

July 11, 2001  
(Senate)

**HR 2217 - DEPARTMENT OF THE INTERIOR  
AND RELATED AGENCIES APPROPRIATIONS BILL, FY 2002  
(Sens: Byrd (D) West Virginia and Burns (R) Montana)**

This Statement of Administration Policy provides the Administration's views on the Department of the Interior and Related Agencies Appropriations Bill, FY 2002, as reported by the Senate Committee.

The Administration appreciates the Committee's efforts to fund agencies and programs at the President's request, as detailed below. The Administration is committed to working with the Congress to enact all 13 appropriations bills in a timely manner and within the framework of the budget resolution. The President believes that this level of funding will moderate the recent rapid growth in spending while funding important national priorities. In developing the FY 2002 Budget, he sought to make reductions in one-time spending, unjustified or duplicative programs, and programs that have completed their mission. The Administration urges the Congress to support the President's overall approach to the FY 2002 Budget.

The Administration would like to take this opportunity to share some concerns with the Committee version of the bill, as noted below.

Emergency Funding Designations

While the Administration appreciates that the Senate has provided funding for firefighting at a level consistent with the Administration's request for both the Department of the Interior and the Forest Service, the Administration strongly opposes the designation of a portion of these resources as an "emergency." This is not an appropriate use of the emergency designation, since this funding is needed to meet anticipated fire suppression requirements.

Department of the Interior

The Administration commends the Committee for addressing most of the Administration's priorities for the Department of the Interior, including funding the requests for the National Park Service (NPS) deferred maintenance backlog, NPS Natural Resource Challenge, Bureau of Indian Affairs school construction, landowner incentive and stewardship grants, and Land and Water Conservation Fund (LWCF) Federal land conservation activities.

The Senate subcommittee bill provides \$324 million of the \$450 million requested for state grant programs to be derived from the Land and Water Conservation Fund (LWCF). However, the bill does not support the President's request of \$450 million for State LWCF grants. While the Senate includes language to give States some flexibility to reallocate grant funding, it redirects the request for LWCF State grants to various specialized conservation accounts. The Administration requests that the Senate reallocate funds to fully fund LWCF and give State governments -- not the Federal Government -- the full flexibility to determine how best to

address the priority conservation needs in their respective States.

While the Administration understands there will be some additional funding provided for unrequested land acquisition and construction projects, the Senate bill directs nearly \$140 million, or 25 percent, of Interior Department land acquisition and construction project funds toward unrequested projects. This is nearly \$60 million above the \$80 million earmarked by the Senate last year. Many of these projects subsidize non-Federal responsibilities outside of national parks and refuges, while others are for new, unrequested facilities. Agencies can only meet performance goals, such as eliminating the current NPS backlog of deferred maintenance priorities, if Congress funds program priorities. The Administration urges the Senate to refocus funding toward requested projects that address high priority deferred maintenance projects and other priority needs.

While we appreciate the funding that the Senate has included for the Endangered Species Act listing program, we are concerned that the bill language would perpetuate a listing program that is driven by court decisions rather than by the need to protect species. The Senate is encouraged to include the language proposed in the President's budget to address this issue.

#### Department of Energy (DOE)

The Committee action is consistent with, and largely supportive of, the President's National Energy Policy. On May 17th, with the release of the President's National Energy Policy, the President directed DOE to undertake a review of existing energy efficiency and alternative and renewable energy research and development (R&D) programs to ensure future program budget allocations are performance-based and modeled as public-private partnerships. Based on the Secretary of Energy's preliminary review, the Senate Committee action to include an additional \$175 million for energy conservation R&D may be supportive of the President's objectives. The Administration looks forward to working with Congress through conference to ensure the allocation of these resources to those programs that most effectively meet performance-based criteria. We will also work with Congress to fund the most efficient program alternatives by reducing lower priority program resources. In particular, the Administration believes it is necessary to leverage applied R&D funds to a greater extent by increasing the industry cost share. This would be particularly useful in some DOE programs, especially as R&D projects move closer to commercialization. This principle was outlined in the February *Blueprint* and the President's budget submission.

The Administration appreciates that the Committee has fully funded the President's initiative to create a new and innovative Clean Coal Power program, which will allow better use of our most abundant domestic energy source in an environmentally sound way. However, the Administration objects to language requiring the initiative to be implemented similarly to the existing Clean Coal Program. This provision would unduly restrict the President's proposal to fund innovative research and development projects at universities, government laboratories, and private companies, and demonstrate new technologies in partnership with the private sector and we urge the Senate to delete this restrictive provision.

The Administration also appreciates that the Committee has supported the President's request for the Northeast Home Heating Oil Reserve, to help assure families in the Northeast that home heating oil will be available next winter. However, the Administration is concerned that the Committee funded only half of the President's requested \$120 million increase for the low-

income Weatherization Assistance Program, a Presidential initiative. The Committee's action would deny program benefits for 25,000 to 30,000 low-income families, relative to the President's request. The Administration believes funds would be better spent on helping low-income families reduce their energy bills and improve their quality of life through the weatherization program and urges the Senate to fully fund the President's initiative.

The *Blueprint* also discussed the President's intent to reverse misleading budget practices. In this regard, the Administration strongly opposes the use of advance appropriations, such as the advance appropriation included in the bill for the Elk Hills School Lands Fund, to avoid spending limitations. There is no programmatic justification for an advance appropriation for Elk Hills, and we urge the Senate to adopt the budget proposal to fully fund this program through FY 2002 appropriations.

The Administration objects to the Committee bill's earmarks of \$56 million for 14 projects, including \$9 million for the Cooperative Research program in the Fossil R&D account. Consistent with sound management practices for the conduct of R&D activities, the Administration recommends these projects be selected through a competitive process.

#### Department of Agriculture

The Administration appreciates the Committee's efforts in addressing Administration funding priorities for the Forest Service. The Committee funds increased recreation opportunities to the public and supports key restoration land treatments in the National Forest System. The Committee's action will enable the agency to provide hazardous fuels reductions in over 500,000 acres of mostly Federal lands, providing direct assistance to over 2,000 communities in the wildland urban interface. However, the Administration is concerned that the Senate has earmarked over 50 percent of the Economic Action and the Forest Legacy programs and urges the Senate to allow for competitive allocation of these resources.

The Administration does not support a provision that would exempt residents living near the White Mountain National Forest from certain user fees. Fees collected from the recreation fee demonstration program are retained for spending locally, and as a result, local communities members benefit more than do visitors from other areas. In general, special exemptions for particular citizens are inappropriate for user fees.

#### Infringement on Executive Authority

The Administration objects to a number of provisions in the Committee bill that would require Committee approval before Executive Branch execution. The Administration will interpret these provisions to require only notification of Congress, since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.