

December 8, 2004 –
Final FY 2005 Interior Appropriations

USGS R&D Falls in Final 2005 Budget

Highlights

- **The U.S. Geological Survey (USGS) receives \$936 million for its total budget in FY 2005, a 0.2 percent cut. Its R&D funding declines 0.3 percent to \$545 million (see Table).**
- **Congress reversed many of the Bush Administration's proposed cuts to geology and water research programs, but could not bring funding above the FY 2004 level.**
- Total Interior R&D falls 0.5 percent to \$672 million.

Final FY 2005 Appropriations for USGS R&D

On November 20, Congress came to an agreement on an FY 2005 omnibus appropriations bill (HR 4818), which incorporates the final version of the FY 2005 Interior appropriations bill. President Bush signed the bill into law on December 8. The omnibus bill keeps funding for domestic programs flat in FY 2005; the Interior bill does worse than the average, especially after factoring in a 0.80 percent across-the-board cut for most domestic programs and another cut just for Interior bill programs. (All figures in this analysis reflect the across-the-board cuts.) **The omnibus bill provides \$672 million for Interior R&D in FY 2005**, a cut of \$3 million or 0.5 percent below FY 2004. Although the President's FY 2005 request would have cut R&D in Interior's U.S. Geological Survey (USGS) by \$22 million or 4.0 percent, Congress restored \$20 million in funding to lessen the cut to \$2 million or 0.3 percent (see Table).

The **U.S. Geological Survey (USGS)** is the primary sponsor of R&D in Interior. 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. USGS is also a leading sponsor of water resources research and biological research. Nearly 90 percent 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. Congress came to an agreement on \$936 million for the total USGS budget in FY 2005, \$16 million more than the request but \$2 million or 0.2 percent less than FY 2004 (see Table). USGS was slated for a slight increase in the omnibus bill, but then Congress added across-the-board cuts to fit the bill under tight budget targets.

R&D accounts for nearly two-thirds of the USGS budget, with the remainder going to non-R&D activities such as environmental data collection, mapping, and natural hazards reduction. In a repeat of previous years, the Bush Administration requested a cut of 4.0 percent for USGS R&D, but Congress allocated a slight increase in the original omnibus bill. But the across-the-board cuts bring USGS R&D down to \$545 million, slightly below (\$2 million) last year. (For details of the President's request for Interior R&D, please see Chapter 13 of *AAAS Report XXIX: R&D FY 2005*). The request proposed to cut funding for R&D in three USGS divisions (Geology, Water Resources, and Biological Research) and keep funding flat in the remaining division (Mapping). Congress found enough money to moderate the proposed cuts and to bring biological research above last year's funding.

Funding for nearly every USGS R&D program stays flat or declines in FY 2005, even after the reversal of proposed cuts. Despite an additional \$8 million over the request, R&D in the Water Resources Division (WRD) still declines slightly to \$128 million. Within WRD, funding for the Toxic Substances Hydrology Program stays even at \$15 million. The program is a collaborative effort of USGS scientists, university and private-sector researchers, and state, local, and other federal agency scientists to conduct long-term

research on water resource contamination in surface and groundwater environments. Congress once again rejected the Administration's proposal to eliminate the water resources research institutes program, but the \$6.5 million FY 2005 funding level is the same as last year. The final appropriation of \$16 million for the hydrologic research and development program is more than the request, but well below \$17.1 million for last year. Congress funds the National Water Quality Assessment Program (NAWQA) at \$62 million, down slightly from last year. NAWQA is charged with monitoring the nation's water quality, and its data are used by the Environmental Protection Agency (EPA) and many state regulatory agencies. The Biological Resource Division (BRD) receives \$176 million in FY 2005, a slight gain of \$1 million.

R&D in the Geologic Hazards, Resources, and Processes Division falls to \$208 million, an improvement from a proposed \$10 million cut falling disproportionately on the mineral resources R&D program. Congress restored funding for mineral resources R&D and also inserted strong language into the committee report calling mineral resources research a core responsibility of USGS. Funding for R&D on earthquakes, volcanoes, landslides, geologic mapping, geology, and earth surface dynamics stays flat or declines slightly. Mapping and Geography R&D stays even with last year at \$33 million.

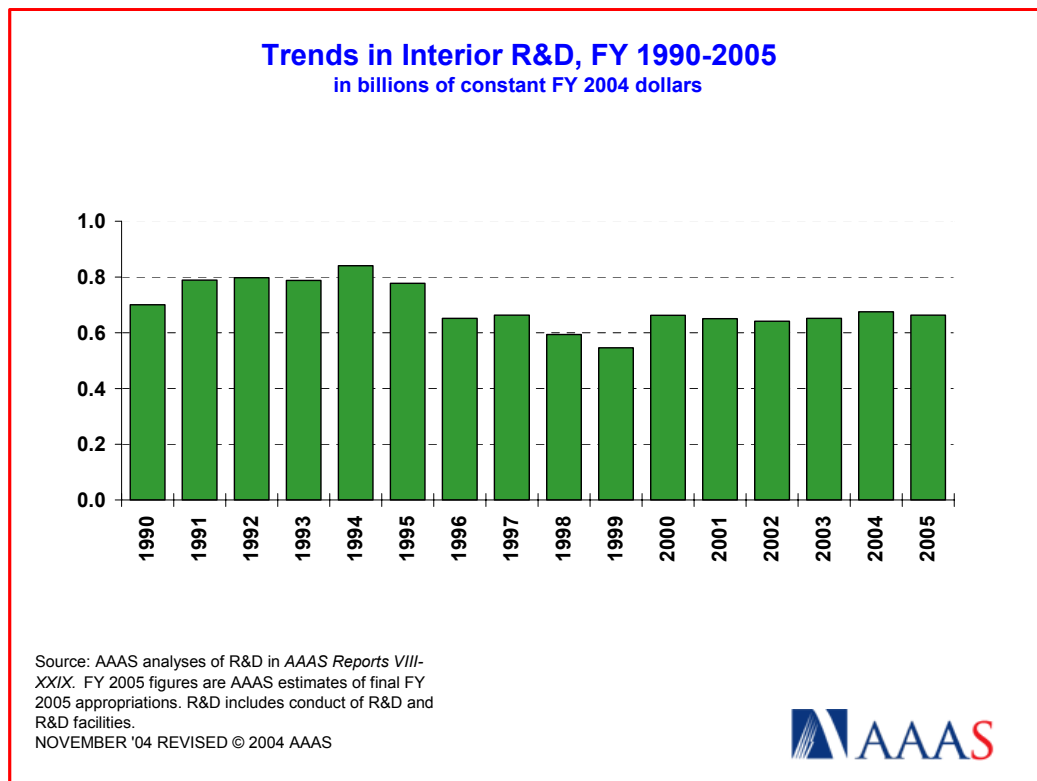


Figure 1. (click on the image for PDF)

Other Interior Agencies

Although USGS is the primary science agency in Interior, four other Interior bureaus also fund R&D (see Table). These include funds for minerals and mining research in the Minerals and Management Service (MMS), wildfire prevention research in the Bureau of Land Management (BLM), water resources research in the Bureau of Reclamation, and R&D for the Florida Everglades restoration project in the National Park Service. Congress mostly agreed to the President's request for these R&D programs.

Impacts of the FY 2005 Interior Budget

The FY 2005 cut keeps Interior R&D at roughly the same R&D budget in constant dollars for the sixth year in a row (see Figure 1). 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 former National Biological Service

into USGS in the mid-1990s. Since then, Interior R&D has been mostly flat, with small increases at about the rate of inflation in recent years after hitting bottom in FY 1999.

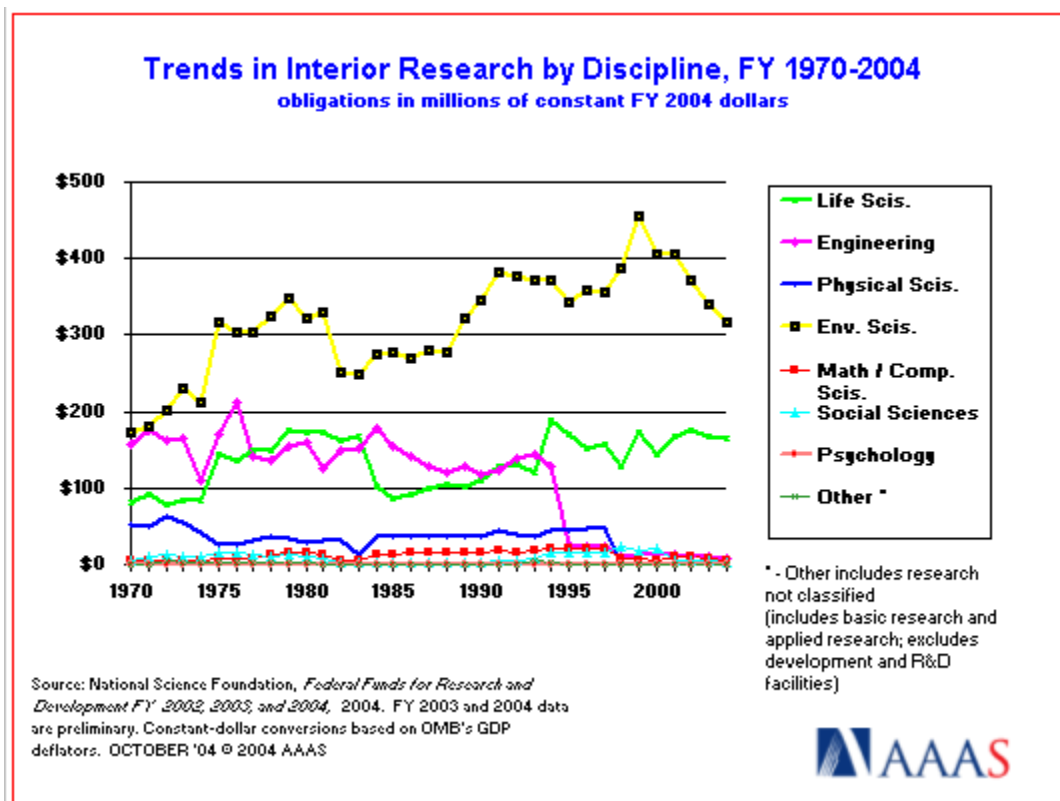


Figure 2. (click on the image to view or download a color, full-page PDF version of this chart)

Interior support for research has followed trends in Interior R&D, because nearly all of Interior's R&D portfolio is research with only a small amount for development. A third of Interior's research goes to the life sciences, primarily from the BRD. Two-thirds of Interior research goes to the earth sciences. As shown in Figure 2, the most prominent drop in Interior support is in 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 in the early 1990s, but cuts in subsequent years have eroded support. Interior support for environmental sciences research has declined steadily as the USGS budget has lost purchasing power.

(This analysis is one of a series of AAAS R&D Funding Updates on FY 2005 congressional appropriations. The complete series of AAAS R&D Funding Updates, including continually updated analyses of R&D in FY 2005 appropriations, is available on the AAAS R&D Web Site (<http://www.aaas.org/spp/rd>) in the "FY 2005 R&D" or the "What's New" sections.)

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AAAS R&D Budget and Policy Program
1200 New York Ave, NW
Washington, DC 20005
(202) 326-6607; -6600
www.aaas.org/spp/rd



Table. Dept. of the Interior R&D in FY 2005 Final Appropriations

**Table. Department of the Interior
Final Congressional Action on R&D in the FY 2005 Budget
(budget authority in millions of dollars)**

	FY 2004 Estimate	FY 2005 Request	FY 2005 Approved	House-Senate Conference			
				Chg. from Request		Chg. from FY 2004	
				Amount	Percent	Amount	Percent
U.S. Geological Survey:							
Surveys, Investigations, and Research (SIR):							
National Mapping	33	33	33	0	-0.3%	0	-0.3%
Geologic Resources	210	201	208	8	3.8%	-2	-0.9%
Water Resources	129	120	128	8	6.7%	-1	-1.0%
Biological Research	175	172	176	4	2.5%	1	0.8%
Total USGS R&D	547	525	545	20	3.8%	-2	-0.3%
<i>(USGS Non-R&D SIR Activities)</i>	<i>391</i>	<i>394</i>	<i>391</i>	<i>-4</i>	<i>-1.0%</i>	<i>0</i>	<i>-0.1%</i>
<i>(Total USGS SIR Budget)</i>	<i>938</i>	<i>920</i>	<i>936</i>	<i>16</i>	<i>1.7%</i>	<i>-2</i>	<i>-0.2%</i>
Bureau of Reclamation	16	10	15	5	52.8%	-1	-4.5%
National Park Service	33	33	33	0	-1.4%	0	-1.4%
Bureau of Land Management	49	52	51	-1	-1.4%	2	4.6%
Minerals Management Service	30	28	28	0	-1.4%	-2	-8.0%
Total Interior R&D	675	648	672	24	3.6%	-3	-0.5%

AAAS estimates based on FY 2004 and FY 2005 appropriations bills. Includes conduct of R&D and R&D facilities.

FY 2004 and FY 2005 request figures based on OMB R&D data and supplemental agency budget data.

Figures are rounded to the nearest million. Changes calculated from unrounded figures.

FY 2005 USGS figures adjusted to reflect Enterprise Information restructuring.

**FY 2005 Approved figures adjusted to reflect across-the-board reductions in the FY 2005 omnibus bill.
November 24, 2004 - AAAS estimates of final FY 2005 appropriations bills.**