and the full committee marked up the bill on July 26 and July 28, 1995, respectively. The Senate Appropriations Committee recommended an increase of \$68.5 million above the House allowance. The Senate passed the bill on August 9, 1995, by a vote of 92-6 (see Appendix B).

The following are some of the significant provisions adopted in the first Conference Report on H.R. 1977 (House Report 104-259):

- The Conference approved FY1996 funding at \$12.1 billion.
- The bill is \$1.7 billion below the Administration's FY1996 request and \$1.4 billion below the FY1995 level.
- Land acquisition accounts would be reduced over 40 percent.
- Major construction accounts would be reduced by 18 percent.
- Funding for operations of the National Parks, National Forests, public lands, and wildlife refuges would be maintained.
- The **National Biological Service** would be terminated; many relevant functions would be retained, with funding reduced by **\$25 million to \$137 million**, within the U.S. Geological Survey.
- The **Bureau of Mines** would be terminated and phased out.
- Funding for the **Bureau of Indian Affairs** would be reduced \$170 million below the FY1995 level, but Tribal Priority Allocations would be funded above the FY1995 enacted level.
- Programs administered by the **Office of Indian Education** in the Department of Education would be reduced by \$29 million.
- **Department of Energy** programs would be reduced by 10 percent.
- **Fossil Energy Research and Development** would be reduced by 10 percent.
- Funding for the **Naval Petroleum and Oil Shale Reserves** would be reduced by 15 percent from the FY1995 level.
- Operation of the **Strategic Petroleum Reserve** would be funded from previously appropriated funds for oil acquisition and revenues from the sale of oil in the Weeks Islands in Louisiana.
- **Outer Continental Shelf (OCS)** oil and gas leasing moratoria funding limitations would be retained.

- Energy conservation programs would be reduced by 25 percent and State grants, including weatherization grants, reduced by 47 percent.
- The **Clean Coal Program** would be funded from previous appropriations sufficient to maintain ongoing projects.
- Funding for the **National Endowment for the Arts (NEA)** and the **National Endowment for the Humanities (NEH)** would be reduced to \$99.5 million and \$110 million respectively.

(See Appendix C for a list of those agencies and programs which would be eliminated and for more detailed information on agency funding as agreed upon by the House-Senate Conference.)

On September 29, 1995, by a vote of 277 to 147, the House agreed to Representative Yates' motion to recommit H.R. 1977 to the conference committee with instructions that House conferees insist on the House position to maintain a moratorium on mining patents. In an October 19, 1995, letter to the Chairmen of the Interior Subcommittees of the House and Senate Appropriations Committees, OMB Director Rivlin reiterated Vice-President Gore's statement of September 22nd that the President would veto the bill unless funding were restored to the Bureau of Indian Affairs, Energy Conservation programs, NEA, NEH, and unless Administration objections were resolved involving the mining patent moratorium, Tongass forest management, endangered species listings, etc. The conference committee met on October 31, 1995 and agreed to retain the current mining patent moratorium which would be discontinued if reconciliation provisions are adopted or the House and Senate pass identical legislation on this subject. On November 15, 1995, the full House agreed again to recommit the bill to the conference by a vote of 230 to 199 with instructions to oppose Senate amendments 108 and 158 concerning the Tongass National Forest and fair market values for mineral patents respectively. The conference committee met again on December 12, 1995, and agreed to continue the existing mining patent moratorium in FY1996, continue the current Tongass Land Management Plan for FY1996-97 ensuring that the allowable sale quantity and timber base acreage is not less than Alternative P, added \$25 million for Tribal Priority Allocations in BIA, and added \$25 million to the Indian Health Service. (See Appendix B - Conference Report 104-402 - Appropriations for FY1996) The House and Senate adopted the conference report on December 13 and 14, 1995, respectively. President Clinton vetoed H.R. 1977 on December 18, 1995. On January 4, 1996, the House failed to override the President's veto by a vote of 239 to 177.

### **Continuing Resolutions (Selected)**

On January 6, 1996, President Clinton signed H.R. 1358 (**P.L. 104-91**). Section 101 of the legislation provides FY1996 funding for visitor services on the public lands managed by the Bureau of Land Management and for certain projects and activities of Indian tribes or tribal organizations as follows:

... All projects and activities necessary to accommodate visitors and to provide for visitors services on the public lands managed by the



Bureau of Land Management at a rate for operations, notwithstanding any other provision of this Act, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104-402) on the Department of the Interior and Related Agencies Appropriations Act, 1996 (H.R. 1977), as passed by the House of Representatives on December 13, 1995 ...

... All Self-Determination and Self-Governance projects and activities of tribes or tribal organizations (as that term is defined in Public Law 93-638) that are authorized by Public Law 93-638 under the account heading 'Operation of Indian Programs' under the Bureau of Indian Affairs in the Department of the Interior or under the account heading 'Indian Health Services' under the Indian Health Service in the Department of Health and Human Services at a rate for operations, notwithstanding any other provision of this Act, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104-402) on the Department of the Interior and Related Agencies Appropriations Act, 1996 (H.R. 1977), as passed by the House of Representatives on December 13, 1995 ...

On January 6, 1996, President Clinton also signed H.R. 1643 (**P.L. 104-92**), a continuing resolution that funds agencies in the Interior bill through January 26, 1996 and funds visitor services and assistance and foster care payments funded by the BIA throughout FY1996. Section 101 of the legislation provides for limited and targeted FY1996 appropriations for:

... All general welfare assistance payments and foster care payments, as authorized by law, funded under the account heading 'Operation of Indian Programs' under the Bureau of Indian Affairs in the Department of the Interior...

... All projects and activities necessary to accommodate visitors and to provide for visitor services in the National Park System, the National Wildlife Refuges, the National Forests, the facilities operated by the Smithsonian Institution, the National Gallery of Art, the John F. Kennedy Center for the Performing Arts, and the United States Holocaust Memorial...

Continued funding for agencies and programs, except as provided through the end of FY1996 in P.L. 104-91 or P.L. 104-92, was enacted in another continuing resolution, H.R. 2880 (**P.L. 104-99**), signed by President Clinton on January 26, 1996. Section 126 of the legislation provides funding for some agencies based on the FY1996 Interior conference report (H.R.pt. 104-402) as follows:

... Notwithstanding any other provision of this title of this Act, such amounts as may be necessary are hereby appropriated under the authority and conditions provided in the applicable appropriations Act

for the fiscal year 1995 for continuing, at a rate for operations provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104-402) on the Department of the Interior and Related Agencies Appropriations Act, 1996 (H.R. 1977), as passed by the House of Representatives on December 13, 1995, for the following projects or activities including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this Act) which are conducted in the fiscal year 1995: all projects or activities of the Indian Health Services, Indian Health Service Facilities, Bureau of Indian Affairs, National Park Service, notwithstanding any other provision of law, the United States Fish and Wildlife Service, notwithstanding any other provision of law, and the Forest Service, notwithstanding any other provision of law: *Provided*, That appropriations and funds made available and authority granted pursuant to this section shall be available until (a) enactment into law of an appropriation for any project or activity provided for in this section, or (b) the enactment into law of the applicable appropriations Act without any provision for such project or activity, or (c) March 15, 1996, whichever first occurs ...

This law also provides funding for the remaining agencies and programs through March 15, 1996, at the lowest of three amounts: the current rate for FY1995, the House-passed level for FY1996, or the Senate-passed level for FY1996 (but not less than 75 percent of the current rate). Authorizations and conditions enacted in the FY1995 appropriations act remain in effect until superseded by an FY1996 Interior Appropriations Act or a subsequent continuing resolution.

On March 29, 1996, President Clinton signed H.J.Res. 170 (P.L. 104-122), to extend government funding through April 24, 1996, while the Congress worked on H.R. 3019, the omnibus appropriations bill for FY1996. H.J.Res. 175 (P.L. 104-131), enacted on April 25, 1996, provided funding for one day. (See CRS Report 620 C, Appropriations for FY1996: Overview for a discussion and listing of the 15 continuing appropriations measures.)

### **Omnibus Appropriations Act**

The Omnibus Consolidated Rescissions and Appropriations Act of 1996, H.R. 3019 (P.L. 104-134), was signed into law by the President on April 26, 1996. The legislation provides funding for the Department of the Interior and related Agencies and for other Agencies and programs for which regular appropriations were not enacted. P.L. 104-134 provides \$12.54 billion of funding for Interior and related Agencies for FY1996, including \$245.3 million of emergency supplemental appropriations. Most agency funding remains at similar levels provided earlier in H.R. 1977 (H.Rpt. 104-402). It should be noted that \$110 million was included for the Forest Service for a Southeast Alaska Economic Disaster Fund to be disbursed to certain Alaskan communities should the President waive implementation of the Tongass Forest Management Plan (Alternative P). See Appendix A, for a comparison of P.L. 104-134 funding by Agency with H.R. 1977 and the FY1995 enacted level.

## Major Funding Trends

From FY1991 to FY1995, Department of the Interior and Related Agencies appropriations increased by 16 percent, from \$11.7 billion to \$13.5 billion, approximately 4 percent annually. Adjusting for inflation, Interior appropriations have remained essentially flat during this period. P.L. 104-134 funding of \$12.54 billion would reduce FY1996 budget authority 9 percent below the FY1995 level. (See Appendix A for a comparison of FY1995 enacted and the FY1996 budget request for Interior Appropriations, and see Appendix B for a budgetary history of each agency, bureau, and program from FY1990 to FY1995.)

### Department of the Interior and Related Agencies Appropriations (budget authority in billions of dollars)

FY1991	FY1992	FY1993	FY1994	FY1995
11.7	12.5	12.2	13.4	13.5

## Key Policy Issues

### Title I: Department of the Interior

The House Budget Resolution proposed a 5-year land acquisition moratorium on the Bureau of Land Management, the Fish and Wildlife Service, and the National Park Service. In addition, the three agencies would have construction budgets cut by 50 percent. The Senate Budget Resolution assumed a ten percent reduction in the operating budgets of these agencies.

#### *Bureau of Land Management*

The BLM funding level for FY1996 provided for in P.L. 104-134 is approximately 3% below the FY1995 enacted appropriation (a \$33 million reduction), and nearly 8% below the Administration's budget request. The final FY1996 appropriation prohibits use of funds for "developing, promulgating, and thereafter implementing" a rule regarding RS-2477 highway rights-of-way across certain federal lands. The legal interpretation of what constitutes a qualifying right-of-way [preserved for travel over federal lands] has been quite controversial. The Administration has sought to clarify federal requirements more narrowly than those desired by some states, local governments, and private interests. The FY1996 appropriation does not prohibit implementation of new rules concerning rangeland management.

Comprehensive Mining Law legislation died in the 103rd Congress, but legislation to place a one-year moratorium on mineral patents was enacted in the Interior and Related Agencies appropriations bill, H.R. 4602 (P.L. 103-332). The one-year patent moratorium was not included in the FY1996 House Interior

Appropriations bill (H.R. 1977) reported out of committee, but an amendment to retain the one-year moratorium was approved on the House floor. The Senate voted not to retain the moratorium but rather included a provision to increase patent fees to reflect the "fair market value" of the surface lands. On September 19, 1995, the House-Senate Conference approved the Senate's provision. However, on September 29, 1995, the House voted to recommit the bill to conference with instruction to the conferees that the House position be restored.

On October 31, 1995, the House-Senate conferees restored the one-year patent moratorium to the Interior appropriations bill. Those opposing the patent moratorium argue that the moratorium is unnecessary and does little to reform the Mining Law or prevent further mining on Federal lands (the private sector does not need a patent to extract minerals from Federal lands). Those in favor of the moratorium believe that the transfer of public resources to the private sector for nominal fees would be slowed and that the 1872 Mining Law needs major overhaul which should be pursued through free standing legislation. The continuation of the moratorium on mining patents would freeze about 200 patent applications and prohibit new patent applications, but nearly 400 hundred applicants that have received their first-half final certificate would continue to be processed. However, on November 15, 1995, the full House voted to recommit H.R. 1977 to the conference with instructions to oppose Senate amendment 158 concerning fair market values for mineral patents. New conference report language would continue the patent moratorium for FY1996 without specifying when the moratorium would be removed. Further, conferees agreed to a schedule of 5 years to finish processing 90 percent of those applicants that have received their first-half final certificate. Critics contend that 5 years is not long enough to process the nearly 400 patent applications.

### ***Fish and Wildlife Service***

The Endangered Species program is the most controversial item in the budget for the Fish and Wildlife Service (FWS). (For further information, see CRS Issue Brief 95003, *Endangered Species: Continuing Controversy*.) P.L. 104-134 included:

- A reduction in funding for pre-listing (renamed "cooperative conservation agreements") activities from the budget request of \$4.5 million to \$3.8 million and a major reduction in funding for listing of endangered species from the request of \$8.2 million to \$4.0 million. There was a proviso in the act to permit only the de-listing of species or their reclassification from endangered to threatened, but not the addition of new species to the list through FY1996 or until the ESA is re-authorized. However, the bill included a provision allowing the President to waive the moratorium. This waiver has already occurred, and listings will continue, to the extent permitted by this lower level of funding and the backlog of listings.
- Reduced ESA consultation by \$4.0 million and recovery by \$8.4 million (relative to request) to \$16.0 million and \$36.5 million respectively.

- Overall ESA reduction of \$12.9 million compared to President's request.

Other key features of the law include:

- \$36.9 million for land acquisition, a cut of \$26.0 million compared to the request, and \$30.2 million compared to FY1995. The final bill shifted acquisition priorities substantially compared to the President's request, giving much greater weight to refuge land acquisition and much less to acquisition under ESA.
- \$8.1 million for the Cooperative Endangered Species Fund (which provides grants to States for conservation of ESA species), \$29.9 million less than the request and \$0.9 million less than FY1995, which represents a decision not to fund a new Administration effort to assist States in implementing Habitat Conservation Plans under ESA.
- \$10.8 million for the National Wildlife Refuge Fund, which helps compensate States for loss of revenue due to the presence of federally owned land, for a savings of \$0.6 million compared to the request and \$1.2 million compared to FY1995.
- \$37.7 million for construction, for a cut of \$16.1 million compared to FY1995, and \$3.6 million above the President's request.
- \$6.7 million for the North American Wetlands Conservation Fund, for a savings of \$5.2 million compared to the request and \$2.2 million compared to FY1995.
- \$501.0 million for Resource Management (which includes ESA, Refuges, and Fisheries programs -- the bulk of the budget). This area had received \$511.3 million in FY1995; the President had requested \$535.0 million for FY1996.

While those in favor of reduced government regulation applauded the cuts, environmentalists denounced them as ill-considered amendments to major laws.

### ***National Park Service***

The National Park Service (NPS) currently manages the 369 units that comprise the National Park System, including 56 full-fledged National Parks, the premier units of the system. In the last decade, Congress has restricted funds to operate and maintain the National Park System despite continued additions to the system. The original House and Senate budget resolutions for FY1996 called for a ten percent reduction in the operating budget of the NPS over the next seven years. The Secretary of the Interior testified that such reductions would drastically limit the Service's scope of operations. Under such a scenario the Service likely would have been forced to reduce operating hours, to close portions of many parks, campgrounds, backcountry trails, and

interpretive programs, and to close as many as 200 smaller park units. Higher entry and user/activity fees and administrative reforms could have offset some of these proposed budgetary reductions, but the Administration argued that it would not come close to solving problems with resource protection and visitor use that continue to accrue "multi-billion dollar backlogs" in needed maintenance. Congress continues to consider proposals to reduce costs, improve management, and supplement funding for the Park Service. The Park Service will continue this summer to substantially reduce services and maintenance with some parks shutting down campgrounds, visitor centers and museums to save money.

Officially Congress awarded the Park Service a one percent increase in its 1996 operating budget. This amounted to a \$4.6 million increase over 1995, from \$1.078 billion in FY1995 to \$1.083 billion in FY1996. However, considering a 2.5 percent inflation rate and increases in personnel costs, such as retirement, the Park Service is effectively working with less money than last year. Park operations funding was increased marginally, and funding for construction and land acquisitions was reduced substantially.

After being defeated on the House floor, controversial legislation (H.R. 260) that would address park funding problems by setting stringent criteria for future parks and establishing a commission to review alternative management scenarios or possible closure of park units was added by committee vote to the House *reconciliation package*. The initiative to establish a commission to review National Park system units for possible closure was subsequently stripped out of the comprehensive reconciliation bill. The budget reconciliation package also had included a revised version of H.R. 2028, to provide a uniform policy for management of concessions by Federal land management agencies, including the Park Service. The collapse of negotiations between the President and Republican leaders in January left concession reform bills back in committee on a stand-alone basis.

The final appropriations bill created a recreational fee demonstration program designed to test the feasibility of user-generated cost recovery for the operation and maintenance of recreational areas and sites on Federal lands. The test program authorized the Park Service and the Forest Service, the Fish and Wildlife Service, and the Bureau of Land Management to experiment with fee charging initiatives at 10 to 50 developed recreational sites, for each agency, for a period of three years. Because the demonstration program was enacted so late (seven months into the fiscal year), Park Service and Forest Service representatives say that they will have to defer full (50 site) participation in the demonstration program until FY1997.

The conference report on H.R. 1977 would have transferred limited funding (\$600,000) and responsibility for the Mojave National Preserve from the Park Service back to its former manager, the Bureau of Land Management, which would have delayed implementation of Park Service protections to the Preserve called for in the 1994 California Desert Protection Act. The reasoning behind this attempted maneuver was that the Bureau would manage the Preserve on

a multiple-use basis with looser rules about recreational and commercial uses. The attempt to curtail the Park Service's role in managing the new park in the East Mojave desert was bargained away by final conference negotiators at the last minute. The language of the earlier maneuver was contained in the omnibus spending bill, but the President can (and did) waive implementation.

The final Mojave provision would appropriate \$1.1 million for the Park Service to manage the preserve. In a partial concession to Park Service management opponents, the conferees directed that a final management plan for the Mojave Preserve be submitted to congressional appropriations committees for approval.

### ***National Biological Service***

The fundamental issues for the National Biological Service (NBS) were its continued existence and the fate of its \$172 million budget request. Both the House and Senate Budget Resolutions would dissolve the NBS. Critics of the agency argue that it is statutorily unauthorized. While the agency has no *single* authorization or organic act, its functions are authorized piecemeal through some 21 statutes. In the original statutes, in which authority was vested in the Secretary of the Interior, these research and data collection responsibilities were carried out by the Secretary through other agencies.

P.L. 104-134 accepted the House approach, which eliminated NBS and transferred funds to the U.S. Geological Survey (USGS) for "resource research and the operations of the Cooperative Research Units." (The Senate had "terminated the [NBS] and consolidated the biological research activities for agencies within the Department...in this new agency" which it named the "Natural Resources Science Agency.") (For further information, see *U.S. Geological Survey*, below.)

### ***U.S. Geological Survey***

The U.S. Geological Survey conducts research and provides basic scientific information concerning natural hazards and environmental issues, as well as water, land, and mineral resources. The USGS was tentatively targeted for elimination in a list of possible offsets for tax cuts and program changes in the House Republican "Contract With America." A proposal to abolish the Survey also was included in the Republican Budget Initiative of the 103d Congress, 2d Session ("Kasich Budget" for FY 1995). Thus far, the U.S. Geological Survey has survived all proposals to eliminate it. Although changes would occur, including the addition of activities formerly conducted by other agencies within DOI (see National Biological Service and Bureau of Mines), the conference report would provide funding for the basic USGS programs at about the 1995 level. In particular, funding for research programs that have a direct impact on protecting life and property have been preserved. These include earthquake, landslide, and other natural hazards research programs.

P.L. 104-134 appropriates \$730,163,000 for surveys, investigations, and research instead of \$686,944,000 as proposed by the House and \$577,503,000 as proposed by the Senate. This includes \$16,000,000 earmarked for minerals information activities transferred from the Bureau of Mines. The amount proposed by the House for earthquake hazards reduction was increased by \$4,000,000 for university earthquake research grants. This is the amount recommended by the Senate and represents a 50 percent reduction to current funding. The conference report also maintained funding for a competitive program for the water resources research institutes that would require at least a 2 to 1 funding match from non-Federal sources.

The portion of USGS now called "natural resource research" (which was formerly the National Biological Service), was funded at \$137.0 million -- a cut of \$35 million, relative to the President's request for NBS for FY1996. The conference directed that USGS manage reductions within the reduced level of funding so that cuts occur "predominantly in administrative, managerial, and other headquarters support functions...so as to maintain, to the maximum extent possible, scientific and technical capabilities." How this transfer will affect existing related research programs within USGS is unclear.

A substantial number of provisos restrict funds for "resource research":

- no use of funds for new surveys on private property without written authorization of owner, including "new aerial surveys for the designation of habitat under the [ESA]" without the owner's consent;
- no use of funds for programs using volunteers in research if "it is made known" to the federal manager that the volunteers are not properly trained or that the information is not verified;
- a requirement that resource research should maximize peer review; and
- the National Academy of Science must review and report on resource research at USGS.

(See CRS Report 95-746 ENR, *The National Biological Service*, for more about NBS issues. For more information on private property issues, see CRS Report 95-200 A, *The Property Rights Issue*.)

### ***Minerals Management Service***

The Offshore Minerals Management Program administers competitive leasing on outer continental shelf lands and oversees production of offshore oil, gas and other minerals. Currently, MMS administers 27 million acres of offshore Federal leases. The Royalty Management Program (RMP) seeks to ensure timely and accurate collection and disbursement of revenues from all mineral leases on Federal lands (oil, gas, coal etc.). Collection and distribution of mineral revenues is carried out by the RMP. The MMS also enforces compliance regulations and verifies production through an audit system. The MMS collects about \$5.0 billion in revenues annually.



The revenues from onshore leases are distributed to States in which they were collected, the General Fund of the U.S. Treasury and various designated programs. All States except Alaska receive 50 percent of the revenue collected from Federal mineral leases. Alaska receives 90 percent of the revenue collected from its mineral leases. Revenues from the offshore leases are divided between the coastal states, Land and Water Conservation Fund, The Historic Preservation Fund and the general Treasury. The states receive 27 percent of the oil and gas royalties only from leases located within 3 miles of their seaward boundaries. Royalties on competitive and noncompetitive leases are not less than 12.5 percent in amount or value of the production removed or sold from the lease. Competitive and noncompetitive leases extend for a 10-year term.

***Administration Proposal to Dissolve the MMS.*** The Administration's FY1996 request for MMS is \$201.2 million. An Administration proposal included in Phase-2 National Performance Review (REGO-2) recommended abolishing the MMS and turning its onshore royalty management functions over to the 38 States and the 29 Indian tribes affected, and to relocate the offshore leasing program intact to another agency within the DOI. The Administration abandoned the plan to devolve MMS responsibilities to the States later in 1995. The House agreed to fund MMS at \$192.9 million in FY1996, and the Senate approved funding at a level of \$188.6 million. The House-Senate Conference agreed to fund MMS at a level of \$189.4 million in FY1996. However, P.L. 104-134 funds MMS at \$189 million due to a \$400,000 cut from MMS administration.

***OCS Moratoria.*** A controversial element in the appropriations process regards the OCS moratorium which Congress has approved each year since the early 1980s. Each year, Congress banned the expenditure of appropriated funds for any leasing activity on environmentally sensitive areas of the OCS. In 1990, President Bush issued a directive which essentially bans OCS leasing activity in places other than the Texas, Louisiana and Alabama offshore until 2000.

The House Subcommittee on Interior Appropriations voted to lift the moratoria, but the full Committee voted to keep the ban in place. The House approved the moratoria, and the Senate Appropriations Committee concurred with the moratoria language in the FY1995 Interior Appropriations bill. Additionally, were Congress to abandon its moratoria -- which was not done -- the executive directive would likely remain in place, and none of the environmentally sensitive tracts currently off-limits would be leased.

From the perspective of revenue, the earliest any previously off-limits OCS tracts could be leased would be in FY1997. New leasing would need to be included in the OCS 5-Year plan. The next Plan for the 1997 to 2002 period is being circulated in decision document form. The proposed plan envisions leasing in Gulf Coast planning areas with successful leasing history and in five Alaskan planning areas. These areas are the Beaufort Sea, Chukchi Sea, Hope Basin, Cook Inlet/Shelikof Strait, and the Gulf of Alaska. Whether leasing will actually take place, how many and which tracts might be leased, and the timing of those lease sales are currently uncertain.

### ***Bureau of Mines***

The House and Senate conferees agreed to eliminate the Bureau of Mines as a separate entity, but to retain and reassign some of the Bureau's programs to other related agencies. Spending for the U.S. Bureau has declined in the last few years in response to the agency's own internal review and downsizing. Despite this effort, the Bureau was targeted by some for elimination. The Administration requested \$132.5 million for FY1996, a cut of \$19.9 million below the FY1995 level and in addition to a \$17 million program decrease from FY1994 to FY1995.

The House Budget Committee recommended future cuts leading to a level of \$63 million in FY2000 -- an overall decrease of 63 percent from FY1994. However, in the Department of the Interior Appropriations bill, H.R. 1977, the House Appropriations Committee recommended \$87 million in FY1996 for the "orderly shutdown" of the Bureau within 90 days of enactment. In its report, (House Report 104-173), the Committee indicated its decision was based on what it perceived to be flagging endorsement by the Administration of the Bureau's programs. The Committee recommended the no-cost transfer of selected facilities to universities or governmental entities, and encouraged the Department of the Interior and the Bureau to identify Bureau programs that should continue and which could be transferred elsewhere in Interior, or to other Federal agencies.

The Senate Appropriations Committee subsequently recommended retention of the agency and proposed funding it at \$132.5 million. The conferees, however, essentially embraced the House position, appropriating \$64 million for shutdown. The conferees recommended that the mineral information and gathering function be transferred to the U.S. Geological Survey. Mine health and safety functions would be transferred to DOE.

### ***Office of Surface Mining Reclamation and Enforcement***

For the entire Surface Mining Reclamation and Enforcement program, the Administration requested \$292.8 million, down slightly from the \$293.4 million for FY 1995 enacted. For FY 1996, Congress provided \$279.9 million, an amount about \$23 million less than enacted FY 1995 and \$22 million below the requested FY 1996.

Of this amount, the Administration requested \$107.7 million for regulation and technology for FY1996, an amount approximately \$3.5 million below the FY 1995 amount of \$111.0 million.<sup>2</sup> For FY 1996, Congress agreed upon a total funding of approximately \$96 million, a decrease of about \$15 million under the previous year's funding level.

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<sup>2</sup> All amounts for regulation and technology includes (indefinite) modest receipts from performance bond forfeitures.

The Administration requested \$185.1 million for the Abandoned Mine Reclamation program for FY1996 compared to the \$182.4 million appropriated for FY1995. The enacted amount for FY 1996 totals \$173.9 million, a decrease of approximately \$8.5 million from the previous fiscal year. The Administration's FY1996 request eliminated funding for the Rural Abandoned Mine Program (RAMP) (which received \$7.9 million in FY1995), and for the Small Operator Assistance Program (\$1.8 million in FY1995). Congress concurred and eliminated these programs.

### ***Bureau of Indian Affairs***

The key issues for the Bureau of Indian Affairs (BIA) are the reorganization and downsizing of the agency and the movement toward greater tribal influence on the agency's programs and expenditures. The BIA is under intense pressure to reorganize, from the tribes, the Administration, and Congress, but the proposals from the three sources are not the same. Reductions in BIA funding in the Interior appropriations bill have focused attention on the issues of agency downsizing and tribal self-governance abilities.

Greater tribal control over Federal Indian programs has been the goal of Indian policy since the 1970s. In the BIA this policy takes three forms: shifting of programs into a portion of the BIA budget called "Tribal Priority Allocations" (TPA), where the tribes have more influence; tribal contracting to run individual BIA programs under the Indian Self-Determination Act; and tribal compacting with the BIA to manage all or most of a tribe's BIA programs, under the Self-Governance program. The Administration's FY1996 budget proposed switching a large BIA social services program, called welfare assistance, into TPA. In addition, tribes want to protect the contract support (or indirect costs) funds from cuts; these funds help tribal governments pay the overhead costs of managing BIA programs under self-determination contracts or self-governance compacts.

The congressional budget resolution for FY1996 (H.Con.Res. 67, 104th Congress), as agreed to by both Chambers, did not assume major changes in BIA structure or funding (see H.Rpt. 104-159). The report for the earlier House-passed version (H.Rpt. 104-120) called for creating a new Native American block grant to include both the BIA and the Indian Health Service, as well as terminating or reducing Indian economic development and construction funding, but the report for the Senate-passed version (S.Rpt. 104-82) did not contemplate a Native American block grant and assumed that BIA programs would receive priority consideration for Federal funding.

The bill reported by the House Appropriations Committee reduced BIA budget authority by 3.3 percent from FY1995 enacted levels and addressed a number of BIA reorganization issues, including moving contract support and welfare assistance funds into TPA and determining tribal needs and tribal shares of BIA programs. The Committee's bill also ended funding for nearly all the BIA's tribal economic and business development programs, for certain higher education scholarships, and for the Indian Arts and Crafts Board (IACB). The

House approved the Committee's proposal for BIA funding without major amendment, restoring \$8 million for a water rights settlement.

The Senate Appropriations Committee reduced BIA appropriations by \$616.9 million from the House bill. Most of this reduction stemmed from the Committee's recommended transfer of all BIA natural resources management and trust-fund responsibilities to a new Office of Special Trustee for American Indians in the Secretary's office. The Committee also reduced TPA appropriations in general, maintained education funds at slightly above the House level, restored some economic development and construction spending, and phased out the IACB. A general provision was also added to the bill to reduce self-governance funds for Washington State tribes that unilaterally restrict the access of non-member owners of private lands on their reservations to existing or potential power or water utilities for residential use.

The Senate amended the Committee's recommendation by transferring all except trust-fund responsibilities back to the BIA (with associated funding)—leaving a net reduction in TPA of \$209.8 million from the House recommendation—, by restoring the IACB (with \$962,000), and by amending the Washington State tribes provision to require agreements on such matters within 90 days after enactment of the bill. After Senate passage of the Interior appropriations bill, the BIA announced it anticipated layoffs of about one-quarter of its employees (about one-half of its non-education employees), and tribal representatives said the cuts in TPA would make tribal self-governance far more difficult. Supporters of the cuts pointed to support for Indian health and BIA education funding and said tribes had other sources of income that they could tap.

The first House-Senate conference committee restored \$87.2 million of the Senate's TPA reduction (bringing TPA funding to \$629.2 million), agreed to the IACB funding, reduced some Senate restorations of construction and economic development funds, and retained the provision regarding Washington State tribes and utilities access. The third House-Senate conference committee restored an additional \$25 million to TPA, bringing the TPA total to \$654.2 million. Certain of the continuing appropriations acts assured BIA General Assistance—welfare and foster care—payments (P.L. 104-92) and BIA self-determination and self-governance activities (P.L. 104-91) through the end of FY1996. Actual BIA staff layoffs, buyouts, and eliminations totaled 2,262 positions, or about 18 percent of positions. P.L. 104-134 left most provisions and the basic appropriations amounts unchanged from those in the third conference report, but added supplemental appropriations of \$500,000 for BIA operation of Indian programs and \$16,500,000 for BIA construction.

### ***Territorial and International Affairs***

The Department of the Interior has primary federal responsibility for all U.S. insular areas, except Puerto Rico. It provides funding for, among other activities, territorial capital infrastructure improvements and various territorial

assistance programs, including technical assistance and maintenance assistance.

Until 1995, the Secretary's responsibilities related to the insular areas were carried out by Interior's Office of Territorial and International Affairs (OTIA). At a March 1995 House hearing, OTIA's deputy director discussed a Department proposal to eliminate OTIA and transfer insular functions to a new, smaller office. In August, Interior implemented the reorganization plan, replacing OTIA with a smaller Office of Insular Affairs (OIA). Under the plan, the position of assistant secretary for territorial and international affairs was eliminated. OIA was placed within the office of the assistant secretary for program, management and budget.

The House and Senate Budget Resolutions, which were reported prior to the Interior reorganization, included recommendations on OTIA. The House Resolution proposed the elimination of OTIA and most of its territorial assistance programs. The Senate Resolution recommended abolishing OTIA and distributing its functions to other agencies, in accordance with an earlier Administration proposal.

In its report on the FY1996 Interior Appropriations bill (H.R. 1977), the House Appropriations Committee endorsed the Administration's proposal to abolish OTIA and replace it with a new OIA. The Committee recommended \$17.4 million in funding for the new office and for territorial assistance programs. During consideration of H.R. 1977 on the House floor, Representative Elton Gallegly, chairman of the Subcommittee on Native American and Insular Affairs, offered an amendment to eliminate funding (\$16.8 million) for OTIA and most territorial assistance programs. The amendment was approved by voice vote and was included in the final bill passed by the House on July 18, 1995.

The Senate Appropriations Committee, like its House counterpart, recommended \$17.4 million for a new OIA and for territorial assistance. The Senate report noted the Committee's disappointment that the House had eliminated virtually all funding for OIA and its assistance programs. The Senate approved the \$17.4 million in funding.

The Conference Report on H.R. 1977 (H.Rpt. 104-402, December 12, 1995) included \$14.4 million for OIA and its territorial assistance programs. The Omnibus Appropriations Act (P.L. 104-134) likewise provides \$14.4 million for these purposes.

Another key issue in territorial appropriations is financial assistance to the Commonwealth of the Northern Mariana Islands (CNMI). Under current law, the CNMI receives \$27.7 million annually. The President proposed to redirect this funding. Under the President's plan, the CNMI would receive \$6.1 million for each of fiscal years 1996 through 2001. (The \$21.6 million reduction in CNMI funding would be reallocated to other territories.) The Senate Budget Resolution incorporated the President's proposed reduction in CNMI funding. The House Budget Resolution recommended the termination of CNMI funding.

The issue of federal financial assistance to the CNMI is complicated by congressional concern over commonwealth labor, immigration, and tax policies. In addition, there is disagreement concerning the impact of the elimination of federal aid. Some argue that federal financial assistance promotes dependency and that, in its absence, the local government would find ways to raise additional funds. Others believe, however, that federal aid is needed to help the CNMI finance basic infrastructure improvements.

As explained in its report on H.R. 1977, the House Appropriations Committee provided \$27.7 million for CNMI funding in the absence of congressional action to change the allocation of this mandatory payment. H.R. 1977, as passed by the House, likewise provided for this funding.

The Senate Appropriations Committee included \$27.7 million for CNMI funding. At the same time, the Committee added language from S. 638, which passed the Senate on July 20, 1995, to authorize the reallocation of the \$27.7 million CNMI grant. (S. 638, as passed by the Senate, would reallocate the \$27.7 million differently than the President's proposal.) H.R. 1977, as passed by the Senate, included \$27.7 million for CNMI funding and reallocation provisions.

The Conference Report on H.R. 1977 revised language in the Senate bill to reallocate the \$27.7 million CNMI payment. The Conference agreed that the CNMI would receive an annual payment of \$11 million for fiscal years 1996 through 2002. The remaining funds would be made available to the Interior Secretary for obligation for capital infrastructure projects and other specified purposes in the territories. P.L. 104-134 includes these same provisions.

### ***Departmental Offices: National Indian Gaming Commission***

The National Indian Gaming Commission (NIGC) was established by the Indian Gaming Regulatory Act of 1988 (P.L. 100-497) to oversee Indian tribal regulation of tribal bingo and other "Class II" operations, as well as aspects of the "Class III" games (casinos, racing, etc.). The NIGC receives Federal appropriations but its budget authority consists chiefly of assessments on tribes' Class II operations.

The House Budget Committee report on its version of the FY1996 budget resolution would have required proceeds from gaming to cover fully the costs of the Commission. The conference report on the budget resolution did not mention the NIGC.

The House Appropriations Committee bill continued Federal appropriations for the NIGC at the FY1995 level of \$1 million. The House approved the Committee's proposed NIGC funding.

The Senate Appropriations Committee bill agreed with the House bill but added language directing the NIGC to study gaming tribes' compliance with the

Indian Gaming Regulatory Act (IGRA). The Senate agreed to the Committee's recommendation.

The conference committee agreed to NIGC funding of \$1 million and to the Senate recommendation to study gaming tribes' IGRA compliance, with a revised deadline. P.L. 104-134 provides the same level of funding as the conference committee and includes the Senate's recommendation regarding IGRA compliance.

***Departmental Offices: Office of Special Trustee for American Indians***

The Senate Appropriations Committee recommended the funding of the Office of Special Trustee for American Indians in the Secretary of the Interior's office, as authorized by Title III of the American Indian Trust Fund Management Reform Act of 1994 (P.L. 103-412). The Committee recommended transferring from the BIA to the Office of Special Trustee the responsibility and funding not only for BIA trust funds management, but also for all BIA natural resources management programs, including natural resources construction and claims settlements payments. A total of \$410 million was provided for the Office to carry out these responsibilities. The full Senate transferred all these responsibilities back to the BIA from the Office of Special Trustee, except for trust funds management. Funding for the Office was reduced to \$16,338,000.

The conference committee agreed to the Senate recommendation for Special Trustee funding, but also agreed with the Senate Appropriations Committee that further BIA trust asset management activities could be transferred to the Special Trustee. In addition the conference committee directed the Special Trustee to produce a detailed operating plan and to fund a multi-tribal trust-fund monitoring association. P.L. 104-134 did not alter the conference committee's amounts and language.

**Title II: Related Agencies and Programs**

***Department of Agriculture: U.S. Forest Service***

***Forest Service Timber Sales.*** Timber sales from the national forests have declined rapidly since FY1990, from 11.1 billion board feet (BBF) to 3.4 BBF in FY1994. Many factors have been alleged as causes: lawsuits and administrative appeals; the economy; protection of threatened and endangered species; historic harvests at unsustainable levels; ecosystem management; and more. Most of the allegations probably have some merit, and a variety of factors are undoubtedly involved. The concern focuses on maintaining wood supply, particularly for communities with sawmills that depend on Federal timber, versus maintaining the ecosystems that produce the wood and the amenity values that various communities depend upon. Complicating the debate is that sales on some forests generate less revenue than they cost to prepare and administer; addressing these "below-cost" sales has frustrated Congress and the Administration for more than a decade.

Forest health and salvage sales have been central to debate in the 104th Congress. The poor health of western pine ecosystems is widely acknowledged, but interests disagree over needed activities and likely costs. Salvage sales, to remove dead, dying, and associated trees, is one tool that has been suggested, and a provision to accelerate salvage sales and insulate them from most challenges was included in rescissions law (P.L. 104-19), but no special salvage sale provision was included in the appropriations bill.

Because of the timber industry's concerns that the Tongass Timber Reform Act of 1990 and wildlife habitat protection areas have reduced timber sales, Senate amendments to the Act directed the Forest Service to implement Alternative P from the 1990 draft land management plan and to not complete the final plan. The conference modified these provisions, but on November 15, the House voted to recommit H.R. 1977 to the conference, with instructions to address the language concerning the Tongass National Forest. The conference report added a new provision prohibiting implementation of proposed changes in log export rules and regulations during the remainder of FY1996. (Implementation of the proposed changes was delayed until January 1996 in the FY1996 Agriculture Appropriations Act, P.L. 104-37.) The conference report was modified to direct the Forest Service to implement the current (1979) management plan through FY1997, to maintain the allowable sale quantity and suitable timber lands of Alternative P during that period, and to change the purchaser of a timber sale without additional analysis or judicial review. This was further modified by P.L. 104-134 to direct implementation of the current plan for 1 year, and to provide a waiver to allow the President to suspend (*i.e.*, not implement) these provisions. In addition, if the President suspends the provision (and he did, following enactment), then \$110 million is appropriated for the Southeast Alaska Economic Disaster Fund, for direct grants to communities and boroughs for FY1996-FY1999.

**Forest Roads.** Building new roads in the national forests has been controversial for more than a decade. Some interests oppose road construction because roads increase access to areas some wish to preserve in a pristine state, and because roads are a principal source of erosion, stream sedimentation, and other environmental degradation. Supporters note that access roads are needed for timber harvesting and forest protection (*e.g.*, from wildfire), and that roads can be built without the attendant environmental problems. Road funding has declined by more than half since the 1980s. The House passed road construction appropriations of \$90 million (FY1995 appropriations were \$98 million, the budget request was \$103 million), while the Senate passed \$102 million; the conference agreed to \$95 million for road construction. A House floor amendment to prohibit road construction in roadless areas of 3,000 acres or more was defeated.

**Land Acquisition.** The Forest Service purchases lands for various reasons (*e.g.*, to eliminate inholdings, to improve access, to acquire lands valued for recreation). Appropriations have ranged from \$62 to \$89 million annually since FY1991. The congressional budget resolution recommended a moratorium on Federal land purchases for at least the next 5 years. The House passed an appropriation of \$14.6 million for FY1996, down from \$63.9 million in FY1995, but



the Senate passed an appropriation of \$41.2 million; the Senate also included a provision requiring priority listing for agency land acquisition proposals. The conference slightly increased the Senate appropriation for land acquisition.

***International Forestry.*** The Forest Service has cooperated on forestry matters with foreign governments for many years, although explicit authority for such activities was not granted until 1990. The first budget line item for international forestry was in FY1994, with \$7 million appropriated. The Administration requested an increase to \$10 million for FY1996. However, the budget resolution recommended terminating the international forestry program, and the House and Senate both passed no funding for FY1996, although up to \$4 million can be used from other appropriations for international forestry activities.

### ***Department of Energy***

***Fossil Energy Research, Development, and Demonstration.*** The Clinton Administration's FY1996 budget request for fossil fuel research and development (R&D) represented a continuing realignment of its budget priorities that began with the FY1994 budget request. Environmental issues, particularly global climate change, drove the FY1996 budget request for significant increases in natural gas R&D and for significant decreases in coal R&D. Clean coal technology demonstration efforts (specifically, the Clean Coal Technology Program), which were supported by the Reagan and Bush Administrations, would be completed. Overall the proposal requested a 1 percent decrease from the FY1995 appropriation for fossil energy. However, coal R&D would have dropped 25.6 percent while natural gas R&D would have increased 35.5 percent, fuel cells R&D 11.9 percent and petroleum R&D 6.2 percent.

This proposed shift in focus to natural gas was based on the current outlook for fossil fuel availability and current prices, as well as environmental advantage versus coal or petroleum. Critics questioned the extent to which fossil fuel R&D should be based on current trends and a view of natural gas as a "transition fuel" to non-fossil fuels. Questions with respect to the priority of different fossil fuels and of fossil energy in general were intensified by the FY1996 budget resolution, H.Con.Res. 67. It assumed a reduction of almost 50% in the energy account with "corporate technology subsidies" in fossil energy research and development programs specifically mentioned for cuts (H.Rpt. 104-159). Following this rationale, the House Science Committee's DOE Civilian Research and Development bill (H.R. 1816) would have reduced overall fossil energy funding to \$220.1 million in FY1996, with coal R&D receiving \$50 million.

In the appropriations process, the House Appropriations Committee rejected many of the Administration's proposed new initiatives while providing slightly more generous funding for coal R&D. The Committee's report (H.Rpt. 104-173) announces the Committee's intention to seek reductions in fossil energy R&D of 10% annually for each of the next four years. The Committee believed that this approach would have permitted DOE to gradually phase down to a funding

level more in line with the recommendations of the authorizing committee. The Committee's bill, H.R. 1977, recommended \$384.5 million for fossil energy R&D, a reduction of about 13% from FY1995 levels. Coal R&D would receive \$126.2 million, a reduction of 14% from FY1995 levels; natural gas R&D would receive \$60.3 million, a reduction of 5% from FY1995 levels; fuel cell R&D would receive \$53.5 million, an increase of 12% from FY1995 levels; and oil technology R&D would receive \$63.8 million, a reduction of 17% from FY1995 levels. In floor deliberations on H.R. 1977, an attempt by Representative Tiahrt to bring the funding levels proposed in H.R. 1977 down to those recommended in H.R. 1816 failed on a 144-267 vote. However, an amendment by Representative Kleczka to reduce funding for oil technology by \$5 million was agreed to 251-160.

The Senate Appropriations Committee reported out H.R. 1977 in July (S.Rpt. 104-125). The Senate Committee generally agreed with the House Committee's phased-in reduction of fossil energy R&D efforts. The Committee's bill recommended \$376.1 million for fossil energy R&D, compared with \$379.5 as passed by the House. Coal R&D would receive \$113.0 million, a reduction of \$13.2 from the House-passed levels; natural gas R&D would receive \$66.8 million, an increase of \$6.5 million from the House-passed levels; fuel cell R&D would receive \$51.5 million, a reduction of \$2 million from the House-passed levels; and oil technology R&D would receive \$55.9 million, a reduction of \$7.9 million from the House-passed levels. These recommendations were agreed to by the full Senate.

The conference report of H.R. 1977 was vetoed by the President, resulting in the appropriations bill being rolled into the omnibus appropriations measure (H.R. 3019) that was passed in April 1996, and signed by the President (P.L. 104-134). The conference report on H.R. 3019 (H.Rpt. 104-537) recommends \$417.0 million for fossil energy R&D. The larger number primarily results from the transfer of certain mining-related activities previously conducted by the Bureau of Mines to the fossil fuels R&D budget (\$40 million). With respect to individual fuel accounts, Coal R&D receives \$121.3 million; natural gas R&D receives \$59.7 million; fuel cell R&D receives \$52.5 million; and oil technology R&D receives \$55.7 million. Monies for former Bureau of Mines activities will be accounted for under a new heading -- "Mining".

Like the Administration, the conference report on the budget resolution assumed that the Clean Coal Technology Program would be confined to existing projects. P.L. 104-134 does not provide any new budget authority for the Clean Coal Technology Program for FY1996. However, it does permit DOE to use \$18 million in previously appropriated funds for administrative purposes.

Fossil energy R&D policy reflects a perceived balance between the goals of economic development, environmental protection, and national security. Since the 1973 oil embargo, fossil energy R&D policy has undergone a number of shifts in direction and philosophy -- some resulting from changes in Administrations and market conditions in the United States; other have been dictated by events abroad (e.g., embargoes). Reductions of the magnitude being proposed by the conference report on the budget resolution, the conference

report on H.R. 3019 and House Science Committees would suggest that a new reassessment of fossil energy R&D policy and its assumed economic, environmental, and national security goals may be in order.

***Strategic Petroleum Reserve.*** Since suspension of oil acquisition for the Strategic Petroleum Reserve (SPR), the program has largely been largely funded using previously authorized, but unspent balances in the petroleum acquisition account. The Administration proposed transfer of most of the remaining balance of those unspent funds, and an additional \$25 million in new authority for total program spending in FY1996 of \$313 million. Owing to development of a sinkhole at the SPR storage site at Weeks Island, Louisiana, DOE also requested authorization to generate \$100 million of the \$313 million from sale of 7 million barrels of SPR oil. The proceeds would defray the cost of moving oil from the site and decommissioning it. Critics of the proposal argued that SPR oil was not intended, and should not be used, to generate offsetting revenue, and that it would unwisely set a precedent for selling SPR oil to fund SPR operations, or possibly other DOE programs. However, authority for the sale was enacted in the Balanced Budget Downpayment Act, approved Jan. 26, 1996 (P.L. 104-99). Neither the House nor the Senate Appropriations Committee approved the \$25 million in new spending authority requested by the Administration, agreeing to \$187 million in new authority which--coupled with the proceeds from sale of SPR oil--set total program spending at \$287 million. However, the final compromise on FY1996 spending, the Balanced Budget Down Payment Act, II (H.R. 3019, P.L. 104-134) authorized sale of an additional \$227 million in SPR oil, intended to offset the restoration of funds to other programs without changing overall spending. On April 29, 1996, the President announced the immediate release of 12 million barrels of SPR oil to help blunt recent crude and product price increases. Revenues from this sale will be applied to satisfy the revenue target enacted in P.L. 101-134.

***Naval Petroleum Reserves.*** The Administration's FY1996 budget request for the Naval Petroleum and Oil Shale Reserves assumed "corporatization" and sale of the oil field at Elk Hills (NPR-1). Both the House and Senate Budget resolutions assumed the sale of the Naval Petroleum Reserves in 1996. Planning to operate the field in a "caretaker" status pending its sale in FY1997, the Administration proposed a sharp cut for NPR-1 operations during FY1996 from \$165 million to \$78 million. Total program spending was estimated at \$101 million. Concern was expressed whether production and proper maintenance of Elk Hills could be supported at that level without risking diminishing the value of the asset before a sale could be completed. The House restored \$50 million to the program. The Senate recommended a \$35 million increase after agreeing in committee to divert \$15 million to another program, but the conferees settled on \$149 million, slightly less than the House recommendation. On October 31, 1995, the conference committee met again and reduced this level by \$242,000. As enacted in P.L. 101-134, total program spending for the NPR is nearly \$148.8 million.

***Energy Efficiency.*** The primary debate is what level of Federal support is justified for energy efficiency. Recalling the philosophy of the Reagan

Administration, the Cato Institute and others call for the elimination of DOE and all energy efficiency programs. They argue that energy policy, and thus energy efficiency policy, should derive from deregulated, open market functions with minimum governmental intervention. They note that the nation has a buoyant venture capital market more than able to fund promising new technologies, renewable energy and energy efficiency prominent among them. Subsidizing new technologies in this view is unnecessary and likely to create and sustain technologies that will ultimately fail the test of the market.

In contrast, energy efficiency supporters argue that a number of factors tilt the market unfairly against efficiency:

- a history of federal R&D spending, tax subsidies, and other subsidies that heavily favors energy supply technologies;
- State utility regulations that reward energy supply but not end-use efficiency;
- fragmented markets and the complexities of end-use consumer behavior;
- and the failure of energy prices to capture public external costs of energy security and pollution.

Supporters of energy efficiency contend that past efficiency gains supported economic growth and that curbing energy demand helps to hold energy prices down. Supporters also raise concerns about recently declining auto fuel economy, rising oil imports, and increasing energy use generally.

The Clinton Administration has made energy efficiency its top priority among energy options. The rationale for this commitment focuses on support for near-term economic growth while enhancing energy security, reducing pollution emissions, and increasing international competitiveness. The Administration's FY1996 DOE budget request reflected this priority by seeking \$891 million, a \$120 million increase exclusively for R&D programs.

The Energy Efficiency Program funding levels in P.L. 104-134 are identical to those in the Fall 1995 Conference Report (H.Rpt. 104-259), except that management is reduced by \$100,000. It includes \$553 million total for FY1996, a \$199 million or 26% cut, which is the largest since FY1982, when the Reagan Administration sought to close down the program. It includes \$375 million for R&D, a \$66 million or 15% cut, and \$171 million for technical and financial assistance (TFA) programs, a 45% cut. The law terminates the Utility Integrated Resource Planning program (a \$9 million cut), and the Federal alternative fuel fleet purchase program (a \$20 million cut). Other major funding cuts include \$101 million or 47% cut for weatherization grants, \$36 million cut for programs supporting the Climate Change Action Plan (CCAP), \$30 million cut for programs supporting the Partnership for a New Generation of Vehicles (PNGV), \$29 million or 50% cut for State and institutional conservation grant programs, \$9 million cut for industrial waste minimization, and a \$7 million cut for codes and standards. Further, to accommodate an Administration-Congress agreement, a small across-the-board FY1996 appropriation reduction is yet to

come. P.L. 104-134 also includes a moratorium on new energy efficiency standards.

***Department of Health and Human Services: Indian Health Service***

The Indian Health Service (IHS) carries out the Federal responsibility of assuring comprehensive preventive, curative, rehabilitative, and environmental health services for approximately 1.4 million American Indians and Alaska Natives. The Administration's FY1996 budget requested \$2.06 billion for the Indian Health Service (\$1.82 billion for services and \$242.7 million for health facilities), an increase of \$96 million over the previous year. The Senate Budget resolution assumed full funding while the House Budget resolution included Indian Health in the new Native American Block grant in FY2000. P.L. 104-134, the Omnibus Consolidated Rescissions and Appropriations Act of 1996, signed into law on April 26, 1996, provides \$1.97 billion for FY1996 for the Indian Health Service (\$1.75 billion for services and \$239 million for health facilities), \$24 million more than the FY1995 appropriation and \$72.2 million less than the Administration's request. The conference agreement on H.R. 1977, the FY1996 Department of Interior and Related Agencies appropriation bill vetoed by President Clinton, had provided \$1.96 billion (\$1.723 billion for services and \$239 million for health facilities).

The IHS service population bears a higher incidence of illness and premature mortality than other U.S. populations, although the differences in mortality rates have diminished in recent years in such areas as infant and maternal mortality, as well as mortality associated with alcoholism, injuries, tuberculosis, gastroenteritis, and other conditions.

Many IHS health care facilities which provide health care services are reportedly in need of repair or replacement. Funding for the construction of new facilities has decreased in recent years while funding for the provision of health services has increased; a priority list has been established for new construction. The Administration's FY1996 budget request for IHS shows a continued decrease in funding for the construction of new facilities. The request for \$242.7 million for FY1996 is a decrease of \$10.6 million, or 4.2 percent from the FY1995 appropriation. P.L. 104-134 (H.R. 3019) provides \$239 for health care facilities, \$14.3 million less than had been provided in FY1995.

***Department of Education: Indian Education***

The programs of the Office of Indian Education (OIE) in the Department of Education provide supplemental aid to public school districts, State education agencies, and BIA schools to benefit Indian students and adults. Among the issues involved with OIE are the degree of overlap between its programs and the BIA's smaller Johnson-O'Malley program, which also aids local school districts with Indian children; whether other Department of Education programs could pick up OIE functions and programs; and whether there is a need for special Federal assistance for the 87 percent of Indian children who attend public non-

BIA schools. The FY1996 budget resolution, in the conference report, did not address the OIE specifically.

The House Appropriations Committee's bill would have terminated OIE "to reduce duplication, achieve savings, and fund priority reservation based school operations." The full House restored \$52.5 million for the largest OIE program, which provides formula grants for supplemental programs to meet the special needs of Indian students, chiefly to public school districts but also to BIA-contracted or -operated schools. Not funded were OIE programs for Indian education improvement, professional development, adult education, research and evaluation, and OIE administration, including the National Advisory Council on Indian Education (NACIE).

The Senate Appropriations Committee recommendation followed the House bill in retaining the largest OIE program, but restored an additional \$2.16 million for OIE administration. NACIE, however, was not funded. The Senate adopted the Committee recommendation, which totaled \$54,660,000 for OIE.

The conference committee adopted the House recommendation of \$52.5 million for OIE, and excluded NACIE from funding. P.L. 104-134 provides the same level of funding as the conference committee.

### ***Office of Navajo and Hopi Indian Relocation***

The Office of Navajo and Hopi Indian Relocation (ONHR) was recently reauthorized for FY1995-1997, under P.L. 104-15, signed June 21, 1995. The 1974 relocation legislation (P.L. 93-531, as amended) was the end result of a dispute between the Hopi and Navajo tribes involving land originally set aside by the Federal Government for a reservation in 1882. Under the 1974 act, lands were partitioned between the two tribes and members of one tribe who ended up on the other tribe's land were to be relocated. Most relocates are Navajo. A large majority of the 3,185 Navajo families on the land partitioned to the Hopi have already relocated under the Act, but the Committee estimates that 721 Navajo families have yet to be relocated, including 95 families on Hopi partitioned land (many of whom refuse to relocate). Negotiations continue among these families, the two tribes, and the Federal Government. The Hopi Tribe has called for the forced relocation of families who refuse to move. The Navajo Nation has called for a one-year moratorium on relocation. The FY1996 budget resolution and its committee reports did not mention ONHR.

The House Appropriations Committee's bill reduced ONHR appropriations because of the slowing pace of relocation and because of relocates' apparent low level of interest in moving on to new lands acquired for the Navajo reservation for relocatee use. While the Committee called on ONHR to explore termination of the relocation program, it continued bill language that forbids ONHR to evict any Navajo family from Hopi lands unless a replacement home is provided. This language would appear to effectively prevent forced relocation of the Navajo families on Hopi land for the time being, since ONHR has a large backlog of

other families that need homes. The Committee's proposed funding for the ONHR was accepted by the House.

The Senate Appropriations Committee recommended an additional reduction of \$1 million below the House bill in ONHR appropriations, to \$20,345,000. The Senate agreed to the Committee's recommendation.

The conference committee agreed to the Senate recommendation of \$20,345,000, and P.L. 104-134 did not alter this level of funding.

### ***Other Related Agencies***

One of the pervasive issues for the programs/agencies delineated below is whether Federal government support for the arts and culture is an appropriate Federal role, and if it is, what should be the shape of that support. If the continued Federal role is not appropriate, might the Federal commitment be scaled back such that greater private support or State support would be encouraged? Each program has its own unique relationship to this overarching issue.

### ***Smithsonian***

The Smithsonian Institution (SI) is a museum, education and research complex of 16 museums and galleries and the National Zoo. Nine of its museums and galleries are located on the Mall between the U.S. Capitol and the Washington monument. The Smithsonian is approximately 77 percent federally funded. A Federal commitment was established by initial legislation in 1846. In addition to receiving Federal appropriations, the Smithsonian has private trust funds, which include endowments and donations.

In the light of budget constraints, there is considerable support for new construction funding cuts particularly for construction of the National Museum of the American Indian, with a total cost projection of \$110 million. Opponents of the new museum argue that the current SI museums need renovation and repair, and maintenance of the collection with over 140 million items, more than the public needs another museum on the Mall. Proponents feel that there has been too long a delay in providing a museum "in Washington" to house the Indian collection. The Smithsonian's final appropriation for FY 1996 restored \$15 million for the National Museum of the American Indian Cultural Resources Center.

The final FY 1996 appropriation (P.L. 104-134) for the Smithsonian included a \$376.1 million funding level for FY1996, (\$311.2 million for Salaries and Expenses) an increase of \$13.4 million over the FY1995 amount. Part of that increase included \$3 million for voluntary employee separation incentives or early "buy-outs."

***National Endowment for the Arts, National Endowment for the Humanities, and Institute of Museum Services***

One of the primary vehicles for Federal support for arts, humanities and museums is the National Foundation on the Arts and the Humanities, composed of the National Endowment for the Arts (NEA), the National Endowment for the Humanities (NEH), and the Institute of Museum Services (IMS). The authorizing act, the National Foundation on the Arts and the Humanities Act has expired, but has been operating on temporary authority through appropriations law. The last reauthorization for the National Foundation on the Arts and the Humanities was in 1990.

Among the questions Congress is asking is whether funding for the arts, humanities, and museums is an appropriate Federal role and responsibility. The current climate of budget constraints raises questions about the need for such support. Some argue that NEA and NEH be abolished altogether, contending that the Federal Government should not be in the business of supporting culture. They also argue that culture can and does flourish on its own through private support. Proponents of Federal support for arts and humanities argue that the Federal Government has a long tradition of such support, beginning with congressional appropriation of funds for works of art to adorn the U.S. Capitol in 1817. Some argue that abolishing or any significant reduction to NEA, NEH and IMS will eliminate the programs that have national purposes (such as touring theater and dance companies, radio and television shows, etc.)

The controversy involving charges of obscenity concerning a small number of NEA grants still remains an issue despite attempts to resolve these problems through statutory provisions. To date, no NEA projects have been judged obscene by the courts. Some in Congress are calling for elimination of funding for all grants to individual artists. The House reauthorization bill (H.R. 1557) eliminates individual grants. The Senate reauthorization bill (S. 856), a five-year extension, calls for termination of subgrants and elimination of grants to individuals except for literature fellowships. The House-passed Interior appropriations bill (H.R. 1977) had assumed early termination of NEA and NEH within two and three years respectively at an appropriation level of \$99.494 million for FY1996. The Senate-passed Interior appropriations bill would have allowed \$110 million for both NEA and NEH for FY1996. The final appropriation for FY 1996 (P.L. 104-134) will fund NEA at \$99.494 million and to fund NEH at \$110 million, with cuts of approximately 39 percent and 37% respectively from the FY1995 appropriation. Language was removed that sought early termination of the agencies and the provision was eliminated requiring an authorization before funds could be appropriated. Language was retained that would prohibit funding for projects that are sexually explicit and that denigrate religious beliefs.



## For Additional Reading

### CRS Products

#### *Title I: Department of the Interior*

Changes in Federal Rangeland Management: Current Proposals. by Betsy A. Cody. CRS Report 95-816 ENR. Updated August 30, 1995. 34 p.

Department of the Interior Budget Request for FY1996. by Alfred R. Greenwood. CRS Report 95-301 ENR. February 24, 1995. 34 p.

Endangered Species: Continuing Controversy. by M. Lynne Corn. CRS Issue Brief 95003. Updated regularly.

Fish and Wildlife Service: Compensation to Local Governments. by M. Lynne Corn. CRS Report 90-192 ENR. March 6, 1990. 37 p.

Grazing Fees: Primer. by Betsy A. Cody. CRS Report 95-1 ENR. December 23, 1994. 6 p.

Indian Issues in the Second Session of the 104th Congress. by Roger Walke. CRS Report 96-168 GOV. February 23, 1996. 6 p.

The Major Federal Land Management Agencies: Management of Our Nation's Lands and Resources. Coordinated by Betsy A. Cody. CRS Report 95-599 ENR. May 15, 1995. 45 p.

Mining Law Reform: the Impact of a Royalty. by Marc Humphries. CRS Report 94-438 ENR. May 12, 1994. 14 p.

The National Biological Service. by M. Lynne Corn. CRS Report 95-746 ENR. June 23, 1995. 15 p.

U.S. Geological Survey: Its Mission and Its Future. by James E. Mielke. CRS Report 95-145 SPR. March 2, 1995. 6 p.

Indian Gaming Regulatory Act: Judicial and Administrative Interpretations. by M. Maureen Murphy. CRS Report 93-793 A. September 7, 1993. 28 p.

#### *Title II: Related Agencies*

Arts and Humanities: Funding and Reauthorization in the 104th Congress. by Susan Boren. CRS Report 95-190 EPW. October 25, 1995. 15 p.

Below-Cost Timber Sales: Overview. by Ross W. Gorte. CRS Report 95-15 ENR. December 24, 1994. 20 p.

The Department of Energy's FY1996 Budget. Coordinated by Marc Humphries. CRS Issue Brief 95043. Updated regularly.

Energy Conservation and Electric Utilities: Developments and Issues in Regulating Program Profitability. by Fred Sissine. CRS Report 90-275 SPR. May 21, 1990. 25 p.

Forest Health: Overview. by Ross W. Gorte. CRS Report 95-548 ENR. April 28, 1995. 5 p.

The Forest Service Budget: Trust Funds and Special Accounts. by Ross W. Gorte and M. Lynne Corn. CRS Report 95-604 ENR. May 17, 1995. 45 p.

Fossil Energy Research and Development, Whither Coal? by Larry B. Parker. CRS Issue Brief 94020. Updated regularly.

Health Care Fact Sheet: Indian Health Service. by Edward R. Klebe. CRS Report 94-866 EPW. November 8, 1994. 2 p.

Health Services for American Indians and Alaska Natives. by Edward R. Klebe and Karen M. Judge. CRS Report 93-975 EPW. November 9, 1993. 6 p.

Historic Preservation: Background and Funding. by Susan Boren. CRS Report 96-123 EPW. Updated regularly. 5 pages.

The Naval Petroleum Reserves: Proposed Sale and Issues. by Robert Bamberger. CRS Report 95-293 ENR. May 5, 1995. 5 pages.

Salvage Sales and Forest Health. by Ross W. Gorte. CRS Report 95-365 ENR. March 10, 1995. 5 p.

The Strategic Petroleum Reserve. by Robert Bamberger. CRS Issue Brief IB87050. Updated regularly.

### **Other References**

Report of the Joint Tribal/BIA/DOI Advisory Task Force on Reorganization of the Bureau of Indian Affairs to the Secretary of the Interior and the Appropriations Committees of the United States Congress. [Washington: The Task Force]. August 1994.

**Appendix A**  
**Department of the Interior and**  
**Related Agencies Appropriations**  
(in thousands of dollars)

Bureau or Agency	FY1995 Enacted <sup>a</sup>	FY1996 Request	H.R. 1977 H.Rpt. 104-402	P.L. 104-134 H.R. 3019 H.Rpt. 104-537	P.L. 104-134 Compared to FY1995 Enacted
<b>Title I: Department of the Interior</b>					
Bureau of Land Management	1,099,005	1,156,682	1,050,491	1,105,955	6,950
U.S. Fish and Wildlife Service	671,038	702,817	603,864	645,831	-25,207
National Biological Service <sup>b</sup>	162,041	172,696	0	0	-162,041
National Park Service	1,387,329	1,490,122	1,319,337	1,367,667	-19,662
U.S. Geological Survey	571,462	586,369	730,503	732,163	160,701
Minerals Management Service	194,621	201,240	189,434	188,995	-5,626
Bureau of Mines <sup>c</sup>	152,427	132,507	64,000	64,000	-88,427
Office of Surface Mining Reclamation and Enforcement	293,407	292,773	269,857	269,857	-23,550
Bureau of Indian Affairs	1,730,970	1,897,941	1,571,412	1,588,412	-142,558
Departmental Offices <sup>d</sup>	124,022	128,618	134,181	236,242 <sup>d</sup>	112,220
<b>Total, Title I</b>	<b>6,507,897</b>	<b>6,855,935</b>	<b>6,023,205</b>	<b>6,199,122</b>	<b>-308,775</b>
<b>Title II: Related Agencies</b>					
Forest Service	2,803,602	2,416,539	2,166,579	2,363,173	-440,429
Department of Energy	1,265,887	1,416,775	1,179,411	1,179,156	-86,731
Clean Coal Technology	-337,879	-155,019	0	0	--
Fossil Energy	423,701	436,508	417,169	417,018	-6,683
Alternative Fuels Production	-3,900	-2,400	-2,400	-2,400	1,500
Naval Petroleum and Oil Shale Reserves	187,048	101,028	148,786	148,786	-38,262
Energy Conservation	755,751	907,561	537,293	537,189	-218,562
Economic Regulation	12,413	10,500	6,297	6,297	-6,116
Strategic Petroleum Reserve (SPR)	135,954	26,689	0	0	-135,954
Energy Information Administration	84,566	84,689	72,266	72,266	-12,300
Indian Health	1,963,062	2,059,022	1,986,800	1,986,800	23,738
Indian Education	81,341	84,785	52,500	52,500	-28,841
Office of Navajo and Hopi Indian Relocation	24,888	26,345	20,345	20,345	-4,543
Institute of American Indian and Alaska Native Culture and Arts Development	11,213	19,846	5,500	5,500	-5,713
Smithsonian	362,706	407,450	376,092	376,092	13,386
National Gallery of Art	56,918	64,451	58,286	58,286	1,368

**Appendix A**  
**Department of the Interior and**  
**Related Agencies Appropriations**  
(in thousands of dollars)

Bureau or Agency	FY1995 Enacted <sup>a</sup>	FY1996 Request	H.R. 1977 H.Rpt. 104-402	P.L. 104-134 H.R. 3019 H.Rpt. 104-537	P.L. 104-134 Compared to FY1995 Enacted
John F. Kennedy Center for the Performing Arts	19,306	19,373	19,306	19,306	0
Woodrow Wilson International Center for Scholars	8,878	10,070	5,840	5,840	-3,038
National Endowment for the Arts	162,358	172,400	99,494	99,494	-62,864
National Endowment for the Humanities	172,044	182,000	110,000	110,000	-62,044
Institute of Museum Services	28,715	29,800	21,000	21,000	-7,715
Commission of Fine Arts	834	879	834	834	0
National Capital Arts and Cultural Affairs	7,500	6,941	6,000	6,000	-1,500
Advisory Council on Historic Preservation	2,947	3,063	2,500	2,500	-447
National Capital Planning Commission	5,655	6,000	5,090	5,090	-565
Franklin Delano Roosevelt Memorial Commission	48	147	147	147	99
Pennsylvania Avenue Development Corporation	6,822	6,876	0	0	-6,822
Holocaust Memorial Council	26,609	28,707	28,707	28,707	2,098
<b>Total, Title II: Related Agencies</b>	<b>7,011,333</b>	<b>6,961,469</b>	<b>6,141,431</b>	<b>6,340,770</b>	<b>-670,563</b>
<b>Grand Total, All Titles</b>	<b>13,519,230</b>	<b>13,817,404</b>	<b>12,164,636</b>	<b>12,539,892</b>	<b>-979,338</b>

<sup>a</sup> Incorporates the reductions included in the FY1995 Rescissions Bill H.R. 1944 (P.L. 104-19).

<sup>b</sup> NBS was eliminated, and many of its functions were transferred to the USGS.

<sup>c</sup> "For necessary expenses for the orderly closure of ..." the specified agency.

<sup>d</sup> Functions of and funding for the Office of Territorial Affairs were transferred to Departmental Offices.

**Source:** U.S. House of Representatives and U.S. Senate, House-Senate Conference Report on H.R. 1977, House Report 104-402, and House-Senate Conference Report on H.R. 3019, House Report 104-537.

**Appendix B**  
**Department of the Interior and**  
**Related Agencies Appropriations, H.R. 1977**  
(in thousands of dollars)

Bureau or Agency	House Bill	Senate Bill	Conference Report H.Rpt. 104-402
<b>Title I: Department of the Interior</b>			
Bureau of Land Management	1,055,463	1,048,335	1,050,491
U.S. Fish and Wildlife Service	568,938	603,650	603,864
National Biological Service <sup>a</sup>	0	145,965 <sup>b</sup>	0
National Park Service	1,261,076	1,300,338	1,319,337
U.S. Geological Survey	686,944	577,503	730,503
Minerals Management Service	192,996	188,609	189,434
Bureau of Mines	87,000 <sup>c</sup>	128,007	64,000 <sup>c</sup>
Office of Surface Mining Reclamation and Enforcement	269,578	266,411	269,857
Bureau of Indian Affairs	1,682,806	1,459,912	1,571,412
Territorial Affairs	81,923	93,126	90,126
Departmental Offices	113,466	134,181	134,181
<b>Total, Title I</b>	<b>6,000,190</b>	<b>5,946,037</b>	<b>6,023,205</b>
<b>Title II: Related Agencies</b>			
Forest Service	2,103,671	2,176,224	2,166,579
Department of Energy	1,154,586	1,143,589	1,179,411
Clean Coal Technology	0	0	0
Fossil Energy	379,524	376,181	417,169
Alternative Fuels Production	-2,400	-2,400	-2,400
Naval Petroleum and Oil Shale Reserves	151,028	136,028	148,786
Energy Conservation	540,371	560,976	537,293
Economic Regulation	6,297	8,038	6,297
Emergency Preparedness	0	0	0
Strategic Petroleum Reserve (SPR)	0	0	0
Energy Information Administration	79,766	64,766	72,266
Indian Health	1,962,767	1,966,600	1,986,800
Indian Education	52,500	54,660	52,500
Office of Navajo and Hopi Indian Relocation	21,345	20,345	20,345
Institute of American Indian and Alaska Native Culture and Arts Development	5,500	5,500	5,500
Smithsonian	350,375	372,892	373,092
National Gallery of Art	56,815	59,229	58,286

**Appendix B**  
**Department of the Interior and**  
**Related Agencies Appropriations, H.R. 1977**  
**(in thousands of dollars)**

Bureau or Agency	House Bill	Senate Bill	Conference Report H.Rpt. 104-402
John F. Kennedy Center for the Performing Arts	18,783	19,306	19,306
Woodrow Wilson International Center for Scholars	5,140	6,537	5,840
National Endowment for the Arts	99,494	110,000	99,494
National Endowment for the Humanities	99,494	110,000	110,000
Institute of Museum Services	21,000	21,000	21,000
Commission of Fine Arts	834	834	834
National Capital Arts and Cultural Affairs	6,000	6,000	6,000
Advisory Council on Historic Preservation	1,000	2,500	2,500
National Capital Planning Commission	5,090	5,090	5,090
Franklin Delano Roosevelt Memorial Commission	48	147	147
Pennsylvania Avenue Development Corporation	2,000 <sup>c</sup>	0	0
Holocaust Memorial Council	28,707	26,609	28,707
<b>Total, Title II: Related Agencies</b>	<b>5,997,212</b>	<b>6,107,062</b>	<b>6,141,431</b>
<b>Grand Total, All Titles</b>	<b>11,984,603</b>	<b>12,053,099</b>	<b>12,164,636</b>

<sup>a</sup> NBS was eliminated, and many of its functions were transferred to the USGS.

<sup>b</sup> The Senate Appropriations Committee recommended renaming the agency as the "Natural Resources Science Agency", published in Senate Report 104-125.

<sup>c</sup> "For necessary expenses for the orderly closure of ..." the specified agency.

**Source:** U.S. House of Representatives, Appropriations Committee, House Report 104-173; U.S. Senate, Appropriations Committee, Senate Report 104-125; and House-Senate Conference Report on H.R. 1977, House Report 104-402.

**Appendix C**  
**Department of the Interior and**  
**Related Agencies Appropriations, H.R. 3019**  
(in thousands of dollars)

Bureau or Agency	House Bill	Senate Bill	P.L. 104-134 Conference Report H.Rpt. 104-537
<b>Title I: Department of the Interior</b>			
Bureau of Land Management	1,049,581	1,054,255	1,105,955
U.S. Fish and Wildlife Service	612,091	605,021	645,831
National Biological Service <sup>a</sup>	0	0	0
National Park Service	1,332,700	1,322,941	1,367,667
U.S. Geological Survey	729,995	730,330	732,163
Minerals Management Service	188,779	189,211	188,995
Bureau of Mines <sup>b</sup>	64,000	64,000	64,000
Office of Surface Mining Reclamation and Enforcement	269,857	269,857	269,857
Bureau of Indian Affairs	1,571,412	1,571,412	1,588,412
Departmental Offices <sup>c</sup>	131,915	133,410	236,242 <sup>c</sup>
<b>Total, Title I</b>	<b>6,040,456</b>	<b>6,030,563</b>	<b>6,199,222</b>
<b>Title II: Related Agencies</b>			
Forest Service	2,149,579	2,164,873	2,363,173
Department of Energy	1,179,029	1,179,281	1,179,156
Clean Coal Technology	0	0	0
Fossil Energy	416,943	417,092	417,018
Alternative Fuels Production	-2,400	-2,400	-2,400
Naval Petroleum and Oil Shale Reserves	148,786	148,786	148,786
Energy Conservation	553,137	553,240	537,189
Economic Regulation	6,297	6,297	6,297
Strategic Petroleum Reserve (SPR)	0	0	0
Energy Information Administration	72,266	72,266	72,266
Indian Health	1,986,800	1,986,800	1,986,800
Indian Education	52,500	52,500	52,500
Office of Navajo and Hopi Indian Relocation	20,345	20,345	20,345
Institute of American Indian and Alaska Native Culture and Arts Development	5,500	5,500	5,500
Smithsonian	373,092	373,092	376,092
National Gallery of Art	58,286	58,286	58,286

**Appendix C**  
**Department of the Interior and**  
**Related Agencies Appropriations, H.R. 3019**  
(in thousands of dollars)

Bureau or Agency	House Bill	Senate Bill	P.L. 104-134 Conference Report H.Rpt. 104-537
John F. Kennedy Center for the Performing Arts	19,306	19,306	19,306
Woodrow Wilson International Center for Scholars	5,840	5,840	5,840
National Endowment for the Arts	99,494	99,494	99,494
National Endowment for the Humanities	110,000	110,000	110,000
Institute of Museum Services	21,000	21,000	21,000
Commission of Fine Arts	834	834	834
National Capital Arts and Cultural Affairs	6,000	6,000	6,000
Advisory Council on Historic Preservation	2,500	2,500	2,500
National Capital Planning Commission	5,090	5,090	5,090
Franklin Delano Roosevelt Memorial Commission	147	147	147
Pennsylvania Avenue Development Corporation	0	-2,172	0
Holocaust Memorial Council	28,707	28,707	28,707
<b>Total, Title II: Related Agencies</b>	<b>6,124,049</b>	<b>6,137,423</b>	<b>6,340,770</b>
<b>Grand Total, All Titles</b>	<b>12,164,505</b>	<b>12,167,986</b>	<b>12,539,892</b>

<sup>a</sup> NBS was eliminated, and many of its functions were transferred to the USGS.

<sup>b</sup> "For necessary expenses for the orderly closure of ..." the specified agency.

<sup>c</sup> Functions of and funding for the Office of Territorial Affairs were transferred to Departmental Offices.

**Source:** U.S. House of Representatives and U.S. Senate, House-Senate Conference Report on H.R. 3019, House Report 104-537.





**Appendix D**  
**Department of the Interior and Related Agencies Appropriations**  
**Historical Data from FY1990 to FY1995**

Agency or Bureau	FY1990	FY1991	FY1992	FY1993	FY1994	FY1995 Enacted*
<b>Department of the Interior</b>						
Bureau of Land Management	1,155,383,000	910,012,000	1,010,046,000	1,028,261,000	1,069,388,000	1,103,417,000
U.S. Fish and Wildlife Service	534,636,000	693,879,000	748,179,000	750,288,000	679,712,000	674,008,000
National Biological Survey					167,209,000	167,209,000
National Park Service	1,080,312,000	1,347,905,000	1,387,168,000	1,385,963,000	1,416,632,000	1,414,863,000
U.S. Geological Survey	484,402,000	570,692,000	562,619,000	578,187,000	584,585,000	572,556,000
Minerals Management Service	176,042,000	195,995,000	204,461,000	200,670,000	198,526,000	195,508,000
Bureau of Mines	178,443,000	181,227,000	174,464,000	174,235,000	169,436,000	152,719,000
Office of Surface Mining/Rec	295,500,000	309,801,000	298,984,000	300,836,000	301,849,000	293,968,000
Bureau of Indian Affairs	1,355,720,000	1,558,541,000	1,529,954,000	1,569,967,000	1,777,653,000	1,750,288,000
Territorial and Int'l Affairs	132,676,000	178,997,000	141,629,000	124,622,000	127,847,000	124,679,000
Departmental Offices	105,929,000	110,543,000	126,758,000	122,300,000	132,147,000	124,258,000
<b>Total for Department</b>	<b>5,499,043,000</b>	<b>6,057,593,000</b>	<b>6,204,262,000</b>	<b>6,235,369,000</b>	<b>6,625,086,000</b>	<b>6,573,473,000</b>
<b>Related Agencies</b>						
U.S. Forest Service	2,498,611,000	2,319,421,000	2,370,639,000	2,345,207,000	2,372,770,000	2,812,053,000
Department of Energy	1,364,629,000	895,786,000	1,330,952,000	308,318,000	1,471,261,000	1,322,746,000
Indian Health	1,249,970,000	1,577,569,000	1,705,954,000	1,858,419,000	1,942,859,000	1,966,819,000
Indian Education	73,620,000	75,365,000	76,570,000	80,583,000	83,500,000	83,500,000
Office of Navajo and Hopi	36,422,000	33,572,000	25,842,000	24,698,000	26,986,000	24,936,000
Inst. of Amer. Indian and Alaska	4,305,000	5,447,000	6,512,000	9,312,000	12,563,000	11,213,000
Smithsonian	266,693,000	326,117,000	331,837,000	344,273,000	342,149,000	371,804,000
National Gallery of Art	41,956,000	49,520,000	52,127,000	54,719,000	54,739,000	57,434,000
JFK Center for Performing Arts	9,118,000	21,039,000	22,656,000	20,629,000	20,629,000	19,306,000
W. Wilson Center for Scholars	4,639,000	5,047,000	5,744,000	6,262,000	6,352,000	9,878,000
National Endowment for the Arts	171,255,000	174,063,000	175,955,000	174,460,000	170,228,000	167,678,000
National Endowment Humanities	156,910,000	170,005,000	175,955,000	177,413,000	177,491,000	177,383,000
Institute of Museum Services	22,675,000	25,864,000	26,999,000	28,454,000	28,777,000	28,770,000
Commission of Fine Arts	509,000	634,000	722,000	791,000	805,000	834,000
Nat. Cap. Arts and Cultural Aff.	5,427,000	6,217,000	7,000,000	7,000,000	7,500,000	7,500,000
Advisory Council on Hist. Preserv.	1,894,000	2,226,000	2,623,000	2,757,000	2,959,000	2,947,000
Nat. Cap. Planning Commission	3,090,000	3,430,000	4,775,000	5,750,000	5,868,000	5,655,000
FDR Memorial Commission	28,000	28,000	33,000	535,000	49,000	48,000
Penn Ave Development Corp.	5,625,000	12,107,000	7,933,300	14,078,000	14,220,000	6,822,000
Holocaust Memorial Council	2,297,000	7,514,000	10,866,000	21,268,000	21,679,000	26,660,000
<b>Total for Related Agencies</b>	<b>5,910,555,000</b>	<b>5,688,952,000</b>	<b>6,319,138,000</b>	<b>5,964,587,000</b>	<b>6,763,354,000</b>	<b>7,104,023,000</b>
<b>Grand Total for All Agencies</b>	<b>11,409,598,000</b>	<b>11,747,550,000</b>	<b>12,523,400,000</b>	<b>12,199,956,000</b>	<b>13,388,440,000</b>	<b>13,652,540,000</b>

\* Amounts reflect P.L. 103-332 before rescissions in P.L. 104-19.



**Appendix E**

**Department of Interior and Related  
Agencies FY1996 Appropriations (H.R. 1977)**

*Summary of the House-Senate Conference Report (House Report 104-259)*

**Agency Eliminations:**

National Biological Service  
Bureau of Mines  
DOE/Emergency Preparedness  
Pennsylvania Avenue Development Corporation

**Program Eliminations:**

**National Park Service:**

Urban park and recreation fund  
State grants/land and water conservation fund

**Office of Surface Mining:**

Rural abandoned mine program (RAMP)

**Bureau of Indian Affairs:**

Indian direct loan program  
Navajo rehabilitation trust fund

**Department of Energy/Fossil Energy:**

Advanced computational technology initiative  
Coalbed methane program  
Planar solid oxide fuel cells program  
Mild gasification process development unit  
Gasifier improvement facility

**Department of Energy/Energy Conservation:**

Advanced absorption fluids  
Microcogeneration  
Appliance development and commercialization  
Federal energy efficiency fund  
Cool communities  
Training for commercial building operators  
Pressure calciner project

High temperature fibers commercialization  
Development of coatings using biomimetic processing  
Advanced fluid catalytic cracker  
Pulse combustion black liquor gasification process  
Food, textiles and agriculture program  
Grants to industrial associations  
Industrial assessments; Industrial technology strategic plan  
CNG adsorbent systems and tank design  
Federal fleet vehicle acquisitions (eliminate central DOE fund)  
Collaborative effort with DOT on crash behavior  
Automotive piston technologies  
Locomotive fuel cell program  
Fuel cells for buses  
Integrated resource planning

### **National Biological Service Elimination**

- The National Biological Service has been eliminated. Core natural resource research activities relating to federal lands have been moved into the U.S. Geological Service. Funding level for these activities is \$137 million.
- Funding for this research is substantially reduced: recommended 1996 funding is 15% below the 1995 level and 20% below the request. The overall cut is \$36 million below the request and \$25 million below the 1995 enacted level.
- No activities have been funded that are not authorized. Cooperative research units have been sustained.
- The Service is directed to set guidelines to ensure that scientific and technical peer review is utilized as fully as possible in the selection of projects for funding to ensure the validity and reliability of research and data collection.
- Private landowner concerns have been addressed by prohibiting new surveys on private property without landowner permission.
- The National Academy of Sciences is to review activities and report to Congress every 5 years.

### **Native American Program Highlights**

#### **Bureau of Indian Affairs**

- The conference agreement provides \$1.56 billion for the BIA which is approximately \$170 million below the 1995 funding level.

- The conferees did restore \$87 million above the Senate funding level for Tribal Priority Allocations. However, this still represents the single largest difference in any bureau in the Department of the Interior. The Administration has indicated that restoring BIA funding is their top priority for the Interior bill, and represents a major veto issue.
- The conferees propose funding for the BIA reservation-based education system at \$2 million above the 1995 funding level.
- BIA construction is \$3 million above the House and \$6 million below the Senate level.

### **Indian Education**

- To reduce duplication, fund core school operations within the Bureau of Indian Affairs, and achieve savings in FY 1996, the programs administered by the Office of Indian Education in the Department of Education are reduced by \$29 million. These funds go primarily to local school districts, not directly to tribes.

### **Indian Health Service**

- The Indian Health Service is funded at about the 1995 level.
- Funds are provided for staffing three new health care facilities that are opening in 1995 and 1996.
- IHS construction is reduced by 6% below the 1995 level. This funding level still accommodates completion of two health care facilities, one in Montana and one in Minnesota.

### **Territorial and International Affairs**

The Senate has agreed to a compromise agreement that would be supported by all of the territorial governments and the Administration. In addition, it addresses Defense Department concerns that the Office of Insular Affairs and technical assistance programs not be terminated. This compromise package will:

- Reallocate \$27.7 million in Commonwealth of the Northern Mariana Islands mandatory funding to provide \$11 million annually for 7 years for a total of \$77 million to the CNMI. Provide \$4.58 million to Guam for Compact Impact for the next six fiscal years. Provide American Samoa \$7.7 million for capital improvement projects and the remaining \$4.4 million for the Rongelap resettlement.
- Restore funding, at a reduced level, for the Office of Insular Affairs/technical assistance programs (+\$14 million).

## **Other Bureaus and Agencies**

### **Bureau of Land Management**

- Overall funding level is 5% below 1995, a reduction of \$50 million. Priority has been given to maintain fundamental field-level management activities.

### **Fish and Wildlife Service**

- Overall funding level is about 12% below 1995, a reduction of \$67 million.
- The Service is prohibited from listing additional species as threatened or endangered and from designating additional critical habitat. Funds are included for delisting, downlisting, implementation of the 4(d) rule, cooperative conservation agreements, and consultation and recovery.
- Funding levels maintain refuge operations at the 1995 level.

### **National Park Service**

- While the total funding level for the NPS is 5% below the 1995 enacted level, the operations account is maintained at the 1995 level. This level should ensure that no park units will be closed.
- Reductions were taken from land acquisition, construction, statutory aid and grants programs.

### **U.S. Geological Survey**

- Funding for the basic programs of the USGS is provided at about the 1995 level.
- Four million is included for university earthquake research. The House had zeroed this out. This is the amount recommended by the Senate: a 50% reduction to current funding.
- Funding for natural resources sciences research (formerly in the National Biological Survey) will be included in the USGS as proposed by the House. The funding level is \$137 million.
- Funding for minerals information activities formerly conducted by the Bureau of Mines is also included in USGS (\$16 million).

### **Bureau of Mines**

- The House proposed elimination of this bureau and provided \$87 million for closure costs. The Senate proposed continuation with \$128

million. The conference agreement includes \$122 million which transfers major functions -- health and safety research in DOE (\$3 5 million), materials partnerships in DOE (\$5 million), Alaska mineral assessments in BLM (\$2 million) and minerals information in USGS (\$16 million) -- and provides \$64 million to close out other functions.

### **USDA Forest Service**

- Total funding is \$637 million below 1995 and \$250 million below the budget request. Priority is placed on maintaining National Forest System operations, which are cut 5% below 1995.
- Provides a modest increase for the timber sales program to offer 2.6 billion board feet of green timber. The emergency salvage timber sales program requires a volume of 3.0 BBF in 1996.
- Maintains the current level of funding for the Pacific Northwest forest plan.
- Reduces research branch funding by 8% and cooperative forestry by 18%.
- Facilities construction is reduced by 29% and land acquisition by 36%.

### **Department of Energy**

- Department of Energy programs are reduced by 10% from the 1995 level and 19% below the budget request.
- The funding for Fossil Energy research is between the House and Senate numbers and Energy Conservation funding is below both the House and Senate levels.
- Fossil Energy research and development is reduced by over 10% from the 1995 level and continued reductions of 10% a year for each of the next 4 years are expected. This will allow for the downsizing and orderly completion of programs in which we have invested multi-millions in funding over the past few years (fuel cells, turbines, low emission boilers etc.).
- There are no differences between the House and Senate on the Strategic Petroleum Reserve. We are no longer filling the SPR. SPR will be operated in fiscal year 1996 by using \$176 million in funds originally appropriated for oil acquisition and \$100 million from the sale of a portion of the Weeks Island, LA which needs to be decommissioned because of a water intrusion problem.
- The conference will restore a large portion of the Senate cuts to oil processing and downstream research.



- The Weatherization Assistance Program funding is halfway between the House and Senate numbers for a total of \$124 million (as compared with \$215 million in 1995).
- The Senate standards moratorium language will be adopted instead of the House language and the program will be cut by an additional \$3 million (rather than an additional \$12 million cut in the House language).
- Cooperative research and development funding (Wyoming and North Dakota) will be funded at the Senate level of \$6 million. The House had eliminated this program.
- Both House and Senate budget resolutions assume sale of the Naval Petroleum and Oil Shale Reserves. In the meantime, spending was reduced 21% by the conferees, not as severe a cut as the Administration proposed.

### **Arts, Humanities, and Museums**

#### **National Endowment for the Arts and Humanities**

- Funding for the National Endowment for the Arts is recommended at \$99.5 million, 39% below the 1995 enacted level.
- Funding for the National Endowment for the Humanities is recommended at \$110 million, 37% below the 1995 enacted level.
- Funding for the Institute of Museum Services is \$21 million which is 27% below the 1995 enacted level.
- Bill Language -- The appropriation for the NEA is not contingent upon passage of a reauthorization bill. Such a provision which would have effectively zeroed out the agency beginning October 1st.
- House Report Language -- The issue of a future phase-out for NEA is addressed by including language in the Conference Report noting that the House continues to support termination of NEA in two years, and funding will not be provided beyond 1997. The Senate disagrees with this position. This issue is expected to be settled by the legislative committees in the House and Senate.

#### **Kennedy Center**

- House agreed to the slightly higher Senate funding which maintains 1995 level.

## **Smithsonian**

- Basic operating funds are reduced 1.8% from the 1995 levels.
- The conference agreement includes major increases for the Smithsonian accounts including the Senate higher number for the Repair and Restoration account +\$9 million, Zoo construction +\$250,000 and the major construction account +\$15 million which includes funds to continue construction of the National Museum of the American Indian Suitland facility.

## **Land Acquisition**

- The Land and Water Conservation Fund account is funded at \$140 million, which is higher than both the House and Senate levels but a reduction of \$96 million below the 1995 funding level.
- The appropriation for purchase of new federal lands was reduced 40% from the 1995 level. This results in a savings of \$95 million.
- Land and Water Conservation Funds are appropriated only for highest priority and emergency situations with purchase of willing-seller properties by: Bureau of Land Management, Fish and Wildlife Service, National Park Service, Forest Service.
- No specific land acquisition projects are earmarked. Agencies must receive Congressional approval before completing purchases.
- Funding for the acquisition management staff was reduced by 15%; remaining staff will complete projects from previous years and work on land exchanges that simplify ownership patterns and reduce the cost of land management.
- The Secretary of the Interior is also granted authority in bill language to transfer the funds within the Department of Interior to fund projects on a priority basis among the three Interior bureaus (BLM, FWS, NPS).

## **Recreational Fee Demonstration Program**

- The conference agrees to the Senate version, with modification, which extends the number of demonstration sites from 30 to 50 per agency, and extends the time period from one to three years. This program allows the four land managing agencies (National Park Service, Bureau of Land Management, U.S. Fish and Wildlife Service, and the Forest Service) to charge fair market fees and utilize the funds at the collection site rather than returning the funds to the general treasury.

Presently there are various restrictions over the use of user fees for on-site work.

- There is a tremendous backlog of operation, habitat enhancement, and construction needs at our parks, public lands, forests, and refuges that have gone unmet, while at the same time visits by the American public continue to rise. The public is more than willing to pay a small fee when they visit the Nation's public lands as long as they know that their money will be used to improve the quality of the sites they utilize. This demonstration program will test a variety of new fee collection methods, provide incentives for partnerships among the agencies, business and local interest groups, and fund important work that will enhance recreational experiences of the American public.

In brief the program would:

- direct each agency to establish 10-50 demonstration sites where broad fee authorities are established;
- provide that a variety of fee collection and fair market valuation methods should be tested;
- allow 80% of the fees collected in each area to be used at that area; funds are to be used for direct costs of operation and maintenance such as signage, habitat and access enhancement, law enforcement, etc.;
- set aside 20% of the fees to go into an agency account to be used agency-wide for priority backlogged recreational safety and health projects; and
- direct that reports be submitted to the Congress on the effectiveness of the pilots.

**Source:** U.S. House of Representatives. Appropriations Committee. Interior and Related Agencies Subcommittee. September 21, 1995.

**Appendix F**  
**Summary of Major Differences Between**  
**the House and Senate FY1996 Budget Resolutions for the**  
**Department of the Interior and Related Agencies**

House-Passed	Senate-Passed
<b>Energy</b>	
Terminate the Department of Energy. DOE is one of three Cabinet-level Departments proposed for termination.	No comparable assumption.
Sell the naval petroleum reserves in 1996. Reduces discretionary spending by \$0.7 billion in BA and \$0.6 billion in outlays over five years.	Sell the naval petroleum reserves in 1996. Reduces discretionary outlays by an identical amount.
Eliminate further funding for the clean coal technology program. Program is terminated after projects are completed that are now under way. Saves \$35 million over five years and \$298 million over seven years.	Similar to the House-passed assumption. Saves \$35 million over five years and \$298 million over seven years.
Reduce energy conservation R&D (but not financial and technical assistance programs) Merge institutional conservation grant programs in the State program. Saves \$1.5 billion over five years and \$2.4 billion over seven years.	Phase in a 50 percent reduction in fossil, conservation, and energy supply R&D commercialization activities. Fund solar, renewable, and conservation at levels that are more than 50 percent above 1990 levels. Saves \$3.0 billion over five years.
Reduce energy supply R&D and fossil energy R&D. Apply six criteria outlined in the committee report. Saves \$5.2 billion in outlays over five years and \$8.2 billion in outlays over seven years.	Phase in a 50 percent reduction in fossil, conservation, and energy supply R&D commercialization activities. Fund solar, renewable, and conservation at levels that are more than 50 percent above 1990 levels. Saves \$3.0 billion over five years.
Eliminate bureaucracy at DOE. Cut Departmental Administration 10 percent. Cut Energy Information Administration 50 percent. Saves \$381 million over five years and \$549 million over seven years.	Consolidate, streamline, and realign DOE activities. Saves \$1.4 billion over five years.

**Appendix F**  
**Summary of Major Differences Between**  
**the House and Senate FY1996 Budget Resolutions for the**  
**Department of the Interior and Related Agencies**

House-Passed	Senate-Passed
<b>Natural Resources and Environment</b>	
Eliminate unneeded bureaucracy within the Department of the Interior. Saves \$144 million over five years and \$206 million over seven years.	Unspecified.
Reform minerals related agencies within the Department of the Interior. Reduce USBM funding for near-term development of specific products and technologies Saves \$237 million over five years and \$406 million over seven years. Within the Office of Surface Mining Reclamation and Enforcement, reduces funding for Federal regulatory programs by 66 percent and general administration by 30 percent; also reduces the abandoned mine reclamation fund. Saves \$238 million over five years and \$351 million over seven years. Within the U.S. Geological Survey, assumes greater contracting out, appropriate data gathering and reductions in specific programs. Saves \$564 million over five years and \$792 million over seven years. Reform hardrock mining.	Unspecified.
Dissolve the National Biological Service. Saves \$326 million over five years and \$480 million over seven years.	Similar proposal.
Reform the various land management agencies. These reforms would permit a 10 percent reduction in the budget of the National Park Service, saving \$506 million over five years and \$721 million over seven years. Reduces National Recreation and Preservation, saving \$21 million over five years and \$30 million over seven years. Reduce forestry resources and management research by 50 percent; and eliminate ecosystems research, saving \$211 million over five years and \$301 million over seven years. Terminate the forestry incentives plan and international forestry, saving \$57 million over five years and \$83 million over seven years. Reduce specific activities within the BLM, saving \$543 million over five years and \$746 million over seven years. Terminate funding for the Urban Park and Recreation Fund.	Assumes a 10 percent reduction in the operating budgets of the Forest Service, the National Park Service, the Fish and Wildlife Service, and the Bureau of Land Management. Terminate the forestry incentives program, urban park and recreation fund, international forestry, and the advisory council on historic preservation.

**Appendix F**  
**Summary of Major Differences Between**  
**the House and Senate FY1996 Budget Resolutions for the**  
**Department of the Interior and Related Agencies**

House-Passed	Senate-Passed
Implements a land moratorium on the Forest Service, the Fish and Wildlife Service, the National Park Service, and the BLM. Saves \$930 million over five years and \$1.4 billion over seven years.	Unspecified.
Impose a 50 percent reduction in construction for the Forest Service, the National Park Service, the BLM, and the Fish and Wildlife Service. Saves \$561 million over five years and \$885 million over seven years. Eliminates funding for the construction of trails within the National Forest Service, saving \$144 million over five years and \$208 million over seven years.	Unspecified.
<b>Community and Regional Development</b>	
Create a new Native American block grant by reorganizing the Operation of Indian Programs, reducing construction funding by 20 percent, terminating technical assistance of Indian enterprises, eliminating Indian direct loans, and reducing by 10 percent Indian guaranteed loans. Saves \$948 million over five years and \$1.36 billion over seven years.	No similar assumption.
Terminate the PA Avenue Development Corp. Saves \$20 million over five years and \$33 million over seven years.	Terminates the PA Development Corporation, the National Capitol Planning Commission, and the Commission on Fine Arts.
<b>Education, Training, Employment, and Social Services</b>	
Assumes termination of funding for the National Endowment for the Arts and the National Endowment for the Humanities. Saves \$1.4 billion over five years and \$2.1 billion over seven years.	Assumes a funding reduction of 50 percent for the National Endowment for the Arts and the National Endowment for the Humanities.
Assumes termination of funding for the Woodrow Wilson International Center. Saves \$45 million over five years and \$65 million over seven years.	No comparable assumption.
Assumes termination of funding for the National Capitol Arts and National Affairs. Saves \$38 million over five years and \$53 million over seven years.	No comparable assumption.

**Appendix F**  
**Summary of Major Differences Between**  
**the House and Senate FY1996 Budget Resolutions for the**  
**Department of the Interior and Related Agencies**

House-Passed	Senate-Passed
<b>General Government</b>	
(M) Require the proceeds from gaming to fully cover the costs of the National Indian Gaming Commission. Saves \$5 million over five years and \$7 million over seven years.	No comparable assumption.
(M) Reduce grants for the Northern Mariana Islands and increase funding for American Samoa. Costs \$30 million over five years and \$42 million over seven years.	No comparable assumption.
Eliminate all territorial assistance, eliminate the Trust Territory of the Pacific Islands, and accept the President's proposal for the Compact of Free Association. Saves \$395 million over five years and \$557 million over seven years.	Eliminate the office of Territorial and International Affairs and reorganize these activities as proposed by the President. Saves \$300 million in outlays over seven years.
<b>Health</b>	
Includes Indian Health and Indian Health Facilities in the new American Block Grant in 2000. Saves \$322 million over seven years. 2002 in conjunction with Native American Block Grant in Function 450. Seven year savings \$342 million.	Indian Health - assumes full funding and gives priority consideration for ongoing federal support.

**Source:** *FY1996 Budget Resolution: Conference Background*. Prepared by the Majority Staffs, Senate and House Committees on the Budget. June 1995.

crsphgaw