



Indian Affairs - Office of Public Affairs

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**For Immediate Release:** January 5, 1987

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Secretary of the Interior Don Hodel today announced an FY 1988 budget "Supports the President's goals of providing a better quality life through a stronger, more productive America.

"We have made decisions in the budget that emphasize our goal of maintaining or improving the multitude of Interior agency facilities and services used by the public while continuing to meet the budget limitations under the Gramm-Rudman-Hollings Act.

"Interior's budget focuses on the protection of our existing resources," Hodel said. "Continued emphasis is given to operation of national parks and to development of energy and mineral resources. Among the several management efficiencies proposed in the budget are major efforts to strengthen enforcement of the surface mining laws, to improve oversight of the Department's revenue collection and regulatory activities, and to provide ready access by the public to our land and mineral records through automation. The budget also highlights significant new initiatives for American Indians and for the completion of water resource projects."

The FY 1988 budget totals \$6.3 billion, \$1 million less than the current 1987 estimate, and is consistent with this Administration's past budget priorities. To help meet the government-wide Gramm-Rudman-Hollings target for FY 1988 and bring FY 1987 more in line with FY 1986 and the proposed FY 1988 activities, \$303 million in rescissions are proposed in FY 1987.

"National parks, recreation areas and other public lands, which will host over 465 million visitors this year, will have operating levels at or above current funding estimates," Hodel said. "The high quality visitor experience which Americans have come to expect will not be allowed to diminish. Many areas actually will see significant improvement. No national parks, wildlife refuges, fish hatcheries, recreation areas or historic sites will be closed or have their operating hours reduced." Legislation was passed in FY 1987, which permitted a one-time increase in park entrance fees and permanent increases in wildlife refuges fees. These in turn allowed increases for operations and maintenance. Permanent authorizing legislation is being proposed for FY 1988 to increase or institute modest entry fees at generated will result in an overall increase in funds for park operations.

Within an overall funding increase for construction of water resource projects by the Bureau of Reclamation, the Administration is proposing that budget resources be focused on completing projects substantially underway or on meeting more critical needs, such as safety of dams. Conversely, funding is limited or postponed for some projects in the early stages of construction. No projects are being abandoned.

"Over the years, there has been a tendency to continue work on more projects than the limited funding would properly support in any single year. This has resulted in construction delays and stretched-out completion dates, making these projects more costly in the long run and inordinately delaying the important benefits they can provide," Hodel said. "This Administration ~ has attempted to provide adequate funding to maintain efficient and cost-effective completion schedules on as many projects as possible and stay within the deficit reduction goals. In FY 1988, funding again will not be sufficient to

maintain all projects on schedule, notwithstanding a \$98 million increase over the FY 1987 construction level. Consequently, we propose to fund construction projects selectively to complete them on a more efficient schedule and deliver on their promised benefits. We will allocate a larger share of total resources to some projects in order to maintain or accelerate completion dates. Construction funding for others will be correspondingly postponed.

We also are postponing planning studies for projects which have little chance to receive construction funding in the foreseeable future. In 1-2 years, as funds become available, funding will be applied to resume efficient construction on postponed projects and to renew worthwhile planning studies which have been delayed."

As part of an Administration initiative, revenue of \$154 million is estimated from the sale of Bureau of Reclamation loans in FY 1988. The loans to be sold to the private sector include completed loans to irrigation districts and other public agencies for construction of distribution systems on authorized federal reclamation projects and to non - federal agencies for construction of small water resource projects. Another asset proposed for sale is the government's helium refining and distribution facilities operated by the Bureau of Mines in Amarillo, Texas; Satanta, Kansas; and Keyes, Oklahoma. Legislation which authorized federal helium refining and distribution facilities was intended to ensure that federal agency needs for this lightweight gas were met. Today, the United States has a sizable helium industry that has this capability. The government's helium inventory will be retained for federal agency use and the Bureau will retain its helium resource assessment activities. Revenue from the sale is estimated to be \$50 million.

Although there will be no budget impact in FY 1988, the Bureau of Indian Affairs (BIA) will undertake a series of initiatives to provide incentives and opportunities for self- improvement of both tribes and individuals. Assistant Secretary Ross Swimmer will undertake four major initiatives, including: localizing education decisions and policies to ( promote greater association with local public education systems; promote tribal and individual incentives for welfare reform, such as education and jobs; stimulating economic development through increased job training and , Investment opportunities, and; seeking to control drug and alcohol abuse through emphasis on motivation and rehabilitation. "Our ultimate goal is to continue to support self-determination and Indian cultural values while the BIA moves from the role of a 'provider' to one of an 'enabler,'" Hodel said.

Funds for the Dingell-Johnson Federal Aid in Fish Restoration Act will increase dramatically, primarily because of revised estimates of motor boat fuel taxes. For FY 1988, the increase will be \$33 million to a level of \$174 million or 457 percent of the FY 1985 level. "The increase in program responsibilities is not supportable in view of the amount of the increase in just three years since FY 85, particularly when compared to maintenance or modest increases in surrounding programs," Hodel said. The budget calls for a one-time transfer of \$25 million of this additional new money into the U.S. Fish and Wildlife Service's basic operating account for program responsibilities related to wildlife and fisheries. The transfer will still allow a substantial increase in funds to states for sport fishery restoration.

Included in the budget is an increase for additional park police and improved facilities and equipment for enforcement personnel. Continued high priority also is given for the investigation and research of environmental contaminants and their impact on wildlife and water resources.

While funds will be available in FY 1988 for the acquisition of lands, other land acquisition funding would be limited to emergency situations. Also consistent with past budgets proposed by this

Administration, reduced construction expenditures are proposed for parks, wildlife refuges and Indian reservations although funding is included for high priority dam safety projects. No funds are requested for state grants for recreation and historic preservation programs, endangered species, and anadromous fish.

The budget proposes that the costs of administering federal mineral leasing programs be shared equally with the states before receipt payments are made to them. "The philosophy of sharing with the states is sound, but placing the entire cost of collection on one party, the federal government, is not," Hodel said. Under current law, states receive 50 percent (Alaska - 90 percent), of all receipts derived from minerals on public lands without incurring any of the costs of producing these receipts. Full funding is proposed in The Bureau of Land Management for payments in lieu of taxes to states and counties.

The Interior Department is one of the federal government's largest producers of revenue. Total receipts in FY 1988 are estimated to be \$6.5 billion, of which \$3.09 billion will come from mineral leasing on the Outer Continental Shelf and \$1.05 billion from mineral leasing onshore.

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