

June 27, 2001
(House)

H.R. 2311 - ENERGY AND WATER DEVELOPMENT
APPROPRIATIONS BILL, FY 2002
(Reps. Young (R) Florida; Callahan (R) Alabama)

This Statement of Administration Policy provides the Administration's views on the Energy and Water Development Appropriations Bill, FY 2002, as approved by the House Committee.

The Administration appreciates the Committee's efforts to fund agencies and programs at the President's request. For example, the Administration commends the Committee for providing full funding of the President's request for the Florida Everglades. The Administration is also pleased that funding has been provided for basic scientific research and the nuclear waste disposal program. The Committee's actions are also consistent with the President's National Energy Policy recommendations.

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 recently adopted 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.

While the Administration supports this bill, we would like to take this opportunity to share some concerns with the Committee version of the bill, as noted below. We look forward to working with the Congress to resolve these issues.

Department of Energy

House action on both the Energy/Water and Interior appropriations bills is consistent with and largely supportive of the President's National Energy Policy released last month. On May 17, with the release of the President's National Energy Policy, the President directed the Department of Energy (DOE) to undertake a review of existing energy efficiency and alternative and renewable energy research and development programs to assure future program budget allocations are performance-based and modeled as public-private partnerships. Based on the Secretary of Energy's preliminary review, the Committee's actions in both bills to include \$285 million for energy efficiency and renewable energy research and development may be supportive of the President's objectives. The Administration looks forward to working with Congress through conference to ensure the most appropriate allocation of these resources to those programs that most effectively meets these performance-based criteria. We will also work with Congress to determine the most efficient program alternatives to be financed by lower priority program resources. In particular, the Administration believes it is all the more necessary to greater leverage applied research and development (R&D) funds by increasing the industry cost share beyond the current average 50 percent share for 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 is concerned about the \$699 million increase for the Environmental Management program. DOE has initiated a performance review of Environmental Management activities, and we believe it is prudent to review the findings of this study to ensure effective program execution before restoring funding that the budget proposed to reduce. The Committee's recommendation also includes a \$176 million reduction from the request for Weapons Activities in the National Nuclear Security Administration. The decreased funding could adversely impact the maintenance and refurbishment of the Nation's nuclear weapons stockpile. The Administration believes this funding should be restored and urges Congress to oppose any amendments that would further reduce funding for the program.

In addition, the Administration welcomes Congress' input and assistance on safety and health issues at DOE facilities. However, the Administration believes it is premature to include section 308 of the general provisions, which calls for external regulation of the Department's non-defense science laboratories, and would like to work with Congress to determine an appropriate means of ensuring the safety and health of workers at these facilities.

Army Corps of Engineers

The Administration appreciates the Committee's efforts to address Administration funding priorities for the Army Corps of Engineers Civil Works program. However, the Administration is concerned about the increase of \$568 million over the request for Corps programs. We can have a strong water resources program at the funding level proposed in the budget by establishing priorities among projects. The Administration is particularly concerned that the bill contains approximately \$360 million for about 350 specifically identified projects and activities that were not included in President's Budget (over \$110 million more than were included for such earmarks in last year's House bill). We urge Congress to limit the number of projects and to focus funding on those projects that address the Corps' principal mission areas.

We are disappointed that the Committee has included a provision (section 106), that would preclude the Corps from carrying out in FY 2002 the Administration's proposal to increase local cost-sharing for the renourishment phase of ongoing shore protection projects. This cost-sharing proposal would help ensure that the Federal Government's long-term renourishment obligations do not crowd out other important funding needs. We urge the Congress to reconsider this proposal.

Bureau of Reclamation

We are disappointed that the Committee did not include the \$20 million requested for the California Bay-Delta Restoration Program. Without this funding, Federal and State efforts to restore this ecosystem, protect the drinking water for 22 million Californians, and enhance water supply and reliability for over seven million acres of highly productive farmland would be delayed. The request would fund authorized management, planning, and water acquisition activities that are consistent with the Record of Decision signed in August 2000 that lays out the plan for a long-term Bay-Delta program. We urge the Congress to restore the requested funds in order to demonstrate continued Federal support for this program while consideration of the long-term authorization legislation proceeds. We also note that the Congress could fund the Bay-Delta activities from the \$25 million earmarked by the Committee for projects and programs

not included in the President's budget.

[Ed. Note: Copied from <http://www.whitehouse.gov/omb/legislative/sap/107-1/HR2311-h.html> and converted to PDF without change on August 13, 2006]