

REMOVAL OF AUTHORIZATION CEILING FOR  
CANAL ZONE BIOLOGICAL AREA

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JUNE 29, 1983.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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Mr. JONES of North Carolina, from the Committee on Merchant Marine and Fisheries, submitted the following

REPORT

[To accompany S. 929]

[Including cost estimate of the Congressional Budget Office]

The Committee on Merchant Marine and Fisheries, to whom was referred the bill (S. 929) to amend the act of July 2, 1940, as amended, pertaining to appropriations for the Canal Zone Biological Area, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE OF LEGISLATION

The purpose of S. 929 is to amend the act of July 2, 1940, as amended (20 U.S.C. 79e), to remove the authorization ceiling of \$750,000 for the Canal Zone Biological Area (CZBA). The bill will enable the Smithsonian Institution to integrate the CZBA budget into the budget for the Smithsonian Tropical Research Institute (STRI), of which CZBA is a part. CZBA has a separate specific authorization because of its former status as an independent entity. The bill will provide consistency and flexibility for consolidated management of STRI's research activities.

LEGISLATIVE HISTORY

On March 24, 1983, companion bills to remove the Canal Zone Biological Area authorization ceiling were introduced in the House (H.R. 2314) and Senate (S. 929) by the respective Representatives and Senators who sit on the Board of Regents of the Smithsonian Institution. H.R. 2314 was immediately referred to the Committee on Merchant Marine and Fisheries, to which S. 929 was also referred after it passed the Senate unamended on May 25, 1983.

On June 14, 1983, the Panama Canal/Outer Continental Shelf Subcommittee, chaired by Hon. Carroll Hubbard, held a hearing on

H.R. 2314. The subcommittee received testimony from Mr. Phillip S. Hughes, Under Secretary of the Smithsonian Institution, who articulated essentially two arguments in support of the legislation. First, while the fiscal year 1984 funding for CZBA will be within the \$750,000 authorization limit, Mr. Hughes stated that the increased scientific use of CZBA, the need for repairs and improvements to the deteriorating physical plant, and the pressures of Central American inflation will soon make the current limit "fiscally burdensome."

Second, the separate authorization ceiling forces the Smithsonian to maintain separate books, records, and other administrative procedures for CZBA. This decreases the efficient and effective operation of STRI. Full integration of CZBA into STRI will, according to Mr. Hughes, "provide consistency and flexibility in the overall management" of STRI. Mr. Hughes finally noted that although the bill would remove the CZBA authorization ceiling, the Smithsonian would be willing to submit its annual report, budget justifications, and 5-year prospectus to the committee each year to enable the committee to continue its oversight responsibilities concerning STRI.

At the markup immediately following the hearing, the subcommittee chose to act on the identical Senate bill, S. 929, rather than on H.R. 2314. This was done to simplify and expedite consideration of the legislation since upon passage in the House S. 929 could go directly to the President for signature, whereas H.R. 2314 would be referred back to the Senate. The subcommittee unanimously approved S. 929 without amendment by voice vote. The full Merchant Marine and Fisheries Committee did the same on June 28, 1983.

#### BACKGROUND

The Smithsonian Institution operates a biological reserve, known as the Canal Zone Biological Area, on Barro Colorado Island in Gatun Lake in the Republic of Panama. The island is used by scientists as a tropical field research station. The island has a worldwide reputation and is one of the few protected natural areas of neotropical forest.

The Barro Colorado Island reserve was created initially in 1923 by decree of the Governor of the Canal Zone for the study of tropical flora and fauna. From 1923 to 1940 several research institutions, including the Smithsonian, cooperated in the administration and funding of the reserve, and by 1940 it had become an important educational facility, with more than 400 scientific papers having been published on the research carried out there.

The act of July 2, 1940, as implemented by Executive Order 8515, established the Canal Zone Biological Area as an independent entity with its own board of trustees and an annual appropriations authorization of \$10,000. The act also established a trust fund within the U.S. Treasury for the deposit of donations to the facility and of fees charged to visiting scientists as a means of additional support. Reorganization Plan No. 3 of 1946 transferred the authority and functions of the CZBA Board to the Smithsonian Institution, and in 1958 the Smithsonian Board of Regents voted to create the Smithsonian Tropical Research Institute, which then assumed responsibility for CZBA. The initial \$10,000 authorization of appropriations for CZBA was raised to \$350,000 by Public Law 89-280 in 1965, and to \$750,000 by Public Law 96-89 in 1979.

In conjunction with the Panama Canal Treaties of 1977, the United States and Panama also signed an agreement pursuant to the provisions of article VI of the 1940 Convention on Nature Protection and Wildlife Preservation in the Western Hemisphere, designating Barro Colorado Island, as well as several adjacent mainland peninsulas on the east and west borders of the Panama Canal, as the "Barro Colorado Nature Monument." This new status afforded the island further protection as a scientific reserve. Under article VII of the agreement creating Barro Colorado Nature Monument, the United States and Panama agreed to be bound for 10 years and thereafter for as long as both were parties to the 1940 Western Hemisphere Convention. By an exchange of diplomatic notes, the United States and Panama further agreed that the Smithsonian Institution should be designated as the exclusive custodian of the Barro Colorado Nature Monument for a period of 5 years, renewable for an additional 5-year period at the request of the Smithsonian at least 1 year in advance. The initial 5-year period ends October 1, 1984; therefore, the Smithsonian's renewal request is due by October 1, 1983.

#### NEED FOR THE LEGISLATION

As pointed out by Smithsonian Under Secretary Phillip Hughes in his testimony before the subcommittee, there are two basic reasons for removing the authorization ceiling contained in current law (20 U.S.C. 79e). First, by fiscal year 1985, which begins a little more than 1 year from now, the \$750,000 cap will be too low to allow the continued operation of CZBA at current levels. Increased use of the facility and the need for improvements have combined to make the current limit unrealistic. Although the Smithsonian does not propose to reach the ceiling until fiscal year 1985, if it is eliminated now, certain maintenance, improvement, and construction projects can be moved up and finished before the physical plant deteriorates any more and before further cost escalations occur. The committee expects that the Smithsonian will consider any such actions that will result in savings to the taxpayer. Second, and perhaps more importantly, removal of the authorization ceiling will enable the Smithsonian fully to integrate CZBA into STRI, achieving efficiencies and cost-savings by the elimination of duplicative records and administrative procedures. The committee expects this consolidation of operations to have those desired results.

Although the committee concurs with the Senate bill and with the Smithsonian's request to eliminate the authorization ceiling, the committee wishes to make clear that in so doing it does not in any way abdicate its oversight responsibilities concerning STRI. The committee will continue to review the Smithsonian's annual report, budget justifications, and prospectus to insure that Federal funds for STRI's research and other activities in the Republic of Panama are being spent wisely and in accordance with congressional priorities.

#### COMPLIANCE WITH CLAUSE (2) (1) (3) OF RULE XI

Pursuant to clause (2) (1) (3) of rule XI of the Rules of the House of Representatives, the Committee on Merchant Marine and Fisheries reports to the House as follows:

(A) The committee has no oversight findings or recommendations to report;

(B) No statement pursuant to section 308(a) of the Congressional Budget Act of 1974 is required because the bill provides no new budget authority;

(C) The estimate and comparison prepared by the Congressional Budget Office pursuant to section 403 of the Congressional Budget Act of 1974 is attached to this report; and

(D) The Committee on Government Operations has submitted no findings or recommendations to this committee pursuant to clause 4(c)(2) of rule X of the Rules of the House of Representatives.

#### INFLATIONARY IMPACT STATEMENT

Pursuant to clause 2(l)(4) of rule XI of the Rules of the House of Representatives, the committee estimates that the enactment of S. 929 will have no significant effect on prices and costs in the operation of the national economy.

#### CHANGES IN EXISTING LAW

Pursuant to clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by S. 929 are shown as follows (existing law proposed to be omitted is enclosed in brackets):

### Section 79e of Title 20, United States Code

#### SEC. 79e. APPROPRIATIONS.

There are authorized to be appropriated annually, from money in the Treasury of the United States not otherwise appropriated, such sums [ , not to exceed \$750,000. ] as are necessary for the administration of sections 79 to 79e of this title and for the maintenance of laboratory or other facilities provided for carrying out the purposes of said sections.

#### CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
*Washington, D.C., June 29, 1983.*

HON. WALTER B. JONES,  
*Chairman, Committee on Merchant Marine and Fisheries, U.S. House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: Pursuant to section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has reviewed S. 929, a bill to amend the act of July 2, 1940, as amended, pertaining to appropriations for the Canal Zone Biological Area, as ordered reported by the House Committee on Merchant Marine and Fisheries, on June 28, 1983. This bill is identical to the version of S. 929 that passed the Senate on May 25, 1983.

This bill eliminates the \$750,000 authorization of appropriation ceiling for the Canal Zone Biological Area beginning in fiscal year 1984. Estimated authorization levels for 1984 and beyond, without the authorization ceiling, are based upon information from the Smithsonian Institution on projected costs for the Canal Zone Biological

Area. The 1984 to 1988 estimated expenditures average about \$945,000 each year, or about \$195,000, on average, about the \$750,000 maximum authorization each year.

Sincerely,

JAMES BLUM  
(For Alice M. Rivlin, Director).

DEPARTMENTAL REPORTS

SMITHSONIAN INSTITUTION,  
*Washington, D.C., April 22, 1983.*

HON. WALTER B. JONES,  
*Chairman, Committee on Merchant Marine and Fisheries, U.S. House  
of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: Thank you for your letter of April 11 requesting the views of the Smithsonian Institution on H.R. 2314, a bill to amend the act of July 2, 1940, as amended, pertaining to appropriations for the Canal Zone Biological Area.

The act, as effected by Executive Order 8515, established the Canal Zone Biological Area (essentially Barro Colorado Island located in Gatun Lake) as an independent unit with its own board of trustees and an annual appropriations authorization of up to \$10,000. The act also established a trust fund within the U.S. Treasury for the deposit of donations to the facility and of fees charged to visiting scientists as a means of additional support. The functions and authority of the board were transferred to the Smithsonian Institution by Reorganization Plan No. 3 of 1946 and are recited in 20 U.S.C. 79.

The Barro Colorado Island reserve was created initially in 1923 by decree of the Governor of the Canal Zone at the behest and under the aegis of several independent research institutions, including the Smithsonian, for the study of tropical flora and fauna. The cooperating institutions each contributed to its funding and administration, and by 1940 it had become a valuable educational facility for teachers and students from around the world, with more than 400 scientific papers having been published on the research carried out there. In order to insure continued preservation and conservation of the island's natural features, as well as adequate funding for research programs and maintenance of the facility, a more formal entity was deemed necessary by the cooperating institutions. With the support of several Government departments that had benefitted from the facility's research efforts, it then turned to the Congress for assistance and the act of July 2, 1940 ensued. The act was amended by Public Law 89-280, approved October 20, 1965, in order to raise the limit on appropriations from \$10,000 to \$350,000, and by Public Law 96-89 which raised the limit to \$750,000.

In 1958 the Smithsonian's Board of Regents, exercising its general authority under 20 U.S.C. 41 et seq., voted to establish the Smithsonian Tropical Research Institute (STRI) in recognition of the Institution's expanded activities throughout the Isthmus, including those on Barro Colorado Island, and to promote research on all segments of tropical biology, including comparative studies on Old World tropics. Over the next two decades marine laboratories were established on both coasts of the Isthmus, and a central administrative and scientific complex was developed in the Ancon section of the former Canal Zone in order to manage and coordinate activities at the new locations and on Barro Colorado Island.

Under the terms of the Panama Canal treaties the scientific mission of the Smithsonian Tropical Research Institute remains unaltered. Its unique and important efforts are supported by the Governments of Panama and the United States, as was clearly demonstrated by the agreement signed on January 5, 1977, between the Minister of Health of the Republic of Panama and the Director of the Smithsonian Tropical Research Institute. The agreement includes the guarantee of STRI's continued use of its laboratories and offices.

However, in conjunction with approval and implementation of the Panama Canal treaties a new status for Barro Colorado Island was created. Further protection of the island as a scientific reserve was afforded by adopting the provisions of the Western Hemisphere Convention on Nature Protection and Wildlife Preservation of 1940 and designating Barro Colorado Island, as well as several adjacent mainland peninsulas on the east and west banks of the Panama Canal, as the "Barro Colorado Island Nature Monument". Custodianship of the Nature Monument, with concomitant responsibility for its maintenance, preservation, and security, was assigned to the Smithsonian Tropical Research Institute on behalf of the United States, Panama, and other nations of the Americas. The area of the Nature Monument is nearly 5,000 hectares (BCI alone is 1,642 hectares). It is forested and has been posted, protected by fences, and patrolled regularly by a game warden force.

The current obligations for Barro Colorado Island itself are within the statutory limit, but its more intensive use, along with the rest of the Nature Monument, for scientific purposes; the need for improvements; and the pressure of Central American inflation make the existing spending limit unrealistic fiscally, as well as administratively. For fiscal year 1983 obligations are estimated at \$701,000. For fiscal year 1984 the estimate is \$723,000, and for fiscal years 1985, 1986, and 1987 the estimates are \$810,000, \$1,124,000, and \$1,254,000 respectively.

The separation of the Barro Colorado Island budget from the rest of STRI operations is an historical anomaly resulting from its former status as an independent entity. By abolishing the separate spending limit on Barro Colorado Island, as provided in the proposed legislation, and incorporating the Barro Colorado budget entirely within that of the Smithsonian Tropical Research Institute, consistency and flexibility would be available for consolidated management of the Institute's research activities as well as of the most significant tropical moist forest under U.S. custodianship.

The Office of Management and Budget advises that there is no objection to the bill or to the submission of this report from the standpoint of the administration's program.

Sincerely yours,

S. DILLON RIPLEY,  
*Secretary.*

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PANAMA CANAL COMMISSION,  
OFFICE OF THE ADMINISTRATOR,  
*APO Miami, May 3, 1983.*

HON. WALTER B. JONES,  
*Chairman, Committee on Merchant Marine and Fisheries,  
House of Representatives, Washington, D.C.*

DEAR MR. JONES: This is in response to your request of April 11, 1983, for a report on H.R. 2314. That bill would amend the act of July

2, 1940 (20 U.S.C. 79e), as amended, to remove the limitation on the appropriation authorization for the Canal Zone Biological Area. The annual limitation currently in effect is \$750,000. (A similar bill, S. 929 has been introduced in the Senate.)

The Canal Zone Biological Area (Barro Colorado Island) was designated as a natural park and study area in 1923. The island was placed under the administrative control of the Smithsonian Institution from 1946 until 1966, at which time the Smithsonian Tropical Research Institute became a bureau of the Institution and assumed that responsibility. The island has acquired a worldwide reputation as a tropical field research station at which a large number of scientific studies are carried out. According to our agency environmental control personnel, these studies are important to the understanding of changes occurring in tropical areas of the world. The island is one of the few truly protected natural areas of neotropical forests and is ideally located for continuing research on a diversity of terrestrial and aquatic projects.

On September 7, 1977, the United States and Panama signed an agreement pursuant to article VI of the Convention on Nature Protection and Wildlife Preservation in the Western Hemisphere, designating Barro Colorado Island as a Nature Monument (article I) and agreeing to collaborate in its use for the purpose of scientific research and investigation (article III).<sup>1</sup> The agreement entered into force on October 1, 1979, and will remain in force for 10 years and thereafter for as long as both governments are parties to the Convention on Nature Protection (article VII). By an exchange of notes also signed on September 7, 1977, the United States and Panama agreed to designate the Smithsonian Tropical Research Institute as custodian of the Barro Colorado Nature Monument and to give it sole responsibility to act in authorizing use of the monument and for its protection (second paragraph). TIAS 10036. The parties agreed to so designate the Institute for an initial period of 5 years, to be extended for additional 5-year periods upon request by the Institute, or until such time as the parties may mutually agree on other administration of the monument (fourth paragraph). It appears, therefore, that the Institute will be able to continue its use of Barro Colorado Island in much the same fashion as it does now.

While the Panama Canal Commission is cognizant of the significant role of the island in the areas of tropical research and conservation, the Commission has no responsibility for the funding or operation of the Canal Zone Biological Areas. Consequently, the PCC has no basis upon which to comment concerning the necessity for the proposed increase in appropriation.

The Office of Management and Budget has advised that it has no objection to the presentation of this report to your committee.

Sincerely,

D. P. McAULIFFE,  
*Administrator.*

<sup>1</sup> The Convention on Nature Protection and Wildlife Preservation in the Western Hemisphere, Oct. 12, 1940, 56 Stat. 1354; the 1977 agreement is cited TIAS 10035.

SMITHSONIAN LIBRARIES



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