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## **SPECIAL REPORT:**

# **Interior and Related Agencies Appropriations for FY 2005 (Senate Version) and California Implications -- *November 18, 2004***

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On September 14, 2004, the Senate Committee on Appropriations reported its version of the Fiscal Year 2005 appropriations bill for the Department of the Interior and Related Agencies, S. 2804. The Senate Committee Report accompanying the bill is S. Rept. 108-341. The full Senate did not act on the bill before the post-election lame-duck session and the appropriations in this bill are expected to be included in the omnibus appropriations bill Congress considers before the end of the 108<sup>th</sup> Congress. The House passed its version of the FY05 bill (H.R. 4568/H.Rpt. 108-542) on June 17, 2004 by a vote of 334-86.

The Conference Report provides approximately \$19,977,485,000 in new obligational authority for several programs and activities of the agencies and bureaus within the Department of Interior, and related agencies such as the Departments of Agriculture and Energy. In addition, oil and gas leasing and other mineral leasing activities, recreation and user fees, timber and range programs, and oil production from the naval petroleum reserves are estimated to generate income to the Government of \$10,258,785,000 in fiscal year 2005.

The following represents a quick analysis of the bill from a California perspective as prepared by the California Institute. We apologize for any errors or omissions in our discussion of these documents, and would appreciate any input/feedback/corrections. The ordering of items generally reflects their presence in the bill and does not mean to imply any relative importance. This appropriations analysis is available on the California Institute web site at <http://www.calinst.org/pubs/int05s.htm> and a printable version in Adobe Acrobat (pdf) format is available at <http://www.calinst.org/pubs/int05s.pdf>. Analysis of the House bill is also available on the California Institute web site <http://www.calinst.org/pubs/int05h.htm> and a pdf version is available at <http://www.calinst.org/pubs/int05h.pdf>.

### **DEPARTMENT OF INTERIOR**

#### **Bureau of Land Management**

#### **Management of Land and Resources**

The Committee recommends an appropriation of \$855,689,000, an increase of \$18,227,000 above the budget estimate. The following programs are included within that funding level:

**Land Resources** - The Committee recommends \$190,211,000 for land resources, which is an increase of \$2,450,000 above the request.

**Wildlife and Fisheries Management** - The Committee recommends \$37,884,000 for wildlife and fisheries management, which is equal to the request.

**Threatened and Endangered Species** - The Committee recommends \$21,452,000 for threatened and endangered species management, which is equal to the request.

**Recreation Management** - The Committee recommends \$60,886,000 for recreation management, which is an increase of \$1,000,000 over the request and \$1,390,000 below the enacted level. Wilderness management and Recreation Operations are funded at the request level.

#### **Wildland Fire Management**

The Committee recommends a total appropriation of \$743,099,000 for wildland fire management activities, equal to the request. The Committee recommendation includes \$262,644,000 for fire preparedness, which is equal to the request following the re-alignment of Fire Facilities and Fire Science to Other Operations.

The Committee also recommends a total of \$221,523,000 for fire suppression activities, which is equal to the request. The Committee's recommendation includes \$258,932,000 for Other Fire Operations, which is equal to the request. Within the amount provided, \$204,282,000 is for hazardous fuels reduction, \$24,276,000 is for burned area rehabilitation, \$10,000,000 is for rural fire assistance, \$12,374,000 is for Fire Facilities, and \$8,000,000 is for Fire Science. Funding for the National Center for Landscape Fire Analysis shall remain at or above the fiscal year 2004 enacted level.

The Conference Report states that the "Committee believes that reduction of fuel loads in areas adjacent to communities in the wildland-urban interface is critical for protecting the public and these areas should remain a focus of the Department. However, the Committee must note the serious problem of deteriorating forest health is an underlying cause of wildland fire that is not restricted to the wildland-urban interface. In light of this fact, a comprehensive approach to improving degraded forests and reducing the threat of wildfire includes forest restoration treatment."

#### **Land Acquisition**

The Committee recommends an appropriation of \$22,850,000 for land acquisition, a decrease of \$1,150,000 below the budget estimate. Included are the following California earmarks:

California Wilderness - \$750,000

Santa Rosa & San Jacinto Mountains - \$1,000,000

#### **Oregon and California Grant Lands**

The Committee recommends an appropriation of \$113,558,000. Funding is not provided to repay the judgment fund as proposed in the budget request.

### **Fish and Wildlife and Parks**

#### **U.S. Fish and Wildlife Service**

#### **Resource Management**

The Committee recommends \$966,265,000 for resource management, which is \$15,278,000 above the budget request.

The funding includes the following:

**Ecological Services** - The Committee recommends \$242,878,000 for ecological services, an increase of \$5,855,000 above the budget request. The Committee recommends \$15,500,000 for the listing program which is \$1,726,000 below the request, and \$45,450,000 for the consultation program which is equal to the request.

The Conference Report states: "The Committee has not continued bill language concerning the Natural Communities Conservation Planning project in California, but notes that this project is eligible to compete for funds from the Section 6 Habitat Conservation planning Grants program through the Cooperative Endangered Species Conservation Fund."

The Committee recommends \$95,841,000 for habitat conservation, a decrease of \$1,002,000 from the budget request. The Committee's recommendation includes \$6,225,000 for the Upper Klamath Basin effort. \$540,000 is also included for conservation work at the Don Edwards National Wildlife Refuge.

**Refuges and Wildlife** - The Committee recommends \$481,206,000 for refuges and wildlife, an increase of \$5,536,000 above the Administration's request.

The Committee Report states: "The Committee appreciates the ability of the Service to maintain a priority list through the Refuge Operating Needs System [RONS], which has enabled progress to be shown in meeting staffing and other operational needs. The Committee recognizes, however, that existing refuges have not been able to indicate new projects as highest priorities in the system in recent years. The Committee directs the Service to reopen RONS and specifically reevaluate Tier 1 to allow new priorities to be considered. The Committee cautions the Service not to add to the total dollar value of RONS Tier 1 projects in this process. The Service should complete the reassessment of RONS priorities so that an updated list can be made available with the fiscal year 2006 budget justification. Some of the refuges that should be given consideration in this process include Clark's River, KY and Don Edwards, CA."

**Fisheries** - The Committee recommends \$108,298,000 for fisheries, an increase of \$4,500,000 above the budget request.

**Construction** - The Committee recommends \$37,136,000 for construction, an increase of \$15,025,000 above the budget estimate. Within those funds, the Committee agrees to the following projects:

- Klamath Basin NWR Complex, CA, Water Supply & Management - \$1,000,000.

**Land Acquisition**

The Committee recommends \$49,864,000, an increase of \$4,823,000 above the budget request. Included in the funding are the following acquisitions:

- San Diego NWR - \$1,000,000

**National Park Service**

The Committee recommends \$1,688,915,000 for operation of the national park system, an increase of \$2,848,000 over the budget request and \$79,355,000 over the enacted level.

**National Park Service Construction**

The Committee recommends \$330,019,000 for construction, an increase of \$139,000 above the budget request. The Committee recommends the following within the distribution of those funds:

- Lassen Volcanic NP (replace chalet) - \$10,051,000;
- Pinnacles NM (relocate and replace maintenance and visitor facilities) - \$4,610,000;
- Point Reyes NS (coastal watershed restoration and enhancement) - \$2,077,000; and

- Point Reyes NS (Life Boat Station Marine Railway) - \$1,885,000

### **Land and Water Conservation Fund**

The Committee recommends a rescission of \$30,000,000 in annual contract authority provided by 16 U.S.C. 4601-10a. The Committee Report states that: "This authority has not been used in recent years and there are no plans to use it in fiscal year 2005."

### **Land Acquisition and State Assistance**

The Committee recommends \$155,831,000 for land acquisition and State assistance, a reduction of \$22,293,000 below the budget request. Included is funding for the following:

- Mojave NPres - \$1,600,000

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

**Biological Research** - The Committee recommends an amount of \$172,821,000 for Biological Research activities, an increase of \$5,217,000 above the budget estimate and \$1,708,000 below the fiscal year 2004 enacted level. Within that amount is:

- \$494,000 for a Lake Tahoe decision support system.

### **Payments in Lieu of Taxes**

The Committee recommends \$230,000,000 for Payments in Lieu of Taxes [PILT], an increase of \$4,000,000 over the budget request. This is the largest amount ever appropriated for the PILT program, according to the Committee Report.

## **DEPARTMENT OF AGRICULTURE**

### **Forest Service**

The Committee recommends an appropriation of \$279,883,000 for forest and rangeland research, which is \$771,000 below the budget request.

The Report states that: "The Committee expects that unless otherwise stated in this report, ongoing research projects specifically designated in previous years' bills shall be continued at no less than the fiscal year 2004 level calculated prior to the across the board cuts. (The increases to restore these projects to levels prior to the across the board cut shall be taken from the overall base program.) Such projects would include...."

- \$2,000,000 for sudden oak death research.

**Forest Health Management** - The Committee recommends \$81,226,000 for forest health management activities, which is equal to the request. The Committee also has provided \$46,012,000 for Federal lands forest health management, which is equal to the request. The Committee has provided \$35,214,000 for forest health cooperative lands management, which is \$10,000,000 above the request.

**Cooperative Fire Protection** - The Committee recommends \$36,000,000 for cooperative fire protection, which is \$5,895,000 above the request. The Committee has provided \$30,000,000 for State fire assistance and \$6,000,000 for volunteer fire assistance.

**Cooperative Forestry** - The Committee recommends \$167,443,000 for cooperative forestry, which is \$10,257,000 below the request.

The Committee has provided \$76,329,000 for the forest legacy program, which is \$23,690,000 below the request level and \$12,195,000 above the enacted level. This allocation also includes the use of an additional \$5,000,000 from prior year funds for projects which have either failed or received funding from other sources. The Committee includes the following distribution of funds:

- Six Rivers to the Sea (Price Creek and Sunny Brae tracts), CA - \$2,800,000
- California Klamath-Cascade (Denny Mountain Ranch), CA - \$900,000

### **National Forest System**

The Committee recommends an appropriation of \$1,387,149,000, a decrease of \$2,450,000 compared to the request excluding the proposed transfer of hazardous fuels to the national forest system appropriation. The Committee has kept the hazardous fuels funds under the wildland fire management account.

**Vegetation and Watershed Management** - The Committee recommends \$194,335,000 for vegetation and watershed management, which is equal to the request. Within the funds provided, \$5,000,000 shall be allocated to continue restoration work at Lake Tahoe. The Committee Report states that the Agency should contract with local loggers to perform these thinning activities.

### **Wildland Fire Management**

The Committee recommends a total appropriation of \$1,703,897,000 for wildland fire management activities, which is \$275,011,000 above the request. Of this increase \$266,238,000 is explained by virtue of keeping the hazardous fuels reduction program in the fire account instead of moving it to the national forest system appropriation as proposed in the request.

The Committee recommendation includes \$686,000,000 for preparedness which is an increase of \$19,773,000 above the request. The Report states that: "The Committee has been frustrated that amounts proposed in recent requests do not adequately maintain the Agency's firefighting readiness capability." Within the amounts provided, the Forest Service is directed to maintain its initial attack capability at no less than the fiscal year 2004 level.

The Committee has also provided \$658,400,000 for fire suppression, which is \$27,000,000 below the request. This level of funding represents the 10 year average for suppression.

The Committee has also provided, if needed, an additional \$400,000,000 for fiscal year 2005 fire suppression activities, under Title IV of the bill.

The Committee has provided a total of \$359,497,000 for other operations which is an increase of \$282,238,000 above the request. (As stated earlier, \$266,238,000 of this increase is explained by retaining the hazardous fuels program in the fire account). Within this amount, the Committee has fully funded the hazardous fuels reduction request of \$266,238,000. Of the funds provided for hazardous fuels \$4,000,000 shall be allocated for work at Lake Tahoe.

### **Capital Improvement and Maintenance**

**Roads** - The Committee recommends \$231,586,000 for road maintenance and capital improvement, which is an increase of \$3,680,000 above the request. Of the funds provided,

\$146,975,000 is for maintenance and \$81,111,000 is for capital improvement. Increases above the request include \$2,000,000 for retrofitting and road decommissioning in the Lake Tahoe Basin.

**Land Acquisition** - The Committee recommends \$82,524,000 for land acquisition, \$15,639,000 above the budget request. Within that funding, the Committee recommends:

- \$500,000 for the Pacific Crest Trail;
- \$1,500,000 for Sierra Nevada Inholdings;
- \$2,136,000 for Six Rivers Forest, Goose Creek-Smith River; and
- \$2,000,000 for CA/NV Tahoe NF Environmentally sensitive lands.

## **DEPARTMENT OF ENERGY**

**Elk Hills School Lands Fund** - The Committee recommends \$36,000,000 for the Elk Hills school lands fund, the same as the fiscal year 2004 level. These funds will become available on October 1, 2005.

## **RELATED AGENCIES**

### **Department of Health and Human Services**

#### **Indian Health Service**

Among the increases proposed in the fiscal year 2005 budget request and agreed to by the Committee are \$2,500,000 for epidemiology centers. The Report states that: "The increase for epidemiology centers is intended to provide additional support to the seven existing centers, as well as to establish new centers in Service Areas that currently have none, such as Billings and California.

**Presidio Trust** - The Committee recommends \$20,000,000 for the Presidio Trust, the same as the budget request.

## **SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2005 FOR URGENT WILDLAND FIRE SUPPRESSION ACTIVITIES**

The Committee has included in the bill emergency supplemental appropriations for the Department of the Interior and the Forest Service that provide an additional \$500,000,000 in wildland fire suppression funds for fiscal year 2005. This includes \$100,000,000 for the Department of the Interior and \$400,000,000 for the Department of Agriculture. Bill language has been included which makes these funds available only if funds appropriated for wildfire suppression under titles I and II of this Act will be exhausted imminently and the Secretary of the Interior and the Secretary of Agriculture notify the House and Senate Committees on Appropriations and Budget. Under the bill, these funds may not be transferred to any other appropriations accounts for any another purpose.