

FUNCTION 300: NATURAL RESOURCES AND THE ENVIRONMENT

FUNCTION SUMMARY

Function 300 includes funding for water resources conservation and land management, recreational resources and pollution control and abatement. Agencies with major programs in this function include the Army Corps of Engineers (CORP), Bureau of Reclamation (BOR), Forest Service (USFS), Bureau of Land Management (BLM), Fish and Wildlife Service (USFWS), the National Park Service (NPS), Environmental Protection Agency (EPA), National Oceanic and Atmospheric Administration (NOAA), and the U.S. Geological Survey (USGS).

In 1998, spending for Function 300 was \$24.2 billion in BA and \$23.0 billion in outlays, an increase of 4.8 percent over the 1997 spending level. Discretionary spending represents 95.7 percent of total spending in the function.

For discretionary spending in the function, the BBA set funding levels for 1999 at \$22.2 billion in BA and \$21.7 billion in outlays.

As reflected in the spending summary table, under the freeze baseline, Function 300 will decrease by 3.4 percent from 1998 to 2003. This is due mostly to lower projected spending for the conservation reserve program.

The BBA accommodated new spending for orphan shares at Superfund hazardous waste cleanup sites, contingent on reform of the program. (Orphan shares are portions of financial liability at Superfund sites allocated to non-Federal parties with limited or no ability to pay.) The 1998 budget resolution provided an allowance of \$200 million annually through the year 2002. The availability of these funds was dependent on reauthorization of the Superfund excise and corporate income taxes and reforms of the Superfund program. Neither of these requirements has yet occurred.

The BBA provided up to \$700 million to complete priority Federal land acquisition and exchanges in 1998. Congress provided \$699 million in 1998 for these acquisitions and exchanges. The President's priorities were the acquisition of northern California's Headwaters Forest for \$250 million and the purchase of Crown Butte, Inc.'s interest in the New World Mine adjacent to Yellowstone National Park for \$65 million.

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SPENDING SUMMARY (\$ billions)

		1998	1999	2000	2001	2002	2003
Chairman's Mark	BA	24.2	23.4	23.3	23.0	22.9	22.9
	OT	23.0	23.4	23.5	23.4	23.0	22.9
BBA	BA	24.2	22.8	22.2	21.6	21.5	22.1
	OT	23.0	22.4	22.6	22.3	21.7	22.4
Freeze Baseline	BA	24.2	23.8	23.9	23.6	23.6	23.6
	OT	23.0	23.5	23.9	24.0	23.6	23.5
Chairman's Mark compared to:							
BBA	BA	--	+0.6	+1.1	+1.4	+1.5	+0.9
	OT	--	+0.9	+1.0	+1.1	+1.2	+0.5
Freeze Baseline	BA	--	-0.4	-0.6	-0.6	-0.6	-0.6
	OT	--	-0.1	-0.4	-0.6	-0.6	-0.5

DESCRIPTION OF THE CHAIRMAN'S MARK

The Chairman's Mark proposes discretionary spending of \$22.6 billion in BA and \$22.5 billion in outlays. This Mark exceeds discretionary BA specified in the BBA by \$0.4 billion and outlays by \$0.8 billion. This is a solid mark for Function 300, which not only meets, but exceeds the spending levels for this function set in the BBA. Major aspects of the Chairman's Mark for Function 300 are noted below:

- ▶ The Mark assumes restoration of the **Superfund** excise and corporate income taxes and, contingent upon reform of the program, additional spending of \$200 million in each year 1999 through 2003. As discussed previously, Section 203 of the resolution establishes an allocation procedure to enable the Senate to consider Superfund reform legislation this year.
- ▶ The Mark does not assume the President's proposed 47.4 percent reduction for the **Army Corps of Engineers's general construction** programs. Rather, it assumes full funding at the freeze baseline of \$1.4 billion in BA and \$1.2 billion in outlays, or \$ 0.7 billion above the President's request in BA and \$0.3 billion above in outlays..

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- ▶ The Mark includes \$1.3 billion in BA and \$1.2 billion in outlays for operation of the **National Park System**, full funding of the President's request.
- ▶ Resource management programs of the **Fish and Wildlife Service** would be funded at \$595 million in BA and \$594 million in outlays.
- ▶ The Mark rejects the President's proposed 10 percent reduction (\$2.7 billion savings, FY 1999-2003) in the **EPA's State and Tribal Assistance grants**.
- ▶ The Mark assumes \$47 million in BA and \$9 million in outlays in discretionary spending from the interest earned on the **Environmental Improvement and Restoration Fund**.
- ▶ The Mark assumes the **landowner incentive program** of the Endangered Species Recovery Act will be enacted. (The landowner incentive program includes habitat reserve agreements, safe harbor agreements, habitat conservation plans, and recovery plan implementation agreements within the Act.) This spending would be made available from the gross receipts realized in the sales of excess BLM land, provided that BLM has sufficient administrative funds to conduct such sales.
- ▶ The Mark accepts the President's reduction of \$699 million for **priority Federal land acquisitions**. (This assumption reflects the fulfillment of the 1997 BBA, which provided for up to \$700 million for major land acquisitions. Congress provided for this spending in 1998.)
- ▶ The Chairman's mark fully funds -- in fact, slightly exceeds -- the President's request for the **National Oceanic and Atmospheric Administration**, providing \$2.3 billion in BA and \$2.1 billion outlays for 1999.

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