

Congress Approves Flat Funding for Interior R&D

(The complete series of AAAS R&D Funding Updates, including continually updated analyses of R&D by agency in FY 2000 appropriations, is available on the AAAS R&D Web Site (<http://www.aaas.org/spp/R&D>) in the "FY 2000 R&D" or the "What's New" sections.)

This week, Congress is scheduled to give final approval to an FY 2000 Interior appropriations bill (HR 2466) that gives a slight increase to R&D in the Department of the Interior. President Clinton has threatened to veto it, however, because of inadequate funding for some Interior programs and because of the addition of several environment-related legislative provisions. The Interior bill **provides \$569 million for Interior R&D, just \$2 million or 0.3 percent above the FY 1999 funding level** (see Table).

Although FY 2000 started on October 1, Congress is still struggling to draft the 13 appropriations bills within discretionary spending caps that are forcing sharp cuts to domestic discretionary programs. The discretionary spending caps, enacted in 1997, require FY 2000 discretionary spending to be nearly \$20 billion below FY 1999 funding levels. The Interior bill totals \$14.5 billion, which is barely \$200 million above last year's funding level, leaving little room for spending increases. In addition to the Department of the Interior, the bill also funds the Forest Service, several programs in the Department of Energy, the Smithsonian Institution, the National Endowment for the Arts, and other small agencies.

The **U.S. Geological Survey (USGS)** is the primary sponsor of R&D in Interior. Its total FY 2000 appropriation is \$824 million, \$15 million less than the request but \$26 million or 3.3 percent above FY 1999 (see Table). Nearly two-thirds of the USGS budget is for R&D activities, for a total of \$499 million (up 0.3 percent). Although Interior proposed a major budget restructuring in the FY 2000 request, including the creation of an Integrated Science account for multi-disciplinary projects and integrated ecosystem studies, the final Interior bill funds USGS under the old account structure and allows these studies and projects to be funded through the old accounts. The Interior bill permits two other proposed accounts, Science Support and Facilities, to be created. Because of the transitions between the old account structure, the proposed new account structure, and the new approved account structure, the 0.3 percent estimated increase to USGS R&D may actually be larger, depending on how USGS allocates its costs based on the appropriation.

USGS is one of the leading federal sponsors of earth sciences research, along with the Department of Energy, the National Science Foundation, and the National Aeronautics and Space Administration. Within the earth sciences, USGS is particularly important in geological hazards research, including research on earthquakes and volcanoes. The earth sciences program in USGS receives a 6.8 percent increase over the comparable amount in FY 1999. USGS is also a leading sponsor of water resources research, which receives a 3.7 percent increase, and biological research, which increases to \$138 million. Most of this research is conducted within Interior labs to address the science needs of Interior's other agencies, such as the Fish and Wildlife Service and the Bureau of Land Management.

Figure 1 shows the distribution of Interior's research portfolio (excluding development and R&D facilities) by discipline, most of it funded by USGS. USGS work in earth sciences and water resources falls under the environmental sciences category, which accounts for a majority of Interior's R&D. Biological research in USGS is classified under life sciences, which accounts for a quarter of the Interior portfolio.

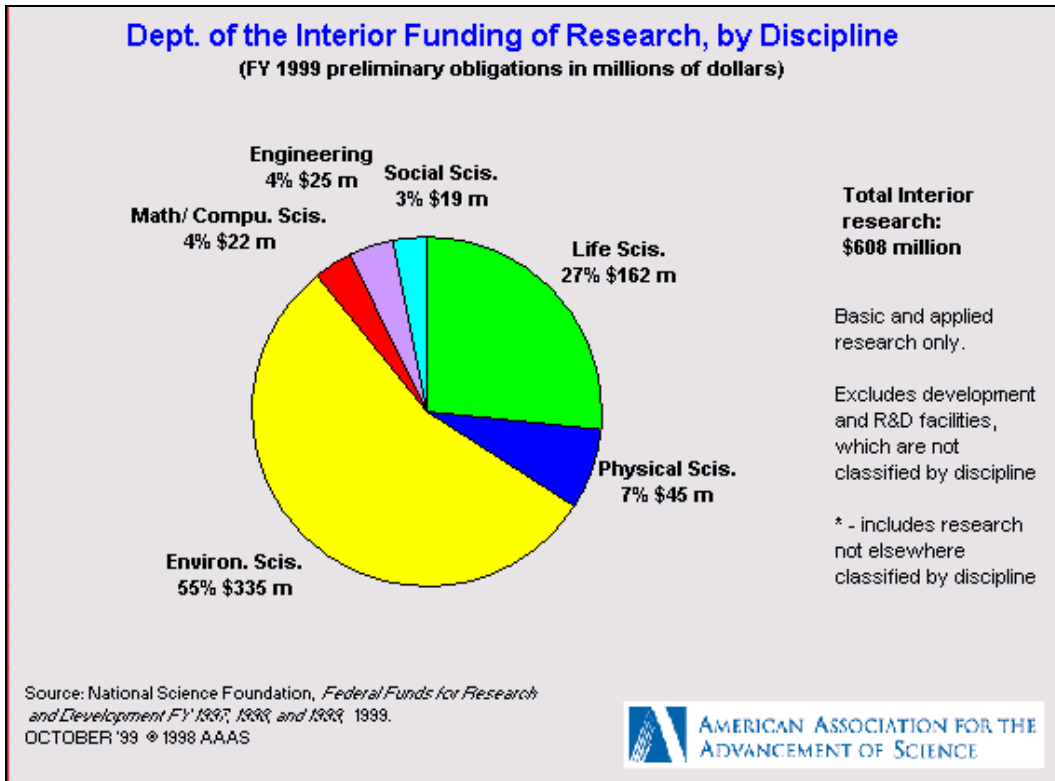


Figure 1.

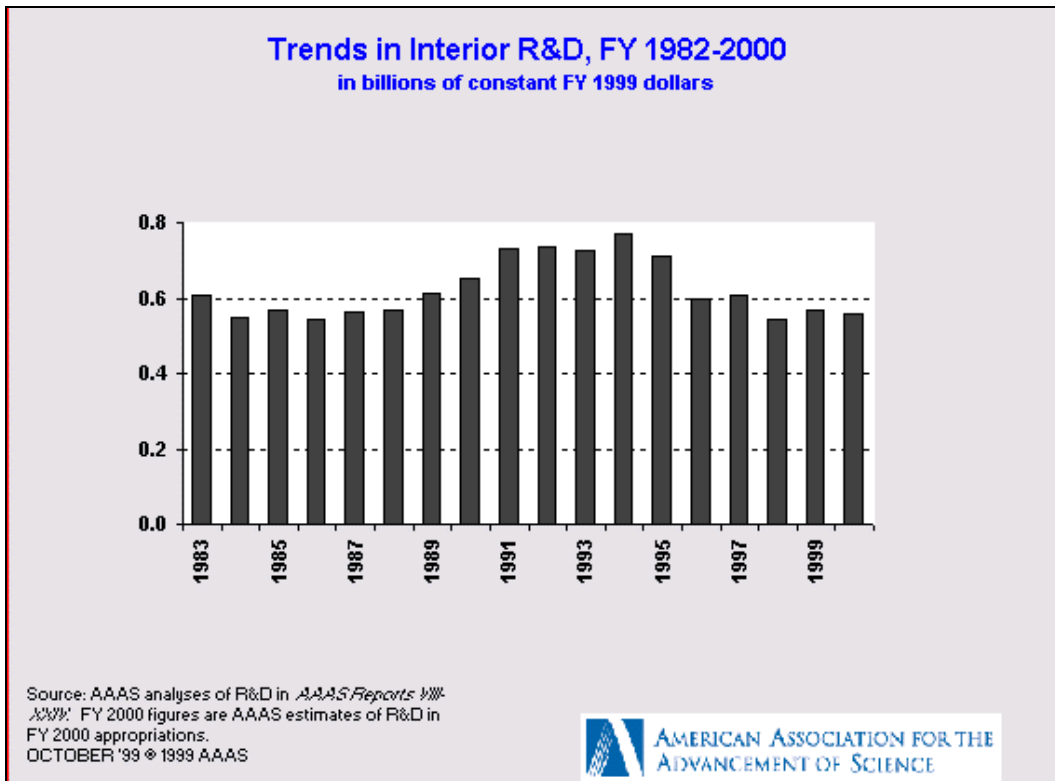


Figure 2.

The FY 2000 increase to Interior R&D becomes a cut after adjusting for inflation. As shown in Figure 2, Interior R&D has declined sharply since FY 1994, primarily because of the elimination of the Bureau of Mines in FY 1996 and the merging of the National Biological Service into USGS, but

also because of a gradual erosion in purchasing power due to several years of budget cuts in the mid-1990s. The FY 2000 funding level is more than a third below the peak FY 1994 funding level.

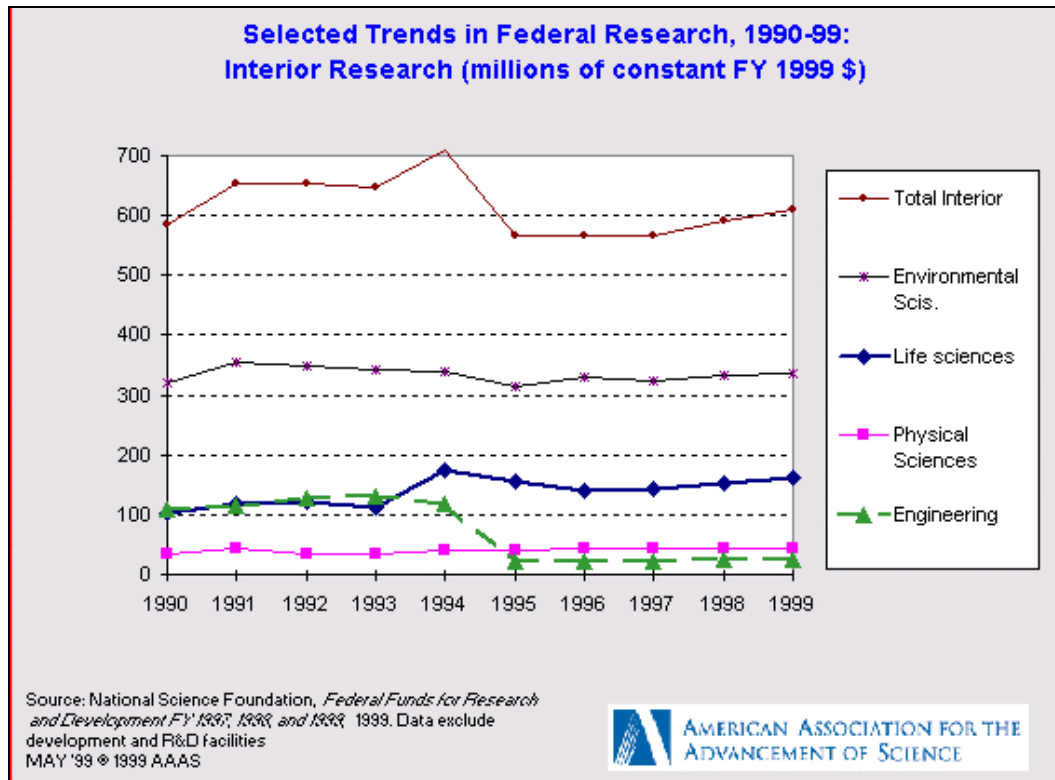


Figure 3.

As a result of these cuts, Interior support for research has also declined and will continue to decline in FY 2000. As shown in Figure 3, Interior support of research has followed trends in total Interior R&D and declined since FY 1994 in real terms. The most prominent drop is engineering research, which was almost entirely eliminated with the closure of the Bureau of Mines. Life sciences research increased with the creation of the National Biological Service, but small cuts in subsequent years have eroded support. Interior support for environmental sciences research has fared better than other disciplines, but the long-term trend is downward as inflation eats away at purchasing power.

The Interior bill has emerged from House-Senate conference but it is uncertain whether the House and the Senate will give final approval. Even if it clears Congress, President Clinton has threatened to veto it, however, because of inadequate funding for some Interior programs and because of the addition of several environment-related legislative provisions. If it is vetoed, the bill becomes a likely candidate to be rolled into an omnibus appropriations bill, and it is highly uncertain whether funding levels for its programs will stay the same. Congress may reallocate funds within the bill to satisfy the President's demands, and in addition Congress is seriously considering enacting across-the-board cuts in discretionary spending to get all appropriations under budget targets.

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**Table. Department of the Interior
House-Senate Conference on R&D in the FY 2000 Budget
(budget authority in millions of dollars)**

	FY 1999 Estimate	FY 2000 Request	House-Senate Conference				
			FY 2000 CONF.	Chg. from Request Amount	Percent	Chg. from FY 1999 Amount	Percent
U.S. Geological Survey: ¹							
Surveys, Investigations, and Research (SIR):							
National Mapping	23	24	25	1	3.9%	2	8.5%
Geologic Resources	199	199	212	14	6.9%	14	6.8%
Water Resources	119	119	124	5	4.2%	4	3.7%
Biological Research	126	125	138	13	10.1%	12	9.6%
Integrated Science	30	48	0	-48	-100.0%	-30	-100.0%
Total USGS R&D	497	514	499	-15	-3.0%	2	0.3%
<i>(USGS Non-R&D SIR Activities)</i>	<i>301</i>	<i>324</i>	<i>325</i>	<i>1</i>	<i>0.2%</i>	<i>24</i>	<i>8.1%</i>
<i>(Total USGS SIR Budget)</i>	<i>798</i>	<i>838</i>	<i>824</i>	<i>-15</i>	<i>-1.7%</i>	<i>26</i>	<i>3.3%</i>
Bureau of Reclamation	10	10	9	-1	-12.5%	-1	-12.5%
National Park Service	34	34	34	0	0.0%	0	0.0%
Bureau of Land Management	1	1	1	0	0.0%	0	0.0%
Minerals Management Service	25	25	26	1	5.6%	1	5.6%
Total Interior R&D	567	584	569	-15	-2.6%	2	0.3%

AAAS estimates. Includes conduct of R&D and R&D facilities.

¹ USGS restructuring proposed for FY 2000. FY 1999 figures adjusted for comparability.

This table may understate FY 2000 Conference R&D because of differences in appropriated accounts.

House-Senate conference funding levels.

These figures are final unless additional changes are made in an omnibus appropriations bill.