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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 National Ocean Policy Commission and the President's *Action Plan* recommendations for the agency; internal reorganization; FY2005 emergency supplemental funding for U.S. tsunami warning system upgrades for the National Weather Service; and the Administration's and Congress's proposals for a NOAA *Organic Act* (H.R. 50). This report will be updated as warranted.

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).

For FY2006, President Bush requested nearly \$3.6 billion for NOAA, or about 63% of DOC's budget request of \$5.7 billion. (The DOC total excludes \$3.7 billion in new funding requested for the President's "Economic Development Challenge.") The request is \$320 million, or 9%, less than FY2005 appropriations of \$3.9 billion, and \$100 million, or almost 3%, more than the \$3.4 billion requested by the President for FY2005. NOAA's Operations, Research, and Facilities (ORF) account would receive \$2.5 billion; its Procurement, Acquisition, and Construction (PAC) account, \$967 million; and Other Accounts, a net sum of \$90.6 million. **Table 1**, below, shows the President's FY2006 request; FY2005 appropriations (P.L. 108-447); and the President's request for FY2005 organized by NOAA's (1) ORF account, which funds the agency's five line offices, Office of Policy and Planning Integration (OPPI), and Program Support; (2) PAC account, for multi-year, capital-intensive outlays; and (3) Other Accounts, earmarked for NOAA

Fisheries operations, such as the Pacific Coastal Salmon Recovery Fund (PCSRF), and collected fees transferred to ORF from the Coastal Zone Management Fund (CZMF).

Table 1. NOAA: The President's Budget Requests for FY2005 and FY2006, and FY2005 Appropriations
(\$ millions)

NOAA Budget Line Accounts	FY2005 Req. ^a	P.L. 108-447 ^b	FY2006 Req. ^c
NOAA Ocean Service (NOS)	394.3	672.3	414.7
ORF	378.8	544.4	394.2
PAC	14.5	127.9	14.5
<i>OMAO transfer^d</i>	—	2.8	—
NOAA Fisheries (NMFS)	735.2	700.1	627.5
ORF	623.2	668.8	625.5
PAC	2.0	31.3	2.0
<i>OMAO transfer</i>	—	20.7	—
NOAA Research (OAR)	360.7	415.4	372.2
ORF	350.2	406.0	361.7
PAC	10.5	9.4	10.5
<i>OMAO transfer</i>	—	0.1	—
National Weather Service (NWS)	836.8	784.7	839.3
ORF	749.2	699.1	744.8
PAC ^e	87.6	79.6	94.4
<i>OMAO transfer</i>	—	0.5	—
NOAA Satellites & Information (NESDIS)	898.0	912.9	963.9
ORF	149.0	176.9	154.0
PAC	749.0	736.0	809.9
<i>OMAO Transfer</i>	—	0.3	—
Planning & Program Integration	2.0	2.5	2.0
Program Support (Total)	257.4	407.2	377.7
ORF ^{f,g}	220.4	345.4	342.0
PAC	37.0	61.8	35.7
Corporate Services (CS)^h	82.0	171.0	199.4
ORF	82.0	170.0	199.4
PAC	0.0	1.0	0.0
NOAA Education Programs (ED)ⁱ	—	14.4	0.0
Marine & Aviation Ops. (OMAO)	155.5	188.2	120.5
ORF Marine O&M	99.9	108.9	99.8
ORF Aviation Operations	18.6	18.5	18.6
PAC Fleet Replacement & Acq.	37.0	60.8	35.7
Facilities (FAC)^j	19.8	33.0	22.1
Mgmt, Maint., Const., Enviro. Cleanup	19.8	33.0	22.1
BA derived from deobligations/transfers^k	(92.0)	(58.5)	(96.0)
ORF Appropriation	2,380.9	2,784.6	2,528.2
PAC Appropriation	898.5	1,045.0	967.0
Other Discretionary Accounts	94.1	78.9	90.6
Pacific Coastal Salmon Recovery Fund	100.0	89.3	90.0
Fisheries Funds & Financing	(5.9)	(10.4)	0.6
Grand Total Appropriations	\$3,373.5	\$3,908.5	\$3,585.8

Source: Compiled by CRS from sources noted below. Figures for CS, ED, OMAO, & FAC are a breakout of total Program Support funding and are not added in ORF appropriations totals.

Table notes:

- a. FY2005 request figures reported by the House Appropriations Subcommittee on Commerce, State, Justice, Judiciary and Related Agencies, "President's Request," March 31, 2004.
- b. Funding tables for P.L. 108-447, the Consolidated Appropriations Act, 2005 (H.Rept. 108-792), *Congressional Record*, Nov. 19, 2004: H10448-10465. P.L. 108-447 figures in Table 1, above, reflect an 0.80% across-the-board rescission.
- c. NOAA line office funding requested for FY2006 was reported in U.S. Dept. of Commerce, National Oceanic and Atmospheric Administration, *FY2006 Budget Summary*, Feb. 2, 2004, available at [<http://www.noaa.gov>], visited Feb. 18, 2005. These figures are subject to change.
- d. Funding is passed through to Program Support by NOAA's five line offices for use of OMAO Marine Services. The accounting first appeared in the CJS conference report for FY2004 (H.Rept. 108-401). A dedicated funding stream was terminated in the President's requests for FY2005 and FY2006.
- e. All NOAA facilities maintenance funding was consolidated in the ORF Facilities account after FY2004, including maintenance funding previously allocated directly to the NWS line office.
- f. Program Support amount does not include pass-throughs for line offices uses of OMAO Marine Services.
- g. ORF mandatory funding for NOAA Corps retirement pay (\$18.6 million) is not included in totals.
- h. Corporate Services funding includes the Under Secretary for Commerce for Oceans and Atmosphere and Associated Offices (USAO), and the division of Policy Formulation and Development (PFD), which comprises most of NOAA administrative support operations.
- i. New budget subactivity line added in FY2005.
- j. See note e.
- k. ORF appropriations totals exclude other budget authority such as deobligations (previous fiscal year budget savings), mandatory transfers within NOAA, fees collected for services, or funding provided by other federal agencies (Promote and Develop American Fisheries Fund). These amounts are subtracted here.

Agency Funding

The President's FY2006 request for NOAA will be acted upon by the recently established House Appropriations Subcommittee on Science, State, Justice, and Commerce (SSJC) and the Senate Appropriations Subcommittee on Commerce, Justice, and Science. These new subcommittee structures were created when the HUD, VA, and Independent Agencies Appropriations Subcommittee was disbanded in the 109th Congress. Both subcommittees are expected to hold hearings on the President's FY2006 request for NOAA in coming weeks.

At a March 2, 2005, NOAA Stakeholder Forum in Washington, D.C., various constituencies of the agency expressed concern that the Administration's proposed funding cuts for FY2006 could pose difficult challenges for research programs and operational activities agency-wide. On February 7, 2005, NOAA released its *FY2006 Budget Summary*, which includes 122 programs or projects identified as "unauthorized congressional earmarks," totaling \$427 million that would be terminated by the President. Some of these are programs that have ended and some are construction projects completed in FY2005. That same day, at a NOAA budget briefing, Admiral Conrad C. Lautenbacher, Jr., NOAA's Administrator, stated that although few discretionary funding increases were proposed for non-defense-related agencies for FY2006, some \$200 million in new funding is proposed for the agency (compared with the FY2005 request of \$3.4 billion). Even so, the request is 9% less than FY2005 appropriations of \$3.91 billion.

FY2006 Budget Request. As noted above, President Bush proposed a total of \$427 million in program terminations for FY2006; however, he also proposed increases above FY2005 appropriations levels (adjusted by -0.8%) for some programs that would be offset by these terminations. One increase is \$21 million for weather service forecasts and warning of severe weather. A second increase is \$15 million for NWS systems

acquisition and weather forecast office construction. A third increase is \$67 million for NOAA Satellite programs (NESDIS) to procure next generation satellite hardware, upgrade satellite data and information systems, and improve data products (satellite imagery). Terminations of \$13.5 million are proposed for NWS, and of \$33.3 million for polar satellite- and \$30.2 million for geostationary satellite-programs. Other funding changes vis-a-vis FY2005 appropriations, include the following:

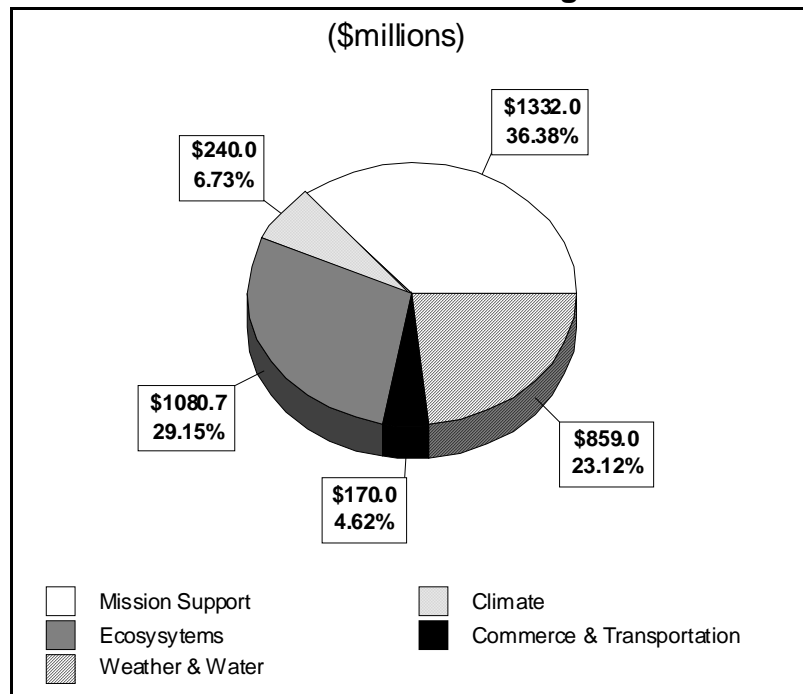
- NOS National Centers for Coastal Ocean Science would be combined under a single NCCOS funding line and overall funding reduced by \$10 million; marine mapping/charting activities would be increased by \$15 million (for hydrographic surveys); and terminations total \$180 million.
- NMFS funding for a “streamline fishery regulations initiative” would be increased by \$5 million; fish stock inventory data and related social sciences programs increased by \$10 million; enforcement and observer training increased by \$8 million; and terminations total \$125 million.
- 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; and \$70 million is terminated.
- NWS Operations funding would increase by \$6 million to strengthen the U.S. tsunami network;¹ and an increase of \$3 million is requested for NEXRAD weather radar operations and maintenance.
- For Program Support, an increase of \$10 million is requested for NOAA’s Business Management Fund; a \$5 million increase is requested for cost share of the DOC’s Commerce Business System; an increase of \$6 million is requested for Chief Information Officer information security upgrades; NOAA Facilities decreases \$10 million, \$7 million of which is transferred back to NWS; and terminations would total \$54 million.
- Under PAC, an increase of \$2 million is requested for Marine Sanctuaries construction; a \$12 million increase is requested for NOAA Research climate supercomputing systems acquisition. A one-time request of \$34 million is to procure/refurbish fishery research vessels.
- Under Other Accounts, \$60,000 is requested for the NMFS Fisheries Finance Program, a decrease of \$1 million; a \$12 million decrease is requested for the Promote and Develop American Fisheries program; and a \$1.2 million increase is requested for the PCSRF.

Other Budget-Related Issues

Strategic Goals. In addition to traditional line office accounting (see **Table 1**, above), since FY2003, NOAA has aligned all programs and activities along five agency-wide strategic goals: (1) Ecosystems, (2) Climate, (3) Weather & Water, (4) Commerce and Transportation, and (5) Mission Support. **Figure 1**, below, shows the apportionment of funding requested for each of those for FY2006.

¹ This amount is requested through regular FY2006 NOAA appropriations. Additional funding was requested from Emergency Supplemental Appropriations for FY2005.

**Figure 1. NOAA FY2006 Request by Strategic Goal:
Amount and Percentage**



Source: Compiled by CRS from funding request information in U.S. Department of Commerce, National Oceanic and Atmospheric Administration, FY2006 Budget Summary, Feb. 7, 2005.

NOAA employs a matrix management business model that coordinates cross-cutting program activities and allocates funding for administrative support services for the five line offices. This model is also used by the agency's Office of Financial Administration to prioritize the agency's annual budget request based on NOAA and Bush Administration goals. Also, in FY2003, NOAA established an Office of Program Planning and Integration (OPPI), whose primary concern is long-term strategic planning for the agency and evaluating program outcomes. (For more information on the functions of OPPI, see "Matrix Management" at [<http://www.ppi.noaa.gov/matrix.htm>], visited April 22, 2005.)

P.L. 109-13, FY2005 Emergency Appropriations. On February 15, 2005, President Bush requested funding for international disaster relief and reconstruction, in response to the December 26, 2004, tsunami disaster in the Indian Ocean, in FY2005 emergency supplemental appropriations.² P.L. 109-13, enacted May 11, 2005, provided \$25.4 million for U.S. tsunami warning capabilities. This included \$7.1 million for NWS warning centers; expanded tide-gauge networks; disaster planning and public education; and tsunami inundation map production. Another \$10.2 million was for NWS to procure 32 dedicated tsunami monitoring and detection buoys for the Pacific, Atlantic, Gulf of Mexico, and Caribbean Sea. In addition, Congress appropriated \$8.1 million for the U.S. Geological Survey's National Earthquake Information Center to upgrade and expand real-

² 109th Cong., 1st sess., "Request for FY2005 Budget Amendments, Communication from the President of the United States," H.Doc. 109-9, Feb. 15, 2005 (Washington, DC: GPO, 2005).

time earthquake alerts over the Global Seismic Network (GSN) that may portend tsunami generation.³

A NOAA Organic Act. In the 108th Congress, legislation was introduced to create an *organic act* for NOAA. An organic act provides for funding authorization of all of an agency's programs and operations annually under a single law. Currently, NOAA is funded by several legal authorities which are reported in the agency's 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 entire agency" on October 29, 1992, when President Clinton signed P.L. 102-567, the NOAA Authorization Act of 1992. That act funded about four-fifths of NOAA programs under jurisdiction of congressional science committees. In the 109th Congress, NOAA organization, administration, and budget authority is being revisited. The September 2004 National Ocean Policy Commission (OPC) report recommended that NOAA lead a coordinated national effort on oceanic research and exploration. The President's *Ocean Action Report* responds to the OPC by calling on Congress to legislate what NOAA needs to meet that challenge.⁴

H.R. 50 (Ehlers). In the 109th Congress, Representatives Ehlers, House Committee on Science, and Gilchrest, House Committee on Resources, jointly introduced H.R. 50, the National Oceanic and Atmospheric Act. H.R. 50 is a reintroduction of Title I of H.R. 4546 in the 108th Congress,⁵ and provides administrative, organizational, and budgetary direction to NOAA to implement OPC recommendations. Retaining NOAA within the DOC, it would create a deputy director position to implement the act and codify the NOAA Science Advisory Board (SAB). H.R. 50 was marked up on March 15, 2005, and reported favorably to the House Science Committee. President Bush sent his organic act bill to Congress on April 6, 2005. On May 17, 2005, H.R. 50 was ordered reported as a manager's amendment in the nature of a substitute bill. Section 14 of H.R. 50 (amended) would require the Administrator of NOAA to follow congressional guidelines prior to any facility closure.⁶ Section 16, which was added, would require NOAA to notify Congress about any changes in the status of its satellite programs.

³ See CRS Report RL32739, *Tsunamis: Monitoring, Detection and Early Warning Systems*.

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

⁵ U.S. Cong., House Committee on Science, "Compilation of Markups in the 108th Congress, First and Second Sessions," serial no. 108-69 (Washington, DC: GPO, Dec. 31, 2004), pp. 465-563.

⁶ Section 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."