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DEPARTMENT OF THE INTERIOR AND RELATED
AGENCIES APPROPRIATIONS BILL, 1989

JUNE 20, 1988.—Committed to the Committee of the Whole House on the State of
the Union and ordered to be printed

Mr. YATES, from the Committee on Appropriations,
submitted the following

REPORT

together with

ADDITIONAL VIEWS

[To accompany H.R. 4867]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Department of the Interior and Related Agencies for the fiscal year ending September 30, 1989. The bill provides regular annual appropriations for the Department of the Interior (except the Bureau of Reclamation) and for other related agencies, including the Forest Service, the Department of Energy, the Smithsonian Institution, and the National Foundation on the Arts and Humanities.

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COMPARISON WITH BUDGET RESOLUTION

Section 308(a)(1)(A) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93-344), as amended, requires that the report accompanying a bill providing new budget authority contain a statement detailing how the authority compares with the reports submitted under section 302 of the Act for the most recently agreed to concurrent resolution on the budget for the fiscal year. This information follows:

[In millions of dollars]

	Sec. 302(b)		This bill	
	Discretionary	Mandatory	Discretionary	Mandatory
Budget authority	\$9,780	\$42	\$9,665	\$45
Outlays.....	10,020	41	10,017	42
Direct loans.....	15			
Primary guarantees.....	35			

The bill provides no new spending authority as described in section 401(c)(2) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93-344), as amended.

SUMMARY OF THE BILL

The Committee has conducted extensive hearings on the programs and projects provided for in the Interior and Related Agencies Appropriation bill for 1989. The hearings are contained in 12 published volumes totaling approximately 11,000 pages.

During the course of the hearings testimony was taken on 27 days from more than 800 witnesses, not only from agencies which come under the jurisdiction of the Interior Subcommittee, but also from Members of Congress, State and local government officials, and private citizens.

The bill which is recommended for 1989 has been developed after careful consideration of all the facts and details available to the Committee.

BUDGET AUTHORITY RECOMMENDED IN BILL BY TITLE

Activity	Budget estimates fiscal year 1989	Committee bill, fiscal year 1989	Committee bill compared with budget estimates
Title I, Department of the Interior: New Budget (obligational) authority	\$3,972,904,000	\$4,483,983,000	+\$511,079,000
Title II, related agencies: New Budget (obligational) authority	4,892,070,000	5,212,065,000	+319,995,000
Grand total, New Budget (obligational) authority	8,864,974,000	9,696,048,000	+831,074,000

TOTAL APPROPRIATIONS FOR THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES

In addition to the amounts in the accompanying bill, which are reflected in the table above, permanent legislation authorizes the continuation of certain government activities without consideration by the Congress during the annual appropriations process.

Details of these activities are listed in tables at the end of this report. In fiscal year 1988, these activities are estimated to total \$2,164,549,000. The estimate for fiscal year 1989 is \$1,972,753,000.

The following table reflects the total budget (obligational) authority contained both in this bill and in permanent appropriations for fiscal years 1988 and 1989.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES TOTAL BUDGET AUTHORITY FOR FISCAL YEARS 1988-89

Item	Fiscal year 1988	Fiscal year 1989	Change
Interior and related agencies appropriations bill	\$9,342,660,000	\$9,696,048,000	+\$353,388,000
Permanent appropriations, Federal funds	1,617,125,000	1,397,064,000	-220,061,000
Permanent appropriations, trust funds	547,424,000	575,689,000	+28,265,000
Total, budget authority	11,507,209,000	11,668,801,000	+161,592,000

REVENUE GENERATED BY AGENCIES IN BILL

The following tabulation indicates total new obligational authority to date for fiscal years 1987 and 1988, and the amount recommended in the bill for fiscal year 1989. It compares receipts gener-

ated by activities in this bill on an actual basis for fiscal year 1987 and on an estimated basis for fiscal years 1988 and 1989.

Item	Fiscal year—		
	1987	1988	1989
New obligational authority	\$8,502,002,000	\$9,342,660,000	\$9,696,048,000
Receipts:			
Department of the Interior	6,545,930,000	4,928,119,000	6,218,082,000
Forest Service	1,353,352,000	1,357,027,000	1,386,168,000
Naval petroleum reserves	668,000,000	756,000,000	759,000,000
Total	8,567,282,000	7,041,146,000	8,363,250,000

APPLICATION OF GENERAL REDUCTIONS

The level at which reductions shall be taken pursuant to the Deficit Reduction Act of 1985, if such reductions are required in fiscal year 1989, is defined by the Committee as follows:

As provided for by section 252(a)(1)(B)(i) of Public Law 99-177 and for the purposes of a Presidential Order issued pursuant to section 252 of said Act, the term "program, project, and activity" for items under the jurisdiction of the Appropriations Subcommittees on the Department of the Interior and Related Agencies of the House of Representatives and the Senate is defined as (1) any item specifically identified in tables or written material set forth in the Interior and Related Agencies Appropriations Act, or accompanying committee reports or the conference report and accompanying joint explanatory statement of the managers of the committee of conference; (2) any Government-owned or Government-operated facility; and (3) management units, such as national parks, national forests, fish hatcheries, wildlife refuges, research units, regional, state and other administrative units and the like, for which funds are provided in fiscal year 1989.

The Committee emphasizes that any item for which a specific dollar amount is mentioned in an accompanying report, including all increases over the budget estimate approved by the Committee, shall be subject to a percentage reduction no greater or less than the percentage reduction applied to all non-defense accounts.

COMMITTEE INITIATIVES

Many of the Committee's initiatives relate to the protection of natural resources on public lands, to the development of new energy sources, and to carry out the action taken by authorizing committees. In support of such initiatives, the Committee has recommended increases above the budget estimates as shown in the following table:

Public resources:	
Wild horse and burro management	+\$7,222,000
Soil, water and air management (BLM and FS)	+9,797,000
Wildlife habitat management (BLM and FS)	+16,126,000
Recreation resources management (BLM and FS)	+22,317,000
Park Service maintenance	+27,442,000
Land and Water Conservation Fund: Federal acquisition	+128,630,000

Historic Preservation Fund.....	+30,000,000
Urban forestry assistance.....	+2,500,000
Forest trail maintenance.....	+5,223,000
Fire protection.....	+14,292,000
Forest research.....	+10,586,000
Forest pest management.....	+16,145,000
Earthquake hazards.....	+2,500,000
Coastal erosion.....	+3,700,000
Water research.....	+11,496,000
Energy:	
Control technology and coal preparation.....	+20,272,000
Fuel cells.....	+20,400,000
Heat engines.....	+12,334,000
Magnetohydrodynamics.....	+35,000,000
Coal liquefaction and gasification.....	+31,262,000
Oil and gas recovery.....	+15,761,000
Industrial conservation.....	+16,410,000
Buildings conservation.....	+17,917,000
Transportation conservation.....	+25,407,000
Weatherization and schools and hospitals.....	+186,513,000

LAND AND WATER CONSERVATION FUND

Following is a comparison of the Land and Water Conservation Fund by agency. More specific information can be found in each agency's land acquisition account.

LAND AND WATER CONSERVATION FUND

[In thousands of dollars]

	Enacted fiscal year 1988	Estimates fiscal year 1989	Recommended	Changes from estimate
Assistance to States:				
Matching grants.....	\$16,567		\$16,700	+\$16,700
Administrative expenses.....	3,419	\$3,383	3,300	-83
Subtotal, assistance to States.....	19,986	3,383	20,000	+16,617
Federal programs:				
Bureau of Land Management.....	8,885	100	11,640	+11,540
Forest Service.....	49,076	3,900	42,245	+38,345
Fish and Wildlife Service.....	51,754	1,874	50,809	+48,935
National Park Service.....	40,763	12,396	42,206	+29,810
Subtotal, Federal programs.....	150,478	18,270	146,900	+128,630
Total, L&WCF.....	170,464	21,653	166,900	+145,247

With the decrease in funds available for land acquisition, more emphasis has been placed on land exchanges to continue adding valuable lands to help create new or fill out existing refuges, recreation areas and park areas. Although land exchanges can be useful, they also create some problems. Staff time necessary to complete exchanges is in most cases much more extensive than with fee acquisition because it frequently takes years to complete an exchange. The Committee is concerned that the Congress does not have enough information to know what agency plans are in this regard. Accordingly, the Committee directs that each land acquisition agency continue to provide in annual budget justifications, a detailed statement of expenditures proposed for exchanges and a listing of the exchanges under consideration. The Committee

expects the approval process now in place to continue in fiscal year 1989.

INDIAN PROGRAMS

The Committee recommends appropriations of new budget authority aggregating \$2,272,169,000 for Indian programs in fiscal year 1989. This is an increase of \$179,770,000 above the budget request for fiscal year 1989, and an increase of \$96,179,000 above the amount appropriated for fiscal year 1988. Major increases over the budget, recommended by the Committee, include the following:

Education	+ \$5,130,000
Social services.....	+ 4,000,000
Forestry	+ 3,150,000
Water resources	+ 9,000,000
Wildlife and parks	+ 16,417,000
Buildings and utilities construction	+ 500,000
Fish hatcheries.....	+ 2,272,000
Irrigation construction.....	+ 14,000,000
Housing.....	+ 5,600,000
Hospitals and clinics	+ 19,781,000
Contract health care	+ 6,119,000
Community health representatives.....	+ 2,000,000
Urban health projects.....	+ 1,800,000
Hospital and clinic construction	+ 22,050,000
Sanitation facilities	+ 42,000,000

Spending for Indian services by the Federal Government in total is included in the following table:

FEDERAL FUNDING OF INDIAN PROGRAMS

[In thousands of dollars]

	Budget authority		
	Fiscal year 1987 actual	Fiscal year 1988 estimate	Fiscal year 1989 estimate
Department of Agriculture.....	\$96,765	\$98,285	\$100,041
Department of Commerce.....	5,457	5,495	1,495
Department of Defense	0	7,000	0
Department of Education.....	411,906	438,752	455,726
Department of HHS.....	1,035,718	1,102,684	1,080,947
Department of HUD	239,459	232,837	164,376
Department of the Interior	1,096,648	1,163,170	1,132,729
Department of Labor.....	75,124	72,771	72,771
Department of Transportation.....	80,000	80,000	80,000
Environmental Protection Agency	6,102	13,396	5,526
Small Business Administration	1,500	1,500	1,500
Total.....	3,048,679	3,215,890	3,095,111

INFLATIONARY IMPACT STATEMENT

Clause 2(1)(4), of Rule XI of the House of Representatives, requires that each Committee report on a bill or resolution contain a statement as to whether enactment of such bill or resolution may have an inflationary impact on prices and costs in the operation of the national economy. Many of the funds provided in this bill permit increased production from the national lands. This increased production, will increase supply and, thus, reduce the infla-

tionary demand that results when a material is in short supply. These programs also generate revenue for the Federal Government which is estimated at \$8.4 billion for fiscal year 1989. Therefore, the expenditures proposed in this bill will contribute to economic stability, rather than inflation.

TITLE I—DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

The Bureau of Land Management is responsible for the multiple use management, protection, and development of about 270 million acres of the Nation's public lands and management of 300 million additional acres of Federally-owned subsurface mineral rights.

The Bureau of Land Management also administers the grazing of approximately 4.3 million head of livestock, and manages about 39,000 wild horses and burros, and some 270 million acres of wildlife habitat. Grazing receipts are estimated to be about \$16.9 million in fiscal year 1989, compared to an estimated \$16.3 million in fiscal year 1988 and actual receipts of \$14.5 million in fiscal year 1987. The Bureau also administers the sale of approximately 1.2 billion board feet of timber annually, including timber sales funded in both the "Management of lands and resources" and "Oregon and California grant lands" appropriations. Timber receipts are estimated to be \$162.5 million in fiscal year 1989 compared to estimated receipts of \$162.9 million in fiscal year 1988 and actual receipts of \$152.8 million in fiscal year 1987. The Bureau has an active program of soil and watershed management on 175 million acres in the lower 48 states and 95 million acres in Alaska. Practices such as contouring, revegetation, protective fencing, and water development are designed to conserve and develop public land, soil and watershed resources. The Bureau is the second largest supplier of public outdoor recreation in the Western United States, with an estimated 54 million visits totaling 497 million visitor hours of recreation use on the public lands under the Bureau's management in 1987. The Bureau is also responsible for fire protection on the public lands and on all Department of the Interior managed lands in Alaska, and for the suppression of wild fires on the public lands in Alaska and the western States.

MANAGEMENT OF LANDS AND RESOURCES

Appropriation enacted, 1988	\$498,983,000
Budget estimate, 1989	464,487,000
Recommended, 1989	500,959,000
Comparison:	
Appropriation, 1988	+1,976,000
Budget estimate, 1989	+36,472,000

The amount recommended by the Committee for fiscal year 1989 compared with the budget estimates by activity is shown in the following table:

	FY 1988 Enacted	(in thousands of dollars) Budget Estimates	Committee Bill	Change from Estimates
Energy and Minerals Development				
Oil and gas.....	46,656	45,020	45,020	---
Coal management.....	13,433	9,834	9,834	---
Mining law administration.....	10,237	11,280	11,280	---
Other mineral resources.....	9,513	8,585	8,585	---
Subtotal, Energy and Minerals Development.....	79,839	74,719	74,719	---
Lands and Realty Management				
Lands, realty, rights-of-way.....	26,425	23,216	23,416	+200
Alaska lands.....	13,929	12,224	12,224	---
Subtotal, Lands and Realty Management.....	40,354	35,440	35,640	+200
Renewable Resources Management				
Forest management.....	7,319	6,716	6,716	---
Wild horse and burro management.....	14,586	7,364	14,586	+7,222
Grazing management.....	33,596	33,594	33,594	---
Soil, water and air management.....	13,953	13,353	15,283	+1,930
Wildlife habitat management.....	18,338	14,739	18,169	+3,430
Recreation management.....	23,579	23,954	25,304	+1,350
Subtotal, Renewable Resources Management.....	111,371	99,720	113,652	+13,932
Resource management planning.....	9,499	9,346	9,346	---
Information and resource data management.....	30,292	41,707	43,157	+1,450
Resource Protection and Maintenance				
Fire management.....	9,424	9,320	9,320	---
Alaska cadastral surveys.....	15,369	11,472	11,472	---
Other States cadastral surveys.....	12,393	12,227	12,227	---
Resource protection and law enforcement.....	3,548	3,518	4,268	+750
Facilities maintenance.....	14,384	15,745	15,745	---
Hazardous materials management.....	5,860	12,388	12,388	---
Subtotal, Resource Protection and Maintenance.....	60,978	64,670	65,420	+750
Emergency operations.....	77,976	50,953	72,876	+21,923
General administration.....	88,674	87,932	87,932	---
General reduction.....	---	---	-1,783	-1,783
Total, Management of Lands and Resources.....	498,983	464,487	500,959	+36,472

The Committee recommends an appropriation of \$500,959,000 for management of lands and resources, an increase of \$36,472,000 over the budget estimate of \$464,487,000.

Oil and gas.—The Committee directs that, within available funds, the Bureau provide \$50,000 to the National Academy of Sciences to undertake a study of how oil and gas resource exploration and development is considered in land use planning. This study is required by the Budget Reconciliation Act of 1987, and will be partly funded by the Forest Service also.

Mining Law Administration.—The Committee has included bill language that will permit increased fees for administration of the General Mining Laws to be used for operation of the Mining Law Administration program. Based on the Department's proposed fee schedule the amount received from fees would increase from approximately \$742,000 to \$6,427,000. The Committee believes the proposed fee schedule is fair and will provide a more reasonable portion of the costs of the program. The Committee supports strongly the use of the increased fees to improve the operation of the program, particularly with regard to surface management and compliance activity. In addition to allowing more effective management of the program the increased fees will discourage the filing of speculative mining claims.

Lands and realty management.—The Committee recommends an increase of \$200,000 in rights-of-way processing to restore the base level so that cases will not be delayed.

Wild horse and burro management.—An increase of \$7,222,000 is recommended for the wild horse and burro program. The Committee is concerned about the implications of the fee waiver, mass

adoption program and is pleased that the Bureau has suspended the program. The Committee expects the suspension to continue in fiscal year 1989. Although about 8,200 approved fee waivers remain, the Bureau indicates that only about 3,200 are expected to be filled. The Committee expects the Bureau to reduce that amount to the maximum extent possible either through sanctuaries or increased individual adoptions in lieu of fee waiver adoptions. The Bureau is in the process of establishing a revised program that will initiate a private sanctuary activity for excess horses, increase the individual adoption effort, and continue the prison training program. The recommended increase will support such a program.

Because of the controversy that has accompanied the roundup and adoption of horses recently, and the beginning of a new and untried sanctuary program, the Committee believes that the Bureau must establish an oversight activity with participation of a broad spectrum of the interested public, either through a reconstituted Wild Horse and Burro Advisory Board or some other formal mechanism to assure humane treatment of affected animals.

Finally, the Committee recommends continuation of the provision in the bill prohibiting the destruction of healthy animals.

Riparian area management.—The Committee recommends an increase of \$1,500,000 for improvement of riparian areas on public lands. Of the increase, \$500,000 is for the "Oregon/Washington Riparian Enhancement Plan". These funds are to be distributed among the highest priority needs in the grazing; soil, water and air; and wildlife habitat programs.

Soil, water, and air management.—An increase of \$430,000 is recommended to restore the base level in soil, water, and air management, so that watershed plans and projects will not be delayed.

Wildlife habitat management.—The Committee recommends an increase of \$2,170,000 for maintaining the base level for wildlife plans, monitoring, and maintenance; an increase of \$260,000 to restore the base in threatened and endangered species; and an increase of \$1,000,000 for the challenge grant program, which receives more than 50 percent outside funding.

Wilderness management.—Of the funds provided, the Committee recommends that no less than \$2,700,000 be applied to management of wilderness study areas. The Committee does not favor grazing increases in wilderness study areas.

Cultural resources management.—The Committee recommends an increase of \$500,000 for cultural resources management, \$300,000 of which is to restore the base, and \$200,000 of which is for additional protection projects.

Recreation management.—An increase of \$850,000 is recommended for recreation management. The increase includes \$200,000 for the King Range NCA, \$350,000 for El Malpais NCA, and \$300,000 for the East Mojave Scenic Area. Within available funds, an additional \$200,000 should be made available for the East Mojave Scenic Area.

Resources management planning.—The Committee notes that the budget includes \$230,000 for preparation of the Metro Resource Management Plan, Southern California.

Information systems.—An increase of \$1,450,000 is recommended to begin a multi-year project to automate Eastern States records

for more efficient use as well as preservation of invaluable original records up to 200 years old.

Resource protection.—The Committee recommends an increase of \$750,000 in resource protection. Of the increase \$500,000 is for cultural resources protection and \$250,000 is for drug enforcement.

Firefighting.—An increase of \$21,923,000 is recommended for firefighting to restore the approximate base level. Based on generally dry conditions in the West it is reasonable to expect that firefighting costs will be equivalent to 1987 levels.

General.—A general reduction of \$1,783,000 is recommended because there are two less paid days in fiscal year 1989 compared to 1988.

The Committee also recommends bill language increasing the allowance for uniformed employees to \$400 annually, in line with the allowances for other agencies in the bill.

The Committee opposes the initiation of privatization studies for “undeveloped public lands” as contained in the fiscal year 1989 budget document, and considers that pilot projects in privatization would be subject to reprogramming approvals.

The Committee has approved a revision to the Bureau’s budget structure for the management of lands and resources, and Oregon and California grant lands appropriations. Reprogramming levels are to be at the level of activity identified in the Committee report. Transfer of funds at levels identified in the budget justifications but below those in the report table are to be reported to the Committee on a quarterly basis with an explanation of the reasons for the changes. All reprogramming guidelines, as contained in House Report 99-714, continue to be in effect.

CONSTRUCTION AND ACCESS

Appropriation enacted, 1988.....	\$3,430,000
Budget estimate, 1989	1,338,000
Recommended, 1989	5,431,000
Comparison:	
Appropriation, 1988	+2,001,000
Budget estimate, 1989	+4,093,000

The Committee recommends an appropriation of \$5,431,000 for construction and for acquiring easements for access to public lands necessary for proper administration of the lands under BLM’s jurisdiction. This amount is an increase of \$4,093,000 above the budget estimate of \$1,338,000 to provide for (1) improvements to the access road, including parking and burial of utilities, at the Yaquina Head Outstanding Natural Area, OR (\$2,500,000); (2) project scoping, design, and initial construction of a proposed Oregon Trail visitors center near Baker, OR (\$1,300,000); and (3) planning and construction of miscellaneous recreation construction projects of high priority (\$300,000). These increases are offset by a \$7,000 reduction because there are two less paid days in fiscal year 1989 than in fiscal year 1988.

Development of the visitor/interpretive center for the Oregon Trail at Flagstaff Hill, OR, should be based on the proposal assembled by local and state entities. The Committee applauds that effort to give the trail and its impact on settling of the west long-overdue recognition. While many elements of the proposed center appear to

have merit, the Committee believes the BLM should review the scope of the proposed project independently to ensure that it is appropriate both to the site proposed and potential visitation. The Committee expects the Bureau to develop a facility which will interpret the trail adequately while providing for possible expansion should visitation require it. In planning the facility, maximum use should be made of state and local cost-sharing and volunteers.

PAYMENTS IN LIEU OF TAXES

Appropriation enacted, 1988.....	\$105,000,000
Budget estimate, 1989.....	105,000,000
Recommended, 1989.....	105,000,000
Comparison:	
Appropriation, 1988.....	.....
Budget estimate, 1989.....	.....

Payments in Lieu of Taxes (PILT) provides for payments to local units of government containing certain Federally-owned lands. These payments are designed to supplement other Federal land receipt sharing payments local governments may be receiving. Payments received may be used by the recipients for any governmental purpose.

The Committee recommends \$105,000,000, the budget estimate, for PILT.

LAND ACQUISITION

Appropriation enacted, 1988.....	\$8,885,000
Budget estimate, 1989.....	100,000
Recommended, 1989.....	11,640,000
Comparison:	
Appropriation, 1988.....	+2,755,000
Budget estimate, 1989.....	+11,540,000

The amount recommended includes \$11,040,000 for acquisition and \$600,000 for acquisition management. The request was \$100,000.

The recommended increase is to be used for the following:

Big Morongo Canyon, CA.....	\$110,000
Carrizo Plain, CA.....	5,000,000
Chuckwalla Bench, CA.....	1,300,000
Desert Tortoise Natural Habitat, CA.....	1,000,000
El Malpais NCA, NM.....	1,000,000
Rock Creek Ranch, UT.....	35,000
Warner Basin Potholes, OR.....	2,000,000
Westwater Canyon, UT.....	95,000
Wilderness study area inholdings.....	500,000
Acquisition management.....	500,000

Acquisition of properties around the Willow Creek and Mahogany Ridge Wilderness Study Areas in the Trout Creek Mountains remain a top priority in the wilderness study area inholding account.

OREGON AND CALIFORNIA GRANT LANDS

Appropriation enacted, 1988.....	\$58,475,000
Budget estimate, 1989.....	57,434,000
Recommended, 1989.....	61,445,000
Comparison:	
Appropriation, 1988.....	+2,970,000
Budget estimate, 1989.....	+4,011,000

The Committee recommends \$61,445,000 for the Oregon and California grant lands. These funds are provided for construction and acquisition, operation and maintenance, and management activities on the revested lands in the 18 Oregon and California land grant counties of western Oregon. The recommendation is an increase of \$4,011,000 over the budget request of \$57,434,000. The increase includes \$1,000,000 in timber management to maintain the full timber sales program; \$1,340,000 for reforestation based on higher than expected 1988 harvest levels; \$1,550,000 for timber stand improvement, fertilization, and maintenance; and \$350,000 for wildlife habitat management, including \$250,000 for anadromous fish projects and \$100,000 for spotted owl monitoring. These increases are offset by a decrease of \$229,000 because there are two less paid days than in fiscal year 1988.

Within the resources management activity the Committee expects a separate line item to be included in the budget justifications for FIR/COPE research beginning in fiscal year 1990 as part of the revised budget structure. Funding for this research is \$1,300,000 in the fiscal year 1989 recommendation.

RANGE IMPROVEMENTS

(INDEFINITE APPROPRIATION OF RECEIPTS)

Appropriation enacted, 1988.....	\$8,506,000
Budget estimate, 1989	8,506,000
Recommended, 1989	8,506,000
Comparison:	
Appropriation, 1988 .....	.....
Budget estimate, 1989 .....	.....

The Committee recommends an indefinite appropriation of not less than \$8,506,000 to be derived from public lands receipts and Bankhead-Jones Farm Tenant Act lands grazing receipts. Receipts are used for construction, purchase, and maintenance of range improvements, such as seeding, fence construction, weed control, water development, fish and wildlife habitat improvement, and planning and design of these projects.

SERVICE CHARGES, DEPOSITS, AND FORFEITURES

(INDEFINITE)

Appropriation enacted, 1988.....	\$6,600,000
Budget estimate, 1989	6,000,000
Recommended, 1989	6,000,000
Comparison:	
Appropriation, 1988	— 600,000
Budget estimate, 1989 .....	.....

The Committee recommends \$6,000,000, the budget estimate, for service charges, deposits, and forfeitures. This account uses the revenue collected under specified sections of the Federal Land Policy and Management Act of 1976 and other Acts to pay for reasonable administrative and other costs in connection with rights-of-way applications from the private sector, miscellaneous cost-recoverable realty cases, timber contract expenses, repair of damaged lands,

the adopt-a-horse program, and the provision of copies of official public land documents.

MISCELLANEOUS TRUST FUNDS

(INDEFINITE)

Appropriation enacted, 1988.....	\$100,000
Budget estimate, 1989	100,000
Recommended, 1989	100,000
Comparison:	
Appropriation, 1988	
Budget estimate, 1989	

The Committee recommends an appropriation of \$100,000, the budget estimate, for miscellaneous trust funds.

The Federal Land Policy and Management Act of 1976 provides for the receipt and expenditure of moneys received as donations or gifts (section 307). Funds in this trust fund are derived from the administrative and survey costs paid by applicants for conveyance of omitted lands (lands fraudulently or erroneously omitted from original cadastral surveys), from advances for other types of surveys requested by individuals, and from contributions made by users of Federal rangelands. Amounts received from the sale of Alaska town lots are also available for expenses of sale and maintenance of townsites. Revenue from unsurveyed lands, and surveys of omitted lands, administrative costs of conveyance, and gifts and donations must be appropriated before it can be used.

U.S. FISH AND WILDLIFE SERVICE

The Service is responsible for a national wildlife refuge system of over 90.6 million acres consisting of 445 refuges, waterfowl production areas located in 150 counties, and 57 wildlife management areas.

The fishery resources managed by the Service include 71 hatcheries, 4 fish technology centers, 10 fish health centers and a national training school. In 1988, National Fish Hatcheries are expected to produce 130 million fish (approximately 6.4 million pounds) for release into the Great Lakes, coastal rivers and streams, and inland reservoirs, lakes and streams. The Service also conducts fish and wildlife research at 11 research centers and 37 cooperative units.

RESOURCE MANAGEMENT

Appropriation enacted, 1988.....	\$342,594,000
Budget estimate, 1989	331,863,000
Recommended, 1989	350,251,000
Comparison:	
Appropriation, 1988	+7,657,000
Budget estimate, 1989	+18,388,000

The amount recommended will allow the Fish and Wildlife Service to maintain its 1988 level of activities in fiscal year 1989.

	(in thousands of dollars)			
	FY 1988 Enacted	Budget Estimates	Committee Bill	Change from Estimates
Fish and Wildlife Enhancement				
Endangered species				
Listing.....	3,294	3,009	3,259	+250
Consultation.....	3,032	2,971	3,271	+300
Permits.....	851	855	855	---
Recovery.....	7,528	7,012	8,012	+1,000
Grants to States.....	4,300	---	5,000	+5,000
Non-game management.....	---	---	500	+500
Subtotal, Endangered species.....	19,005	13,847	20,897	+7,050
Ecological services.....	19,791	19,462	20,162	+700
Environmental contaminants.....	5,878	5,868	6,868	+1,000
National wetlands inventory.....	5,115	5,092	5,092	---
Subtotal, Fish and Wildlife Enhancement.....	49,789	44,269	53,019	+8,750
Refuges and Wildlife				
Refuge operations and maintenance.....	116,326	112,759	115,601	+2,842
Law enforcement operations.....	20,840	21,022	21,522	+500
Migratory bird management.....	8,562	7,877	7,986	+109
Subtotal, Refuges and Wildlife.....	145,728	141,658	145,109	+3,451
Fisheries				
Hatchery operations and maintenance.....	26,240	26,355	28,133	+1,778
Lower Snake River Compensation Fund.....	6,523	6,811	6,523	-288
Fish and wildlife management.....	6,032	6,910	7,402	+492
Subtotal, Fisheries.....	38,795	40,076	42,058	+1,982
Research and Development				
Fish and wildlife research center, O & M.....	47,737	44,225	46,925	+2,700
Technical development.....	5,734	5,271	5,271	---
Cooperative research units.....	5,713	5,800	5,800	---
Subtotal, Research and Development.....	59,184	55,296	57,996	+2,700
General administration.....	49,098	50,564	53,464	+2,900
General reduction.....	---	---	-1,395	-1,395
Total, Resource Management.....	342,594	331,863	350,251	+18,388

Endangered species.—The Committee recommends \$33,466,000 for the endangered species program which includes \$5,101,000 for endangered species research, \$7,305,000 for endangered species law enforcement and \$163,000 for fisheries.

The major increase is \$5,000,000 to continue grants to States under section 6 of the Endangered Species Act. These grants are matched by States on a 1 to 4 basis and thus generate a higher level of effort on endangered species activities. There is an increase of \$250,000 for listing. This increase is to assist in prelisting recovery activities. An increase of \$300,000 is recommended for consultation to accommodate the additional workload generated by new listings and enhanced activity related to the Farmers Home Administration.

For actions to assist in the recovery of endangered species, the Committee recommends \$8,012,000, an increase of \$1,000,000 over the request and \$500,000 above the 1988 program level. Within the additional amount provided, at least \$80,000 is to enhance grizzly bear activities and \$100,000 is for the red wolf captive breeding program at the Point Defiance Zoo and Aquarium, Tacoma, Washington.

Within the endangered species activity, the Committee recommends \$500,000 for non-game management to be implemented through the regional offices.

The Service is to work with Indian tribes and the Bureau of Indian Affairs to determine the status of endangered species on Indian reservations and report back to the Committee on its findings and recommendations no later than May 1, 1989.

It is the expectation of the Committee that the funds provided will be used to carry out an aggressive endangered species program, and that the Service will meet all its responsibilities under the Endangered Species Act in a timely manner. The Committee also expects the Service to continue to provide consultation on endangered species to United States agencies dispensing foreign assistance.

Ecological services.—In this activity, the Service provides expert biological advice to other Federal agencies, States, industry and members of the public concerning the conservation and improvement of fish and wildlife habitat in connection with land and water development activities. For ecological services, the Committee recommends an increase of \$700,000 to enhance Farm Bill implementation. As part of Farm Bill implementation, the Committee expects funds to be used for wetland restoration.

Environmental contaminants.—The Committee is pleased that the backlog of contaminant samples has been reduced. This year, the Committee proposes a \$500,000 increase to provide additional field staffing and \$500,000 to assist in the development of bioassessment technology.

Refuge operations and maintenance.—The Committee recommends \$115,601,000 for refuge operations and maintenance, an increase of \$2,842,000 over the request. Of this increase, \$142,000 is to maintain the 1988 level for water rights protection and \$2,000,000 is for firefighting costs. Hawaii offers a great variety of wildlife, including many endangered species. To enable the Service to deal effectively with the diversity of flora and fauna in Hawaii, the Committee recommends an increase of \$500,000 to restore the 1988 level. Included within the funds for Hawaii are sufficient resources to maintain a Service presence on Tern Island.

The balance of the increase is \$200,000 to enhance refuge fishery management.

Within funds available to the Fish and Wildlife Service, \$1,000,000 is to continue the Youth Conservation Corps program.

Law enforcement operations.—The Committee recommends \$21,522,000 for law enforcement operations. The increase of \$500,000 above the request is to make the new forensics lab operational.

Migratory bird management.—The Committee recommends an increase of \$109,000 to maintain the base level of funding for the Western Hemisphere Convention. With this increase, a total of \$500,000 will be available.

Fisheries.—The Committee recommends \$42,058,000 for the fisheries activity. Included within this amount is \$28,133,000 for hatchery operations and maintenance, an increase of \$1,778,000 over the request. Maintenance of hatcheries has been deferred and hatcheries need to be upgraded. To the \$1,001,000 increase requested by the Service, the Committee recommends another \$1,000,000. This brings maintenance for hatcheries to \$5,052,000, an increase of 65.5 percent over the 1988 level of \$3,051,000.

There is a transfer of \$698,000 from the Bureau of Indian Affairs request to the Service to continue Service responsibilities for the Alchesay-Williams Creek NFH, AZ and the Mescalero NFH, NM. Similarly, there is a transfer of \$492,000 for BIA fish and wildlife

management. In addition, there is an increase of \$80,000 for operations at the Lamar fish hatchery.

The Committee recommends a decrease of \$288,000 for the Lower Snake River Compensation Fund. This maintains the 1988 level.

Research and development.—The Committee recommends an increase of \$2,700,000 for research and development. This includes funds to maintain the 1988 level for non-game research (+\$500,000), purple loosestrife (+\$100,000), browntree snake (+\$200,000) and operations at the Wellsboro laboratory (+\$300,000).

Beyond the above increases to maintain 1988 levels, the Committee recommends an increase of \$640,000 for Northeast Anadromous Fish laboratory start-up costs and \$60,000 for the Connecticut River Basin Study. Other increases include \$600,000 for the Southeast Fish Culture Laboratory and \$300,000 for Auburn University to manage southeastern warm water research.

Funds provided for start up costs associated with the Northeast Anadromous Fish Laboratory may be used to begin the research program for this facility.

National Fish and Wildlife Foundation.—The Committee recommends a net increase of \$2,900,000. This includes a decrease of \$100,000 for administrative support to the Foundation, and an increase of \$3,000,000 for matching grants.

General reduction.—There is a reduction of \$1,395,000 because there are two less paid days in fiscal year 1989 when compared to 1988.

The Committee has included bill language which specifies that on the ground management of Federal refuges must be by the U.S. Fish and Wildlife Service.

CONSTRUCTION AND ANADROMOUS FISH

Appropriation enacted, 1988.....	\$25,062,000
Budget estimate, 1989	7,577,000
Recommended, 1989	23,756,000
Comparison:	
Appropriation, 1988	–1,306,000
Budget estimate, 1989	+16,179,000

The Committee recommends an appropriation of \$23,756,000, an increase of \$16,179,000 above the request. The recommendation includes the following construction items:

Little White Salmon NFH, WA	\$990,000
Nisqually NFH, WA.....	5,067,000
Northeast Anadromous Fish Laboratory	5,600,000
North Attleboro NFH, MA—complete design.....	180,000
Patuxent River MD, Visitor Center (planning and design).....	900,000
Advance planning.....	442,000
Wichita Mountains NWR, OK (Corral)	234,000
Dam Safety.....	7,343,000
National Fisheries Research Center (Seattle)	1,000,000

The Committee has also provided \$1,500,000 for anadromous fish grants and \$500,000 for the striped bass study.

Included within the \$442,000 for advanced planning is \$270,000 for a visitor center and maintenance facility at Little River NWR, OK.

The Committee recognizes the need for a new fishery research facility to be constructed at its present location in Seattle for the National Fisheries Research Center, Naval Station Puget Sound. The present facility is antiquated and inadequate for meeting research needs. In the past year, for example, the Fish and Wildlife Service has found it necessary to destroy up to five million juvenile fall Chinook Salmon at the Little White Salmon Fish Hatchery due to the infectious hematopoietic necrosis (IHN) virus, which the Service does not yet know how to treat. While research on this matter has been initiated at the Seattle Center, due to space restrictions researchers are unable to conduct the quality of work of which the Center is capable.

The Committee therefore provides \$1,000,000 to begin the scoping and architectural engineering phase for construction of a new facility at the present location. The Committee recognizes the beneficial cooperative arrangement that the National Fisheries Research Center has with other public fisheries agencies, private concerns, and universities. Finally, the Committee supports analysis by the U.S. Fish and Wildlife Service which concludes that maintaining the present site is the least expensive and most desirable alternative.

LAND ACQUISITION

Appropriation enacted, 1988.....	\$51,754,000
Budget estimate, 1989	1,874,000
Recommended, 1989	50,809,000
Comparison:	
Appropriation, 1988	-945,000
Budget estimate, 1989	+48,935,000

The Committee rejects the Administration proposal to provide no funds for new land acquisition and recommends an appropriation of \$50,809,000 for land acquisition, including \$2,914,000 for acquisition management. The Committee has included funds for acquisition of lands in areas that have been identified as high priority needs that can be acquired in a timely manner.

The following list identifies those areas:

Arivaca Creek, AZ.....	\$2,000,000
Bowerman Basin/Grays Harbor, WA.....	2,500,000
Chincoteague NWR, VA (Morris Island).....	770,000
Hawaii Forest Birds (Oahu).....	4,000,000
James River, VA.....	1,800,000
Kirtlands Warbler, MI.....	535,000
Klamath Forest NWR, OR.....	3,000,000
Lower Rio Grande NWR, TX.....	12,000,000
Matagorda Island, TX (Aransas NWR).....	5,500,000
Minnesota Valley NWR, MN	500,000
National Key Deer, FL	3,000,000
National Driftless Area, IA	500,000
Sacramento River NWR, CA	2,000,000
San Francisco Bay NWR, CA	3,000,000
San Joaquin River NWR, CA	2,000,000
Sunkhaze Meadows NWR, ME.....	1,100,000
Tensas River NWR, LA	1,500,000
Tishomingo NFH, OK.....	190,000
Inholdings.....	2,000,000

NATIONAL WILDLIFE REFUGE FUND

Appropriation enacted, 1988.....	\$5,645,000
Budget estimate, 1989.....	5,645,000
Recommended, 1989.....	5,645,000
Comparison:	
Appropriation, 1988.....	.....
Budget estimate, 1989.....	.....

The Committee recommends continuation of this program in fiscal year 1989 at the requested level. Payments to counties will be \$9,235,000 in fiscal year 1989 with \$5,645,000 derived from direct appropriations and \$3,590,000 from net refuge receipts collected in fiscal year 1987.

ADMINISTRATIVE PROVISIONS

To honor Julia Butler Hansen, former Member of Congress from Washington who was Chairman of the Interior and Related Agencies Appropriations Subcommittee, the Committee recommends that the Columbian White Tail Deer Refuge, WA, be known as the Julia Butler Hansen Refuge for the Columbian White Tailed Deer.

NATIONAL PARK SERVICE

The National Park System is more than 100 years old and has grown immensely in size and complexity since the first parks were established. At that time, bison, moose, and elk still inhabited the plains, and grizzly bears were common in the Rockies and elsewhere. Cattle drives still moved north from Texas to Kansas, and the frontier had not closed. But since then, the world has witnessed a staggering level and pace of change. This change is mirrored in the Park and Preserve System which is now comprised of 341 areas in 49 States and the District of Columbia. Parks range in size and character from the immense roadless wilderness of Gates of the Arctic National Park in Alaska to Federal Hall National Memorial in lower Manhattan. The Service is responsible for 79.6 million acres with projected visitation to exceed 375 million in 1988.

OPERATION OF THE NATIONAL PARK SYSTEM

Appropriation enacted, 1988.....	\$730,799,000
Budget estimate, 1989.....	733,768,000
Recommended, 1989.....	742,181,000
Comparison:	
Appropriation, 1988.....	+11,382,000
Budget estimate, 1989.....	+8,413,000

The 1988 fee legislation and budget limitations have created a radical change in the budget request for the Operation of the National Park System. The budget request would change the priorities of the Park Service by increasing interpretation and cultural resources management and reducing maintenance. In addition, the method by which funds are distributed to the individual parks would also change. The regional office role in balancing the competing needs of individual parks would be diminished while success in collecting fees would take precedence.

At the same time, the Committee received a report from the General Accounting Office detailing deficiencies in park mainte-

nance. According to the General Accounting Office, the Park Service maintenance shortfall is \$1.9 billion.

As a result, the Committee recommends a number of changes to the budget as proposed.

	(in thousands of dollars)			Change from Estimates
	FY 1988 Enacted	Budget Estimates	Committee Bill	
Management of park areas.....	68,606	65,347	69,165	+3,818
Concessions management.....	5,086	5,085	5,085	---
Interpretation and visitor services.....	72,675	88,649	72,733	-15,916
Visitor protection and safety.....	66,121	65,935	65,935	---
United States Park Police.....	35,221	39,751	38,871	-880
Maintenance.....	257,343	245,950	273,392	+27,442
Resources management.....	109,431	123,305	109,926	-13,379
Information publications.....	3,699	3,698	3,698	---
International park affairs.....	722	476	795	+319
Volunteers-in-parks.....	750	750	750	---
Enhanced park operation.....	15,000	---	---	---
Forest fire suppression and presuppression.....	11,319	5,819	11,319	+5,500
Water resources.....	3,032	2,932	2,932	---
General management plans.....	1,662	2,264	1,995	-269
Roosevelt Campobello International Park Commission....	424	424	424	---
Ice Age National Scientific Reserve.....	573	573	573	---
Lowell Historic Preservation Canal Commission.....	566	565	565	---
Mary McLeod Bethune NHS.....	199	199	199	---
Martin Luther King, Jr. Center.....	2,550	199	550	+351
Johnstown Flood Museum.....	---	---	1,650	+1,650
Sloss Furnace NHL.....	---	---	250	+250
Fisk University, Jubilee Hall.....	168	---	---	---
Blackstone River Corridor.....	350	---	325	+325
William McKinley Monument.....	925	---	545	+545
Balboa Park.....	200	---	---	---
Native Hawaiian culture and arts program.....	---	---	1,600	+1,600
General administration.....	74,177	81,847	81,827	-20
General reduction.....	---	---	-2,923	-2,923
Total, Operation of the National Park System....	730,799	733,768	742,181	+8,413

Management of park areas.—The Committee recommends an increase of \$3,818,000 of which \$400,000 for Lowell NHP, \$300,000 for the Upper Delaware Scenic and Recreational River Council, \$100,000 for Johnstown Flood NM and \$500,000 for exotic plant control and pig control at Haleakala and Hawaii Volcanoes National Parks restore 1988 levels. Other increases are for expanding parks requiring increases in operations expenses: \$700,000 for Golden Gate NRA, \$68,000 for Cuyahoga Valley NRA, \$300,000 for Channel Islands NP, \$200,000 for Women's Rights NHP, \$1,000,000 for Steamtown NHS and \$250,000 for Guadalupe Mountains NM, TX. There is also \$75,000 within the amount requested to continue Park Service activities with the National Council on Traditional Arts.

Although the Committee has not provided an increase for the Student Conservation Association, there is no objection to more than \$497,000 being spent on the program if individual park units desire to do so.

Interpretation and visitor services.—The Committee cannot agree to a \$16,000,000 increase for interpretation at this time. While the Committee agrees that the individual parks would benefit from interpretation enhancements, budget realities do not permit this increase in fiscal year 1989. There is an increase of \$84,000 for activities related to Ford's Theater.

United States Park Police.—The Committee recommends \$38,871,000 for the United States Park Police, an increase of \$3,650,000 over the 1988 level. It is a reduction of \$880,000 below the request. Of this reduction, \$780,000 is based on a reestimate of the costs associated with an administratively granted pay raise. The balance is in the amount requested to cover anticipated inaugural expenses. Costs associated with the past two inaugurations were considerably less.

In light of the recent damage to the memorial panels of the Vietnam Veterans Memorial, the Committee recommends the National Park Service provide around-the-clock protection for the memorial.

Maintenance.—Based on the GAO report on maintenance, there are substantial changes to the proposed budget. The number of park facilities continues to increase while existing facilities are aging. Utility cost increases have eroded maintenance capability and new problems, such as detection and mitigation of radon have further eroded maintenance budgets. Accordingly, the Committee recommends a net increase above the request of \$27,442,000 for maintenance. Included in this increase is \$4,516,000 to restore the proposed reduction in cyclic maintenance and \$12,036,000 to restore the proposed reduction in the repair and rehabilitation program. The other increase is \$18,340,000 for operational maintenance to restore the 1988 level and provide additional resources. Included within this increase is \$270,000 for Mt. Rainier NP road maintenance, \$100,000 for Ft. Necessity NB, \$500,000 for Indiana Dunes NL, \$170,000 for the Delaware Water Gap, \$192,000 for Sleeping Bear Dunes NL and \$3,500,000 for the Krejci Waste Site at Cuyahoga Valley NRA.

There are offsetting reductions of \$4,000,000 related to the fee request and \$3,450,000 related to dam safety construction projects. The dam safety projects are more appropriately included in the construction account and have been transferred to that account.

Within funds available to the National Park Service, \$1,000,000 is to continue the Youth Conservation Corps program.

Cultural resources.—The Committee recommends restoration of the proposed reductions of \$3,238,000 for the cultural resources preservation program and \$7,539,000 for the cyclic cultural preservation program. An increase of \$2,763,000 for collections management restores the 1988 level and continues the initiative begun by the Committee in fiscal year 1988. There is an offsetting reduction of \$16,100,000 associated with the fee program.

The Committee recommends \$250,000 for the National Institute for the Conservation of Cultural Property through a cooperative agreement. This will provide the National Institute continued support so it may serve as the professional forum where needs are evaluated, resources are identified, information is gathered, conservation activities are coordinated and national strategies can be articulated. The funds provided will also allow for preparation of a comprehensive report on the progress that has been made to further a national strategy for the care of our nation's patrimony and provide recommendations for future actions to advance this goal.

Natural resources.—A recommended increase of \$4,631,000 restores the proposed reduction in natural resources management. Other increases include \$200,000 to start the airplane overflight study and \$200,000 for an environmental impact statement related to reintroduction of wolves to Yellowstone NP. These increases are offset by a decrease of \$16,100,000 related to the fee program.

International Park Affairs.—There is an increase of \$319,000 for International park affairs, including \$249,000 to restore the 1988 level for western hemisphere technical assistance and \$70,000 for U.S. ICOMOS.

Forest fire suppression and presuppression.—The Committee recommends restoration to the 1988 level of \$11,319,000 for forest fire suppression and presuppression. This is an increase of \$5,500,000 over the request. There is every indication that this season's fire costs will be as severe as this past season.

General Management Plans.—The Committee recommends a net decrease of \$269,000 for general management plans. There are increases of \$95,000 for a study of the Anasazi NM, CO, \$61,000 for the Black Canyon of the Gunnison NM, CO, and \$175,000 for Fort Necessity NB, PA. These increases are offset by deleting the \$600,000 proposed in the budget to study the feasibility of restoring the Hetch-Hetchy Valley at Yosemite NP. Within available funds there is \$100,000 for a feasibility study on creating a national park in the Davis Mountains in west Texas.

Statutory and Contractual Aid.—The Committee has included increases for several activities. For the Martin Luther King, Jr. Center, the Committee provides an increase of \$351,000. Other increases are \$545,000 to complete repairs to the William McKinley Tomb, \$325,000 to continue operations of the Blackstone River Corridor Commission, and \$1,650,000 for the Johnstown Flood Museum. In addition, there is an increase of \$250,000 to provide assistance to the Sloss Furnaces NHL and \$1,600,000 for the Native Hawaiian Culture and Arts Program.

Public Affairs.—A reduction of \$20,000 is recommended. There is no need in fiscal year 1989 to duplicate the public affairs conference held in May, 1988 in Orlando, FL.

General reduction.—Because there are two less paid days in fiscal year 1989 compared to fiscal year 1988, the Committee proposes a reduction of \$2,923,000.

The Committee recommends that up to \$40,000 from within available funds be used to conduct an origin and destination survey within the boundaries of the Delaware National Recreation Area.

The Committee is most concerned about the impact of the distribution of funds among the Parks as a result of fee legislation. The fee legislation assumed a large increase in the amount available for operation of the National Park System. Because of budget constraints, the Committee is unable to provide an increase sufficient to match the expectations of the fee legislation.

The budget request coupled with the fee legislation has the potential to skew the distribution of funds among the Park units. Park units where visitation is heavy and where fees are collected would generally receive substantial increases. Smaller units where fees are not collected would be at a disadvantage. The disadvantage occurs because the budget proposed to reduce significantly the amounts available to the regional offices for cyclic maintenance and cyclic cultural preservation. These funds have traditionally been used to accommodate large non-recurring items such as roof replacement in parks. With the budget proposal, smaller parks would particularly be at risk because their ability to have necessary cyclic maintenance activities accomplished would be severely curtailed. Accordingly, the Committee has included language in the bill to earmark the amounts for interpretation and visitor services, maintenance, and resources management derived from the General Fund of the Treasury. The Committee further directs that these

funds be distributed to the parks in a manner that minimizes imbalances in funding that would occur otherwise. The Committee has also restored the cyclic funds so that the current regional office distribution system can be retained.

The Committee is aware of a proposal to locate a low level waste repository in Texas. Because this repository may be sited near a National Park area and archaeological sites which may be eligible for inclusion on the National Register, the Service is to study the potential effects of this proposal on Park areas and report to the Committee by January 15, 1989.

The Committee also requests a report on the feasibility of expanding American Landmarks Festival programming throughout the National Park Service. The report should detail the costs involved and be submitted to the Committee by April, 1989.

The Committee is aware of an ongoing National Park Service study of the extension of the Natchez Trace Parkway to the historic Natchez Bluffs area and the possible inclusion of Fort Rosalie and Melrose as part of the Park system. The Committee is supportive of this effort and will consider appropriations when appropriate authorizing legislation has been enacted.

In recent weeks, the Committee has learned of several conferences held by the National Park Service, including a public affairs conference in Orlando, FL, and a superintendent's conference at Grand Teton NP, WY. The superintendent's conference was estimated to cost \$630,000. In view of the significant costs involved, the Committee directs that future budget requests include a justification for all conferences.

The Committee recommends that the National Park Service provide technical assistance and concept planning to the Port of Oakland in the restoration of the ship "Potomac" and in the development of an interpretive center.

The Committee understands that the Martin Luther King, Jr. Center is interested in developing a Freedom Walkway mural project. As currently envisioned, various murals will depict significant high points of Dr. King's life and work. However, the Committee believes that a more detailed evaluation of the best means to proceed with the project must be explored prior to considering any funding for the project. Therefore, the Center is encouraged to explore ways to best bring the project to fruition, including working with the National Park Service and exploring ways to raise matching funds.

Within available funds, one additional clerical staff is to be provided to the Office of Congressional Liaison.

The Jean Lafitte National Historical Park has a special mission to preserve the living cultures of the Mississippi Delta Region. In order to better achieve this mission, the Committee urges the National Park Service to ensure that qualified personnel familiar with the Acadian and other cultures of the area are included in the administration of the Park. This is particularly important in achieving the cultural preservation goal of the new Acadian Cultural Centers. In addition, the Committee expects the National Park Service to provide full technical support to the recently reauthorized Delta Regional Commission which serves to advise the Secretary of the Interior on the development and implementation of

the Park's management plan and comprehensive interpretive program for the natural, historical and cultural resources of the region.

NATIONAL RECREATION AND PRESERVATION

Appropriation enacted, 1988.....	\$12,935,000
Budget estimate, 1989	10,204,000
Recommended, 1989	14,093,000
Comparison:	
Appropriation, 1988	+1,158,000
Budget estimate, 1989	+3,889,000

The National Recreation and Preservation appropriation within the National Park Service provides for outdoor recreation planning, preservation of cultural and natural heritage resources, technical assistance to Federal, State and local agencies and administration of Historic Preservation Fund grants.

The amount recommended by the Committee for fiscal year 1989 compared with the 1989 budget estimates by activity is shown in the following table:

	(in thousands of dollars)			
	FY 1988 Enacted	Budget Estimates	Committee Bill	Change from Estimates
Recreation programs.....	616	299	615	+316
Natural programs.....	2,543	569	2,924	+2,355
National register.....	7,818	7,377	8,647	+1,270
Environmental and compliance review.....	425	425	425	---
Grant administration.....	1,533	1,534	1,534	---
General reduction.....	---	---	-52	-52
Total, National Recreation and Preservation.....	12,935	10,204	14,093	+3,889

Recreation programs.—The Committee recommends an increase of \$316,000 for recreation programs to restore the activity to the 1988 level.

Natural programs.—The natural program includes a program of assistance to States and local governments for rivers and trails for which the Committee recommends \$2,200,000. Within this amount there is \$200,000 for the Potomac Heritage Trail Survey. An additional \$155,000 is provided for technical assistance in development of the San Francisco Bay Area Ridge Trail. While the Committee does provide technical assistance in the development of the trail, there is no commitment to future appropriations for construction or land acquisition associated with the San Francisco Bay Area Ridge Trail.

Cultural programs.—The Committee recommends an increase of \$1,270,000 for cultural programs. Included among the increases is \$275,000 for a study of Albert Gallatin and \$465,000 for the HABS/HAER program. Within the \$465,000 is \$150,000 for steel mill documentation in Pittsburgh and Allegheny County, and \$315,000 for an inventory of historic industrial sites. Within funds available for the HABS/HAER program, \$10,000 shall be available for photo documentation and an exhibit of the historic resources of Bucks County, PA.

Other increases are \$200,000 to study preservation and use options of selected mill sites in Pittsburgh and Allegheny counties and \$30,000 to assist Pennsylvania to process additional register

nominations associated with the America's Industrial Heritage project. Pennsylvania is to match the \$30,000.

For National Historic Landmark studies, the Committee recommends \$300,000 of which \$240,000 is for studies related to black related landmarks and \$60,000 for women's studies.

General reduction.—A reduction of \$52,000 is recommended because there are two less paid days in fiscal year 1989 as compared to fiscal year 1988.

HISTORIC PRESERVATION FUND

Appropriation enacted, 1988.....	\$28,250,000
Budget estimate, 1989.....	
Recommended, 1989.....	30,000,000
Comparison:	
Appropriation, 1988.....	+1,750,000
Budget estimate, 1989.....	+30,000,000

The Historic Preservation Fund supports the State historic preservation offices to perform a variety of functions, including: State management and administration of existing grant obligations, review and advice on Federal projects and actions, determinations, and nominations to the National Register, Tax Act certifications and technical preservation services. The States also review properties within States to develop data for planning use.

The Committee recommends an appropriation of \$30,000,000. The President's budget had proposed elimination of the grants.

The following table reflects the actions recommended by the Committee:

	(in thousands of dollars)			
	FY 1988 Enacted	Budget Estimates	Committee Bill	Change from Estimates
Grants-in-aid.....	23,750	---	24,750	+24,750
National trust for historic preservation.....	4,500	---	5,250	+5,250
Total, Historic Preservation Fund.....	28,250	---	30,000	+30,000

The level recommended for grants-in-aid to the States is \$24,750,000, an increase of \$1,000,000 over the 1988 level. The recommendation also includes \$5,250,000 for the National Trust for Historic Preservation. Administrative expenses for the Historic Preservation Fund are included in the National Recreation and Preservation account.

For the National Trust, the amount recommended includes \$250,000 for the critical issues fund, \$250,000 for the preservation services fund and \$500,000 for the preservation partnership fund.

CONSTRUCTION

Appropriation enacted, 1988.....	\$93,017,000
Budget estimate, 1989.....	15,003,000
Recommended, 1989.....	131,809,000
Comparison:	
Appropriation, 1988.....	+38,792,000
Budget estimate, 1989.....	+116,806,000

The recommendation of \$131,809,000, an increase of \$116,806,000 over the fiscal year 1989 budget request, includes changes to the budget for the following areas and activities:

America's Industrial Heritage, PA.....	\$8,400,000
Bighorn Canyon NRA.....	412,000
Biscayne NP, FL (sewage system/seawall).....	1,784,000
Boston NHP, MA:	
Faneuil Hall.....	5,556,000
Old State House.....	5,280,000
C&O Canal (bridge restoration).....	100,000
Canaveral NS, FL (Playalinda Beach Rd.).....	6,614,000
Chamizal NM, TX (visitor center).....	1,500,000
Chickamauga/Chattanooga NMP (road relocation).....	6,000,000
Crater Lake NP, OR (rim redevelopment).....	1,761,000
Cuyahoga Valley NRA, OH:	
Kendall Unit Utilities.....	600,000
Brandywine Falls Day Use Area.....	785,000
Erosion control.....	200,000
Plug unsafe oil and gas wells.....	204,000
Dam safety.....	3,450,000
Delaware Water Gap NRA (Smithfield Beach).....	1,500,000
Employee housing.....	10,000,000
Fire Island NS, NY (dredging).....	300,000
Gateway NRA, NJ (Sandy Hook beach renourishment).....	6,400,000
Gateway NRA, NY (Great Kills Seawall).....	3,070,000
George Washington Parkway (Spout Run Bridge).....	5,000,000
Golden Gate NRA, CA (restroom facilities).....	917,000
Guadalupe Mtns NM, TX (exhibits).....	750,000
Ice Age NSP, WI.....	620,000
Indiana Dunes NL, IN:	
West Beach Access.....	850,000
West Unit, hike/bike trail.....	300,000
Knife River Indian Villages, ND.....	600,000
Lincoln Home NHS (Cook Home).....	325,000
Lowell NHP, MA.....	2,950,000
Mt. Rainier NP, WA.....	1,450,000
Natchez Trace Parkway.....	10,100,000
North Cascades NP, WA (Henry Jackson Visitor Center).....	1,450,000
Petersburg NB, VA (City Point erosion).....	350,000
Steamtown, NHS, PA.....	8,000,000
Suitland Parkway, MD.....	6,500,000
Tuskegee Institute, AL.....	4,000,000
Voyageurs NP, MN (Kettle Falls Hotel Access).....	480,000
Yosemite (housing infrastructure).....	1,200,000
Planning:	
Big Thicket NP, TX (visitor contact center).....	450,000
Fort Clatsop NM, OR.....	256,000
Gateway NRA, NY (Canarsie Pier).....	800,000
Salem Maritime, NHS MA.....	600,000
Staple Bend Tunnel.....	150,000
Summit Level.....	400,000
Saltsburg Canal.....	125,000
Soda Point, Mesa Verde.....	250,000
Restore approximate 1988 level.....	1,280,000
Lakeshore Campgrounds, Indiana Dunes.....	260,000
Parkway study, Indiana Dunes.....	332,000
Lincoln Home NHS, IL.....	50,000
Saratoga Monument NY.....	303,000
Voyageurs NP (Kettle Falls—Phase III).....	200,000
Voyageurs NP (Rainy Lake—Phase III).....	200,000
Jean Lafitte NP.....	300,000
Springfield Caserne.....	100,000
Scranton Area Heritage Park.....	175,000
Kennedy Center garage.....	900,000
General reduction—two less paid days.....	-83,000

The Committee urges the National Park Service to seek cost sharing for the construction of a new lodge at Crater Lake NP, OR.

The Committee has also included \$900,000 to be used for an engineering and architectural design study and initial construction costs for the garage at the John F. Kennedy Center for the Performing Arts. The Committee expects that these funds will be sufficient to complete this phase of a necessary restoration effort at the garage. The amount provided for the Ice Age NSP, WI includes \$500,000 for an interpretive center and \$120,000 for trail development.

The National Park Service also receives \$60,000,000 through the Federal Highway Lands Program. The following table shows how these funds will be allocated by Park Service unit:

<i>Park</i>	<i>Amount</i>
Big Bend National Park	\$2,000,000
Blue Ridge Parkway	2,970,000
Bryce Canyon National Park	300,000
Colonial National Historical Park	2,860,000
Fire Island National Seashore	775,000
Foothills Parkway	7,500,000
Gateway National Recreation Area	1,320,000
Grand Teton National Park	5,800,000
Herbert Hoover National Historic Site	240,000
Hot Springs National Park	1,100,000
Joshua Tree National Monument	1,000,000
Mount Rainier National Park	1,000,000
Natchez Trace Parkway	5,500,000
Ozark National Scenic Riverways	235,000
Pacific Northwest Regional Office	600,000
Petrified Forest National Park	2,400,000
Puukohola Heiau National Historical Site	688,000
Rock Creek Park	880,000
Rocky Mountain Regional Office	750,000
Scotts Bluff National Monument	3,300,000
Sequoia National Park	4,400,000
Shenandoah National Park	3,000,000
Valley Forge National Historical Park	550,000
Construction total	49,168,000
Other Components:	
FHWA Administration Expenses	1,050,000
NPS, Administration, Safety Studies, Signs Program	1,650,000
Advance and Project Planning	8,132,000
Total program	60,000,000

The Committee also recommends \$47,000,000 for additional work on the Cumberland Gap Tunnel to be derived from the Highway Trust Fund.

A total of \$15,600,000 is provided for Natchez Trace Parkway, including \$5,500,000 from the Federal Highway Lands Program.

The Committee directs the Secretary of the Interior, in consultation with the Secretary of the Army, to study and report to Congress on feasible methods of assuring continued access to the Sandy Hook Unit of the Gateway National Recreation Area, New Jersey. The study should include both structural and non-structural alternatives, including but not limited to sand replenishment or road structures such as a causeway.

LAND AND WATER CONSERVATION FUND

(RESCISSION OF CONTRACT AUTHORITY)

Appropriation enacted, 1988.....	-\$30,000,000
Budget estimate, 1989	
Recommended, 1989	-30,000,000
Comparison:	
Appropriation, 1988	
Budget estimate, 1989	-30,000,000

The Committee recommends rescission of \$30,000,000 in annual contract authority provided by 16 U.S.C. 4601-10a. This authority has not been used in recent years and there are no plans to use it in fiscal year 1989.

LAND ACQUISITION AND STATE ASSISTANCE

Appropriation enacted, 1988.....	\$60,749,000
Budget estimate, 1989	15,779,000
Recommended, 1989	62,206,000
Comparison:	
Appropriation, 1988	+1,457,000
Budget estimate, 1989	+46,427,000

For land acquisition and state assistance, the Committee recommends \$62,206,000 as follows:

	FY 1989 request	Committee recommendation	Change
Assistance to States:			
Matching Grants		\$16,700,000	+\$16,700,000
Administrative Expenses.....	\$3,383,000	3,300,000	-83,000
Subtotal, Assistance to States.....	3,383,000	20,000,000	+16,617,000
National Park Service:			
Acquisition Management	6,296,000	6,241,000	-55,000
Emergencies, hardships, deficiencies, inholdings and relocation (all areas)	6,100,000	5,000,000	-1,100,000
Antietam NB, MD		1,000,000	+1,000,000
Appalachian Trail.....		7,000,000	+7,000,000
Cuyahoga Valley NRA, OH.....		3,000,000	+3,000,000
Delaware Water Gap, PA/NJ.....		1,000,000	+1,000,000
Ft. Frederica NM, GA.....		300,000	+300,000
Indiana Dunes NL, IN.....		750,000	+750,000
Olympic NP, WA		1,000,000	+1,000,000
Pictured Rocks NL, MI.....		300,000	+300,000
Saint Croix NSR, WI/MN		1,500,000	+1,500,000
Salem Maritime NHS, MA		500,000	+500,000
Santa Monica Mtns NRA, CA.....		13,000,000	+13,000,000
Stones River NB, TN.....		565,000	+565,000
Timucuan NP, FL		1,000,000	+1,000,000
Women's Rights NHP, NY.....		50,000	+50,000
Subtotal, NPS.....	12,396,000	42,206,000	+29,810,000
Total	\$15,779,000	\$62,206,000	+\$46,427,000

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

Appropriation enacted, 1988.....	\$4,904,000
Budget estimate, 1989	5,193,000

Recommended, 1989	5,181,000
Comparison:	
Appropriation, 1988	+ 277,000
Budget estimate, 1989	- 12,000

The Committee recommends \$5,181,000 for the non-performing arts functions of the Center. This is a reduction of \$12,000 below the request as a result of two less paid days in 1989 as compared to 1988.

The John F. Kennedy Center for the Performing Arts is a national cultural center for the performing arts and an official memorial to President John F. Kennedy. The Board of Trustees of the Kennedy Center has the sole responsibility for all performing arts activities. The National Park Service is responsible for maintenance, security, information, interpretation, janitorial and all other services necessary to operate the Center. Funds are provided herein for that purpose in accordance with a formula which provides 76 percent for National Memorial purposes and 24 percent for the performing arts functions.

Visitors services, including information, interpretation, and police security must be conducted year round with the peak need for such services occurring during the May-September summer season. These services include interpretive talks, crowd control assistance for free events, audiovisual programs, senior citizen and handicapped programs, special talks and assistance to foreign visitors and groups, and other visitor assistance activities.

ILLINOIS AND MICHIGAN CANAL NATIONAL HERITAGE CORRIDOR COMMISSION

Appropriation enacted, 1988.....	\$250,000
Budget estimate, 1989	
Recommended, 1989	250,000
Comparison:	
Appropriation, 1988	
Budget estimate, 1989	+ 250,000

The Committee recommends an appropriation of \$250,000 to continue the activities of the Illinois and Michigan Canal National Heritage Corridor Commission. An additional \$150,000 is provided in the Operation of the National Park System account to enable the National Park Service to meet its responsibilities to the National Heritage Corridor.

AMERICAN REVOLUTION BICENTENNIAL ADMINISTRATION

Appropriation enacted, 1988.....	
Budget estimate, 1989	
Recommended, 1989	\$4,765,000
Comparison:	
Appropriation, 1988	+ 4,765,000
Budget estimate, 1989	+ 4,765,000

The Committee recommends an appropriation of \$4,765,000 to settle claims by licensees of the American Revolution Bicentennial Administration (ARBA) dating back to 1976. ARBA was created by Public Law 93-179 to "provide for the preparation, distribution, dissemination, exhibition, and sale of commemorative medals and other historical, commemorative, and informational materials and

objects which will contribute to public information, awareness, and interest in the bicentennial”.

The Office of Hearings and Appeals of the Department of the Interior had the responsibility to determine a reasonable settlement of claims by participants in the bicentennial commemorative licensing program. The hearing officer determined that allegations of ARBA shortcomings “were found to be essentially true”. ARBA promised to license 40,000 retail outlets which would stock licensed products, but did not do so; ARBA did not provide for promotion of the Bicentennial logo; ARBA pressured licensees into producing large inventories of products; and ARBA promised to establish 46 distribution centers for the purpose of distributing licensed products to retail outlets, but did not do so.

In recognition of ARBA’s shortcomings, on June 10, 1988, the Office of Hearings and Appeals issued a decision announcing a negotiated settlement with eligible claimants. These awards represent a final and binding extinguishment of any and all claims by licensees against ARBA and its successors.

ADMINISTRATIVE PROVISIONS

The Committee continues language regarding transfer of funds for law and order in emergency and other law enforcement situations and to conduct emergency search and rescue operations in the National Park System. Similarly, the Committee recommends continuation of language requiring Congressional review of proposals to develop the southern end of Ellis Island.

The Committee is concerned about reports that the Department of the Interior would permit seismic exploration at Big Cypress National Preserve without the benefit of an environmental impact statement. Wildlife values and hydrologic concerns must be addressed. Accordingly, the Committee recommends a provision prohibiting the issuance of a seismic permit until an environmental impact statement has been developed.

GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS, AND RESEARCH

Appropriation enacted, 1988.....	\$447,747,000
Budget estimate, 1989	425,003,000
Recommended, 1989	448,056,000
Comparison:	
Appropriation, 1988	+ 309,000
Budget estimate, 1989	+23,053,000

The amount recommended by the Committee for fiscal year 1989 compared to the budget estimate by activity is shown in the following table:

	(in thousands of dollars)			
	FY 1988 Enacted	Budget Estimates	Committee Bill	Change from Estimates
National Mapping, Geography and Surveys				
Primary mapping and revision.....	36,124	35,618	35,618	---
Digital cartography.....	14,094	13,248	13,998	+750
Small intermediate and special mapping.....	13,533	12,500	13,250	+750
Advanced cartographic systems.....	13,217	17,719	17,719	---
Earth resources observation system.....	8,634	7,118	8,618	+1,500
Cartographic and geographic information.....	3,830	3,837	3,837	---
Side looking airborne radar.....	1,500	---	1,500	+1,500
Subtotal, National Mapping, Geography & Surveys..	90,932	90,040	94,540	+4,500
Geologic and Mineral Resource Surveys and Mapping				
Earthquake hazards reduction.....	34,882	32,335	34,835	+2,500
Volcano hazards.....	11,560	11,050	11,550	+500
Landslide hazards.....	2,209	2,203	2,203	---
National geologic mapping.....	17,720	17,403	17,903	+500
Deep continental studies.....	3,077	3,074	3,074	---
Geomagnetism.....	1,751	1,745	1,745	---
Climate change.....	1,041	1,037	1,037	---
Coastal erosion.....	3,500	---	3,700	+3,700
Offshore geologic surveys.....	25,090	28,193	28,193	---
Mineral resource surveys.....	46,820	46,265	46,265	---
Energy geologic surveys.....	28,780	24,462	26,462	+2,000
Subtotal, Geologic & Mineral Surveys & Mapping..	176,430	167,767	176,967	+9,200
Water Resources Investigations				
Federal program.....	72,083	72,138	75,200	+3,062
Water resources research institutes.....	10,841	5,279	10,827	+5,548
Federal-State program.....	59,644	55,914	58,800	+2,886
National water quality assessment.....	7,215	---	---	---
Subtotal, Water Resources Investigations.....	149,783	133,331	144,827	+11,496
General administration.....	14,388	16,438	16,438	---
Facilities.....	16,214	17,427	17,427	---
General reduction.....	---	---	-2,143	-2,143
Total, Geological Survey.....	447,747	425,003	448,056	+23,053

The Committee recommends an appropriation of \$448,056,000, an increase of \$23,053,000 over the budget estimate of \$425,003,000.

National mapping, geography, and surveys.—For digital cartography the Committee recommends an increase of \$750,000 to restore the base level and eliminate delays in processing other agencies' data.

The Committee recommends an increase of \$750,000 for small, intermediate, and special mapping for work on Geographic Information Systems (GIS), \$375,000 of which is to restore the base level, and \$375,000 of which is for additional systems development and equipment.

An increase of \$1,500,000 is recommended for the Earth Resources Observation System (EROS) program. This restores the base level and allows the necessary support to continue operation of the EROS data center in Sioux Falls, South Dakota.

An increase of \$1,500,000 is recommended for side-looking airborne radar (SLAR) to restore the base level and provide for data in high priority areas chosen in consultation with users of the information.

Geological and mineral resource surveys and mapping.—In earthquake hazards reduction, the Committee recommends an increase of \$2,500,000 to restore the base level. The Committee is concerned particularly that high risk areas in Southern California be monitored properly.

The Committee recommends an increase of \$500,000 in volcano hazards reduction to restore the monitoring of Alaskan volcanos initiated in fiscal year 1988.

In national geological mapping an increase of \$500,000 is recommended. Of the increase \$250,000 is for the COGEOMAP program

to allow funding approximately 44% of the cost-shared projects proposed; and \$250,000 is for increasing the Federal mapping program in high priority areas.

An increase of \$3,700,000 is recommended for the coastal erosion program. The increase consists of \$1,500,000 for continuing the Great Lakes studies, \$1,500,000 for Louisiana coastal studies, \$500,000 for Louisiana wetlands studies, and \$200,000 to prepare a multi-year research plan, including cost estimates for expanding coastal studies to Mississippi and Alabama along the Gulf coast. The Mississippi-Alabama research plan should be provided to Congress by April 1, 1989.

The Committee recommends an increase of \$2,000,000 in energy resource surveys to restore the base level in geosciences work in oil and gas investigations (\$750,000), to continue internally funded work on radon (\$250,000), and to restore the base level for the geothermal program for volcano-related work and assessment of geothermal development near National Parks (\$1,000,000).

Water resources investigations.—In the Federal program, an increase of \$3,062,000 is recommended. Of the increase \$2,162,000 is for data collection and analysis to keep the level of effort and number of stations constant, and \$900,000 is for continued operation of the Water Resources Scientific Information Center (WRSIC). In connection with water data information and dissemination, the Committee is interested in the concept of a groundwater clearinghouse as espoused by H.R. 791, the Groundwater Research Act, which passed the House in December, 1987. The Committee directs the Survey to study the establishment of a clearinghouse, possibly in conjunction with the current National Water Data Exchange (NAWDEX), and provide a report to the Committee on alternatives for such a clearinghouse and the costs involved, by March 1, 1989.

The Committee recommends an increase of \$5,548,000 to restore the base level for water resources research institute programs, including \$2,875,000 for basic grants, \$2,571,000 for competitive grants, and \$102,000 for program administration.

An increase of \$2,886,000 is recommended to restore the base level for the Federal-State cooperative program, which is a 50% cost-shared program.

General reduction.—A general reduction of \$2,143,000 is recommended because there are two less paid days in fiscal year 1989 than in fiscal year 1988.

MINERALS MANAGEMENT SERVICE

LEASING AND ROYALTY MANAGEMENT

Appropriation enacted, 1988.....	\$168,717,000
Budget estimate, 1989.....	171,317,000
Recommended, 1989.....	170,009,000
Comparison:	
Appropriation, 1988.....	+1,292,000
Budget estimate, 1989.....	−1,308,000

The Committee recommends an appropriation of \$170,009,000 for the programs of the Minerals Management Service, an increase of \$1,292,000 over the fiscal year 1988 appropriation of \$168,717,000

and a reduction of \$1,308,000 under the fiscal year 1989 request of \$171,317,000. The amount recommended by the Committee for fiscal year 1989 is shown in the following table:

	FY 1988 Enacted	(in thousands of dollars) Budget Estimates	Committee Bill	Change from Estimates
OCS Lands				
Leasing and environmental program.....	40,070	39,074	39,274	+200
Resource evaluation.....	23,688	23,022	23,022	---
Regulatory program.....	29,422	29,200	29,200	---
Subtotal, OCS Lands.....	93,180	91,296	91,496	+200
Royalty Management				
Mineral revenue collection (onshore royalty).....	15,829	17,738	17,238	-500
Mineral revenue compliance (offshore royalty).....	14,912	14,701	14,701	---
Systems development and maintenance.....	19,199	20,166	19,816	-350
General reduction.....	---	---	-188	-188
Subtotal, Royalty Management.....	49,940	52,605	51,567	-1,038
General administration				
Executive direction.....	3,517	3,550	3,550	---
Administration operations.....	10,086	10,044	10,044	---
General support services.....	11,994	13,822	13,822	---
Subtotal, General administration.....	25,597	27,416	27,416	---
General reduction.....	---	---	-470	-470
Total, Leasing and Royalty Management.....	168,717	171,317	170,009	-1,308

In Outer Continental Shelf Lands the Committee recommendation includes an increase of \$200,000 in leasing and environmental programs for additional studies offshore Washington and Oregon. The Committee recognizes that because of the sensitive and complex nature of a marine environment, the careful review of environmental impact must precede any offshore leasing activities of the Minerals Management Service (MMS) off the coasts of Washington and Oregon.

The Committee believes that MMS must engage in serious consultation and negotiations with all affected parties, including the States of Washington and Oregon on these matters. MMS should continue to allow the states to be active participants in key decisions regarding oil and gas leasing adjacent to their coastlines. Environmental studies must be identified, completed, and analyzed in advance of leasing and any subsequent exploration and/or development decisions. The Committee believes further that the environmental sensitivity of the Washington/Oregon planning area should be reflected in the MMS environmental studies program and encourages better balance between prelease and postlease studies.

The Committee expects the MMS to continue to work with all parties in the States of Washington and Oregon to address their concerns, and to continue to support the development of a Northwest OCS Task Force which will assist in the identification and resolution of OCS issues specific to the region.

In Royalty Management the Committee recommendation includes a reduction of \$500,000 in mineral revenue collection and \$350,000 in systems development and maintenance to limit the conversion of the production accounting system to the States of Colorado, Wyoming, Utah and Montana. A recent Inspector General report stated that full implementation may not be cost effective. The Committee believes that the MMS has not provided adequate time for error correction as well as the conduct of a complete as-

assessment of this new system as the conversion is undertaken. At this level of funding, the Minerals Management Service will be able to proceed with the automation of the production accounting system, a requirement of the Federal Oil and Gas Royalty Management Act. A reduction of \$188,000 has also been included because there are two less paid days in fiscal year 1989 than in fiscal year 1988.

The Committee recommendation includes a General reduction of \$470,000 because there are two less paid days in fiscal year 1989 than in fiscal year 1988.

The Committee continues to have questions about the operation of the royalty management program. As evidenced in testimony before the Committee, additional effort by the Minerals Management Service was needed to ensure an adequate audit program and plan. The Committee is pleased that the Inspector General has finally been presented with a plan, the effectiveness of which will be reviewed in the next Biennial Audit of the Royalty Management System.

Implementation of the revised product value regulations to ensure collection of all royalties due the Government remains an important issue for the Committee. The Committee restates the request contained in the fiscal year 1988 statement of the managers, House Report 100-498, that the Department should report on a quarterly basis on the "revenue neutrality" of the revised product value regulations. The Committee anticipated receiving a report in fiscal year 1988, based on the assurances of the Department at the time of the revision of the product value regulations, that these regulations were revenue neutral. Since the Committee has not received any indication to date of this fact, it must restate that in the event there is a severe revenue loss, the MMS will be required to address and correct that deficiency through amendment to the regulations, in accordance with the Administrative Procedures Act. The Minerals Management Service has stated that the workload to implement the new regulations is significant. The Committee will continue to monitor whether MMS has sufficient staff to handle the implementation of these new regulations. The Committee is also concerned that the Department continue to work with States, tribes and industry and press forward on the coal product value regulations.

The Committee understands that the Phase II Systems Implementation Plan will be completed in June, 1988. The Committee remains concerned about the feasibility and cost/benefit analysis of all system enhancements and requests that MMS keep the Committee apprised of the improvements to the Auditing and Financial System on a quarterly basis. These reports should include information on the costs and benefits associated with these improvements as well as provide updates on the progress made in the operation of the Auditing and Financial System and the conversion of the production accounting system.

The Committee has not included \$250,000 for late interest payments as requested by the Administration. Instead of including these funds under the Payments to States from Receipts under the Mineral Leasing Act account as proposed by the Administration, bill language has been included to provide the authority for pay-

ment of late interest under the leasing and royalty management account. Bill language requested by the Administration to provide for reasonable expenses in conjunction with organizing or sponsoring volunteer beach and marine clean-up activities has been included.

Under Department-wide provisions, bill language is included to prohibit the use of funds for portions of the steps leading to the lease sale in the Georges Bank-North Atlantic planning area out to 400 meters. Portions of this area have been included in moratoria in previous fiscal years. The Georges Bank region generates \$1.5 billion in economic activity annually which includes about one-fifth of the dollar value of all fish caught in the United States. For this reason, the Committee believes it is vital to protect this very sensitive area out to 400 meters. In addition, on April 18, 1988 the Canadian government imposed a 12 year moratorium on oil and gas activities on Georges Bank. The United States should follow suit. Although the Department has entered into discussions with affected parties, to date there has been no resolution of the dispute over leasing in this environmentally sensitive area. The Committee expects the Department to continue these discussions and enter into serious negotiations with affected parties.

Bill language has also been included which prohibits leasing and the approval or permitting of any exploratory drilling in the eastern Gulf of Mexico in the area south of 26 degrees North latitude and east of 86 degrees West longitude. In fiscal year 1984, exploratory drilling activities were prohibited until the Department of the Interior had collected three years of physical oceanographic and biological resource data. That task has been accomplished and the State has determined that this exercise has added a significant body of information to the knowledge about this area. However, the State said that the information collected did not determine the impacts of oil and gas activities on certain habitats off southwest Florida. In addition to the lack of information on habitats, Governor Martinez in his May 27, 1988 letter to Secretary Hodel stated that before exploratory drilling takes place there needs to be a detailed understanding of the currents in the eastern Gulf and Straits of Florida to ensure protection of the Florida Keys. Therefore, the Committee has included bill language which delays exploratory drilling in this area so that additional environmental information can be collected. The Committee expects that during fiscal year 1989 the Department will focus on deficiencies outlined in the State report so that future activity can be considered in this area. The Department of the Interior is expected to extend the terms of the leases issued in this area so that during fiscal year 1989 the companies are not charged for time they are restricted from conducting exploration activity.

The Committee continues to be concerned about leasing in the Northern California planning area. Since fiscal year 1986 the Committee has been stressing negotiations between the Department of the Interior and Members of Congress on resolving the question of leasing in this environmentally sensitive area. Over the past several years a series of discussions have taken place in an effort to resolve these issues. As the Environmental Protection Agency (EPA) stated in its response to the Draft Environmental Impact State-

ment covering the Department's proposal to lease 223 whole or partial blocks in this lease sale, there are a number of deficiencies in the Department's plan for leasing this area. Specifically, the EPA suggested that its major concerns were the potential impacts of leasing without stipulations and the potential significant impacts of an oil spill on the land and marine resources of the Northern California coast. In addition, a substantial portion of the coastline is a rocky intertidal area about which the Department states in the Draft Environmental Impact Statement there is little scientific literature. It is the Committee's understanding that a new alternative will be added to the Final Environmental Impact Statement (FEIS) to address EPA's concerns.

On April 4, 1988 the Fish and Wildlife Service (FWS) sent comments on the Draft Environmental Impact Statement on Sale 91 to MMS. These comments highlighted many of the same concerns as those of the EPA. The FWS stated that based on program input it is not convinced that the oil spill model is reliable for resource damage predictions. The oil spill trajectories should be calculated using more representative Northern California wind and ocean current data and the model may underestimate the risks of oil spills. The majority of the oil spilled in the marine environment occurs in events of 1,000 barrels or less. Further analysis of these small spills is needed in order to estimate their potential impact. In addition, the FWS stated that the MMS had presented little evidence to support claims that contaminated shorelines will recover in as little as 1 or 2 years. Finally, the FWS stated that current technology cannot effectively cleanup a spill. Oil spill cleanup and containment equipment is not deployable in severe weather, and in calm weather the containment and cleanup is at best only partially effective. Sixty-five to seventy-four percent of the time wave height exceeds the five feet at which oil spill containment and cleanup equipment is effective. The FWS concluded that the project as currently designed would cause avoidable adverse impacts to biological resources.

The Department of the Interior announced on June 6, 1988 its intention to delay the publication of the FEIS for Lease Sale 91 until the next Administration takes office. The Department should continue to review and analyze comments related to the completion of the FEIS for Sale 91. Despite this action to delay Lease Sale 91, the Department could hold a sale in fiscal year 1989, as early as August, 1989. Therefore, the Committee has included a moratorium on leasing in fiscal year 1989 to allow additional time to address the concerns of the affected parties.

The Department has also stated that it will delay lease sales in Central and Southern California for four months. The Committee expects these delays to be enforced, despite a moratorium in the Northern California planning area, because of the need for MMS staff to continue to work on responding to the environmental concerns surrounding leasing in Northern California. In addition, MMS has stated that the candidate blocks for the first supplemental sale, Sale SU-1, will not fall within the previous moratorium area nor include any blocks in the Central or Northern California planning areas.

Language has also been included under Department-wide provisions which amends section 5 of the Outer Continental Shelf Lands Act. This amendment to the Act adds a new subsection stating that any new construction of vessels, rigs, platforms or other structures after October 1, 1988, south of 49 degrees North latitude, shall be built from articles, materials, or supplies at least 50 percent of which, by cost, shall have been mined, produced or manufactured in the United States. This language also specifies that fabrication must occur in the United States unless a waiver is granted by the Secretary of the Interior.

PAYMENTS TO STATES FROM RECEIPTS UNDER MINERAL LEASING ACT

Appropriation enacted, 1988.....	
Budget estimate, 1989	\$600,000
Recommended, 1989	
Comparison:	
Appropriation, 1988	
Budget estimate, 1989	-600,000

The Committee does not recommend funding in the amount of \$600,000 as requested by the Administration for Payments to States from Receipts under the Mineral Leasing Act. The Committee has included bill language granting authority under leasing and royalty management to make late interest payments to States and tribes. The Department estimates a cost of \$250,000 for late interest payments in fiscal year 1989. The Committee has not included \$150,000 requested for interest on refunds since this action requires authorizing legislation and should be considered by the authorizing committee. No funding has been provided for the payment of rewards for which the Administration had requested \$200,000.

BUREAU OF MINES

MINES AND MINERALS

Appropriation enacted, 1988.....	\$146,398,000
Budget estimate, 1989	126,605,000
Recommended, 1989	146,254,000
Comparison:	
Appropriation, 1988	-144,000
Budget estimate, 1989	+19,649,000

The amount recommended for fiscal year 1989 for the Bureau of Mines is \$146,254,000, a reduction of \$144,000 under the fiscal year 1988 appropriation of \$146,398,000 and an increase of \$19,649,000 over the fiscal year 1989 request of \$126,605,000. The amount recommended by the Committee as compared to the budget estimate by activity is shown in the following table:

	(in thousands of dollars)			Change from Estimates
	FY 1988 Enacted	Budget Estimates	Committee Bill	
Information and Analysis				
Mineral commodities.....	9,758	10,616	10,616	---
International minerals.....	3,240	3,347	3,347	---
Resource evaluation.....	12,697	14,833	14,833	---
Policy analysis.....	5,006	4,734	4,734	---
Subtotal, Information and Analysis.....	30,701	33,530	33,530	---
Research				
Health, safety and mining technology.....	51,100	37,735	45,385	+7,650
Minerals and materials science.....	25,763	23,440	25,940	+2,500
Environmental technology.....	10,889	9,160	13,110	+3,950
Subtotal, Research.....	87,752	70,335	84,435	+14,100
Mineral institutes.....	8,812	---	5,454	+5,454
General administration.....	18,033	22,340	22,235	-105
Facilities.....	1,100	400	600	+200
Total, Bureau of Mines.....	146,398	126,605	146,254	+19,649

The mission of the Bureau of Mines is to help ensure that the United States has an adequate and dependable supply of minerals to meet its defense and economic needs at low social, environmental, energy and economic costs. The Committee questions how well the Bureau would be able to meet its mission, despite its recent reorganization, with a budget request of \$126,605,000. At the level of funding recommended by the Committee, the Bureau will be able to continue research which will enhance mining and mineral processing safety and productivity and promote efficiency in resource use. The Committee supports the direction the Bureau has taken in the allocation of funds for basic and applied research and anticipates a similar approach in fiscal year 1989.

An additional \$7,650,000 has been included for Health, Safety and Mining technology. The increase provides for \$2,500,000 for respirable dust research conducted by Pennsylvania State University, West Virginia University, the University of Minnesota and the Massachusetts Institute of Technology; \$1,000,000 for inhouse research on silica/coal dust suppression and control technologies; \$500,000 for advanced mining systems on sensor development; \$1,000,000 for ground control and rock burst research to continue in-mine verification of the rock burst prediction model; \$400,000 for research in haulage and materials; \$1,250,000 for mine disaster prevention which includes continued enhancement of the self-contained self-rescuer as well as enhancement of early warning systems and better sensors; \$500,000 to continue methane drainage research; and \$500,000 to continue noise control research. In addition, \$300,000 is made available for the continuation of the Coal Mine Injury Analysis Study at Pennsylvania State University.

In Minerals and Materials Science the Committee has provided an increase of \$2,500,000 over the fiscal year 1989 request. This increase includes \$1,500,000 for research on performance reliability and structural integrity of material when it is stressed; and \$1,000,000 for selective mining techniques for iron and other related ores which is to be conducted by the Twin Cities Research Center with the University of Minnesota.

In Environmental Technology the Committee has included an increase of \$3,950,000 over the fiscal year 1989 request. This increase provides \$750,000 for acid mine drainage research; \$600,000 to de-

contaminate mining and processing waters; \$700,000 for detoxification of mine waste including \$500,000 for the final phase of the flame reactor research; \$500,000 for adaptation of the subsidence prediction model for longwall mines to other regions; \$200,000 for subsidence control including a continuation of studies on prime farmland subsidence; and \$1,200,000 for the National Mine Land Reclamation Center.

The Committee has provided \$5,454,000 for Mineral Institutes. This recommendation provides \$4,054,000 to fund the generic research centers, \$1,200,000 for the Marine Minerals Technology Center, and \$200,000 for program administration.

In General Administration the Committee has included an increase of \$500,000 for deferred maintenance on Bureau facilities which is offset by a reduction of \$605,000 due to the two less paid days in fiscal year 1989 when compared to fiscal year 1988. The net effect is a reduction of \$105,000 in this activity. Now that the Bureau's reorganization has been completed, the Committee expects the Bureau to maintain the current FTE level in its fiscal year 1990 request.

For Facilities, the Committee has provided an increase of \$200,000 over the budget request to complete the acquisition of the Spokane Research Center.

Bill language has been included which prohibits the sale of helium facilities in fiscal year 1989 because the Department of the Interior has not received nor discussed the public comments generated by the Federal Register notice on its proposal to sell the helium facilities, nor has it contracted for an appraisal of these properties.

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

REGULATION AND TECHNOLOGY

Appropriation enacted, 1988.....	\$102,125,000
Budget estimate, 1989.....	101,066,000
Recommended, 1989.....	104,086,000
Comparison:	
Appropriation, 1988.....	+1,961,000
Budget estimate, 1989.....	+3,020,000

The Committee recommends \$104,086,000, an increase of \$3,020,000 over the fiscal year 1989 budget request of \$101,066,000. The amount recommended by the Committee for fiscal year 1989 compared to the budget estimate by activity is shown in the following table:

	(in thousands of dollars)			
	FY 1988 Enacted	Budget Estimates	Committee Bill	Change from Estimates
State regulatory program grants.....	40,110	41,910	44,910	+3,000
Federal Regulatory Programs				
Regulatory program operations.....	20,523	20,403	20,403	---
Technical services, training and research.....	13,614	13,532	13,532	---
Kentucky settlements.....	3,685	4,425	4,425	---
Assessments and collections.....	10,799	8,764	9,022	+258
Subtotal, Federal Regulatory Programs.....	48,621	47,124	47,382	+258
General administration				
Executive direction.....	1,781	1,769	1,769	---
Administrative support.....	6,912	5,674	5,674	---
General services.....	4,701	4,589	4,351	-238
Subtotal, General administration.....	13,394	12,032	11,794	-238
Total, Regulation and Technology.....	102,125	101,066	104,086	+3,020

Since the passage of the Surface Mining Control and Reclamation Act, the Committee has continued to monitor the progress the Office of Surface Mining Reclamation and Enforcement (OSM) is making in reclaiming land scarred by surface mining activity and ensuring proper environmental protection through its inspection and enforcement provisions. To assist OSM, the Committee has in prior years added funding for additional inspectors and troubleshooters which have been maintained in the Administration's budget request for fiscal year 1989.

The Committee has included an increase of \$3,000,000 over the fiscal year 1989 request for State regulatory program grants. It has come to the attention of the Committee that the amount the States are able to generate to match these grants exceeds the amount requested for fiscal year 1989. The additional funding provided by the Committee would assist States in the operation of their regulatory programs.

The Committee continues to be concerned about the Applicant Violator Systems (AVS) and the data quality problems which OSM must overcome. The Committee is aware that the Department is proposing to shift personnel from the Division of Debt Management to the Applicant Violator Clearinghouse and have therefore added no additional staff at this time. The Committee will continue to monitor this operation and OSM is to continue to report to the Committee on a quarterly basis on its progress on the implementation of the Applicant Violator System.

The Committee has added \$258,000 in Assessments and Collections for six additional auditors. Four auditors will be assigned to work on AVS relatedness, determining the relationship between permittees and owners and controllers, and two will be assigned to the two acre enforcement program.

The Committee has reduced General Services by \$238,000 since the budget was calculated on the basis of two more paid days than there are in fiscal year 1989.

The Committee discourages the OSM from considering any significant relocation of staff at this time because of the adverse impact it may have on the operation of OSM and employee morale.

Bill language has been included which amends a provision included in fiscal year 1988 which authorized the use of civil penalty

money for reclamation of sites mined after 1977. The revised language would make the funding available until expended.

ABANDONED MINE RECLAMATION FUND

Appropriation enacted, 1988.....	\$199,380,000
Budget estimate, 1989.....	159,094,000
Recommended, 1989.....	191,154,000
Comparison:	
Appropriation, 1988.....	-8,226,000
Budget estimate, 1989.....	+32,060,000

The Committee recommends \$191,154,000 for the Abandoned Mine Reclamation Fund, an increase of \$32,060,000 over the fiscal year 1989 budget request of \$159,094,000. The amount recommended by the Committee for fiscal year 1989 compared to the budget estimate by activity is shown in the following table:

	(in thousands of dollars)			
	FY 1988 Enacted	Budget Estimates	Committee Bill	Change from Estimates
State reclamation program grants.....	159,660	129,660	149,660	+20,000
Federal Reclamation Programs				
Fee compliance.....	5,588	5,548	5,720	+172
Reclamation program operations.....	13,661	19,055	19,055	---
Rural lands reclamation program.....	15,000	---	12,000	+12,000
Subtotal, Federal Reclamation Programs.....	34,249	24,603	36,775	+12,172
General Administration				
Executive direction.....	880	872	872	---
Administrative support.....	2,312	1,703	1,703	---
General services.....	2,279	2,256	2,144	-112
Subtotal, General Administration.....	5,471	4,831	4,719	-112
Total, Abandoned Mine Reclamation Fund.....	199,380	159,094	191,154	+32,060

The Committee has included \$149,660,000 for State reclamation program grants, an increase of \$20,000,000 over the fiscal year 1989 request.

The Committee is encouraged by the progress the States are making in reducing their high unobligated balances from prior year State reclamation grants and will continue to monitor obligation records. OSM is to continue to keep updated obligation records for each State and report quarterly to the Committee on the progress made by the States in obligating prior year unobligated balances as well as the issuance of any administrative and construction grants to the States.

The Committee has been very concerned with the procedures used in updating the Abandoned Mine Land inventory. According to information presented to the Committee, the procedures for updating the inventory were not applied uniformly nationwide and field offices did not stress the same criteria when entering projects into the inventory.

On May 18, 1988, the Association of Abandoned Mine Land Programs responded to the Office of Surface Mining's request for their opinion on how the collection of Abandoned Mine Land fees should be allocated, specifically whether the Abandoned Mine Land Inventory should be used for allocation purposes. The Association did not reach a consensus. Therefore, the Committee proposes an allocation formula which distributes fifty percent of collections to the States and the remaining fifty percent is allocated on the basis of historic

coal production prior to 1977. Only priority I and II projects will be considered in this calculation. The States agreed to a \$2,000,000 minimum program, however, on the basis of the AML funding level recommended by the Committee a \$1,000,000 minimum program has been provided. Six States will be eligible for this program in fiscal year 1989. The Committee is to be notified immediately of any changes in this program.

The Committee understands that the State of Indiana is using part of its fiscal year 1986 construction grant to reclaim a site, a portion of which was later found to be statutorily ineligible for Title IV funding because post-1977 mining had occurred on the site. The Office of Surface Mining and the State of Indiana are to work out a repayment schedule which is mutually agreeable to recover the funds spent on the ineligible portion of this project. The repayment period may cover more than one year to ensure there is no adverse impact on Indiana's reclamation program. The Committee understands that there will be no interest charged on this repayment.

The Committee has been made aware that the Commonwealth of Kentucky will use funding from their 1989 AML grant to remedy the problem of nine wells in Floyd County which are eligible for AML funding. OSM is to approve the use of funds for this purpose which will continue an ongoing project.

The Committee has also been made aware that the Commonwealth of Kentucky has applied for \$974,000 in its State grant request to OSM to remedy the water supply problem of Rattlesnake Ridge, in McCreary County, which is eligible for AML funding. OSM is to approve the use of funds for this purpose.

In addition, the Committee has received a request for approval of the Goose Creek/Oneida project. The Committee is aware that the engineering study of this project has been completed and that the Director of OSM has stated that, "Based on information contained in this study, our preliminary determination is that water conditions in Oneida are adversely impacted by pre-1977 mining . . . Hence it appears that based on the information we have seen, that this project would be eligible for AML funding." If the Commonwealth of Kentucky submits this project within its 1989 grant application, and final OSM review indicates that it is eligible for AML funding, the Committee encourages OSM to approve this project.

Finally, the Committee has received requests for Canel City, Martin County Water Supply System, Floyd County and Big Creek/Town Mountain. The Committee has no objection to these projects if the Commonwealth of Kentucky submits them in its 1989 grant request and OSM determines their eligibility.

The Committee recommends an increase of \$172,000 for Fee Compliance for four additional auditors. Two auditors would be assigned to assist in reviewing incidental mining and two would be used to enforce the moisture rule.

In the Rural Abandoned Mine Program, the Committee recommends an increase of \$12,000,000 for the completion of ongoing projects and to provide for new starts. Once again the Administration proposed no funding for this program despite the clear Congressional desire to provide funds for this purpose. The Committee

remains concerned that only 62% of the money appropriated for RAMP in fiscal year 1988 is projected to be used for construction grants and that as of March 31, 1988 only \$3,978,000 of the \$15,000,000 appropriated had been obligated. The Committee believes that more of an effort can be made to reduce administrative costs in favor of construction costs resulting in the cost per acre for reclamation being reduced.

The Committee has reduced General Services by \$112,000 for savings resulting from two less paid days in fiscal year 1989 than in fiscal year 1988.

Bill language has been included to specify that OSM is to maintain 23 FTE's for the anthracite reclamation program at the Wilkes-Barre field office.

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

Appropriation enacted, 1988.....	\$970,756,000
Budget estimate, 1989	938,416,000
Recommended, 1989	996,024,000
Comparison:	
Appropriation, 1988	+25,268,000
Budget estimate, 1989	+57,608,000

The amount recommended by the Committee for fiscal year 1989 compared with the budget estimates by activity is as follows:

	(in thousands of dollars)			
	FY 1988 Enacted	Budget Estimates	Committee Bill	Change from Estimates
Education				
School operations.....	187,043	187,502	187,462	-40
Johnson O'Malley educational assistance.....	20,351	20,400	23,000	+2,600
Continuing education.....	28,640	24,191	26,761	+2,570
Tribe/Agency operations.....	---	32,551	32,551	---
Substance abuse/alcohol programs.....	2,400	---	---	---
Subtotal, Education.....	238,434	264,644	269,774	+5,130
Indian Services				
Tribal government services.....	8,976	9,002	9,402	+400
Social services.....	93,210	88,883	92,883	+4,000
Law enforcement.....	4,286	4,029	4,029	---
Self-determination services.....	52,677	50,149	60,149	+10,000
Employment development.....	2,473	2,227	2,487	+260
Tribe/Agency operations.....	153,605	116,336	123,346	+7,010
Subtotal, Indian Services.....	315,227	270,626	292,296	+21,670
Navajo-Hopi settlement program.....	1,971	1,997	1,997	---
Economic Development and Employment Programs				
Business enterprise development.....	10,561	3,636	10,811	+7,175
Road maintenance.....	1,267	31,064	31,064	---
Tribe/Agency operations.....	27,715	3,538	3,538	---
Subtotal, Economic Development & Employment.....	39,543	38,238	45,413	+7,175
Natural Resources Development				
Natural resources, general.....	1,887	2,794	2,444	-350
Agriculture.....	4,354	3,537	5,752	+2,215
Forestry.....	12,490	9,152	12,302	+3,150
Water resources.....	9,467	1,069	10,069	+9,000
Wildlife and parks.....	14,540	10,880	27,297	+16,417
Fire suppression.....	25,000	18,700	25,000	+6,300
Minerals and mining.....	7,883	6,824	7,874	+1,050
Irrigation and power.....	8,015	7,704	7,704	---
Tribe/Agency operations.....	62,374	59,310	50,620	-8,690
Subtotal, Natural Resources Development.....	146,010	119,970	149,062	+29,092
Trust Responsibilities				
Rights protection.....	12,738	18,761	16,061	-2,700
Real estate and financial trust services.....	17,793	19,309	19,309	---
Tribe/Agency operations.....	24,864	23,627	23,627	---
Subtotal, Trust Responsibilities.....	55,395	61,697	58,997	-2,700
Facilities Management.....	82,141	81,711	82,211	+500
General Administration				
Management and administration.....	37,469	38,316	38,316	---
ADP services.....	16,814	19,631	18,631	-1,000
Program management.....	6,023	5,814	5,934	+120
Employee compensation payments.....	11,503	14,962	14,962	---
Consolidated training program.....	840	840	840	---
Tribe/Agency operations.....	19,386	19,970	19,970	---
Subtotal, General Administration.....	92,035	99,533	98,653	-880
Two less work days.....	---	---	-2,379	-2,379
Total, Operation of Indian Programs.....	970,756	938,416	996,024	+57,608

Education.—The Committee recommends an increase of \$5,130,000 for education. Included is a decrease of \$40,000 to education management information systems for salaries and maintenance. There is an increase of \$2,600,000 for Johnson-O'Malley (JOM) educational assistance, which reflects the 13 percent increase in students served under this program due to eligibility changes. The Committee has not included a recommendation as to the formula to be used in distributing the JOM funds, pending the submission of the Department's report on a recommended formula.

An increase of \$2,570,000 is recommended for continuing education. This includes increases of \$295,000 for Haskell Indian Junior College, \$200,000 for the Southwestern Indian Polytechnic Institute (SIPI), and \$460,000 for the special higher education program, including \$160,000 to continue the summer law program. The grants under the special higher education program should not be limited to the priority fields only, although most of the funds provided should continue to go to students in those fields. The funds provid-

ed to Haskell and SIPI will allow for program expansions, particularly in the natural resources area.

The Committee requests the Bureau to prepare and submit a report by February 1, 1989, on the budgetary and instructional effect of employee furlough practices at Haskell Indian Junior College and Southwestern Indian Polytechnic Institute. The Committee is very concerned that ongoing employee furlough activities at these institutions restrict their ability to attract and retain the personnel necessary to provide Indian students with a quality education and an adequate learning environment. The report should contain budgetary estimates and recommendations to eliminate or minimize personnel furloughs and initiate ongoing instruction at these institutions.

The balance of the increase is \$1,615,000 for the tribally-controlled community colleges. This will restore the program to last year's level, including \$500,000 for the endowment program, and allow increases of \$300,000 for Title I colleges and \$100,000 for the Navajo Community College.

Indian services.—An increase of \$21,670,000 for Indian services is recommended. Included is an increase of \$500,000 for new tribes funding, which will allow the Klamath tribe to finish their economic development plan, and allow the BIA to establish a Klamath field office. Because funds to begin the economic development plan were received late, the plan will not be completed by the statutory date of August, 1988. It is assumed that no more than \$250,000 will be needed to complete the plan, and the balance of the funds will be used to establish the field office.

There is a decrease of \$100,000 to the request for a judicial services center, which will leave an increase of \$120,000 for this activity. The Committee will consider additional funding for the center once its activities are underway and have been reviewed.

For social services, an increase of \$4,000,000 is recommended. This includes \$2,000,000 to offset partially the decrease to welfare assistance grants, because the cost savings projected in the State of Arizona will be phased in beginning in fiscal year 1989, and because legislation on the issue of the \$2,000 income disregard for per capita payments has not been enacted. The Bureau should not make any changes with regard to this issue until Congress has reviewed the issue and acted on proposed legislation. The balance of the increase, \$2,000,000, will restore the Indian Child Welfare Act grants to the 1988 level.

There is an increase of \$10,000,000 for contract support. This will restore the program to the 1988 level (+\$1,500,000), fund the currently identified shortfall of \$5,500,000, and will allow an increase of \$3,000,000 related to program increases recommended in this bill. The Committee has provided funds under the Office of the Secretary to allow that office to continue to prepare for the transfer of indirect cost negotiations from the Inspector General in fiscal year 1990. It is expected the IG will continue to be responsible for this activity during fiscal year 1989, and that the Office of the Secretary will provide for consultation and will work with the tribes in preparing to take over this function in fiscal year 1990.

Under employment development, there is an increase of \$260,000 to United Tribes Technical College, to maintain the 1988 level.

An increase of \$7,010,000 is recommended for tribal services-tribe/agency operations. Included is an increase of \$2,310,000 for law enforcement. This includes restoration of the 1988 add-ons, including \$70,000 to provide the full funding for the Colville and Winnebago Tribes, \$100,000 for the Lummi Tribe, \$175,000 for the Quinault Tribe, \$50,000 for the Miccosukee Tribe, \$150,000 for the Rosebud Tribe, \$50,000 for the Standing Rock Sioux detention center, \$500,000 for the Gila River juvenile detention center, and \$250,000 for the Cheyenne River Sioux Tribe. There is also an increase of \$450,000, which includes \$150,000 each for retroceded law enforcement programs on the Quileute, Swinomish and Chehalis reservations in Washington. The balance of \$515,000 includes increases of \$150,000 for the Sault Ste. Marie Tribe, \$20,000 for the Duckwater Shoshone Tribe, \$250,000 to continue the Tohono-O'odham substance abuse initiative, and \$95,000 for the Pojoaque Pueblo. The Committee expects these funds to be included in these tribes' funding bases in the future. The Bureau is directed to submit to the Committee a report on the law enforcement and judicial needs on the St. Regis Mohawk reservation in New York, with recommendations on how those needs should be met, by March 1, 1989.

There is an increase of \$200,000 to restore the funding for the Chitimacha Tribe to the 1988 level. An increase of \$1,500,000 is included for the tribal self-governance demonstration initiative. This will allow a second year of planning for those tribes which received first year funding in fiscal year 1988, if needed, up to a maximum of \$100,000 per tribe. It is possible that not all ten of the tribes will need additional funds, and not all those that do will require the maximum amount. Therefore, the balance of the funds will be available to provide first year planning grants, up to a maximum of \$100,000 per tribe, for additional tribes who wish to participate in this demonstration. The Bureau should solicit applications for these funds, and make them available on a first-come, first-served basis to those tribes whose applications meet the requirements. The Committee has not included the proposed bill language that would have initiated the demonstration program itself. The authorizing committees are now examining proposed legislation for this activity.

An increase of \$3,000,000 is recommended to restore the self-determination grants program to the 1988 level. The Committee believes that this activity should continue to be available for priority funding by those tribes who choose to allocate funds for this purpose.

Economic development and employment programs.—An increase of \$7,175,000 is recommended for economic development and employment programs. Included is an increase of \$7,000,000, to restore the business development grants program to the 1988 level. There is a decrease of \$250,000 to technical assistance, which will leave an increase of \$250,000 over the 1988 level. Finally, there is an increase of \$425,000, to restore the grant to the Michigan tribes to the 1988 level, to be used to fund a Business Industrial Development Corporation, with additional funds to be provided by the State of Michigan.

Natural resources development.—An increase of \$29,092,000 is recommended for natural resources development. There is a decrease of \$350,000 to natural resources, general, for the geographic information system, which leaves an increase of \$725,000. The decreases are \$100,000 each for software, technical coordinators, and technical specialists, and \$50,000 for hardware.

An increase of \$2,215,000 is recommended for agriculture. Included is \$1,710,000 for the next phase of crop establishment for the Gila River Farms, \$55,000 for the second year of a three year soil fertility program on the Nez Perce reservation, and \$450,000 to complete the Havasupai range rehabilitation program.

Under forestry, there is an increase of \$3,150,000 to restore the forest development program to the 1988 level. There is also an increase of \$6,300,000, which will provide the same level of fire suppression funding in 1989 as was provided in 1988. The Bureau is requested to submit a report by February 1, 1989, detailing all of the expenditures from fire suppression funds in 1987 and 1988.

There is an increase of \$9,000,000 for water resources, which will restore the program to the 1988 level. This increase is offset partially by a decrease under rights protection. Included within the total is \$387,000 for the Confederated Salish and Kootenai Tribes of the Flathead Reservation and \$190,000 for the Seminole Tribe's water office. The Committee repeats its intention to continue funding the water resources program, and that the Bureau should budget for its water rights needs without attempting to transfer the water resources funds.

The increase for wildlife and parks is \$16,417,000. Included is \$2,000,000 to restore the timber-fish-wildlife initiative in Washington, \$210,000 to continue the Klamath Tribe's program on the threatened sucker species, and \$1,270,000 to restore the 1988 funding for the Great Lakes Indian Fish and Wildlife Commission. An increase of \$125,000 is included for planning by the Ute Mountain Ute Tribe, related to an agreement recently reached between the tribe, the Bureau, and the National Park Service. There is an increase of \$366,000 for Upper Columbia United Tribes. This will allow the tribes an additional year to continue to seek other sources of funding, rather than relying on this funding to continue. An increase of \$569,000 is recommended for the U.S./Canada Pacific Salmon Treaty, including the Metlakatla fish tagging project. There is an increase of \$300,000 to continue the cyclical maintenance activity for tribal fish hatcheries. A decrease of \$1,113,000 is recommended, which reflects transfer of five hatcheries or fisheries assistance offices back to the Fish and Wildlife Service. The balance of the funds budgeted for this activity should be provided to the tribes, to prepare for eventual tribal management of the facilities, as proposed in the budget. The balance of the increases are \$250,000 for the Taos Pueblo for the Blue Lake Wilderness, \$500,000 for the Chippewa-Ottawa Treaty Fishery Management Authority, and \$200,000 for the Te Moak conservation enforcement program. There is also a transfer in of \$11,740,000 from the tribe/agency operations line item, which will remove a number of wildlife and parks activities from the Indian Priority System, as requested by the tribes. These activities were formerly funded under this line item.

For minerals and mining, there is an increase of \$1,050,000, which will restore the program to the 1988 level, including \$250,000 for the Council of Energy Resource Tribes.

Under tribe/agency operations, the Committee recommends a decrease of \$8,690,000. Included is an increase of \$2,400,000 to restore timber sales to the 1988 level, which should be restored in the same manner in which the cuts were taken. There are also increases of \$250,000 for forest development on the Passamaquoddy reservation, \$100,000 to restore Leech Lake hatchery O&M, \$100,000 for the Cheyenne River Sioux wildlife management program, and \$100,000 for the Umatilla fisheries program. An increase of \$100,000 is provided to allow the Warm Springs, Yakima, Umatilla, and Nez Perce Tribes to participate in planning decisions for the Columbia River Gorge National Scenic Area. There is also a decrease of \$11,740,000, reflecting the transfer of the wildlife and parks items from the priority system.

The Committee encourages the Bureau to work with the Colville Tribe to identify available funds for the Colville hunting and fishing rights and reforestation programs.

The Committee recognizes the concern of the Colville and Spokane Tribes that proper management of the natural resources of Lake Roosevelt requires the development of a new lake-wide management agreement that incorporates the rights of the Colville and Spokane Tribes as set out in the Opinion of the Solicitor of the Department of the Interior dated June 3, 1974. The Solicitor's Opinion, Acts of Congress and settled principles of Indian law establish that the Colville and Spokane Tribes have substantial governmental authority and responsibility within their respective reservations, and a right to participate in lake-wide management decisions. The Department of the Interior is directed to negotiate a new management agreement for Lake Roosevelt with the Colville and Spokane Tribes that recognizes the rights of the Colville and Spokane Tribes to manage the areas of Lake Roosevelt within their respective reservations and to participate equitably in the management of the entire lake. The Department of the Interior shall report back to the Committee on the progress made in completing an agreement by January 31, 1989.

Trust responsibilities.—The Committee recommends a decrease of \$2,700,000 to trust responsibilities. Included is a decrease of \$3,500,000 to water rights negotiation/litigation, which will leave an increase of \$4,000,000 over the 1988 level. The Committee understands that the Bureau has developed a comprehensive program for the conduct of soils, mapping, engineering, economic and other studies necessary to prepare properly submissions for consideration by the Court in the Little Colorado River Basin water rights adjudication. The Bureau plans to obligate \$900,000 in fiscal year 1989 and to request \$1,300,000 for fiscal year 1990 in order to complete this work in anticipation of a 1991 resolution to this case. The Committee recognizes the importance of the timely conduct of these studies, and urges the Bureau to adhere to its planned program.

An increase of \$300,000 is recommended for litigation support, and \$500,000 for attorneys' fees.

Facilities management.—An increase of \$500,000 is recommended, in order to provide for the costs of the substance abuse facilities

that are expected to come into operation during fiscal year 1989. The Bureau should report on these facilities, and their funding needs, as soon as estimates are available.

General administration.—A decrease of \$880,000 is recommended, including an increase of \$120,000 to restore the grant to the CloseUp Foundation. There is a decrease of \$1,000,000 to automatic data processing, which reflects the projected savings in maintenance costs, and reductions of \$200,000 to central management and \$100,000 to acquisition of GIS computers and software.

There is a general reduction of \$2,379,000, for two less paid days in fiscal year 1989.

Bill language.—The Committee has deleted bill language which prohibited payments to schools under section 1128(b) of Public Law 95-561. The language prohibiting closure of the Phoenix Indian School until specific legislation authorizing the closure has been enacted has been retained. The language prohibiting the implementation of new higher education regulations pending further review has been retained, as has bill language requiring an accounting of tribal trust funds before the funds can be transferred under a new management contract. Bill language regarding the grant to the CloseUp Foundation and providing for maintenance of tribal fish hatcheries has been retained. The proposed language allowing excess Federal Employees Retirement System (FERS) costs to be transferred to other BIA accounts to cover FERS needs has been included. Bill language has been included providing that three existing schools will be closed when the new Western Cheyenne River School, SD, goes into operation. The construction of the new school was approved on the basis that the three existing schools on the reservation would be closed once the new school was built.

CONSTRUCTION

Appropriation enacted, 1988.....	\$83,225,000
Budget estimate, 1989.....	56,793,000
Recommended, 1989.....	79,136,000
Comparison:	
Appropriation, 1988.....	—4,089,000
Budget estimate, 1989.....	+22,343,000

The Committee recommends an appropriation of \$79,136,000, an increase of \$22,343,000 over the budget estimate. The recommended amounts, compared to the budget estimates, are shown in the following table:

	(in thousands of dollars)			Change from Estimates
	FY 1988 Enacted	Budget Estimates	Committee Bill	
Buildings and utilities.....	41,160	32,360	32,860	+500
Fish hatcheries.....	1,500	---	2,272	+2,272
Irrigation systems.....	15,488	7,210	21,210	+14,000
Housing.....	22,827	17,223	22,823	+5,600
Land acquisition.....	2,250	---	---	---
Two less work days.....	---	---	-29	-29
Total. Construction.....	83,225	56,793	79,136	+22,343

Buildings and utilities.—An increase of \$500,000 is recommended, which will allow advanced planning and design for future years' projects to continue. This is \$500,000 less than the amount

provided in fiscal year 1988. Included in the amount provided for facilities improvement and repair (FI&R) is \$1,500,000 for Haskell Indian Junior College.

The Committee understands that a priority ranking system for law and order facilities is about to be completed, and expects the Bureau to receive and rank applications for such facilities as soon as possible, including the proposed Eastern Cherokee facility and the Navajo facility at Tuba City. The Committee also expects the Paschal-Sherman boarding school kitchen/dining facility to be reviewed and ranked as soon as an application is received.

All new construction projects, as well as major FI&R projects, are to be designed for pre-engineered construction unless a specific justification is submitted to the Committee in advance.

Fish hatcheries.—An increase of \$2,272,000 is recommended for hatchery rehabilitation and construction. Included is \$1,100,000 to complete the hatchery rehabilitation effort begun in fiscal year 1988. There are also increases of \$800,000 for the Queets River hatchery for the Quinault Tribe, and \$372,000 for the Red Cliff Chippewa hatchery. The State of Washington will provide the balance of \$1,000,000 for the Queets River hatchery.

Irrigation systems.—The Committee recommends an increase of \$14,000,000 for irrigation systems. Included is \$500,000 for the Seminole reservation in Florida, \$1,500,000 to complete the Eagle unit in South Dakota, \$1,000,000 to continue the Milk River project in Montana, and \$11,000,000 to design and construct half of block 7 of the Navajo Indian Irrigation Project.

Housing.—An increase of \$5,600,000 is recommended for housing, which will restore the program to the 1988 level, including new housing construction as well as housing repairs.

There is a general reduction of \$29,000 due to two less paid days in fiscal year 1989.

ROAD CONSTRUCTION

Appropriation enacted, 1988.....	\$1,000,000
Budget estimate, 1989.....	
Recommended, 1989.....	
Comparison:	
Appropriation, 1988.....	—1,000,000
Budget estimate, 1989.....	

The Committee recommends no appropriation for road construction, the same as the budget estimate.

Project funds for road construction will be included in the fiscal year 1989 allocation of contract authority from the Federal Lands Highway program, Department of Transportation.

MISCELLANEOUS PAYMENTS TO INDIANS

Appropriation enacted, 1988.....	\$13,340,000
Budget estimate, 1989.....	13,955,000
Recommended, 1989.....	13,952,000
Comparison:	
Appropriation, 1988.....	+612,000
Budget estimate, 1989.....	—3,000

The Committee recommends an appropriation of \$13,952,000, a decrease of \$3,000. Included are \$511,000 for the White Earth Set-

tlement Act administrative expenses, \$2,144,000 for the Old Age Assistance Claims Settlement Act, and \$11,300,000 for the Gila Bend Indian Reservation Lands Replacement Act. There is a general reduction of \$3,000 due to two less paid days in fiscal year 1989.

REVOLVING FUND FOR LOANS

The Committee has not included the requested limitation of \$13,000,000 on loans to be provided from the revolving fund for loans. Instead, the Committee has included bill language which will allow loans to be made up to the level of resources and authority available in fiscal year 1989.

INDIAN LOAN GUARANTY AND INSURANCE FUND

Appropriation enacted, 1988.....	\$3,085,000
Budget estimate, 1989.....	3,370,000
Recommended, 1989.....	3,370,000
Comparison:	
Appropriation, 1988.....	+ 285,000
Budget estimate, 1989.....	

The Committee recommends an appropriation of \$3,370,000, the budget estimate, for the Indian loan guaranty and insurance fund. The Committee has not agreed to the administrative limitation proposed in the budget of \$45,000,000, but has continued the language as in prior years to provide that loan principal shall not exceed resources and authority available.

The Committee has not agreed to proposed bill language which would reduce and terminate subsidy payments over the life of a guaranteed loan, since the reason for this language and its impacts were not clearly justified.

TERRITORIAL AND INTERNATIONAL AFFAIRS

ADMINISTRATION OF TERRITORIES

Appropriation enacted, 1988.....	\$78,235,000
Budget estimate, 1989.....	71,477,000
Recommended, 1989.....	82,397,000
Comparison:	
Appropriation, 1988.....	+ 4,162,000
Budget estimate, 1989.....	+ 10,920,000

The Secretary of the Interior has the responsibility to promote the economic, social and political development of the territorial areas leading toward a goal of self-government, and to foster international peace and security by conducting territorial affairs in close coordination with the defense and foreign policies of the United States. The territories of Guam, American Samoa, the Virgin Islands, and the Commonwealth of the Northern Mariana Islands are included in this account. The amount recommended by the Committee for fiscal year 1989, compared to the budget estimates by activity, is shown in the following table:

	(in thousands of dollars)			
	FY 1988 Enacted	Budget Estimates	Committee Bill	Change from Estimates
Guam				
Construction grants.....	4,500	1,700	4,900	+3,200
American Samoa				
Operations grants.....	20,776	20,776	20,776	---
Construction grants.....	3,450	1,000	3,200	+2,200
Subtotal, American Samoa.....	24,226	21,776	23,976	+2,200
Northern Marianas				
Covenant grants.....	34,360	40,150	40,150	---
Virgin Islands				
Grants.....	2,500	---	1,500	+1,500
Construction grants.....	2,400	1,100	2,100	+1,000
Subtotal, Virgin Islands.....	4,900	1,100	3,600	+2,500
Territorial Administration				
Office of Territorial Affairs.....	2,948	3,046	3,026	-20
Technical assistance.....	5,240	2,200	5,240	+3,040
Disaster contingency fund.....	500	---	---	---
Guam Power Authority loan assistance.....	1,561	1,505	1,505	---
Subtotal, Territorial Administration.....	10,249	6,751	9,771	+3,020
Total, Administration of Territories.....	78,235	71,477	82,397	+10,920

The Committee recommends \$82,397,000 for the administration of territories, an increase of \$10,920,000 over the budget estimate.

Guam.—The Committee recommends an increase of \$3,200,000 for Guam, to continue with the planned water system improvements.

As stated in the fiscal year 1988 conference report, the funds for the Ordot landfill should not be made available until a system of user fees is in place.

American Samoa.—An increase of \$2,200,000 is recommended, which includes \$1,000,000 for hospital improvements and \$1,200,000 for a new dock for Ta'u Island.

Northern Marianas.—The Committee recommendation is \$40,150,000, the same as the budget estimate.

The Committee has not included the proposed changes to the bill language, regarding the terms of the Agreement of the Special Representatives on Future United States Financial Assistance for the Northern Mariana Islands.

Virgin Islands.—The Committee recommends an increase of \$2,500,000 for the Virgin Islands. Included is \$1,500,000 to complete the funding for the drug interdiction program, and \$1,000,000 to continue water system improvements.

Territorial administration.—An increase of \$3,020,000 is recommended. Included is an increase of \$3,040,000 to restore technical assistance to the 1988 level, including \$540,000 for the grant to the CloseUp Foundation. There is a decrease of \$20,000 to territorial administration, reflecting two less paid days in fiscal year 1989.

TRUST TERRITORY OF THE PACIFIC ISLANDS

Appropriation enacted, 1988.....	\$41,940,000
Budget estimate, 1989.....	2,780,000
Recommended, 1989.....	28,434,000
Comparison:	
Appropriation, 1988.....	-13,506,000
Budget estimate, 1989.....	+25,654,000

The Committee recommends \$28,434,000 for the Trust Territory of the Pacific Islands, an increase of \$25,654,000 over the budget estimate.

The amount recommended by the Committee for fiscal year 1989 compared to the budget estimates by activity is shown in the following table:

	(in thousands of dollars)			
	FY 1988 Enacted	Budget Estimates	Committee Bill	Change from Estimates
Trust Territory operations.....	9,433	---	850	+850
Republic of Palau operations.....	11,157	---	14,500	+14,500
Capital improvements.....	5,400	---	---	---
Capitol relocations.....	2,600	---	---	---
Bikini Atoll Rehabilitation Committee.....	1,000	---	---	---
Indefinite land use claims.....	---	2,780	2,780	---
Micronesian War claims.....	12,350	---	10,304	+10,304
Total, Trust Territory of the Pacific Islands...	41,940	2,780	28,434	+25,654

Trust territory operations.—An increase of \$15,350,000 is recommended for Trust Territory operations. Included is an increase of \$14,500,000 to continue the operations grant for the Republic of Palau. The Compact of Free Association for Palau has not yet been implemented, although it might be during fiscal year 1989. Therefore, the Committee has included bill language which will offset the grant funding against the first year of Compact funding, which has already been appropriated in Public Law 99-349. There is also an increase of \$850,000 for other expenses related to the continuation of the Trust Territory until the Palau Compact is implemented. Included are \$300,000 for Palau's share of the College of Micronesia funding, \$150,000 for Palau's satellite communications costs, and \$400,000 to continue Trust Territory transition staffing and funding, including the completion of the capital improvements program (CIP).

With regard to the CIP, the final report on the review of the CIP program is not yet available. The Committee will review the final report with regard to the need for additional funding to address shortfalls or deficiencies after the final report is received.

Micronesian War Claims.—The Committee recommends an increase of \$10,304,000, which will complete the obligation of the United States Government to satisfy all adjudicated claims and final awards made by the Micronesian Claims Commission under the provisions of the Micronesian Claims Act of 1971.

Marshall Islands health and environmental programs.—The Committee has included no funds for the Bikini Atoll Rehabilitation Committee, which has completed its work, and which will submit its final report by August, 1988.

There are several other issues related to the aftermath of the nuclear testing program in the Marshall Islands which are of concern to the Committee. One is the situation of the people of Rongelap Atoll. Public Law 99-239, the Compact of Free Association Act, included a provision requesting the Government of the Marshall Islands to use funds available to it under section 177 of the Compact to contract with a qualified scientist to review the data collected by the Department of Energy relating to radiation levels and other conditions on Rongelap Island resulting from the tests. The purpose of the review was to establish whether the data cited in sup-

port of the conclusions as to the habitability of Rongelap Island, as set forth in a DOE report issued in 1982, were adequate, and whether such conclusions were fully supported by the data. In response to this language, the Government of the Marshall Islands hired a referee a year ago to conduct the review, and his preliminary report has been submitted to the Committee. A final report will not be completed for several months.

In the preliminary report, the referee concluded that the DOE report overestimated the adult dose at Rongelap Island, and that the current whole-body dose now reported is well below the current U.S. whole-body guide of 5 rem. Therefore, he concluded that a return to residence on Rongelap Island is permissible, with several caveats. These include continuing the availability of imported food to supplement local foods, and a restriction on food gathering on the northern islands of the atoll. The preliminary report also cited the need for more study of the question of infant dose, which is intended to be covered in the final report. There was one additional issue which is of great concern to the Committee. This was the referee's finding that a number of urine samples taken by DOE as part of its program in the Marshall Islands were never tested, and of those that were, there was wide variability in the findings, which could suggest a possible problem of plutonium contamination. However, none of this information was made available to the Rongelap people until the referee's preliminary report was released. The Committee believes it is extremely important that this critical issue be addressed immediately by DOE, and has written the Secretary of Energy asking that he have the existing data reexamined, and also plan for a program of sampling and testing that will expand the data available, which might clarify whether plutonium contamination is a potential problem. The Committee has also asked the Department to furnish cost estimates related to conducting this program, as well as for resuming the whole-body counting program, which was discontinued in 1985, and which the referee has recommended be resumed.

The Committee is also concerned that DOE has announced its intentions of essentially ending the Marshall Islands health and environmental monitoring programs, with the exception of one or two medical visits a year, beginning October 1, 1988. The Committee is aware that the Government of the Marshall Islands has expressed its desire to meet with DOE, and the Department of the Interior, to determine which parts of the program need to continue, over what timeframe, and what the estimated costs and sources of funds will be. The Committee has asked DOE to take the lead in calling such a meeting, to include all the affected groups, and reporting back to the Committee as soon as possible with the results. In the meantime, report language has been included in the Energy and water appropriations subcommittee bill directing DOE to continue funding these programs in fiscal year 1989 at the 1988 level, until the planning for the future can be conducted, and appropriate amounts and sources of funding determined. This means that the health program, including whole-body testing, should continue for the affected atolls, as well as the environmental program being conducted by the Lawrence Livermore Laboratory, including continued follow-up of the tests on Bikini Island.

On a related issue, the Committee hopes the authorizing committees will review the request of the Marshall Islands government, and the Rongelap and Utrik atolls, that the USDA food program for those atolls, which is being phased out under the terms of the Compact legislation, be continued at full funding levels.

COMPACT OF FREE ASSOCIATION

Appropriation enacted, 1988.....	\$33,620,000
Budget estimate, 1989.....	34,935,000
Recommended, 1989.....	36,160,000
Comparison:	
Appropriation, 1988.....	+2,540,000
Budget estimate, 1989.....	+1,225,000

The Committee recommends \$36,160,000 for the Compact of Free Association, an increase of \$1,225,000 over the budget estimate. The amount recommended by the Committee for fiscal year 1989, compared with the budget estimate by activity, follows:

	(in thousands of dollars)			Change from Estimates
	FY 1988 Enacted	Budget Estimates	Committee Bill	
Compact of Free Association.....	27,320	34,935	26,560	-8,375
Enewetak support.....	1,100	---	1,100	+1,100
Enjebi Trust Fund.....	2,500	---	2,500	+2,500
Bikini resettlement.....	2,300	---	5,000	+5,000
Jaluit Atoll.....	400	---	---	---
Kwajalein Atoll.....	---	---	1,000	+1,000
Total, Compact of Free Association.....	33,620	34,935	36,160	+1,225

Federal service assistance.—A decrease of \$700,000 is recommended to Federal services assistance, sections 221(a) and 232. This will allow an increase of \$660,000, or 6.1 percent, instead of 12.7 percent as proposed in the budget.

Palau compact.—A decrease of \$7,675,000 is recommended, which represents the second year current services funding under the Palau compact. Since the compact will not be implemented until sometime in fiscal year 1989 and first year funds have already been appropriated in P.L. 99-349, these funds will not be required until fiscal year 1990.

Enewetak support.—An increase of \$1,100,000 is recommended, which will continue the Enewetak food and agricultural support program, as provided in section 103(h)(2) of the Compact.

Enjebi trust fund.—The Committee recommends an increase of \$2,500,000, which represents the final installment of the Enjebi Community Trust Fund.

Bikini resettlement.—The Committee recommends an appropriation of \$5,000,000 as the first increment of a total of \$90,000,000, to be paid over five years into the Bikini Resettlement Trust Fund. Bill language has also been included to fulfill the United States' full faith and credit commitment to fund the radiological rehabilitation and resettlement of Bikini Atoll. This payment is made contingent on the action entitled *Juda, et al. v. The United States*, No. 88-1206 (Fed. Cir.), being voluntarily dismissed with prejudice, and with the acceptance by the People of Bikini that this payment fulfills the United States' obligation to restore Bikini Atoll to habitability pursuant to the settlement agreement of March 15, 1985 in

the *People of Bikini et al. v. United States of America, et al.* Civ. No. 84-0425 (D. Ha.). The funds are to be added to the existing Resettlement Trust Fund for the People of Bikini, established pursuant to Public Law 97-257, and the management and expenditure of these funds are to be governed by the terms and in the same manner as the October 16, 1982 trust instrument establishing the Resettlement Trust Fund and approved by the Secretary of the Interior, provided certain changes are made to the terms of that trust fund. These changes would be to allow the Fund's corpus and income of the Fund to be expended for rehabilitation and resettlement of Bikini Atoll, and to allow the Secretary of the Interior to approve expenditures of up to \$2,000,000 of annual income for use on Kili or Ejit.

One year prior to the completion of the rehabilitation and resettlement program, the Secretary of the Interior shall, in consultation with the People of Bikini, issue a report to Congress estimating the size of corpus required to remain in the Resettlement Trust Fund to provide for future resettlement needs, including operations and maintenance. The report shall include specific funding estimates for (1) maintaining basic infrastructure on Bikini Atoll until such time as the People of Bikini are prepared to assume that responsibility; (2) training the People of Bikini to operate and maintain the equipment and infrastructure provided under the rehabilitation and resettlement program; and (3) continuing rehabilitation activities required to assure protection against radiological hazards. In this regard, periodic soil treatments to control the uptake of radionuclides by plants, food assistance, revegetation, and maintenance of the integrity of containment structures for contaminated soil may, depending on the rehabilitation option used, require multi-year funding to assure continued protection from radiological hazards.

Unless otherwise provided by Congress, following completion of the rehabilitation and resettlement program, funds in the Resettlement Trust Fund in excess of the amount estimated by the Secretary to be required for future funding needs, shall be deposited into the U.S. Treasury as miscellaneous receipts. Upon completion of those future needs, the Fund shall be extinguished and all remaining funds shall be deposited in the U.S. Treasury as miscellaneous receipts.

It is expected that this deposit, if properly invested and expended, will provide sufficient funds to meet future funding needs. The Secretary's report on future needs is not meant to suggest that Congress would appropriate additional funds for future needs if sufficient funds are not available in the Fund. Thus, expenditures from the Fund must be planned to provide for funding needs beyond completion of the rehabilitation and resettlement program. The date of completion of this program shall be the date on which final inspection and acceptance occurs on all construction associated with rehabilitation and resettlement.

This provision is intended to satisfy the full faith and credit commitment of the United States Government to the rehabilitation and resettlement of Bikini as contained in Section 103(l)(1) of the Compact of Free Association Act of 1985, Public Law 99-239, and to satisfy the United States Government's obligations under the

March 15, 1985 settlement agreement in the *People of Bikini, et al. v. United States of America, et al.*, Civ. No. 84-0425 (D. Ha.).

It is the intent of the Committee that the people of Bikini will be able to obtain these funds in the United States Claims Court if they are not made available in the amounts or at the time established in this Act. This specific statement of intent is designed to overcome the suggestion that Articles X and XII of the Compact Section 177 Agreement might bar such an action as arising out of the United States nuclear testing program in the Marshall Islands. In the Committee's view, the full faith and credit obligation in Section 103(l)(1) of the Compact Act and the validity of Articles X and XII of the Compact Section 177 Agreement are separate and distinct issues. The possible judicial invalidation of Articles X and/or XII of the Compact Section 177 Agreement would in no way obviate the Government's full faith and credit obligation to the Bikinians under Section 103(l)(1) of the Compact Act.

Kwajalein Atoll.—An increase of \$1,000,000 is recommended, for the proposed causeway between Ebeye and Gugeegue islands in the Kwajalein Atoll.

DEPARTMENTAL OFFICES

OFFICE OF THE SECRETARY

Appropriation enacted, 1988.....	\$47,519,000
Budget estimate, 1989.....	51,681,000
Recommended, 1989.....	49,580,000
Comparison:	
Appropriation, 1988.....	+2,061,000
Budget estimate, 1989.....	-2,101,000

The Committee recommends an appropriation of \$49,580,000 for fiscal year 1989, an increase of \$2,061,000 above the 1988 appropriation but a decrease of \$2,101,000 below the budget request. The amount recommended by the Committee for fiscal year 1989 compared with the budget estimate by activity follows:

	(in thousands of dollars)			
	FY 1988 Enacted	Budget Estimates	Committee Bill	Change from Estimates
Departmental Direction				
Secretary's immediate office.....	1,709	1,726	1,726	---
Executive Secretariat.....	458	454	454	---
Congressional and legislative affairs.....	1,127	1,227	1,147	-80
Equal opportunity.....	1,148	1,331	1,331	---
Public affairs.....	843	847	847	---
Small and disadvantaged business utilization.....	411	516	410	-106
Subtotal, Departmental Direction.....	5,696	6,101	5,915	-186
Program Direction and Coordination				
A/S Water and science.....	671	674	674	---
A/S Land and minerals management.....	905	928	828	-100
A/S Fish and wildlife and parks.....	647	647	647	---
A/S Indian affairs.....	642	649	649	---
A/S Territorial and international affairs.....	544	538	538	---
A/S Policy, budget and administration.....	756	964	894	-70
Subtotal, Program Direction and Coordination....	4,165	4,400	4,230	-170
Administration				
Environmental project review.....	2,013	2,008	2,008	---
Acquisition and property management.....	1,364	1,472	1,330	-142
Office of personnel.....	1,640	1,693	1,693	---
Administrative services.....	1,106	897	897	---
Library.....	1,358	1,361	1,361	---
Information resources management.....	2,896	2,169	2,169	---
Management analysis.....	328	1,638	1,138	-500
Policy analysis.....	1,863	2,241	1,715	-526
Office of budget.....	1,509	1,870	1,870	---
Financial management.....	1,117	1,263	1,113	-150
Security and drug enforcement.....	---	636	636	---
Subtotal, Administration.....	15,194	17,248	15,930	-1,318
Hearings and appeals.....	5,830	5,853	5,853	---
Aircraft services.....	1,765	1,799	1,799	---
Central services.....	14,869	16,280	16,080	-200
General reduction.....	---	---	-227	-227
Total, Office of the Secretary.....	47,519	51,681	49,580	-2,101

There is a reduction of \$80,000 associated with Congressional and Legislative Affairs in order to maintain the fiscal year 1988 level. For small and disadvantaged business utilization there is a reduction of \$106,000 because the legislation upon which the increase was requested has not been enacted.

The Committee recommends a \$100,000 decrease in the Assistant Secretary for Land and Minerals Management and \$70,000 in the Assistant Secretary Policy, Budget and Administration to make these offices more comparable in budget size to other Assistant Secretaries. For management analysis the Committee proposes deletion of the requested increase of \$500,000.

The Committee recommends a reduction of \$142,000 to the requested increase of \$250,000 for acquisition and property management. The budget proposed to transfer negotiating indirect cost rates from the Inspector General to the Office of the Secretary. There are a number of issues yet to be resolved about the proposed transfer. Accordingly, the Committee proposes to keep the function in the Office of the Inspector General in fiscal year 1989 while allowing the Office of the Secretary to make detailed preparations to assume the function in fiscal year 1990. These preparations should include consultations with Indian tribes.

The Committee does not agree to the requested increase of \$526,000 in the Office of Policy Analysis to duplicate centrally expertise which exists in the various bureaus of the Department.

The requested increase of \$150,000 for financial management is not included. The Committee does agree to \$1,000,000 of the \$1,200,000 requested to preserve the historic elements of the Main Interior Building.

Finally, there is a reduction of \$227,000 because there are two less paid days in fiscal year 1989 as compared to fiscal year 1988.

The bill includes a provision requiring the National Park Service to reissue its notice of proposed rulemaking requiring persons driving within the National Park System to use safety belts. Enactment of mandatory safety belt use laws has been a major Federal highway safety priority of the Federal government. To date, 32 states have enacted mandatory belt laws and they are credited with directly saving more than 2,800 lives. The Department of Transportation has expended considerable sums to encourage states to enact and enforce these laws. The Committee believes the Federal government should be consistent on this matter. It should not encourage the states to do something it is unwilling to do itself. Based on the overwhelming evidence that such a requirement will save lives, the bill requires the Park Service to issue promptly an appropriate seat belt use regulation. The Park Service is directed to consult with the National Highway Traffic Safety Administration on appropriate education and compliance measures.

The Committee is aware of a possible donation of a helicopter for law enforcement operations of the Fish and Wildlife Service and has no objection. Although authority is given for additional aircraft, it should not be used without 30 day advance notice to the Committees on Appropriations.

OFFICE OF THE SOLICITOR

Appropriation enacted, 1988.....	\$23,053,000
Budget estimate, 1989	25,325,000
Recommended, 1989	24,686,000
Comparison:	
Appropriation, 1988	+1,633,000
Budget estimate, 1989	-639,000

The Committee recommends an appropriation of \$24,686,000, a decrease of \$639,000 from the budget request. Of the reduction, \$139,000 reflects the fact that there are two less paid days in fiscal year 1989 when compared to fiscal year 1988. The balance reduces the requested increase of \$2,272,000 by \$500,000.

OFFICE OF INSPECTOR GENERAL

Appropriation enacted, 1988.....	\$17,757,000
Budget estimate, 1989	18,816,000
Recommended, 1989	18,858,000
Comparison:	
Appropriation, 1988	+1,101,000
Budget estimate, 1989	+42,000

The Committee recommends an appropriation of \$18,858,000, an increase of \$42,000 above the request. There is a reduction of \$100,000 to reflect the fact that there are two less paid days in fiscal year 1989 when compared to fiscal year 1988.

The Committee has restored \$142,000 so that the Office of the Inspector General may continue its role in negotiating indirect costs. This function has been proposed for transfer to the Office of the Secretary. It is the Committee's expectation that this function will be transferred in fiscal year 1990 after further preparations. The

Inspector General is encouraged to continue to work with the Office of the Secretary for a smooth transition.

CONSTRUCTION MANAGEMENT

Appropriation enacted, 1988.....	\$1,800,000
Budget estimate, 1989	1,800,000
Recommended, 1989	1,800,000
Comparison:	
Appropriation, 1988 .....	.....
Budget estimate, 1989 .....	.....

The Committee recommends an appropriation of \$1,800,000 for the Office of Construction Management. This continues the office at the fiscal year 1988 level and at the requested level.

The Committee is pleased that the Department is moving to increase the staff in this office and has allowed the office to maintain some stability. The Committee also notes with pleasure the cooperative spirit now shown between the Bureau of Indian Affairs and the Office of Construction Management.

GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR

The Committee recommends several changes to the General Provisions proposed by the Department. The Committee continues the requirement that money transferred for certain emergency situations under the authority of Sections 101 and 102 be replenished by a supplemental appropriation which must be requested as promptly as possible.

The Committee agrees to increase the consultant allowance for the Department of the Interior to \$500,000 from \$300,000. The requested increase would have raised the allowance to \$810,000.

Because of past questionable details of personnel, the Committee recommends continuation of a provision requiring employee details to conform to OPM regulations.

Provisions relating to Outer Continental Shelf leasing are discussed under the Minerals Management Service.

TITLE II—RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

The Forest Service manages 191 million acres of public lands across the country, and administers a wide variety of programs, including timber production, recreation, grazing, wildfire protection, and soil and water conservation. Recreational use of national forest land amounted to approximately 238.5 million visitor days in 1987, equal to each American spending 12 hours on the National Forest System. In fact, the National Forest provided 43 percent of all recreation visitor days on Federal lands in 1986. An estimated 11.3 billion board feet of timber is scheduled for sale in 1989. In addition to the timber sales program, more than 14,000 farmers and ranchers pay for permits to graze cattle, horses, sheep and goats on the 105 million acres of grassland, open forests, and other forage-producing areas of the National Forest System. The Forest Service

also manages more than 191 million acres of habitat for about 3,000 species of wildlife and fish. Half of the big game and cold-water fish habitat in the nation is located on National Forest System lands and waters. In addition, in the 16 western States, where the water supply is sometimes critically short, about 55 percent of the total annual yield of water is from National Forest System lands. Despite this diversity of resources and requirements for multiple use management of the National Forest System, the fiscal year 1989 budget request of the Administration continues a trend of requesting increased funds for only certain commodity-oriented programs, notably the timber sales program, while proposing reductions in almost all other activities for which the Forest Service is responsible, including research and State and private forestry. The Committee has not agreed with these proposals, and within the constrained budget available to it, has reallocated funds to provide the more balanced program required under law for management of the lands under the responsibility of the Forest Service.

FOREST RESEARCH

Appropriation enacted, 1988.....	\$135,510,000
Budget estimate, 1989	129,279,000
Recommended, 1989	139,865,000
Comparison:	
Appropriation, 1988	+4,355,000
Budget estimate, 1989	+10,586,000

The Committee recommends \$139,865,000 for forest research, an increase of \$10,586,000 over the budget estimate. The amounts recommended compared to the budget estimates by activity are shown in the following table:

	(in thousands of dollars)			
	FY 1988 Enacted	Budget Estimates	Committee Bill	Change from Estimates
Forest protection research.....	31,490	33,260	33,460	+200
Resource analysis research.....	25,353	23,470	25,983	+2,513
Timber management research.....	26,548	24,721	26,850	+2,129
Forest environment research.....	29,259	29,080	30,706	+1,626
Forest products and harvesting research.....	19,860	18,748	20,563	+1,815
Competitive grants.....	3,000	---	3,000	+3,000
Research challenge cost share program.....	---	---	500	+500
Two less work days.....	---	---	-557	-557
FERS reduction.....	---	---	-640	-640
	-----	-----	-----	-----
Total, Forest Research.....	135,510	129,279	139,865	+10,586
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Forest protection research.—The Committee recommends \$33,460,000 for forest protection research, an increase of \$200,000 over the budget estimate. These funds are for the preparation of a comprehensive study plan for a nationwide study of the effects of forest fire smoke on firefighters, under the auspices of the National Wildfire Coordinating Group. The plan, including required funding, should be submitted to the Committee by March 1, 1989.

Resource analysis research.—An increase of \$2,513,000 is recommended for resource analysis research. This will restore research on the forest inventory cycle (+\$806,000); atmospheric deposition (+\$215,000); international trade (+\$388,000); recreation and wildlands (+\$458,000); and other economics research (+\$646,000).

Timber management research.—The Committee recommends an increase of \$2,129,000, which will restore research on growth and

yield (+\$591,000); FIR/COPE (+\$101,000); southern forest productivity (+\$399,000); shelterbelt research (+\$226,000); and the ecology and genetics of various tree types (+\$1,082,000). The recommended amount also assumes the Sewanee, TN research location will be closed (−\$270,000).

Forest environment research.—An increase of \$1,626,000 is recommended. Included is restoration of research on atmospheric deposition (+\$560,000); spotted owl (+\$291,000); COPE (+\$57,000); erosion (+\$147,000); cold water fish habitat (+\$115,000); and other environmental research (+\$456,000).

Forest products and harvesting research.—The recommended increase of \$1,815,000 will be used to restore research on harvesting (+\$267,000); biopulping (+\$219,000); design and construction processes (+\$274,000); and other wood-related research (+\$555,000). Included is an increase of \$500,000 for research on the thermomechanical pulping process. The funds are provided to the Forest Products Laboratory for a cooperative program with the Oregon Graduate Center. Within available funds, there is an additional \$200,000 for the Hardwood Research Center at Morgantown, WV.

Competitive grants.—The Committee recommends an increase of \$3,000,000, which will restore the competitive grants program to the 1988 level. The Committee believes that the Department should include this program along with the other Cooperative State Research Service programs in the future.

Research challenge cost share program.—An increase of \$500,000 is provided, which will allow the initiation of a research challenge cost share program, with funds to be matched on at least a fifty-fifty basis with non-Federal sources of funding. The Forest Service is asked to provide a report on this new program prior to the hearings on the fiscal year 1990 budget request.

General reductions.—A decrease of \$1,197,000 is recommended, which represents the cost of two less paid days in fiscal year 1989 (\$557,000); and a reduction to the base of \$640,000 to reflect the estimated lower cost requirements for the Federal Employees Retirement System (FERS) in fiscal year 1989.

Bill language.—Bill language has been included which will make the research funding available for two years. This will allow the program more flexibility in end of year spending, and also allow the accumulation of a small proportion of the costs for major equipment replacement, when needed.

STATE AND PRIVATE FORESTRY

Appropriation enacted, 1988.....	\$76,469,000
Budget estimate, 1989.....	34,781,000
Recommended, 1989.....	78,143,000
Comparison:	
Appropriation, 1988.....	+1,674,000
Budget estimate, 1989.....	+43,362,000

The recommendation for State and private forestry is \$78,143,000, an increase of \$43,362,000 over the budget estimate.

Through cooperative programs with State and local governments, forest industry and private landowners, the Forest Service helps to protect and manage 805 million acres of forest and associated watershed land. Technical and financial assistance is offered to im-

prove fire, insect and disease control; improve harvesting, processing and monitoring of forest products; and stimulate reforestation and timber stand improvement.

The amounts recommended by the Committee for fiscal year 1989 compared to the budget estimates by activity are shown in the following table:

	(in thousands of dollars)			
	FY 1988 Enacted	Budget Estimates	Committee Bill	Change from Estimates
Forest Pest Management				
Federal lands.....	28,464	26,034	31,379	+5,345
Cooperative lands.....	12,577	2,077	12,877	+10,800
Subtotal, Forest Pest Management.....	41,041	28,111	44,256	+16,145
Fire protection.....	13,770	3,870	13,870	+10,000
Forest Management and Utilization				
Forest resource management.....	4,993	---	5,000	+5,000
Wood utilization.....	1,994	---	1,000	+1,000
Seedlings, nursery and tree improvement.....	1,798	---	1,800	+1,800
Urban forestry.....	1,998	---	2,500	+2,500
Subtotal, Forest Management and Utilization.....	10,783	---	10,300	+10,300
Special Projects				
Boundary Waters Canoe Area.....	2,800	2,800	2,800	---
Gifford Pinchot Institute.....	200	---	200	+200
Lake Tahoe.....	1,400	---	1,400	+1,400
Cache La Poudre River.....	75	---	---	---
Grant to Kellogg, ID.....	6,400	---	---	---
Spokane River Centennial Trail.....	---	---	3,600	+3,600
Idaho Centennial Trail.....	---	---	1,350	+1,350
Old Columbia River Highway.....	---	---	600	+600
Subtotal, Special Projects.....	10,875	2,800	9,950	+7,150
Two less work days.....	---	---	-111	-111
FERS reduction.....	---	---	-122	-122
Total, State and Private Forestry.....	76,469	34,781	78,143	+43,362

Forest pest management.—An increase of \$16,145,000 is recommended, including \$10,800,000 to restore cooperative lands suppression to the 1988 level. There is also a total of \$15,905,000 for insect and disease suppression on Federal lands, an increase of \$5,345,000 over the budget estimate. Included in these amounts is a restoration of the \$3,000,000 emergency fund provided in fiscal year 1988.

The Committee is concerned about the rising costs for major pest suppression efforts on Federal lands, and requests a detailed report on all such costs incurred in fiscal years 1987 and 1988, by project, and by cost category, including a detailed explanation of all personnel costs included in these amounts. The report should be submitted to the Committee by February 1, 1989.

Fire protection.—An increase of \$10,000,000 is recommended, which will maintain the 1988 level. These funds will help protect 834 million acres of non-Federal lands from wildfire.

Forest management and utilization.—The Committee recommends an increase of \$10,300,000, which includes \$5,000,000 for forest resource management, \$1,000,000 for wood utilization, \$1,800,000 for seedlings, nursery and tree improvement, and \$2,500,000 for urban forestry. The funds provided for wood utilization may be used to fund additional marketing projects, if the Forest Service believes this to be a higher priority than other activities.

Special projects.—An increase of \$7,150,000 is recommended, including \$200,000 for the Gifford Pinchot Institute. The Committee expects an additional \$300,000 to be made available from other Forest Service programs for the Institute, to allow for scheduled

maintenance, as well as continuing the tours and programs at the Institute. There is also \$1,400,000 to restore the Lake Tahoe erosion control program to the 1988 level.

There is an increase of \$3,600,000 for a grant to the Washington State Parks and Recreation Commission for one-half of the funding needed for construction of the Spokane River Centennial Trail. The balance of the construction funding will be provided in fiscal year 1990. All other funding for the project, including land acquisition, design and engineering, trail markers, benches, and maintenance, which total \$6,100,000, will be provided from State, local and private sources of funding. An increase of \$1,350,000 is also provided for a grant to Kootenai County, Idaho, for construction of the Idaho Centennial Trail. The balance of the funding for the project, or about \$1,100,000, is to be provided from State, local, or private sources.

Finally, there is an increase of \$600,000 for a grant to the State of Oregon to begin implementation of its plan to restore the Old Columbia River Highway in the Columbia River Gorge. The Committee understands that preliminary steps to implement this plan include acquisition of lands to connect usable segments of the highway, initiation of a feasibility study for opening the Mosier tunnels, highway signing, and other activities.

General reductions.—A decrease of \$111,000 is recommended due to two less paid days in fiscal year 1989. There is also a \$122,000 decrease for the lower cost estimates for the Federal Employees Retirement System.

NATIONAL FOREST SYSTEM

Appropriation enacted, 1988.....	\$1,243,391,000
Budget estimate, 1989.....	1,159,655,000
Recommended, 1989.....	1,309,244,000
Comparison:	
Appropriation, 1988.....	+65,853,000
Budget estimate, 1989.....	+149,589,000

The Committee recommends \$1,309,244,000 for the National Forest System, an increase of \$149,589,000 over the budget estimate. The amounts recommended by the Committee for fiscal year 1989 compared to the budget estimates by activity are shown in the following table:

	(in thousands of dollars)			Change from Estimates
	FY 1988 Enacted	Budget Estimates	Committee Bill	
Minerals.....	26,683	29,611	29,611	---
Real estate management.....	21,834	22,694	27,694	+5,000
Land line location.....	26,651	29,670	27,348	-2,325
Maintenance of facilities.....	16,533	16,953	17,653	+700
Fire protection.....	165,029	154,992	169,284	+14,292
Fighting forest fires.....	125,000	35,000	125,000	+90,000
Cooperative law enforcement.....	9,669	11,245	10,045	-1,200
Road maintenance.....	83,740	68,133	73,000	+4,867
Trail maintenance.....	20,026	15,636	20,859	+5,223
Timber resource inventory.....	16,177	16,907	16,615	-292
Silvicultural examination.....	26,619	27,890	27,897	+7
Sales preparation.....	98,432	106,076	107,177	+1,101
Harvest administration.....	44,333	63,099	53,099	-10,000
Reforestation.....	47,021	40,290	47,726	+7,436
Stand improvement.....	26,635	30,350	32,100	+1,750
Nurseries.....	14,667	17,592	15,992	-1,600
Recreation management.....	96,945	96,689	112,656	+15,967
Wilderness.....	12,581	12,664	14,664	+2,000
Cultural resources.....	14,216	12,809	15,809	+3,000
Wildlife and fisheries support.....	29,352	32,280	32,280	---
Habitat improvement.....	18,092	13,117	25,813	+12,696
Range vegetation management.....	25,670	24,155	27,455	+3,300
Range improvements.....	1,716	920	1,480	+560
Wild horse and burro management.....	286	181	301	+120
Noxious weed control.....	1,553	1,069	1,569	+500
Soil, water and air operations.....	25,677	27,393	27,893	+500
Soil and water resource improvements.....	3,291	2,235	8,102	+5,867
Soil and water resource inventories.....	6,303	4,669	6,169	+1,500
General administration.....	268,660	275,336	273,104	-2,232
Reforestation trust fund transfer.....	-30,000	-30,000	-30,000	---
Two less work days.....	---	---	-2,848	-2,848
FERS reduction.....	---	---	-6,300	-6,300
Total, National Forest System.....	1,243,391	1,159,655	1,309,244	+149,589

The Committee has reviewed the funding that would be required in fiscal year 1989 to implement the direction contained in the land management plans, which are now completed on about 72 percent of National Forests. In total, the difference between the funding level assumed in the plans, and the budget estimates, is about \$351,000,000. In addition, the Committee has found that some portions of this account are funded at fairly high percentage levels of the recommended plan funding levels, such as timber sales (87 percent), general administration (96 percent), and cooperative law enforcement (112 percent). However, most of the resource protection activities are funded at levels well below even the average level for the account as a whole (77 percent). These include real estate management (57 percent), recreation management (60 percent), wildlife and fish habitat management (56 percent), range management (62 percent), and soil, water and air management (61 percent). Therefore, the Committee has recommended increases in many of these programs, to bring them closer to the recommended funding levels in the plans, and to ensure that no program in this account is funded at less than about 70 percent of the plans. The Committee expects the National Forest in Alabama to receive a proportional share of these increases.

The Forest Service is continuing to test what it calls "end results budgeting" on certain parts of the National Forest System. The General Accounting Office review of this initiative found that while the proposal is conceptually sound and might facilitate accountability for appropriations, there are still several areas which require more attention before the Committee can agree to a widespread test of the proposal throughout the National Forest System. A major concern is whether the new direction given by the Chief of the Forest Service this year will result in all NFS units accurately charging costs to accounts "as worked" rather than "as budgeted", as has often been the case in the past. The Committee has asked

GAO to review how this direction is being implemented in fiscal year 1988, and will review the results when they are available.

Other concerns, which will need to be addressed in detail before approval to proceed can be given, are the need to identify useful program output targets, and relating these targets to those in the land management plans. This effort will take additional time and effort to accomplish.

Finally, there is the need to continue to review the implementation of the timber sales cost accounting system throughout the National Forest System. If the implementation is successful, and results in the shifts in budget estimates as discussed in the Committee's report last year, the Forest Service then will need to address the lack of a comparable system for the other programs in the National Forest System. A truly systemwide and Forest-Service-wide cost accounting system will need to be in place before major adjustments in budgeting and accountability can be agreed to. The Committee will continue to work with the Forest Service, with the assistance of GAO, to address these issues. In the meantime, the Forest Service should continue to observe the existing reprogramming guidelines.

The Committee has agreed to implement one part of the Forest Service's proposal, to make all National Forest System funds available for two years, on a trial basis. The Committee will examine the impact this provision has on Forest Service programs in deciding whether to continue the two-year availability in the future.

With regard to the timber cost accounting system, the Committee supports continued implementation, and will ask the GAO to continue its review of the implementation. The Committee continues to believe that the focus of the Forest Service should be on the cost accounting report itself. The Forest Service should continue to work on refining and improving the kinds of data included in the other two reports in the system, aimed at measuring economic and other benefits of the timber sales program.

Within available funds, the Committee directs that \$90,000 be provided to the National Academy of Sciences for a study of how oil and gas resources are considered in land use planning. An additional \$50,000 is being provided by the Bureau of Land Management. This is a two-year effort, which will require \$280,000 in total.

The Committee understands the Forest Service has used land management service contracts to improve the management of recreation, wildlife habitat, reforestation and silviculture in areas that have special requirements. Included are such activities as the establishment, rehabilitation and maintenance of campgrounds and campground facilities, trail construction and maintenance, and vegetative coverage manipulation for wildlife. The Forest Service is requested to identify potential areas where land management contracts could be effective and report to the Committee regarding its plans for entering into additional such contracts on an experimental basis.

Minerals management.—The Committee recommends \$29,611,000 for minerals management, the same as the budget estimate. This level will fund 72 percent of the forest plans.

Real estate management.—The Committee recommends an increase of \$5,000,000, which will provide 70 percent of the funding level recommended in the forest plans.

Land line location.—A decrease of \$2,325,000 is recommended, which will fund a program that is 70 percent of the funding level included in the forest plans. Included is a decrease of \$325,000 for land line location in the Tongass National Forest. All changes to Tongass funding are discussed under the Tongass Timber Supply Fund account.

The Committee notes that at one point in the budget justification, the Forest Service claims that "a timber sale cannot proceed [when property boundaries are not identified] because of the risk of cutting non-Federal timber". However, at a later point, in trying to justify why no land line location costs are included as timber support costs, the Forest Service states "timber sales can be prepared without land lines". Obviously, establishing property boundaries specifically so that a sale can proceed is as much a timber support cost as is support from geology, fire protection, wildlife, range, recreation, water and soils, which the Forest Service admits represent timber support costs. Therefore, unless the Service wishes to spend no more funds for land line location in order to allow timber sales to proceed, the portion of this program which provides support to the timber sales program shall be included in the timber support cost table in future years.

Facilities maintenance.—An increase of \$700,000 is recommended, which will provide 70 percent of the forest plan needs.

Forest fire protection.—The Committee recommends an increase of \$14,292,000, which includes \$12,000,000 to restore this activity to the 1988 level. This will represent 83 percent of the forest plan level. The balance of \$2,292,000 represents the funds needed for additional fuels treatment, as a result of the 1987 forest fires.

Fighting forest fires.—An increase of \$90,000,000 is recommended for a total of \$125,000,000. This will provide the same amount as was initially made available in 1988, for the costs of fighting fires in 1988.

The Committee requests that the Forest Service provide a detailed report of the firefighting costs incurred in 1987, by category, by July 1, 1988; and a similar report on the 1988 costs, by January 1, 1989.

It is the Committee's understanding that the Forest Service has negotiated and signed a cooperative fire fighting agreement with the Republic of Mexico. Through the agreement, the Forest Service would help provide training and formalize communication and coordination efforts with Mexico to enhance the response to fires along the border. The agreement is awaiting signature in Mexico. The Committee recognizes the unique circumstances of fighting forest fires along an international boundary and commends the Forest Service for pursuing such an agreement. If this agreement is signed, the Forest Service should promptly advise the Committee if additional funds are needed for implementation.

Cooperative law enforcement.—A decrease of \$1,200,000 is recommended, which will leave \$10,045,000 for cooperative law enforcement. This represents 100 percent of the amount included in the forest plans. The reduction should be taken in the cooperative pro-

gram, leaving \$3,225,000 for the drug control program on NFS lands.

Road maintenance.—The Committee recommends an increase of \$4,867,000 for road maintenance, which will provide 74 percent of the forest plans level. Included is \$3,500,000 to reflect the transfer of maintenance engineering support from the road construction account. An increase of \$1,530,000 is included for repair of damage related to the 1987 fires. There is a decrease of \$163,000 to the Tongass NF.

Trail maintenance.—An increase of \$5,223,000 is recommended, to restore the program to the 1988 level. Included within the total is \$289,000 for damage resulting from the 1987 fires. There is also an increase of \$423,000 for the Tongass NF. The total amount provided represents 84 percent of the forest plans' recommended levels.

Timber sales.—The Committee recommends a decrease of \$9,184,000 for timber sales and harvest administration. The recommended level of funding will provide 84 percent of the forest plans' level. Included in the recommendation is a decrease of \$492,000 to inventory, and a decrease of \$522,000 for silvicultural examination. The latter decrease is offset by an increase of \$529,000 to silvicultural examination, which represent the costs related to the Committee's proposal to increase new sales in Regions 5 and 6 by 100 million board feet each. There is also an increase of \$1,973,000 to timber sales preparation, related to the 200 million board feet increase. Related support costs of \$725,000 are assumed to be included in the increases provided by the Committee in other National Forest System programs.

The total sales program recommended by the Committee for fiscal year 1989 is 11.257 billion board feet (BBF). The changes from the budget include the additional 200 million board feet in new sales in Regions 5 and 6; 300 million board feet of additional salvage sales in Region 5, which are offset by a decrease of 300 million board feet of new sales; a decrease of 50 million board feet in Region 9; and a decrease of 100 million board feet in Region 10 (Tongass). The Committee recommendation results in programs of 4.938 BBF of all products, 4.3 BBF net merchantable timber in Region 6, and 1.8 BBF in Region 5. There is a decrease of \$2,000,000 related to the reductions in the new sales program detailed above, which is partially offset by an increase of \$1,128,000 for costs related to the 1987 fires. The Committee has also included bill language increasing the salvage sale funding by \$10,561,000 to accommodate the additional 300 million board feet in salvage sales in Region 5. There is also a decrease of \$10,000,000 to harvest administration, which will still allow an increase of \$8,300,000 over 1988, or 18.5 percent. The Committee intends that the regular re-programming guidelines be followed in this program.

An increase of \$200,000 is recommended, in order to allow for an old growth inventory. The Committee recognizes that there is broad disagreement over the quantity and occurrence of old growth forest stands in Oregon, Washington, and California. The Forest Service, using its regional planning guide definition and available inventories, estimates the existence of 6,200,000 acres of old growth on Oregon and Washington National Forest lands, with an addi-

tional 600,000 acres on National Park lands. Testimony from public witnesses raised questions about the Forest Service's definition of old growth and its application of that definition to its inventories, resulting in overstatement by the Forest Service of the region's old growth inventory.

In the interest of having a clear picture of what constitutes old growth and how much old growth exists and will remain for years to come, the Committee directs the Forest Service, Bureau of Land Management (BLM), and National Park Service (NPS) to develop a common definition of old growth areas and submit it to the Appropriations Committees and the appropriate authorizing committees within 90 days of the enactment of this Act. In developing this definition, the agencies should review the definition of old growth from varied sources, such as the Forest Service regional planning guide, the Society of American Foresters, the Forest Service Pacific Northwest Research Station, the Committee of Scientists that advised the Forest Service on the implementation of the National Forest Management Act of 1976, and other information as appropriate. Upon receipt of the definition, the authorizing committees are urged to hold oversight hearings. The Forest Service and National Park Service are also directed, within 180 days of enactment of this Act, to provide a report on their application of the old growth definition used in the Forest Service Region 6 planning guide to the Forest Service land inventories in Region 6, and to the NPS Pacific Northwest Region lands.

Upon completion of the common definition, the Forest Service and NPS shall initiate an inventory of old growth stands within their jurisdictions. The Committee understands this information will be available for BLM lands for which new decadal land management plans are now being prepared. The increase of \$200,000 has been provided under the National Forest System for the inventory and the agencies may use additional funds available to them for this purpose. The inventories will address the age classes of timber on Federal lands in Oregon, Washington, and California, and will include information on the current acreage of the various age classes of timber, in order to facilitate estimations of future age classes of timber under differing scenarios of fire protection and, on non-reserved lands, differing levels of timber harvesting. To the degree possible, existing inventory information should be utilized. As part of the fiscal year 1990 budget submission, the agencies shall identify the proposed schedule for completion of the inventory, and the costs thereof. It is expected the inventory will be completed, and the results submitted to the Appropriations and authorizing committees, by no later than December 31, 1990.

This process will not affect on-going forest planning activities, nor does it invalidate the current old growth definition in the regional planning guide or the Forest Service's use of it. It should, however, be considered an instrument for providing the public, the Congress and the agencies with better information for making resource management decisions. In the period while the common definition is being developed and the inventory is being conducted, the Forest Service is encouraged to exercise flexibility, so that options for any future action will be maintained to the extent possible.

The Committee has also included bill language, under Title III—General Provisions, which prohibits the use of funds for the Forest Service or the Bureau of Land Management to plan, prepare, or offer for sale giant sequoia trees on National Forest or BLM lands. The Committee is taking this action because of the unique nature of the giant sequoia, which is the world's largest tree, in terms of volume, weight, and trunk diameter, and which is found only in the Sierra Nevada region of California. Although most of these unique trees are already protected in National Parks or wilderness areas, the Committee believes it is important to protect all of the remaining giant sequoias from further timber cutting.

Reforestation and stand improvement.—An increase of \$7,586,000 is recommended for reforestation and timber stand improvement. This level provides 81 percent of the forest plans' requirements. Included is an increase of \$7,436,000 for the reforestation needs related to the 1987 fires. This should allow reforestation of 22,000 acres. The Forest Service should ensure that all timber-related reforestation costs are covered by K-V funding; this will free up additional appropriated funds for non-timber related reforestation, such as the fire needs. The Committee expects the Forest Service to spend additional K-V funds as necessary to meet increased timber salvage-related reforestation needs.

An increase of \$1,750,000 is recommended for timber stand improvement, for 10,000 acres related to the 1987 fires. There is a decrease of \$1,600,000 to tree improvement, which will allow a 10 percent increase over 1988 instead of the 23 percent proposed.

Recreation use.—The Committee recommends an increase of \$20,967,000, which will bring recreation funding to 72 percent of the forest plans. Included within the total is \$613,000 for damages incurred during the 1987 fires. There are increases of \$15,967,000 for recreation management, including \$967,000 for the Tongass NF, \$2,000,000 for wilderness management, and \$3,000,000 for cultural resources management. Bill language is also included which provides that 65 percent of recreation use receipts collected in fiscal year 1988 will be available in fiscal year 1989, within the total funding provided for recreation management. The amount included from this source of funds is estimated to be about \$7,500,000. A proportional amount of the recommended increases may be used for additional challenge cost share projects. Of the total challenge grant program, \$500,000 should be used to establish archeological law enforcement programs in Utah, Colorado and New Mexico that are comparable to the program in Arizona. With regard to the Forest Service's plans for increased private development of National forest recreation areas, the Committee believes that the emphasis should be on the traditional kind of Forest Service development, and that the more commercial type developments should remain available through the private sector, not on National forest lands.

Wildlife and fish habitat management.—An increase of \$12,696,000 is recommended. This will allow 71 percent of the forest plans to be funded. Included is \$696,000 related to the 1987 fires. There are increases of \$1,000,000 for wildlife habitat improvement, \$2,000,000 for inland fish habitat improvement, \$5,000,000 for threatened and endangered species, and \$3,000,000 for anadromous fish habitat. Included within these amounts are \$450,000 for

the anadromous fish habitat program in the Green Mountain and White Mountain National Forests, and at least \$600,000 for endangered plants, including the hiring of additional botanists. There is also an increase of \$1,000,000 for the Tongass NF. A proportional share of the increases may be used for challenge cost share projects, to include the threatened and endangered species program.

Range management.—An increase of \$4,480,000 is recommended, which will allow 72 percent of the forest plans to be funded. Included is \$480,000 related to the 1987 fires. There are additional increases of \$2,820,000 for range vegetation management, \$560,000 for range improvements, \$120,000 for wild horses and burros, and \$500,000 for noxious weed control. The increases for vegetation management and improvements should be focused on riparian problems, and bringing allotments under improved management.

Soil, water and air management.—The Committee recommends an increase of \$7,867,000, which will allow 75 percent of the forest plans to be funded. There are increases of \$500,000 for Federal facilities compliance projects, \$5,867,000 for improvements including \$1,690,000 related to the 1987 fires and \$1,677,000 for the Tongass NF, and \$1,500,000 for inventory. Within the recommended funding, a total of \$400,000 is provided to continue water quality monitoring in the Bull Run watershed, Mount Hood National Forest. The Forest Service should continue to monitor cooperatively with the City of Portland, and the Committee urges the City and the Forest Service to agree on an appropriate division of responsibility for this work.

General administration.—A decrease of \$2,232,000 is recommended for general administration, which will still allow 96 percent of the forest plan level to be funded. Included is a decrease of \$896,000 to the Tongass NF.

The Committee also recommends two general reductions: \$2,848,000 for two less paid days in fiscal year 1989; and \$6,300,000 for the Federal Employees Retirement System, due to decreased cost estimates.

Administrative provisions.—The Committee has continued bill language which will allow the Forest Service to use \$1,000,000 of available funds for a Youth Conservation Corps program. Bill language has been included to prohibit the use of funds for issuance of a special use authorization for a project on the Lewis Fork Creek in California, until two studies required by the fiscal year 1988 appropriations Act are completed and submitted to the Congress, and 30 days for review have passed. There is also bill language which prohibits the use of funds to adopt any modifications to the final policy for the Small Business Timber Set-Aside program.

CONSTRUCTION

Appropriation enacted, 1988.....	\$214,078,000
Budget estimate, 1989.....	203,974,000
Recommended, 1989.....	216,542,000
Comparison:	
Appropriation, 1988.....	+2,464,000
Budget estimate, 1989.....	+12,568,000

The Committee recommends \$216,542,000, an increase of \$12,568,000 over the budget estimate, for the construction/reconstruction of roads and trails, and the construction of facilities on National Forest System lands.

The amount recommended by the Committee for fiscal year 1989, compared to the budget estimates by activity, is shown in the following table:

	(in thousands of dollars)			
	FY 1988 Enacted	Budget Estimates	Committee Bill	Change from Estimates
Facilities.....	27,643	7,125	35,145	+28,020
Roads and trails				
Direct road construction.....	171,764	196,849	166,849	-30,000
Trail construction.....	14,671	---	16,092	+16,092
Timber receipts transfer to General Fund.....	(-78,635)	(-79,100)	(-79,100)	---
Timber purchaser credits.....	---	(125,367)	(64,000)	(-61,367)
Mount St. Helens (contract authority).....	---	---	(5,333)	(+5,333)
Two less work days.....	---	---	-583	-583
FERS reduction.....	---	---	-961	-961
Total, Construction.....	214,078	203,974	216,542	+12,568

Facilities.—The Committee recommends an increase of \$28,020,000 for facilities construction. Included is \$20,000,000 for recreation construction and rehabilitation, which is offset by a reduction of \$19,200,000 under the Operation and Maintenance of Recreation Facilities, which requires new legislation allowing fees to be used for recreation construction projects. The legislation has not been enacted. Included within this increase are an additional \$1,876,000 for Mount St. Helens recreation construction, and \$925,000 for the Jefferson National Forest, VA.

Under administrative facilities, the Committee recommendation includes \$4,120,000 for the Mono Lake Visitors Center, \$2,050,000 for the Mount St. Helens Monument administrative site, and \$900,000 for additional high priority administrative facilities. An additional \$234,000 in road funding should be provided for the Mono Lake Facility under the road construction program. Under research construction, there is an additional \$950,000 for the Forest Products Laboratory, Madison, WI. Since the Sewanee, TN research unit is being closed this year, the funds budgeted for asbestos removal there will not be required, and may be used for another high priority project. The Committee expects the balance of funding for the Big Sur administrative facility to be included in the fiscal year 1990 budget request.

Road construction.—A decrease of \$30,000,000 is recommended for road construction. Included is a decrease of \$3,500,000 for the transfer of road maintenance engineering support to the road maintenance program. There is a reduction of \$2,000,000 to support for the purchaser construction and purchaser election programs, leaving a \$2,000,000 increase over 1988. A decrease of \$1,000,000 will hold the amount budgeted for augmentation to the 1987 actual level. There is a decrease of \$23,500,000 to new construction-reconstruction and forest road program support, which is partially offset by the additional carryover of \$10,000,000 of road construction funds into fiscal year 1988. Within the total provided, there is an increase of \$2,719,000 related to the increase of 200 million board feet of timber sales in Regions 5 and 6.

The Committee has included bill language providing additional purchaser construction ceiling of \$64,000,000, which together with the expected 1988 year-end balances, will provide sufficient authorization for the total program of approximately \$125,000,000 the Forest Service estimates will be necessary in 1989. There is also bill language providing that \$5,333,000 of Federal Highway trust funds shall be made available from the Washington State share of Federal Highway funds for construction of a road in the Mount St. Helens National Volcanic Monument area. Finally, there is bill language under Administrative provisions which prohibits the use of funds for construction of the Gasquet-Orleans (G-O) road in California, pending further Congressional review of the issue of Indian religious rights that would be significantly affected by the road construction.

Trail construction.—The Committee recommends an increase of \$16,092,000 for trail construction. Of this amount, \$912,000 is for the repair of damage related to the 1987 fires. An increase of \$15,180,000 will restore the program to the 1988 base level, and includes an increase of \$480,000 for the Tongass NF. This increase is partially offset by a decrease of \$12,600,000 under the Operation and Maintenance of Recreation Facilities account due to the fact that legislation allowing the use of fees for trail construction has not been enacted. The increase includes \$620,000 for Mount St. Helens trail construction. The Forest Service should use the trail construction funds in part to provide additional trails in forests near urban centers where use is heaviest.

General reductions.—The Committee recommends a decrease of \$583,000 because of two less paid days, and a decrease of \$961,000 due to a reduction in the cost estimates for the Federal Employees Retirement System.

LAND ACQUISITION

Appropriation enacted, 1988.....	\$49,076,000
Budget estimate, 1989	3,900,000
Recommended, 1989	42,245,000
Comparison:	
Appropriation, 1988	−6,831,000
Budget estimate, 1989	+38,345,000

The amount recommended includes \$4,500,000 for acquisition management and \$37,745,000 for the following areas:

Appalachian National Scenic Trail.....	\$1,500,000
Chattahoochee NF, GA.....	1,000,000
Chequamegon NF, WI (Chippewa Flowage).....	1,450,000
Cibola NF, NM (Rounds Estate).....	4,250,000
Columbia Gorge, OR/WA.....	5,600,000
Eleven Point WSR, MO (Greer Springs).....	2,000,000
Lake Tahoe, CA/NV	6,000,000
Mt. Baker-Snoqualmie, WA (Noisy Creek).....	2,500,000
Mount Rogers NRA, VA.....	1,000,000
Nantahala NF, NC (Panthertown)	2,000,000
Pisgah NF, NC (Catawba Falls)	1,750,000
Red Butte Canyon Research Area, UT.....	160,000
San Bernardino, NF, CA	1,000,000
Shawnee NF, IL	1,000,000
Siuslaw NF, OR (Searose).....	1,000,000
Toiyabe NF, CA.....	1,100,000
Wayne NF, OH.....	1,000,000

White Mountain NF, NH (Mirror Lake).....	435,000
Inholdings, Composites	3,000,000

Within the increase of \$600,000 for acquisition management is an increase of \$100,000 for Columbia Gorge.

The Committee is concerned that the Forest Service continues to carry large, unobligated balances in its land acquisition account, particularly for land acquisition in the Wayne National Forest. Given the critical needs with regard to land acquisition, the Forest Service is directed to expeditiously use funds made available for land acquisition purposes and provide quarterly reports on its obligation rate beginning October 1, 1988.

The \$4,250,000 provided for the Cibola NF, NM is to be matched by the City of Albuquerque, NM.

TONGASS TIMBER SUPPLY FUND

Appropriation enacted, 1988.....	
Budget estimate, 1989	\$40,699,000
Recommended, 1989	25,264,000
Comparison:	
Appropriation, 1988	+ 25,264,000
Budget estimate, 1989	- 15,435,000

The Committee continues to be concerned about the expenditure of funds under section 705(a) of the Alaska National Interest Lands Conservation Act (ANILCA), the Tongass Timber Supply Fund, although the Committee is pleased to note that the unit costs to provide timber have begun to come down and the backlog that exists on the Tongass has also begun to decrease. In fiscal year 1988, the budget request for the Tongass was reduced by Congress to \$50,007,000 and all funding for the Tongass was included under the Tongass Timber Supply Fund. In addition, the Omnibus Reconciliation Act of 1987 directed that funds from the Tongass Timber Supply Fund would not be available in fiscal year 1989, and instead, would be provided through the appropriations process. Taken together, these actions represented a broad base of support for carefully scrutinizing expenditures on the Tongass, particularly as they pertain to timber-related expenditures.

For fiscal year 1989, the Forest Service proposed to spend \$53,315,000 exclusive of purchaser road credits, trust funds, and permanent appropriations, but including National Forest System and Construction funds. Of this total amount requested, over 85 percent of the budget would be devoted to timber activities. However, given the intent of Congress to fund the Tongass only at levels reflective of true needs, the Committee has limited the expenditure of funds to \$41,043,000, exclusive of purchaser road credits, trust funds, and permanent appropriations. The change from the amounts requested in the Timber Supply Fund, the National Forest System, and Construction, are shown in the table below:

[In thousands]

	Estimate	Recommendation	Difference
Tongass Timber Supply Fund:			
Research	\$1,800	\$1,800	.....
Timber resource planning and inventory	3,548	3,548	.....
Timber sales preparation	2,217	1,488	— \$729
Timber sales administration	3,520	2,375	— 1,145
Timber support	1,345	815	— 530
Reforestation	35	35	.....
Timber stand improvement	1,930	.....	— 1,930
Engineering support	8,334	4,725	— 3,609
Road construction/reconstruction	8,630	1,538	— 7,092
Log transfer site	1,470	1,470	.....
Tongass plan revision	1,755	1,755	.....
General administration	6,115	5,715	— 400
Subtotal, Tongass Timber Supply Fund	40,699	25,264	— 15,435
National Forest System:			
Minerals management	707	707	.....
Real estate management	277	277	.....
Land line location	472	147	— 325
Facilities maintenance	370	370	.....
Fire protection	188	188	.....
Cooperative law enforcement	25	25	.....
Forest road maintenance	1,030	867	— 163
Forest trail maintenance	305	728	+ 423
Timber sales	69	69	.....
Reforestation and TSI	42	42	.....
Recreation use	2,600	3,567	+ 967
Wildlife and fish	2,506	3,506	+ 1,000
Soil, water and air management	861	2,538	+ 1,677
General administration	2,410	1,514	— 896
Subtotal, National Forest System	11,862	14,545	+ 2,683
Construction:			
Road construction	165	165	.....
Recreation facilities construction	429	429	.....
Trail construction	160	640	+ 480
Subtotal, Construction	754	1,234	+ 480
Total, appropriated funds	53,315	41,043	— 12,272
Purchaser credit	(6,845)	(6,845)	.....
Brush disposal	85	85	.....
Timber salvage	133	133	.....
Cooperative work—KV	2,095	2,095	.....
Cooperative work—other	237	237	.....
Subtotal	2,550	2,550	.....
Total, Tongass National Forest	55,865	43,593	— 12,272

The recommended changes to programs in the National Forest System or Construction accounts are included under those accounts. The funds provided will allow the Forest Service to prepare 200 million board feet (including 84 million board feet of reoffer) in fiscal year 1989 and assumes a harvest level of 370 million board feet. It assumes an average volume of "utility logs", merchantable timber for pulp mills, will be harvested. Although the Forest Service has not charged utility logs against the contract volume of either long-term timber contract or allowable sale quantity under Section 705(a) of ANILCA, the agency does take credit for utility logs harvested in its reports to Congress.

This level of timber sale offerings will allow the Forest Service to meet market demand for small independent timber purchasers as well as long-term contract obligations. In fact, timber preparation for short-term sales will not be affected by the decrease in overall timber preparation since the Forest Service revised its estimated short-term sales program for fiscal year 1989 to 84 million board feet. Even with the reduced sales preparation program included in the Committee's recommendations, small independent timber operators should maintain an average three year supply of timber. New sale offerings have been limited because any increases of harvest demand can be met through reliance on the 1.4 billion board feet backlog of sawlog volume in previous years. In addition, this level of sales offering will help bring Tongass timber backlogs more in line with the national average.

The amount provided for forest road construction/reconstruction will allow for 5 miles of new construction and 10.6 miles of reconstruction. This recognizes the amount of pre-roading that has been the historic norm. The Committee expects that the funds provided for new road construction will be used to build roads which access marginal timber stands and thus directly facilitate timber sales, instead of constructing other types of road projects not directly related to timber or tie roads, such as the Kadashan road. The estimated amount of purchaser construction authorization assumes a mix of 76 miles of new construction and 24 miles of reconstruction.

It should be noted that certain items within the non-timber portion of the budget have been increased over the fiscal year 1989 budget request, specifically recreation; wildlife and fisheries; soil, water, and air; and trail maintenance and construction. These categories have been increased by roughly 40 percent and would bring the total expenditures back approximately to 1980 levels. As the Forest Service has correctly noted, while the timber industry is important to the southeast Alaska regional economy, natural resource-based industries are also important to a well rounded economy. Currently, the two major natural resource dependent industries are fishing and tourism/recreation. For this reason, the budget has been increased in these areas in recognition of the importance such industries play to the well-being of southeast Alaska.

Finally, it should be noted that for the second year, the Committee sees no need to spend Federal funds on so-called "added investments" in pre-commercial thinning, and advanced logging techniques. The General Accounting Office has agreed with this assessment (GAO/RCED 88-54). Therefore, no added investments should be made on the Tongass in fiscal year 1989, because past invest-

ments in intensive forestry will provide an adequate timber supply for the foreseeable future.

OPERATION AND MAINTENANCE OF RECREATION FACILITIES

Appropriation enacted, 1988.....	
Budget estimate, 1989	\$31,800,000
Recommended, 1989	
Comparison:	
Appropriation, 1988	
Budget estimate, 1989	-31,800,000

The Committee has deleted the \$31,800,000 budget estimate for this proposed new account. The Forest Service proposed to use these funds, from the return of recreation user fees and special use fee receipts, for the construction and reconstruction of recreation facilities and trails. The proposed legislation has not been enacted. Therefore, the Committee has provided the funds under the recreation facilities and trail construction programs, as discussed earlier.

The Committee has also included bill language under the "National Forest System" account which will allow the use of an estimated \$7,500,000 in existing recreation user fees for operation and maintenance of recreation facilities.

ACQUISITION OF LANDS FOR NATIONAL FORESTS, SPECIAL ACTS

Appropriation enacted, 1988.....	\$966,000
Budget estimate, 1989	966,000
Recommended, 1989	966,000
Comparison:	
Appropriation, 1988	
Budget estimate, 1989	

The Committee recommends an appropriation of \$966,000, the budget estimate, for land acquisition in the San Bernardino, Cleveland, Angeles, Toiyabe, Uinta-Wasatch, and Cache National Forests.

Congress has enacted several special laws which authorize appropriations from the receipts of specified National Forests for the purchase of lands to minimize erosion and flood damage to critical watersheds needing soil stabilization and vegetative cover within these National Forests.

ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES

(INDEFINITE)

Appropriation enacted, 1988.....	\$990,000
Budget estimate, 1989	335,000
Recommended, 1989	335,000
Comparison:	
Appropriation, 1988	
Budget estimate, 1989	-655,000

The Committee recommends an appropriation of \$335,000, the budget estimate, for acquisition of lands to complete land exchanges under the Act of December 4, 1967 (16 U.S.C. 484a) which stipulates that deposits made by public school districts or public school authorities to provide for cash equalization of certain land exchanges can be appropriated to acquire similar lands suitable for

National Forest System purposes in the same State as the National Forest lands conveyed in the exchanges.

RANGE BETTERMENT FUND

(INDEFINITE)

Appropriation enacted, 1988.....	\$3,605,000
Budget estimate, 1989.....	3,875,000
Recommended, 1989.....	3,875,000
Comparison:	
Appropriation, 1988.....	+270,000
Budget estimate, 1989.....	

The Committee recommends an appropriation of \$3,875,000, the budget estimate, to be derived from grazing receipts from the National Forests (Public Law 94-579, as amended) and to be used for range rehabilitation, protection and improvements including seeding, reseeding, fence construction, weed control, water development and fish and wildlife habitat enhancement in 16 western States.

MISCELLANEOUS TRUST FUNDS

Appropriation enacted, 1988.....	\$90,000
Budget estimate, 1989.....	90,000
Recommended, 1989.....	30,000
Comparison:	
Appropriation, 1988.....	-60,000
Budget estimate, 1989.....	-60,000

The Committee recommends an appropriation of \$30,000, a decrease of \$60,000 from the budget estimate, based on actual expenditures of these funds in 1986 and 1987. The appropriation will make available to the Forest Service deposits in the form of gifts, donations, and bequests for forest and rangeland research. Authority for the program is contained in Public Law 95-307 (16 U.S.C. 1643, section 4(b)). Amounts appropriated and not needed for current operations may be invested in public debt securities. Both the principal and earnings from the receipts are available to the Forest Service.

DEPARTMENT OF ENERGY

CLEAN COAL TECHNOLOGY

The Committee recommends changing the availability of the \$525,000,000 of funds made available for fiscal year 1989 in the fiscal year 1988 appropriation for clean coal technology, contained in Public Law 100-202. The recommendation would make \$100,000,000 available in fiscal year 1989, make \$225,000,000 available in fiscal year 1990 and make \$200,000,000 available in fiscal year 1991. This change has no effect on the pace of the clean coal program, based on obligations anticipated by the Department of Energy. The Committee strongly supports this program and expects to give active consideration to additional appropriations in fiscal year 1990 and beyond to continue this important national effort.

While the Committee does not recommend additional advance appropriations for fiscal years 1990 through 1992 totaling \$1,775,000,000 as requested by the Administration, neither this action, nor the change in availability of funds for the existing pro-

curement is to be interpreted as lack of support for the program. This action is necessary to comply with strict budget guidelines and will have no effect on the execution of the program. It is the Committee's intention to continue to support this program to the extent necessary to assure the introduction of new and efficient technology to burn coal cleanly in the 1990's and beyond.

In order to assure that Congress has sufficient information upon which to base future decisions with regard to program funding, the Committee expects the Department to provide a report by March 1, 1989 which at a minimum provides (1) a summary of the projects and technologies selected in each of the first two procurements; (2) the status of the selected projects; (3) a completion schedule for each project, including estimates of the timing of commercial availability of the technology assuming successful demonstration; and (4) an analysis of technology areas that are not represented sufficiently in the first two procurements.

In providing funds for clean coal technology in fiscal year 1986 and in fiscal year 1988, Congress provided that cost-sharing by individual projects, mandated to be no less than 50 percent, could not be made up of other Federally appropriated funds. It was assumed that this would not preclude the Tennessee Valley Authority (TVA), which did participate in the proposal process, from being able to use funds derived from receipts from its power program as cost-sharing if TVA so desired. Subsequently, a disagreement has arisen between TVA and DOE as to whether part of a 1985 Comptroller General's decision on a bid protest regarding a TVA contract affects the ability of TVA power funds to qualify for cost-sharing purposes under the clean coal program. TVA has been involved in many innovative coal technology programs and is a legitimate potential participant. Therefore, the Committee has included language in the bill to clarify that TVA power funds (except to the extent that any such funds were provided by an annual appropriations Act) are eligible to meet cost-sharing requirements under programs included within the "clean coal technology" account.

As requested by the Administration, the Committee recommends bill language providing for the merger of previously appropriated funds from the "Energy security reserve" with this account.

The Committee also expects administrative contract funds to be limited to \$5,000,000 in fiscal year 1989 instead of \$9,820,000. This reduced level is still one-third higher than 1988 estimates of requirements which were based on a larger program. These costs should be controlled closely so that most of the appropriations go directly to projects. If additional funds are required, they may be requested through the reprogramming process.

FOSSIL ENERGY RESEARCH AND DEVELOPMENT

Appropriation enacted, 1988.....	326,975,000
Budget estimate, 1989.....	166,992,000
Recommended, 1989.....	357,361,000
Comparison:	
Appropriation, 1988.....	+30,386,000
Budget estimate, 1989.....	+190,369,000

The amount recommended by the Committee for fiscal year 1989 compared to the budget estimate by activity is shown in the following table:

	(in thousands of dollars)			
	FY 1988 Enacted	Budget Estimates	Committee Bill	Change from Estimates
Coal				
Control Technology and Coal Preparation				
Advanced research.....	2,042	1,774	1,774	---
Coal preparation and analysis.....	15,785	9,948	18,048	+8,100
Flue gas cleanup.....	14,537	12,961	18,949	+5,988
Gas stream cleanup.....	9,868	5,405	11,470	+6,065
Waste management technology.....	1,388	1,399	1,518	+119
Subtotal, Control Technology & Coal Preparation.....	43,620	31,487	51,759	+20,272
Advanced research and technology development.....	24,937	21,410	24,741	+3,331
Coal Liquefaction				
Advanced research.....	6,132	3,241	5,490	+2,249
Direct liquefaction.....	13,424	3,241	17,022	+13,781
Indirect liquefaction.....	6,583	2,742	6,742	+4,000
Support studies and engineering evaluations.....	990	1,074	2,074	+1,000
Subtotal, Coal Liquefaction.....	27,129	10,298	31,328	+21,030
Combustion Systems				
Advanced research.....	3,351	2,092	3,364	+1,272
Atmospheric fluidized beds.....	2,423	1,735	2,756	+1,021
Pressurized fluidized beds.....	7,202	7,117	7,253	+136
Advanced combustion technology.....	3,486	2,682	6,682	+4,000
Alternate fuel utilization.....	3,705	3,794	6,267	+2,473
EPA LIMB demonstration.....	5,000	---	---	---
Subtotal, Combustion Systems.....	25,167	17,420	26,322	+8,902
Fuel Cells				
Advanced research.....	1,547	997	1,597	+600
Phosphoric acid systems.....	13,200	---	10,000	+10,000
Molten carbonate systems.....	11,100	3,469	7,069	+3,600
Advanced concepts.....	8,353	2,168	8,368	+6,200
Subtotal, Fuel Cells.....	34,200	6,634	27,034	+20,400
Heat engines.....	17,945	8,998	21,332	+12,334
Underground coal gasification.....	2,777	271	1,503	+1,232
Magnetohydrodynamics.....	35,000	---	35,000	+35,000
Surface Coal Gasification				
Advanced research.....	2,698	694	2,620	+1,926
Systems for power production.....	11,176	876	5,176	+4,300
Systems for industrial fuel gas production.....	1,369	848	848	---
Systems for synthesis gas production.....	1,958	1,258	2,464	+1,206
Systems for co-products production.....	5,292	834	3,634	+2,800
Great Plains coal gasification project.....	500	517	517	---
Subtotal, Surface Coal Gasification.....	22,993	5,027	15,259	+10,232
Subtotal, Coal.....	233,768	101,545	234,278	+132,733
Petroleum				
Advanced Process Technology				
Advanced exploratory research.....	3,053	1,716	2,936	+1,220
Arctic and offshore research.....	372	452	452	---
Subtotal, Advanced Process Technology.....	3,425	2,168	3,388	+1,220
Enhanced Oil Recovery				
Heavy oil.....	3,700	3,945	3,945	---
Light oil.....	9,894	13,038	13,038	---
Tar sands.....	1,941	---	1,041	+1,041
Pilot venture program.....	1,000	---	---	---
Geosciences.....	---	---	5,000	+5,000
Subtotal, Enhanced Oil Recovery.....	16,535	16,983	23,024	+6,041
Oil shale.....	9,504	1,035	8,330	+7,295
Subtotal, Petroleum.....	29,464	20,186	34,742	+14,556
Gas				
Unconventional gas recovery.....	10,534	1,734	10,234	+8,500
Cooperative R&D ventures.....	---	9,000	---	-9,000
Equipment not related to construction.....	480	---	500	+500
Fossil Energy Construction				
General plant projects.....	2,250	500	2,250	+1,750
Headquarters program direction.....	14,037	9,707	16,207	+6,500
Energy Technology Center program direction.....	47,811	25,071	50,821	+25,750
Use of prior year funds.....	-6,205	-1,000	-1,000	---
Transfer from Energy Security Reserve.....	-20,894	---	---	---
Federal Inspector for the Alaska Gas Pipeline.....	230	249	249	---
Facilities.....	15,500	---	8,000	+8,000
Employment floors.....	---	---	1,080	+1,080
Total, Fossil Energy Research and Development.....	326,975	166,992	357,361	+190,369

The Committee recommends an appropriation of \$357,361,000 for fossil energy research and development, an increase of \$190,369,000 over the budget estimate of \$166,992,000.

Control technology and coal preparation.—The Committee recommends an increase of \$8,100,000 for coal preparation and analysis. The increase consists of \$1,500,000 for Southern Illinois University (12 months' funding); \$1,140,000 for Ames Laboratory (12 months' funding); \$1,300,000 for additional testing of the Gravimelt process; \$3,900,000 for acid rain control related procurements for surface control, engineering development, and engineering design; and \$260,000 for support of the University of North Dakota Energy and Minerals Research Center (UNDEMRC).

In flue gas cleanup the Committee recommends an increase of \$5,988,000, consisting of \$5,000,000 for acid rain control related procurements on fundamental investigations and scale up tests of duct injection systems, \$750,000 for advanced separations, and \$238,000 for UNDEMRC.

The Committee recommends an increase of \$6,065,000 in gas stream cleanup. The increase consists of \$3,069,000 to complete the Calderon project subject to the cost-sharing requirements of the conference report accompanying the fiscal year 1987 continuing resolution, \$1,500,000 for supporting research, \$1,400,000 for gasification combined cycle particle control, and \$96,000 for UNDEMRC.

In waste management, the Committee recommends an increase of \$119,000 for UNDEMRC.

Advanced research and technology development.—An increase of \$3,331,000 is recommended for advanced research and technology development. The net increase consists of increases of \$1,400,000 for materials, \$1,145,000 for solids transport, \$1,600,000 for university coal research, and \$219,000 for UNDEMRC, and decreases of \$600,000 for technical and economic analyses, and \$433,000 for the proposed university/national laboratory cooperative program.

Coal liquefaction.—The Committee recommends an increase of \$2,249,000 in advanced research consisting of \$2,000,000 to restore the base level, and \$249,000 for UNDEMRC.

In direct liquefaction the Committee recommends an increase of \$13,781,000, including \$8,400,000 for the continued operation of the Wilsonville, AL process development unit, \$1,000,000 for a generic bench scale unit at Pittsburgh Energy Technology Center (PETC), \$4,000,000 for process research, and \$381,000 for UNDEMRC.

The Committee recommends an increase of \$4,000,000 for indirect liquefaction consisting of \$1,000,000 for a generic bench scale unit at PETC, and \$3,000,000 for process research, including olefins, catalysts, and novel reactor systems.

In support studies the Committee recommends an increase of \$1,000,000 to develop new base case economic evaluations.

The Committee is concerned with the lack of emphasis on substitute liquid fuel research and development in the face of growing dependence on imported oil for the liquid products needed in the transportation sector. The largest ultimate potential source for such substitutes is coal, and the Committee has provided significant funding to encourage increased research effort on coal liquid products. Large increases are also recommended in other areas such as oil shale, and liquids from coal gasification processes and

natural gas. If liquids equivalent to those in use today can be obtained at reasonable costs, they will provide viable alternatives to other substitutes such as alcohol fuels, without the need to alter completely the transportation infrastructure.

Combustion systems.—In advanced research the Committee recommends an increase of \$1,272,000. The increase includes \$400,000 for beneficiated coals at PETC, \$300,000 to restore the base level, and \$572,000 for UNDEMRC.

The Committee recommends an increase of \$1,021,000 for atmospheric fluidized beds (AFB's) consisting of \$630,000 for special applications to continue all 3 existing contracts, \$200,000 for advanced concepts to continue both existing contracts, and \$191,000 for UNDEMRC.

A net increase of \$136,000 is recommended for pressurized fluidized beds (PFB's) consisting of increases of \$500,000 for advanced concepts to continue the base program, and \$286,000 for UNDEMRC, and a decrease of \$650,000 in component testing for a budget request already provided for in a reprogramming.

In advanced combustion, the Committee recommends an increase of \$4,000,000, including \$3,000,000 to continue development of industrial/utility combustors and \$1,000,000 to begin Phase III development on residential/commercial combustors.

The Committee recommends an increase of \$2,473,000 for alternative fuels. Included in the increase are \$1,800,000 for fuel characterization including boiler tests, \$500,000 for fuel handling, and \$173,000 for UNDEMRC.

Fuel cells.—The Committee recommends an increase of \$600,000 in advanced research to restore the base level.

An increase of \$10,000,000 is recommended in phosphoric acid fuel cells to continue support of the 7.5 megawatt air-cooled technology.

In molten carbonate fuel cells an increase of \$3,600,000 is recommended to continue work on the optimum schedule for the three existing contractors in preparation for an anticipated stack development procurement late in fiscal year 1989.

The Committee recommends an increase of \$6,200,000 for advanced concepts, including \$5,400,000 to continue base level support for the multi-kilowatt solid oxide technology, and \$800,000 to continue base level support for other advanced concepts.

Heat engines.—The Committee recommends an increase of \$12,334,000 for heat engines. The increase consists of \$4,000,000 to continue 3 out of 4 turbine development contracts, \$7,000,000 to continue all 3 diesel development contracts, \$1,000,000 to develop combustor test facilities at Morgantown Energy Technology Center (METC) and \$334,000 for UNDEMRC.

Underground coal gasification.—An increase of \$1,232,000 is recommended to continue a minimal program in underground coal gasification. Of the increase \$832,000 is for site restoration and environmental work by Western Research Institute (WRI), and \$400,000 is for post-burn coring at the Rocky Mountain-I site.

Magnetohydrodynamics (MHD).—The Committee recommends continued support for MHD at the fiscal year 1988 level, an increase of \$35,000,000. This level will result in some delays in the proof-of-concept program, and for that reason the Committee rec-

ommends bill language keeping cost-sharing levels at the fiscal year 1988 level of 25 percent.

Surface coal gasification.—An increase of \$1,926,000 is recommended for advanced research, of which \$1,750,000 is to continue the base level, and \$176,000 is for UNDEMRC.

In power production systems the Committee recommends an increase of \$4,300,000 consisting of \$2,300,000 for continuing the GE hot gas cleanup system, \$1,000,000 for continuing the Texaco hot gas cleanup contract, and \$1,000,000 for modification of existing gasification/gas cleanup facilities at METC.

The Committee recommends an increase of \$1,206,000 in synthesis gas production systems consisting of \$400,000 to continue development of low cost hydrogen concepts, and \$806,000 for UNDEMRC.

An increase of \$2,800,000 is recommended for co-products production. Of the increase \$2,300,000 is to continue 2 out of 4 mild gasification contracts beyond phase II, and \$500,000 is for characterization of mild gasification fuels. The Committee is concerned particularly with the development of liquid fuels from this technology.

Advanced process technology.—The Committee recommends an increase of \$1,220,000 for advanced process technology of which \$1,000,000 is for continuing geoscience and extraction research and instrumentation funding at base levels, and \$220,000 is for WRI.

Enhanced oil recovery.—The Committee recommends an increase of \$6,041,000 for enhanced oil recovery. The increase consists of \$1,041,000 for tar sands work at WRI, and \$5,000,000 for geosciences work in heavy and light oil and in gas. The Department is in the process of developing a comprehensive program plan to deal with the geosciences aspects of enhanced oil and gas recovery. Once that plan is formulated completely it is expected that the elements of that program will be blended with existing research to form a solid base for increasing the industry's ability to recover oil and gas in existing fields. The \$5,000,000 Committee initiative is for a 50 percent cost-shared program of research, to be added to \$5,000,000 in existing funds including other recommended increases in oil and gas programs, and to be used in a competitive program including the Geoscience Institute for Oil and Gas Recovery Research to assure a balanced and wide-ranging implementation of the comprehensive program plan. The Department may use the funds in heavy or light oil programs, in advanced process research or in gas programs provided the Committee is informed of the allocation of funds among the programs.

Overall, in advanced process technology, enhanced oil recovery, and unconventional gas recovery the budget contains \$8,962,000 in geosciences funding. The above \$5,000,000 increase in enhanced oil recovery, the \$1,000,000 increase in advanced process technology, and at least \$6,000,000 of the proposed increase in unconventional gas recovery, when combined with budget amounts, will provide a geosciences program of approximately \$21,000,000, an increase of about \$12,000,000 over the budget.

Oil shale.—The Committee recommends an increase of \$7,295,000 for oil shale, including \$3,000,000 for direct eastern shales work, \$2,295,000 for WRI, and \$2,000,000 to continue process work and product characterization. No commitments should be made in the

oil shale program that would require government support of major facility construction.

Unconventional gas recovery.—An increase of \$8,500,000 is recommended for unconventional gas recovery. The increase consists of \$3,000,000 to continue the cooperative secondary gas recovery program, \$2,000,000 for lateral drilling and test wells in eastern shales, \$3,000,000 for slant drilling and stimulation at the multiwell experiment (MWX) site in Western tight sands, and \$500,000 to continue gas to liquids work at fiscal year 1988 levels.

Cooperative R&D ventures.—The Committee recommends no funding for cooperative R&D ventures, a reduction of \$9,000,000 from the budget estimate. Instead of a separate program, the Committee recommends funding in program areas which is adaptable to joint ventures if required.

Facilities and equipment.—The Committee recommends an increase of \$500,000 for equipment not related to construction to continue the base level. In addition the Committee will allow for up to 5 percent of internal (non-contract) research and development funds for METC, PETC, WRI, UNDEMRC, and the National Institute for Petroleum and Energy Research (NIPER) to be used for equipment. Any such use should be reported with the quarterly update of the base table.

For general plant projects the Committee recommends an increase of \$1,750,000 to restore the base level.

The Committee recommends an increase of \$8,000,000 for facilities, of which \$3,500,000 is to complete funding of the government share (\$9,000,000 total) of a \$45,000,000 energy center at the University of Oklahoma in Norman, OK, and \$4,500,000 is to begin renovation of a chemical engineering laboratory (Building 84) and a program support facility (Building 922) at PETC. The total cost of the PETC facility renovation is estimated to be \$9,425,000 through 1991.

Policy and management.—In program direction, the Committee recommends increases of \$6,500,000 for headquarters, and \$25,750,000 for ETC's. These increases include funding for maintaining employment floors. In headquarters, small business set-aside is estimated to be a total of \$2,700,000 and contract support is estimated to be a total of \$2,200,000. In addition, the Committee recommends an increase of \$1,080,000 to restore employment floors for direct project work.

General.—The Committee expects the Department to support the programs of Argonne National Laboratory at levels equivalent to fiscal year 1988, with maximum emphasis on its core R&D program.

Amounts provided to WRI and UNDEMRC may be transferred among activities without prior reprogramming notification.

Within available funds, the Committee expects the Department to perform a feasibility study on the value of a diagnostic instrumentation and analysis laboratory at Mississippi State University, and provide the conclusions of the study and costs to the Committee by March 1, 1989. The study should be based on the proposal submitted to the Department by the University in April, 1988.

The Committee supports long-term funding for the three research organizations that were established to replace Federal

energy research centers (WRI, UNDEMRC, and NIPER). Original agreements with these organizations assumed an increasing industrial energy research commitment and phasing out of government support. Although the centers have sought actively and successfully to obtain industrial support it is clear that this support is insufficient to sustain the existing research organizations. Therefore, the Committee expects the Department to provide base funding at levels similar to the last two years for the long-term and to undertake contractual arrangements that will provide the prospect of stability to these organizations. Such arrangements will assist the organizations in obtaining other funding also.

The Department has been signing memoranda of understanding and agreements with States and foreign countries for research and development purposes. As specific projects are developed they are included in the agreements as "annexes". The Committee expects that as such projects or "annexes" are developed they be reported to the Committee on a quarterly basis with the update of the base table.

Reprogramming levels are to be determined by the table accompanying this report. The Committee has no objection to the transfer of funds among "key activity" categories in the budget structure, provided such transfers are below the level of the report table. Such transfers, and the reasons therefor, should be included with the quarterly update of the base table. All reprogramming guidelines, as contained in House Report 99-714, continue to be in effect.

NAVAL PETROLEUM AND OIL SHALE RESERVES

Appropriation enacted, 1988.....	\$159,663,000
Budget estimate, 1989.....	185,071,000
Recommended, 1989.....	185,071,000
Comparison:	
Appropriation, 1988.....	+ 25,408,000
Budget estimate, 1989.....	

Naval Petroleum and Oil Shale Reserves include petroleum reserves Nos. 1 and 2 located at Elk Hills, California, petroleum reserve No. 3 northeast of Casper, Wyoming, Naval Oil Shale Reserves Nos. 1 and 3 in Colorado, and Naval Oil Shale Reserve No. 2 in Utah. The government's share of oil and liquid product production from the Naval Petroleum Reserves is estimated to average 115,000 barrels per day in fiscal year 1989. Total receipts for fiscal year 1989 are estimated to be \$759 million.

The amount recommended by the Committee for fiscal year 1989 compared with the budget estimate by activity is shown in the following table:

	(in thousands of dollars)			
	FY 1988 Enacted	Budget Estimates	Committee Bill	Change from Estimates
Naval petroleum reserves Nos. 1 & 2.....	150,255	161,616	161,616	---
Naval petroleum reserve No. 3.....	21,740	17,336	17,336	---
Program direction (headquarters).....	5,458	5,919	5,919	---
Subtotal, Oil Reserves.....	177,453	184,871	184,871	---
Shale oil development program				
Shale reserves development.....	210	200	200	---
Use of prior year balance.....	-18,000	---	---	---
Total, Naval Petroleum and Oil Shale Reserves...	159,663	185,071	185,071	---

The Committee recommends an appropriation of \$185,071,000, the budget estimate, for the Naval Petroleum and Oil Shale Reserves.

The Committee strongly rejects the Administration's proposal to sell the Naval Petroleum Reserves. There is no compelling reason to surrender this resource which has yielded approximately \$10 billion in profits to the Government in the last decade and will continue to be immensely profitable in the future. In addition, during this time of volatile, and generally low, oil prices there is great uncertainty whether the Government could get full value for the Reserves in the marketplace. The Department's investment banking consultant recently has reduced its estimate of potential sales revenue from a range of \$3.7 to \$4.3 billion to a range of \$3.4 to \$4.0 billion, which continues the prevailing uncertainty. Considering net annual revenues in the range of \$600 million a year, such estimated sales prices seem exceedingly inadequate.

The Committee also notes that legislation proposed by the Administration authorizing the sale of the Reserves does not provide for Congressional review or approval of the sale itself. It would provide the Secretary of Energy with a "Carte Blanche" in deciding whether the terms and price of an offer for the Reserves are adequate. The Committee also rejects this concept.

ENERGY CONSERVATION

Appropriation enacted, 1988.....	\$366,297,000
Budget estimate, 1989.....	89,359,000
Recommended, 1989.....	371,562,000
Comparison:	
Appropriation, 1988.....	+5,265,000
Budget estimate, 1989.....	+282,203,000

The amount recommended by the Committee for fiscal year 1989 compared with the budget estimate by activity is shown in the following table:

	(in thousands of dollars)			
	FY 1988 Enacted	Budget Estimates	Committee Bill	Change from Estimates
Buildings and Community Systems				
Building systems.....	10,500	3,497	9,147	+5,650
Community systems.....	3,700	---	3,100	+3,100
Technology and consumer products.....	10,800	4,300	11,350	+7,050
Analysis and technology transfer.....	3,000	1,000	2,000	+1,000
Appliance standards.....	1,800	1,700	1,700	---
Federal energy management program.....	1,000	1,000	1,000	---
Capital equipment.....	750	983	1,200	+217
Program direction.....	3,090	2,470	3,370	+900
Subtotal, Buildings & Community Systems.....	34,640	14,950	32,867	+17,917
Industrial				
Waste energy reduction.....	10,924	6,500	12,100	+5,600
Process efficiency.....	13,600	6,100	10,300	+4,200
Cogeneration.....	4,200	800	5,000	+4,200
Implementation and deployment.....	2,300	1,462	3,362	+1,900
Program direction.....	2,045	1,590	2,100	+510
Subtotal, Industrial.....	33,069	16,452	32,862	+16,410
Transportation				
Vehicle propulsion R&D.....	17,500	6,935	14,935	+8,000
Alternative fuels utilization.....	1,200	1,615	2,715	+1,100
Electric/hybrid vehicle program.....	14,100	5,568	13,668	+8,100
Technology assessment and transfer.....	1,100	991	2,191	+1,200
Advanced materials development.....	13,500	9,888	15,000	+5,112
High temperature materials lab.....	2,000	2,000	2,000	---
Capital equipment.....	250	---	1,000	+1,000
Program direction.....	2,178	1,385	2,280	+895
Subtotal, Transportation.....	51,828	28,382	53,789	+25,407
State/Local Programs				
Energy policy and conservation grants (EPCA).....	9,519	---	9,519	+9,519
Energy extension service.....	3,968	---	3,968	+3,968
Schools and hospitals.....	25,156	---	25,156	+25,156
Weatherization.....	161,357	---	161,357	+161,357
Program direction.....	12,095	8,605	10,650	+2,045
Subtotal, State/Local Programs.....	212,095	8,605	210,650	+202,045
Multi Sector				
Energy conversion and utilization technology.....	20,825	17,600	24,000	+6,400
Inventors program.....	4,890	4,650	4,850	+200
National Appropriate Technology Assistance Service..	1,400	600	1,400	+800
Technology assessment and transfer.....	---	732	1,132	+400
Capital equipment.....	800	100	600	+500
Program direction.....	1,088	475	1,175	+700
Subtotal, Multi Sector.....	29,003	24,157	33,157	+9,000
Policy and management.....	1,662	2,386	2,664	+278
Facilities.....	6,000	---	10,000	+10,000
Use of nonappropriated escrow funds.....	-56,780	---	-45,424	-45,424
Use of prior year balances.....	-2,000	-5,573	-4,427	+1,146
Total, Energy Conservation.....	309,517	89,359	326,138	+236,779

The Committee recommends an appropriation of \$371,562,000, an increase of \$282,203,000 above the budget estimate of \$89,359,000. Of this amount an indefinite portion is to be derived from the excess amount for fiscal year 1989, under the provisions of the Budget Reconciliation Act of 1987, Public Law 99-509. This amount, for State and local conservation programs, is estimated to be \$45,424,000.

Buildings and community systems.—The Committee recommends an increase of \$5,650,000 for building systems to restore the base level. Included in the increase are \$900,000 for building materials including CFC substitutes, \$700,000 for walls and foundations, \$300,000 for roof research, \$650,000 for windows, \$700,000 for indoor air quality, \$400,000 for advanced commercial building systems, \$300,000 for performance simulation, \$1,000,000 for a competitive solicitation for building retrofit technologies, and \$700,000 for advanced manufactured housing systems in conjunction with the University of Oregon and the Florida Solar Energy Center.

Upon completion of the ongoing feasibility study on the construction of a whole building system integration laboratory the Committee will consider funding the laboratory.

In community systems, the Committee recommends an increase of \$3,100,000 consisting of \$2,000,000 to continue the work of the Urban Consortium Energy Task Force, and \$1,100,000 for district heating and cooling research, including up to \$200,000 for the Scranton mine water heat recovery project. None of the funds are to be used for additional community feasibility studies.

The Committee recommends an increase of \$7,050,000 for technology and consumer products to restore the base level. Included in the increase are \$3,100,000 for heat pumps, \$1,400,000 for advanced refrigeration, \$300,000 for evacuated insulation, \$600,000 for oil combustion research, \$400,000 for thermal distribution studies (at least \$200,000 of which shall be applicable to oil heating systems), \$500,000 for lighting equipment, and \$750,000 for lighting impacts and applications. In lighting equipment, no less than \$500,000 is to be allocated to two photon phosphor work.

In analysis and technology transfer the Committee recommends an increase of \$1,000,000, consisting of \$250,000 to strengthen overall technology assessment and information transfer, and \$750,000 for least cost utility planning. The least cost utility planning funds should be leveraged with significant cost-sharing.

For capital equipment, the Committee recommends an increase \$217,000, and for program direction an increase of \$900,000 to maintain employment floors.

Industrial conservation.—The Committee recommends an increase of \$5,600,000 in waste energy reduction to restore the base level. The increase consists of \$700,000 for improved combustion efficiency, \$1,000,000 for advanced industrial heat pumps, \$1,000,000 for high temperature recuperators, \$1,000,000 for liquid and solid waste conversion, \$600,000 for utilization of waste gases, and \$1,300,000 for National Laboratory support.

In industrial process efficiency, the Committee recommends an increase of \$4,200,000 to restore the base level. The increase includes \$600,000 for process electrolysis, \$600,000 for materials processing, including comminution, \$700,000 for sensors, \$1,000,000 for separations, \$500,000 for coatings, \$400,000 for glass processing, and \$400,000 for catalyst research. No additional funds have been recommended for the steel initiative because of the availability of large unobligated balances. The Committee supports this initiative strongly and expects significant progress during fiscal year 1989 in establishing cost-shared projects with industry. Reasonable progress is expected to result in the need for additional appropriations in fiscal year 1990.

The Committee recommends an increase of \$4,200,000 in industrial cogeneration to restore the base level and to be used for advanced topping cycles.

In implementation and deployment the Committee recommends an increase of \$1,900,000 consisting of \$1,500,000 for Energy Analysis and Diagnostic Centers (EADC's) and \$400,000 to restore the base level in technology and information transfer.

The Committee also recommends an increase of \$510,000 in program direction to maintain employment floors.

Transportation.—For vehicle propulsion research and development the Committee recommends an increase of \$8,000,000, of which \$6,000,000 is to continue two contractors in the ceramic auto-

motive gas turbine program, and \$2,000,000 is for the heavy duty diesel engine program.

The Committee recommends an increase of \$1,100,000 for the alternative fuels program, consisting of \$1,000,000 for synfuel combustion studies, and \$100,000 to continue the Hawaii methanol program.

In electric vehicles the Committee recommends an increase of \$8,100,000. Included in the increase are \$2,500,000 for battery research to continue work on lead-acid, nickel-iron, iron-air, and nickel-cadmium batteries; \$850,000 in propulsion systems to complete the single shaft system (ETX-II); \$1,500,000 for test and evaluation, including the single and dual shaft systems; \$500,000 for the site operators user task force; \$2,600,000 for the ongoing fuel cell bus program; and \$150,000 for National Laboratory support.

The Committee recommends an increase of \$1,200,000 for technology assessment and transfer, including \$700,000 for producing the mileage guide as required by law and \$500,000 for evaluation and technology transfer.

The advanced materials program is at the forefront of high temperature ceramics development and includes participation and significant cost-sharing by industry. The Committee recommends an increase of \$5,112,000 in the advanced materials program, based on the results of a program review which included the ceramics industry, the engine industry, and the National Academy of Sciences. In addition, the Committee recommends an increase of \$1,000,000 for capital equipment related to the program.

The Committee also recommends an increase of \$895,000 for program direction to maintain employment floors.

State and local programs.—The Committee recommends an increase of \$200,000,000 for the State and local grant programs, including \$161,357,000 for low income weatherization, \$25,156,000 for schools and hospitals grants, \$9,519,000 for State energy conservation grants, and \$3,968,000 for the Energy Extension Service. This recommendation continues the Committee's commitment to these programs, first made in fiscal year 1987, to continue funding in addition to those amounts available to the States from settlements of oil overcharge cases. Bill language is included which will allow the use of funds declared "excess" to direct restitution requirements as provided for in the fiscal year 1987 reconciliation legislation (Public Law 99-509) to offset budget authority requirements. This offset is estimated to be \$45,424,000.

With respect to the schools and hospitals program, a State may use up to 100 percent of its allocation from the Department solely for technical assistance activities when it can be certified that (a) the State will provide, from some other source, funding for implementation activities, (b) the funds utilized for technical assistance activities will not exceed 15 percent of the total of allocated and State funds available for schools and hospitals conservation programs, and (c) administration of implementation activities will be in accordance with applicable program law and regulations.

The Committee also recommends an increase of \$2,045,000 for program direction to maintain employment floors.

Multisector.—For energy conversion and utilization technology (ECUT) the Committee recommends an increase of \$6,900,000. The

increase consists of \$2,000,000 for engine and continuous combustion, \$1,500,000 for thermal sciences, \$1,400,000 for catalysis-biocatalysis, \$2,000,000 for materials, \$500,000 for capital equipment, and \$100,000 for foreign technology assessment, offset by a decrease of \$600,000 for superconducting materials. The work in superconductivity (\$1,400,000) should be on actual material applications to the greatest extent possible rather than elaborate paper feasibility studies.

The Committee also recommends increases of \$200,000 in the inventor's program for an innovative concepts solicitation, \$800,000 to restore the base level for the National Appropriate Technology Assistance Service (NATAS), \$400,000 in technology assessment and transfer for State and local innovation support, and \$700,000 for program direction to maintain employment floors.

Facilities.—The Committee recommends \$10,000,000 for a grant to Northwestern University to complete the government portion of funding for a materials science facility. Bill language is also included to allow the facility to include space for life science, funding for which is to be provided from other sources.

Policy and management.—The Committee recommends an increase of \$278,000 in policy and management to maintain employment floors.

Offsetting reductions.—The Committee recommends offsetting reductions of \$4,427,000 which are \$1,146,000 less than proposed in the budget. Weatherization funds are not to be used as an offset to new budget authority, but should be used in the weatherization program.

General.—Reprogramming levels are to be determined by the table accompanying this report. The Committee has no objection to the transfer of funds among "key activity" categories in the budget structure, provided such transfers are below the level of the report table. Such transfers, and the reasons therefor, should be included with the quarterly update of the base table. All reprogramming guidelines, as contained in House Report 99-714, continue to be in effect.

ECONOMIC REGULATION

Appropriation enacted, 1988.....	\$21,565,000
Budget estimate, 1989	20,772,000
Recommended, 1989	21,010,000
Comparison:	
Appropriation, 1988	— 555,000
Budget estimate, 1989	+ 238,000

The economic regulation account funds the Economic Regulatory Administration and the independent Office of Hearings and Appeals which is responsible for all of the Department's adjudication processes except those that are the responsibility of the Federal Energy Regulatory Commission.

The amount recommended by the Committee for fiscal year 1989 compared with the budget estimate by activity is as follows:

	(in thousands of dollars)			
	FY 1988 Enacted	Budget Estimates	Committee Bill	Change from Estimates
Compliance.....	13,038	12,511	12,511	---
Fuels conversion.....	585	356	356	---
Natural gas and electricity operations.....	2,079	2,265	2,265	---
Program administration.....	697	712	712	---
Office of Hearings and Appeals.....	5,166	4,928	5,166	+238
Total, Economic Regulation.....	21,565	20,772	21,010	+238

The Committee recommends an appropriation of \$21,010,000 for economic regulation, an increase of \$238,000 over the budget estimate of \$20,772,000. The recommended increase is for restoration of 10 FTE's in the Office of Hearings and Appeals deleted by the budget request. This would maintain the current level of staffing to deal with a large increase in refund applications as a result of the settlement of oil overcharge cases. The backlog of cases as of the end of April, 1988 was over 59,000.

EMERGENCY PREPAREDNESS

Appropriation enacted, 1988.....	\$6,172,000
Budget estimate, 1989.....	6,154,000
Recommended, 1989.....	6,154,000
Comparison:	
Appropriation, 1988.....	-18,000
Budget estimate, 1989.....	

The activities funded in this account include developing, testing, and evaluating energy emergency preparedness related to national security and defense operations and energy requirements; maintaining systems to ensure communications and operations during an emergency; and other IEA emergency programs and civil emergency preparedness activities.

The Committee recommends an appropriation of \$6,154,000, the budget estimate, for emergency preparedness.

STRATEGIC PETROLEUM RESERVE

Appropriation enacted, 1988.....	\$164,162,000
Budget estimate, 1989.....	173,421,000
Recommended, 1989.....	173,421,000
Comparison:	
Appropriation, 1988.....	+9,259,000
Budget estimate, 1989.....	

The amount recommended by the Committee for fiscal year 1989 compared with the budget estimate by activity is shown in the following table:

	(in thousands of dollars)			
	FY 1988 Enacted	Budget Estimates	Committee Bill	Change from Estimates
Storage facilities development and operations.....	151,886	160,021	160,021	---
Management.....	12,276	13,400	13,400	---
Total, Strategic Petroleum Reserve.....	164,162	173,421	173,421	---

The Committee recommends an appropriation of \$173,421,000, the budget estimate, for construction and operation of the Strategic Petroleum Reserve. The recommended appropriation will continue construction and solution mining on a schedule to achieve a storage capacity of 750 million barrels by fiscal year 1991, and a distribution capacity of 4 million barrels a day by the end of fiscal year 1989.

SPR PETROLEUM ACCOUNT

Appropriation enacted, 1988.....	\$438,744,000
Budget estimate, 1989.....	333,555,000
Recommended, 1989.....	333,555,000
Comparison:	
Appropriation, 1988.....	-105,189,000
Budget estimate, 1989.....	

The Committee recommends an appropriation of \$333,555,000, the budget estimate for acquisition and transportation of oil for the Strategic Petroleum Reserve. The recommended appropriation will allow filling the reserve at approximately 50,000 barrels a day during fiscal year 1989 depending on oil prices, bringing the total oil in storage to approximately 570 million barrels at the end of the year.

The Committee also recommends retaining bill language, included in fiscal year 1988, that allows continued normal operations at Naval Petroleum Reserve Numbered 1 (Elk Hills) even though the fill rate of the Strategic Petroleum Reserve is less than 75,000 barrels a day.

No funds are included for a defense petroleum inventory or an additional 50,000 barrels a day fill for the Reserve, which were proposed by the Administration to be funded out of receipts from the sale of the Naval Petroleum Reserves.

ENERGY INFORMATION ADMINISTRATION

Appropriation enacted, 1988.....	\$61,398,000
Budget estimate, 1989.....	62,856,000
Recommended, 1989.....	62,856,000
Comparison:	
Appropriation, 1988.....	+1,458,000
Budget estimate, 1989.....	

The Energy Information Administration is a quasi-independent agency within the Department of Energy established to provide timely, objective, and accurate information to the Congress, executive branch, State governments, industry, and the public.

The amount recommended by the Committee for fiscal year 1989 compared with the budget estimate by activity is shown in the following table:

	(in thousands of dollars)			Change from Estimates
	FY 1988 Enacted	Budget Estimates	Committee Bill	
National Energy Information System.....	51,188	52,798	52,798	---
Policy and management.....	10,210	10,058	10,058	---
Total, Energy Information Administration.....	61,398	62,856	62,856	---

The Committee recommends an appropriation of \$62,856,000, the budget estimate, for the Energy Information Administration (EIA).

The Committee expects EIA to continue to support the State heating oil (winter distillate) program except for the direct grants to States for data collection.

ALCOHOL FUELS

The Committee recommends including administrative provisions in the bill for the Department of Energy's alcohol fuels program, as requested by the Administration. To date two alcohol fuel plant loans have defaulted and the Government has disbursed funds from the Alcohol Fuels Loan Guarantee reserve to cover the defaults. One remaining plant has been shut down but has not yet defaulted on its loan. The potential liability on the plant (Tennol, Inc.) is between \$65 and \$70 million. Currently only approximately \$11 million in unencumbered funds remain in the loan guarantee reserve.

Therefore, the Committee has recommended bill language that would provide for the use of certain funds only for expenses connected with existing loans and associated costs. The funds may be derived from (1) the sale of assets obtained as a result of defaulted loans; (2) other receipts, such as loan payments, received in connection with the program; and (3) unobligated balances in the Alternative Fuels Production account, if excess to the needs of that account. The amounts available from each of these sources is not estimated easily. If a loan default occurs and the existing funds are insufficient, new appropriations may be necessary in the future.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

INDIAN HEALTH SERVICE

INDIAN HEALTH SERVICES

Appropriation enacted, 1988.....	\$949,481,000
Budget estimate, 1989.....	986,772,000
Recommended, 1989.....	1,016,667,000
Comparison:	
Appropriation, 1988.....	+67,186,000
Budget estimate, 1989.....	+29,895,000

The amounts recommended by the Committee for fiscal year 1989, compared with the budget estimates, are shown in the following table:

	(in thousands of dollars)			Change from Estimates
	FY 1988 Enacted	Budget Estimates	Committee Bill	
Hospital and health clinic programs.....	537,000	556,423	576,204	+19,781
Dental health program.....	28,974	30,318	32,485	+2,167
Mental health program.....	12,466	13,091	13,091	---
Alcoholism program.....	29,335	30,959	31,159	+200
Maintenance and repair.....	11,359	11,756	11,756	---
Contract care.....	198,481	208,335	214,454	+6,119
Sanitation.....	23,907	24,626	24,654	+28
Public health nursing.....	14,113	14,467	14,467	---
Health education.....	4,413	4,651	4,651	---
Community health representative program.....	27,282	27,282	29,282	+2,000
Immunization.....	395	417	417	---
Urban health projects.....	9,624	8,662	10,462	+1,800
Indian health manpower.....	7,646	7,646	7,896	+250
Tribal management.....	3,094	3,218	3,218	---
Direct operations.....	41,392	42,471	42,471	---
Facilities.....	---	2,450	---	-2,450
Medicare/Medicaid reimbursements.....	---	---	---	---
Total, Indian Health Services.....	949,481	986,772	1,016,667	+29,895

The Committee recommends an appropriation of \$1,016,667,000, an increase of \$29,895,000 over the budget estimate. The recommended level, an increase of \$67,186,000 over the 1988 level, will essentially maintain the Indian Health Service programs at the 1988 level, plus address the needs of newly recognized tribes, provide small increases for deferred services, and make up part of the shortfall in tribal contractor indirect costs.

The Committee has not agreed with proposed bill language which would have identified a specific amount for tribal contractors. The Committee has always supported tribal contracting of health programs, but does not believe that this language would in any way advance or increase the amount of tribal contracting. In fact, it would have the effect of placing a ceiling on the amount of tribal contracting that could occur in any year. The Committee also has not included the proposed bill language that would have made an advance appropriation for fiscal year 1990. Language has been included, as proposed, making Medicare/Medicaid reimbursements available for two years after the year in which they are collected.

Under Administrative Provisions, the Committee has amended the bill language, as proposed, to allow tribally-administered facilities to serve non-Indians, under certain conditions. The Committee has not agreed to proposed language on subrogation of claims, since the impact of the change is not clear. With regard to the proposed eligibility regulations, which were deferred by Congress in the 1988 appropriations Act, the Committee has included language which will defer the regulations during fiscal year 1989, while a study is done to determine the impacts of the regulations and related costs. For example, the Committee has been told that contract health services eligibility could increase significantly once the new regulations go into effect, yet the agency does not have enough information to confirm what the increased population would be, nor has any adjustment in the budget been proposed as a result. This kind of information should be available, and the resulting costs should be reflected in the budget, before the regulations are implemented. The IHS should conduct the study, and submit a report to the Appropriations Committees and the appropriate authorizing committees by March 1, 1989. The fiscal year 1990 budget request should also reflect any required changes due to the regulations.

The Committee has also included bill language amending the Federal Tort Claims Act language carried in the 1988 appropriations Act, to clarify Congressional intent with regard to this language. In the 1988 Act, Congress amended section 102(c) of the Indian Self-Determination Act by making the Federal Tort Claims Act the exclusive remedy for death and personal injury claims arising out of the provision of health services by tribal contractors when administering Federal health programs. The Committee is concerned that the Indian Health Service has failed to carry out Congress' intent by insisting that tribal contractors continue to purchase private liability insurance to cover so-called "tail claims", which are claims based on injuries which occurred prior to December 22, 1987. The Committee intended that the 1988 language be understood as covering all such claims. To eliminate any doubt as to the scope of the language, the Committee has included language making it clear that the Federal Tort Claims Act is the exclusive remedy for all claims against tribal organizations arising out of the performance of health-related functions, regardless of when the alleged injury occurred and regardless of when the claim is or was asserted, so long as the claim is still within the statute of limitations as of December 22, 1987.

The Committee recently learned that the Indian Health Service will not extend Federal tort claims coverage to non-Indian patients of tribal contractors. Some tribal contractors treat non-Indian patients, often because the contractor is the only health care provider in an isolated area, such as in Alaska. The IHS's refusal to extend coverage to claims by these individuals will require continued purchase of expensive liability insurance by tribal contractors. The Committee intended to extend Federal tort claims coverage to claims by these patients, and has included new language to clarify this issue.

Finally, additional bill language has been included to make a technical correction to the language by adding the phrase "an Indian tribe" to the sentence containing the words "tribal organization or Indian contractor".

The Committee has received information regarding funding shortfalls in the Alaska Community Health Aide program. The IHS is requested to submit a report by February 1, 1989 on the current funding provided to the program, and any identified shortfalls, and the impacts thereof.

Hospital and health clinics.—The Committee recommends an increase of \$19,781,000 for hospital and health clinic programs. Included is \$400,000 for staffing for new facilities at Rosebud and Kyle, SD, and \$3,000,000 to provide funding for the newly recognized tribes of Alabama Coushatta (\$480,000), Ysleta del sur Pueblo (\$1,180,000), Wampanoag (\$140,000), and Klamath (\$1,200,000). In the future, the IHS should include funding and data on the program requirements of newly recognized tribes, rather than taking the funding from existing programs.

There is an increase of \$3,000,000 to provide full staffing for the regional youth substance abuse treatment centers, which should all be in operation in fiscal year 1989. An increase of \$2,881,000 is included to restore the budgeted increase, instead of being funded from reimbursements. The Committee has also recommended an

increase of \$500,000 for an AIDS assessment, education and surveillance program. The IHS has not been included in the funding requests of the other parts of the Department for AIDS efforts. The Committee recognizes that the spread of the AIDS virus represents a serious health threat to the nation, and supports all efforts to research and prevent the spread of the disease. While the Committee realizes that there is no available cure for AIDS, it believes that the impact of the disease on the Indian community should be carefully monitored, and that Indian people should be afforded the same protections as other citizens in regard to efforts to prevent the spread of the disease. Adequate resources must be directed towards screening activities for high risk populations in the Indian community, and an aggressive education effort must be promoted. The Committee therefore directs the Indian Health Service to develop and implement comprehensive plans for treating and monitoring the number of Indians who have acquired the AIDS virus. The Committee directs the IHS to prepare a report on its progress in addressing the AIDS problem, to be made available by March 15, 1989. Finally, there is an increase of \$10,000,000, for an additional amount for tribal contractor indirect cost funds, to be added to the base amount available for that purpose in fiscal year 1988. This will fund part of the identified shortfall of \$12-18,000,000. The IHS should identify the total amount included for tribal contractor indirect costs in the fiscal year 1990 budget justification, including any proposed changes to the base amount as a result of the budget request.

Dental health program—An increase of \$2,167,000 is recommended, which includes \$67,000 for the staffing at Kyle and Rosebud. There is also an increase of \$100,000 for additional supplies related to the infection control policy, and an increase of \$2,000,000 to address the \$15,000,000 backlog of dental restorative needs.

Alcoholism.—An increase of \$200,000 is recommended, to allow the IHS to develop prevention and intervention activities on fetal alcohol syndrome (FAS) in each of the IHS areas. Within the total provided, there is \$100,000 to continue the FAS research project at the University of Washington. The Committee expects the Warm Springs demonstration program and the funding for the Thunderbird Treatment Center to continue at the 1988 level.

Contract care.—The Committee recommends an increase of \$6,119,000 for contract health services. Included is \$5,000,000 to address the \$64,000,000 backlog of deferred services, and \$1,119,000 to fund the budgeted increase instead of having it funded from reimbursements. The Committee also has continued bill language allowing the \$10,000,000 catastrophic health care fund and \$5,000,000 in contract care funds to remain available until expended.

Within the total amount recommended, the Committee expects the IHS to continue the contract with the Mid-Dakota Hospital, SD.

Sanitation.—An increase of \$28,000 is recommended for staffing at the Rosebud facility.

Community health representatives.—The Committee recommends an increase of \$2,000,000, which will restore the program to the 1988 level, and allow a 2 percent increase.

Urban health projects.—An increase of \$1,800,000 is recommended, which restores the budgeted increase of \$1,500,000 instead of assuming it will be funded from reimbursements. There is also an increase of \$300,000 for an urban AIDS education and prevention initiative.

Indian health manpower.—An increase of \$250,000 is recommended, to allow the scholarship programs to continue at the 1988 level. Included within the total is \$375,000 for the INMED program, and \$250,000 for the MPH programs.

Tribal management.—The Committee recommends \$3,218,000, the same as the budget estimate. Within the total, the IHS is expected to continue the Tohono O'Odham demonstration program at the 1988 level of \$275,000.

The IHS is requested to provide a report on the costs and rationale for the 16 positions included under this program by February 1, 1989.

Direct operations.—The Committee recommends an appropriation of \$42,471,000, the budget estimate, for direct operations. The Committee has not included proposed bill language to allow \$2,500,000 to be used to study and possibly initiate a move of the IHS headquarters to a location outside the Washington, D.C. area. There is no objection to the use of no more than \$400,000 for a study of the issue of whether some or parts of the headquarters operation should be relocated, and if so, to where, and at what cost. No further activity beyond the study should be undertaken without specific approval of the Congress.

Facilities.—The Committee does not agree with the proposal to fund construction or renovation of facilities from the Services appropriation. Therefore, the \$2,450,000 requested for repair and improvement projects in this account, and the related bill language, are deleted, and the projects will be funded under the Facilities appropriation.

INDIAN HEALTH FACILITIES

Appropriation enacted, 1988.....	\$62,511,000
Budget estimate, 1989.....	.....
Recommended, 1989.....	64,050,000
Comparison:	
Appropriation, 1988.....	+1,539,000
Budget estimate, 1989.....	+64,050,000

The amounts recommended by the Committee for fiscal year 1989 compared to the budget estimates by activity are shown in the following table:

	(in thousands of dollars)			Change from Estimates
	FY 1988 Enacted	Budget Estimates	Committee Bill	
Hospitals				
New and replacement.....	8,064	---	2,700	+2,700
Modernization and repair.....	7,625	---	7,953	+7,953
Subtotal, Hospitals.....	15,689	---	10,653	+10,653
Outpatient care facilities.....	10,416	---	11,397	+11,397
Sanitation facilities.....	30,000	---	42,000	+42,000
Hospital and health clinic programs				
Personnel quarters.....	6,406	---	---	---
Total, Indian Health Facilities.....	62,511	---	64,050	+64,050

The Committee understands that the IHS has developed a new methodology for determining construction priorities, which will allow all locations to be evaluated equally. The IHS is requested to prepare and submit by March 1, 1989, a new priority list based on application of the new methodology, including a review of California facility needs.

The IHS is encouraged to work with the Inland Tribal Consortium in Washington with regard to a youth residential treatment center facility that will meet the needs of tribes in that area, and to report to the Committee by March 1, 1989, on the progress that has been made.

Hospitals.—A total of \$10,653,000 is recommended for the design and construction of new and replacement hospitals, and for modernization and repair projects, as follows:

New and replacement:

Anchorage, AK—complete design and land acquisition.....	\$2,500,000
Winnebago, NE—planning.....	50,000
Phoenix, AZ—planning.....	150,000
Subtotal.....	2,700,000

Modernization and repair:

Mt. Edgecumbe, AK.....	2,200,000
Gallup, NM.....	780,000
Talahina, OK.....	644,000
Albuquerque, NM.....	830,000
Portland, OR.....	503,000
Cass Lake, MN.....	701,000
Whiteriver, AZ.....	491,000
Keams Canyon, AZ.....	1,304,000
Engineering studies, planning, design and inspection fund.....	500,000
Subtotal.....	7,953,000

Total..... \$10,653,000

Outpatient care facilities.—The Committee recommends an appropriation of \$11,397,000 for the design or construction of outpatient care facilities, as follows:

Taos, NM—planning.....	\$50,000
Tohatchi, NM—planning and design.....	581,000
Yuma, AZ—planning and design.....	667,000
Pinon, AZ—planning.....	50,000
Montezuma Creek, UT—planning.....	50,000
Fort Belknap, MT—sitework.....	298,000
Wagner, SD—construction.....	4,227,000

Fort Hall, ID—construction.....	5,474,000
Total.....	\$11,397,000

Sanitation facilities.—The Committee recommends an appropriation of \$42,000,000 for sanitation facilities. This level of funding will provide services to approximately 3,000 homes to be constructed or repaired by the Bureau of Indian Affairs, tribes or other groups (\$27,000,000); and will provide \$10,000,000 for the backlog of existing homes requiring services, which is estimated to be about \$300,000,000. There is also \$5,000,000 to complete Phase II of the water system on the new Navajo lands, as part of the Navajo-Hopi relocation program.

DEPARTMENT OF EDUCATION

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

INDIAN EDUCATION

Appropriation enacted, 1988.....	\$66,326,000
Budget estimate, 1989.....	67,653,000
Recommended, 1989.....	68,153,000
Comparison:	
Appropriation, 1988.....	+1,827,000
Budget estimate, 1989.....	+500,000

The Indian Education Act of 1972 (P.L. 93-318, Title IV), amended by P.L. 100-297, provides support for the special educational needs of American Indian and Alaskan Native children, college students and adults. Through this Act, the Secretary of Education is given the authority to operate a variety of programs, including supplementary educational services, experimental, demonstration, and dissemination activities. Since Indians have traditionally been among the most disadvantaged, the special programs authorized and funded under this Act are directed at their special educational needs.

The Committee is pleased to see the Administration request a budget which provides funding to ameliorate some of the educational disadvantages faced by Indians. The Committee is recommending \$68,153,000 for fiscal year 1989, an increase of \$500,000 over the Administration's request of \$67,653,000. The amount included is shown in the following table:

	(in thousands of dollars)			Change from Estimates
	FY 1988 Enacted	Budget Estimates	Committee Bill	
Part A—Payments to school districts.....	49,170	49,848	49,848	---
Part B—Special projects for Indian students.....	11,707	11,807	11,807	---
Part C—Special projects for Indian adults.....	3,000	3,500	4,000	+500
Administration.....	2,449	2,498	2,498	---
Total, Indian Education.....	66,326	67,653	68,153	+500

Part A.—The Committee recommends \$49,848,000 for Part A grants, the Administration's request. Of this amount, \$46,348,000 is for grants to Local Educational Agencies (LEAs) and \$3,500,000 is for Indian-controlled schools. The Committee supports the Department's effort to begin to bridge the gap between per pupil expenditures.

Part B.—The Committee recommends \$11,807,000 for Part B grants, the Administration's request. Public Law 100-297 authorized the development of a gifted and talented program under the Part B program. However, it is anticipated that none of the funding appropriated for Part B, will be used to initiate a gifted and talented program in fiscal year 1989 which would only benefit a small number of students. If such a program is to be initiated in fiscal year 1990, the Department needs to undertake adequate planning to justify the costs associated with this program as compared to programs benefitting more students, as well as discuss why this program should not be supported through funds from under the Part A grants to LEAs or from other programs within Part B as has been done historically.

Part C.—The Committee recommends \$4,000,000 for Part C adult education, an increase of \$500,000 over the fiscal year 1989 request of \$3,500,000. The Department testified before the Committee that 44 percent of the Indian adults aged 25 and older had not graduated from high school and that 8 percent of this age group had less than a fifth-grade education. There is a pressing need for funding in this area and the additional resources provided by the Committee are a small step in that direction.

Administration.—The Committee recommends the budget request of \$2,206,000 for salaries and expenses and \$292,000 for the National Advisory Council on Indian Education (NACIE). The Council consists of 15 members appointed by the President. As specified in Public Law 100-297, the Council is to advise the Secretary of Education with respect to education programs related to Indian children and adults. The funds specified for NACIE are to be used for the purposes outlined in this Act.

OTHER RELATED AGENCIES

NAVAJO AND HOPI INDIAN RELOCATION COMMISSION

SALARIES AND EXPENSES

Appropriation enacted, 1988.....	\$25,270,000
Budget estimate, 1989.....	22,973,000
Recommended, 1989.....	27,723,000
Comparison:	
Appropriation, 1988.....	+2,453,000
Budget estimate, 1989.....	+4,750,000

The dispute between the Hopi and Navajo tribes is centuries-old. The Hopi were the original occupants of the land with their origin tracing back to the Anasazi race whose presence is recorded back to 1150 A.D. Later in the 16th century the Navajo tribe began settling in this area. The continuous occupation of this land by the Navajo led to the isolation of the Hopi reservation as an island within the area occupied by the Navajo. In 1882, President Arthur issued an Executive Order which granted the Hopi a 2.5 million acre reservation to be occupied by the Hopi and such other Indians as the Secretary of the Interior saw fit to resettle there. Intertribal problems arose between the larger Navajo tribe and the smaller Hopi tribe revolving around the question of the ownership of the

land as well as cultural differences between the two tribes. Efforts to resolve these conflicts were not successful and led Congress to pass legislation in 1958 which authorized a lawsuit to determine ownership of the land. When attempts at mediation of the dispute as specified in an Act passed in 1974 failed, the district court in Arizona partitioned the Joint Use Area equally between the Navajo and Hopi tribes under a decree that has required the relocation of members of both tribes. Most of those to be relocated are Navajo living on the Hopi Partitioned Land.

At this time approximately 1,347 households remain to be relocated. Thirty-eight Navajo households have settled on the new lands, and 136 Navajo households have requested relocation to the new lands. Progress to accomplish the 1974 mandate, despite development of the new lands, has been slow. Completion is not anticipated, at the current level of activity, until 1993.

The Committee recommends an appropriation of \$27,723,000, an increase of \$4,750,000 over the fiscal year 1989 request of \$22,973,000.

While relocation is moving forward, the Committee remains concerned about the welfare of those awaiting relocation, be they voluntary relocatees who have left the Hopi Partitioned Land, or those remaining on the land who are unable to repair their homes while they await relocation. At the Committee's request, the Commission conducted a survey of those families who had voluntarily left the Hopi Partitioned Land. The Commission received responses from 1,021 households. The Committee stresses the need for the Commission to use the information collected from the survey to address the needs of those who are living in adverse conditions while awaiting relocation. Now that the Commission has established contact with these households, it is important to keep current on their welfare and assist them in any way possible. The Committee has included an additional \$3,500,000 to assist in the relocation of those families with approved homesite leases. The Committee has been informed that there are 194 unused leases which have been approved by the Navajo Tribe.

In fiscal year 1988 the Committee provided \$500,000 for the repair of homes constructed prior to 1980 which because of Commission negligence were not decent, safe and sanitary dwellings. The home repair program is still not completed and the Committee has recommended an additional \$500,000 in fiscal year 1989 for this purpose. The Committee is also concerned about the employment of relocatees and directs the Commission, in cooperation with the Navajo Tribe and the Bureau of Indian Affairs to conduct training courses on home repair—plumbing, electricity, carpentry—and then have relocatees assist contractors with the housing repair program to enable them to undertake future home repairs. The Committee recommends an increase of \$500,000 in the Discretionary Fund account to fund this training program as well as provide for the necessary infrastructure development costs to advance the relocation program. In respect to the repair to homes for those awaiting relocation who are residing on the Hopi Partitioned Land, the Hopi are encouraged to work with the Navajo tribe to allow repairs on these homes until these individuals are relocated. In the event problems arise, the Navajo should continue to consult with the BIA

about assisting in any repairs that protect the rights of these individuals until they are relocated.

In fiscal year 1986, Congress appropriated funds for relocation to the Bureau of Indian Affairs and the Indian Health Service. These agencies have signed a Memorandum of Agreement with the Commission and the Committee expects the involvement of these agencies to continue until such time as authorizing legislation directs otherwise. The Committee expects coordination among these agencies to continue as the development of the new lands progresses to ensure that adequate water and utilities are available.

There is no forced eviction in this relocation program. Only those who have voluntarily applied to the Relocation Commission and are certified eligible for relocation are presently being moved. The Committee recommends continuing language it has carried in prior years stating that there will be no evictions of families physically domiciled on the lands partitioned to the Hopi Tribe unless a new or replacement home is provided. Only those who are willing to relocate will receive a new relocation home and the benefits accompanying voluntary relocation.

The United States Geological Survey undertook a study of the Puerco River to determine water quality on the new lands. In fiscal year 1988, Congress reprogrammed additional Commission funding to assist in a continuation of this effort. The current study of the Puerco and Little Colorado Rivers is a five year effort. Therefore, the Committee has added an additional \$250,000 in fiscal year 1989 to support the continuation of this study.

The Committee is concerned that there be adequate schools, hospitals and community facilities for the relocatees. The Committee is aware of the problems faced by the Sanders and Pinon school districts and the fact that these schools have filed the necessary forms and are working with the Department of Education on obtaining Impact Aid funding. The Committee has not provided additional funding at this time because the disposition of these applications is not known. If these applications are not funded through Impact Aid in fiscal year 1989, the Committee would consider a reprogramming request for Commission funding to support thirty percent of the funds needed to address the emergency situation. The Commission should not be responsible for funding these projects in their entirety because these are public schools which would be in need regardless of whether relocatee children were attending.

INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE

CULTURE AND ARTS DEVELOPMENT

Appropriation enacted, 1988.....	
Budget estimate, 1989.....	\$2,467,000
Recommended, 1989.....	3,094,000
Comparison:	
Appropriation, 1988.....	+3,094,000
Budget estimate, 1989.....	+627,000

The Committee recommends an appropriation of \$3,094,000 for the Institute of American Indian and Alaska Native Culture and

Arts Development, an increase of \$627,000 over the budget estimate.

Title XV of Public Law 99-498, the Higher Education Amendments of 1986, established an independent, non-profit corporation administered by a Board of Trustees, as a successor to the Institute of American Indian Arts under the Bureau of Indian Affairs. The official transfer to the new Institute is scheduled to take place when the new Board is in place, no later than June 1, 1988. The Institute is to establish a Center for Culture and Art Studies; a Center for Research and Cultural Exchange; and other programs to foster research and scholarship in Indian art and culture, to complement existing tribal programs for the advancement of Indian art and culture, and to coordinate efforts to preserve, support, revitalize, and develop evolving forms of Indian art and culture.

The increase of \$627,000 consists of an increase of \$445,000 for operation of the Institute, and \$182,000 for additional transition costs. The Committee has agreed with the budget estimate of \$250,000 for the initial Federal contribution to the Institute's endowment fund. The \$445,000 in operations costs will provide funds needed for new staff, research and planning related to the new divisions contained in the legislation, and new programs, for Board expenses, outside audit and common support services previously provided by BIA, recruitment and fundraising, and for facilities operation and maintenance costs. The additional \$182,000 for transition costs will provide for additional meeting costs, legal services, computer costs, and revised curriculum and related systems.

SMITHSONIAN INSTITUTION

The Smithsonian Institution is unique in the Federal establishment. Established by the Congress in 1846 to carry out the trust included in James Smithson's will, it has been engaged for 142 years in the "increase and diffusion of knowledge among men" in accordance with the donor's instructions. For some years, it utilized only the funds made available by the trust. Then, before the turn of the century, it began to receive Federal appropriations to conduct some of its activities. With the expenditure of both private and Federal funds over the years, it has grown into one of the world's great scientific, cultural, and intellectual organizations. It operates magnificent museums, outstanding art galleries, and important research centers. Its collections are among the best in the world. Its traveling exhibits bring beauty and information throughout the country.

It attracted approximately 29,244,000 visitors in 1987 to its museums, galleries and zoological park. Additional millions also view Smithsonian traveling exhibitions, which appear across the United States and abroad, and the annual Folklife Festival. As custodian of the National Collections, the Smithsonian is responsible for more than 100 million art objects, natural history specimens, and artifacts. These collections are displayed for the enjoyment and education of visitors and are available for research by the staff of the Institution and by hundreds of visiting students, scientists, and historians each year. Other significant study efforts draw their

data and results directly from terrestrial, marine, and astrophysical observations at various Smithsonian installations.

The Smithsonian complex presently consists of 13 exhibition buildings in Washington, D.C. and New York City in the fields of science, history, technology, and art; a zoological park, and an animal conservation and research center at Front Royal, Virginia; the Anacostia Museum, which performs research and exhibit activities in a low income area of the city in cooperation with the community; a preservation, storage, and air and spacecraft display facility at Suitland, Maryland; two natural preserves, in Panama and on the Chesapeake Bay; an oceanographic research facility in Fort Pierce, Florida; astrophysical stations in Cambridge, Massachusetts and Mt. Hopkins, Arizona, and elsewhere; and supporting administrative, laboratory, and storage areas.

SALARIES AND EXPENSES

Appropriation enacted, 1988.....	\$201,432,000
Budget estimate, 1989.....	216,214,000
Recommended, 1989.....	208,766,000
Comparison:	
Appropriation, 1988.....	+7,334,000
Budget estimate, 1989.....	-7,448,000

The amount recommended by the Committee for fiscal year 1989, compared with the budget estimate by activity, is shown in the following table:

	(in thousands of dollars)			
	FY 1988 Enacted	Budget Estimates	Committee Bill	Change from Estimates
Research.....	36,906	39,677	39,375	-302
Museums.....	74,909	80,194	79,529	-665
Public service.....	2,493	2,520	2,520	---
Directorate of International Activities.....	787	799	784	-15
Special programs.....	6,907	7,421	5,141	-2,280
Administration.....	21,371	24,312	23,894	-418
Office of Design and Construction.....	2,250	2,920	2,796	-124
Office of Protection Services.....	19,369	20,717	20,717	---
Office of Plant Services.....	36,440	37,654	37,004	-650
Lapse rate.....	---	---	-294	-294
Council of American Overseas Research Centers.....	---	---	100	+100
FERS reduction.....	---	---	-2,800	-2,800
	-----	-----	-----	-----
Total, Salaries and Expenses.....	201,432	216,214	208,766	-7,448
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At the hearing on the fiscal year 1989 budget, the Smithsonian discussed its plans regarding affirmative action in hiring and promotions within the Institution. The Committee is very interested in the progress to be made in this area, and requests a report on activities and accomplishments be provided to the Committee every six months, beginning October 1, 1988. The Committee also requests a follow-up report on the actions of the Smithsonian with regard to a proposed Afro-American museum, to be submitted as soon as possible.

The Committee has been approached about the possibility of converting the American Institute of Indian Studies forward funded reserve to an interest-earning endowment fund, to be invested in India. Since this proposal raises a number of questions regarding Federal grant requirements, possible P.L. 480 restrictions, and restrictions or requirements of the Indian government, the Committee requests that the Smithsonian undertake a study of any such restrictions or requirements that would have to be met before such

an action could be taken. A report on the findings of such study should be submitted to the Committee by March 1, 1989.

Research.—The Committee recommends a decrease of \$302,000 for research. Included is a reduction of \$143,000 which results from applying a 25 percent lapse rate to 16 new positions. There is a decrease of \$100,000 to the Smithsonian Tropical Research Institute, for fellowships under the molecular evolution program, leaving an increase of \$60,000; and for equipment, leaving an increase of \$64,000. An increase of \$16,000 is recommended, to provide one additional guard for the Environmental Research Center. The increase assumes a 25 percent lapse rate. There is a decrease of \$50,000 to the National Zoo's request for molecular systematics equipment, leaving an increase of \$56,000. A decrease of \$25,000 is recommended to the SI Libraries for journal subscriptions, leaving an increase of \$30,000.

Museums.—A decrease of \$665,000 is recommended for museums, including a decrease of \$265,000 for applying the 25 percent lapse rate to 35 new positions. For the National Museum of Natural History, there is a decrease of \$100,000 to equipment for the molecular systematics laboratory, leaving an increase of \$273,000. There is also a decrease of \$100,000 at the Museum, reflecting an allowance of 3 positions for collections information and management, instead of the 6 requested; and reductions to related contract support and equipment. A decrease of \$100,000 is recommended for the National Museum of American History, which will allow an increase of \$100,000 for the exhibit reinstallation base. There is also a decrease of \$50,000 at American History, which will provide 2 positions for the collections information system, instead of the 3 requested, and will reduce the request for training and computer usage costs. For the Freer Gallery, there is a reduction of \$50,000 related to the longer than expected closure of the Gallery while renovation is underway.

Office of International Activities.—A decrease of \$15,000 is recommended, which reflects deletion of the funds provided in 1988 for workshop planning.

Special programs.—The Committee recommends a decrease of \$2,280,000 for special programs. Included is a decrease of \$40,000 from applying the 25 percent lapse rate to 7 new positions. There is a decrease of \$2,240,000 to the Museum Support Center. Included are reductions of \$40,000 to the request for an asbestos decontamination evaluation, leaving \$100,000; and \$200,000 to the move preparations, due to the delay in the MSC construction. Equipment funding for the MSC is also reduced, by \$2,000,000, pending completion of the selection of a new contractor and a reassessment of the additional costs expected to complete the facility. The Committee expects a full report on the estimated costs and the timeframe for completing the facility once a contractor is selected.

Administration.—A decrease of \$418,000 is recommended, which includes \$268,000 for applying the 25 percent lapse rate to 32 new positions. There is a reduction of \$100,000 to financial management. The Office of Information Resource Management should transfer the funds to go with the position transferred to financial management. A decrease of \$50,000 is recommended to the personnel payroll system, leaving a \$50,000 increase.

Facilities services.—A decrease of \$1,068,000 is recommended, including \$294,000 for applying the 25 percent lapse rate to 45 new positions. There is a decrease of \$400,000 to utilities, and a decrease of \$200,000 for rent. The Committee does not agree with the new method of allocating rent costs between Federal and trust functions, and suggests the Smithsonian return to its previous method, or devise a new one that would reflect a fairer sharing of increased costs. A decrease of \$124,000 will allow 10 new positions for the Office of Design and Construction, instead of the 13 requested. A decrease of \$50,000 is recommended for the Office of Plant Services, leaving an increase of \$340,000.

Council of American Overseas Research Centers.—The Committee recommends a total of \$125,000 be provided for the Council of American Overseas Research Centers, to consist of base funding of \$25,000 and an additional \$100,000. Bill language has been included authorizing the use of these funds to support the Council. The Committee has also retained bill language allowing the Smithsonian to use its funds to support the overseas research centers.

Federal Employees Retirement System.—There is a reduction of \$2,800,000, which reflects the current estimate of costs related to the Federal Employees Retirement System.

CONSTRUCTION AND IMPROVEMENTS, NATIONAL ZOOLOGICAL PARK

Appropriation enacted, 1988.....	\$8,150,000
Budget estimate, 1989.....	5,305,000
Recommended, 1989.....	5,305,000
Comparison:	
Appropriation, 1988.....	-2,845,000
Budget estimate, 1989.....	

The Committee recommends an appropriation of \$5,305,000, the budget estimate, for construction and improvements at the National Zoological Park. Included is \$3,200,000 for Phase I construction of the Amazonia exhibit structure, \$1,555,000 for improvements at the Rock Creek facility, and \$550,000 for improvements at the Front Royal facility.

RESTORATION AND RENOVATION OF BUILDINGS

Appropriation enacted, 1988.....	\$19,254,000
Budget estimate, 1989.....	20,835,000
Recommended, 1989.....	20,835,000
Comparison:	
Appropriation, 1988.....	+1,581,000
Budget estimate, 1989.....	

The Committee recommends an appropriation of \$20,835,000, the budget estimate, for restoration and renovation of buildings. Included are funds to address the backlog of essential repair work, estimated to total \$216,000,000. Funds for major capital renewal projects at the Museums of Natural History and American History, and the Arts and Industries building, are included in the amount of \$3,700,000.

CONSTRUCTION

Appropriation enacted, 1988.....	\$1,315,000
Budget estimate, 1989.....	10,150,000

Recommended, 1989	8,655,000
Comparison:	
Appropriation, 1988	+7,340,000
Budget estimate, 1989	-1,495,000

The Committee recommends an appropriation of \$8,655,000 for construction, a decrease of \$1,495,000. The amounts recommended by the Committee compared to the budget estimates, are shown in the following table:

	(in thousands of dollars)			
	FY 1988 Enacted	Budget Estimates	Committee Bill	Change from Estimates
Smithsonian Tropical Research Institute.....	---	2,750	2,700	-50
Fred Lawrence Whipple Observatory.....	1,315	3,200	3,185	-15
Minor construction, alterations and modifications.....	---	3,200	2,020	-1,180
Construction planning.....	---	1,000	750	-250
Total, Construction.....	1,315	10,150	8,655	-1,495

The reduction of \$50,000 to the Tropical Research Institute will reduce the estimate included for escalation. The decrease of \$15,000 for the Whipple Observatory base camp will bring the total project within the authorized funding level. A reduction of \$520,000 is included, which will defer the Air and Space cafeteria renovation until the use of the old cafeteria space is studied, and more specific plans are available. There is a decrease of \$660,000, to reflect deferral of the interior renovation of the Arts and Industries building until the long term plans for the space are known. There is a decrease of \$250,000 for advanced planning and design, leaving \$750,000.

NATIONAL GALLERY OF ART

SALARIES AND EXPENSES

Appropriation enacted, 1988.....	\$37,352,000
Budget estimate, 1989	38,543,000
Recommended, 1989	37,831,000
Comparison:	
Appropriation, 1988	+479,000
Budget estimate, 1989	-712,000

The National Gallery of Art is one of the world's great galleries. Its magnificent works of art are displayed for the benefit of millions of visitors from across this nation and from other nations. The National Gallery of Art serves as an example of a successful cooperative endeavor between private individuals and institutions, and the Federal Government. The many special exhibitions shown in the Gallery and then throughout the country bring great art treasures to Washington and the Nation.

The Committee recommends an appropriation of \$37,831,000 for salaries and expenses, which is an increase of \$479,000 over the 1988 appropriation. The reduction of \$712,000 from the budget estimate reflects several items that are generally agreed not to be needed in fiscal year 1989, as a result of changes in estimates or funding requirements. The amounts recommended by the Committee, compared to the budget estimates, are shown in the following table:

	FY 1988 Enacted	(in thousands of dollars) Budget Estimates	Committee Bill	Change from Estimates
Care and utilization of art collections.....	13,488	14,136	14,033	-103
Operation and maintenance of buildings and grounds....	11,766	11,556	11,381	-175
Protection of buildings, grounds and contents.....	7,460	7,695	7,695	---
General administration.....	4,638	5,156	5,156	---
One less work day.....	---	---	-85	-85
FERS reduction.....	---	---	-349	-349
Total, Salaries and Expenses.....	37,352	38,543	37,831	-712

Care and utilization of art collections.—The Committee recommends a net decrease of \$103,000. There is an increase of \$100,000, which will provide $\frac{3}{4}$ year funding for 5 new curatorial and education positions. A decrease of \$100,000 is recommended to special exhibition funding, due to increased carryover funds, and higher than estimated private donations. A decrease of \$23,000 is recommended, based on estimated savings in printing costs when the new desktop publishing system is implemented. There is also a reduction of \$80,000, based on estimated savings in word processing rental costs.

Operation and maintenance of buildings and grounds.—A decrease of \$175,000 is recommended, which reflects estimated savings in utility costs.

General reductions.—A decrease of \$85,000 is recommended, due to one less paid day in fiscal year 1989. There is also a decrease of \$349,000, reflecting lower cost estimates for the Federal Employees Retirement System.

REPAIR, RESTORATION AND RENOVATION OF BUILDINGS

Appropriation enacted, 1988.....	
Budget estimate, 1989.....	\$1,000,000
Recommended, 1989.....	500,000
Comparison:	
Appropriation, 1988.....	+500,000
Budget estimate, 1989.....	-500,000

The Committee recommends an appropriation of \$500,000, a decrease of \$500,000, for repair, restoration and renovation projects in both the East and West buildings of the National Gallery of Art. Since the 1989 budget estimate was submitted, the expected obligations to be accomplished in fiscal year 1988 have been reduced by \$1,700,000, which will increase the carryover into fiscal year 1989 by the same amount.

WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

SALARIES AND EXPENSES

Appropriation enacted, 1988.....	\$4,028,000
Budget estimate, 1989.....	4,285,000
Recommended, 1989.....	4,240,000
Comparison:	
Appropriation, 1988.....	+212,000
Budget estimate, 1989.....	-45,000

The Woodrow Wilson International Center for Scholars is a unique institution with a special mission to serve as a living memorial to the late Woodrow Wilson. The Center performs this mandate through its role as an international institute for advanced

study as well as a facilitator for discussions among scholars, public officials, journalists and business leaders from across the country on major long-term issues facing America and the world.

The amount recommended by the Committee for fiscal year 1989 by activity is as follows:

	(in thousands of dollars)			Change from Estimates
	FY 1988 Enacted	Budget Estimates	Committee Bill	
Fellowship program.....	1,355	1,382	1,382	---
Scholar support.....	293	299	295	-4
Public service.....	1,037	1,096	1,059	-37
General administration.....	893	865	861	-4
Building requirements.....	75	75	75	---
Conference planning.....	375	568	568	---
Total, Salaries and Expenses.....	4,028	4,285	4,240	-45

The Committee recommends \$4,240,000 for fiscal year 1989, a reduction of \$45,000 under the fiscal year 1989 request of \$4,285,000. This reduction consists of \$4,000 from scholar support; \$4,000 from public service and \$4,000 from general administration to account for the two less paid days in fiscal year 1989. In addition, \$33,000 requested for public service for the Academic Advisory Councils has not been included. These costs have been provided out of non-appropriated funds and the Committee believes that this practice should continue.

The Committee has provided the funding requested by the Administration for the Center's printing program. The Committee supports the Center's efforts at outreach and dissemination of its scholarly work. In addition to the Center's publications and radio dialogue program, the Center should examine the possibility of pilot seminars for high school and college teachers. The Center is to report back to the Committee on the feasibility of this proposal and the approximate cost of this undertaking.

Bill language requested by the Administration authorizing the lease of space for terms not to exceed ten years has not been included because the Center has already entered into a seven year commercial space rental agreement, subject to the availability of funds.

ENDOWMENT CHALLENGE FUND

Appropriation enacted, 1988.....	
Budget estimate, 1989.....	\$350,000
Recommended, 1989.....	
Comparison:	
Appropriation, 1988.....	
Budget estimate, 1989.....	-350,000

The Committee has not provided the \$350,000 requested by the Administration for the Endowment Challenge Fund. Funding has been provided for conference planning and the center's printing program which the Committee feels are of higher priority in a time of fiscal constraint.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

The National Foundation on the Arts and the Humanities was created by Congress in 1965. Since its establishment, it has re-

ceived strong bipartisan support over the years both in Congress and in the White House. Presidents Johnson, Nixon, Ford, and Carter, who were men of strongly different philosophies on the purpose and function of government, all approved the Congressional declaration that financial assistance for the arts and the humanities is a proper responsibility of the Federal Government in encouraging and enriching the human mind and spirit and in fostering the creativity of the American people. These Presidents requested increased amounts in support of our cultural heritage and development in their budgets, and each year this Committee and the Congress overwhelmingly approved such increases.

NATIONAL ENDOWMENT FOR THE ARTS

GRANTS AND ADMINISTRATION

Appropriation enacted, 1988.....	\$139,311,000
Budget estimate, 1989.....	140,531,000
Recommended, 1989.....	141,800,000
Comparison:	
Appropriation, 1988.....	+2,489,000
Budget estimate, 1989.....	+1,269,000

With the encouragement of Presidents and the Congress the National Endowment for the Arts has done a first-rate job in carrying out the Congressional intention. It has followed the vision of those who wrote the report antecedent to the NEA legislation in which they said:

The panel is motivated by the conviction that the arts are not for a privileged few but for the many, that their place is not on the periphery of society but at its center, that they are not just a form of recreation but are of central importance to our well-being and happiness.

The amount recommended by the Committee for fiscal year 1989 compared to the budget estimate by activity is shown in the following table:

	(in thousands of dollars)			Change from Estimates
	FY 1988 Enacted	Budget Estimates	Committee Bill	
Grants				
Program Grants				
Art-in-schools.....	5,300	5,600	5,600	---
Dance.....	8,847	8,600	8,850	+250
Design arts.....	4,276	4,200	4,200	---
Expansion arts.....	6,655	6,500	6,500	---
Folk arts.....	2,982	3,100	3,000	-100
Inter arts.....	3,885	4,100	4,000	-100
Literature.....	5,100	5,000	5,000	---
Media arts.....	12,000	11,500	12,000	+500
Museums.....	11,400	11,100	11,400	+300
Music.....	12,236	11,800	12,200	+400
Opera/Musical theatre.....	4,200	4,200	4,200	---
Local program.....	2,340	2,600	2,500	-100
Theatre.....	10,800	10,500	10,800	+300
Visual arts.....	6,200	6,100	6,100	---
Advancement.....	1,000	1,400	1,400	---
Challenge.....	250	300	300	---
Subtotal, Program Grants.....	97,471	96,600	98,050	+1,450
State programs.....	24,700	25,388	25,310	-78
Subtotal, Grants.....	122,171	121,988	123,360	+1,372
Administrative Areas				
Policy planning and research.....	1,000	1,100	1,000	-100
Administration.....	16,140	17,443	17,440	-3
Subtotal, Administrative Areas.....	17,140	18,543	18,440	-103
Total, Grants and Administration.....	139,311	140,531	141,800	+1,269

Of the \$123,360,000 recommended for the support of projects and productions pursuant to section 5(c) of the Act, not less than 20 per centum shall be available for assistance to States.

Much attention has been focused on attempts to alter the peer panel process. It was the subject of debate at the May meeting of the National Council on the Arts. Professor Jacob Neusner, a Council member, wrote to the National Endowment for the Arts in a letter dated May 9, 1988, to NEA Director Frank Hodsoll, whose initiative to alter the peer panel review procedure which has been so successful over the years, aroused much controversy among the arts organizations served by NEA the following about a resolution concerning the peer panel process adopted by the National Council:

The compromise-resolution affirmed, at its key language (which was the second of the two concrete recommendations) that new information, only recently coming to hand, about the correlation of artistic rankings and share of budget, should be available to panels and should be of interest to them. I detected no difference from your view, which all of us share, that this information is of interest. All of us concur, to be sure, that the meaning of such correlations is obscure, as I pointed out in response to George Schaefer's comments on Sunday, and facts that are uninterpreted or taken out of context cannot yield intelligent judgment. Not only so, but whether or not such an effort to correlate the one with the other—ranking, share of budget—serves the attainment of other Endowment goals is not at all certain, and I suspect that, were we to list in priority-order the policies that guide panelists, all of us would assign to this information a very low priority indeed. Several staff members pointed out to me that in their programs, such an exercise as correlating artistic ranking and share of budget would make it impossible to attain other goals, to which all of us accord a much higher

priority. I can quote chapter and verse on this one, but I am confident, you can too.

The Committee does not agree that there is a necessary correlation between artistic rating and share of budget and does not agree with the NEA Chairman that this information is of high priority. Accordingly, the Committee has included language to prevent changes to the peer panel process.

MATCHING GRANTS

Appropriation enacted, 1988.....	\$28,420,000
Budget estimate, 1989.....	27,200,000
Recommended, 1989.....	27,200,000
Comparison:	
Appropriation, 1988.....	-1,220,000
Budget estimate, 1989.....	

The Committee recommends an appropriation of \$27,200,000, the budget request, for matching grants, of which \$18,200,000 is for challenge grants and \$9,000,000 is for Treasury funds. Treasury funds are used to accomplish the same goals as definite funds provided under the salaries and expenses account except that they require at least a one-to-one match from private monies.

Challenge grants are awarded to cultural institutions or groups of cultural institutions that have demonstrated a commitment to artistic quality and have arts programs of recognized national significance. The funds are used to broaden the base of contributed support and achieve financial stability.

NATIONAL ENDOWMENT FOR THE HUMANITIES

The Committee recommends a total of \$153,700,000 for the National Endowment for the Humanities. This represents an increase of \$13,265,000 above the 1988 appropriation and the 1989 request.

GRANTS AND ADMINISTRATION

Appropriation enacted, 1988.....	\$111,935,000
Budget estimate, 1989.....	111,735,000
Recommended, 1989.....	125,000,000
Comparison:	
Appropriation, 1988.....	+13,065,000
Budget estimate, 1989.....	+13,265,000

The amount recommended by the Committee for fiscal year 1989 compared to the budget estimate by activity is shown in the following table:

	(in thousands of dollars)			
	FY 1988 Enacted	Budget Estimates	Committee Bill	Change from Estimates
Grants				
Program Grants				
Public Programs				
Media Grants.....	8,900	9,400	9,400	---
Museums and Historical Organizations.....	8,780	8,340	8,780	+440
Humanities programs for adults.....	2,000	2,500	2,260	-240
Humanities projects in libraries.....	2,900	2,100	2,900	+800
Subtotal, Public Programs.....	22,580	22,340	23,340	+1,000
Education Programs				
Education programs.....	16,350	16,150	16,350	+200
Fellowships				
Fellowships and seminars.....	15,560	15,300	15,560	+260
Research grants.....	16,400	16,400	16,400	---
Subtotal, Program Grants.....	70,890	70,190	71,650	+1,460
State programs.....	21,300	21,200	25,000	+3,800
Office of Preservation.....	4,500	4,495	12,500	+8,005
Subtotal, Grants.....	96,690	95,885	109,150	+13,265
Administrative Areas				
Administration.....	15,245	15,850	15,850	---
Total, Grants and Administration.....	111,935	111,735	125,000	+13,265

The Committee recommends a major initiative in the Humanities for the Office of Preservation. An increase of \$8,005,000 is provided to accelerate efforts related to the preservation and conservation of books. A recent Office of Technology Assessment study "Book Preservation Technologies" states:

Even in today's high-tech society, books are the principal records of human civilization. Over the centuries, books have become the most reliable and permanent records available, but, in the last century, that reliability has been threatened by the use of "modern" acidic paper that becomes brittle and unstable in a relatively short time. Books printed since 1850 are deteriorating en masse in libraries the world over.

In response to this deterioration of our intellectual heritage, the Committee proposes a total of \$12,500,000 for the Office of Preservation. Of this amount, approximately \$7,500,000 would be used to microfilm brittle books, including grants for national cooperative microfilming projects and awards to individual research libraries to film endangered volumes in their collections. The remainder of the funds would be used to help support this increased microfilming. This would include education and training of preservation administrators, research and development projects, and regional information and consultation services. Other program activities would include projects that seek to preserve the intellectual content of other endangered humanities resources such as the United States newspaper program, the preservation of special collections of documents and other materials at humanities institutions, and the development of State-wide preservation plans. In addition, the Endowment would be able to mount a major national conference to discuss the brittle books problem.

The Committee has also provided an increase of \$3,800,000 for State grant programs to bring the amount available to \$25,000,000.

Of the \$109,150,000 recommended for the support of projects and productions pursuant to section 7(c) of the Act, not less than 20 per centum shall be available for assistance to States.

MATCHING GRANTS

Appropriation enacted, 1988.....	\$28,500,000
Budget estimate, 1989	28,700,000
Recommended, 1989	28,700,000
Comparison:	
Appropriation, 1988	+200,000
Budget estimate, 1989	

The Committee recommends an appropriation of \$28,700,000 for matching grants, of which \$16,700,000 is for challenge grants and \$12,000,000 is for Treasury funds.

Treasury funds are used to accomplish the same goals as definite funds provided under the salaries and expenses account except that they require at least a one-to-one match from private monies.

The purpose of challenge grants is to encourage new and increased sources of support on a continuing basis for our Nation's artistic and humanistic institutions. The challenge grants, which are of a limited duration, are an important complement to other Endowment program categories which provide ongoing support to groups of highest quality. If one takes into consideration the minimum three-to-one matching element of the challenge grants program, the amount of new money which would be available to cultural institutions during the time period for which funds are being provided should exceed \$66,000,000.

INSTITUTE OF MUSEUM SERVICES

GRANTS AND ADMINISTRATION

Appropriation enacted, 1988.....	\$21,944,000
Budget estimate, 1989	21,944,000
Recommended, 1989	22,620,000
Comparison:	
Appropriation, 1988	+676,000
Budget estimate, 1989	+676,000

The amount recommended by the Committee for fiscal year 1989 is shown in the following table:

	(in thousands of dollars)			
	FY 1988 Enacted	Budget Estimates	Committee Bill	Change from Estimates
Operating support grants.....	17,445	17,398	18,000	+602
Conservation grants.....	3,348	3,178	3,250	+72
Program support.....	100	250	250	---
Program administration.....	1,051	1,118	1,120	+2
	-----	-----	-----	-----
Total, Institute of Museum Services.....	21,944	21,944	22,620	+676
	-----	-----	-----	-----

The \$22,620,000 provided is an increase of \$676,000 over the request. The increase includes \$602,000 for operating support grants, \$72,000 for conservation grants and \$2,000 for program administration.

NATIONAL FILM COMMISSION

SALARIES AND EXPENSES

Appropriation enacted, 1988.....	
Budget estimate, 1989	
Recommended, 1989	\$500,000

Comparison:

Appropriation, 1988	+ 500,000
Budget estimate, 1989	+ 500,000

Motion pictures are a significant part of our Nation's historical and cultural heritage which uniquely reflect their time. Through the eyes of the filmmaker we relive moments in history gaining insight into the time as the artist intended. The motion picture is a significant art form worthy of recognition and protection. To this end, bill language is included establishing a National Film Commission within the National Foundation on the Arts and the Humanities to protect this art form from alteration.

The Committee recommends an appropriation of \$500,000 for staffing and general purposes of the National Film Commission. The nine member Commission will establish a National Film Registry which will list all films determined to be culturally, historically, or esthetically significant as defined by the criteria set forth by the Commission. A film enrolled in the National Registry will be granted protections requiring disclosure of alterations and restriction on its use if chromatically altered.

The Commission is granted the authority to determine whether or not a film has been altered and the proper labeling to inform viewers that a film has been altered. Films enrolled in the National Film Registry which have not been materially altered will receive a seal from the Commission which may be used as the copyright owner sees fit. The Commission shall also notify the Copyright Office when a film has been designated to the Registry.

COMMISSION OF FINE ARTS

SALARIES AND EXPENSES

Appropriation enacted, 1988.....	\$443,000
Budget estimate, 1989	451,000
Recommended, 1989	475,000
Comparison:	
Appropriation, 1988	+ 32,000
Budget estimate, 1989	+ 24,000

The Commission of Fine Arts was established in 1910 to meet the growing need for a permanent body to advise the government on matters pertaining to the arts, and particularly, to guide the architectural development of Washington. Over the years the Commission's scope has been expanded to include advice on areas such as plans for parks, public buildings, location of national monuments and development of public squares. As a result, the Commission annually reviews approximately 500 projects.

In fiscal year 1988 the Commission was given responsibility for the National Capital Arts and Cultural Affairs program.

The Committee recommends \$475,000, an increase of \$24,000 over the fiscal year 1989 request of \$451,000. The recommendation includes increases of \$2,000 for equipment required to accomplish the tasks associated with the National Capital Arts program, \$11,000 for the administration of the National Capital Arts program, \$6,000 to annualize the 1988 pay increase, \$4,000 for other services and \$1,000 for rent.

NATIONAL CAPITAL ARTS AND CULTURAL AFFAIRS

Appropriation enacted, 1988.....	\$4,500,000
Budget estimate, 1989 .....	.....
Recommended, 1989	5,000,000
Comparison:	
Appropriation, 1988	+500,000
Budget estimate, 1989	+5,000,000

The National Capital Arts and Cultural Affairs program was established in Public Law 99-190 to support artistic and cultural programs in the Nation's Capital. For fiscal year 1989, the Committee recommends \$5,000,000, an increase of \$500,000 over the 1988 appropriation level.

ADVISORY COUNCIL ON HISTORIC PRESERVATION

SALARIES AND EXPENSES

Appropriation enacted, 1988.....	\$1,719,000
Budget estimate, 1989	1,781,000
Recommended, 1989	1,774,000
Comparison:	
Appropriation, 1988	+55,000
Budget estimate, 1989	-7,000

The National Historic Preservation Act of 1966 established the Advisory Council on Historic Preservation. Its mandate is to further the national policy of preserving historic and cultural resources for the benefit of present and future generations. The Council advises the President and Congress on preservation matters and provides consultation on historic properties threatened by Federal action.

The Committee recommends an appropriation of \$1,774,000, a reduction of \$7,000 under the fiscal year 1989 request of \$1,781,000. The reduction is the result of two less paid days in fiscal year 1989.

NATIONAL CAPITAL PLANNING COMMISSION

SALARIES AND EXPENSES

Appropriation enacted, 1988.....	\$2,948,000
Budget estimate, 1989	2,962,000
Recommend, 1989.....	2,962,000
Comparison:	
Appropriation, 1988	+14,000
Budget estimate, 1989 .....	.....

The National Capital Planning Act of 1952 designated the National Capital Planning Commission as the central planning agency for the Federal government in the National Capital Region. The three major functions of the Commission are to prepare and adopt the federal elements of the National Capital Comprehensive Plan, prepare an annual report on a five-year projection of the Federal Capital Improvement Program, and review plans and proposals submitted to the Commission.

To support this mission, the Committee recommends an appropriation of \$2,962,000, the fiscal year 1989 budget request. This level of funding will allow the Commission to operate at the fiscal year 1988 level.

FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION

SALARIES AND EXPENSES

Appropriation enacted, 1988.....	\$28,000
Budget estimate, 1989	28,000
Recommended, 1989	28,000
Comparison:	
Appropriation, 1988	
Budget estimate, 1989	

The Commission, in conjunction with the Department of the Interior, is responsible for having plans prepared for completion of a suitable memorial to the late President Franklin Delano Roosevelt.

The Committee recommends an appropriation of \$28,000, the fiscal year 1989 request. This appropriation will allow the Commission to operate at the fiscal year 1988 level.

PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION

SALARIES AND EXPENSES

Appropriation enacted, 1988.....	\$2,516,000
Budget estimate, 1989	2,353,000
Recommended, 1989	2,343,000
Comparison:	
Appropriation, 1988	-173,000
Budget estimate, 1989	-10,000

The Pennsylvania Avenue Development Corporation has made great strides since its establishment in 1972 in rehabilitating and upgrading the area on and adjacent to Pennsylvania Avenue between the Capitol and the White House. The Corporation has revived a vital component of downtown Washington which serves as a ceremonial link between the Executive and Legislative branches of government.

The Committee recommends an appropriation of \$2,343,000, a reduction of \$10,000, to the fiscal year 1989 request of \$2,353,000. This reduction is the result of two less paid days in fiscal year 1989. Although the recommended funding level is below the fiscal year 1988 appropriation, the Corporation is gradually reducing the funding and staffing levels as projects are completed on the Avenue in preparation for the 1992 completion date.

PUBLIC DEVELOPMENT

Appropriation enacted, 1988.....	\$3,000,000
Budget estimate, 1989	3,095,000
Recommended, 1989	3,175,000
Comparison:	
Appropriation, 1988	+175,000
Budget estimate, 1989	+80,000

The public development appropriation includes relocation assistance for displaced businesses, historic preservation and development rights, demolition, parks and open spaces.

The Committee recommends an appropriation of \$3,175,000, an increase of \$80,000 over the fiscal year 1989 request of \$3,095,000. This increase will provide initial funding for the 7th Street Art Walk project on the Avenue. The Corporation anticipates the bal-

ance of the funding for this project will be available from other sources. The Committee urges adequate consultation with any agency having jurisdiction over areas considered for the Art Walk project. There has been a lack of adequate funding for the maintenance of parks along the Avenue, specifically the Navy Memorial. The National Park Service and the Corporation need to work together more effectively to assure that future sites such as Sherman Park, do not have similar problems and that sites are not constructed or rehabilitated without funding available to maintain the government's investment.

The Committee will continue to monitor PADC's improvements as well as the progress of housing on the Avenue.

UNITED STATES HOLOCAUST MEMORIAL COUNCIL

HOLOCAUST MEMORIAL COUNCIL

Appropriation enacted, 1988.....	\$2,171,000
Budget estimate, 1989.....	2,209,000
Recommended, 1989.....	2,594,000
Comparison:	
Appropriation, 1988.....	+ 423,000
Budget estimate, 1989.....	+ 385,000

In 1980 Congress passed legislation creating a 65 member Holocaust Memorial Council with the mandate to create and oversee a living memorial/museum to victims of holocausts. Physical site work has begun and the Council anticipates that construction will be completed in late 1990. Construction costs for the museum will come solely from donated funds being raised by the U.S. Holocaust Memorial Museum Campaign and appropriated funds will be used for planning and development of programmatic components, overall administrative support and annual commemorative observances.

The Committee recommends an appropriation of \$2,594,000, an increase of \$385,000 over the Administration's budget request of \$2,209,000. At this level of funding the Council will be able to continue detailed research and development of the cultural, archival and educational program components of the museum.

The Committee was pleased to learn that the demonstration project and exhibition, "Remember the Children", which was funded in fiscal year 1988 through a grant of \$35,000 to the Committee to Remember the Children has been so enthusiastically received by both museum professionals and the public. The Committee has included \$35,000 to extend the demonstration project and exhibition through fiscal year 1989. The Committee has provided \$350,000 to be used by the Committee to Remember the Children in cooperation with the Capital Children's Museum, to develop and implement a national educational outreach program using the experience gained from the demonstration project. Recommendations of professional organizations, such as the American Association of Youth Museums, Council of American Jewish Museums, and Standing Professional Committees of the American Association of Museums should be sought. In addition, 36 U.S.C. 1404(d) states that the Secretary of the Smithsonian Institution, the Library of Congress, and all other executive branch agencies may assist the

Council. The Council is encouraged to consult with the Smithsonian Institution, specifically the Smithsonian Institution Exhibition Traveling Service, for assistance with technical and other support services. The goal of this project is to provide increased awareness, understanding and support for the mission of the Holocaust Memorial Museum.

From funds appropriated to the Council at least \$10,000 will be used for tiles to complete the tile project.

TITLE III—GENERAL PROVISIONS

The Committee recommends continuation of several provisions carried in previous bills as follows:

- Limitation on non-competitive leasing of oil and natural gas on the Shawnee National Forest, Illinois;
- Prohibition on assessments unless approved by the Committees on Appropriations;
- Employment funded by this Act shall not be subject to any personnel ceiling; and
- Prohibition on BLM and Forest Service jurisdictional interchange until enactment of legislation which authorizes the interchange.

In addition, the Committee has modified a provision dealing with leasing of minerals on certain public lands. Under this provision, there could be no leasing of coal, oil shale, phosphate, potassium, sulfur, gilsonite or geothermal resources on Federal lands within any Forest Service RARE II areas recommended for wilderness designation and BLM wilderness study areas.

The Committee does not continue a provision prohibiting transfer of certain National Forest System land in the Black Hills National Forest, South Dakota.

CHANGES IN APPLICATION OF EXISTING LAW

Pursuant to clause 3, rule XXI of the House of Representatives, the following statements are submitted describing the effect of provisions in the accompanying bill which directly or indirectly change the application of existing law. In most instances these provisions have been included in prior appropriations Acts.

The bill provides that certain appropriations items remain available until expended or extends the availability of funds beyond the fiscal year where programs or projects are continuing in nature under the provisions of authorizing legislation but for which that legislation does not specifically authorize such extended availability. Most of these items have been carried in previous appropriations Acts. This authority tends to result in savings by preventing the practice of committing funds at the end of the fiscal year.

The bill includes, in certain instances, limitations on the obligation of funds for particular functions or programs. These limitations include restrictions on the obligation of funds for administrative expenses, travel expenses, the use of consultants, and programmatic areas within the overall jurisdiction of a particular agency.

The Committee has included limitations for official entertainment or reception and representation expenses for selected agencies in the bill.

Language is included in the various parts of the bill to continue ongoing activities of those Federal agencies which require annual authorization or additional legislation which to date has not been enacted.

Language is included under the Bureau of Land Management, Management of lands and resources, prohibiting the destruction of healthy, unadopted, wild horses and burros and providing that hereafter receipts from fees from administration of the General Mining Laws shall be available for program operations.

Language included under the Bureau of Land Management, Oregon and California grant lands, provides that a portion of the revenue (25 percent) otherwise due to the Oregon and California land grant counties under permanent authority from revenues from the Oregon and California grant lands be used instead by the Bureau, the Forest Service, and the Federal Highway Administration for construction, operation, maintenance, and other improvements of the O&C lands. This language or similar language has been carried in annual appropriations acts since 1953.

Language is included under the Bureau of Land Management, Service charges, deposits, and forfeitures, to allow use of funds on any damaged public lands.

Language included under the Bureau of Land Management, Administrative provisions, provides for the protection of lands for the State of Alaska. This activity is not specifically authorized by law. The State currently does not have in-house capability to provide fire protection for selected lands patented to the State. The Bureau of Land Management provides fire protection for the State on a reimbursable basis.

Language included under the Bureau of Land Management, Administrative provisions, provides for surveys on lands other than those under the jurisdiction of BLM.

Language included under the Bureau of Land Management, Administrative provisions, provides that appeals to grazing allotments on public rangelands must be taken within thirty days after receipt of a final allotment.

Language included under the Bureau of Land Management, Administrative provisions, provides for payment of costs connected with using volunteers.

Language is included under the Bureau of Land Management, Administrative provisions, to provide up to \$400 for uniform allowances for each uniformed employee.

Language is included under the United States Fish and Wildlife Service, Resource management, allowing for the maintenance of the herd of long-horned cattle on the Wichita Mountains Wildlife Refuge. Without this language, the long-horned cattle would have to be removed from the refuge. Language is also included providing for a Youth Conservation Corps program, and prohibiting the use of funds for agreements with entities for the management of wildlife refuges, exclusive of waterfowl production areas, except for existing agreements.

Language is included under the United States Fish and Wildlife Service, Administrative provisions, for repair of damage to public roads; options for the purchase of land of not to exceed \$1; installation of certain recreation facilities; the maintenance and improve-

ment of aquaria and the acceptance of donated aircraft. These provisions allow for a more efficient operation and management of the programs administered by the Fish and Wildlife Service.

Language is included under National Park Service, Operation of the National Park system, to allow road maintenance service to trucking permittees on a reimbursable basis. This provision has been included in the annual appropriations act since 1954.

Language is included under National Park Service, Operation of the National Park system, to preclude entering into future concessionaire contracts that do not include a termination for cause clause. Language is also included providing for a Youth Conservation Corps program.

Language is included under National Park Service, Operation of the National Park system, to allow the use of funds for purchase or hire of personnel services without regard to title V of the United States Code only to provide for transition from regional finance offices to a central finance office.

Language is included under National Park Service, John F. Kennedy Center for the Performing Arts, to allow the selection of contractors for certain purposes on the basis of contractor qualifications as well as price.

Language is included under National Park Service, American Revolution Bicentennial Administration to provide for payment of claims by licensees against the Bicentennial Administration.

Language is included under National Park, Administrative provisions, to allow for the transportation of children in nearby communities to and from any unit of the National Park System; for options for the purchase of land at not to exceed \$1; for procurement and delivery of medical services in park units; for use of helicopters and motorized equipment to remove feral horses and burros at Death Valley National Monument; and for emergency law enforcement situations.

Language is included in the Administrative provisions, National Park Service, to prevent funds appropriated to the National Park Service from being used to add industrial facilities to the list of National Historic Landmarks without the consent of the owner.

Language is included under National Park Service, Administrative provisions, allowing the recovery of costs associated with special use permits and the crediting of reimbursements to the current appropriation; and preventing the implementation of an agreement for the redevelopment of the southern end of Ellis Island until 30 legislative days have elapsed from the time the Congress is notified of the plans.

Language is included under National Park Service, Administrative provisions, prohibiting the issuance of any construction permit for the Potomac Greens interchange on the George Washington Memorial Parkway unless an Environmental Impact Statement is conducted, and prohibiting the use of funds to issue a permit for seismic exploration of Big Cypress, NP, FL, unless an environmental impact statement is completed.

Language is included under Geological Survey, Administrative provisions, for the reimbursement of the GSA for security guard services; for contracting for topographic maps and geophysical or other surveys; for payment of costs associated with the services of

volunteers; and for the use of contracts, grants, and cooperative agreements.

Language is included under Minerals Management Service, Leasing and royalty management, limiting the federal contribution for data gathering for the Alaskan boundary determination; authorizing the payment of late interest; and providing for reasonable expenses related to volunteer beach and marine clean-up activities.

Language is included under Bureau of Mines, Mines and minerals, prohibiting closure or consolidation of any research center or the sale of any helium facilities currently in operation.

Language is included under Bureau of Mines, Administrative provisions, to allow the sale of metal or mineral products manufactured in pilot plant projects and for the acceptance of contributions from other sources and for cooperative projects.

Language is included under Office of Surface Mining Reclamation and Enforcement, Regulation and technology, to allow use of performance bond forfeitures by the regulatory authority to conduct reclamation activities; and allowing utilization of monies collected pursuant to assessment of civil penalties to reclaim lands affected by coal mining after August 3, 1977.

Language is included under Office of Surface Mining Reclamation and Enforcement, Regulation and technology, providing that the Secretary of the Interior shall abide by the terms of the Kentucky Settlement Agreement.

Language is included under Office of Surface Mining Reclamation and Enforcement, Abandoned mine reclamation fund, to limit the administrative expenses associated with RAMP type agreements entered into by the States to 15 percent. Language is also included which prohibits the Office of Surface Mining Reclamation and Enforcement from awarding reclamation grants to States which do not have an adequate penalty assessment and violator information system or which are not adequately enforcing section 521(b) of Public Law 95-87.

Language is included under Office of Surface Mining Reclamation and Enforcement, Abandoned mine reclamation fund, which maintains 23 full time equivalents for the Anthracite Reclamation Program at the Wilkes-Barre field office.

Language is included under the Bureau of Indian Affairs, Operation of Indian programs, for advance payments to Indian schools and business enterprises. Language is also included to prohibit BIA funds from being used to match programs funded under the Vocational Educational Act of 1963, as amended, and prohibiting general assistance payments to Alaska Natives in the State of Alaska.

Language is included under Bureau of Indian Affairs, Operation of Indian programs, prohibiting the Secretary from closing or disposing of property of the Phoenix Indian school without Congressional approval, providing for the use of funds for maintenance of tribally-owned hatcheries, prohibiting the transfer of tribal or individual trust funds until certain conditions have been met, prohibiting implementation of higher education regulations, providing a grant to the CloseUp foundation, providing for the transfer of excess Federal Employee Retirement System (FERS) funds to other accounts to cover FERS costs, and providing for the closure of three schools in South Dakota.

Language is included under Bureau of Indian Affairs, Construction, providing that funds appropriated for use by the Secretary to construct homes and facilities for Navajo families may be used for counseling, archeological clearances, and administration related to relocation activities, providing for the use of funds for rehabilitation of tribally-owned fish hatcheries, and providing for the transfer of Navajo Irrigation project funds to the Bureau of Reclamation.

Language is included under Bureau of Indian Affairs, Road construction, to allow up to 5 percent of Federal Highway Trust Fund contract authority to cover management and supervision costs.

Language is included under Territorial and international affairs, Administration of Territories, authorizing Territorial governments to make purchases through the General Services Administration, requiring audits of the financial transactions of the Territorial governments by the General Accounting Office, providing grant funding under the terms of the Agreement of the Special Representatives on Future United States Financial Assistance for the Northern Mariana Islands, and providing a grant to the CloseUp foundation.

Language is included under Territorial and international affairs, Trust Territory of the Pacific Islands, authorizing the government of the Trust Territory to make purchases through the General Services Administration, requiring audits of the financial transactions of the Trust Territory government by the General Accounting Office; and providing that if the Palau Compact is implemented before October 1, 1989, all funds appropriated and obligated for Palau under this account, shall be credited as an offset to fiscal year 1989 payments under the compact.

Language is included under Territorial and international affairs, Compact of Free Association, providing for the effective date of the Palau Compact and providing for the rehabilitation and resettlement of Bikini Atoll, and for amending the Bikini Resettlement Trust Fund.

Language is included under the Office of the Secretary, salaries and expenses limiting the availability of funds until a final rule requiring seat belts on NPS roads is issued.

Language is included under Office of the Secretary, Administrative provisions, prohibiting the use of working capital or consolidated working funds to augment certain offices.

Certain transfers are permitted under General provisions, Department of the Interior, to meet unforeseen emergencies, including fire suppression, earthquakes, floods, volcanoes, Office of Surface Mining emergency enforcement of state regulatory programs, and emergency reclamation projects under section 410 of Public Law 95-87 and grasshopper and Mormon Cricket outbreaks. This language requires that the funds used must be replenished by a supplemental appropriation.

Language is included under General provisions, Department of the Interior to consolidate services and receive reimbursement for said services.

Language is included under General provisions, Department of the Interior, to allow for obligations in connection with contracts

issued by GSA for services or rentals for periods not in excess of 12 months beginning at any time during the fiscal year.

Language is included under General provisions, Department of the Interior, to restrict leasing within the Outer Continental Shelf Georges Bank—North Atlantic planning area, Eastern Gulf of Mexico and Northern California planning areas, and prohibiting changing the name of Mount McKinley.

Language is included under General provisions, Department of the Interior, prohibiting the use of funds for the Great Hall of Commerce; allowing funds to be used to buy insurance on vehicles in Canada and Mexico; and prohibiting use of funds for certain employee details.

Language is included under General provisions, Department of the Interior, adding a new subsection to section 5 of the Outer Continental Shelf Lands Act stating that new vessels, rigs, platforms or other structures are to be built from articles, materials or supplies at least 50 percent of which have been mined, produced or manufactured in the United States. The language also provides for the fabrication of these items in the United States unless a waiver is obtained from the Secretary of the Interior.

Language is included under the Forest Service, State and Private Forestry to provide grants to the Washington State Parks and Recreation Commission for construction of the Spokane River Centennial Trail, to Kootenai County, ID for the Idaho Centennial Trail, and to the State of Oregon for the Old Columbia River Highway.

Language is included under the Forest Service, Construction, to make funds available from the Highway Trust Fund for a highway in the Mount St. Helens NVM, WA.

Language is included under the Forest Service, Acquisition of lands to complete exchanges, and Acquisition of lands for national forest special acts, to provide that revenues and funds deposited are made available for appropriation.

Language is included under Forest Service, Range Betterment Fund, to provide that 6 percent of the funds may be used for administrative expenses.

Language is included under the Forest Service, Administrative provisions, permitting funds previously appropriated to be recovered from receipts deposited on the applicable National forest. These funds when recovered, may be spent and recovered on any National forest.

Language is included under the Forest Service, Administrative provisions, limiting the availability of funds to change the boundaries of or abolish any region or to move or close any regional office. Language is also provided to allow for emergency rehabilitation of burned-over lands, and to provide that proceeds from the sale of aircraft may be used to purchase replacement aircraft.

Language is included under the Forest Service, Administrative provisions, to prevent a change in the Forest Service appropriation structure without advance approval of the House and Senate Committees on Appropriations, and for a Youth Conservation Corps program.

Language is included under the Forest Service, Administrative provisions, allowing funds to be used through the Agency for Inter-

national Development and the Office of International Cooperation and Development for work in foreign countries.

Language is included under the Forest Service, Administrative provisions, to prohibit transfer of funds among appropriations without advance approval of the House and Senate Committees on Appropriations; and to prohibit transfer of funds to the working capital fund of the Department of Agriculture without approval of the Chief of the Forest Service.

Language is included under the Forest Service, Administrative provisions allowing the reimbursement of employees for employment-related expenses, providing a floor for the timber salvage sale fund, prohibiting expenditure of funds for construction of a road, prohibiting issuance of a special use authorization in California until two required studies have been submitted to the Congress and reviewed, and prohibiting modifications to the Small Business Timber Set-Aside program.

Language is included under the Department of Energy, Clean coal technology making funds derived by the Tennessee Valley Authority from its power program eligible as cost sharing.

Language is included under the Department of Energy, Fossil energy research and development, which places a limitation on the field testing of nuclear explosives for the recovery of oil and gas; which provides a grant for a university facility; and which provides for a cost-shared program in magnetohydrodynamics.

Language is included under the Department of Energy, Energy conservation, which provides an allocation of grants to State and local programs.

Language is included under the Department of Energy, SPR petroleum account which allows the sale of Naval Petroleum Reserve oil notwithstanding SPR fill rate limitations.

Language is included under Administrative provisions, Department of Energy, limiting programs of price supports or loan guarantees to what is provided in appropriations acts; providing for the transfer of funds to other agencies of the Government; providing for retention of revenues by the Secretary of Energy on certain projects; requiring certain contracts be submitted to Congress prior to implementation; allowing acceptance of contributions and carrying out cooperative projects; providing for emergency transfer of funds to the Emergency preparedness appropriation, and providing that the sale of assets, receipt of other funds and unobligated balances from the alternative fuels production account may be used to pay the guaranteed portion of alcohol fuels loans.

Language is included under Indian Health Service, Indian health services, for payments for telephone service in private residences in the field and purchase of reprints; providing for expenditure of funds received pursuant to 42 U.S.C. 300cc-2; providing for expenditure of funds transferred to IHS from the Department of Housing and Urban Development; providing for a loan repayment program; for purchase and erection of portable buildings; providing that contracts and grants may be performed in two fiscal years and for a Self-Determination Fund; and providing for use of collections under Title IV of the Indian Health Care Improvement Act, with limitations on types of projects.

Language is included under Indian Health Service, Indian health facilities, for the purchase of trailers.

Language is included under Indian Health Service, Administrative provisions providing that health care may be extended to non-Indians at Indian Health Service facilities.

Language is included under Indian Health Service, Administrative provisions, providing that no funds shall be available for initial lease of permanent structures, and to prevent the Indian Health Service from billing Indians in order to collect from third-party payers until Congress has agreed to implement a specific policy.

Language is included under Indian Health Service, Administrative provisions, providing for special retention pay, prohibiting imposition of personnel ceilings, providing for reimbursement of spousal travel costs, extending Federal tort claim coverage to Indian health contractors, specifying that certain funds shall not be subject to certain travel limitations, and prohibiting the expenditure of funds to implement new eligibility regulations.

Language is included under Navajo and Hopi Indian Relocation Commission, Salaries and expenses, prohibiting movement of any single Navajo or Navajo family unless a new or replacement home is available; and establishing a priority for relocation of Navajos to those certified eligible who have selected and received homesites on the Navajo reservation or selected a replacement residence off the Navajo reservation.

Language is included under Smithsonian Institution, Salaries and expenses, to allow for advance payments to independent contractors performing research services or participating in official Smithsonian presentations and providing that funds may be used to support American overseas research centers.

Language is included under Construction and improvements, National Zoological Park, and Restoration and renovation of buildings, Smithsonian Institution, to construct facilities by contract or otherwise.

Language is included under the Smithsonian Institution, Restoration and renovation buildings, to permit the Smithsonian Institution to select contractors for certain purposes on the basis of contractor qualifications as well as price.

Language is included under Smithsonian Institution, Construction, to authorize the transfer of funds to the State of Arizona to assist in the construction or maintenance of access to the Whipple Observatory.

Language is included under the National Gallery of Art, Salaries and expenses, for payment in advance for membership in library, museum, and art associations or societies and for restoration and repair of works of art by contract without advertising.

Language is included under National Gallery of Art, Repair, restoration and renovation of buildings, to perform work by contract or otherwise; and to select contractors for certain purposes on the basis of contractor qualifications as well as price.

Language is included under the National Foundation on the Arts and the Humanities, National Endowment for the Arts, prohibiting the use of funds to implement a new peer panel review process.

Language is included under National Foundation on the Arts and the Humanities, Matching grants, to allow for the obligation of

current and preceding fiscal years' funds of gifts, bequests, and devises of money for which equal amounts have not previously been appropriated.

Language is included under the National Foundation on the Arts and the Humanities, National Film Commission, to establish the Commission and its duties.

Language is included under the Institute of Museum Services, Grants and administration, limiting the Museum Services Board to three meetings during fiscal year 1989.

Language is included under the National Foundation on the Arts and the Humanities, Institute of Museum Services, Advisory Council on Historic Preservation and United States Holocaust Memorial Council, to restrict hiring anyone at Executive Level V or higher positions.

Language is included under United States Holocaust Memorial Council, Holocaust Memorial Council providing funding for a national educational outreach program.

Title III—General provisions contains language carried in previous appropriations acts, which places limitations on the use of funds in the bill for the export of unprocessed timber from the United States unless it is determined that the timber is surplus to domestic needs. In addition, language limits the use of funds for the leasing of oil and natural gas by noncompetitive leasing within the boundaries of the Shawnee National Forest and prohibits use of funds to distribute literature either to promote or oppose legislative proposals on which Congressional action is incomplete.

Language is included in Title III—General provisions to prohibit the use of funds to provide personal cooks, chauffeurs or other personal servants to any officer or employee.

Language is included in Title III—General provisions to prohibit activities related to mineral leasing in designated wilderness areas and specified categories of wilderness study areas, including Bureau of Land Management wilderness study areas, and to prohibit oil, gas or geothermal leasing in designated areas of the Mount Baker-Snoqualmie National Forest.

Language is included in Title III—General provisions to allow the Secretaries of Interior, Energy, Agriculture and Smithsonian Institution to enter into contracts with State and local governmental entities for services related to fire suppression in any units under their jurisdiction.

Language is included in Title III—General provisions prohibiting assessments against programs funded in this bill, and prohibiting personnel ceilings except as provided by law.

Language is included in Title III—General provisions prohibiting the use of funds for planning, conducting or supervising deer hunting on the Loxahatchee National Wildlife Refuge.

Language is included in Title III—General provisions prohibiting the use of funds by the Department of the Interior or the Forest Service to implement the proposed jurisdictional interchange program.

Language is included in Title III—General provisions prohibiting challenges to Forest Service and Bureau of Land Management plans solely on the basis that the plan is outdated or does not incorporate new information.

Language is included in Title III—General provisions allowing payment of premium pay to firefighters and allowing money collected from quarters rental to be used in areas other than where collected.

Language is included in Title III—General provisions prohibiting the sale of giant sequoia trees.

COMPLIANCE WITH RULE XIII—CLAUSE 3

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

At the end of section 5 of the Outer Continental Shelf Lands Act (43 U.S.C. 1334), insert the following new subsection:

(j)(1) Any vessel, rig, platform, or other structure used for the purpose of exploration or production of oil and gas on the Outer Continental Shelf south of 49 degrees North latitude shall be built—

(A) in the United States either by a United States chartered corporation or by a joint venture between a United States chartered corporation and a foreign corporation, with at least 50 percent of total person hours expended in the United States; and

(B) from articles, materials, or supplies at least 50 percent of which by cost, shall have been mined, produced, or manufactured, as the case may be, in the United States.

(2) The requirements of paragraph (1) shall not apply to any vessel, rig, platform, or other structure which was built, which is being built, or for which a building contract has been executed, on or before October 1, 1988, and shall expire with respect to any vessel, rig, platform, or other structure for which either the bidding or award process has commenced on or after September 30, 1992.

(3) The Secretary may waive—

(A) the requirement in paragraph (1)(B) whenever the Secretary determines that 50 percent of the articles, materials, or supplies for a vessel, rig, platform, or other structure cannot be mined, produced, or manufactured, as the case may be, in the United States; and

(B) the requirement in paragraph (1)(A) upon application, with respect to any classification of vessels, rigs, platforms, or other structures on a specific lease, when the Secretary determines that at least 50 percent of such classification, as calculated by number and by weight, which are to be built for exploration or production activities under such lease will be built in the United States in compliance with the requirements of paragraph (1)(A).

Section 103(c) of the Indian Self-Determination Act (88 Stat. 2206), as amended by Public Law 100-202 (101 Stat. 1329-246), is amended as follows:

For purposes of section 224 of the Public Health Service Act of July 1, 1944 (42 U.S.C. 233(a)), as amended by section 4 of the Act of December 31, 1970 (84 Stat. 1870), with respect to claims by any person for personal injury, including death, resulting from the per-

formance *prior to, including, or after December 22, 1987*, of medical, surgical, dental, or related functions, including the conduct of clinical studies or investigations, *an Indian tribe*, a tribal organization or Indian contractor carrying out a contract, grant agreement, or cooperative agreement under sections 103 or 104(b) of this Act is deemed to be part of the Public Health Service in the Department of Health and Human Services while carrying out any such contract or agreement and its employees (including those acting on behalf of the organization or contractor as provided in section 2671 of title 28) are deemed employees of the Service while acting within the scope of their employment in carrying out the contract or agreement.

Public Law 98-473, Section 320 is amended as follows:

SEC. 320. Notwithstanding title 5 of the United States Code or any other provision of law, after September 30, 1984, rents and charges collected by payroll deduction or otherwise for the use or occupancy of quarters of agencies funded by this Act shall thereafter be deposited in a special fund in each agency, to remain available until expended, for the maintenance and operation of the quarters of that agency. *[Provided, That for the fiscal year ending September 30, 1985, and each fiscal year thereafter, such amounts as may be collected may be expended in the agency unit or subunit (e.g. Park, refuge, hatchery, Forest, Agency office, School, Service unit, hospital, clinic, etc.) where the funds are collected: Provided further, That up to 10 per centum of funds collected in such unit may be transferred to another unit within the same agency.]*

Public Law 100-202, under the heading "Department of Energy, Clean Coal Technology" is amended as follows:

For necessary expenses of, and associated with, Clean Coal Technology demonstrations pursuant to 42 U.S.C. 5901 et seq., \$50,000,000 are appropriated for the fiscal year beginning October 1, 1987, and shall remain available until expended, *[and \$525,000,000 are appropriated for the fiscal year beginning October 1, 1988]* \$100,000,000 are appropriated for the fiscal year beginning October 1, 1988, and shall remain available until expended, \$225,000,000 are appropriated for the fiscal year beginning October 1, 1989, and shall remain available until expended, and \$200,000,000 are appropriated for the fiscal year beginning October 1, 1990, and shall remain available until expended.

Chapter 1 of title 17, United States Code, is amended by inserting at the end thereof the following new section:

"§ 119. Limitation on exclusive rights: theatrical motion pictures

"Whenever a theatrical motion picture is a part of the National Film Registry, it shall be unlawful to—

"(1) publicly perform, distribute, sell, or lease such motion picture which the National Film Commission determines has been materially altered without making all disclosures required to be made by the National Film Commission respecting such motion picture; or

"(2) publicly perform, distribute, sell, or lease such motion picture using its original title if such motion picture was originally released in black and white and has been subsequently colored."

The table of sections of chapter 1 of title 17, United States Code, is amended by inserting after the item relating to section 118 the following new item:

"119. Limitation on exclusive rights: theatrical motion pictures."

Section 705 of chapter 7 of title 17, United States Code, is amended by inserting at the end thereof the following new subsection:

"(d) Upon notification by the National Film Commission that a theatrical motion picture is a part of the National Film Registry, the Copyright Office shall promptly notify the copyright owner, the Directors Guild of America, and the Writers Guild of America that such motion picture is a part of such Registry."

FIVE-YEAR PROJECTION OF OUTLAYS

In compliance with section 308(a)(1)(C) of the Congressional Budget Act of 1974 (Public Law 93-344), as amended, the following table contains five-year projections associated with the budget authority provided in the accompanying bill:

[In thousands]

Budget authority.....	\$9,709,922
Outlays:	
Fiscal year 1989.....	6,792,994
Fiscal year 1990.....	2,313,418
Fiscal year 1991.....	726,166
Fiscal year 1992.....	263,341
Fiscal year 1993 and future years.....	39,003

In accordance with section 308(a)(1)(C) of the Congressional Budget Act of 1974 (Public Law 93-344), as amended, the following information was provided to the Committee by the Congressional Budget Office. The bill will not affect existing law levels of budget authority, budget outlays, spending authority, revenues, tax expenditures, direct loan obligations, or primary loan guarantee commitments.

ASSISTANCE TO STATE AND LOCAL GOVERNMENTS

In accordance with section 308(a)(1)(D) of the Congressional Budget Act of 1974 (Public Law 93-344), as amended, the financial assistance to State and local governments is as follows:

[In thousands]

New budget authority.....	698,665
Fiscal year 1989 outlays resulting therefrom.....	322,972

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1988 AND BUDGET ESTIMATES FOR 1989

PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY—FEDERAL AND TRUST FUNDS

[Becomes available automatically under earlier, or "permanent" law without further, or annual action by the Congress. Thus, these amounts are not included in the accompanying bill.]

Agency and item	New budget (obligational) authority, 1988	New budget (obligational) authority, 1989	Fiscal year 1989 compared with fiscal year 1988
FEDERAL FUNDS			
Department of the Interior - Indefinite			
Payments to State and local governments:			
Payments to States (proceeds of sales).....	1,449,000	772,000	-677,000
Payments to States from grazing receipts, public lands.....	4,944,000	2,502,000	-2,442,000
Payments to Oklahoma, in lieu of taxes on Kiowa, Comanche, and Apache tribal lands.....	6,000	6,000	---
Coos Bay Wagon Road Grant lands, payments to Coos Bay and Douglas Counties, Oreg., in lieu of taxes.....	580,000	580,000	---
Oregon and California grant lands, payment to counties.....	139,822,000	71,400,000	-68,422,000
Special acquisition of lands and minerals (authority to borrow).....	1,300,000	1,300,000	---
Payment to counties, national grasslands, Bureau of Land Management.....	1,032,000	500,000	-532,000

Payments to Nevada from receipts on land sales....	750,000	600,000	-150,000
Payment to counties under national wildlife refuge fund.....	6,057,000	6,040,000	-17,000
Educational expenses, children of employees, Yellowstone National Park.....	590,000	590,000	---
Delaware Water Gap, Route 209 operations.....	425,000	425,000	---
Payments to Alaska, National Petroleum Reserve....	1,350,000	1,350,000	---
Payments to State of Wyoming, in lieu of taxes on lands in Grand Teton National Park, National Park Service.....	39,000	39,000	---
Payments to States from receipts under Mineral Leasing.....	412,458,000	438,522,000	+26,064,000
Claim and treaty obligations, Bureau of Indian Affairs.....	2,000,000	2,000,000	---
Operation and maintenance, Indian irrigation systems.....	18,000,000	18,000,000	---
Power systems, Indian irrigation projects.....	28,000,000	28,000,000	---
Payments to the U.S. Territories, fiscal assistance.....	70,000,000	70,000,000	---
Total, Payments to State and local governments	688,802,000	642,626,000	-46,176,000

Receipts applied to operations:

Expenses, road maintenance deposits.....	6,500,000	6,500,000	---
Migratory bird conservation fund.....	28,878,000	29,378,000	+500,000
Proceeds from sales, water resources development projects.....	200,000	200,000	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1988 AND BUDGET ESTIMATES FOR 1989—Continued

PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY—FEDERAL AND TRUST FUNDS

[Becomes available automatically under earlier, or "permanent" law without further, or annual action by the Congress. Thus, these amounts are not included in the accompanying bill.]

Agency and item	New budget (obligational) authority, 1988	New budget (obligational) authority, 1989	Fiscal year 1989 compared with fiscal year 1988
Operation, management, maintenance, and demolition of Federally acquired properties, Independence National Historical Park.....	15,000	15,000	---
Total, Receipts applied to operations.....	35,593,000	36,093,000	+500,000
Federal aid in wildlife restoration:			
Payments to States.....	115,089,000	119,000,000	+3,911,000
Land acquisition (contract authority).....	---	30,000,000	+30,000,000
Total, Department of the Interior.....	839,484,000	827,719,000	-11,765,000
Department of Agriculture - Forest Service			
Payments to States and local governments (indefinite):			
Payments to States, National Forests Fund (25 percent fund).....	304,025,000	294,788,000	-9,237,000
Payment to Minnesota (Cook, Lake, and St. Louis Counties).....	716,000	716,000	---

Payments to counties, National Grasslands.....	9,641,000	10,929,000	+1,288,000
Total, Payments to States and local governments.	314,382,000	306,433,000	-7,949,000

Receipts applied to operations:

Expenses, brush disposal (indefinite).....	54,438,000	54,680,000	+242,000
Licensee programs (Smokey Bear-Woodsy Owl) (indefinite).....	100,000	109,000	+9,000
Restoration of forest lands and improvements (indefinite).....	100,000	107,000	+7,000
Timber purchaser roads constructed by Forest Service (indefinite).....	21,037,000	9,837,000	-11,200,000
Timber salvage sales.....	24,502,000	27,000,000	+2,498,000
Tongass timber supply fund.....	45,379,000	---	-45,379,000
Operations and maintenance of quarters.....	5,500,000	5,869,000	+369,000
Total, receipts applied to operations.....	151,056,000	97,602,000	-53,454,000
Total, Department of Agriculture - Forest Service.....	465,438,000	404,035,000	-61,403,000

Department of Health and Human Services

Health Resources and Services Administration:

Indian Health.....	3,000,000	3,000,000	---
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COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1988 AND BUDGET ESTIMATES FOR 1989—Continued

PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY—FEDERAL AND TRUST FUNDS

[Becomes available automatically under earlier, or "permanent" law without further, or annual action by the Congress. Thus, these amounts are not included in the accompanying bill.]

Agency and item	New budget (obligational) authority, 1988	New budget (obligational) authority, 1989	Fiscal year 1989 compared with fiscal year 1988
Department of the Interior			
Compact of Free Association.....	291,086,000	144,179,000	-146,907,000
Geological Survey.....	250,000	250,000	---
Operation and maintenance of quarters:			
Bureau of Land Management.....	250,000	250,000	---
Geological Survey.....	75,000	75,000	---
National Park Service.....	8,829,000	8,829,000	---
United States Fish and Wildlife Service.....	1,662,000	1,727,000	+65,000
Bureau of Indian Affairs.....	7,000,000	7,000,000	---
Total, operation and maintenance of quarters....	17,816,000	17,881,000	+65,000
Total, Department of Interior.....	309,152,000	162,310,000	-146,842,000

Other Independent Agencies			
National Foundation on the Arts and Humanities:			
Institute of Museums.....	51,000	---	-51,000
	=====	=====	=====
Total, permanent new budget (obligational) authority, Federal Funds.....	1,617,125,000	1,397,064,000	-220,061,000.
	=====	=====	=====
TRUST FUNDS			
Department of the Interior - Indefinite			
Land and resource management.....	600,000	600,000	---
Contributed funds, Fish and Wildlife Service.....	4,165,000	4,165,000	---
Sport Fish Restoration.....	161,073,000	194,760,000	+33,687,000
Donations, National Park Service.....	14,844,000	4,445,000	-10,399,000
Birthplace of Abraham Lincoln, preservation of, National Park Service.....	8,000	8,000	---
Contributed funds, U.S. Geological Survey.....	300,000	---	-300,000
Contributed funds, Bureau of Mines.....	700,000	700,000	---
Cooperative fund, Papago.....	1,175,000	1,269,000	+94,000
Miscellaneous trust funds of Indian tribes.....	334,207,000	338,367,000	+4,160,000
	=====	=====	=====
Total, Department of the Interior.....	517,072,000	544,314,000	+27,242,000
	=====	=====	=====
Department of Agriculture - Forest Service			
Reforestation trust fund.....	30,000,000	30,000,000	---
	=====	=====	=====

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1988 AND BUDGET ESTIMATES FOR 1989—Continued

PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY—FEDERAL AND TRUST FUNDS

[Becomes available automatically under earlier, or "permanent" law without further, or annual action by the Congress. Thus, these amounts are not included in the accompanying bill.]

Agency and item	New budget (obligational) authority, 1988	New budget (obligational) authority, 1989	Fiscal year 1989 compared with fiscal year 1988
Other Agencies - Indefinite			
National Foundation on the Arts and the Humanities:			
Gifts and donations (Arts).....	30,000	30,000	---
Gifts and donations (Humanities).....	77,000	580,000	+503,000
Smithsonian Institution:			
Canal Zone biological area fund.....	150,000	150,000	---
Woodrow Wilson International Center for Scholars:			
Endowment challenge fund.....	50,000	60,000	+10,000
Donations, Advisory Council on Historic Preservation..	5,000	5,000	---
Gifts and Donations, Holocaust Memorial Council.....	40,000	50,000	+10,000
Institute of American Indian and Alaska Native Culture and Arts Development: Endowment fund.....	---	500,000	+500,000
Total, other agencies.....	352,000	1,375,000	+1,023,000
Total, permanent new budget (obligational) authority, Trust Funds.....	547,424,000	575,689,000	+28,265,000

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1988
AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1989**

Agency and item	New budget (obligational) authority, fiscal year 1988	Budget estimates of new obligational authority, fiscal year 1989	New budget (obligational) authority recommended in bill	Bill compared with—	
				New budget (obligational) authority, fiscal year 1988	Budget estimates of new (obligational) authority, fiscal year 1989
TITLE I - DEPARTMENT OF THE INTERIOR					
Bureau of Land Management					
Management of lands and resources.....	498,983,000	464,487,000	500,959,000	+1,976,000	+36,472,000
Construction and access.....	3,430,000	1,338,000	5,431,000	+2,001,000	+4,093,000
Payments in lieu of taxes.....	105,000,000	105,000,000	105,000,000	---	---
Land acquisition.....	8,885,000	100,000	11,640,000	+2,755,000	+11,540,000
Oregon and California grant lands.....	58,475,000	57,434,000	61,445,000	+2,970,000	+4,011,000
Range improvements (indefinite).....	8,506,000	8,506,000	8,506,000	---	---
Service charges, deposits & forfeitures (indefinite)..	6,600,000	6,000,000	6,000,000	-600,000	---
Miscellaneous trust funds (indefinite).....	100,000	100,000	100,000	---	---
Total, Bureau of Land Management.....	689,979,000	642,965,000	699,081,000	+9,102,000	+56,116,000
United States Fish and Wildlife Service					
Resource management.....	342,594,000	331,863,000	350,251,000	+7,657,000	+18,388,000
Construction and anadromous fish.....	25,062,000	7,577,000	23,756,000	-1,306,000	+16,179,000
Migratory bird conservation account.....	1,000,000	---	---	-1,000,000	---
Land acquisition.....	51,754,000	1,874,000	50,809,000	-945,000	+48,935,000
National Wildlife Refuge Fund.....	5,645,000	5,645,000	5,645,000	---	---
Total, United States Fish and Wildlife Service..	426,055,000	346,959,000	430,461,000	+4,406,000	+83,502,000
National Park Service					
Operation of the national park system.....	730,799,000	733,768,000	742,181,000	+11,382,000	+8,413,000
National recreation and preservation.....	12,935,000	10,204,000	14,093,000	+1,158,000	+3,889,000
Historic preservation fund.....	28,250,000	---	30,000,000	+1,750,000	+30,000,000
Urban Park recreation fund (rescission).....	-1,900,000	---	---	+1,900,000	---

Construction.....	93,017,000	15,003,000	131,809,000	+38,792,000	+116,806,000
Visitors facilities fund.....	(4,700,000)	---	---	(-4,700,000)	---
(Liquidation of contract authority).....	(31,000,000)	(31,000,000)	(47,000,000)	(+16,000,000)	(+16,000,000)
Land and water conservation fund (rescission of contract authority).....	-30,000,000	---	-30,000,000	---	-30,000,000
Land acquisition and state assistance.....	60,749,000	15,779,000	62,206,000	+1,457,000	+46,427,000
John F. Kennedy Center for the Performing Arts.....	4,904,000	5,193,000	5,181,000	+277,000	-12,000
Illinois and Michigan Canal National Heritage Corridor Commission.....	250,000	---	250,000	---	+250,000
American Revolution Bicentennial Administration.....	---	---	4,765,000	+4,765,000	+4,765,000
Total, National Park Service.....	899,004,000	779,947,000	960,485,000	+61,481,000	+180,538,000
Geological Survey					
Surveys, investigations, and research.....	447,747,000	425,003,000	448,056,000	+309,000	+23,053,000
Minerals Management Service					
Leasing and royalty management.....	168,717,000	171,317,000	170,009,000	+1,292,000	-1,308,000
Payments to States from receipts under Mineral Leasing	---	600,000	---	---	-600,000
Total, Minerals Management Service.....	168,717,000	171,917,000	170,009,000	+1,292,000	-1,908,000
Bureau of Mines					
Mines and minerals.....	146,398,000	126,605,000	146,254,000	-144,000	+19,649,000
Office of Surface Mining Reclamation and Enforcement					
Regulation and technology.....	102,125,000	101,066,000	104,086,000	+1,961,000	+3,020,000
Abandoned mine reclamation fund (definite, trust fund)	199,380,000	159,094,000	191,154,000	-8,226,000	+32,060,000
Total, Office of Surface Mining Reclamation and Enforcement.....	301,505,000	260,160,000	295,240,000	-6,265,000	+35,080,000
Bureau of Indian Affairs					
Operation of Indian Programs.....	970,756,000	938,416,000	996,024,000	+25,268,000	+57,608,000
Construction.....	83,225,000	56,793,000	79,136,000	-4,089,000	+22,343,000

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1988
AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR
1989—Continued**

Agency and item	New budget (obligational) authority, fiscal year 1988	Budget estimates of new obligational authority, fiscal year 1989	New budget (obligational) authority recommended in bill	Bill compared with—	
				New budget (obligational) authority, fiscal year 1988	Budget estimates of new (obligational) authority, fiscal year 1989
Road Construction.....	1,000,000	---	---	-1,000,000	---
Miscellaneous payments to Indians.....	13,340,000	13,955,000	13,952,000	+612,000	-3,000
Tribal trust funds.....	1,000,000	---	---	-1,000,000	---
Revolving fund for loans (limitation on direct loans).....	---	(13,000,000)	---	---	(-13,000,000)
Indian loan guaranty and insurance fund.....	3,085,000	3,370,000	3,370,000	+285,000	---
Indian loan guaranty and insurance fund (limitation on guaranteed loans).....	---	(45,000,000)	---	---	(-45,000,000)
Total, Bureau of Indian Affairs.....	1,072,406,000	1,012,534,000	1,092,482,000	+20,076,000	+79,948,000
Territorial and International Affairs					
Administration of territories.....	78,235,000	71,477,000	82,397,000	+4,162,000	+10,920,000
Trust Territory of the Pacific Islands.....	41,940,000	2,780,000	28,434,000	-13,506,000	+25,654,000
Compact of Free Association.....	33,620,000	34,935,000	36,160,000	+2,540,000	+1,225,000
Total, Territorial Affairs.....	153,795,000	109,192,000	146,991,000	-6,804,000	+37,799,000
Departmental Offices					
Office of the Secretary.....	47,519,000	51,681,000	49,580,000	+2,061,000	-2,101,000
Office of the Solicitor.....	23,053,000	25,325,000	24,686,000	+1,633,000	-639,000
Office of Inspector General.....	17,757,000	18,816,000	18,858,000	+1,101,000	+42,000
Construction Management.....	1,800,000	1,800,000	1,800,000	---	---
Total, Departmental Offices.....	90,129,000	97,622,000	94,924,000	+4,795,000	-2,698,000

Total, title I, Department of the Interior:					
New budget (obligational) authority (net)...	4,395,735,000	3,972,904,000	4,483,983,000	+88,248,000	+511,079,000
Appropriations.....	(4,427,635,000)	(3,972,904,000)	(4,513,983,000)	(+86,348,000)	(+541,079,000)
Definite.....	(4,412,429,000)	(3,958,298,000)	(4,499,377,000)	(+86,948,000)	(+541,079,000)
Indefinite.....	(15,206,000)	(14,606,000)	(14,606,000)	(-600,000)	---
Rescission.....	(-31,900,000)	---	(-30,000,000)	(+1,900,000)	(-30,000,000)
(Liquidation of contract authority).....	(31,000,000)	(31,000,000)	(47,000,000)	(+16,000,000)	(+16,000,000)
(Limitation on direct loans).....	---	(13,000,000)	---	---	(-13,000,000)
(Limitation on guaranteed loans).....	---	(45,000,000)	---	---	(-45,000,000)

TITLE II - RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

Forest Service

Forest research.....	135,510,000	129,279,000	139,865,000	+4,355,000	+10,586,000
State and private forestry.....	76,469,000	34,781,000	78,143,000	+1,674,000	+43,362,000
National forest system.....	1,243,391,000	1,159,655,000	1,309,244,000	+65,853,000	+149,589,000
Construction.....	214,078,000	203,974,000	216,542,000	+2,464,000	+12,568,000
Timber receipts transfer to General Fund (indefinite).....	(-78,635,000)	(-79,100,000)	(-79,100,000)	(-465,000)	---
Timber purchaser credits.....	---	(125,367,000)	(64,000,000)	(+64,000,000)	(-61,367,000)
Mount St. Helens (contract authority).....	---	---	(5,333,000)	(+5,333,000)	(+5,333,000)
Land acquisition.....	49,076,000	3,900,000	42,245,000	-6,831,000	+38,345,000
Timber Roads, Purchaser Election, Forest Service (rescission).....	-75,000,000	---	---	+75,000,000	---
Timber Salvage Sales.....	37,000,000	---	---	-37,000,000	---
Tongass Timber Supply Fund.....	---	40,699,000	25,264,000	+25,264,000	-15,435,000
Operation and maintenance of recreation facilities....	---	31,800,000	---	---	-31,800,000
Acquisition of lands for national forests, special acts.....	966,000	966,000	966,000	---	---
Acquisition of lands to complete land exchanges (indefinite).....	990,000	335,000	335,000	-655,000	---
Range betterment fund (indefinite).....	3,605,000	3,875,000	3,875,000	+270,000	---
Miscellaneous trust funds.....	90,000	90,000	30,000	-60,000	-60,000
Total, Department of Agriculture.....	1,686,175,000	1,609,354,000	1,816,509,000	+130,334,000	+207,155,000

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1988
AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR
1989—Continued**

Agency and item	New budget (obligational) authority, fiscal year 1988	Budget estimates of new obligational authority, fiscal year 1989	New budget (obligational) authority recommended in bill	Bill compared with—	
				New budget (obligational) authority, fiscal year 1988	Budget estimates of new (obligational) authority, fiscal year 1989
DEPARTMENT OF ENERGY					
Clean coal technology.....	50,000,000	---	---	-50,000,000	---
Base program, FY 1989.....	(525,000,000)	525,000,000	100,000,000	+100,000,000	-425,000,000
Base program, FY 1990.....	---	---	(225,000,000)	(+225,000,000)	(+225,000,000)
Base program, FY 1991.....	---	---	(200,000,000)	(+200,000,000)	(+200,000,000)
Supplemental program, FY 1990.....	---	(575,000,000)	---	---	(-575,000,000)
Supplemental program, FY 1991.....	---	(600,000,000)	---	---	(-600,000,000)
Supplemental program, FY 1992.....	---	(600,000,000)	---	---	(-600,000,000)
Fossil energy research and development.....	326,975,000	166,992,000	357,361,000	+30,386,000	+190,369,000
(By transfer).....	(20,894,000)	---	---	(-20,894,000)	---
Naval petroleum and oil shale reserves.....	159,663,000	185,071,000	185,071,000	+25,408,000	---
Energy conservation.....	309,517,000	89,359,000	326,138,000	+16,621,000	+236,779,000
Economic regulation.....	21,565,000	20,772,000	21,010,000	-555,000	+238,000
Emergency preparedness.....	6,172,000	6,154,000	6,154,000	-18,000	---
Strategic Petroleum Reserve.....	164,162,000	173,421,000	173,421,000	+9,259,000	---
SPR petroleum.....	438,744,000	333,555,000	333,555,000	-105,189,000	---
Energy Information Administration.....	61,398,000	62,856,000	62,856,000	+1,458,000	---
Total, Department of Energy.....	1,538,196,000	1,563,180,000	1,565,566,000	+27,370,000	+2,386,000
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Health Resources and Services Administration					
Indian health services.....	949,481,000	986,772,000	1,016,667,000	+67,186,000	+29,895,000
Fiscal year 1990.....	---	(1,003,007,000)	---	---	(-1,003,007,000)
Indian health facilities.....	62,511,000	---	64,050,000	+1,539,000	+64,050,000
Total, Department of Health and Human Services..	1,011,992,000	986,772,000	1,080,717,000	+68,725,000	+93,945,000

DEPARTMENT OF EDUCATION

Office of Elementary and Secondary Education

Indian education.....	66,326,000	67,653,000	68,153,000	+1,827,000	+500,000
	=====	=====	=====	=====	=====

OTHER RELATED AGENCIES

Navajo and Hopi Indian Relocation Commission

Salaries and expenses.....	25,270,000	22,973,000	27,723,000	+2,453,000	+4,750,000
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Institute of American Indian and Alaska
Native Culture and Arts Development

Salaries and expenses.....	---	2,467,000	3,094,000	+3,094,000	+627,000
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Smithsonian Institution

Salaries and expenses.....	201,432,000	216,214,000	208,766,000	+7,334,000	-7,448,000
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Construction and improvements, National Zoological Park.....	8,150,000	5,305,000	5,305,000	-2,845,000	---
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Restoration and renovation of buildings.....	19,254,000	20,835,000	20,835,000	+1,581,000	---
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Construction.....	1,315,000	10,150,000	8,655,000	+7,340,000	-1,495,000
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Subtotal.....	230,151,000	252,504,000	243,561,000	+13,410,000	-8,943,000
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National Gallery of Art

Salaries and expenses.....	37,352,000	38,543,000	37,831,000	+479,000	-712,000
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Repair, restoration and renovation of buildings.....	---	1,000,000	500,000	+500,000	-500,000
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Subtotal, National Gallery of Art.....	37,352,000	39,543,000	38,331,000	+979,000	-1,212,000
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Woodrow Wilson International Center for Scholars

Salaries and expenses.....	4,028,000	4,285,000	4,240,000	+212,000	-45,000
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Endowment Challenge Fund.....	---	350,000	---	---	-350,000
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**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1988
AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR
1989—Continued**

Agency and item	New budget (obligational) authority, fiscal year 1988	Budget estimates of new obligational authority, fiscal year 1989	New budget (obligational) authority recommended in bill	Bill compared with—	
				New budget (obligational) authority, fiscal year 1988	Budget estimates of new (obligational) authority, fiscal year 1989
Total, Woodrow Wilson International Center for Scholars.....	4,028,000	4,635,000	4,240,000	+212,000	-395,000
Total, Smithsonian Institution.....	271,531,000	296,682,000	286,132,000	+14,601,000	-10,550,000
National Foundation on the Arts and the Humanities					
National Endowment for the Arts					
Grants and administration.....	139,311,000	140,531,000	141,800,000	+2,489,000	+1,269,000
Matching grants.....	28,420,000	27,200,000	27,200,000	-1,220,000	---
Total, National Endowment for the Arts.....	167,731,000	167,731,000	169,000,000	+1,269,000	+1,269,000
National Endowment for the Humanities					
Grants and administration.....	111,935,000	111,735,000	125,000,000	+13,065,000	+13,265,000
Matching grants.....	28,500,000	28,700,000	28,700,000	+200,000	---
Total, National Endowment for the Humanities....	140,435,000	140,435,000	153,700,000	+13,265,000	+13,265,000
Institute of Museum Services					
Grants and administration.....	21,944,000	21,944,000	22,620,000	+676,000	+676,000
Commission on Film Colorization					
Salaries and expenses.....	---	---	500,000	+500,000	+500,000

Total, National Foundation of the Arts and the Humanities.....	330,110,000	330,110,000	345,820,000	+15,710,000	+15,710,000

Commission of Fine Arts					
Salaries and expenses.....	443,000	451,000	475,000	+32,000	+24,000
National Capital Arts and Cultural Affairs					
Grants.....	4,500,000	---	5,000,000	+500,000	+5,000,000
Advisory Council on Historic Preservation					
Salaries and expenses.....	1,719,000	1,781,000	1,774,000	+55,000	-7,000

National Capital Planning Commission					
Salaries and expenses.....	2,948,000	2,962,000	2,962,000	+14,000	---
Franklin Delano Roosevelt Memorial Commission					
Salaries and expenses.....	28,000	28,000	28,000	---	---

Pennsylvania Avenue Development Corporation					
Salaries and expenses.....	2,516,000	2,353,000	2,343,000	-173,000	-10,000
Public development.....	3,000,000	3,095,000	3,175,000	+175,000	+80,000

Total, Pennsylvania Avenue Development Corporation.....	5,516,000	5,448,000	5,518,000	+2,000	+70,000

United States Holocaust Memorial Council					
Holocaust Memorial Council.....	2,171,000	2,209,000	2,594,000	+423,000	+385,000

Total, title II, Related Agencies:					
New budget (obligational) authority.....	4,946,925,000	4,892,070,000	5,212,065,000	+265,140,000	+319,995,000
Appropriations.....	(5,021,925,000)	(4,892,070,000)	(5,212,065,000)	(+190,140,000)	(+319,995,000)
Definite.....	(5,017,330,000)	(4,887,860,000)	(5,207,855,000)	(+190,525,000)	(+319,995,000)
Indefinite.....	(4,595,000)	(4,210,000)	(4,210,000)	(-385,000)	---
(Timber receipt transfer to general fund)...	-78,635,000	-79,100,000	-79,100,000	-465,000	---
(By transfer).....	20,894,000	---	---	-20,894,000	---

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1988
AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR
1989—Continued**

Agency and item	New budget (obligational) authority, fiscal year 1988	Budget estimates of new obligational authority, fiscal year 1989	New budget (obligational) authority recommended in bill	Bill compared with—	
				New budget (obligational) authority, fiscal year 1988	Budget estimates of new (obligational) authority, fiscal year 1989
RECAPITULATION					
Total, Department of the Interior and Related Agencies Appropriations:					
New budget (obligational) authority.....	9,342,660,000	8,864,974,000	9,696,048,000	+353,388,000	+831,074,000
Appropriations.....	(9,449,560,000)	(8,864,974,000)	(9,726,048,000)	(+276,488,000)	(+861,074,000)
Definite.....	(9,429,759,000)	(8,846,158,000)	(9,707,232,000)	(+277,473,000)	(+861,074,000)
Indefinite.....	(19,801,000)	(18,816,000)	(18,816,000)	(-985,000)	---
Rescission.....	(-106,900,000)	---	(-30,000,000)	(+76,900,000)	(-30,000,000)
(Liquidation of contract authority).....	(31,000,000)	(31,000,000)	(52,333,000)	(+21,333,000)	(+21,333,000)
(Timber receipt transfer to general fund)...	(-78,635,000)	(-79,100,000)	(-79,100,000)	(-465,000)	---
(By transfer).....	(20,894,000)	---	---	(-20,894,000)	---
TITLE I -DEPARTMENT OF THE INTERIOR					
Bureau of Land Management.....	689,979,000	642,965,000	699,081,000	+9,102,000	+56,116,000
United States Fish and Wildlife Service.....	426,055,000	346,959,000	430,461,000	+4,406,000	+83,502,000
National Park Service.....	899,004,000	779,947,000	960,485,000	+61,481,000	+180,538,000
Geological Survey.....	447,747,000	425,003,000	448,056,000	+309,000	+23,053,000
Minerals Management Service.....	168,717,000	171,917,000	170,009,000	+1,292,000	-1,908,000
Bureau of Mines.....	146,398,000	126,605,000	146,254,000	-144,000	+19,649,000
Office of Surface Mining Reclamation and Enforcement..	301,505,000	260,160,000	295,240,000	-6,265,000	+35,080,000
Bureau of Indian Affairs.....	1,072,406,000	1,012,534,000	1,092,482,000	+20,076,000	+79,948,000
Territorial and International Affairs.....	153,795,000	109,192,000	146,991,000	-6,804,000	+37,799,000
Secretarial Offices.....	90,129,000	97,622,000	94,924,000	+4,795,000	-2,698,000
Total, Title I - Department of the Interior.....	4,395,735,000	3,972,904,000	4,483,983,000	+88,248,000	+511,079,000

TITLE II - RELATED AGENCIES

Forest Service.....	1,686,175,000	1,609,354,000	1,816,509,000	+130,334,000	+207,155,000
Department of Energy.....	1,538,196,000	1,563,180,000	1,565,566,000	+27,370,000	+2,386,000
Indian Health.....	1,011,992,000	986,772,000	1,080,717,000	+68,725,000	+93,945,000
Indian Education.....	66,326,000	67,653,000	68,153,000	+1,827,000	+500,000
Navajo and Hopi Indian Relocation Commission.....	25,270,000	22,973,000	27,723,000	+2,453,000	+4,750,000
Institute of American Indian and Alaska Native Culture and Arts Development.....	---	2,467,000	3,094,000	+3,094,000	+627,000
Smithsonian.....	230,151,000	252,504,000	243,561,000	+13,410,000	-8,943,000
National Gallery of Art.....	37,352,000	39,543,000	38,331,000	+979,000	-1,212,000
Woodrow Wilson International Center for Scholars.....	4,028,000	4,635,000	4,240,000	+212,000	-395,000
National Endowment for the Arts.....	167,731,000	167,731,000	169,000,000	+1,269,000	+1,269,000
National Endowment for the Humanities.....	140,435,000	140,435,000	153,700,000	+13,265,000	+13,265,000
Institute of Museum Services.....	21,944,000	21,944,000	22,620,000	+676,000	+676,000
Commission on Film Colorization.....	---	---	500,000	+500,000	+500,000
Commission of Fine Arts.....	443,000	451,000	475,000	+32,000	+24,000
National Capital Arts and Cultural Affairs.....	4,500,000	---	5,000,000	+500,000	+5,000,000
Advisory Council on Historic Preservation.....	1,719,000	1,781,000	1,774,000	+55,000	-7,000
National Capital Planning Commission.....	2,948,000	2,962,000	2,962,000	+14,000	---
Franklin Delano Roosevelt Memorial Commission.....	28,000	28,000	28,000	---	---
Pennsylvania Avenue Development Corporation.....	5,516,000	5,448,000	5,518,000	+2,000	+70,000
Holocaust Memorial Council.....	2,171,000	2,209,000	2,594,000	+423,000	+385,000
	-----	-----	-----	-----	-----
Total, Title II - Related Agencies.....	4,946,925,000	4,892,070,000	5,212,065,000	+265,140,000	+319,995,000
	=====	=====	=====	=====	=====
Grand total.....	9,342,660,000	8,864,974,000	9,696,048,000	+353,388,000	+831,074,000
	=====	=====	=====	=====	=====

ADDITIONAL VIEWS OF HON. RALPH REGULA

The Committee directs the National Endowment for the Arts to discontinue making changes in its peer panel review process. Indeed, this process, with its reliance on expert advice from peer panels has been a model process in many ways. However, today there is more information available to panelists to allow them to see how the artistic ratings, recommended grant amounts, and project costs inter-relate. I do not believe that the Committee should stand in the way of panelists having access to information to assist panelists in making grant recommendations

RALPH REGULA.

ADDITIONAL VIEWS OF HON. RALPH REGULA, HON. VIRGINIA SMITH, HON. JOSEPH M. McDADE, HON. TOM BEVILL, HON. HAROLD ROGERS, HON. BOB LIVINGSTON, HON. JOE SKEEN, HON. LINDY BOGGS, HON. RONALD COLEMAN, HON. MICKEY EDWARDS, HON. JOHN T. MYERS, HON. CLARENCE E. MILLER, AND HON. TOM DELAY ON OUTER CONTINENTAL SHELF LEASING MORATORIA

Once again, the Appropriations Committee has taken unwarranted action that potentially threatens the long-term energy security of the United States. For Fiscal Year 1989, the Committee has unnecessarily locked up some of the most promising portions of the OCS from leasing, including areas offshore California, Florida, and the North Atlantic. In fact, not only has the Committee continued its past trend of moratoria, it has enlarged on previous moratoria in the North Atlantic and even prevented valid, existing leases from being drilled offshore Florida. These actions represent a dangerous policy for the future energy security of this Nation.

Today, the federal OCS supplies 12 percent of this Nation's oil and 24 percent of its natural gas. In fact, in 1987, the OCS produced 366 million barrels of crude oil and 4.4 trillion cubic feet of natural gas. It has the potential to produce even more if industry is allowed access to the most promising acreage. Unfortunately, moratoria have precluded this access by tying up highly prospective acreage—particularly offshore California and Florida.

Contrary to what proponents of moratoria suggest, the offshore oil and gas industry has an exemplary environmental record. In fact, environmental groups, in response to questions from a congressional committee, recently stated that the federal OCS environmental record was "amazingly good". For example, there have been over 8,500 exploratory wells drilled on the OCS, and there has not been a single oilspill from a blowout associated with exploratory drilling operations. Furthermore, out of over 400 million barrels of oil produced on the federal OCS off California since 1970, there have been only 210 barrels of oil spilled in conjunction with all OCS operations. There are few, if any, other energy-related activities which can claim a similar record.

Proponents of OCS moratoria have suggested that, as a nation, we need to develop a comprehensive energy plan. While there is no disagreement that we should pursue a balanced energy policy, we must also acknowledge the fact that oil plays a critical role in that policy, particularly for the foreseeable future. If it did not, we would not be importing up to 40 percent of our oil, at least half of which is coming from OPEC countries.

Our transportation sector alone is wholly dependent on petroleum products, using 64 percent of all oil produced and imported. While there are more conservation measures that could be utilized

in this area, substitution of other fuels is very costly and the technology is undeveloped. Many conservation and fuel substitution measures are dependent on economic factors. If oil prices remain low, many measures will not be economic and will not be developed or used. It would be irresponsible for us to assume that there will be viable alternative fuels to oil in the foreseeable future or that conservation measures alone will solve our energy problems. Energy conservation and alternate energy sources hold the prospect for merely affecting the growth of petroleum imports—not replacing them.

Past successes in reducing oil demand through conservation and other means is being outpaced by declining domestic production. It is estimated that domestic oil production will decline by 28 percent by the year 2000. Given that fact, it is critical to continue to assess the resources of the OCS in an orderly fashion, particularly since in some areas it can take as long as 15 years to bring those resources into production. In essence, the resources we are leasing currently are the resources we will need in the early part of the 21st century. Given that fact, developing the OCS is an investment in this nation's energy future—not a "drain America first" policy as some have suggested.

In addition to blinding the nation to its energy resource potential, OCS moratoria also have important economic implications as well. Imported petroleum accounted for over \$40 billion of this Nation's overall trade deficit of \$171 billion in 1987—a staggering 24 percent of the total deficit incurred for that year. In addition, a moratorium which denies the United States Treasury the benefit of the substantial bonus revenues which are generated from leasing is also shortsighted. For example, the Committee's recent action would reduce expected revenues by over \$155 million for the upcoming fiscal year. Finally, a moratorium on drilling existing leases could cause further substantial revenue loss. Expenditures to date on the 73 existing leases south of 26 degrees North latitude offshore the western coast of Florida have totaled over \$220 million. If Companies decide to return those leases instead of having their investment tied up for yet another year, the Government could find itself in the unenviable position of returning that investment and losing the revenues from any oil and gas which might be found.

The saddest part of this ongoing debate is the fallacy that OCS moratoria are for "one year only". The record clearly shows otherwise. Even a cursory review of the record shows that what started as one year bans have gone on as long as 8 years, even in the absence of imminent lease sales. In addition, the Committee has prohibited pre-lease activities in some areas, expanded moratoria for no compelling environmental reasons, and even prohibited exploratory drilling. It has become apparent that rather than resolving the issues associated with OCS activities, moratoria have become a means of stopping the program. This is a direct contravention of the explicit policy of Congress with regard to the issue.

In 1978, Congress overwhelmingly passed the Outer Continental Shelf Lands Act Amendments. In section 3 of that Act, Congress declared it to be the policy of the United States that:

the OCS is a vital national resource reserve held by the federal government for the public, which should be made available for expeditious and orderly development, subject to environmental safeguards, in a manner which is consistent with the maintenance of competition and other national needs.

In 1988, this policy is still as valid as it was 10 years ago when it was enacted. Yet we have allowed ourselves to stray not only from the Act's mandates but also from the detailed consultative and administrative provisions it contains. It is time to return to the OCS Lands Act or to change its mandates—not to undermine those policies by piecemeal legislation on appropriation bills. It is our view, that however well intended, the Committee has done just that by its repeated actions. We can ill afford to continue these actions when our Nation's long-term energy security is at stake.

RALPH REGULA.
VIRGINIA SMITH.
JOSEPH M. McDADE.
TOM BEVILL.
HAL ROGERS.
BOB LIVINGSTON.
JOE SKEEN.
LINDY BOGGS.
RONALD COLEMAN.
MICKEY EDWARDS.
JOHN MYERS.
CLARENCE MILLER.
TOM DELAY.

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