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The National Oceanic and Atmospheric Administration (NOAA) Budget for FY2006: President's Request, Congressional Appropriations, and Related Issues

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Summary

This report tracks congressional appropriations action on the President's FY2006 funding request for the National Oceanic and Atmospheric Administration (NOAA). In addition, it discusses issues of possible congressional concern bearing on NOAA appropriations for FY2006, such as the U.S. Oceans Commission's and the President's *Action Plan* making recommendations for an oceans science initiative for NOAA; FY2005 emergency supplemental funding for the National Weather Service to upgrade U.S. tsunami warning systems; and the Administration's and Congress's proposals for a NOAA organic act (H.R. 50). This report will be updated as warranted.

Agency Funding

The National Oceanic and Atmospheric Administration's mission statement is to understand and predict changes in Earth's environment and conserve and manage coastal and marine resources to meet our nation's economic, social, and environmental needs. In terms of funding, NOAA is the largest agency of the Department of Commerce (DOC), representing about 64% of DOC's budget request of \$5.7 billion for FY2006 (excluding \$3.7 billion for the President's "Economic Development Challenge"). On February 6, 2005, President Bush recommended \$3.58 billion for NOAA. On June 16, 2005, the House passed H.R. 2862 (amended), providing \$3.38 billion, a \$50 million reduction from House Appropriations Committee recommendations. On June 23, 2005, the Senate Appropriations Committee recommended \$4.47 billion for NOAA.

Table 1, below, shows the NOAA budget organized by (1) the Operations, Research, and Facilities (ORF) account, which funds five line offices, the Office of Policy and Planning Integration, and Program Support; (2) the Procurement, Acquisition, and Construction (PAC) account, used for multi-year, capital-intensive outlays; and (3) Other Accounts, including amounts earmarked for NOAA Fisheries operations, the Promote and Develop American Fisheries Fund (PDAFF), the Pacific Coastal Salmon Recovery Fund

(PCSRF), and fees collected and transferred to ORF from the Coastal Zone Management Fund (CZMF). A “Key to NOAA Acronyms” is found below **Table 1**.

**Table 1. The President’s Budget Requests for NOAA for
FY2006, and FY2005-FY2006 Appropriations Actions**

(\$ millions)

NOAA Accounts	P.L. 108-447^a	FY2006 Req.^b	H.R. 2862^c	CRS (est.)	S.Rept. 109-88^d	CRS v. S.Rpt.^e
1. NOS	672.3	408.7	394.2	709.9	728.6	(18.7)
ORF	544.4	394.2	382.2	591.8	610.5	—
PAC	127.9	14.5	12.0	118.1	118.1	—
2. NMFS	700.0	627.5	562.6	762.4	770.3	(7.9)
ORF	668.8	625.5	556.6	745.9	763.8	—
PAC	31.2	2.0	6.0	16.5	16.5	—
3. OAR	415.4	372.2	335.8	469.6	480.7	(11.1)
ORF	406.0	361.7	326.3	459.0	470.1	—
PAC	9.4	10.5	9.5	10.6	10.6	—
4. NWS	778.7	839.2	855.9	843.7	863.3	(19.6)
ORF	699.1	744.8	759.1	753.2	772.8	—
PAC ^f	79.6	94.4	96.8	90.5	90.5	—
5. NESDIS	912.9	963.9	971.2	991.1	1,000.1	(9.0)
ORF	176.9	154.0	158.3	171.4	180.4	—
PAC	736.0	809.9	812.9	819.7	819.7	—
OPPI	2.5	2.0	0.0	0.0	0.0	0.0
Program Support	407.2	377.7	363.2	505.0	520.9	(15.9)
ORF	345.4	342.0	360.4	386.6	402.5	—
PAC	61.8	35.7	2.8	118.4	118.4	—
CS^g	171.0	199.4	189.0	195.9	—	—
ORF	170.0	199.4	189.0	195.9	—	—
PAC	1.0	0.0	0.0	0.0	—	—
ED Pgms^h	14.4	0.0	28.9	36.2	—	—
OMAO	188.2	120.5	123.2	194.9	—	—
Marine O&M	108.9	99.8	101.8	113.8	—	—
Aviation Ops.	18.5	18.6	18.6	18.6	—	—
Fleet Replace/Acq.	60.8	35.7	2.8	62.5	—	—
FACⁱ	33.0	22.1	22.1	54.1	—	—
Maint./Enviro.	33.0	22.1	22.1	22.1	—	—
Construction	—	—	—	32.0	—	—
IOOS^j	—	—	—	24.0	—	—
deobligs./transfers^{jk}	(64.5)	(93.0)	(95.9)	(59.0)	(59.0)	—
Total ORF	2,784.6	2,531.1	2,447.0	3,048.9	3,202.3	(153.4)
Total PAC^k	1,044.6	965.1	936.0	1,173.8	1,195.0	(21.2)
Other Discretionary	78.9	85.0	46.0	87.3	78.0	9.3
PCSRF	89.3	90.0	50.0	90.0	90.0	—
Fisheries Finance	(7.4)	(2.0)	(1.0)	(0.3)	(9.3)	9.0
CZMA	(2.9)	(3.0)	(3.0)	(3.0)	(3.0)	—

NOAA Accounts	P.L. 108-447 ^a	FY2006 Req. ^b	H.R. 2862 ^c	CRS (est.)	S.Rept. 109-88 ^d	CRS v. S.Rpt. ^e
Grand Total NOAA	\$3,907.9	\$3,581.3	\$3,379.1	\$4,307.0	\$4,476.0	(169.0)

Source: Compiled by CRS from sources noted below.

Key to NOAA Acronyms: NOS-National Ocean Service; NMFS-NOAA Fisheries; OAR-NOAA Research; NWS-National Weather Service; and NESDIS-NOAA Satellites. NOAA-Wide Program Support: CS-Corporate Services; OPPI-Office of Planning and Program Integration; ED-Education Pgms.; OMAO-Office of Marine and Aviation Operations; IOOS-International Ocean Observing System; and FAC-NOAA Facilities. Program Support subactivities are shown for funding detail only and not added in appropriations.

Table notes:

- a. Funding figures for P.L. 108-447, the Consolidated Appropriations Act, 2005 (H.Rept. 108-792), *Congressional Record*, Nov. 19, 2004: H10448-10465. Figures in Table 1 are adjusted for an 0.80% across-the-board rescission.
- b.,c. NOAA funding requested for FY2006 and House Appropriations Committee recommendations reported in SSJC Appropriations, 2006 (H.Rept. 109-118, Jun. 10, 2005).
- d. Senate Appropriations Committee recommendations reported in Commerce, Justice, Science Appropriations, 2006 (S.Rept. 109-88).
- e. This column shows differences between total recommended figures in S.Rept. 109-88 and a CRS tally of Senate Appropriations Committee funding tables.
- f. FAC maintenance funding was consolidated in the ORF Facilities account in FY2005 appropriations, including maintenance funding previously allocated directly to the NWS line office.
- g. Funding for Corporate Services (CS) includes the Offices of the Under Secretary for Commerce for Oceans and Atmosphere (USAO) and the division of Policy Formulation and Development (PFD), For FY2006, the House and the Senate Appropriation Committee consolidated OPPI under USAO.
- h. In FY2005, NOAA was directed to consolidate all of its educational programs as a subactivity under CS. The President, House, and Senate Appropriations Committee continue that practice for FY2006.
- i. In FY2006, the House and the Senate Appropriations Committee fund WFO maintenance under NWS.
- j. A new PAC Program Support subactivity for FY2006 (S.Rept. 109-88). This line reflects a portion of an agency-wide recommendations of \$109.7 million to establishing an integrated Coastal & Ocean Observation System.
- k. ORF totals exclude other spending authority such as deobligations (previous fiscal year budget savings), mandatory transfer of funding provided by other federal agencies, e.g., for PD AFF, and use of fees collected for services, all of which are subtracted here.
- l. NOAA received emergency supplemental appropriations of \$20.7 million in Military Construction Appropriations, FY2005 (P.L. 108-324). Funding included \$16,900,000, for reseeding, rehabilitation and restoration of oyster reefs in AL, FL, LA, and MS, and \$3,800,000 for construction through FY2006. NOAA also received a total of \$17.3 million in P.L. 109-13, Emergency Supplemental Appropriations, 2005, to upgrade U.S. tsunami early warning system capabilities and fund the National Tsunami Mitigation Program. These amounts are not included in the P.L. 108-447 totals.

Strategic Goals. Since FY2003 NOAA has organized its mission around five agency-wide strategic goals: (1) Ecosystems, (2) Climate, (3) Weather & Water, (4) Commerce and Transportation, and (5) Mission Support. NOAA funding allocated by each goal may be found at [<http://www.ppi.noaa.gov/matrix.htm>], visited July 12, 2005.

President's Budget. On February 7, 2005, NOAA's Administrator, Admiral Conrad C. Lautenbacher, Jr., stated that although few discretionary funding increases were proposed for non-defense-related agencies for FY2006, \$200 million in new funding was requested for NOAA by the President (compared with the FY2005 request of \$3.4 billion). The President's request for FY2006 (\$3.58 billion) is \$327 million, or 8.4%, less than FY2005 appropriations of \$3.91 billion, and \$208 million, or 6.2%, more than the FY2005 request of \$3.37 billion. It includes \$2.53 billion for ORF; \$965.1 million for PAC; and a net sum of \$85.0 million for NOAA's Other Accounts.

The NOAA *FY2006 Budget Summary* (February 7, 2005) featured 122 programs terminations totaling \$427 million, which the President identified as “unauthorized congressional earmarks.” Some of these were one-year appropriations and some were construction projects completed in FY2005, however. Any increases above FY2005 appropriations levels (adjusted by -0.8%) mentioned by NOAA’s Administrator would be offset in part by program terminations. The following shows notable differences between the FY2006 request and FY2005 appropriation levels, and is ranked in any order.

- NWS: A \$21 million increase for weather service forecasts and severe weather warnings. A \$15 million increase for NWS systems acquisition and weather forecast office construction. (Operations funding would increase by \$6 million to strengthen the U.S. tsunami network.)¹ An increase of \$3 million was requested for NEXRAD weather radar operations and maintenance. NWS cuts total \$13.5 million, including \$10.9 million in program terminations.
- NESDIS: NOAA Satellite program funding would increase by \$67 million to procure next generation satellite hardware, upgrade satellite data and information systems, and improve quality of NESDIS data products, e.g., satellite imagery. Funding for NOAA polar orbiting satellites would be decreased by \$33.3 million and geostationary satellite-programs by \$30.2 million. Program terminations total \$12.4 million.
- NOS: The National Centers for Coastal Ocean Science are combined under a single funding line and overall funding reduced by \$10 million; marine mapping/charting activities (hydrographic surveys) funding would increase by \$15 million; NOS funding would be cut by \$180 million, of which \$116.7 million are program terminations.
- NMFS: Funding for a “streamline fishery regulations initiative” would increase by \$5 million; fish stock inventory data and related social sciences programs increase by \$10 million; and enforcement/observer training increases by \$8 million. NMFS cuts total \$125 million, of which \$36.2 million are program terminations.
- OAR: NOAA Research climate change funding would increase by \$11 million; climate services research, observations, data, and information products funding combined increases by \$6 million; ecosystem research funding increases by \$4 million. OAR cuts total \$70 million, including \$55.0 million in program terminations.
- Program Support: Proposals include an increase of \$10 million for NOAA’s Business Management Fund; of \$5 million for NOAA’s cost share for DOC’s Commerce Business System; and of \$6 million for the Chief Information Officer security upgrades. Facilities maintenance funding of \$7 million is transferred to NWS. Program Support funding cuts total \$54 million, \$27.8 million of which are program terminations.

¹ The amount is requested as regular FY2006 NOAA appropriations. President Bush also sought emergency funding in response to the December 26, 2004, tsunami disasters in the Indian Ocean. See *Request for FY2005 Budget Amendments, Communication from the President of the United States*, H.Doc. 109-9, Feb. 15, 2005 (Washington, DC: GPO, 2005). See also CRS Report RL32739, *Tsunamis: Monitoring, Detection, and Early Warning Systems*, by Wayne Morrissey.

- NOAA PAC: An increase of \$2 million is requested for NOS Marine Sanctuaries construction, and an increase of \$12 million for OAR climate supercomputer systems acquisition. A one-time request of \$34 million is for OMAO is to procure a fourth new fishery research vessel, and complete construction or refurbish others.
- Other Accounts: The NMFS Fisheries Finance Program would be funded at \$60,000, a decrease of \$1 million from FY2005 levels. The PDAFF transfer decreases by \$12 million. Funding for the PCSRF increases by \$1.2 million. PAC terminations total \$168 million; ORF terminations total \$259 million; none were proposed for NOAA's Other Accounts.

On March 2, 2005, NOAA held a "Stakeholder Forum" in Washington, D.C. Various constituencies of the agency responded to the Administration's proposed funding cuts and terminations for FY2006. A majority of participants concurred that these funding cuts and program terminations would pose difficult challenges for NOAA research programs and operational activities agency-wide. Congress is debating the President's funding request and possible impacts on the agency.

House Appropriations. On June 16, 2005, the House passed H.R. 2862 (amended), the Science, State, Justice, Commerce and Related Agencies Appropriations Act, 2006 (hereafter, SSJC Appropriations), and provided \$3.38 billion for NOAA. (See **Table 1**, above.) The House Appropriations Committee had recommended a total of \$3.43 billion (H.Rept. 109-118, June 10, 2005). On June 14, 2005, the House approved H.Amdt. 260 to H.R. 2862 sponsored by Representative Dreier, which reduced ORF appropriations by \$50 million.² The appropriation is \$200 million, or 5.9%, less than the President's request, and about \$530 million, or 15.7%, below the FY2005 appropriation of \$3.91 billion (after an agency-wide rescission of 0.8% enacted in P.L. 108-447). The committee recommended \$2.44 billion for ORF; \$936.0 million for PAC; and a net of \$46 million for Other Accounts. A negative balance in the fisheries financing account, in effect, reduced the \$50 million recommended for the PCSRF by \$4 million. Additional spending authority for ORF included \$77 million from the interagency PDAFF; \$3 million from CZMF collections; and \$19 million derived from FY2005 deobligations.

Senate Appropriations Committee Recommendations. On June 23, 2005, the Senate Appropriations Committee recommended \$4.5 billion for NOAA (S.Rept. 109-88). This amount is almost \$919 million, or 32%, more than House appropriations for FY2006; \$895 million, or 26%, more than the FY2006 request; and \$550 million, or 15%, more than the FY2005 appropriation. The committee recommended that \$666.2 million of the total be allocated agency-wide to implement recommendations for NOAA in the U.S. Oceans Commission report, and an increase of \$142 million for programs involved.³

² In floor debate, Rep. Mollohan reported that the reduction in ORF funding would be applied as follows: NOS — \$8 million, NMFS — \$12 million, OAR — \$7 million, NWS — \$14.9 million, NESDIS — \$3 million; and Program Support — \$5 million. *Congressional Record*, Jun. 14, 2005: H4464-H4465.

³ **Table 1** shows notable differences in funding recommendations reported in budget comparison tables in S.Rept. 109-88, p. 131, and Senate Appropriations Committee tables on pp. 66-84.

A NOAA Organic Act. Legislation has been introduced in the 109th Congress to create an *organic act* for NOAA. An organic act provides for funding authorization of all of an agency's programs and operations under a single law. Currently, NOAA is funded by several legal authorities as reported in its annual budget justification. Various constituencies of NOAA have called for establishing an organic act since 1970, when President Nixon's Reorganization Plan No. 4 created NOAA in the Department of Commerce, merging programs and budget authorities from many different federal agencies. NOAA was last authorized as "an agency" on October 29, 1992, when President Clinton signed the NOAA Authorization Act, 1992. P.L. 102-567 funded about four-fifths of NOAA programs under jurisdiction of congressional science committees. The September 2004 U.S. Oceans Commission report recommended that NOAA lead a coordinated national effort on oceanic research and exploration. President Bush's *Ocean Action Report* called on Congress to implement some of them.⁴

H.R. 50 (Ehlers). On January 4, 2005, Representatives Ehlers of the House Committee on Science, and Representative Gilchrest of the House Committee on Resources, jointly introduced H.R. 50, the National Oceanic and Atmospheric Act, 2005.⁵ The bill provides administrative, organizational, and budgetary direction for NOAA in implementing OPC recommendations for the agency. H.R. 50 would retain NOAA within the DOC and create a deputy director position to implement the act. It also would codify the NOAA Science Advisory Board and appoint a science deputy. Section 14 of the bill requires NOAA's Administrator to follow congressional guidelines prior to any facility closure. H.R. 50 was marked up on March 15, 2005, and reported favorably to the House Science Committee. President Bush submitted an organic act bill to Congress on April 6, 2005. On May 17, 2005, the bill was ordered reported by the full Science Committee as a manager's amendment in the nature of a substitute bill.⁶ Section 16, added, would require NOAA to notify Congress about changes in status and schedules of its satellite programs.

S. 2214 (Boxer). Dedicated to retired Senator Hollings, the National Ocean's Protection Act of 2005 would establish NOAA as an independent agency and confer all former NOAA-related authorities of the Secretary of Commerce to the Administrator of NOAA. The bill was referred to the Senate Committee on Science Commerce and Transportation on June 9, 2005.

⁴ For more information on OPC recommendations and the *Ocean Action Report*, see CRS Issue Brief IB10132, *Ocean Commissions: Ocean Policy Review and Outlook*, by Eugene H. Buck.

⁵ H.R. 50 was a reintroduction of Title I of H.R. 4546 in the 108th Congress. See U.S. Congress, House Committee on Science, *Compilation of Markups in the 108th Cong, 1st and 2nd Sessions*, serial no. 108-69 (Washington, DC: GPO, Dec. 31, 2004), pp. 465-563.

⁶ Sec. 13(d) defines a facility as a "laboratory, operations office, administrative service center, or other establishment of the Administration with an annual budget of \$1 million or greater."