



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

July 16, 2002
(House Floor)

STATEMENT OF ADMINISTRATION POLICY

(THIS STATEMENT HAS BEEN COORDINATED BY OMB WITH THE CONCERNED AGENCIES.)

H.R. 5093 -- DEPARTMENT OF THE INTERIOR
AND RELATED AGENCIES APPROPRIATIONS BILL, FY 2003

(Sponsors: Skeen (R) New Mexico)

The Administration supports the FY 2003 Department of the Interior and Related Agencies Appropriations Bill, as reported by the House Committee. The bill provides critical resources needed to address the maintenance backlog and other concerns in the National Parks and to support needed energy initiatives. The Administration looks forward to working with the Congress to ensure that the Nation's priorities are met.

Fiscal discipline and restraint on overall government spending are critical to the Nation's ability to provide needed resources for national priorities especially in the areas of national defense and homeland security within a fiscal environment that encourages continued economic growth and a quick return to a balanced budget. The President supports a discretionary spending total of \$759.1 billion, consistent with the House-passed Budget Resolution. The President also urges the Congress to provide appropriations consistent with the President's request for defense and homeland security activities to support the war on terrorism and increased national homeland security efforts.

The Administration strongly objects to the addition to this bill of a FY 2002 supplemental appropriation, which provides \$700 million in contingent emergency funding for fire suppression efforts and requires emergency designation of the entire amount for each agency. While this has been an unusually active fire season thus far, the Administration has a contingency plan for funding a record year of fire suppression spending if necessary. No fire will go unfought this fire season due to lack of funding for fire suppression. The Congress provided both the Forest Service and the Bureau of Land Management with transfer authority that allows them to respond to extraordinary fire suppression needs. Use of such transfer authority is common practice and can be carried out in a manner to minimize programmatic impact. Nevertheless, should Congress seek to add additional contingent emergency funds for FY 2002, the proper place for consideration of this funding is in the context of the pending emergency supplemental.

Further, the Administration recognizes the importance of improving forest health and limiting the fire risk of our national forests through environmentally sound strategies such as forest thinning and hazardous fuels reduction, with particular attention focused on the wildland-urban interface. The Administration looks forward to working with Congress to reduce wildland fire risks and to provide the necessary resources to manage the impacts of wildfires on communities and the environment.

The Administration would like to take this opportunity to share additional views and highlight specific concerns with the Committee version of the bill.

Department of the Interior (DOI)

The Committee provides \$9.7 billion in total for DOI, \$0.3 billion over the President's request. The Administration appreciates the Committee's efforts to fund most of the FY 2003 request, including the substantial increases requested for the National Wildlife Refuge System, the Natural Resource Challenge, and the Indian trust management reform effort.

The Administration urges the House to fully fund the Cooperative Conservation Initiative (CCI) and the Landowner Incentive program. CCI would give federal land managers a critical tool to cooperate with multiple partners to achieve conservation benefits on a landscape basis. Together, these programs provide crucial tools to facilitate cooperative and private conservation efforts.

The Administration appreciates that the Committee provides a funding amount adequate to support the President's proposal for reducing the National Park Service deferred maintenance backlog. Some of this funding, however, is for unrequested construction projects, which diverts resources away from priority maintenance needs. The Administration encourages the House to redirect these funds to backlog priorities.

The Administration would like to work with the Congress regarding the new Commission on Native American Policy. While we have some concerns, this Commission could identify potential actions by the Federal, State, and tribal governments to help improve social conditions and economic opportunities on Indian reservations.

The Administration notes that, properly executed, Sections 131, 132, and 134 will not interfere with the conduct of the Cobell v. Norton litigation in the courts of the United States.

The Administration is also disappointed that the Committee ignored the proposed transfer of \$10 million for toxic substance hydrology research funding from the U.S. Geological Survey to the National Science Foundation.

Department of Agriculture (USDA)

The Committee provides \$4.1 billion in total for USDA, \$0.2 billion over the President's request. The Administration appreciates the Committee's efforts to fund the hazardous fuels reduction request within the firefighting account and activities targeting the wildland-urban interface.

The Administration regrets, however, that the Committee does not support the Service First initiative (\$10 million) to increase co-locations between the Forest Service and the Bureau of Land Management in 22 locations. These co-locations would increase efficiency and provide budget savings, as well as improve convenience for landowners who could "one-stop shop" at adjoining Federal agencies.

Department of Energy (DOE)

While the Administration appreciates the full funding for the President's Clean Coal Power initiative, the Administration objects to the lack of support for reforms to consolidate the coal research program, which is necessary to improve the performance of these programs within the Office of Fossil Energy, and to the \$175 million (36 percent) increase over the President's request for fossil energy research programs. The Administration also objects to the \$83 million (nine percent) increase over the President's request for energy conservation activities, including the additional \$51 million provided for transportation research and the additional \$22 million provided for industry research.

The Administration supports effective fossil energy and energy conservation programs as part of the National Energy Policy. The budget applied the Administration's Research and Development (R&D) criteria and DOE's Strategic Program Review to focus R&D investments on projects that have a clear Federal role, are managed well, and are achieving measurable results. The Administration is concerned that many of the items funded above the request, such as the 78 percent increase for oil and gas technologies, are for research that is not appropriate for Federal funding and which would supplant more appropriate industry funding.

The Administration encourages the House to restore the \$27 million reduction to the Weatherization Assistance Program, a reduction that would prevent more than 12,000 low-income families from saving money on their energy bills. The President is committed to increasing funding for this program by \$1.4 billion over 10 years. The House could restore these funds from the low-priority unrequested fossil energy and energy conservation research and development noted above.

The Administration opposes the use of advance appropriations to avoid spending limitations, such as the advance appropriation included in the bill for the Elk Hills School Lands Fund and the Clean Coal Technology account. There is no programmatic justification for an advance appropriation for these programs. We urge the House to adopt the budget proposal to fully fund the Elk Hills program through FY 2003 appropriations.

The Administration also urges the House to reconsider the budget proposal to transfer pipeline research from DOE to the Department of Transportation to consolidate Federal pipeline research efforts.

Smithsonian Institution

The Administration appreciates the Committee's funding of the Smithsonian at the President's request; however, the FY 2003 funding provided by the Committee assumes enactment of the House-passed FY 2002 supplemental bill, which includes \$13 million for Smithsonian security improvements. The Administration urges the House to fund these security improvements in the FY 2003 bill, as requested.

National Capital Arts and Cultural Affairs

The Administration urges the House to adopt the proposed transfer of the National Capital Arts and

Cultural Affairs grants program from the Commission on Fine Arts to the D.C. Commission on the Arts and Humanities. The transfer proposal is intended to improve the program by implementing a competitive review process to administer the grants.

Institute of Museum and Library Services (IMLS)

The Administration applauds the Committee's decision to shift responsibility for Museum Services funding for IMLS to the Labor/HHS/Education appropriations subcommittee. This is consistent with the President's request, will simplify the appropriations process for IMLS that previously has received funding for its two offices, Museum Services and Library Services, through two different appropriations bills, and will help ensure resources are targeted to the highest priority needs in these offices.

Constitutional Concerns

The Administration objects to a number of provisions in the bill that purport to require committee approval before Executive Branch execution. For example, a proviso included in Title I of the bill for the Historic Preservation Fund purports to require the approval of the Appropriations Committees for all funded projects prior to the commitment of grant funds. The Administration will construe these provisions to require only notification of Congress, since any other interpretation would contravene the constitutional principles enunciated by the U.S. Supreme Court in *INS v. Chadha*. Also, Section 302 of the bill must be construed in a manner consistent with the constitutional responsibilities of the presidency, including under the Constitution's Recommendation's clause.
