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Senate Hearings

Before the Committee on Appropriations

Department of the Interior and Related Agencies Appropriations

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Fiscal Year 1978

95*th* CONGRESS, FIRST SESSION

H.R. 7636

Part 4 (Pages 989–1799)

CONGRESSIONAL WITNESSES
DEPARTMENT OF AGRICULTURE
DEPARTMENT OF THE INTERIOR
NAVAJO AND HOPI INDIAN RELOCATION COMMISSION
SMITHSONIAN INSTITUTION

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DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 1978

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS UNITED STATES SENATE

NINETY-FIFTH CONGRESS

FIRST SESSION

ON

H.R. 7636

AN ACT MAKING APPROPRIATIONS FOR THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1978, AND FOR OTHER PURPOSES

Printed for the use of the Committee on Appropriations

PART 4 (Pages 989–1799)

Congressional Witnesses
Department of Agriculture
Department of the Interior
Navajo and Hopi Indian Relocation Commission
Smithsonian Institution

U.S. GOVERNMENT PRINTING OFFICE

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CONTENTS

THURSDAY, MARCH 17, 1977

Page

Department of the Interior:
Bureau of Indian Affairs---------- 989

WEDNESDAY, MARCH 23, 1977

Navajo and Hopi Indian Relocation Commission---------- 1139
Department of the Interior:
Office of the Solicitor---------- 1149
Office of the Secretary---------- 1163

FRIDAY, MARCH 25, 1977

Department of the Interior:
Bureau of Land Management---------- 1203

TUESDAY, MARCH 29, 1977

Department of the Interior:
U.S. Fish and Wildlife Service---------- 1269

WEDNESDAY, MARCH 30, 1977

Department of the Interior:
National Park Service---------- 1385

THURSDAY, MARCH 31, 1977

Department of the Interior:
Bureau of Outdoor Recreation---------- 1541
National Park Service---------- 1569
Department of Agriculture:
Forest Service---------- 1585
Department of the Interior:
Fish and Wildlife Service---------- 1599
Bureau of Land Management---------- 1605

WEDNESDAY, APRIL 6, 1977

Congressional Witnesses:
Hon. Edward W. Brooke, U.S. Senator from Massachusetts------- 1611
Hon. Pete V. Domenici, U.S. Senator from New Mexico---------- 1615
Hon. Dale Bumpers, U.S. Senator from Arkansas---------- 1648
Hon. John Melcher, U.S. Senator from Montana---------- 1650

MONDAY, APRIL 18, 1977

Smithsonian Institution---------- 1703

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 1978

THURSDAY, MARCH 17, 1977

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, D.C.

The subcommittee met at 9:35 a.m., in room 1114, Everett McKinley Dirksen Office Building, Hon. Dennis DeConcini presiding.

Present: Senators DeConcini, Stevens, and Bellmon.

DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS

STATEMENT OF HON. JAMES A. JOSEPH, UNDERSECRETARY

ACCOMPANIED BY:

RAYMOND V. BUTLER, ACTING DEPUTY COMMISSIONER OF INDIAN AFFAIRS

THEORDORE C. KRENZKE, DIRECTOR, INDIAN SERVICES

RALPH F. KEEN, ACTING DIRECTOR, TRUST RESPONSIBILITIES

DANIEL D. McDONALD, DIRECTOR, TRIBAL RESOURCES DEVELOPMENT

WILLIAM G. DEMMERT, JR., DIRECTOR, INDIAN EDUCATION PROGRAMS

JOSE A. ZUNI, DIRECTOR, ADMINISTRATION

JOSEPH W. GORRELL, ASSISTANT DIRECTOR, FINANCIAL MANAGEMENT

BILLIE D. OTT, ASSISTANT DIRECTOR, MANAGEMENT SERVICES

FRANCIS M. WILES, DIRECTOR OF BUDGET, DEPARTMENT OF THE INTERIOR

DOSS CHAPPELEAR, CHIEF, DIVISION OF GENERAL ENGINEERING, BUREAU OF RECLAMATION

OPENING REMARKS

Senator DECONCINI. Good morning.

This is the time scheduled for hearing the fiscal 1978 budget estimates of the Bureau of Indian Affairs. I am Senator DeConcini and I will chair the hearing today.

The request totals, $842.3 million, excluding the definite and indefinite trust fund accounts. This is an increase of $78.4 million over appropriations to date. Also requested by the Bureau is a total of $22.9 million for liquidating road contract authority, which is down $13.8 million from 1977. The justifications have been printed in part 2 of the hearing record.

Mr. Joseph, we are very pleased to have you today. Congratulations on your appointment. We welcome you to the committee and those that you have brought with you.

PREPARED STATEMENT

If you will introduce those who are here today, then you may proceed to highlight your opening statement. Your statement will be printed in the record in full. So please proceed.

[The statement follows:]

STATEMENT OF JAMES A. JOSEPH

Mr. Chairman:

It is with pleasure that I appear before this committee to discuss with you the Fiscal Year 1978 budget requirements for the Bureau of Indian Affairs.

I feel we are in the presence of not only our friends but friends to every American Indian. This friendship can certainly be measured by the deep concern you have shown and the strong support and guidance you have provided over the years.

President Carter during his campaign stated he recognized the unique relationship between the Federal Government and Native Americans, and believed that to the greatest extent possible, programs for Indian tribes should be designed, implemented, and managed by Indian tribes. Indian people should be able to make their own decisions regarding budget priorities, the operation of their schools, the best use of their land, water, and mineral resources and the direction of their economic development.

The President's support of Indian involvement and self-determination is most encouraging. In the past few years, the Bureau has used a system known as the Band Analysis, as a tool to provide opportunity for local Indian tribes to have meaningful input into the budgetary process. Priorities established by the tribes provide the basis for determining total funding levels for most of the ongoing operating programs. I feel that participation in the budgetary process by tribal leaders is one of the most important phases of self-determination. Realizing this, $34 million of increased funding have been identified in this budget for programs on the Band Analysis. This will indicate to tribes that they can meet some of the needs for programs where they have indicated high priorities, such as road maintenance, housing, aid to tribal government and rights protection.

The involvement of Indians in the budget process plus the implementation of the Indian Self-Determination and Education Assistance Act can lead to a fuller and more satisfying life for all American Indians. For this we are extremely grateful and deeply appreciative.

The Bureau proposes a budget of $1,247,952,000 for fiscal year 1978 which includes $842,322,000 in Federal appropriations and $405,630,000 in permanent and trust funds. The largest items are $245.5 million for Indian Education Programs, $173.9 million for Indian Services and $157.6 million for Construction and Road Construction.

NEW PROGRAM DIRECTION

The new program direction is for tribal natural resources development. In recent years there has been an agressive effort to protect the rights of Indians in their trust resources. Protection of these rights was a first order of business. They need to be continued and strengthened, but the basic direction has been set and the job is well underway.

The logical progression of the rights protection effort is the development of trust resources for the benefit of Indian owners. Now is the proper time to emphasize this development. To that end, this budget directs new funding resources to those programs related to natural resource development.

This budget reflects over a $6 million increase in the mineral inventory program to help tribes resolve complex mineral development issues. There is an increase of over $14 million in the irrigation construction program. These increases reflect the intent of the program direction of this budget to allow tribes to realize their natural resource development potential.

Operating programs on the Band Analysis, mineral inventories and irrigation

construction account for the bulk of the increased funding identified in this budget. They also reflect thrust of this budget to reflect Indian priorities and to develop Indian natural resources.

SELF - DETERMINATION

The proposed FY 1978 budget of $34 million for self-determination services will fund the second full year of operation for this program since the passage of the Indian Self-Determination and Educational Assistance Act in 1975. The support given by the Congress to this program is indicative of its overall importance to Indian tribes and the people they represent. It would perhaps be better to describe self-determination not as a program but as a foundation for all other Bureau programs. Through the additional resources being made available, tribes are continually improving the capabilities of tribal governments to manage the complex affairs with which they must deal. Tribes now have a meaningful option in contracting. The term "meaningful" is quite correct in the sense that now tribes have resources, both financial and technical, to call upon to improve their operations. Tribes may evaluate, restructure or take over the operations of Bureau programs. The Bureau does not conceive of the Self-Determination program in isolation but rather as the underlying principle by which all other programs should be run.

RIGHTS PROTECTION

Recent appropriations have recognized the Federal responsibility for the protection of Indian rights to water and fisheries. This budget continues to recognize that responsibility and provides almost a 50 percent increase in funding for that purpose. Of major concern is a recent U.S. Supreme Court decision (Akin) which found that the Colorado State courts have jurisdiction to decide the nature and extent of the reserved water rights of the Southern Ute and Ute Mountain Tribes who are located within the State of Colorado. Prior to that decision, it was widely held that Indian water rights were subject only to the jurisdiction of Federal Courts. As states file suit in state courts, Indian tribes will be fighting for their rights. The United States has the legal obligation to protect these rights of the tribes which are guaranteed by treaty. It is very difficult to anticipate how many lawsuits will be filed and the extent of each of them.

LAW ENFORCEMENT

The last year has been a relatively quiet and stable year in comparison to the disruptive confrontations with dissident groups which occurred in previous years. A large measure of credit for this improvement is due to the increased resources and improved management which has gone into Indian criminal justice systems nationwide. As recently as 1975 , only $10 million in BIA funding was available for law enforcement on Indian reservations, as compared with $23 million requested in the FY 1978 budget. Through analysis of the criminal justice situation in Indian country, we have developed a plan to meet the law enforcement needs on each reservation. Improved operational aspects include better staffing with well-trained personnel and adequate equipment. A Special Operations Support (SOS) group was formed and is operational. As a result, the Bureau is able to produce a measured timely response to special situations as they arise and, in most cases, prevent further escalation.

Tribes are being directly involved in the law enforcement process. The courts are being improved; tribes are provided the opportunity to plan their own enforcement programs within broad general departmental standards; and contracting of law enforcement programs by tribes is increasing.

INDIAN EDUCATION

The Bureau will put forth its best efforts to continue and improve programs of Indian education. In Fiscal Year 1978, we will have over 52,000 Indian youths attending Bureau schools and approximately 155,000 will be enrolled in public schools.

I am encouraged by the fact that the young adults of the Indian communities continue to show increasing interest in their college education. During Fiscal Year 1978, scholarship grants will be provided to approximately 17,400 Indian men and women.

In addition, in Fiscal Year 1978, about 19,000 Indian adults will participate in adult education.

1980 CENSUS

Many Federal programs dealing with Indian people base entitlement on Bureau of Census statistics. In the past, Indian Tribes have felt that their people were undercounted and thus did not receive correct benefits. In late 1975, a coordinated effort by the Bureau of Census, the Bureau of Indian Affairs, OMB and other interested agencies was undertaken to improve the Indian count accuracy in the 1980 Census.

To assist in this endeavor the Bureau of Census has requested this Bureau to provide maps of all reservations showing the most accurate possible boundary lines as certified by the individual tribe concerned. The Fiscal Year 1978 budget includes $460,000 to begin the special activities required for the 1980 Census.

INDIAN ACTION TEAM

The request of $13.5 million for the Indian Action Program is a reduction of $6 million below the FY 1977 level. The potential and our expectations for the program remains very high. The $6.0 million add-on by the Congress for FY 1977 expressed a similar congressional attitude. This is a significant program designed to develop capabilities of tribes and Indian individuals to construct, operate, maintain, and manage reservation facilities and activities -- a factor which would facilitate the Bureau's policy toward Indian self-determination. Yet, because the program has expanded so sharply, we feel it well to step back a bit to fully evaluate program objectives, strengthen administrative arrangements, and broaden the program decision process at the local level. We believe these actions will place the program on a firm foundation and will add to program effectiveness in future years.

CONSTRUCTION & FACILITIES MANAGEMENT

The House Appropriation Committee Investigation Staff has made an extensive investigation and report on construction and facilities management. It points out some deficiencies in the operations of these programs and makes some recommendations for actions to be taken. We have responded to the report and are presently reviewing the recommendations to consider their implementation. We are now planning to make some of the organizational changes suggested in the report and improve the management of these programs.

TRAVEL

One of our more critical problems in the BIA is the travel constraints under which we operate. We appreciate and acknowledge the concern which Congress has over the travel cost of the Federal Government. In our highlight statement we stated we had revised our accounting and reporting system as well as established guidelines to assist in controlling travel costs. These actions were effective in 1976 and we feel will be even more effective in 1977. In the allotment of funds to the field for FY 1977 we restated our policy and guidelines which established limitations for each of the BIA areas. I will be happy to provide the Committee with a copy of our guidelines and the travel reporting and auditing system.

PERSONNEL MANAGEMENT IMPROVEMENT

During the past year the Bureau has faced up to the long-standing need for taking many improvement actions in the management of its human resources.

A BIA Action Plan for Personnel Management Improvement was developed last fall and approved for implementation in January this year. The primary need addressed by this Plan is for the Bureau to take the actions necessary now to ensure that in the next 4-5 years the right numbers and kinds of well-qualified Indian candidates become ready and available to fill Bureau vacancies in administrative, managerial, professional and technical specialist positions. To build up this adequate reservoir means that we will:

- Forecast our manpower needs in a systematic fashion based on turnover projections and anticipated program trends;
- Develop and operate a positive, out-reach recruitment and appraisal to tap potential sources of Indian candidates for these occupations; and
- Bring into the Bureau significant numbers of Indians in the right occupational mixes, for developmental experiences such as understudies and accelerated training.

Thank you Mr. Chairman and members of the Committee for your continuing personal interest in the American Indian.

INTRODUCTION OF ASSOCIATES

Mr. JOSEPH. Thank you very much, Mr. Chairman. I would like to introduce the rest of the people who are with me. Ray Butler, who is Acting Deputy Commissioner of Indian Affairs; Ted Krenzke, Director of Indian Services; Ralph Keen, Acting Director of Trust Responsibilities; Bill Demmert, Director of Indian Education Programs; Jose Zuni, Director of Administration; and Joseph Gorrell, Assistant Director of Financial Management.

Mr. Chairman, I would like to ask that my statement be included in the record as submitted earlier and that I simply provide sort of a summary statement to begin the discussions.

Senator DECONCINI. It is so ordered.

Mr. JOSEPH. Mr. Chairman, the Department of Interior is committed to giving Indian Affairs the priority and attention that it deserves. We are aware of many of the problems of the past and while some remain unresolved, we intend to solicit the advice and counsel of this subcommittee as we seek to implement past recommendations.

While some of us are new and still discovering old problems and new possibilities, you have our assurance that we will seek to make Indian self-determination not simply a concept, but a reality.

Thank you. We are now prepared to respond to any questions you have. We can proceed however you wish.

NEW COMMISSIONER

Senator DECONCINI. Thank you, Mr. Joseph. We do have some questions and we probably will not get to all of them. Those that we don't get to today we will submit to you in writing and request that you answer them as such for the benefit of our full committee.

When do you anticipate we will have a new Commissioner nominated? What is holding up the selection?

Mr. BUTLER. To the best of my knowledge a Commissioner has not been selected. This action is being taken at the Secretary and Under Secretary level. However, I am aware that they have and are consulting with tribal leaders, Indian organizations, and some Indian individuals in obtaining nominations for the position. They are hoping to start interviewing in the very near future.

BUDGET STRUCTURE

Senator DECONCINI. Your fiscal 1978 budget presentation involves considerable changes in the activity structure under Operation of Indian Programs. So that the committee can track these changes please supply for the record, with a copy to the committee staff, a crosswalk table displaying the program dollars and positions that were shifted.

Mr. GORRELL. I will provide that, Mr. Chairman.

[The information follows:]

OPERATION OF INDIAN PROGRAMS

1977 Appropriation Structure	EDUCATION			INDIAN SERVICES					ECONOMIC DEVELOPMENT AND EMPLOYMENT PROGRAM			NATURAL RESOURCES DEVELOPMENT		TRUST RESPONSIBILITIES		GENERAL MANAGEMENT AND FACILITIES OPERATION		
	School Operations	JOM Educa. Assistance	Cont. Education	Tribal Govt. Services	Social Services	Law Enforcement	Housing	Self Determination Services	Employment Dev.	Business Enterprise Dev.	Road Maintenance	Forestry and Agri.	Minerals Mining Irrigation and Power	Indian Rights Protection	Real Estate and Fin. Trust Svs	Management and Admin.	Program Support Services	Facilities Management
School Operations	166,269.0 (6,517)	31,452.0 (1)	38,962.0 (65)						18,241.0 (144)									
JOM Educational Assistance																		
Career Development																		
EDUCATION																		
Aid to Tribal Government				9,362.0 (163)														
Social Services					71,935.0 (370)													
Law Enforcement						26,136.0 (388)												
Housing							15,335.0 (105)											
Self-Determination Services								31,937.0 (48)										
INDIAN SERVICES																		
Business Enterprise										9,184.0 (62)								
Credit																		
Direct Employment									12,665.0 (210)	3,158.0 (119)	10,874.0 (236)	35,263.0 (843)	4,392.0 (9)					
Road Maintenance																		
Forestry and Agriculture																		
Minerals, Mining, Irrigation & Power									20,144.0 (30)									
Indian Action Teams																		
TRIBAL RESOURCES DEVELOPMENT																		
Indian Rights Protection														7,955.0 (33)	18,206.0 (629)			
Real Estate & Financial Trust Services																		
TRUST RESPONSIBILITIES																		
Management and Administration																11,270.0 (258)		
Program Support Services																	2,251.0 (34)	
Facilities Management																		69,675.0 (1,476)
GENERAL MGMT. & FACILITIES OPRS.																		
Navajo-Hopi Settlement Program				2,080.0 (0)														
OPERATION OF INDIAN PROGRAMS	166,269.0	31,452.0	38,962.0	11,442.0	71,935.0	26,136.0	15,335.0	31,937.0	51,050.0	12,342.0	10,874.0	35,263.0	4,392.0	7,955.0	18,206.0	11,270.0	2,251.0	69,675.0
POSITIONS	(6,517)	(1)	(65)	(163)	(370)	(388)	(105)	(48)	(384)	(181)	(236)	(843)	(9)	(33)	(629)	(258)	(34)	(1,476)

BUDGET GROWTH

Senator DECONCINI. We are concerned, of course, over the constant and rapid growth of direct appropriations to the BIA. Ten years ago the total was about $233 million, exclusive of trust funds. This year it's more than $821 million.

We must ask when this kind of growth can be expected to level off and even decline. The American taxpayer certainly wants to support improved living conditions and opportunities for the Indians and Alaska natives, but they also have a right to expect that these expensive Federal programs to give Indians self-determination and help them benefit from their resources and gain economic independence should some day begin to bear fruit. We would like to have your thoughts and comments on this.

Mr. BUTLER. The Federal Government has a unique relationship and a responsibility to Indians and Alaska natives. As trustee, it is our responsibility to protect and develop the resources of Indians. As party to the treaties, it is our responsibility to provide services and opportunity for Indians to live in decent conditions and to be respected members of society. As Indians are better able to compete due to better education, training, and financial resources, the requirements of the Federal Government to provide for Indians because they are Indians will decrease. We are not there yet. We do believe that progress is being made rapidly. It is our intention to move forward with assistance to Indians with the objective of a decreasing role of the Federal Government both in financial resources and in intervening in their lives and institutions.

CHANGE IN ROAD CONSTRUCTION FUNDING

Senator DECONCINI. In talking about the budget numbers and appropriation increases, it should be noted that part of that increase is not real. There is a shift in road construction from contract liquidation to new budget authority. That accounts for more than $30 million of the apparent increase in new budget authority.

If we are not mistaken, actually, your road construction program is down on an obligation basis by about $11 million; is that correct?

Mr. JOSEPH. Yes, it is.

Senator DECONCINI. Can you explain that to us?

Mr. JOSEPH. Mr. Butler?

Mr. BUTLER. Mr. Lynn, would you speak to that, please?

Mr. LYNN. Essentially, the road construction program for 1978 involves $78 million. This is all under title 25. We have here a representative of the road construction program who is very familiar with this program. If I may call on him, he can explain it to you much better than I can.

Senator DECONCINI. All right.

Mr. LYNN. Mr. Fleak?

Mr. FLEAK. Mr. Chairman, our road construction program is down only a little over $1 million from the previous year. That was because of add-ons in the previous year for specific road construction projects at the reservations.

The total that we are asking for in fiscal year 1978 is in excess of $70 million.

Senator DECONCINI. Well, are we mistaken then that your road construction program is down $11 million because of——

Mr. FLEAK. The other $10 million that you referred to is due to a supplemental appropriation that was made to us actually in fiscal year 1976. That money was apportioned to us for obligation this fiscal year, 1977. That was specifically for Federal aid in roads on the Navajo and Jicarilla Reservations.

Senator DECONCINI. And so the real appropriation increase overall for the BIA is considerably less if you remove the road construction and the pending program supplemental from the comparison. It's closer to $34 million, or something like 5 percent. Do you consider that adequate in view of these program increases you've mentioned in your statements?

Mr. BUTLER. In our operating programs, we are showing increases in all activities except economic development and employment programs. If we consider that the authorization for the Indian business development program and the Indian loan guaranty and insurance funds expired in fiscal year 1977, our request represents an increase of approximately $54 million. Therefore, I feel that the Bureau will be able to provide adequate programs in fiscal year 1978.

FUNDING FOR BIA PROGRAMS

Senator DECONCINI. I think it would be useful to have a breakdown by activities of the total funding available from BIA programs, both annual funding we review and all the trust funds. Give us the figures for the past 5 years, including the 1978 estimate.

Mr. GORRELL. We can supply for the record the total funding available from BIA programs for the past 5 years.

[The information follows:]

	1974	1975	1976	1977	1978
Education	178,945	206,811	224,222	239,761	245,467
Indian Services	93,909	98,703	137,616	156,785	173,935
Economic Development and Employment Development	49,196	63,907	72,528	74,266	67,520
Natural Resources Development	25,129	31,337	36,012	39,655	49,788
Trust Responsibilities	14,444	18,661	23,392	26,161	30,759
General Management and Facilities Operations	53,648	66,513	73,067	83,196	87,271
TOTAL, OPERATION OF INDIAN PROGRAMS	415,271	485,932	566,837	619,824	654,740
Irrigation Construction	21,585	26,435	31,650	30,010	44,377
Buildings and Utilities	33,138	38,369	49,022	47,091	42,870
TOTAL, CONSTRUCTION	54,723	64,804	80,672	77,101	87,247
Road Construction	43,000	59,500	76,705	39,075	70,335
Revolving Fund for Loans	900	38,000	3,000	---	---
Loan Guaranty	---	20,000	10,000	15,000	---
Miscellaneous Appropriations	81,906	86,720	87,298	42,866	45,630
Trust Funds	238,204	184,890	251,172	299,089	390,000
TOTAL FUNDS AVAILABLE	834,004	939,846	1,075,684	1,092,955	1,247,952

Senator DeConcini. Do you anticipate any supplemental requests next year along the lines of your 1977 requests?

Mr. Fleak. We are not anticipating any supplementals.

NEW PROGRAM DIRECTIONS

Senator DeConcini. Thank you. That is sufficient.

We note with interest new program direction that emphasizes natural resource development as well as Indian rights protection. Do all the requested increases in these areas directly reflect Indian priorities?

Mr. Joseph. According to the process we have used to determine Indian priorities, we have a $6 million increase in the mineral inventory program and a $14 million increase in the irrigation and construction program which reflects Indian priorities.

INDIAN ACTION TEAMS

Senator DeConcini. Are the sharp reductions in economic manpower programs, including what is termed Indian action teams, also a reflection of Indian priorities?

Mr. Joseph. Well, yes, in some sense it is and in another sense it is not. The reduction of the $6 million is really not a reduction in the proposed budget submitted the year before, but is a reduction of the add-on. And as a result of the study and review of the operation of that program, we have decided that we would like to take a look at it and make some corrections in some of the deficiencies.

Senator DECONCINI. In your narrative explanation regarding the Indian action team, can you give us a better explanation of the reduction beyond "step back and evaluate"?

What are you going to do regarding the Indian action teams?

Mr. JOSEPH. I can call upon someone to explain the whole process.

Senator DECONCINI. I would appreciate that.

Mr. BUTLER. Mr. Chairman, at the present time we have approximately 60 Indian action team programs operating. The reduction from the $18 million which was the result of the $6 million add-on last year will bring the average of each one of these Indian action teams down approximately one-third.

Our approach to this is to try and get a handle on the Indian action team programs. What are the major, objectives? What are the major goals of this program? We have now had a few years experience with the tribes operating these programs.

We want to work with the Indian tribes and contractors to try to work definitively to set forth what are the basic objectives or goals of Indian action teams and how can we monitor them to assist them in terms of their success or their failure.

Senator DECONCINI. When were the Indian action teams initiated?

Mr. BUTLER. To my memory, sir, they were initiated in the early 1970's.

Senator DECONCINI. And there has been no evaluation?

Mr. BUTLER. There have only been spot check evaluations, spot check audit investigations.

Senator DECONCINI. You anticipate an evaluation this year and then some determination whether or not they are justified to continue; is that correct?

Mr. BUTLER. Yes, sir.

Senator DECONCINI. Or modify them?

Mr. BUTLER. Yes. Or modify them. In full consultation with the Indian community to see if the Indian action team tribal contract system should continue as it is today.

LAW ENFORCEMENT PRIORITIES

Senator DECONCINI. The program budgeted for law enforcement, Mr. Joseph; how does that respond to Indian priorities; can you tell us? Do you know?

Mr. JOSEPH. There has been some complaint about the need for additional training of those people involved in law enforcement. What we have is an increased emphasis on training people. And it is a response to Indian self-determination.

Senator DECONCINI. Do you have—are there any standards set by the BIA for law enforcement?

Mr. JOSEPH. Yes, Mr. Chairman. There are standards.

Senator DECONCINI. How do those compare with standards that were promulgated by the National Association of Police Chiefs or other national organizations? Have you ever compared them?

Mr. JOSEPH. I haven't personally, Mr. Chairman. If I may I will have Mr. Butler respond to that.

Mr. BUTLER. Mr. Chairman, we have under the Indian criminal justice study which was completed a little over a year ago set forth

the standards for the Indian police. We have also detailed a mandatory requirement for training as we go through the basic patrolmen and on through the captains and lieutenants and chief of police.

In terms of its comparability, these standards were designed with the help of the Indian—or the police chief association, and as well with the marshall service and with the FBI. We are utilizing particularly the FBI academy, training at Quantico for the criminal investigators and basically utilizing our own in-house Indian police academy for the training of not only Bureau police, but tribal police as well.

Senator DECONCINI. Did that study include comparison of salaries?

Mr. BUTLER. On the basis of the rural salaries as compared to other rural areas; yes, sir.

BAND ANALYSIS

Senator DECONCINI. Thank you. On the band analysis system discussed in your statement, Mr. Joseph, we received only mixed reviews from the Indian community, if those who contact the committee are any indication. Does the system really allow any significant budget changes based on Indian priorities?

Mr. JOSEPH. Mr. Chairman, since that was conducted before my coming, I can only report secondhand what I have been told. I would prefer to have someone who has been directly involved respond.

Mr. BUTLER. Mr. Gorrell has done study work on that.

Mr. GORRELL. Mr. Chairman, when the 1978 process was started, we identified amounts of money at various levels of the previous years base for what we call the banded part of the process. We summed those banded amounts which ultimately resulted in the present budget and are highlighted in material that we presented to you in the justification.

There were a substantial set of instructions that were given to area directors, agency superintendents, and subsequently passed on to tribal leaders throughout the country. The Bureau of Indian Affairs developed a 1½-hour slide-tape show that outlines the procedures to be followed.

One of the sharpest criticisms that the Bureau has received as a result of band analysis is that it does not result in some instances in getting more money for programs. That is not necessarily the intent of the band analysis.

The intent of the band analysis is to identify within a limited amount of resources, that we always live with, and how you would arrange your priorities for the various programs that are banded. We would be happy to furnish you a summary of the reports that we got back from the various tribal leaders about how they participated in the process.

[The information follows:]

SUMMARY OF RESPONSES TO INQUIRY CONCERNING WHAT PROGRAMS SHOULD BE ON THE 1979 BAND ANALYSIS

The attached tables summarize the main results of the inquiry on this subject. There were 65 returns. They came from the following types of respondents: 11 tribes with their own Agency (Cheyenne River, Turtle Mountain, Southern Ute, Ute Mountain, Zuni, Flathead, Fort Peck, Minnesota Chippewa, Cherokee, Navajo, and Colville); 16 tribes in multi-tribal Agencies (Fort Sill Apache, Iowa, Cook Inlet Region, Alaska Federation of Natives, Grand Camp of Alaska Native Brotherhood, Kawerak, Red Cliff, Stockbridge-Munsee, St. Croix, Bad River, Cortina, Fort Bidwell, Los Coyotes, Santa Ynez, Soboba, and Trinidad); 32 BIA Agencies, many of which conferred with tribes in developing their replies; and 6 Area directors. In 3 other Area Offices replies were received only from program directors, and these were not counted because the trade-off aspect of the band analysis requires overall responsibility.

The response from tribes has to be taken as illustrative only, because too few replied to be considered as necessarily reflecting the total opinion of all tribes.

One table summarizes responses concerning programs to add to the band. Sixteen programs had been listed, and these are shown in the table. In addition to these, Welfare Grants was suggested by 3 responses, and each of the following received 1 response: Alcoholism programs, IMPL, Tribal Trust funds, Student transportation, and Water surveys. It may be noted that some of these are part of programs that are already on the band.

A second table summarizes responses concerning programs to remove from the band. Several respondents wanted airstrips removed because it did not apply to them, but this is not a valid reason for removing a program.

Responses concerning ways to improve tribal input to the budget process covered the waterfront. Frequent suggestions were:

More time.

Tribes want more information about non-banded programs and more input to the amount and the distribution.

Agencies should provide more detail on the categories of expenditure in each program, and the accomplishments resulting.

Inform tribes of allotments when they come, and expenditures during the year.

Multi-tribal Agencies, and tribes in such Agencies, continued to report problems in reaching agreement on priorities. The solution most frequently proposed is more money.

For programs added to the band, the usual suggestion was that the base should be the same as the previous year, with perhaps some allowance for cost increases.

SUMMARY: REMOVALS FROM 1979 BANDS, BY TYPE OF RESPONDENT, AS OF 3/1/77

	Tribes				
	Own Agency	Multi-Tribal Agency	Agencies	Area Directors	Total
Total Respondents	11	16	32	6	65
No Removals	8	8	24	5	45
Education & Training-general			1*		1
School Operations			2*		2
Vocational Training-Institutions			2		2
Higher Education institutional assist. (NCC, Lakota Sinte Gliska)		1	2 (1 opposed)		(1 opp.) 3
Special Education Experience			1		1
Youth Work Program (part of Aid to Tribal government)			1		1
Social services		1			1
Road maintenance	1			1	2**
Airstrip maintenance		5	1		6
Trust services - General			1*		1
Environmental quality services			2		2
Real estate services			1*		1
Financial trust services		1	1*		2
National resources - general			1*		1
Forestry			1*		1
Mineral and Mining			1*		1
Wildlife and Parks		1			1
Facilities O&M	2		1*	1	4
Executive direction			2*		2
Program development and budget			1		1
Safety management services			4*		4
All other administrative services			2*		2

* 12 programs were checked at one Agency (Northern Pueblos).
** (Navajo tribe and Area)

SUMMARY: ADDITIONS TO 1979 BANDS, BY TYPE OF RESPONDENT, AS OF 3/1/77 BIA Statistics 3/1/77

	No Additions	Scholar ships	JOM base	Prev. private schools	Self determ. grants	Self determ. T&TA	Comp. plann.	Tribal courts base	Deten. base	Law enfor. base	OJT	IAT	Bound. survey	Forestry imp. (admin.)	Irrig. const.	M&I	Road Const.
11 Tribes with own Agency (incl. Minn. Chipp.)	2	4	2	2	2	2	3	2	2	2	3	4*	2	1	2	2	2
16 Tribes in Multi-tribal Agencies (incl. Cook Inlet & A.F.N.) (omit Red Cliff)	2	4	3	1	7	4	3	1	1	2	5	4	4	0	1	3	7
32 Agencies (some with tribal participation)	5	12	6	3	8	6	7	12	12	13	9	11	6	6	7	5	6
6 Area Office Directors	1	4	3	2	3	3	3	3	3	4	2	3	3	1	1	3	4
Above 65 Replies	10	24	14	8	20	15	16	18	18	21	19	22*	15	8	11	13	19

* (3 opposed)

TRIBAL INVOLVEMENT IN BUDGET PROCESS

Mr. GORRELL. It is imperfect. There is no question about that part of it. In some instances there was substantial involvement by tribal leaders. In other instances it was very limited.

We have recently asked tribal leaders to give us some ideas about what they would do to improve that process. We have received those ideas and presently have a new set of proposals before the Indian tribes at this time. We expect to incorporate that in the 1979 process.

So the answer is not a simple yes or no. It varies tribe by tribe and depends on whether there is a real increase. I think that is one of the more important considerations.

The most important part is that there is tribal involvement. There is an opportunity for real priority within limited amounts of resources.

Senator DECONCINI. What was the percentage of the tribal response? Do you have an estimate?

Mr. GORRELL. I think in the 1978 process, that every tribe participated. I think the question is the degree of participation.

Senator DECONCINI. Your figures indicate that band analysis influenced about 60 percent of the requested budget increase. How do these Indian priorities compare to those of the BIA?

Mr. GORRELL. The banded part is a reflection, as best we can get, of Indian priorities. The unbanded or the nonbanded part, I would say, reflects from the Commissioner's office, from the central office of the Bureau of Indian Affairs, a sense of priorities of activities that are in our opinion not bandable at this time.

I must add, though, that obviously the leaders of the Bureau of Indian Affairs are in constant consultation with members of the Indian community on a day-by-day basis. These do not reflect an arbitrary cutback, but reflect a good deal of consultation, albeit not as formal as the banded process.

CONFLICTS BETWEEN BIA AND INDIAN PRIORITIES

Senator DECONCINI. When you have a substantial disagreement or confrontation between the Indian priorities and the BIA priorities, how do you attempt to resolve this? Do you have some kind of a process or procedure?

Mr. GORRELL. Yes, sir. We have a very formal process where there is a significant difference of opinion between agency superintendent and a tribe. If their differences are unreconcilable, there are appeal processes to formally appeal that to the area director, if there are agency bands involved.

We also have amounts of funds banded at the area levels. For example, our boarding schools, if there is a substantial difference between the area director and tribes that are involved in that particular school, that would be appealed to the Commissioner of Indian Affairs who would through consultation with many people make a decision on which way to go.

Senator DECONCINI. We note, for instance, that there is a banded increase of $3.8 million for economic development and employment programs. BIA budget changes, however, show a $10.6 million reduction. How does the net decrease of $6.8 million reflect Indian priorities, as an example?

Mr. GORRELL. What you are seeing there, we have the IBDF authority exhausted in fiscal 1977 so we don't have the authority. Isn't that correct, Dan?

Mr. MCDONALD. Yes. It is also reflected in the Indian action program of which there was a $6 million add-on by the Congress last year. That was reduced back this year.

Senator DECONCINI. From how much?

Mr. MCDONALD. About $6 million.

Mr. GORRELL. Mr. Chairman, the gentleman who has just arrived at the end of the table is Mr. Dan McDonald who is on the witness list.

Senator DECONCINI. We are happy to have you, Mr. McDonald.

Mr. MCDONALD. Thank you.

Senator DECONCINI. The chart in the justification also shows that banded increases included $13.2 million in Federal pay costs. Why are Federal pay costs banded in the first place, and why would the Indians spend so much of their priority dollars on them? Unbanded increases, on the other hand, show only $3.2 million in pay-cost increases. How was that display worked out?

Mr. GORRELL. The Federal pay cost increase is based on the total number of employees. The amount authorized for this increase is an add-on to either the banded or unbanded programs depending on which category the employee is funded.

JOHNSON-O'MALLEY ASSISTANCE AND BAND ANALYSIS

Senator DECONCINI. The justification states that the Johnson-O'Malley assistance to public schools is not included in band analysis. When did this occur? We were under the impression that it was. We have been told in the past that it was subject to band analysis. Was that changed by law?

Mr. BUTLER. Mr. Chairman, this is the second year that that has not been on the band analysis.

Senator DECONCINI. How did that take place?

Mr. BUTLER. It took place, Mr. Chairman, when we were involved in recasting or redrafting the Johnson-O'Malley regulations as a result of a study that was completed in which we found that a number of the public school districts were comingling Johnson-O'Malley funds to the point that it was not clearly discernable as to whether these funds were actually being expended exclusively on behalf of the Indian students in those school districts.

It was at that time that we rewrote the Johnson-O'Malley regulations and removed it from the band.

COST TO ADMINISTER BAND ANALYSIS

Senator DECONCINI. How much does it cost to administer the band analysis system? Do you have any breakdown to show the total for 1976 and 1977 and also the unbanded funds? Do you have any breakdown of the costs to administer the band analysis system?

Mr. GORRELL. I am not quite sure I understand your question. To operate the process of developing——

Senator DECONCINI. The approach. I guess you call it outreach to the tribes. What does that cost administratively? Do you have any breakdown, or is that just done through your field offices?

Mr. GORRELL. I don't have a number available, but we would be glad to provide an estimate of that for the record.

Senator DECONCINI. I would just like to see what you allocate on the administrative costs.

Mr. GORRELL. Yes, sir.

[The information follows:]

COST OF THE BAND ANALYSIS

Many people are involved in developing the band analysis, but most of them spend only a few days a year. This would include tribal officials who attend the working sessions on the budget, and the BIA staff who explain the procedures, costs, and outputs of the banded programs, as well as other parts of the budget. Furthermore, the band analysis is integrated into the whole budget process, so that it cannot be easily identified separately.

All of the foregoing means that we cannot cost out the efforts of those who have only a short involvement. However, there are some specific costs that can be estimated as follows:

3 weeks for 75 Agency program officers, average grade 12, and typists, grade 4	$140,000
6 weeks for 12 Area program officers, average grade 14, and secretaries, grade 5	60,000
20 weeks for Central Office statistician, grade 15	15,000
10 weeks for Central Office budget coordinator, grade 14	6,000
6 weeks for Central Office secretary, grade 5	1,000
Travel and per diem for tribal officials attending budget sessions (estimated)	50,000
Computer costs and terminal rent (estimated)	15,000
Duplicating and mailing banded amounts in the budget back to the tribes (estimated)	2,000
Sum of above costs	$289,000

1977 BIA TRAVEL REQUEST

Senator DECONCINI. Mr. Joseph, last year the committee reduced the BIA's 1977 travel request to $9.5 million. Yet you are now showing $10.1 million for travel in fiscal year 1977. Tell us how you managed that.

Mr. JOSEPH. Mr. Chairman, there were some problems that have been noted and deficiencies pointed to in the travel program in the past. We have developed some new guidelines and standards for travel and we think that we corrected those deficiencies. Now we are trying to budget funds to provide sufficient opportunity for direct communication with the people out in the field.

Senator DECONCINI. We don't understand how you can spend more than was authorized.

Mr. JOSEPH. Mr. Chairman, I will let someone else answer that.

Mr. BUTLER. Mr. Chairman, what we have here is; the limitation was $9.5 million and in the $10.1 million we have shown in the budget we have the addition of the new program that was mandated to us by Public Law 93–638 of the Indian Self-Determination and Educational Assistance Act which we anticipate will increase travel for that new program by $150,000 and the balance is based upon the 16 percent increase in GSA rental units that has been imposed upon us; 17 percent increase in air travel and 9 percent increase——

Senator DECONCINI. You made no request to the committee to exceed the amount, I take it. I am really asking if you made a request. I don't know. I am advised here that you did not.

Mr. GORRELL. Mr. Chairman, the only answer that we could give to that is in the present justifications that are before you. That would constitute our request.

Senator DECONCINI. But you don't think that it is a requirement to come back to the committee and ask for approval to spend greater than the limit set by Congress?

Mr. GORRELL. We considered it as a target or goal.

Senator DECONCINI. And not a limitation?

Mr. GORRELL. Not a specific legal limitation.

Senator DECONCINI. If that is correct, it seems to me that the executive branch is in a very fine position of saying that, well, whatever you say, Congress; we will consider that a target and not a limitation. I presume that that is not the attitude——

Mr. JOSEPH. Mr. Chairman, as you are aware, that relates to something that occurred long before some of us came on the scene.

Senator DECONCINI. Yes, sir.

Mr. JOSEPH. I want to assure you that we intend to follow the guidance of this subcommittee in the future.

Senator DECONCINI. We appreciate that, Mr. Joseph. I don't chastise anyone because I am as new as you are or newer, perhaps. But it does disturb me that it was to be a limitation and the staff advised me that there was never any notice or indication that you were going to exceed it or request to exceed it.

I am sure the committee would thank you also for assuring us that in the future it will be brought to our attention as a request. If it is legitimate, obviously the committee is going to try to work it out.

Mr. JOSEPH. Yes, Mr. Chairman.

Senator DECONCINI. I noted in your statement the comments about improving BIA controls and tracking on travel spending. If this is successful, why haven't you been able to reduce the travel request?

Mr. BUTLER. The increase in travel for fiscal year 1978 is about 1 percent. This is for the increase in air fares and costs of GSA vehicle rentals. However, with the contracting of more programs under Public Law 93–638, the travel costs are expected to be at approximately the level as in fiscal year 1977.

Through February 28, of the current fiscal year, cost of pupil transportation was $279,000, about 8 percent of the Bureau total, and other nonemployee travel was $259,000, which is approximately 7.4 percent of the Bureau total.

Senator DECONCINI. How much of your total travel spending goes to Indian groups and individuals and how much to Federal personnel? Let us have the specifics for the record for 1976 and estimate for 1977 and 1978.

Mr. BUTLER. Senator, we will be very happy to provide that information.

[The information follows:]

Report of travel obligations—June 30, 1976: [1]	
Transportation of pupils to schools	$2,026,166
All other Bureau travel	8,263,695
Total	10,289,861
Estimated travel cost, fiscal year 1977: [1]	
Transportation of pupils to schools	2,100,000
All other Bureau travel	8,050,000
Total	10,150,000
Actual obligations for travel as of February 28, 1977:	
Transportation of pupils to schools	684,554
Nonemployee travel	258,603
All other Bureau travel	2,569,715
Total	3,512,872
Estimated travel cost, fiscal year 1978:	
Transportation of pupils to schools	2,120,000
All other Bureau travel	8,080,000
Total	10,200,000

[1] Actual obligations for fiscal year 1976 and the estimated travel costs for fiscal year 1977 were not identified for "nonemployee." Reports of fiscal year 1977 actual obligations do identify "nonemployee travel" costs.

AUDITING SYSTEM OF TRAVEL

Senator DECONCINI. Some of the guidelines you have set up for reporting the auditing system of travel, could you supply us with those for the record? If you would submit them, I would appreciate it.

Mr. JOSEPH. Yes, we will.

[The information follows:]

AUDITING SYSTEM FOR TRAVEL

In view of the continuing congressional interest and restriction on travel costs, the Bureau has revised its Accounting and Reporting System. This action will provide more effective managerial information on which to better monitor the actual costs of travel and be able to estimate the travel requirements more accurately. The following guidelines have been established to assist in controlling travel costs:

1. All national meetings/conferences must be approved by the Commissioner.
2. Minimize the number of people who must travel for a single purpose and never allow two persons to travel when one will suffice.
3. Examine travel assignments at official stations to assure that travel is performed by employees at stations which are in closest proximity to travel destinations.
4. Establish effective controls on *all* continuous or indefinite travel authorizations.
5. Establish a system within each respective Area to limit trips, numbers of individuals traveling, points to be visited, itineraries and durations to those that are essential to the performance of Area and Office missions.
6. Review policies and procedures affecting employee transfers between official duty stations to reduce such transfers to those essential for mission accomplishment.

The Bureau will continue to monitor and take necessary action in an effort to keep the travel costs at the lowest minimum.

Senator DECONCINI. You have outlined a budget shift toward development of tribal resources. Nearly $50 million is budgeted. Can we expect to see greater tribal revenues from this effort in your opinion?

Mr. JOSEPH. We hope that will be the case, sir. We think that with the emphasis on the natural resources, this is the best approach to economic development if they could get increased revenues from those natural resources.

Senator DECONCINI. Could you supply the committee with some sort of backup information on what the revenues have been from the Indian resources for the past 5 or 10 years?

Mr. JOSEPH. Yes, we will.

Senator DECONCINI. If it is there, we didn't see it. Include what your estimate may be for this year; or do you have an estimate?

Mr. BUTLER. Mr. Chairman, one example comes to my mind at the moment. That is with the lease in the Navajo area. There was a $6 million award that was made available to the Navajo tribe. That is the most recent example that comes to mind.

Senator DECONCINI. Do you have a way of monitoring it so that we know how much was produced in the past year? Can you estimate what it is going to be in 1978?

Mr. BUTLER. Mr. Chairman, I must say that there are some tribes who handle their own resources. I am specifically thinking now of some of the Pueblos in which they hold that very dear to their heart and they do not provide us with some of that information. But by and large, yes, Mr. Chairman, we do have that information. We will provide it for the record.

Senator DECONCINI. Thank you.

[The information follows:]

Estimated gross revenues from products grown on Indian lands

[Dollars in thousands]

Year	Indian	Non-Indian	Total
1968	$114,560	$182,652	$297,212
1969	129,820	192,670	322,490
1970	143,563	197,356	340,919
1971	170,534	179,640	350,174
1972	274,473	187,838	462,311
1973	285,010	241,560	526,570
1974	287,195	287,368	574,563
1975	281,460	273,031	554,491

The above information indicates that in fiscal year 1975, about 51 percent of the revenue returned to Indians. However, this is an overall estimate for all crops grown on Indian lands. In the forestry activity, 95 percent of timber revenues return to the Indian owners.

Livestock and dry-farming enterprises are a major portion of Indian operations, and these are affected by market conditions. Revenues from forestry are largely dependent on market trends.

We do not have a 1978 gross production estimate, but in all probability Indian production will continue to increase with more intensive management of their resources.

RETURN OF REVENUE FROM INDIAN LANDS

Senator DECONCINI. What percentage of these revenues return to the Indian?

Mr. BUTLER. In fiscal year 1975 approximately 51 percent of the revenue returned to Indians. However, this is an overall estimate for all crops grown on Indian lands. In the forestry activity, 95 percent of timber revenues return to the Indian owners.

Livestock and dryfarming enterprises are a major portion of Indian operations, and these are affected by market conditions. Revenues from forestry are largely dependent on market trends.

Senator DECONCINI. Can we expect all these resource and economic development programs to begin to pay off in terms of revenue and self-support among some tribes so that we could begin looking at a reduction some day in direct appropriations for Indian programs? Do you anticipate that?

Mr. JOSEPH. That is our hope and objective, Mr. Chairman.

Senator DECONCINI. Do you have a long-range date in mind, or some target date?

Mr. JOSEPH. No, I don't at this point. As part of our planning process for the development of Indian natural resources, we hoped to be able to enter that more definitively sometime in the future.

INDIAN POLICY REVIEW COMMISSION REPORT

Senator DECONCINI. Mr. Joseph, have you had an opportunity to review the Indian Policy Review Commission report? If so, or if anyone on your staff would care to comment, give us a little impression of what you think of that report,

Mr. JOSEPH. Mr. Chairman, until there is an official report, we really don't have an official reply. I have had a chance personally as part of my own orientation to take a look at some of the preliminary work and recommendations. The only thing that I can say at this point is that it is our intention to seriously consider those as we begin to define our objectives in Indian affairs and also as we take a look at the way in which BIA is organized.

Senator DECONCINI. I think that it would be helpful to the committee if you will share with us your thoughts and some of your staff's reaction to this report, whether you think it is valid and what your opinion is. Not to get in an argumentative position, but just to have BIA's feelings available.

Mr. JOSEPH. As I said before, Mr. Chairman, I am not prepared to say very much officially, but let me try to respond in part.

Senator DECONCINI. You intend to look at it and do some kind of review. If you could advise the subcommittee, I would appreciate it.

Mr. JOSEPH. Let me say as far as some of the philosophical aspects of that report, I can reply. As for some of the specific recommendations, I would rather do that at a future date.

But on the basis of my knowledge of what has happened in the past, I would concur with the implication of the report that Indian Affairs has been a neglected and sometimes a stepchild of the Department of Interior. So I will agree with them that the attention has not always been given to human resources in the Department's mission

similar to that attention given to management of natural resources. The Secretary and I have been discussing this point. We will take a look at the report on the recommendations and we will have some kind of additional reply at a later date.

[The information follows:]

AMERICAN INDIAN POLICY REVIEW COMMISSION

The American Indian Policy Review Commission Report has been given wide distribution among the Bureau's field staff, and they are currently studying it with the request to forward their reactions.

After due deliberation, however, it has been respectfully determined by the Department to decline to provide official comment on the report at this time. This position is consistent with that which has been recently presented in testimony before several committees of the Congress. It stems in part from our desire to in no way inhibit the Policy Review Commission in reporting its findings as it sees them. It also admittedly reflects our desire for additional time to fully measure the contents of the report and not prematurely react to it while we are still in the transition process and do not as yet fully have this Administration's Indian leadership on board. This is particularly true in respect to the vacancy of the proposed Assistant Secretary for Indian Affairs. Further, we would like at this time to avoid taking an official position which might in any way preempt tribes across the country from arriving at their independent judgments concerning the report.

INDEPENDENT AGENCY FOR INDIAN AFFAIRS

Senator DECONCINI. What is your feeling, or do you care to comment, about an independent agency for Indian Affairs?

Although the report is just out, that has been a concept that has been talked about for a good many years. Do you have any position on that?

Mr. JOSEPH. Mr. Chairman, the approach that we have taken in that discussion is that we want whatever the Indian community wants. It has not been possible yet to discern precisely who in the Indian community wants a separate agency and who would simply like an improvement of the delivery of service to Indians regardless of where it is.

Senator DECONCINI. Senator Bellmon, would you care to ask questions at this time?

Senator BELLMON. Mr. Chairman, I would appreciate it very much if I could.

Senator DECONCINI. Please proceed.

RIVERSIDE INDIAN SCHOOL

Senator BELLMON. Mr. Secretary, since 1973 Congress has been providing funds for a building project at the Riverside Indian School in Oklahoma. I am sure that you know about that. For one reason or another these funds have gone unexpended while the need for additional facilities at the school has grown more and more serious.

Recently I received a letter from Acting Commissioner Ben Reifel which states that the BIA's position of constructing two new dormitories each with the capacity of 64 students and, to the extent that funds are available, remodel a portion of the existing nine-cottage dormitories at the school is now contemplated. We now have $3 million available and the estimated construction cost of the pending dormitories is roughly $2 million. The estimated remodeling cost for the cottages is $1,890,000 which leaves the BIA short about $900,000.

In other words, if we were to build two new dorms and remodel the cottages, we are going to need a total of $900,000 more than you have. What are your plans for Riverside and where are you going to get this money?

Mr. JOSEPH. I will defer your question to someone who knows better how to answer that.

Mr. ZUNI. Senator Bellmon, the present plan of the Bureau is to construct the two dormitories as originally proposed. You are correct in that the shortfalls occur because we do not have sufficient money budgeted to construct the two dormitories as originally planned which probably means we will have to be coming back to Congress for additional funding.

Senator BELLMON. We are talking about the fiscal 1978 budget now. When do you plan to come back to Congress?

Mr. ZUNI. Our problem, Senator, is that we are involved in a battle of priorities. There are other projects independent of the Bureau that deserve a higher priority than the dormitories in Oklahoma.

Senator BELLMON. But you say that you are going to build the dormitories?

Mr. ZUNI. Yes. To the extent that the funds are available, yes.

Senator BELLMON. This is the same kind of doubletalk we have been getting. Either you are or you aren't. You can't build half a dormitory and stop. If you don't have enough money to build it, you are saying to me that you are not going to build it. Isn't that right?

Are you going to lay the foundation and build half the dormitory and stop? Is that what you are figuring on?

Mr. ZUNI. The plan is to construct at least one dormitory because we have sufficient funding to construct one dormitory. We do not have sufficient funding to construct the second dormitory.

I have been informed that we do have sufficient funding for the two dormitories.

Senator BELLMON. What about the nine cottages?

Mr. ZUNI. The cottages? Well, we will not have enough funding for but only two. The engineering estimates show that we have sufficient funding for rebuilding only two cottages.

Senator BELLMON. How much do you need to finish the job?

Mr. ZUNI. The estimate is approximately $900,000.

Senator BELLMON. Are you asking for the $900,000?

Mr. ZUNI. It is not included in our current 1978 request.

Senator BELLMON. From your earlier statement you apparently think that you have higher priorities than to go ahead and finish these cottages. I don't understand the program where you have nine cottages that need remodeling and you come in and do two of them. And if you do undertake to finish the job later, I am sure that it will cost a great deal more than if you did it all at once.

Mr. JOSEPH. Sir, I am not familiar with this. I would like to respectfully request and get an opportunity to personally take a look at the project in question and respond to your question.

Senator BELLMON. All right. I would like you to do that. I think you will be very distressed at what you find. This thing has been mishandled and ignored and misrepresented to the point that many of our Indian citizens out there have pretty well lost confidence in the BIA.

So I would like to urge you to get into this and let's get moving. If you need $900,000 more, let's ask for it. I am sure that we can provide it.

[The information follows:]

The Bureau is proceeding with the Riverside School project for which Congress appropriated $2,000,000 construction funding in FY 1975 and $1,156,000 construction funding in FY 1976.

Necessary demolition and site preparation for 2 new 64-pupil dormitories has been completed. The construction proposals from Buy Indian contractors is scheduled for March 18. It is anticipated that construction award and actual construction will commence in the 3rd quarter with facilities ready for occupancy at the start of the 1978–79 school year.

In addition, our cost estimate indicates there will be funding to remodel by force account, 2 of the 9 cottage dormitories. The $3,156,000 funding will provide new and remodeled dormitory facilities for approximately 164 students.

Based on current labor and material costs, it is estimated that to remodel, by force account, the 7 remaining cottage dormitories will cost $1,470,000.

INDIAN ACTION TEAMS IN OKLAHOMA

Senator BELLMON. The other problem that I have is we have been contacted by several tribal representatives concerning the Indian action program. The reports I receive from Oklahoma tribes participating in the Indian action program is that the BIA has been able to help meet education needs of Indian citizens between the age of 18 and 35 by providing on-the-job training and at the same time improving the physical environment of the Indian communities.

For the fiscal 1978 budget request, your request is for $13 million for this program. Will this amount be adequate to maintain the same level of services in Indian action team programs as was true in fiscal 1977? Or do you anticipate a cutback?

Mr. JOSEPH. Mr. Chairman and Senator, we dealt with the question a little bit earlier. It is my understanding that it will not be sufficient to maintain the same level. At the same time the reason for this is not because it isn't a good program. But there is a feeling that the program has grown and there is a need to step back and more fully evaluate before continuing.

Senator BELLMON. Is it going to take a full year to evaluate it?

Mr. JOSEPH. It depends on the kind of evaluation, Senator. We are not prepared at this point to propose that amount until we have sufficient information to justify that expenditure.

Senator BELLMON. Again, I don't want to press you because I realize you may not be on top of these programs. In our State we find that what was referred to as functional illiteracy among Indian adults is extremely high and may be 70 percent in some cases. This program seems to be doing an excellent job of preparing those individuals to get and hold jobs and to realize some of their potential. I would, again, urge you to look carefully at this. My information is that there has been a recommendation not of $13, but $46 million for this program and if this money can be used to help these adult Indians become employable, it would seem to me to be an excellent investment.

Mr. JOSEPH. Yes, Senator, I will take a look at it.

It is also my understanding that one of the problems is a need to strenghthen the administrative arrangement and to strengthen the process for local input. Those are some of the concerns that we have about that program.

It is not that we don't think it is a good program. We do.

Senator BELLMON. Mr. Secretary, you realize that this is now March and this money won't be available until October. It would seem to me that that would give you adequate time to take care of strengthening the administration and do whatever study you need to do before you start using the newly appropriated funds. I am not in favor of seeing you put this program in a holding pattern for a whole year while you study it. It seems to me you ought to study it now and give us the opportunity to fund it at a more adequate level for the fiscal year 1978.

HASKELL INDIAN JUNIOR COLLEGE

I have some questions that Senator Pearson of Kansas asked me to read regarding Haskell Indian Junior College.

Is it true that Haskell is the only fully accredited comprehensive native American junior college in the United States that is funded directly by the BIA?

Mr. DEMMERT. I would just like to check a point one moment.

We have Haskell as the only comprehensive community college in the Bureau of Indian Affairs system. We have a Navajo Community College which is outside the Bureau's system but funded primarily by the Bureau of Indian Affairs through special legislation. Then we have a scattering of other tribally run or operated community colleges, some of which are funded by the Bureau of Indian Affairs, some of which are either in the process of becoming accredited or received accreditation through a direct tie with a college or university in their particular part of the country.

Senator BELLMON. But you do consider Haskell to be somewhat unique?

Mr. DEMMERT. That is correct.

Senator BELLMON. In fiscal 1975 $2,850,000 was appropriated for construction at the Haskell Junior College. At that time the BIA's architectural engineers estimated that two new dormitories would be constructed for that amount. When the bids were opened in December 1975 the low bid was $3,780,000. So the contract was awarded for only one dormitory. Do you feel that this is going to impose a hardship at Haskell? If they needed two dormitories and they built only one?

Will this hurt the operation of this institution?

Mr. DEMMERT. There is no question about the need for another dormitory. And there is no question about the need for the facilities at Haskell. The problem is as we look at the total Bureau construction, somewhere between $200 and $400 million is needed and this year we are requesting about $17.8 million which is an increase over past years. It becomes very difficult to sort out priorities. We have only been, to date, able to rebuild those schools that have been condemned or have been destroyed by fire or for some other reason are not usable.

Senator BELLMON. What is the amount of the backlog?

Mr. DEMMERT. We have on the books over $200 million and we estimate it is closer to $400 million.

Senator BELLMON. How much would be required for Haskell to complete the project as originally planned?

Mr. DEMMERT. About $1.6 million to complete the second dorm. I would have to check with my construction personnel to see if there is a larger estimate.

We would have to come in with that information at a later date. We don't know right now what it would take to bring Haskell up to meet acceptable standards.

Senator BELLMON. Will you furnish for the record then the amount needed in addition to the sums you have on hand to build a second dormitory at Haskell?

Mr. DEMMERT. We know that will take about $1.6 million. But, yes, we can provide figures for whatever else we have on the books for Haskell.

Senator BELLMON. That figure then includes whatever escalation in construction cost has occurred since 1975; the $1.6 million plus inflation will actually let you build the second dorm?

Mr. DEMMERT. That is correct.

[The information follows:]

COST NEEDS AT HASKELL

It is estimated that the second 130 pupil dormitory at Haskell will cost approximately $2.6 million. With funds currently available, $2.0 million additional will be required to construct this project.

GYMNASIUM CONSTRUCTION AT HASKELL

Senator BELLMON. What is confusing about this is that the budget has in it $3.5 million for a new gymnasium at Haskell and nothing for the dormitory.

Mr. DEMMERT. That is correct. That was a local determination.

Senator BELLMON. But in 1975 you planned to build two dormitories and when the bids were let or were opened you could only build one. Why have you now changed the priorities?

Mr. DEMMERT. The recommendations that came directly from the college and I would assume representative of the wishes of the Board of Regents was that they chose to build one dorm and put the rest of the money into a gymnasium rather than two dorms and not a gymnasium. And part of the rationale for that, as I understood it, was that if they were going to keep their accreditation they needed the gymnasium.

Senator BELLMON. Is enrollment dropping off at Haskell?

Mr. DEMMERT. No. It is not.

Senator BELLMON. I can't understand why if you needed two dorms in 1975, now suddenly you only need one dorm and a gymnasium.

Mr. DEMMERT. They had a choice to make. They needed all three, but we had enough money to only build two. They chose one dorm and a gymnasium and the rationale for building the gymnasium in part was that in order to keep their accreditation that the gymnasium was needed. The dorm wasn't necessarily a factor in our accreditation.

Senator BELLMON. We need to get this problem cleared up. The committee would like—or at least I would like—for the Bureau to get an official position from Haskell on its construction priorities. Could you request this information and furnish it to us in writing?

Mr. DEMMERT. Yes.

Senator BELLMON. Thank you.

Mr. DEMMERT. On their future or on their past?

Senator BELLMON. Particularly whether they would like funding for a second dormitory, which is my information, as opposed to a budget request for a new gymnasium.

Mr. DEMMERT. Yes, sir. We will do that.

Senator BELLMON. Thank you very much.

[The information follows:]

HASKELL BOARD OF REGENTS—PRIORITY LISTING

1. Physical Education facilities including health clinic, renovation of two buildings and development of athletic fields.
2. Dormitories for 128 students.
3. Completion of student union and site improvement around kitchen and learning resource center.
4. Dormitory as needed.
5. Remodel building No. 50 for fine arts facility.
6. Housing for married students.
7. Administration Building.
8. Remodel various vocational buildings for changes in college program.

In fiscal year 1975 Congress appropriated $2,850,000 for construction of 2 130-pupil dormitories. At the time of the Bureau's budget request, the dormitory design was not complete. The initial programmed square footage for the two dormitories was 56,200. The final contract drawings indicated 63,336 or an increase of 7,136 square feet. The major change in program was to provide private areas for each of the students for sleeping and studying. The Bureau was able to award a construction contract for only one dormitory because of an increase in site costs, increased dormitory size and a low initial program estimate.

It is estimated that the second 130-pupil dormitory will cost approximately $2,600,000.

INDIAN MEDICAL SCHOOL STUDENTS

Senator DECONCINI. Thank you, Senator Bellmon.

I would like to ask a question also regarding educational facilities. Are you involved in the request for a medical school for Indians? Can you tell me anything about that?

Mr. DEMMERT. We have not considered any kind of a request for a medical school for the Indian community, but we do have special programs that we fund. For example, we have, I think, two specific programs; masters in administration and an in-med program.

In addition to that, there are some federal dollars going into the training of doctors, but in established schools.

Senator DECONCINI. Have you had any requests or has there been any consideration of a medical school?

Mr. DEMMERT. We have not had a formal request that I am aware of, at least in my office.

Senator DECONCINI. Do you know how many Indian students have been or are presently in medical schools?

Mr. DEMMERT. I will have to check that, if you will permit. We don't have that information, Mr. Chairman.

Senator DECONCINI. Would you supply that for the record?

Mr. DEMMERT. We can.

Senator DECONCINI. I am interested in knowing how many are presently in medical schools and how many have been in the last several years.

Mr. DEMMERT. We had 198 total in the medical field, but I am not sure how many of those were just for medicine. By that I mean studying to be a doctor.

[The information follows:]

Indian students graduating from the field of medicine from fiscal year 1970 through fiscal year 1976

Fiscal year	Medical and medical related	Medical only
1970	36	9
1971	77	16
1972	109	22
1973	129	38
1974	163	43
1975	203	52
1976	254	64
Total	971	244

Prior to fiscal year 1970, 3 or less, graduates are shown in the field of medicine. The total number studying in the field of medicine is approximately four times the number of graduates each year. It should be noted that those figures represent only the Bureau's sponsored graduates. It is estimated that at least this number each year are graduating under other sponsorships. For example, the newly instigated Indian Fellowship program (title IV, Public Law 92-318), lists 23 Indian students under fellowship sponsorship in the field of medicine.

FUNDING FOR INDIANS IN CALIFORNIA

Senator DECONCINI. Turning to the State of California, Mr. Secretary, the State has been expressing a growing concern over alleged underfunding of Indian programs. Perhaps someone on your staff could explain to us—we are told that the California Indians comprise almost 7 percent of BIA's service population but only get from 1 to 2 percent of your budget. Also, the Sacramento area office, we are told, has been badly underfunded for some time. Can you give us a rundown or explanation of whether that is true and why California is not getting more funds?

Mr. BUTLER. Mr. Chairman, I would only address that in the generic response. The Indian population of California is largely an urban population. During the World War II years a number of the Indian people migrated to California. There are large concentrations of Indian people from tribes throughout the United States who now reside in Los Angeles and San Francisco Bay area.

The mission of the Bureau of Indian Affairs in the past administration and throughout the years has largely been for services to those Indian people in California who actually reside in one of the rancheria areas or reside in the northern area in the Hoopa Reservation.

So, admittedly, in terms of the Indian population in California, the BIA budget itself would appear to be disproportionate percentagewise.

Senator DECONCINI. Does the BIA fund urban Indian programs?

Mr. BUTLER. We have a limited funding authorization for urban Indian programs, Mr. Chairman, of $275,000. In President Nixon's July 8, 1970, message to the Congress he charged that the responsibility for urban Indians was with what was then the old OEO program that subsequently has become the Office of Native American Programs. That is now in the Department of HEW.

As a result of their responsibilities in funding the urban programs, we have transferred $250,000 over to the Office of Native American Programs for administration.

Senator DECONCINI. Is it correct to your knowledge that about 50 percent of American Indians are urbanized or living in urban centers? Do you have an estimate?

Mr. BUTLER. Mr. Chairman, I don't believe it really runs quite that high. It may well, and I am basing it now on data in the 1970 census which is the most reliable information—that it was about 50–50 who was living on reservations and off reservations. Those who are exclusively into urban areas I don't think that it would run 50 percent in urban areas.

Senator DECONCINI. It is obviously a substantial number. If 50 percent live off the reservations, I think that we can conclude that probably a big majority of those live in urban areas. Do you concur in that?

Mr. BUTLER. There are a number of Indian people, yes, sir, who have gone to the urban areas, such as Seattle; Bay area of California; Los Angeles; Chicago; and into the larger areas. Yes, sir.

RESPONSE TO CALIFORNIA INDIAN FUNDING NEEDS

Senator DECONCINI. We are going to give you a lengthy statement, Mr. Secretary, if you don't mind, regarding some of the problems in California that have been brought to the attention of the committee prepared by the State's housing and community development department, and we would ask that you respond to the major issues and questions for the committee's record, if you would.

Mr. JOSEPH. We will, Mr. Chairman.

Senator DECONCINI. Thank you.

[The information follows:]

STATEMENT OF CALIFORNIA STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

Examination of the Bureau of Indian Affairs (BIA) Budget data since 1969 reveals that California has not been receiving its fair share of BIA allocations based on its service population or on its needs and that action is required to rectify the present inequitable funding levels. Since Fiscal Year 1969, allocations to the Sacramento Area Office of the BIA (encompassing the State of California) have hovered between .8% and 2.2% of the national total despite the fact that the BIA recognizes a population on or near reservations of 36,255 which is 6.7% of the total estimated BIA service population.

House Concurrent Resolution #108 of 1953 which declared federal intent to terminate responsibility for Indian services in California initially served as justification for the low funding levels accorded the Sacramento Area Office. However, the federal government has long since repudiated the policy of termination. In 1970, President Nixon delivered a message to Congress in which he called for a policy of "self-determination without termination" and in which he pledged a reversal of federal pull-back in providing services to Indians. Congress formally enacted such a policy with the passage of the Indian Self-Determination Act of 1975 which states, in part:

> Congress declares its commitment to the maintenance of the federal government's unique and continuing relationship with, and responsibility to, the Indian and to the establishment of a meaningful Indian self-determination policy which will permit an orderly transition from federal domination of programs providing services to Indians to effective and meaningful participation by the Indian people in the planning, conduct, and administration of these programs and services.

Despite repudiation of the termination policy and despite increases in BIA allocations to the Sacramento Area through the last decade, California Indians recognized as living on or near reservations will receive $307.99 per capita in Fiscal Year 1976 compared with a national average of $1,598. (See Table I for California's share of BIA funds.)

According to Mr. Conger, Chief Statistician in the Bureau's Washington office, funding for areas is based on a number of criteria which vary from program to program. There is apparently no existing formula for allocation on the basis of population although he contends that service area population serves as a major consideration in determining allocation. Obviously, certain funds, such as those for forest protection and utilization, go to areas only where forests exist. If we are to look at the BIA allocations in comparison to service area population (see Table II), it is difficult to conclude that the BIA has adopted formulae which apportion money on a fair and rational basis. It is conceivable that rigid formulae for allocation do exist and consistent criteria are applied in determining funding. If indeed they do exist, they certainly merit review by our Congressional delegation. If none are currently in use, as seems to be the case, then the BIA should be asked by Congress to develop a system of allocation which accords to California Indians the funds they rightfully deserve.

The BIA, in defending its present system of allocation, may point to three factors which are crucial in its justification of funding outcomes. First of all, the BIA has contended that the Sacramento Area's on-reservation population of 6,240 (using data which Mr. Conger states is the most recent-Source: "Estimates of Resident Indian Population and Labor Force Status", Bureau of Indian Affairs, June 1973) is not sufficient to warrant substantial changes in future allocations. However, according to William Finale, Director of the BIA's Sacramento Area Office, only a minority of programs funded in California serve exclusively the 6,240 reservation Indians. The programs listed in Table III

serve Indians both on and off reservations and rancherias - a service population of 36,255 which includes all rural Indians living within counties containing trust land. As you can see in Table III A, 65.5% of the Sacramento Area's Fiscal Year 1975 allocation consist of funds expended to serve the larger service population of 36,255. Tables IV and IV A clearly demonstrate that even for those programs which in reality serve on and off reservation Indians, California is severely underfunded. With 6.7% of the total BIA estimated service population, California received in Fiscal Year 1975, for example, only 1.4% of Aid to Public Schools funds and .1% of Social Services funds. (See Tables IV and IV A) California received only .002% of the funds allocated for School Operations because no BIA schools are operated here. Because no such schools exist and no substantial funding comes to California, the state assumes a commesurately greater cost in the education process.

While the BIA may contend when making its allocations that the on-reservation figure should serve as a guide, the Department of Interior in its Fiscal Year 1977 budget justification to Congress relies on the 36,255 (6.7% of total) figure to back up its budget request. Interior relies on the 1973 BIA estimated service population of 543,000 of on and nearby reservation Indians "including all rural California Indians in counties including trust land".

Secondly, the BIA maintains that it computes current budgets by using past budgets as data bases. In other words, rather than significantly reevaluating allocations yearly, the Bureau relies on past allocation sums in determining current figures. Area offices which are underfunded in one fiscal year are likely to be underfunded in subsequent years as attempts are made to keep the percentage of increase in the different Areas and Agencies relatively uniform (an Agency is a unit of Area). Consequently, while the Sacramento Area's share of the total budget has increased somewhat in the past few years, it has not been sufficiently increased because of the BIA's attempt to insure uniform percentage budget growth - a policy which insures that well funded Tribes continue to receive large appropriations.

The Fiscal Year 1977 President's Budget provides for the first time on an experimental basis an "equity adjustment" for Agencies which are underfunded (for the purposes of FY 1977, allocations are made directly to Agencies. Area offices do not determine Agency budgets, although Sacramento Area sums equal the sum of all Agencies budgets within California plus general administrative costs). All Agencies are slated to receive allocation increases of 1.6% and Agencies selected to participate in the "equity adjustment" program will receive increases of 8.0%. The Southern California Agency of the Sacramento Area has been selected to participate in this program. However, the total amount of additional funds available to all 21 agencies under this program is $2,925,000 (8.0% increase minus the standard 1.6% increase = 6.40% increase not otherwise available)- hardly enough to radically alter the present allocation scheme.

The Bureau presently has the power to significantly readjust its budget increases to provide fairer sums for California. According to Mr. Finale, the Office of Management and Budget sets a target percentage increase figure for the Department of Interior. Interior may then adjust the figure upward or downward for each entity within its jurisdiction. Similarly, each entity, such as the BIA may allow, within statutory constraints, sub-entities(such as Areas and Agencies) different rates of increase to offset existing inequities.

Thirdly, the BIA may contend in justifying present figures that the relatively small land base of California Indians and the wide distribution of Indians considered in the category "near reservation" entitles California to less program activity than is on-going in Areas with larger amounts of trust land and sizable numbers of Indians living in close proximity to such lands. To an extent, this

argument is a valid one. For example, the amount of funds allocated for road construction will depend on the size of the land in trust status since such a service is regularly provided by state and local jurisdictions on non-trust lands.

However, this argument does not hold for the range of educational and social service funds provided by the BIA since need and possession of trust land are not related. Indeed, because the treaties to which the California Indians and Federal Commissioners agreed in the mid 19th century were never ratified, trust lands are extremely small and insufficient in most cases to support large on-reservation populations. It seems grossly unfair to base funding on the size of trust lands since non-ratification of treaties prevented establishment of larger and more viable reservations. The BIA should realize the reality of history which created a unique dispersion of California Indians throughout non-trust lands. According to Mr. Finale, despite the abolition of much of the trust lands in Oklahoma, the BIA continues to fund Indians in that state who live within the boundaries of now extinct reservations on the same basis as on-reservation Indians elsewhere. Certainly, the BIA can similarly accommodate the needs of California Indians.

SUMMARY

As the attached tables show, California currently is not receiving its proper share of BIA funds. California is underfunded not only in terms of total allocations but also in terms of those programs for which a service population of 36,255 is clearly established (See Tables IV and IVA). At the very minimum, California Indians should receive funding for such programs on a basis commensurate with their recognized service population.

Mr. Conger stated that the BIA takes into account services provided by states in determining Area and Agency allocations. Consequently, states providing better than average social services such as California may not require as much federal funding. If Mr. Conger's statement is accurate, then the BIA is ignoring the fact that primary responsibility for provision of Indian services rests with the federal government.

Because of inadequate educational funds, the State of California will expend some $573,000 for the operation of Indian Education Centers during the current fiscal year and will budget approximately $600,000 for the upcoming fiscal year. Just as the BIA underfunds California, so does the Indian Health Services(IHS). Because of inadequate IHS funding, the Governor last year signed into law a $2.5 million appropriation to fund Indian Health Centers(For more information on IHS underfunding, see Attachment A).

The need to rectify underfunding by the Bureau of Indian Affairs and by the Indian Health Services as well is important because of the amount of present state expenditures needed to meet Indian needs and because of the real need California Indians have for adequate federal funding.

TABLE I. CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

TOTAL FEDERAL BIA OUTLAYS AND SACRAMENTO AREA ALLOCATIONS FY 1969-1977 [1]

Fiscal Year	Total Outlay of Federal Funds for BIA (in thousands of dollars)	Sacramento Area Allocations (in thousands of dollars)	Percent of Total BIA Funds Allocated to Sacramento Area
1969	$263,094	$2,005	0.8%
1970	$302,745	$2,472	0.8%
1971	$364,508	$3,938	1.1%
1972	$439,685	$5,810	1.3%
1973	$514,866	$9,924	1.9%
1974	$583,838	$9,413	1.6%
1975	$691,317	$10,949	1.6%
1976 [2]	$867,601	$11,166	1.3%
1977 [3]	$508,265	$11,047	2.2%

1. Figures obtained from the Office of the Sacramento Area Director and from Federal Budget Data.

2. Current year figures. Totals are tentative since the program year is not as yet completed. The figure for the Sacramento Area does not include carry-overs from FY 1975. With carry-overs, this year's expenditures will probably total $11,482,900.

3. The projected allocation for Sacramento does not include the following budget items since proposed allocations for such items have not as yet been made: Aid to Public Schools, Law Enforcement, Road Construction, Irrigation and Power Construction, School Operations. Only partial allocation, as yet, has been proposed for Aid to Tribal Governments. Funding levels under that item for Comprehensive Planning, Tribal Government Development, and Agricultural Extension Services have yet to be proposed. Assuming that the above items are funded at at least current levels, the proposed allocation for Sacramento should approximate $13,403,300+.

   The National BIA total also does not include the budget items listed above. The FY 1977 estimate including such items is $816,400,000. That figure covers funding from October 1976 through October 1977 since the federal government is shifting from a July to July fiscal year. The period of July 1976-October 1976 will be covered by a special appropriation of $242,712,000. California's estimated $13,398,500+ would account for only 1.6% of the estimated FY 1977 total funds.

TABLE II. CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

Proposed FY 1977 BIA Budget by Area and Service Populations [1]

Area (ranked by size of allocation	Proposed Allocation (in thousands of dollars)	Percent of total allocation	Population [2] on or near reservation	Percent of total population
Navajo	$123,523.4	24.3	129,976 [3]	23.9
Phoenix	$ 78,730.1	15.5	50,879	9.4
Portland	$ 55,258.2	10.8	25,395	4.7
Aberdeen	$ 51,100.5	10.1	48,846	9.0
Juneau	$ 41,333.6	8.1	61,026	11.2
Albuquerque	$ 36,450.1	7.2	34,952	6.4
Muskogee	$ 31,876.5	6.3	62,538	11.5
Billings	$ 27,747.1	5.4	30,640	5.6
Anadarko	$ 23,279.6	4.6	23,713	4.4
Eastern	$ 12,849.8	2.5	10,095	1.9
Minneapolis	$ 12,591.3	2.5	22,052	4.1
SACRAMENTO	$ 11,047.4	2.2	36,255	6.7
Navajo-Hopi	$ 2,477.7	.5	6,710 [3]	1.2
TOTAL	$508,265.3	100.0	542,897	100.0

1. Budget figures do not include proposed allocations for the following programs: Aid to Public Schools, School Operations, Law Enforcement, Road Construction, Irrigation and Power Construction. Only partial allocation has been proposed for Aid to Tribal Governments.

2. Population figures are based on June 1973 data produced by the BIA. Mr. Conger, the Bureau's Chief Statistician, stated that such data was the most current. The 36,255 figure for the Sacramento Area represents the total number of Indians living in the 34 counties which contain trust land. Figures for other Areas may be high because figures reported by some reservations include tribal members who are no longer residents. Source for Data: "Estimates of Resident Indian Population and Labor Force Status", Bureau of Indian Affairs, June 1973.

3. BIA documents from which this data was obtained included "Navajo-Hopi" as an "area" for the purposes of receiving BIA allocations for Fiscal Year 1977. The population of 6,710 is equal to the figures shown for the Navajo-Hopi Agency in the document "Estimates of Resident Indian Population and Labor Force Status", Bureau of Indian Affairs, June 1973. That figure was included within the Navajo area population of 136,686, which appears in the above mentioned document. The Navajo figure shown on this table, 129,976, excludes the Navajo-Hopi population estimates. Although the Navajo-Hopi Agency is listed as a separate "area" on the table, it is in fact an Agency within the larger Navajo Area(To compute Navajo population shown: 136,686 -6,710 = 129,976)

TABLE III. CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

FUNDS ALLOCATED TO SACRAMENTO AREA FOR PROGRAMS SERVING INDIANS BOTH ON AND OFF RESERVATIONS, FY 1975-1976 [1]

Programs Serving Indians On and Off the Reservation	Fiscal Year 1975 (in thousands of $)	Fiscal Year 1976 [2] (in thousands of $)
Education and Training, General	26.2	37.7
School Operations	2.5	4.8
Aid to Public Schools	387.7	350.0
Career Development	2,905.0	2,764.9
Aid to Tribal Governments [3]	473.6	609.1
Social Services	83.0	109.1
Law Enforcement	31.4	30.0
Housing	545.4	627.7
Business Development Grants	474.2	230.0
Direct Employment Assistance	1,436.6	1,141.9
General Management and Facilities [4]	324.4	452.4
Loan Guaranty and Insurance Fund	13.9	138.7
Administrative Support [4]	468.8	468.8
TOTAL	7,172.7	6,965.1

1. The programs listed are those which, according to Sacramento Area Director William Finale, serve Indians living off reservations as well as those on trust land. This service population is estimated at 36,255.

2. All Fiscal Year figures are tentative since the program year is as yet incomplete.

3. Tribal Governments have responsibilities which extend beyond trust land boundaries and, accordingly, federal funding under this item directly affects off-reservation Indians.

4. Both General Management and Facilities and Administrative Support items are included in this tabulation because both functions are necessary to continuance of programs designed exclusively for on-reservation Indians and programs serving both on and off reservation Indians.

TABLE III A. PERCENT OF TOTAL FUNDS ALLOCATED TO THE SACRAMENTO AREA EXPENDED FOR PROGRAMS SERVING BOTH ON AND OFF RESERVATION INDIANS (36,255 Service Population), FY 1975-1976

Fiscal Year	Amount Allocated for Programs Serving On and Off Reservation Indians (in thousands of dollars)	Total Amount Allocated (in thousands of dollars)	Percent of Total Serving on and Off Reservation Indians
1975	7,172.7	10,949.0	65.5
1976	6,965.1	11,166.0	62.4

TABLE IV. CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

FUNDS ALLOCATED TO SACRAMENTO AREA OFFICE vs. TOTAL BIA FUNDS AVAILABLE FOR SELECTED PROGRAMS SERVING CALIFORNIA INDIANS BOTH ON AND OFF RESERVATION, FY 1975.[1]

Selected Programs Serving Both On and Off Reservation Indians. Service Population Estimated at 36,255 [2]	Fiscal Year 1975 Amount Allocated to Sacramento Area (in thousands of dollars)	Fiscal Year 1975 Total Amount Available to all areas (in thousands of dollars)	Percent of Total Amount Available Allocated to Sacramento Area
School Operations	2.5	143,747.0	.002
Aid to Public Schools	387.7	28,352.0	1.4
Career Development	2,905.0	54,396.0	5.3
Aid to Tribal Governments	473.6	11,322.0	4.2
Social Services	83.0	63,963.0	.1
Law Enforcement	31.4	10,115.0	.3
Housing	545.4	13,203.0	4.1
Indian Business Development Grants	474.2	10,000.0	4.7
Direct Employment Assistance	1,436.6	14,107.0	10.2

1. Figures obtained from Budget Data of Sacramento Area Office and from Interior Department Budget Estimates for Bureau of Indian Affairs.
2. Service Population Estimates obtained from June 1973 statistical data produced by the BIA.

TABLE IV A. CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

FUNDS ALLOCATED TO SACRAMENTO AREA OFFICE vs. TOTAL BIA FUNDS AVAILABLE FOR SELECTED PROGRAMS SERVING CALIFORNIA INDIANS BOTH ON AND OFF RESERVATION, FY 1976.[1]

Selected Programs Serving Both On and Off Reservation Indians. Service Population Estimated at 36,255[2]	Fiscal Year 1976[3] Amount Allocated to Sacramento Area (in thousands of dollars)	Fiscal Year 1976[3] Total Amount Available to all areas (in thousands of dollars)	Percent of Total Amount Available Allocated to Sacramento Area
School Operations	4.8	147,539.0	.003
Aid to Public Schools	350.0	27,952.0	1.2
Career Development	2,764.9	54,679.0	5.0
Aid to Tribal Governments	609.1	11,997.0	5.1
Social Services	109.1	66,189.0	.2
Law Enforcement	30.0	24,500.0	.1
Housing	627.7	14,310.0	4.4
Indian Business Development Grants	230.0	10,000.0	2.3
Direct Employment Assistance	1,141.9	14,021.0	8.1

1. Figures obtained from Budget Data of Sacramento Area Office and from Interior Department Budget Estimates for Bureau of Indian Affairs.

2. Service Population Estimates obtained from June 1973 statistical data produced by the BIA.

3. Figures are estimates since FY 1976 program year is not as yet completed.

Attachment A

IHS and California

Among California Indians, the incidence of tuberculosis is six times that of the national average; of cirrhosis of the liver, four times; and of congenital malformations, almost two times. The California Indian death rate from influenza and pneumonia is over two times that of the total population. The average age at death in California is 62 years; for Indians it is 42 years. These figures testify to the gross inadequacy of Indian health care in the State of California. This inadequacy is even more disturbing given the fact that at least one-sixth of the national American Indian population resides in California. Of those Indians residing in California, at least one-third are living on land held in trust by the federal government. BIA figures - which are conservative estimates - admit that 6.7% of the national Indian population live on California reservations or rancherias.

Yet in spite of the concentration of Indian population in California, the Indian Health Services allocates only about 1% of its resources to health care for California Indians. (The National Indian Health Services appropriation is $239,424,000; California's assigned share is $2,727,000). Of 510 IHS doctors, only 3 are serving California Indians; of 1089 nurses, California has only 8; and of the 8000 total IHS employees, only 45 are assigned to California. Were California Indians living on reservations to receive funding on a per capita basis, they would be entitled to at least $16,041,408 as opposed to the $2,727,000 they presently receive.

The IHS defends this gross underfunding on the grounds that the U.S. House Concurrent Resolution 108 (passed on August 1, 1953) ended federal responsibility for California Indians. The termination policy upon which IHS policy is based, however, has since been abandoned, and, with the passage of the 1975 Indian Self-Determination Act, officially repudiated. Yet, IHS continues to deny California Indians a proportionate share of federal money, in spite of overwhelming need.

California Indian Legal Services have filed suit on behalf of the Rincon Band of Indians, challenging the procedure by which IHS allocates its resources (Rincon Band v. Weinberger). While this case may resolve some of the legal issues, it has not yet been set for trial.

BIA RESPONSE TO MAJOR ISSUES REGARDING CALIFORNIA HOUSING AND COMMUNITY DEVELOPMENT

The relationship of the Bureau of Indian Affairs to the Indian people is essentially an intergovernmental relationship between the Federal government and the federally-recognized Indian governments.

An individual Indian is eligible for BIA services as a member of a tribal government, not in his own right as an Indian person. The services provided by the Bureau to such members are for the most part restricted to members living on the reservation, or nearby. A few programs are available to members living away from the reservation. An Indian person who is not a member of a federally-recognized tribal government is not ordinarily eligible for Bureau services.

The federally-recognized tribal governments in California are located on 78 reservations and rancherias under the Sacramento Area Office, and 5 under the Phoenix Area Office. According to local Bureau estimates in April, 1976, the population of Indians on and adjacent to these locations totaled 8,340 in the Sacramento Area, and 1,252 in the California part of the Phoenix Area.

There are an estimated 30,000 other Indians living in the rural parts of counties where there is Indian trust land, however small. These persons are not living in the vicinity of their own trust land or they would have been counted in the figures given above. Consequently, they are either members of federally-recognized tribes living away from the reservation, or they are not members of any federally-recognized tribe.

In assessing the BIA funding for California, it must be kept in mind that the key number of California Indians for the Sacramento Area is 8,340.

Criteria used to determine funding from program to program: For programs on the band analysis, the decision as to how much each program gets within a total amount is determined by the local tribes working with the Agencies. There is no requirement that any particular formula be applied to any program. It all depends on the priorities as seen by the local people. In one location it may be that housing is a high priority, in another road maintenance, etc. Each Agency sets its own priorities, which are not affected by those of any other location.

CIVIL SERVICE COMMISSION REPORT

Senator DECONCINI. Last November, I am advised that the Civil Service Commission completed a study of the BIA's Washington office and said, among many other things, that the Washington office is badly mismanaged. The personnel office is in a state of complete and total breakdown. That is a quote in the report.

Specifically, what is being done about addressing these problems?

Mr. KRENZKE. The specific thing that has been done up to the present time in relation to that has been to develop a personnel management action plan that was approved back in January.

We have about 25 specific actions that we are working on at the present time in order to improve the personnel management of the BIA. We would be happy to provide the committee with a total and complete up-to-date report on these activities, if you wish.

Senator DECONCINI. Is that in direct relation to the Civil Service Commission report I made reference to? Is that what prompted the action?

Mr. KRENZKE. Yes. It is in direct relation to that as well as some internal actions of both the Bureau of Indian Affairs and the Department of Interior.

Senator DECONCINI. I think it would be very helpful if you would supply the committee with that to see what has been done. We are a little concerned about that report.

Mr. KRENZKE. We think that we are making good progress in that respect, Mr. Chairman.

[The information follows:]

Summary of BIA Action on Personnel Management Problems

Various long-standing and severe personnel management problems in the Bureau of Indian Affairs were spotlighted during the year preceding April 1976 by a number of U.S. Civil Service Commission evaluation reports. Recognizing the seriousness of the situation, the Commissioner of BIA and the Assistant Secretary-Management, Department of the Interior, signed on March 25, 1976, an Agreement detailing many steps to be taken to address these problems, including the designation of a full-time Project Manager to prepare an Action Plan for Personnel Management Improvement.

The Project Manager was designated on April 5, 1976. Based on extensive interviews throughout the Bureau with management and personnel officials, the Project Manager submitted a 52 page analysis and report with recommendations to the Commissioner on September 7, 1976. The first half of the report spoke to the Bureau's internal management condition—pointing up the needs for setting objectives, formulating and issuing policies, developing procedures and program evaluation standards, instituting an effective communication system, and providing problem-solving and decision-making leadership; while the rest of the report detailed the crucial personnel management problems and recommended 22 specific Action Plan Steps for improving the situation. This material is outlined below:

The Personnel Management Situation

Relationship to General Management
Conceptions of Personnel Management
Identification of the Main Problems
Indian preference
Tribal consultation on personnel actions
Indian intake and development
Qualification requirements and determinations
Performance standards
Classification standards
Supervisory/managerial training in personnel management
The personnel function itself

Action Plan Steps

General Management

1. Establish an effective institutional focus for internal management
2. Establish and operate an analytical program in the organizational, manpower allocation/utilization, and work methods areas
3. Design and conduct a program evaluation operation
4. Develop a communication/team work management style
5. Institute a management development program

Human Resource Management

1. Forecast the Bureau's manpower needs
2. Institution a positive recruitment system
3. Develop and operate an Indian intake-and-development program
4. Take steps to grow Indian candidates for technical/specialist positions
5. Issue guidelines on the application of Indian preference
6. Obtain legislative modifications in Indian preference
7. Further facilitate outplacement of non-Indians
8. Develop qualification standards/guidelines for major types of positions
9. Improve procedures for determining qualification for specific vacancies
10. Reissue updated and more specific guidelines for tribal consultation on personnel selections
11. Develop and operate an effective position management/classification program
12. Conduct management orientation and supervisory training in personnel management

Personnel Function Management

1. Redefine and clarify the role of a personnel office
2. Establish a program planning system
3. Provide Bureauwide coordination within the function
4. Improve operational methods
5. Conduct an evaluation program

On January 3, 1977, the Acting Commissioner approved the Bureau's Action Plan for Personnel Management Improvement. In signing the memorandum transmitting the plan to all Central Offices and Area Directors for immediate implementation, the

Commissioner stated that "Progress under the Action Plan" will be reported monthly, and review of its status and effectiveness is expected to be a regular part of the agenda of each Director's meeting in the future.

The work to be done has been assigned to the appropriate branches in the Divisions of Personnel Management under the general leadership of the Chief Personnel Officer. Several action items will involve participation by Area Office management and personnel officials, and in some cases manpower resources outside the Bureau will be used for specific work products. Deadline dates for completion of each sub-task are established in the plan, which identifies by name those responsible for accomplishment. Continued overall coordination and direction of the effort with the interest and concerns of the Department and the Civil Service Commission will be provided by the Project Manager.

INDIAN EDUCATION GOALS

Senator DECONCINI. I would like to turn to education. I presume that you have an expert there on Indian education. I will ask you a couple of questions.

What are the goals—or do you have goals in the BIA as they relate to Indian education?

Mr. DEMMERT. In looking at one of the reasons that I came to the Bureau of Indian Affairs, in looking at strategies and plans and recommendations that would improve the academic level of Indian students while retaining their cultural identity, in looking at specific kinds of goals and recommendations, we have set out a development process by starting at the community level, in 200 and some schools that we have throughout the country.

We have had several meetings and some formal plans on how that would be conducted. My own bias and the bias of education in the Bureau is that we shouldn't mandate or impose goals and priorities from the central office; that they should be developed at the community level and work their way up; and that the goals of the communities should be pulled together to outline the overall goals and objectives for the Bureau of Indian Affairs.

Senator DECONCINI. Are you saying then that the goals of the Papago Indians may be very different from those of the Navajo Indians?

Mr. DEMMERT. That would be taken into account. That is correct.

Senator DECONCINI. It will be taken into account as to the programs you would promulgate or authorize?

Mr. DEMMERT. That would be correct if the recommendations we have made—and they are out in the field for review and comment right now—are accepted and implemented.

QUALITY EDUCATION RELATED TO CASH

Senator DECONCINI. The cost of Indian education has risen dramatically in the past years. Are there indications that the increase in the quality of Indian education is proportionate? Do you have anything to come to that conclusion?

Mr. DEMMERT. I would like to answer that in an indirect way if that is possible, and if that is not acceptable, I will answer it directly.

Senator DECONCINI. OK.

Mr. DEMMERT. In the first instance, there is very little known about what increases academic achievement, or, in effect, what causes kids to become smart. The little that we do know points to community

parent-based educational programs where we work with parents that have children from zero to 3 or 4. Their preschool years. Where we stimulate intellectual development. The language base is set by age 2 or 3 we are told. But we develop a cultural base and a physical base, the emotional base beyond that.

We are told that the greatest single impact on the effectiveness of the program is the teacher. And the quality of the educational program depends to a large degree upon the quality of the teacher in that classroom, which means from our perspective a substantial amount put into preservice and inservice teacher training.

Unfortunately, we are still in the process of developing plans and haven't implemented any to accompany that.

Now, in terms of more money being spent for Indian education across the board, there is conflicting research on whether or not more money means an improved program, but I think that some of the recent information coming in on title I tends to indicate that it—that is, title I in the Office of Education—tends to indicate that there is a direct correlation.

You mentioned the direct increase in cost of the Bureau of Indian Affairs. There has been an increase and due partly, I think, to inflation; partly due to the fact that the student body is increasing somewhat, and the number of students that we serve in public schools is increasing. The number of students that we serve in BIA schools is increasing, even though the number of students that we serve in boarding schools is decreasing somewhat.

Senator DECONCINI. In January, the General Accounting Office submitted a report to Congress which was highly critical of the Bureau's education programs. GAO findings indicate that the Bureau has made little if any progress toward improving education for Indian children in the last 4 years. Specifically, what has the Bureau done to date, and what further actions are planned in the coming year to implement the recommendations contained in the report?

Mr. BUTLER. The Bureau submits for the record two responses that were made to GAO—one in December 1976, the other in March 1977—which will indicate what the Bureau has done and plans to do regarding these matters.

[The information follows:]

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

DEC 1 1976

Mr. Henry Eschwege
Director, Community and Economic
Development Division
U.S. General Accounting Office
Washington, D.C. 20548

Dear Mr. Eschwege:

This is in response to your report entitled, "Concerted Effort Needed to Improve the Quality of Education in Schools Operated by the Bureau of Indian Affairs."

For purposes of the response, a distinction needs to be made regarding the levels of operation of BIA education and the report findings. It is understood that the report deals in important detail with the failure of educational leadership in the BIA, both at the national and area levels. The audit did not cover the program developments that were carried on at the school and/or community level during the 1972-1976 period. There were many improvements in BIA education at the community level and some of these will be mentioned in this response.

In general, the Bureau agrees with the report but does have a few exceptions and would, in addition, like to describe new program direction currently being mounted. The Congress has clearly expressed its view that Indian education will be controlled at the local level in the Indian Self-Determination and Education Assistance Act of January 4, 1975. Section 2b of that Act reads as follows:

> "(1) true self-determination in any society of people is dependent upon an educational process which will insure the development of qualified people to fulfill meaningful leadership roles;
>
> "(2) the Federal responsibility for and assistance to education of Indian children has not effected the desired level of educational achievement or created the diverse opportunities and personal satisfaction which education can and should provide; and
>
> "(3) parental and community control of the educational process is of crucial importance to the Indian people."

The Bureau's response to your specific recommendations follow. For convenience, the recommendations of the report, as listed on page 30 of the draft report, will be followed in structuring the response.

1. "Determine the educational needs of Indian students so that appropriate programs can be designed to meet the needs." The Bureau agrees that a needs assessment tied to program cost is critical to help in determining viable directions in Indian education.

The BIA has conducted several specialized education needs assessments and has developed several models to be used for this purpose. Those which had been completed included the Oklahoma Indian Education Needs Assessment (February, 1976), Alaskan Native Needs Assessment in Education (1974), and the Bilingual Needs Assessment (October, 1975). These, combined with research and evaluation research, provide substantial descriptions of educational need.

The Congress should be aware that the Bureau has already made progress toward a national needs assessment in education. Plans for the assessment have been developed and relationships have been established between BIA and the United States Office of Education (USOE). Office of Indian Education (OIE). OIE is currently conducting a national needs assessment and it is planned that the BIA needs will be identified as part of it. Conducting a BIA needs assessment in cooperation with USOE eliminates needless duplication of effort and helps in establishing a national profile of educational need for American Indian children. This national profile would transcend governmental agency boundaries and thereby be of greater assistance to the Congress.

2. "Establish realistic goals and objectives for meeting the needs, and clearly communicate the goals and objectives to all operating levels in BIA, including schools." The Bureau agrees with this recommendation and is mounting efforts to meet it. This is the era of Indian self-determination and there is no place where it plays such an important role as in the establishment of goals. The approach being utilized for developing educational goals places this process squarely at the community or tribal level. Each tribe, school and/or community will be asked to develop its own set of educational goals. In effect, the sum total and range of locally developed educational goals will become those of the Bureau of Indian Affairs. The planning mechanism that has been implemented by the Bureau is directed to the individual schools, which are being asked to plan their education program, starting with the development of a set of goals. We believe that the GAO report supports this move within the BIA.

It is important to understand the relationship between the national needs assessment and the local determination of programs. Financial and program support for local initiatives will come from the Central Office of the Bureau of Indian Affairs. The national assessment is for the purpose of identifying indicators that can be used to gain support for what to expect as a result of local initiatives. A national needs assessment will not determine what will take place at the local level. However, a sound comprehensive national needs assessment provide the framework for identifying local needs.

3. "Develop a comprehensive educational program which includes specific policies, procedures, and practices to overcome the obstacles which impede progress in meeting established goals and objectives." The Bureau has had in past times what one could consider a comprehensive education program, but it is now in serious need of updating. The audit report correctly points out that the current set of goals dates back to 1953. Current efforts to modernize the education program include such proven practices as bilingual-bicultural education, early childhood education, special education (handicapped) and special efforts to infuse the curricula with culturally relevant materials. There have been special thrusts developed in each of these programs, and requests for increased support have been forwarded through the Bureau's budget development process. The main focus of the current effort is to move the funding of such basic programs from non-Interior, supplemental sources (such as ESEA, Title I) to Interior appropriations. In this sense, the report correctly describes the Bureau's limited current practices which have been supported by USOE programs and funds. Many school systems must consider bilingual-bicultural programs, early childhood (parent-based) and education of the handicapped as necessary offerings of a total school or community program. The Bureau is moving to the point when these offerings will be considered a part of the regular program as contrasted to supplementary to it.

4. "Monitor and evaluate the implementation of established educational goals and programs at all operating levels of the agency." As has been pointed out in the report, to do this effectively will require changes in the structure of the BIA. Currently, only occasional monitoring and evaluation of programs occurs, and this is more often than not related to serious administrative problems. The BIA is planning to move out of the "fire fighting" and "crisis" orientation to that where there is valid ongoing monitoring and evaluation. Part of this move has already taken place in the reorganization of Central Office education. One complete unit of the

new structure is devoted to providing technical services and monitoring programs. In the future, other organizational changes will have to be made in the Bureau so that field units can provide the direct contact for such activities. As the Bureau moves into tribally run and operated programs, its role will focus on monitoring and evaluation. This direction is related to the GAO recommendation that follows, which pertains to development of a mangement information system.

5. "Develop a management information system that will provide:

"1. Meaningful and comprehensive information on the academic aptitude and achievement levels of students in the BIA school system.

"2. Program-oriented financial management reports to meet the management needs of BIA education program officials."

The auditors correctly describe the BIA education plans regarding the development of a management information system. They were also correct in their understanding of the existing system and its limitations. It is important to note that the Bureau has developed plans to modernize the information system. The plans, currently being carried out, call for Bureau education to review the existing plans for adequacy and make the necessary adjustments in thrust and format. There is no quarrel with the finding that the Bureau's education program is in dire need of a modern computerized information system. Development of a new system is a high priority of the Education Office.

A priority goal of the new direction is to infuse the process and the system with accountability. In this sense, the primary aim is local Indian control wherein accountability would rest with the tribe, its school board and the local school administrator. Prepared plans are underway to make the changes in the system to achieve this goal.

In conclusion, regarding the management information system, we are in substantial agreement with the GAO's assessment of the Bureau's progress towards implementing a management information system.

The Bureau did undertake an updating of its testing program between 1972 and 1976. A comprehensive report was developed which was based on the work of a committee which met during 1972-1973. The outcome, which was reported in the 1976 GAO report, was a new section in the BIA field manual. The fact that a new testing policy was published in the manual is important, but more important is the new policy's meaning in relationship to the GAO report. The new BIA policy strongly endorses criterion based tests, as contrasted to standardized achievement tests which employ norms in scoring Indian children and are allegedly culturally biased. While the new policy does not rule out achievement testing as a method for evaluating effectiveness, it clearly places it in a position secondary to criterion-referenced tests. As a result of the testing committee report and the general negative perception of norm referenced achievement testing, the Bureau has not aggressively pursued implementation of a national testing program as recommended by GAO. According to current thinking, culturally biased tests (achievement tests, norm referenced) are not in the best educational interests of the Indian child.

CONCLUDING COMMENT

The entire report for 1976 as well as the entire range of programs in Indian Affairs must now be placed in a setting of self-determination. The perceptions or interpretations of the meaning of self-determination are many, but those of the Bureau are reflected in the Code of Federal Regulations and program descriptions. The GAO report interprets self-determination to mean that the Bureau will ". . . provide education services to Indians that will enable them to compete in the careers of their choice." The Bureau will continue to provide opportunities for development of skills leading to careers as well as resources for tribes to develop their own programs.

Self-determination in education means that tribes should decide education issues and programs. The most direct and clear example of self-determination is control. Control means that the tribe controls the school, including personnel, budget, and curriculum.

While new directions toward self-determination mean greater local control, this does not mean that the BIA has no program responsibility. The future role of the BIA will be that of providing technical services. The full meaning of technical services is not, at this point, known clearly, but it is reasonable to assume that it will contain elements of program expertise as reflected by tribal initiatives, evaluation and monitoring of tribal activities, and leadership or advocacy of Indian rights and needs. It is perhaps no longer possible, and it is certainly less fashionable, for the Bureau to assume a position of operating a strongly controlled program from the top down, which is implied in the GAO report. The role of the BIA now and in the future, as determined by the Congress and the Indian communities of the country, is to support and strengthen Indian self-determination.

To do this, the Bureau is making strong attempts to move decisionmaking in education as close to the school and community (tribe) as possible with actual tribal control the best form for doing it. Then, the BIA should provide strong support to tribes in carrying out their education programs. Certainly, one main role of the BIA is to provide financial support in the form of innovative programs which the tribe may wish to implement. The innovative programs which the BIA will support, will be based on contemporary thought, proven approaches and practices.

We appreciate the opportunity to comment on your draft.

Sincerely yours,

Albert C. Eglinton

Assistant Secretary - Administration
and Management

GAO RESPONSE:

This is in response to the General Accounting Office report on the Education program of the Bureau of Indian Affairs. The report was titled, "Concerted effort Needed to Improve Indian Education."

The comments of the Bureau of Indian Affairs, which were Appendix III, Pages 29 - 33, are still valid and should remain as contained in the report. However, there is need for further comment regarding the part of the report titled, "Agency Comments and Our Evaluation," which cover pages 20 - 23 of the report.

Those points concerned a comprehensive education program, identification of educational needs, and the development of goals and objectives are related and will be treated in our response as a single topic, under comprehensive Education Program.

Comprehensive Education Program

The Bureau of Indian Affairs has been very busy with its Education program since the conclusion of the Audit report. This is especially the case regarding assessing educational need among Indian children. For your information, the Bureau of Indian Affairs is in the process of completing formal arrangements for a joint project with the U.S. Office of Education to assess Indian educational need nationally. Reference was made to this in the last paragraph of page 20. The "fight" has been won.

The Director of Education convened a conference of school superintendents and principals on February 22-24, 1977. The main purpose

of the conference was to teach school administrators how to conduct a needs assessment for their local school. National authorities in conducting needs assessments were employed to provide the best available professional assistance to the work. Since the conference, follow-up has been implemented and a major project is currently being assigned to all levels of BIA Education Personnel. The project has each school conducting a needs assessment, each Area Office analyzing the reports of schools for their purposes, and the Central Office bringing it all together in a single BIA report. This project will be in more detail than the one that is being jointly sponsored with the U.S. Office of Education's Office of Indian Education in that it will consist of more detailed local information. The two projects will compliment each other and provide strong back-up for the educational needs of Indian children.

A second task of the needs assessment project is the development of long and short term objectives for each school. These will provide a total profile of objectives for the BIA Education Program.

On another point which is closely related to the comprehensive education program is the development and up-dating of educational goals. This subject came up in the House Education and Labor Committee Oversight Hearings on February 1-2, 1977. The Bureau has committed itself to updating education goals by the end of June, 1977. This task is less detailed than that related to assessing needs and developing objectives.

Information System

Work on the development of a computerized information system for BIA Education is progressing. One feature of it relates to the method

of funding BIA Education programs. A formula which provides a basic foundation program in education has been drafted and is receiving extensive review. Other aspects of the computerized system are pregressing.

Monitoring and Evaluation

The aspect of the Bureau's Education that will receive immediate development pertains to monitoring and evaluating BIA Education programs at schools and field offices. As noted in the report, a move has been made organizationally which will improve this aspect of the office tremendously. The reorganization is due to be implemented within the next sixty days and shortly thereafter, specific improvements can be carried out.

While the report has been very critical of the Bureau's Education program, it is believed that the improvements being made will do much to improve the situation as described by the report.

DIRECT SCHOOL FUNDING

Senator DECONCINI. In the report accompanying last year's appropriation bill, the committee directed the Bureau to develop a system allowing for direct funding from the central office to the BIA schools in an effort to keep the education program in the hands of educational personnel rather than area directors. This directive also seems to be in line with the GAO recommendations. What steps has the Bureau taken in this direction?

Mr. BUTLER. The recommendation regarding direct funding to schools has progressed satisfactorily since the Senate report was published. School superintendents and principals have provided input and support the proposed policy. The BIA is nearing completion of a funding process which provides a minimum "Foundation Program" for each school. A breakout of funding by school can accompany the fiscal year 1978 allotment to the field when the distribution is made by the central office. It is anticipated that the direct funding will be completed in time for the distribution of the fiscal year 1978 appropriation.

SCHOOL OPERATIONS

Senator DECONCINI. Tell us about the requested 59 new positions under school operations. What are they and where will they go?

Mr. DEMMERT. The 59 new positions are required to staff newly constructed facilities or expanded facilities where no school program existed previously. The positions are those normally associated with the operation of a school such as teacher, counselors, cooks, bus drivers, teacher aides, dormitory personnel, et cetera. Most are general schedule personnel ranging in grade from GS–4 to GS–11. Some are wage board employees who are paid on an hourly scale.

The positions will be allocated to those areas where new or expanded school construction is scheduled to be ready for occupancy in fiscal year 1978. A tentative list of school construction completions can be provided for the record.

[The information follows:]

School	*Number of Positions*
Santa Rosa Elem. & Sherman High	25
Fort McDowell Kindergarten	3
Hickiwan Kindergarten	3
San Felipe Kindergarten	3
San Ildefonso Kindergarten	3
Taos Kindergarten	3
Eek Kindergarten	3
Mountain Village Kindergarten	3
Tuluksak Kindergarten	3
Tununak Kindergarten	3
St. Michaels Kindergarten	2
Torreon Kindergarten	3
Undistributed	2
Total	59

DUPLICATION OF INDIAN EDUCATION

Senator DECONCINI. I would like to have your opinion on the problem of duplication of services in education. It appears to me, at least in the Arizona area, there seems to be a great duplication in what is termed Indian education. The BIA has a school and the State or county provides schools. Several religious groups have good and adequate schools.

How does the Bureau address that problem, to attempt to reduce the duplication? Do you intend to use some of those schools so that you don't have duplication?

What are some of the problems that you face? And how do you address the duplication of schools?

Mr. DEMMERT. In looking at construction we have an informal process which we are formalizing. The process looks at the private schools, the Bureau of Indian Affairs' schools, Public Law 81–815, are public schools, Public Law 93–638 public schools which are in addition to Public Law 81–815 public schools, and the contract schools in our planning and in our priority ranking system so that we won't be building a public school through Public Law 93–638 where we will be building a Bureau school through our regular Snyder Act authority or vice versa.

In terms of program overlap, there is an overlap in authority. For example, title IV of Public Law 92–318, the Indian Education Act of 1972, has many of the same authorities that the Johnson-O'Malley Act has in the sense that they both provide supplemental support to public schools.

In looking at that from both offices, I have had an opportunity to serve in both offices, we found that although there is an overlap in authority and responsibility, we don't necessarily duplicate services. In other words, we don't pay for a service twice. The amount of money going into Indian education, especially in public schools, has been limited. Most of the resources are put to very good use.

INDIAN BILINGUAL EDUCATION

Senator DECONCINI. Do you have some manner or way of attempting to coordinate with the other school systems outside the BIA?

Mr. DEMMERT. For money that comes in for Indian education? Yes. We are developing an agreement with bilingual education. In fact, we have under IPA exchanged two people. We have someone from our office working there. They have someone from their office working in our office in bilingual education. We are finalizing an agreement in the handicapped area. We have an agreement under title I—when title IV of the Indian Education Act people read proposals and make decisions on who to fund, last year and I would hope this year, the Bureau of Indian Affairs has provided some direction and guidance. We work it both ways.

Senator DECONCINI. I have found just from personal observation at the Navajo Reservation a real difficulty in attempting to zero in on the problem of multi educational availability up there which includes schools funded by religious groups. You get different responses

and opinions as to which one is better. Some think the Mormon School is better or the Baptist School is better or the county school is better. In other cases, the BIA's school is better because they have better living conditions for the teachers. It just appears to me to be a real problem and I don't have any suggestions or advice to you.

I am sure you are aware of it and I just appreciate your response that you realize that there is a real opportunity to minimize the duplication. Perhaps one school can do a better job, and you can put your resources some place else. I presume that is what you are telling me that you are trying to do.

Mr. DEMMERT. That is correct. In addition to that we recognize the complexity of Indian education. The Navajo is a prime example, as you clearly pointed out, in the Southwest.

We have held a national conference through the Federal Interagency Commission on Indian Education called FICE where we have looked at some of the problems. They will be coming forward with some recommendations, hopefully on how to correct some of them.

In addition to that, the Indian policy review commission has looked at Indian education and I assume will be coming forward with some recommendations in addition to that.

We have been doing some work or working very closely with the House of Representatives. They have held some oversight hearings and are looking into the problem and hopefully within the next year some good recommendations on how to pull all of that together will be forthcoming.

INCREASED FUNDS FOR EDUCATION

Senator DECONCINI. Let me ask you a few more questions about your education activities. The BIA is requesting $245.5 million for education. That is up about $5.7 million. The bulk of the increase is for BIA's school operations most of which is for banded programs. The justification says very little about how the increase of $4.1 million for banded programs will be used. Can you give us any more details on that?

Mr. DEMMERT. In terms of the increase in the band, most of that is as a result of direct interaction with the school superintendent or school principal, the appropriate area, agency, school board and the tribe.

As you pointed out, most of the increase in education has come through the band process. At the national level, we are not directly involved with exactly where that money goes in that particular school, but we are looking at the possibility of a new system that would give us a better indication from our point of view of what it takes to run a school in a particular State within the Bureau system.

We have a concept paper that has been developed and it is out for review and comment. We will be looking at that over the next few months.

Senator DECONCINI. Can you supply us with the specifics as to how the banded increase will be used for the record? Can you submit that to us later?

Mr. JOSEPH. Yes, sir.

Mr. GORRELL. Mr. Chairman, we have a complete display now of our fiscal 1978 budget that indicates how the banded amounts go to each agency. I think that will be most useful.

Senator DECONCINI. If you would submit that to us, I would appreciate that, Mr. Secretary.

[The information follows:]

BANDED AMOUNT DISTRIBUTED BY AGENCY, FISCAL YEAR 1978

The following tables show the distribution to each Area Office and Agency for the 41 programs included in the 1978 band analysis. These tables were mailed to each tribe in February.

Notice that lines 15, 16, 17 refer only to amounts to be added to the basic allocation for tribal courts, detention, and law enforcement. In 1978 the main funds for these programs were distributed on a needs analysis, not on the band analysis.

The paycost add-on is shown in column 2 for the whole Area. It will be distributed to the Agencies by the Area Office.

ABERDEEN • 1978 BANDED AMOUNTS BY AGENCY• PRESIDENT'S BUDGET AS OF DECEMBER 1976• TABLE RUN ON THU 01/27/77

(PAYCOST LUMPED: LINES 1,10 INCLUDED IN 2;5-9 IN 7;11 IN 13;19,21 IN 20;24 IN 23;26 IN 27;
25,29 IN 28;30,32,34,35 IN 31; 36 IN 37;38-40 IN 41)

LN	BDG	PROGRAM	AREA TOTAL	A00-00 PAY COST	A00-01 AREA OFFICE	A00-07 FLAN DREAM	A01-01 CHEYEN RIVER	A04-01 FT BER THOLD	A05-01 FORT TOTTEN	A06-01 PINE RIDGE	A07-01 ROSE BUD	A08-01 YANK TON
1	1000	EDUCATION & TRAINING-GENERAL	1020.5	0.0	371.1	0.0	43.0	46.0	43.7	181.4	25.0	0.0
2	1100	SCHOOL OPERATIONS	18411.3	754.6	4153.7	0.0	2237.5	608.8	532.5	4289.6	788.0	5.7
3	1100	ADDITIONS TO REGULAR JOM	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4	1361	CD - DIRECT INSTRUCTION	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5	1362	CD - INFORMAL LEARNING	287.6	0.0	15.0	9.9	20.3	27.7	7.9	37.5	34.5	20.8
6	1363	CD-RESIDENT CENTER TRAINING	22.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7	1364	CD-VOC. TRAIN. INSTITUTIONS	1782.7	7.1	165.2	5.4	122.4	157.3	67.6	277.6	238.9	61.6
8	1398	CD-NAV.CC.LAKOTA.SINTE GLISKA	599.1	0.0	0.0	0.0	0.0	0.0	0.0	305.6	293.5	0.0
9	1399	CD-ALL OTHER CAREER DEVELOPMEN	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10	1400	SPECIAL ED. EXPERIENCES	16.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	16.8
11	2000	COMMUNITY SERV. - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12	2168	AGRICULTURAL EXTENSION	436.2	0.0	303.2	0.0	0.0	0.0	0.0	60.7	45.6	0.0
13	2199	ALL OTHER AID TO TRIBAL GOV.	535.8	15.9	319.4	12.3	30.9	21.8	0.0	0.0	16.9	10.0
14	2200	SOCIAL SERVICES OPS.	1434.4	62.2	168.5	0.0	103.1	102.4	83.7	150.5	139.0	43.9
15	2300	ADDITIONS TO TRIBAL COURTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
16	2300	ADDITIONS TO DETENTION	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
17	2300	ADDITIONS TO LAW ENFORCEMENT	87.5	0.0	0.0	0.0	0.0	0.0	71.2	0.0	0.0	0.0
18	2400	HOUSING	1076.2	6.0	70.9	20.5	68.1	65.5	47.0	0.0	94.7	32.3
19	3000	COMMERCIAL DEVEL. - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
20	3100	COMMERCIAL ENTERPRISE DEVEL.	131.2	24.6	83.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
21	3200	CREDIT & FINANCING OPS.	546.4	0.0	120.0	0.0	43.0	37.8	0.0	67.5	60.8	23.0
22	3300	DIRECT EMPLOYMENT ASSIST.	3155.3	20.0	1792.1	1.5	105.3	42.0	55.7	233.2	125.4	40.2
23	3500	ROAD MAINTENANCE	1855.6	117.0	55.5	3.8	231.6	133.9	174.2	230.8	146.4	0.0
24	3700	AIRSTRIP MAINTENANCE	1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.3	0.0
25	4000	TRUST SERVICES - GENERAL	37.7	0.0	37.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
26	4122	RTS. PROT. - ENVIRON. QUALITY	42.3	0.0	35.0	0.0	3.2	4.1	0.0	0.0	0.0	0.0
27	4199	ALL OTHER RIGHTS PROTECTION	157.7	1.8	28.9	0.0	9.7	45.8	0.0	0.0	25.0	0.0
28	4200	REAL ESTATE SERVICES	1732.6	77.8	750.0	0.0	102.5	75.0	39.8	148.5	123.0	45.5
29	4300	FINANCIAL TRUST SERVICES	389.2	0.0	194.4	0.0	26.9	27.8	0.0	53.0	43.2	0.0
30	5000	NATURAL RESOURCES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
31	5100	AGRICULTURE	1804.9	74.1	198.9	0.0	161.3	213.8	34.8	238.9	313.9	41.8
32	5200	FORESTRY	72.2	0.0	0.0	0.0	3.6	22.8	0.0	2.2	2.2	0.0
33	5300	MINERAL & MINING	39.7	1.0	0.0	0.0	3.2	23.0	0.0	0.0	0.0	0.0
34	5400	WATER RESOURCES	96.0	0.0	37.7	0.0	0.0	29.9	0.0	0.0	28.4	0.0
35	5700	WILDLIFE & PARKS	67.9	0.0	0.0	0.0	18.0	36.5	0.0	0.0	0.0	0.0
36	6000	FACILITIES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
37	6300	FACILITIES, OP. & MAINTENANCE	7661.1	325.9	1752.4	0.0	805.2	428.9	161.6	1749.5	500.0	2.8
38	7100	EXECUTIVE DIRECTION	674.5	0.0	128.9	0.0	46.9	60.0	42.8	53.4	49.3	44.0
39	7261	ADMIN-PROGRAM DEV. & BUDGET	515.6	0.0	196.0	0.0	33.4	34.2	27.2	28.8	29.9	0.0
40	7271	ADMIN-SAFETY MANAGEMENT	135.5	0.0	113.3	0.0	0.0	1.3	0.0	15.5	0.0	0.0
41	7299	ALL OTHER ADMINISTRATIVE SERV.	2396.9	135.9	1285.3	0.0	61.0	130.0	45.7	324.5	57.6	34.5
42	0	BLANK--NOT USED	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
43	0	TOTAL BANDED	47220.2	1625.9	12357.0	53.4	4280.1	2376.3	1364.2	8519.9	3182.5	424.9

(PAYCOST LUMPED: LINES 1,10 INCLUDED IN 2:5-9 IN 7:11 IN 13:19,21 IN 20:24 IN 23:25 IN 27:
25,29 IN 28:30,32,34,35 IN 31: 36 IN 37:38-40 IN 41)

LN	BDG	PROGRAM	A09-01 SISSE TON	A10-01 STNDNG ROCK	A11-01 TURTLE MOUNT	A11-04 TREN TON	A13-01 WINNE BAGO	A14-01 CROW CREEK	A15-01 LOWER BRULE
1	1000	EDUCATION & TRAINING-GENERAL	45.5	84.2	66.5	15.5	30.0	35.8	32.8
2	1100	SCHOOL OPERATIONS	126.6	1470.6	2217.3	0.0	62.1	834.0	330.3
4	1100	ADDITIONS TO REGULAR JOB	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4	1361	CD - DIRECT INSTRUCTION	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5	1362	CD - INFORMAL LEARNING	23.0	20.7	17.9	0.0	47.6	3.2	1.6
6	1363	CD-RESIDENT CENTER TRAINING	0.0	0.0	0.0	0.0	0.0	22.5	0.0
7	1364	CD-VOC. TRAIN. INSTITUTIONS	107.6	155.1	251.6	0.0	108.3	30.5	46.7
8	1398	CD-NAV.CC,LAKOTA,SINTE GLISKA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	1399	CD-ALL OTHER CAREER DEVELOPMEN	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10	1400	SPECIAL ED. EXPERIENCES	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11	2000	COMMUNITY SERV. - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12	2168	AGRICULTURAL EXTENSION	21.6	0.0	3.1	0.0	0.0	0.0	0.0
13	2199	ALL OTHER AID TO TRIBAL GOV.	18.2	31.7	41.9	0.0	11.0	1.2	4.6
14	2200	SOCIAL SERVICES OPS.	76.0	136.5	191.9	0.0	94.2	46.7	33.8
15	2300	ADDITIONS TO TRIBAL COURTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
16	2300	ADDITIONS TO DETENTION	0.0	0.0	0.0	0.0	0.0	0.0	0.0
17	2300	ADDITIONS TO LAW ENFORCEMENT	0.0	0.0	16.3	0.0	0.0	0.0	0.0
18	2400	HOUSING	104.6	99.6	204.9	67.4	89.8	74.0	30.9
19	3000	COMMERCIAL DEVEL. - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0
20	3100	COMMERCIAL ENTERPRISE DEVEL.	7.2	0.0	0.0	14.6	0.0	0.9	0.0
21	3200	CREDIT & FINANCING OPS.	17.9	54.9	43.3	0.0	38.6	14.9	24.7
22	3300	DIRECT EMPLOYMENT ASSIST.	63.6	132.9	328.3	48.3	105.7	30.9	30.2
23	3500	ROAD MAINTENANCE	85.9	140.2	262.8	0.0	113.7	63.3	96.5
24	3700	AIRSTRIP MAINTENANCE	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25	4000	TRUST SERVICES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0
26	4122	RTS. PROT. - ENVIRON. QUALITY	0.0	0.0	0.0	0.0	0.0	0.0	0.0
27	4199	ALL OTHER RIGHTS PROTECTION	0.0	0.0	0.0	0.0	0.0	12.6	36.1
28	4200	REAL ESTATE SERVICES	73.3	98.2	67.1	27.3	56.8	24.4	23.4
29	4300	FINANCIAL TRUST SERVICES	5.5	38.4	0.0	0.0	0.0	0.0	0.0
30	5000	NATURAL RESOURCES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0
31	5100	AGRICULTURE	61.3	221.3	30.6	0.0	82.6	48.6	83.6
32	5200	FORESTRY	0.0	0.0	4.9	0.0	35.0	0.0	1.5
33	5300	MINERAL & MINING	0.0	0.0	0.0	0.0	0.0	0.0	12.5
34	5400	WATER RESOURCES	0.0	0.0	0.0	0.0	0.0	0.0	0.0
35	5700	WILDLIFE & PARKS	0.0	0.0	0.0	0.0	0.0	0.0	8.4
36	6000	FACILITIES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0
37	6300	FACILITIES, OP. & MAINTENANCE	47.0	723.8	758.0	0.0	92.0	163.5	150.5
38	7100	EXECUTIVE DIRECTION	40.8	46.0	45.8	0.0	39.0	31.0	46.6
39	7261	ADMIN-PROGRAM DEV. & BUDGET	33.6	44.6	24.7	0.0	22.0	23.5	21.1
40	7271	ADMIN-SAFETY MANAGEMENT	0.0	5.4	0.0	0.0	0.0	0.0	0.0
41	7299	ALL OTHER ADMINISTRATIVE SERV.	39.7	53.6	63.7	0.0	108.0	31.1	26.3
42	0	BLANK--NOT USED	0.0	0.0	0.0	0.0	0.0	0.0	0.0
43	0	TOTAL BANDED	998.7	3557.3	4640.2	173.1	1136.2	1492.6	1040.1

NOTE: Administration for the Trenton Area is included in the Turtle Mountain band. It was 27.0 in 1977.

ALBUQUERQUE . 1978 BANDED AMOUNTS BY AGENCY. PRESIDENT'S BUDGET AS OF DECEMBER 1976. TABLE RUN ON THU 01/27/77

(PAYCOST LUMPED: LINES 1,10 INCLUDED IN 2;5-9 IN 7;11 IN 13;19,21 IN 20;24 IN 23;26 IN 27; 25,29 IN 28;30,32,34,35 IN 31; 36 IN 37;38-40 IN 41)

LN	BDG	PROGRAM	M AREA TOTAL	M60-00 PAY COST	M00-01 AREA OFFICE	M20-01 SOUTHN PUEBLO	M25-01 NORTHN PUEBLO	M40-01 SOUTHN UTE	M45-01 UTE MOUNT	M50-01 JICA RILLA	M60-01 MESCA LERO	M70-01 ZUNI
1	1000	EDUCATION & TRAINING-GENERAL	682.5	0.0	216.2	209.5	154.1	0.0	19.7	38.3	21.3	23.4
2	1100	SCHOOL OPERATIONS	13108.0	283.0	6394.2	3021.1	783.0	363.4	0.0	137.0	2.1	0.0
3	1100	ADDITIONS TO REGULAR JOM	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4	1361	CD - DIRECT INSTRUCTION	150.5	0.0	0.0	87.1	36.9	12.7	0.0	0.0	15.8	0.0
5	1362	CD - INFORMAL LEARNING	39.6	0.0	0.0	0.0	0.7	4.7	29.5	0.0	4.7	0.0
6	1363	CD-RESIDENT CENTER TRAINING	8.8	0.0	0.0	5.0	3.8	0.0	0.0	0.0	0.0	0.0
7	1364	CD-VOC. TRAIN. INSTITUTIONS	795.2	27.5	0.0	290.1	154.3	70.8	68.1	49.6	25.6	58.9
8	1399	CD-NAV.CO.,LAKOTA,SINTE GLISKA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	1399	CD-ALL OTHER CAREER DEVELOPMEN	51.2	0.0	51.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10	1400	SPECIAL ED. EXPERIENCES	385.7	0.0	10.9	337.5	1.6	3.8	0.0	12.6	10.3	10.0
11	2000	COMMUNITY SERV. - GENERAL	51.2	0.0	51.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12	2168	AGRICULTURAL EXTENSION	305.9	0.0	0.0	132.9	0.0	42.8	0.0	56.0	30.9	43.3
13	2199	ALL OTHER AID TO TRIBAL GOV.	240.2	13.3	129.3	44.8	47.6	0.0	1.3	0.0	0.4	5.0
14	2200	SOCIAL SERVICES OPS.	948.1	21.5	45.5	258.9	117.0	53.3	87.1	74.6	77.6	49.4
15	2300	ADDITIONS TO TRIBAL COURTS	13.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	18.9
16	2300	ADDITIONS TO DETENTION	3.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.2
17	2300	ADDITIONS TO LAW ENFORCEMENT	133.6	0.0	0.0	0.0	0.0	57.7	0.0	0.0	0.0	75.9
18	2400	HOUSING	950.4	18.9	47.2	253.7	217.1	41.6	68.7	49.3	60.1	117.8
19	3000	COMMERCIAL DEVEL. - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
20	3100	COMMERCIAL ENTERPRISE DEVEL.	69.7	12.0	41.4	16.3	0.0	0.0	0.0	0.0	0.0	0.0
21	3200	CREDIT & FINANCING OPS.	316.0	0.0	79.3	58.4	48.3	35.8	0.0	32.6	15.4	27.8
22	3300	DIRECT EMPLOYMENT ASSIST.	439.2	8.9	48.6	180.0	15.2	11.6	28.3	8.0	64.5	51.6
23	3500	ROAD MAINTENANCE	1214.4	60.0	0.0	254.9	113.2	65.0	70.8	190.2	175.8	177.5
24	3700	AIRSTRIP MAINTENANCE	4.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.7
25	4000	TRUST SERVICES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
26	4122	RTS. PROT. - ENVIRON. QUALITY	83.3	0.0	83.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
27	4199	ALL OTHER RIGHTS PROTECTION	800.0	7.4	792.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
28	4200	REAL ESTATE SERVICES	849.0	27.0	401.0	106.9	142.5	35.5	34.4	36.9	20.0	45.7
29	4300	FINANCIAL TRUST SERVICES	42.0	0.0	42.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
30	5000	NATURAL RESOURCES - GENERAL	51.2	0.0	51.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
31	5100	AGRICULTURE	2307.7	129.8	212.1	632.6	238.3	157.2	130.8	188.8	212.5	276.6
32	5200	FORESTRY	781.4	0.0	195.9	61.4	101.0	46.1	3.3	119.0	239.4	15.3
33	5300	MINERAL & MINING	46.8	1.2	45.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
34	5400	WATER RESOURCES	42.4	0.0	42.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
35	5700	WILDLIFE & PARKS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
36	6000	FACILITIES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
37	6300	FACILITIES, OP. & MAINTENANCE	4898.2	130.1	2325.0	814.6	305.0	225.7	6.0	100.9	168.7	0.0
38	7100	EXECUTIVE DIRECTION	682.4	0.0	262.1	53.7	52.2	63.0	60.0	54.1	47.3	60.0
39	7261	ADMIN-PROGRAM DEV. & BUDGET	282.6	0.0	81.6	33.4	51.2	0.0	35.0	31.7	12.5	37.2
40	7271	ADMIN-SAFETY MANAGEMENT	59.2	0.0	34.4	24.8	0.0	0.0	0.0	0.0	0.0	0.0
41	7299	ALL OTHER ADMINISTRATIVE SERV.	1811.8	117.5	1207.3	101.2	101.3	41.6	20.0	58.6	72.9	43.7
42	0	BLANK--NOT USED	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
43	0	TOTAL BANDED	32556.0	858.1	12886.5	6958.6	2682.4	1332.3	664.0	1437.1	1277.8	1125.9

(PAYCOST LUMPED: LINES 1,10 INCLUDED IN 2:5-9 IN 7:11 IN 13:19,21 IN 20:24 IN 23:26 IN 27:
25,29 IN 29:30,32,34,35 IN 37: 36 IN 37:38-40 IN 41)

LN	BOC	PROGRAM	M25-01 RAMAH
1	1000	EDUCATION & TRAINING-GENERAL	0.0
2	1100	SCHOOL OPERATIONS	2122.3
3	1100	ADDITIONS TO REGULAR SCH	0.0
4	1361	CD - DIRECT INSTRUCTION	0.0
5	1362	CD - INFORMAL LEARNING	0.0
6	1363	CD-RESIDENT CENTER TRAINING	0.0
7	1364	CD-VOC. TRAIN. INSTITUTIONS	50.5
8	1398	CD-NAV.CC.LAKOTA.SINTE GLISKA	0.0
9	1399	CD-ALL OTHER CAREER DEVELOPMEN	0.0
10	1400	SPECIAL ED. EXPERIENCES	0.0
11	2000	COMMUNITY SERV. - GENERAL	0.0
12	2163	AGRICULTURAL EXTENSION	0.0
13	2199	ALL OTHER AID TO TRIBAL GOV.	1.0
14	2200	SOCIAL SERVICES OPS.	56.0
15	2300	ADDITIONS TO TRIBAL COURTS	0.0
16	2300	ADDITIONS TO DETENTION	0.0
17	2300	ADDITIONS TO LAW ENFORCEMENT	0.0
18	2400	HOUSING	80.0
19	3000	COMMERCIAL DEVEL. - GENERAL	0.0
20	3100	COMMERCIAL ENTERPRISE DEVEL.	0.0
21	3200	CREDIT & FINANCING OPS.	18.4
22	3300	DIRECT EMPLOYMENT ASSIST.	47.0
23	3500	ROAD MAINTENANCE	106.9
24	3700	AIRSTRIP MAINTENANCE	0.0
25	4000	TRUST SERVICES - GENERAL	0.0
26	4122	RTS. PROT. - ENVIRON. QUALITY	0.0
27	4199	ALL OTHER RIGHTS PROTECTION	0.0
28	4200	REAL ESTATE SERVICES	0.0
29	4300	FINANCIAL TRUST SERVICES	0.0
30	5000	NATURAL RESOURCES - GENERAL	0.0
31	5100	AGRICULTURE	129.0
32	5200	FORESTRY	0.0
33	5300	MINERAL & MINING	0.0
34	5400	WATER RESOURCES	0.0
35	5700	WILDLIFE & PARKS	0.0
36	6000	FACILITIES - GENERAL	0.0
37	6300	FACILITIES, OP. & MAINTENANCE	622.2
38	7100	EXECUTIVE DIRECTION	50.0
39	7261	ADMIN-PROGRAM DEV. & BUDGET	0.0
40	7271	ADMIN-SAFETY MANAGEMENT	0.0
41	7299	ALL OTHER ADMINISTRATIVE SERV.	47.0
42	0	BLANK--NOT USED	0.0
43	0	TOTAL BANDED	3333.3

ANADARKO . 1978 BANDED AMOUNTS BY AGENCY. PRESIDENT'S BUDGET AS OF DECEMBER 1976. TABLE RUN ON THU 01/27/77

(PAYCOST LUMPED: LINES 1,10 INCLUDED IN 2;5-9 IN 7;11 IN 13;19,21 IN 20;24 IN 23;26 IN 27;
25,29 IN 28;30,32,34,35 IN 31; 36 IN 37;38-40 IN 41)

LN	BDG	PROGRAM	AREA TOTAL	880-00 PAY COST	800-01 AREA OFFICE	899-99 BRDNG SCHLS	804-01 HORTON	805-01 CONCHO	806-01 ANA DARKO	807-01 PAWNEE	808-01 SHAW NEE
1	1000	EDUCATION & TRAINING-GENERAL	266.6	0.0	266.6	0.0	0.0	0.0	0.0	0.0	0.0
2	1100	SCHOOL OPERATIONS	10909.4	236.8	0.0	10672.6	0.0	0.0	0.0	0.0	0.0
3	1100	ADDITIONS TO REGULAR PGM	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4	1361	CD - DIRECT INSTRUCTION	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5	1362	CD - INFORMAL LEARNING	232.2	0.0	31.5	0.0	40.6	9.1	114.8	10.8	25.4
6	1363	CD-RESIDENT CENTER TRAINING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7	1364	CD-VOC. TRAIN. INSTITUTIONS	814.7	18.8	41.2	0.0	66.9	138.3	275.2	110.7	163.6
8	1398	CD-NAV.CC,LAKOTA,SINTE GLISKA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	1399	CD-ALL OTHER CAREER DEVELOPMEN	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10	1400	SPECIAL ED. EXPERIENCES	84.4	0.0	0.0	84.4	0.0	0.0	0.0	0.0	0.0
11	2000	COMMUNITY SERV. - GENERAL	73.8	0.0	73.8	0.0	0.0	0.0	0.0	0.0	0.0
12	2168	AGRICULTURAL EXTENSION	84.5	0.0	84.5	0.0	0.0	0.0	0.0	0.0	0.0
13	2199	ALL OTHER AID TO TRIBAL GOV.	310.3	13.8	166.8	0.0	0.0	0.0	34.8	35.1	59.8
14	2200	SOCIAL SERVICES OPS.	618.0	24.0	119.2	21.0	28.6	149.9	93.5	89.4	91.2
15	2300	ADDITIONS TO TRIBAL COURTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
16	2300	ADDITIONS TO DETENTION	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
17	2300	ADDITIONS TO LAW ENFORCEMENT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
18	2400	HOUSING	789.5	8.0	81.1	0.0	70.0	98.9	315.9	70.6	145.0
19	3000	COMMERCIAL DEVEL. - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
20	3100	COMMERCIAL ENTERPRISE DEVEL.	134.8	7.7	74.5	0.0	0.0	22.4	0.0	0.0	30.2
21	3200	CREDIT & FINANCING OPS.	307.1	0.0	99.8	0.0	33.6	36.3	58.4	44.0	35.0
22	3300	DIRECT EMPLOYMENT ASSIST.	780.8	12.2	145.9	0.0	129.8	102.1	183.3	105.7	101.8
23	3500	ROAD MAINTENANCE	54.2	0.0	0.0	0.0	19.0	1.8	8.3	15.4	9.7
24	3700	AIRSTRIP MAINTENANCE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25	4000	TRUST SERVICES - GENERAL	67.6	0.0	67.6	0.0	0.0	0.0	0.0	0.0	0.0
26	4122	RTS. PROT. - ENVIRON. QUALITY	31.7	0.0	31.7	0.0	0.0	0.0	0.0	0.0	0.0
27	4199	ALL OTHER RIGHTS PROTECTION	2.4	2.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
28	4200	REAL ESTATE SERVICES	1154.6	44.1	333.8	0.0	80.5	138.7	274.8	159.4	123.3
29	4300	FINANCIAL TRUST SERVICES	186.5	0.0	139.1	0.0	0.0	11.0	13.3	12.6	10.5
30	5000	NATURAL RESOURCES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
31	5100	AGRICULTURE	873.2	32.0	138.0	0.0	37.8	194.5	309.8	129.7	31.4
32	5200	FORESTRY	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
33	5300	MINERAL & MINING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
34	5400	WATER RESOURCES	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
35	5700	WILDLIFE & PARKS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
36	6000	FACILITIES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
37	6300	FACILITIES, OP. & MAINTENANCE	3500.2	90.0	262.6	3121.7	8.9	0.0	10.1	2.9	4.0
38	7100	EXECUTIVE DIRECTION	257.2	0.0	90.9	0.0	2.1	1.6	61.2	61.7	39.7
39	7261	ADMIN-PROGRAM DEV. & BUDGET	176.0	0.0	89.2	0.0	23.0	32.6	0.0	0.0	31.2
40	7271	ADMIN-SAFETY MANAGEMENT	38.4	0.0	38.4	0.0	0.0	0.0	0.0	0.0	0.0
41	7299	ALL OTHER ADMINISTRATIVE SERV.	598.0	42.7	373.4	0.0	54.0	80.4	32.1	0.0	15.4
42	0	BLANK--NOT USED	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
43	0	TOTAL BANDED	22346.1	532.5	2740.6	13899.7	605.0	1017.6	1785.5	868.0	917.2

BILLINGS . 1978 BANDED AMOUNTS BY AGENCY. PRESIDENT'S BUDGET AS OF DECEMBER 1976. TABLE RUN ON FRI 01/28/77

(RAYCOST LUMPED: LINES 1,10 INCLUDED IN 2;5-9 IN 7;11 IN 13;19,21 IN 20;24 IN 23;26 IN 27;
25,29 IN 28;30,32,34,35 IN 31; 36 IN 37;38-40 IN 41)

LN	BOC	PROGRAM	C AREA TOTAL	C80-00 PAY COST	C50-01 AREA OFFICE	C51-01 BLACK FEET	C52-01 CROW	C53-01 FLAT HEAD	C55-01 FT BEL KNAP	C56-01 FORT PECK	C57-01 NORTHN CHEYEN	C58-01 WIND RIVER
1	1000	EDUCATION & TRAINING-GENERAL	410.8	0.0	85.0	0.0	80.6	43.8	47.4	39.8	47.5	36.5
2	1100	SCHOOL OPERATIONS	1920.5	28.5	48.8	288.5	0.0	0.0	0.0	0.0	1150.4	404.3
3	1100	ADDITIONS TO REGULAR SCH	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4	1361	CD - DIRECT INSTRUCTION	65.8	0.0	6.5	0.0	59.3	0.0	0.0	0.0	0.0	0.0
5	1362	CD - INFORMAL LEARNING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6	1363	CD-RESIDENT CENTER TRAINING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7	1364	CD-VOC. TRAIN. INSTITUTIONS	770.6	13.7	56.6	82.3	127.5	104.6	57.1	136.2	33.7	110.3
8	1398	CD-NAV.&CC,LAKOTA,SINTE GLISKA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	1399	CD-ALL OTHER CAREER DEVELOPMEN	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10	1400	SPECIAL ED. EXPERIENCES	34.7	0.0	0.0	5.6	0.0	0.0	0.0	8.5	0.0	11.8
11	2000	COMMUNITY SERV. - GENERAL	39.5	0.0	39.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12	2168	AGRICULTURAL EXTENSION	132.2	0.0	0.0	20.0	0.0	0.0	34.4	0.0	24.3	30.9
13	2199	ALL OTHER AID TO TRIBAL GOV.	316.4	26.8	160.4	1.6	67.6	0.0	55.1	1.5	0.0	2.2
14	2200	SOCIAL SERVICES OPS.	716.8	31.3	75.5	120.0	121.5	68.9	44.7	94.2	51.2	79.4
15	2300	ADDITIONS TO TRIBAL COURTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
16	2300	ADDITIONS TO DETENTION	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
17	2300	ADDITIONS TO LAW ENFORCEMENT	22.6	0.0	0.0	0.0	0.0	0.0	0.0	22.6	0.0	0.0
18	2400	HOUSING	1088.3	9.8	44.5	248.1	158.1	131.8	42.8	130.7	115.5	171.2
19	3000	COMMERCIAL DEVEL. - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
20	3100	COMMERCIAL ENTERPRISE DEVEL.	93.0	16.2	44.1	0.0	13.6	0.0	19.1	0.0	0.0	0.0
21	3200	CREDIT & FINANCING OPS.	368.9	0.0	141.6	25.0	36.3	0.0	51.7	46.0	23.6	20.6
22	3300	DIRECT EMPLOYMENT ASSIST.	464.0	6.7	87.0	93.6	35.6	47.2	48.0	54.5	46.9	14.8
23	3500	ROAD MAINTENANCE	1070.7	48.0	44.5	184.4	120.1	90.0	126.2	127.1	91.7	160.9
24	3700	AIRSTRIP MAINTENANCE	2.5	0.0	0.0	0.0	0.0	0.0	2.5	0.0	0.0	0.0
25	4000	TRUST SERVICES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
26	4122	RTS. PROT. - ENVIRON. QUALITY	65.9	0.0	65.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
27	4199	ALL OTHER RIGHTS PROTECTION	475.5	13.5	382.8	18.4	0.0	36.7	0.0	0.0	0.0	24.1
28	4200	REAL ESTATE SERVICES	1606.6	66.9	563.6	171.2	170.8	125.2	100.3	149.5	90.5	159.9
29	4300	FINANCIAL TRUST SERVICES	269.6	0.0	93.3	29.0	34.4	11.2	5.3	36.3	21.8	37.6
30	5000	NATURAL RESOURCES - GENERAL	44.0	0.0	44.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
31	5100	AGRICULTURE	1387.1	76.2	146.5	250.0	180.3	67.3	156.2	168.6	93.0	203.1
32	5200	FORESTRY	849.1	0.0	135.1	63.5	56.9	376.1	24.5	0.5	130.4	35.2
33	5300	MINERAL & MINING	31.9	0.8	31.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
34	5400	WATER RESOURCES	9.9	0.0	0.0	7.0	0.0	0.0	0.0	0.0	0.0	2.9
35	5700	WILDLIFE & PARKS	58.6	0.0	31.6	16.0	7.1	1.6	2.1	0.0	0.0	0.0
36	6000	FACILITIES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
37	6300	FACILITIES, OP. & MAINTENANCE	1755.9	65.3	197.8	246.3	290.0	15.8	146.1	198.7	355.1	165.6
38	7100	EXECUTIVE DIRECTION	354.5	0.0	107.0	50.9	0.0	0.0	0.0	43.2	50.0	54.8
39	7261	ADMIN-PROGRAM DEV. & BUDGET	429.8	0.0	186.8	36.6	52.0	30.4	25.3	39.5	31.3	14.8
40	7271	ADMIN-SAFETY MANAGEMENT	59.3	0.0	45.6	0.0	3.5	1.3	0.0	8.9	0.0	0.0
41	7299	ALL OTHER ADMINISTRATIVE SERV.	1228.2	89.0	591.0	54.8	120.2	105.2	91.6	48.3	47.5	59.7
42	0	BLANK--NOT USED	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
43	0	TOTAL BANDED	16143.0	492.7	3457.1	2012.6	1735.4	1257.1	1078.4	1354.6	2404.4	1800.4

(PAYCOST LUMPED: LINES 1,10 INCLUDED IN 2:5-9 IN 7:11 IN 13:19,21 IN 20:24 IN 23:26 IN 27:
25,29 IN 29:30,32,34,35 IN 31: 36 IN 37:38-40 IN 41)

LN	BDG	PROGRAM	C59-01 ROCKY BOYS
1	1000	EDUCATION & TRAINING-GENERAL	29.2
2	1100	SCHOOL OPERATIONS	0.0
3	1100	ADDITIONS TO REGULAR JOM	0.0
4	1361	CD - DIRECT INSTRUCTION	0.0
5	1362	CD - INFORMAL LEARNING	0.0
6	1363	CD-RESIDENT CENTER TRAINING	0.0
7	1364	CD-VOC. TRAIN. INSTITUTIONS	48.6
8	1398	CD-NAV.CC.LAKOTA,SINTE GLISKA	0.0
9	1399	CD-ALL OTHER CAREER DEVELOPMEN	0.0
10	1400	SPECIAL ED. EXPERIENCES	8.8
11	2000	COMMUNITY SERV. - GENERAL	0.0
12	2168	AGRICULTURAL EXTENSION	22.6
13	2199	ALL OTHER AID TO TRIBAL GOV.	1.2
14	2200	SOCIAL SERVICES OPS.	30.1
15	2300	ADDITIONS TO TRIBAL COURTS	0.0
16	2300	ADDITIONS TO DETENTION	0.0
17	2300	ADDITIONS TO LAW ENFORCEMENT	0.0
18	2400	HOUSING	35.8
19	3000	COMMERCIAL DEVEL. - GENERAL	0.0
20	3100	COMMERCIAL ENTERPRISE DEVEL.	0.0
21	3200	CREDIT & FINANCING OPS.	24.1
22	3300	DIRECT EMPLOYMENT ASSIST.	29.7
23	3500	ROAD MAINTENANCE	77.8
24	3700	AIRSTRIP MAINTENANCE	0.0
25	4000	TRUST SERVICES - GENERAL	0.0
26	4122	RTS. PROT. - ENVIRON. QUALITY	0.0
27	4199	ALL OTHER RIGHTS PROTECTION	0.0
28	4200	REAL ESTATE SERVICES	8.7
29	4300	FINANCIAL TRUST SERVICES	0.9
30	5000	NATURAL RESOURCES - GENERAL	0.0
31	5100	AGRICULTURE	45.9
32	5200	FORESTRY	26.9
33	5300	MINERAL & MINING	0.0
34	5400	WATER RESOURCES	0.0
35	5700	WILDLIFE & PARKS	0.0
36	6000	FACILITIES - GENERAL	0.0
37	6300	FACILITIES, OP. & MAINTENANCE	77.2
38	7100	EXECUTIVE DIRECTION	48.6
39	7261	ADMIN-PROGRAM DEV. & BUDGET	13.3
40	7271	ADMIN-SAFETY MANAGEMENT	0.0
41	7299	ALL OTHER ADMINISTRATIVE SERV.	20.9
42	0	BLANK--NOT USED	0.0
43	0	TOTAL BANDED	550.3

EASTERN . 1978 BANDED AMOUNTS BY AGENCY. PRESIDENT'S BUDGET AS OF DECEMBER 1976. TABLE RUN ON THU 01/27/77

(PAYCOST LUMPED: LINES 1,10 INCLUDE IN 2;5-9 IN 7;11 IN 13;19,21 IN 20;24 IN 23;26 IN 27;
25,29 IN 28;30,32,34,35 IN 31; 36 IN 37;38-40 IN 41)

THE LETTER A INDICATES AN ADJUSTMENT MADE TO THE BANDED AMOUNT. SEE FOOTNOTES FOR DETAILS.

LN	BOG	PROGRAM	S AREA TOTAL	S80-00 PAY COST	S50-01 AREA OFFICE	S51-01 NEW YORK	S52-01 E CHER OKEE	S53-01 SEMI NOLE	S54-01 MICCO SUKEE	S78-01 MISS CHOCTAW	S78-12 CHITI MACHA
1	1000	EDUCATION & TRAINING-GENERAL	393.2	0.0	393.2	0.0	0.0	0.0	0.0	0.0	0.0
2	1100	SCHOOL OPERATIONS	5838.6	235.0	0.0	0.0	2706.1	176.5	155.7	2480.8	84.5
3	1100	ADDITIONS TO REGULAR JOM	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4	1361	CO - DIRECT INSTRUCTION	180.8	0.0	0.0	0.0	110.9	32.9	37.0	0.0	0.0
5	1362	CO - INFORMAL LEARNING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6	1363	CO-RESIDENT CENTER TRAINING	53.0	0.0	0.0	0.0	0.0	53.0	0.0	0.0	0.0
7	1364	CO-VOC. TRAIN. INSTITUTIONS	209.1	9.5	82.2	38.3	79.1	0.0	0.0	0.0	0.0
8	1398	CO-NAV.CC,LAKOTA,SINTE GLISKA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	1399	CO-ALL OTHER CAREER DEVELOPMEN	195.0	0.0	0.0	0.0	0.0	0.0	0.0	179.3	15.7
10	1400	SPECIAL ED. EXPERIENCES	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11	2000	COMMUNITY SERV. - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12	2168	AGRICULTURAL EXTENSION	104.7	0.0	9.0	0.0	54.5	69.3	0.0	60.8	2.7
13	2199	ALL OTHER AID TO TRIBAL GOV.	16.2	0.0	11.1	0.0	0.0	0.0	0.0	5.1	0.0
14	2200	SOCIAL SERVICES OPS.	294.7	15.1	0.0	0.0	95.2	52.8	0.0	131.6	0.0
15	2300	ADDITIONS TO TRIBAL COURTS	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0
16	2300	ADDITIONS TO DETENTION	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.0
17	2300	ADDITIONS TO LAW ENFORCEMENT	1.8	0.0	0.0	0.0	0.0	0.0	0.0	1.8	0.0
18	2400	HOUSING	425.2	4.3	125.4	0.0	171.9	24.1	0.0	94.3	5.2
19	3000	COMMERCIAL DEVEL. - GENERAL	79.2	0.0	79.2	0.0	0.0	0.0	0.0	0.0	0.0
20	3100	COMMERCIAL ENTERPRISE DEVEL.	104.7	13.0	0.0	0.0	48.9	0.0	42.8	0.0	0.0
21	3200	CREDIT & FINANCING OPS.	177.5	0.0	44.9	0.0	37.7	39.8	14.4	40.7	0.0
22	3300	DIRECT EMPLOYMENT ASSIST.	461.3	2.1	238.3	8.9	22.8	80.3	17.6	91.3	0.0
23	3500	ROAD MAINTENANCE	324.3	25.0	0.0	0.0	155.5	49.6	2.0	92.2	0.0
24	3700	AIRSTRIP MAINTENANCE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25	4000	TRUST SERVICES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
26	4122	RTS. PROT. - ENVIRON. QUALITY	30.4	0.0	30.4	0.0	0.0	0.0	0.0	0.0	0.0
27	4199	ALL OTHER RIGHTS PROTECTION	37.1	0.0	37.1	0.0	0.0	0.0	0.0	0.0	0.0
28	4200	REAL ESTATE SERVICES	280.6	7.1	36.1	0.0	176.8	43.4	0.0	19.2	0.0
29	4300	FINANCIAL TRUST SERVICES	50.0	0.0	19.8	0.0	0.0	30.2	0.0	0.0	0.0
30	5000	NATURAL RESOURCES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
31	5100	AGRICULTURE	238.4	14.9	0.0	0.0	53.9	148.2	0.0	21.4	0.0
32	5200	FORESTRY	174.8	0.0	0.0	0.0	50.6	46.5	0.0	77.7	0.0
33	5300	MINERAL & MINING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
34	5400	WATER RESOURCES	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
35	5700	WILDLIFE & PARKS	12.8	0.0	0.0	0.0	0.0	0.0	0.0	12.8	0.0
36	6000	FACILITIES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
37	6300	FACILITIES, OP. & MAINTENANCE	2113.6A	80.9	29.7	0.0	727.4	195.2	165.3	894.0A	21.1
38	7100	EXECUTIVE DIRECTION	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
39	7261	ADMIN-PROGRAM DEV. & BUDGET	69.9	0.0	20.7	0.0	0.0	49.2	0.0	0.0	0.0
40	7271	ADMIN-SAFETY MANAGEMENT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
41	7299	ALL OTHER ADMINISTRATIVE SERV.	688.5	27.9	130.6	126.1	113.1	105.7	71.8	113.3	0.0
42	0	BLANK--NOT USED	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
43	0	TOTAL BANDED	12647.6A	434.8	1287.7	173.3	4602.4	1196.7	506.6	4316.9A	129.2

A. All rental costs in 1978 paid from line 37. Transfer to cover made as follows. Mississippi Choctaw: 1.5 added to line 37 from Law Enforcement (not shown on the band).

JUNEAU . 1978 BANDED AMOUNTS BY AGENCY, PRESIDENT'S BUDGET AS OF DECEMBER 1976. TABLE RUN ON THU 01/27/77

(PAYCOST LUMPED: LINES 1,10 INCLUDED IN 2;5-9 IN 7;11 IN 13;19,21 IN 20;24 IN 23;26 IN 27; 25,29 IN 28;30,32,34,35 IN 31; 36 IN 37;38-40 IN 41)

THE LETTER A INDICATES AN ADJUSTMENT MADE TO THE BANDED AMOUNT. SEE FOOTNOTES FOR DETAILS.

LN	BDG	PROGRAM	E AREA TOTAL	E80-00 PAY COST	E00-01 AREA OFFICE	E01-01 ANCHOR AGE	E02-01 BETHEL	E03-01 FAIR BANKS	E04-01 NOME	E09-01 SOUTH EAST
1	1000	EDUCATION & TRAINING-GENERAL	1370.9A	0.0	608.8	63.4A	390.4	117.0	191.3	0.0
2	1100	SCHOOL OPERATIONS	11460.7A	398.5	4154.3A	0.0	4404.5A	170.1	2278.7A	54.6
3	1100	ADDITIONS TO REGULAR OPR	22.1	0.0	0.0	0.0	0.0	0.0	0.0	22.1
4	1361	CD - DIRECT INSTRUCTION	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5	1362	CD - INFORMAL LEARNING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6	1363	CD-RESIDENT CENTER TRAINING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7	1364	CD-VOC. TRAIN. INSTITUTIONS	1715.7A	21.1	15.8A	636.4A	109.7A	300.4A	267.0A	363.3
8	1398	CD-NAV.&CC.,LAKOTA,SINTE GLISKA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	1399	CD-ALL OTHER CAREER DEVELOPMEN	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10	1400	SPECIAL ED. EXPERIENCES	189.8	0.0	80.9	0.0	108.9	0.0	0.0	0.0
11	2000	COMMUNITY SERV. - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12	2168	AGRICULTURAL EXTENSION	393.0	0.0	90.3	0.0	157.1	26.0	119.6	0.0
13	2199	ALL OTHER AID TO TRIBAL GOV.	982.2A	39.6	449.9A	32.1A	68.3	283.8	69.4	39.1
14	2200	SOCIAL SERVICES OPS.	1171.1A	24.7	12561	260.2A	169.9	234.0	157.6	199.6
15	2300	ADDITIONS TO TRIBAL COURTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
16	2300	ADDITIONS TO DETENTION	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
17	2300	ADDITIONS TO LAW ENFORCEMENT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
18	2400	HOUSING	2158.8A	5.8	170.6	171.7A	434.6	615.3	521.1	239.7
19	3000	COMMERCIAL DEVEL. - GENERAL	58.1	0.0	0.0	0.0	58.1	0.0	0.0	0.0
20	3100	COMMERCIAL ENTERPRISE DEVEL.	263.1	14.6	151.0	0.0	0.0	97.5	0.0	0.0
21	3200	CREDIT & FINANCING OPS.	504.6A	0.0	199.6	66.9A	75.9	65.3	57.8	39.1
22	3300	DIRECT EMPLOYMENT ASSIST.	1057.0A	9.5	84.2	361.0A	131.8	195.0	195.1	80.4
23	3500	ROAD MAINTENANCE	158.3	0.0	158.3	0.0	0.0	0.0	0.0	0.0
24	3700	AIRSTRIP MAINTENANCE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25	4000	TRUST SERVICES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
26	4122	RTSn PROT. - ENVIRON. QUALITY	205.5	0.0	75.5	0.0	0.0	130.0	0.0	0.0
27	4199	ALL OTHER RIGHTS PROTECTION	2.8	2.8	0.0	0.0	0.0	0.0	0.0	0.0
28	4200	REAL ESTATE SERVICES	904.3A	19.2	225.3A	175.0	173.4	187.8	105.9	19.7
29	4300	FINANCIAL TRUST SERVICES	36.7	0.0	36.7	0.0	0.0	0.0	0.0	0.0
30	5000	NATURAL RESOURCES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
31	5100	AGRICULTURE	32.6	2.3	0.0	0.0	0.0	30.3	0.0	0.0
32	5200	FORESTRY	249.3A	0.0	207.9A	11.1	0.0	30.3	0.0	0.0
33	5300	MINERAL & MINING	54.7	1.4	53.3	0.0	0.0	0.0	0.0	0.0
34	5400	WATER RESOURCES	54.2	0.0	54.2	0.0	0.0	0.0	0.0	0.0
35	5700	WILDLIFE & PARKS	165.7	0.0	58.1	0.0	0.0	107.6	0.0	0.0
36	6000	FACILITIES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
37	6300	FACILITIES, OP. & MAINTENANCE	10352.0A	543.0	3594.3A	144.9A	3548.8A	701.7A	1782.9A	36.4
38	7100	EXECUTIVE DIRECTION	394.2	0.0	93.8	63.1	68.4	108.1	60.8	0.0
39	7261	ADMIN-PROGRAM DEV. & BUDGET	199.5	0.0	199.5	0.0	0.0	0.0	0.0	0.0
40	7271	ADMIN-SAFETY MANAGEMENT	45.9	0.0	45.9	0.0	0.0	0.0	0.0	0.0
41	7299	ALL OTHER ADMINISIRATIVE SERV.	2388.2	85.5	1721.8	164.1	138.4	43.9	78.6	155.9
42	0	BLANK--NOT USED	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
43	0	TOTAL BANDED	36591.0	1168.0	12655.1	2149.9	10038.2	3444.1	5885.8	1249.9

A. All rental costs in 1978 paid from line 37. Transfers to cover made as follows. Area Office: 1.5 from line 2, 21.6 from 7, 39.5 from 13, 11.0 from 20, 4.0 from 32; total 77.6 to line 37. Anchorage: 11.3 from line 1, 9.9 from 7, 5.5 from 13, 29.0 from 14, 5.0 from 18, 1.0 from 21, 2.0 from 22 total 72.7 to line 37. Bethel: 5.1 from line 2, 7.5 from 7, total 12.6 to line 37. Fairbanks: 4.5 from line 7 to line 37. Nome: 19.1 from line 2, 10.5 from 7; total 29.6 to line 37.

MINNEAPOLIS . 1978 BANDED AMOUNTS BY AGENCY, PRESIDENT'S BUDGET AS OF DECEMBER 1976. TABLE RUN ON THU 01/27/77

(PAYCOST LUMPED: LINES 1,10 INCLUDED IN 2;5-9 IN 7;11 IN 13;19,211 IN 20;24 IN 23;26 IN 27; 25,29 IN 28;30,32,34,35 IN 31; 36 IN 37;38-40 IN 41)

LN	BDG	PROGRAM	F	AREA TOTAL	F80-00 PAY COST	F50-01 AREA OFFICE	F51-01 SAC & FOX	F52-01 RED LAKE	F53-01 MINNE SOTA	F55-01 GREAT LAKES	F57-01 MINN SIOUX	F58-01 MENOM INEE	F60-01 MICH IGAN
1	1000	EDUCATION & TRAINING-GENERAL		233.2	0.0	128.7	0.0	20.7	0.0	64.8	0.0	14.4	4.6
2	1100	SCHOOL OPERATIONS		5.6	5.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3	1100	ADDITIONS TO REGULAR JOM		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4	1361	CD - DIRECT INSTRUCTION		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5	1362	CD - INFORMAL LEARNING		62.6	0.0	13.9	0.0	0.0	0.0	0.0	0.0	48.7	0.0
6	1363	CD-RESIDENT CENTER TRAINING		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7	1364	CD-VOC. TRAIN. INSTITUTIONS		1230.8	29.4	0.0	15.5	87.8	440.9	346.9	14.8	179.1	116.4
8	1398	CD-NAV.,CC.,LAKOTA,SINTE GLISKA		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	1399	CD-ALL OTHER CAREER DEVELOPMEN		820.1	0.0	663.0	0.0	0.0	52.5	51.4	0.0	30.0	23.2
10	1400	SPECIAL ED. EXPERIENCES		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11	2002	COMMUNITY SERV. - GENERAL		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12	2168	AGRICULTURAL EXTENSION		49.6	0.0	34.7	0.0	14.9	0.0	0.0	0.0	0.0	0.0
13	2199	ALL OTHER AID TO TRIBAL GOV.		438.8	8.4	146.4	0.0	13.6	53.0	50.1	0.0	147.4	19.9
14	2200	SOCIAL SERVICES OPS.		243.6	7.4	55.2	0.0	9.9	17.5	24.2	0.0	34.9	9.5
15	2300	ADDITIONS TO TRIBAL COURTS		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
16	2300	ADDITIONS TO DETENTION		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
17	2300	ADDITIONS TO LAW ENFORCEMENT		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
18	2400	HOUSING		1438.6	9.4	80.7	63.0	194.3	473.1	215.6	25.2	299.9	77.4
19	3000	COMMERCIAL DEVEL. - GENERAL		151.9	0.0	117.5	0.0	0.0	0.0	0.0	0.0	34.4	0.0
20	3100	COMMERCIAL ENTERPRISE DEVEL.		12.5	12.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
21	3200	CREDIT & FINANCING OPS.		271.8	0.0	109.1	0.0	58.7	25.2	42.8	0.0	29.5	6.5
22	3300	DIRECT EMPLOYMENT ASSIST.		708.8	5.9	213.7	7.8	102.1	204.7	98.3	9.5	44.0	22.8
23	3500	ROAD MAINTENANCE		647.2	35.0	15.5	3.1	178.6	147.9	86.7	0.0	175.0	5.4
24	3700	AIRSTRIP MAINTENANCE		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25	4000	TRUST SERVICES - GENERAL		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
26	4122	RTS. PROT. - ENVIRON. QUALITY		52.9	0.0	28.1	0.0	0.0	3.7	17.1	0.0	0.0	4.0
27	4199	ALL OTHER RIGHTS PROTECTION		96.1	4.3	25.7	0.0	0.0	0.0	36.7	0.0	27.4	0.0
28	4200	REAL ESTATE SERVICES		575.2	20.0	227.7	0.0	0.0	100.6	156.7	0.0	54.4	15.8
29	4300	FINANCIAL TRUST SERVICES		184.0	0.0	0.0	40.3	0.0	40.8	36.9	27.0	39.0	0.0
30	5000	NATURAL RESOURCES - GENERAL		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
31	5100	AGRICULTURE		89.6	31.8	29.5	0.0	4.3	7.7	6.3	0.0	10.0	0.0
32	5200	FORESTRY		999.0	0.0	131.1	0.0	203.6	255.6	140.1	0.0	258.7	9.9
33	5300	MINERAL & MINING		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
34	5400	WATER RESOURCES		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
35	5700	WILDLIFE & PARKS		10.1	0.0	7.5	0.0	0.0	0.0	2.6	0.0	0.0	0.0
36	6000	FACILITIES - GENERAL		25.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	25.0	0.0
37	6300	FACILITIES, OP. & MAINTENANCE		656.7	26.9	93.8	28.4	367.9	80.6	59.1	0.0	0.0	0.0
38	7100	EXECUTIVE DIRECTION		375.0	0.0	122.4	0.0	49.1	61.0	70.3	0.0	0.0	72.2
39	7261	ADMIN-PROGRAM DEV. & BUDGET		185.4	0.0	56.7	1.0	15.8	40.1	41.5	0.0	25.0	5.3
40	7271	ADMIN-SAFETY MANAGEMENT		21.7	0.0	11.7	0.0	0.0	0.0	0.0	0.0	10.0	0.0
41	7299	ALL OTHER ADMINISTRATIVE SERV.		525.0	39.1	218.2	0.0	71.4	74.0	65.4	0.0	48.0	8.9
42	0	BLANK--NOT USED		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
43	0	TOTAL BANDED		10108.8	235.7	2530.8	159.1	1477.7	2078.9	1613.5	76.5	1534.8	401.8

NOTE: 1978 budget also includes 225.4 for the Menominee Restoration Committee, not shown above.

MUSKOGEE • 1978 BANDED AMOUNTS BY AGENCY• PRESIDENT'S BUDGET AS OF DECEMBER 1976• TABLE RUN ON THU 01/27/77

(PAYCOST LUMPED: LINES 1,10 INCLUDE IN 2:5-9 IN 7:11 IN 13:19,21 IN 20:24 IN 23:26 IN 27:
25,29 IN 29:30,32,34,35 IN 31: 36 IN 37:38-40 IN 41)

LN	BDG	PROGRAM	G AREA TOTAL	000-00 PAY COST	002-01 AREA OFFICE	003-01 ARD MORE	004-01 MIAMI	006-01 OSAGE	007-01 OKMUL GEE	008-01 TAHLE QUAH	009-01 TALI HINA	010-01 WEWOKA
1	1000	EDUCATION & TRAINING-GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2	1100	SCHOOL OPERATIONS	4243.8	146.4	4097.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3	1100	ADDITIONS TO REGULAR PGM	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4	1361	CD - DIRECT INSTRUCTION	236.9	0.0	74.9	17.8	19.6	0.0	37.0	31.7	28.6	27.3
5	1362	CD - INFORMAL LEARNING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6	1363	CD-RESIDENT CENTER TRAINING	6.2	0.0	0.0	0.0	0.0	0.0	0.0	6.2	0.0	0.0
7	1364	CD-VOC. TRAIN. INSTITUTIONS	1969.9	66.9	531.2	108.3	82.8	62.7	339.6	387.2	265.1	165.1
8	1398	CD-NAV.CC,LAKOTA,SINTE GLISKA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	1399	CD-ALL OTHER CAREER DEVELOPMEN	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10	1400	SPECIAL ED. EXPERIENCES	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11	2000	COMMUNITY SERV. - GENERAL	10.6	0.0	0.0	0.0	0.0	0.0	10.6	0.0	0.0	0.0
12	2168	AGRICULTURAL EXTENSION	89.1	0.0	89.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
13	2199	ALL OTHER AID TO TRIBAL GOV.	271.1	4.4	197.7	9.7	26.1	0.9	19.6	6.2	2.7	12.8
14	2200	SOCIAL SERVICES OPS.	762.4	34.2	150.9	70.3	36.2	43.3	125.2	142.8	90.1	69.4
15	2300	ADDITIONS TO TRIBAL COURTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
16	2300	ADDITIONS TO DETENTION	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
17	2300	ADDITIONS TO LAW ENFORCEMENT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
18	2400	HOUSING	1149.9	14.0	139.6	134.5	51.1	72.3	207.1	224.4	196.3	112.6
19	3000	COMMERCIAL DEVEL. - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
20	3100	COMMERCIAL ENTERPRISE DEVEL.	366.0	12.5	129.7	23.8	24.2	17.0	37.8	61.0	34.7	25.3
21	3200	CREDIT & FINANCING OPS.	322.2	0.0	82.1	24.8	0.0	24.0	55.7	61.0	54.3	20.3
22	3300	DIRECT EMPLOYMENT ASSIST.	854.1	15.5	261.4	90.1	61.4	95.4	125.2	56.0	70.6	78.5
23	3500	ROAD MAINTENANCE	24.4	0.0	24.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
24	3700	AIRSTRIP MAINTENANCE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25	4000	TRUST SERVICES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
26	4122	RTS. PROT. - ENVIRON. QUALITY	34.6	0.0	34.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
27	4195	ALL OTHER RIGHTS PROTECTION	223.6	2.3	210.8	0.0	0.0	0.0	10.5	0.0	0.0	0.0
28	4200	REAL ESTATE SERVICES	906.3	42.2	474.0	29.8	34.7	98.1	73.1	65.0	64.4	25.0
29	4300	FINANCIAL TRUST SERVICES	174.1	0.0	56.0	0.0	0.0	118.1	0.0	0.0	0.0	0.0
30	5000	NATURAL RESOURCES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
31	5100	AGRICULTURE	796.7	30.2	179.3	103.0	28.5	97.1	110.9	98.6	122.3	26.8
32	5200	FORESTRY	18.6	0.0	0.0	0.0	0.0	0.0	0.0	16.8	1.8	0.0
33	5300	MINERAL & MINING	158.5	4.0	0.0	0.0	0.0	150.2	0.0	0.0	4.3	0.0
34	5400	WATER RESOURCES	4.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.3	0.0
35	5700	WILDLIFE & PARKS	3.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.3
36	6000	FACILITIES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
37	6300	FACILITIES, OP. & MAINTENANCE	1503.8	47.2	1456.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
38	7100	EXECUTIVE DIRECTION	595.6	0.0	115.7	51.8	52.5	114.6	66.9	72.2	72.4	51.5
39	7261	ADMIN-PROGRAM DEV. & BUDGET	52.9	0.0	52.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
40	7271	ADMIN-SAFETY MANAGEMENT	46.4	0.0	46.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
41	7299	ALL OTHER ADMINISTRATIVE SERV.	956.2	75.6	880.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
42	0	BLANK--NOT USED	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
43	0	TOTAL BANDED	15786.5	473.4	9285.3	654.9	417.1	893.7	1217.2	1229.1	1009.9	605.9

NAVAJO . 1978 BANDED AMOUNTS BY AGENCY. PRESIDENT'S BUDGET AS OF DECEMBER 1976. TABLE RUN ON THU 01/27/77

(PAYCOST LUMPED: LINES 1,10 INCLUDED IN 2;5-9 IN 7;11 IN 13;19,21 IN 20;24 IN 25;26 IN 27;
25,29 IN 29;30,32,34,35 IN 31; 36 IN 37;38-40 IN 41)

LN	BOG	PROGRAM	N AREA TOTAL	N80-00 PAY COST	N00-00 NAVAJO AREA
1	1000	EDUCATION & TRAINING-GENERAL	1012.1	0.0	1012.1
2	1100	SCHOOL OPERATIONS	60470.0	2616.5	57853.5
3	1100	ADDITIONS TO REGULAR JOM	0.0	0.0	0.0
4	1161	CO - DIRECT INSTRUCTION	518.1	0.0	518.1
5	1162	CO - INFORMAL LEARNING	0.0	0.0	0.0
6	1163	CO-RESIDENT CENTER TRAINING	0.0	0.0	0.0
7	1166	CO-VOC. TRAIN. INSTITUTIONS	2867.3	68.5	2798.8
8	1198	CO-NAV.CC,LAKOTA,SINTE GLISKA	5317.8	0.0	5317.8
9	1199	CO-ALL OTHER CAREER DEVELOPMEN	0.0	0.0	0.0
10	1400	SPECIAL ED. EXPERIENCES	453.2	0.0	453.2
11	2000	COMMUNITY SERV. - GENERAL	0.0	0.0	0.0
12	2168	AGRICULTURAL EXTENSION	314.6	0.0	314.6
13	2199	ALL OTHER AID TO TRIBAL GOV.	172.9	3.8	169.1
14	2200	SOCIAL SERVICES OPS.	1495.4	65.6	1430.0
15	2300	ADDITIONS TO TRIBAL COURTS	0.0	0.0	0.0
16	2300	ADDITIONS TO DETENTION	0.0	0.0	0.0
17	2300	ADDITIONS TO LAW ENFORCEMENT	0.0	0.0	0.0
18	2400	HOUSING	2055.6	14.9	2040.5
19	3000	COMMERCIAL DEVEL. - GENERAL	0.0	0.0	0.0
20	3100	COMMERCIAL ENTERPRISE DEVEL.	180.6	12.2	168.4
21	3200	CREDIT & FINANCING OPS.	302.8	0.0	302.8
22	3300	DIRECT EMPLOYMENT ASSIST.	1028.9	18.6	1010.3
23	3500	ROAD MAINTENANCE	2526.6	175.0	2349.6
24	3700	AIRSTRIP MAINTENANCE	0.0	0.0	0.0
25	4000	TRUST SERVICES - GENERAL	0.0	0.0	0.0
26	4122	RTS. PROT. - ENVIRON. QUALITY	36.8	0.0	36.8
27	4199	ALL OTHER RIGHTS PROTECTION	223.1	2.6	220.5
28	4200	REAL ESTATE SERVICES	489.1	17.1	472.0
29	4300	FINANCIAL TRUST SERVICES	107.8	0.0	107.8
30	5000	NATURAL RESOURCES - GENERAL	0.0	0.0	0.0
31	5100	AGRICULTURE	4304.5	79.4	4225.1
32	5200	FORESTRY	316.7	0.0	316.7
33	5300	MINERAL & MINING	2.7	0.0	2.7
34	5400	WATER RESOURCES	858.9	0.0	858.9
35	5700	WILDLIFE & PARKS	45.7	0.0	45.7
36	6000	FACILITIES - GENERAL	0.0	0.0	0.0
37	6300	FACILITIES, OP. & MAINTENANCE	18986.6	825.7	18160.9
38	7100	EXECUTIVE DIRECTION	583.4	0.0	583.4
39	7261	ADMIN-PROGRAM DEV. & BUDGET	185.0	0.0	185.0
40	7271	ADMIN-SAFETY MANAGEMENT	210.7	0.0	210.7
41	7299	ALL OTHER ADMINISTRATIVE SERV.	2713.1	205.9	2507.2
42	0	BLANK--NOT USED	0.0	0.0	0.0
43	0	TOTAL BANDED	107778.0	4105.8	103672.2

(PAYCOST LUMPED: LINES 1,17 INCLUDED IN 2:5-9 IN 7:11 IN 13:19,21 IN 20:24 IN 23:26 IN 27:
25:29 IN 28:30-32,34,35 IN 31: 36 IN 37:33-40 IN 41)

LN	BOC	PROGRAM	H61-01 WESTRN NEVADA	H62-01 UINTAH OURAY	H63-01 FORT YUMA	H64-01 EASTRN NEVADA	H65-01 HOPI	H68-01 TRUXTN CANYON
1	1000	EDUCATION & TRAINING-GENERAL	30.2	34.4	5.7	9.8	158.2	47.5
2	1100	SCHOOL OPERATIONS	0.0	0.0	0.0	0.0	2039.1	85.2
3	1100	ADDITIONS TO REGULAR JOB	0.0	0.0	0.0	0.0	0.0	0.0
4	1361	ED - DIRECT INSTRUCTION	0.0	0.0	0.0	0.0	0.0	6.7
5	1362	ED - INFORMAL LEARNING	0.0	0.0	0.0	0.0	0.0	14.1
6	1363	ED-RESIDENT CENTER TRAINING	0.0	0.0	0.0	0.6	0.0	9.0
7	1364	ED-VOC. TRAIN. INSTITUTIONS	126.3	33.9	57.3	34.7	338.8	68.5
8	1398	ED-NAV.OC.INDIA.SINTE GLISKA	0.0	0.0	0.0	0.0	0.0	0.0
9	1399	ED-ALL OTHER CAREER DEVELOPMEN	58.8	13.7	25.7	20.3	0.0	0.0
10	1400	SPECIAL ED. EXPERIENCES	0.0	0.0	3.5	0.0	0.0	17.6
11	2000	COMMUNITY SERV. - GENERAL	0.0	0.0	0.0	0.0	13.6	0.0
12	2168	AGRICULTURAL EXTENSION	14.7	33.6	0.0	18.2	0.0	0.0
13	2199	ALL OTHER AID TO TRIBAL GOV.	212.8	0.0	16.9	145.3	79.0	16.0
14	2200	SOCIAL SERVICES OPS.	0.0	66.1	32.3	0.0	67.8	49.7
15	2300	ADDITIONS TO TRIBAL COURTS	5.1	0.0	0.0	1.6	5.0	0.0
16	2300	ADDITIONS TO DETENTION	1.9	0.0	0.0	0.0	2.0	3.6
17	2300	ADDITIONS TO LAW ENFORCEMENT	18.7	0.0	0.0	2.3	7.2	18.8
18	2400	HOUSING	157.6	27.6	81.5	99.9	271.2	242.0
19	3000	COMMERCIAL DEVEL. - GENERAL	0.0	0.0	0.0	0.0	0.0	21.4
20	3100	COMMERCIAL ENTERPRISE DEVEL.	0.0	0.0	0.9	32.5	0.0	0.0
21	3200	CREDIT & FINANCING OPS.	58.2	0.0	11.2	36.9	36.6	32.8
22	3300	DIRECT EMPLOYMENT ASSIST.	11.9	2.0	16.3	7.9	5.3	18.8
23	3500	ROAD MAINTENANCE	77.1	116.7	6.7	80.2	246.4	137.1
24	3700	AIRSTRIP MAINTENANCE	0.0	0.0	0.0	0.0	10.5	2.2
25	4000	TRUST SERVICES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0
26	4122	RTS. PROT. - ENVIRON. QUALITY	0.0	0.0	0.0	0.0	0.0	0.0
27	4199	ALL OTHER RIGHTS PROTECTION	0.0	0.0	0.0	0.7	0.0	0.0
28	4200	REAL ESTATE SERVICES	127.1	84.7	42.5	33.9	26.2	0.0
29	4300	FINANCIAL TRUST SERVICES	15.7	39.2	0.0	15.2	13.4	13.2
30	5000	NATURAL RESOURCES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0
31	5100	AGRICULTURE	633.1	238.9	57.2	192.3	279.2	199.5
32	5200	FORESTRY	0.0	25.0	0.0	0.0	0.0	19.7
33	5300	MINERAL & MINING	0.0	0.0	0.0	0.0	0.0	0.0
34	5400	WATER RESOURCES	0.0	0.0	0.0	0.0	0.0	4.2
35	5700	WILDLIFE & PARKS	0.0	4.9	6.6	0.0	0.0	0.0
36	6000	FACILITIES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0
37	6300	FACILITIES, OP. & MAINTENANCE	10.0	138.5	0.0	103.0	983.3	337.6
38	7100	EXECUTIVE DIRECTION	49.7	52.5	43.4	54.7	55.6	48.3
39	7261	ADMIN-PROGRAM DEV. & BUDGET	0.0	32.4	30.6	0.0	40.0	26.9
40	7271	ADMIN-SAFETY MANAGEMENT	0.0	0.0	0.0	0.0	0.0	0.0
41	7299	ALL OTHER ADMINISTRATIVE SERV.	44.1	52.7	4.7	22.5	88.2	52.7
42	0	BLANK--NOT USED	0.0	0.0	0.0	0.0	0.0	0.0
43	0	TOTAL BANDED	1652.1	996.6	443.1	917.4	4787.3	1493.1

(PAYCOST LUMPED: LINES 1,10-INCLUDED IN 2;5-9 IN 7;11 IN 13;19,21 IN 20;24 IN 23;26 IN 27;
25,29 IN 23;30,32,34,35 IN 31; 36 IN 37;38-40 IN 41)

THE LETTER A INDICATES AN ADJUSTMENT MADE TO THE BANDED AMOUNT. SEE FOOTNOTES FOR DETAILS.

LN	BOG	PROGRAM	P	P80-00	P00-01	P03-01	P04-01	P05-01	P07-01	P09-01	P10-01	P11-01
			AREA TOTAL	PAY COST	AREA OFFICE	COL VILLE	FORT HALL	NORTHN IDAHO	UMA TILLA	WARM SPRING	WESTRN WASH	YAKIMA
1	1000	EDUCATION & TRAINING-GENERAL	1169.8	0.0	685.5	47.5	63.6	46.9	49.5	41.4	134.9	89.5
2	1100	SCHOOL OPERATIONS	2426.8	100.9	2219.5	63.4	2.0	27.0	2.0	0.5	5.0	5.9
3	1100	ADDITIONS TO REGULAR SCH	67.7	0.0	0.0	0.0	67.7	0.0	0.0	0.0	0.0	0.0
4	1361	CO - DIRECT INSTRUCTION	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5	1362	CO - INFORMAL LEARNING	262.2	0.0	29.2	41.0	33.2	34.0	17.7	2.6	51.7	26.5
6	1363	CO-RESIDENT CENTER TRAINING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7	1364	CO-VOC. TRAIN. INSTITUTIONS	1236.8A	51.8	355.7A	110.2	105.2	60.5	45.0	77.4	277.3	129.5
8	1398	CO-WAY.CC.LAKOTA.SINTE GLISKA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	1399	CO-ALL OTHER CAREER DEVELOPMEN	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10	1400	SPECIAL ED. EXPERIENCES	241.2	0.0	0.0	21.8	58.9	26.9	9.8	15.5	33.7	53.5
11	2000	COMMUNITY SERV. - GENERAL	54.7	0.0	54.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12	2168	AGRICULTURAL EXTENSION	276.0	0.0	1.9	49.6	48.2	17.2	0.0	44.8	0.0	42.6
13	2199	ALL OTHER AID TO TRIBAL GOV.	645.3	32.0	275.4	0.0	11.7	11.7	8.5	6.6	233.4	0.0
14	2200	SOCIAL SERVICES OPS.	818.5	32.1	136.5	96.7	108.5	117.0	35.7	20.0	161.2	84.5
15	2300	ADDITIONS TO TRIBAL COURTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
16	2300	ADDITIONS TO DETENTION	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
17	2300	ADDITIONS TO LAW ENFORCEMENT	37.1	0.0	0.0	7.1	19.2	10.8	0.0	0.0	0.0	0.0
18	2400	HOUSING	1373.4	15.1	82.3	157.5	69.8	143.0	101.6	83.2	437.5	168.6
19	3000	COMMERCIAL DEVEL. - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
20	3100	COMMERCIAL ENTERPRISE DEVEL.	132.1	18.1	114.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
21	3200	CREDIT & FINANCING OPS.	523.8	0.0	134.0	60.0	47.6	61.3	27.2	0.0	139.7	25.9
22	3300	DIRECT EMPLOYMENT ASSIST.	442.0	5.4	70.4	64.0	39.5	43.4	8.9	14.3	34.7	146.2
23	3500	ROAD MAINTENANCE	1511.5A	85.0	7.8	376.8	169.7	68.2A	18.1	259.2	111.6	277.9
24	3700	AIRSTRIP MAINTENANCE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25	4000	TRUST SERVICES - GENERAL	43.7	0.0	43.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
26	4122	RTS. PROT. - ENVIRON. QUALITY	108.5	0.0	83.7	0.0	0.0	0.0	0.0	0.0	24.8	0.0
27	4199	ALL OTHER RIGHTS PROTECTION	1784.0	9.7	79.3	64.1	37.5	39.8	77.5	18.9	1394.0	38.4
28	4200	REAL ESTATE SERVICES	1369.7	70.1	882.5	150.9	128.3	87.8	45.8	56.6	213.0	181.8
29	4300	FINANCIAL TRUST SERVICES	239.4	0.0	65.5	32.1	25.8	33.3	16.0	22.3	29.5	51.5
30	5000	NATURAL RESOURCES - GENERAL	263.1	0.0	0.0	0.0	243.3	0.0	0.0	0.0	0.0	0.0
31	5100	AGRICULTURE	1402.1	194.7	152.3	213.1	8.8	170.9	103.5	156.6	45.8	303.0
32	5200	FORESTRY	4152.6	0.0	460.6	807.1	0.0	159.4	73.3	670.8	1010.3	809.9
33	5300	MINERAL & MINING	56.5	1.4	41.9	0.0	0.0	0.0	0.0	11.8	17.9	0.0
34	5400	WATER RESOURCES	39.7	0.0	0.0	0.0	0.0	0.0	0.0	14.9	0.0	0.0
35	5700	WILDLIFE & PARKS	335.9	0.0	301.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
36	6000	FACILITIES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
37	6300	FACILITIES, OP. & MAINTENANCE	2315.5A	82.0	997.5A	241.1	190.7	100.7A	64.7	199.3	152.2A	231.8
38	7100	EXECUTIVE DIRECTION	351.0	0.0	131.3	0.0	0.0	52.6	48.2	43.0	0.0	75.9
39	7261	ADMIN-PROGRAM DEV. & BUDGET	357.7	0.0	74.1	39.4	0.0	44.4	5.0	28.5	94.7	37.1
40	7271	ADMIN-SAFETY MANAGEMENT	62.4	0.0	58.2	0.0	0.0	0.0	0.0	4.2	0.0	0.0
41	7299	ALL OTHER ADMINISTRATIVE SERV.	1765.4	121.5	862.1	138.6	114.1	78.7	33.8	62.1	206.3	73.0
42	0	BLANK--NOT USED	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
43	0	TOTAL BANDED	26313.3A	819.6	8398.2	2782.0	1593.3	1475.5	791.8	1854.3	4809.2A	2873.0

A. All rental costs in 1978 paid from line 37. Transfers to cover made as follows. Area Office: 6.0 from line 7 to 37. Northern Idaho: 1.0 from line 23 to 37. Western Washington: 3.5 added to line 37 from Law Enforcement (not on the band).

(PAYCOST LUMPED: LINES 1,10 INCLUDED IN 2;5-9 IN 7;11 IN 13;19,21 IN 20;24 IN 23;26 IN 27;
25,29 IN 28;30,32,34,35 IN 31; 3o IN 37;38-40 IN 43)

THE LETTER A INDICATES AN ADJUSTMENT MADE TO THE BANDED AMOUNT. SEE FOOTNOTES FOR DETAILS.

LN	BOC	PROGRAM	913-01 SPO KANE
1	1000	EDUCATION & TRAINING-GENERAL	11.0
2	1100	SCHOOL OPERATIONS	0.6
3	1100	ADDITIONS TO REGULAR JOM	0.0
4	1361	CD - DIRECT INSTRUCTION	0.0
5	1362	CD - INFORMAL LEARNING	0.5
6	1363	CD-RESIDENT CENTER TRAINING	0.0
7	1364	CD-VOC. TRAIN. INSTITUTIONS	24.2
8	1398	CD-NAV.CC,LAKOTA,SINTE GLISKA	0.0
9	1399	CD-ALL OTHER CAREER DEVELOPMEN	0.0
10	1400	SPECIAL ED. EXPERIENCES	21.1
11	2000	COMMUNITY SERV. - GENERAL	0.0
12	2165	AGRICULTURAL EXTENSION	11.7
13	2199	ALL OTHER AID TO TRIBAL GOV.	66.0
14	2200	SOCIAL SERVICES OPS.	26.3
15	2300	ADDITIONS TO TRIBAL COURTS	0.0
16	2300	ADDITIONS TO DETENTION	0.0
17	2300	ADDITIONS TO LAW ENFORCEMENT	0.0
18	2400	HOUSING	59.8
19	3000	COMMERCIAL DEVEL. - GENERAL	0.0
20	3100	COMMERCIAL ENTERPRISE DEVEL.	0.0
21	3200	CREDIT & FINANCING OPS.	28.1
22	3300	DIRECT EMPLOYMENT ASSIST.	15.8
23	3500	ROAD MAINTENANCE	137.2
24	3700	AIRSTRIP MAINTENANCE	0.0
25	4000	TRUST SERVICES - GENERAL	0.0
26	4122	PTS. PROT. - ENVIRON. QUALITY	0.0
27	4199	ALL OTHER RIGHTS PROTECTION	24.3
28	4200	REAL ESTATE SERVICES	52.9
29	4300	FINANCIAL TRUST SERVICES	12.6
30	5000	NATURAL RESOURCES - GENERAL	19.8
31	5100	AGRICULTURE	53.4
32	5200	FORESTRY	161.2
33	5300	MINERAL & MINING	13.2
34	5400	WATER RESOURCES	10.0
35	5700	WILDLIFE & PARKS	0.0
36	6000	FACILITIES - GENERAL	0.0
37	6300	FACILITIES, OP. & MAINTENANCE	55.7
38	7100	EXECUTIVE DIRECTION	0.0
39	7261	ADMIN-PROGRAM DEV. & BUDGET	34.1
40	7271	ADMIN-SAFETY MANAGEMENT	0.0
41	7299	ALL OTHER ADMINISTRATIVE SERV.	75.4
42	0	BLANK--NOT USED	0.0
43	0	TOTAL BANDED	921.6

SACRAMENTO . 1978 BANDED AMOUNTS . Y AGENCY. PRESIDENT'S BUDGET AS OF DECEMBER 1976. TABLE RUN ON THU 01/27/77

(PAYCOST LUMPED: LINES 1,10 INCLUDED IN 2,5-9 IN 7,11 IN 13,19,21 IN 20,24 IN 23,26 IN 27,
25,29 IN 28,30,32,34,35 IN 31,36 IN 37,38-40 IN 41)

LN	BOC	PROGRAM	J AREA TOTAL	J50-00 PAY COST	J50-01 AREA OFFICE	J51-01 CENTRL CALIF	J52-02 HOOPA	J53-03 PALM SPRING	J54-04 SOUTHN CALIF
1	1000	EDUCATION & TRAINING-GENERAL	35.2	0.0	35.2	0.0	0.0	0.0	0.0
2	1100	SCHOOL OPERATIONS	4.6	1.7	0.0	2.9	0.0	0.0	0.0
3	1100	ADDITIONS TO REGULAR JOM	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4	1361	CD - DIRECT INSTRUCTION	40.1	0.0	0.0	29.5	10.6	0.0	0.0
5	1362	CD - INFORMAL LEARNING	35.8	0.0	0.0	0.0	10.8	0.0	25.0
6	1363	CD-RESIDENT CENTER TRAINING	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7	1364	CD-VOC. TRAIN. INSTITUTIONS	831.2	43.0	0.0	371.7	193.6	0.0	224.9
8	1392	CD-NAV.,CC,LAKOTA,SINTE GLISKA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	1399	CD-ALL OTHER CAREER DEVELOPMEN	823.7	0.0	511.8	192.6	119.3	0.0	0.0
10	1400	SPECIAL ED. EXPERIENCES	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11	2000	COMMUNITY SERV. - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12	2168	AGRICULTURAL EXTENSION	0.0	0.0	0.0	0.0	0.0	0.0	0.0
13	2199	ALL OTHER AID TO TRIBAL GOV.	375.9	14.6	52.6	157.2	43.6	0.0	67.7
14	2200	SOCIAL SERVICES OPS.	134.7	4.7	87.5	0.0	0.0	0.0	41.5
15	2300	ADDITIONS TO TRIBAL COURTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
16	2300	ADDITIONS TO DETENTION	0.0	0.0	0.0	0.0	0.0	0.0	0.0
17	2300	ADDITIONS TO LAW ENFORCEMENT	0.0	0.0	0.0	0.0	0.0	0.0	0.0
18	2400	HOUSING	712.2	5.8	49.4	270.9	246.2	0.0	139.9
19	3000	COMMERCIAL DEVEL. - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0
20	3100	COMMERCIAL ENTERPRISE DEVEL.	115.5	5.8	109.7	0.0	0.0	0.0	0.0
21	3200	CREDIT & FINANCING OPS.	92.0	0.0	92.0	0.0	0.0	0.0	0.0
22	3300	DIRECT EMPLOYMENT ASSIST.	1125.3	15.5	881.2	106.0	25.5	0.0	97.1
23	3500	ROAD MAINTENANCE	443.6	25.0	0.0	93.3	135.3	0.0	194.3
24	3700	AIRSTRIP MAINTENANCE	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25	4000	TRUST SERVICES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0
26	4122	RTS. PROT. - ENVIRON. QUALITY	55.0	0.0	55.0	0.0	0.0	0.0	0.0
27	4199	ALL OTHER RIGHTS PROTECTION	179.4	1.7	0.0	37.3	0.0	0.0	140.4
28	4200	REAL ESTATE SERVICES	905.4	31.5	517.8	144.5	74.0	84.5	57.1
29	4300	FINANCIAL TRUST SERVICES	183.0	0.0	77.5	0.0	27.5	78.0	0.0
30	5000	NATURAL RESOURCES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0
31	5100	AGRICULTURE	138.3	10.0	24.0	46.8	9.4	0.0	48.1
32	5200	FORESTRY	326.1	0.0	54.5	80.4	158.0	0.0	33.2
33	5300	MINERAL & MINING	0.0	0.0	0.0	0.0	0.0	0.0	0.0
34	5400	WATER RESOURCES	0.0	0.0	0.0	0.0	0.0	0.0	0.0
35	5700	WILDLIFE & PARKS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
36	6000	FACILITIES - GENERAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0
37	6300	FACILITIES, OP. & MAINTENANCE	306.1	13.0	103.1	1.0	182.9	0.2	0.9
38	7100	EXECUTIVE DIRECTION	252.0	0.0	68.0	47.8	34.1	0.0	102.1
39	7261	ADMIN-PROGRAM DEV. & BUDGET	96.3	0.0	41.4	0.0	0.0	0.0	55.4
40	7271	ADMIN-SAFETY MANAGEMENT	31.2	0.0	31.2	0.0	0.0	0.0	0.0
41	7299	ALL OTHER ADMINISTRATIVE SERV.	332.7	31.1	202.3	49.4	34.4	0.0	15.5
42	0	BLANK--NOT USED	0.0	0.0	0.0	0.0	0.0	0.0	0.0
43	0	TOTAL BANDED	7531.6	203.4	2985.2	1631.3	1305.9	162.7	1243.1

CENTRAL OFF.. 1974 RANDED AMOUNTS BY AGENCY. PRESIDENT'S BUDGET AS OF DECEMBER 1976. TABLE RUN ON FRI 01/28/77

LN	BOC	PROGRAM	K SUM	K00-99 JUNEAU HOLDUP	K99-99 MENOM. RESTOR
1	1000	EDUCATION & TRAINING-GENERAL	0.0	0.0	0.0
2	1100	SCHOOL OPERATIONS	0.0	0.0	0.0
3	1100	ADDITIONS TO REGULAR SCH	0.0	0.0	0.0
4	1161	CO - DIRECT INSTRUCTION	0.0	0.0	0.0
5	1162	CO - INFORMAL LEARNING	0.0	0.0	0.0
6	1163	CO-RESIDENT CENTER TRAINING	0.0	0.0	0.0
7	1164	CO-VOC. TRAIN. INSTITUTIONS	0.0	0.0	0.0
8	1198	CO-NAV.CC,LAKOTA,SINTE GLISKA	0.0	0.0	0.0
9	1199	CO-ALL OTHER CAREER DEVELOPMEN	0.0	0.0	0.0
10	1400	SPECIAL ED. EXPERIENCES	0.0	0.0	0.0
11	2000	COMMUNITY SERV. - GENERAL	0.0	0.0	0.0
12	2168	AGRICULTURAL EXTENSION	0.0	0.0	0.0
13	2199	ALL OTHER AID TO TRIBAL GOV.	296.4	296.4	0.0
14	2200	SOCIAL SERVICES OPS.	0.0	0.0	0.0
15	2300	ADDITIONS TO TRIBAL COURTS	0.0	0.0	0.0
16	2300	ADDITIONS TO DETENTION	0.0	0.0	0.0
17	2300	ADDITIONS TO LAW ENFORCEMENT	0.0	0.0	0.0
18	2400	HOUSING	0.0	0.0	0.0
19	3000	COMMERCIAL DEVEL. - GENERAL	0.0	0.0	0.0
20	3100	COMMERCIAL ENTERPRISE DEVEL.	0.0	0.0	0.0
21	3200	CREDIT & FINANCING OPS.	22.6	22.6	0.0
22	3300	DIRECT EMPLOYMENT ASSIST.	0.0	0.0	0.0
23	3500	ROAD MAINTENANCE	0.0	0.0	0.0
24	3700	AIRSTRIP MAINTENANCE	0.0	0.0	0.0
25	4000	TRUST SERVICES - GENERAL	44.8	44.8	0.0
26	A122	PTA. PROT. - ENVIRON. QUALITY	0.0	0.0	0.0
27	4199	ALL OTHER RIGHTS PROTECTION	0.0	0.0	0.0
28	4200	REAL ESTATE SERVICES	0.0	0.0	0.0
29	4300	FINANCIAL TRUST SERVICES	0.0	0.0	0.0
30	5000	NATURAL RESOURCES - GENERAL	0.0	0.0	0.0
31	5100	AGRICULTURE	58.9	58.9	0.0
32	5200	FORESTRY	0.0	0.0	0.0
33	5300	MINERAL & MINING	0.0	0.0	0.0
34	5400	WATER RESOURCES	0.0	0.0	0.0
35	5700	WILDLIFE & PARKS	0.0	0.0	0.0
36	6000	FACILITIES - GENERAL	0.0	0.0	0.0
37	6300	FACILITIES, OP. & MAINTENANCE	0.0	0.0	0.0
38	7100	EXECUTIVE DIRECTION	229.4	4.0	225.4
39	7261	ADMIN-PROGRAM DEV. & BUDGET	1.9	1.9	0.0
40	7271	ADMIN-SAFETY MANAGEMENT	0.0	0.0	0.0
41	7299	ALL OTHER ADMINISTRATIVE SERV.	259.9	259.9	0.0
42	0	BLANK--NOT USED	0.0	0.0	0.0
43	0	TOTAL RANDED	913.9	688.5	225.4

IMPROVED INDIAN EDUCATION PROGRAM MANAGEMENT

Senator DECONCINI. We note that there is a $1 million increase for improving education program management, mostly for a study of Federal support. I have to assume that you will look carefully for other agencies that have done studies. Hasn't the question of Federal support been studied before several times by your agency or someone else?

Mr. DEMMERT. We are looking at two different kinds of studies. We have investigations on problems in Indian education. The Bureau supported the Senate subcommittee effort in 1968, 1969, and 1970 and a few others since then.

One of the things that we are now considering, and we have a cooperative agreement with the U.S. Office of Education, is to conduct a needs assessment which is different than the study and tie that to what it would cost to operate a program to meet that particular need. In addition to that, the $1 million will be used for other educational and management improvements in areas where we were severely criticized by the GAO in the audit this past year. We need to do a lot of work in that area to gather information on college students, on our elementary and secondary students to help for decisions in the policy area.

Senator DECONCINI. Do I take it then that other studies don't cover what you are attempting to come up with; is that correct?

Mr. DEMMERT. That is correct.

Senator DECONCINI. That is why you have decided you have to do one yourself?

Mr. DEMMERT. We are doing a needs assessment which is different from a study. But in addition to that, I think it is important to note that the gathering of information needs to be continuous. It can't be done in just 1 year and then expect to use that same information and the same justification for something 2 or 3 years later because situations change, sometimes drastically. So we need to set up a system that allows accurate feedback throughout the year.

Senator DECONCINI. The justification says the $1 million will be used in part for the Federal support study. How much is for the study and what is the balance for?

Mr. DEMMERT. It is impossible to know the full cost of the study until such time as the contract has been negotiated with the U.S. Office of Education and the contractors. Only those amounts that may be left after the funding of the contract will be used for program management improvement.

SPECIAL EDUCATION

Senator DECONCINI. Last year the Director of Special Education reported that 19,000 of the 51,000 students served by the Bureau required special education because of hearing loss, vision difficulties, or other handicaps. How much will the Bureau allocate for special education programs in fiscal 1978?

Mr. DEMMERT. Directly from the Bureau of Indian Affairs' level, directly from the Office of Education, I will have to check that figure.

Senator DECONCINI. Does that money from the Office of Education come to you for administration?

Mr. DEMMERT. That is correct. And distribution.

Senator DECONCINI. And distribution?

Mr. DEMMERT. Yes, sir. The total authorized is $939,000.

Senator DECONCINI. For special education?

Mr. DEMMERT. That is correct.

Senator DECONCINI. In view of the difficulties the Bureau has in recruiting and keeping teachers, how many special education positions could realistically be filled in your opinion for fiscal 1978 if this committee provided additional funding?

Mr. DEMMERT. We have an investigation and study underway through Dr. Hall, who runs that program. I have not received that information yet. But the average amount of money required, they tell me, to provide educational services to the handicapped students is about $1,000 over what the average expenditure is for a regular student. So if you are talking about 19,000 students, we are talking about $19 million.

Senator DECONCINI. That is what it would take?

Mr. DEMMERT. Yes, sir.

Senator DECONCINI. GAO estimates that $12 million and 400 positions would be required in the first year to establish a fully funded program of education for the handicapped. Did the Bureau in fact request $19 million and 400 positions which was then reduced to the amount you mentioned?

Mr. BUTLER. Yes. The $19 million figure is based upon information indicating that it costs approximately $1,000 per child more to educate a handicapped child as opposed to one who is not exceptional. The Bureau has data indicating approximately 19,500 such students. It should also be amplified that without the additional position ceiling making it possible to hire people who would actually provide the services to exceptional children the money could not be appropriately utilized.

RECRUITING TEACHERS

Senator DECONCINI. Thank you. At the beginning of each school year there are many BIA schools without a full complement of teachers. This creates a most difficult situation in small schools which have only one or two teachers. Have you discussed with the Civil Service Commission ways to expedite teacher recruitment and hiring?

Mr. DEMMERT. Yes, we have. Under the existing system some specific steps have been taken this past year to cut down the number of vacancies that might occur next September. Unfortunately, the system itself provides severe limitations and we are looking at some recommendations on how that system itself might be improved, especially for the Bureau of Indian Affairs.

INTERMOUNTAIN SCHOOL

Senator DECONCINI. How much is contained in this budget request for Intermountain School?

Mr. BUTLER. $4,300,000 is requested. With this amount, the Bureau can provide a per pupil expenditure that is above the average per pupil expenditure for a Bureau operated off-reservation boarding school.

Senator DECONCINI. This committee is committed to approve some form of reprograming to provide additional funding to Intermountain in the current year. However, it is our position that any future funding should be properly budgeted so that other areas do not have to pay for Intermountain increases. Do you consider your budget request adequate?

Mr. BUTLER. Yes, Mr. Chairman, the Bureau does. This amount will enable the Bureau to fund Intermountain at a level that is above the average per pupil level for a Bureau operated off-reservation boarding school.

Senator DECONCINI. Give us what your budget for Intermountain will provide on a per pupil expenditure basis, and tell us how that compares to other boarding schools.

Mr. BUTLER. As of March 14, 1977, Intermountain has an enrollment of 741 and an average daily membership of 710 students. Using an enrollment figure of 741 and a budgetary figure of $4,300,000, the approximate expenditure per student amounts to about $6,000 per student. With $2 million that is being programed for the operation at Intermountain the figure will become considerably higher. Per pupil cost for school operations of BIA off-reservation boarding schools range all the way from $3,267 for Flandreau to $7,450 at Mt. Edgecumbe. Most schools fall in the $4,500 to $5,000 category. This data is taken from a study of off-reservation boarding schools that was conducted under contract to Dr. George Underwood for fiscal year 1975.

PREVIOUSLY PRIVATE SCHOOLS

Senator DECONCINI. A $2.1 million increase is requested for previously private schools. The justification states that the schools are funded through a formula based on State expenditures adjusted for cost factors unique to Indian schools. The justification further states that nine schools also come under the band analysis. If the banding process results in a request greater than the formula, is it provided to the schools?

Mr. DEMMERT. Yes. The tribe may desire to have supplemental or innovative programs of different types.

Senator DECONCINI. Would you please submit for the record a list of the previously private schools receiving funds in fiscal year 1977, their respective enrollment, and the amount provided to each.

Mr. DEMMERT. Yes, sir.

[The information follows:]

School	Address	Average daily membership	Estimated amount
Pine Hill (Ramah Navajo)	Ramah, N. Mex. 87321	404.0	$2,081,300
Crow Creek	Ft. Thompson, S. Dak. 57339	150.7	435,600
St. Michael's	St. Michael, S. Dak. 58763	187.0	225,000
Wyoming Indian H.S	Ethete, Wyo. 82520	80.3	383,600
St. Francis	St. Francis, S. Dak. 57572	496.0	692,900
Theodore Jameson	Bismarck, N. Dak. 58501	57.0	135,000
Hammon (Inst. of the So. Plains)	Hammon, Okla. 73750	75.0	53,000
Pascal Sherman	Omak, Wash. 98841	278.0	111,300
Couer d'Alene	DeSmet, Idaho 83824	62.0	46,000
Ojibway	Belcourte, N. Dak. 58316	211.0	276,000
Marty	Marty, S. Dak. 57361	237.0	614,287
Ft. Hall	Ft. Hall, Idaho 83203	45.6	120,100
St. Stephens	St. Stephens, Wyo. 82524	219.2	267,000
Menominee	Keshena, Wisc. 54135	60.0	[1]
Hannahville	Rt. 1, Wilson, Mich. 49896	65.0	106,800
Lac Courte Oreilles	Rt. 2, Stone Lake, Wisc. 54876	285.0	121,500
Duckwater	Duckwater, Nebr. 89314	22.0	28,500
Kitsille Community School	Percent Rough Rock Demonstration School, Star Rt. 1, Many Farms, Ariz. 86538.	72.0	100,000
Totals		3,006.8	5,797,887

[1] Contract not yet awarded.

INDIAN COLLEGES

Senator DECONCINI. The request for the Navajo Community College represents an increase of almost 100 percent compared with the amount available in fiscal year 1976. The committee allowed the sizable increase requested last year despite the lack of a strong justification. This year, however, we would appreciate your explaining in detail the reasons for this increase.

Mr. DEMMERT. Navajo Community College is on the band analysis of the Navajo area and therefore the increase reflects the priorities as set by the band.

Senator DECONCINI. What would be the per pupil expenditure at Navajo under the new budget of $5,317,800 for 1978 compared to the 1976 level?

Mr. DEMMERT. The anticipated enrollment for NCC in fiscal year 1978 is 2,000 students. This would permit a per pupil budget of approximately $2,650. The per pupil cost in fiscal year 1977 based on a budget of $4,403,200 for approximately 1,600 students was $2,752. The fiscal year 1978 budget represents a decrease of $93.10 per pupil over the fiscal year 1977 budget.

Senator DECONCINI. Could you also tell us the reason for the 50 percent increase requested for Lakota and the small decrease for Sinte Gleaska?

Mr. DEMMERT. The changes in budgets for the two colleges reflects the priorities in funding permitted the respective tribes under the band analysis.

HIGHER EDUCATION ASSISTANCE

Senator DECONCINI. In view of the fact that the Bureau regards higher education grants as supplemental sources of financial aid, can you provide the committee with an estimate of financial assistance from other sources received by Indian students?

Mr. DEMMERT. In October of 1976, the Bureau conducted a survey of funding from Office of Education sources in behalf of Indian students under Bureau sponsorship. The survey revealed that of the 13,802 students being funded under area and agency programs at that time, $8,999,225 in OE funds were being utilized. The majority of the funds were from the basic education opportunity grant program.

In addition to OE funded programs, Indian students also utilized other sources. Based on the 1976 report, these other sources and per pupil awards can be listed for the record.

[The information follows:]

Tribal scholarships and loans	$65.00
Parental contributions	34.00
Student contributions	93.00
Veterans' Administration Benefits	161.00
Welfare	34.00
State aid	5.00
Foundations	33.00
Other	62.00

GRADUATE PROGRAMS

Senator DECONCINI. Are you still experiencing the high rate of success in graduate programs?

Mr. DEMMERT. Yes. Dropout rate is very small and many of those who do drop out return the next semester. The better funding level plus the fact that students must be highly academically qualified—usually B average—to enter most advanced degree programs are factors contributing to the holding power of the programs.

Senator DECONCINI. To what extent would funding the graduate programs be increased in fiscal year 1978 under the budget request?

Mr. DEMMERT. There would be no appreciable increase since the bulk of the budget increase for higher education goes to the Navajo Community College.

Senator DECONCINI. Why isn't graduate training getting more funding? This is a perennial complaint from Indian education groups.

Mr. DEMMERT. About 8.5 percent of the budget is expended on advanced degree applicants. Advanced degree requests represent about 4 percent of the total number of requests from all students. To expend more funds for advanced degree students would result in denying undergraduates a chance to earn their initial degree. It is reasoned that advanced degree students have more expertise in locating other funding, plus the earning power of their baccalaurate degree gives them advantages over undergraduates.

Senator DECONCINI. Where will the new adult education learning centers be established?

Mr. DEMMERT. Adult education centers will be established in the following areas depending on the availability of funds: Albuquerque, N. Mex.; Minneapolis, Minn.; Portland, Oreg.; Sacramento, Calif.; and Miccosukee, Fla.

SUBCOMMITTEE RECESS

Senator DECONCINI. Mr. Secretary, there is a meeting of the Appropriations Committee going on right now, a markup on some appropriations and I am going to recess for a few minutes to go over and participate in that. I hope that your staff will stay with us. We will advise you in 15 or 20 minutes when for certain we will reconvene and attempt to go over these services and Economic Development Programs that we have some questions on. So if that is agreeable with you and if you can remain here for a short period of time—do you have any problem with that?

Mr. JOSEPH. No, Mr. Chairman. We will remain until we hear from you.

Senator DECONCINI. I apologize for this inconvenience, but I do want to be a part of the markup procedure. So we will stand in recess and the committee staff will advise you on when we are going to meet. In 15 or 20 minutes we will have a better time. Thank you.

[Whereupon, at 10:50 a.m., Thursday, March 17, the subcommittee was recessed, to reconvene at 2:30 p.m., the same day.]

(AFTERNOON SESSION, 2:30 P.M., THURSDAY, MARCH 17, 1977)

DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS

Senator STEVENS [presiding]. Let's continue with the hearing. Senator DeConcini is involved in another activity and I will continue for the balance of the day, at least.

NAVAJO-HOPI SETTLEMENT PROGRAM

Senator DeConcini wants to know about the $4.8 million for the Navajo-Hopi settlement program. What activities would those funds specifically cover?

Mr. BUTLER. Mr. Chairman, those will cover the livestock reduction program and the range restoration program.

Senator STEVENS. Is that coordinated with the Navajo-Hopi Commission?

Mr. BUTLER. No. This is the Secretary's responsibility under Public Law 93–531 specific to the livestock reduction, and range restoration activities.

Senator STEVENS. How did you arrive at the $4.8 million figure?

Mr. BUTLER. Mr. Chairman, this is the funding that was authorized by Public Law 93–531 for the purchase of the livestock from the Navajos in the area to get the livestock down to the proper level and for the funding to restore the range.

Senator STEVENS. Do you have any funds to date appropriated for that activity?

Mr. BUTLER. Yes, Mr. Chairman, we do.

Senator STEVENS. How much have you had already?

Mr. BUTLER. We also have funds in the supplemental request.

Senator STEVENS. On this item?

Mr. BUTLER. On this item, yes, sir.

Senator STEVENS. Did you have any in 1976?

Mr. BUTLER. Yes, sir. We did. For 1977 we have available, Mr. Chairman, $428,000 for the range restoration, $1,319 million for the stock reduction and $250,000 for attorney fees.

We have before you for the fiscal year 1977 supplemental request of $900,000 for range restoration, $1.9 million for stock reduction. With the supplemental and with the available 1977 funds, we will have the same amount for 1977, $4.8 million, as we are requesting for fiscal year 1978.

Senator STEVENS. So it will be a level funding?

Mr. BUTLER. Yes, Mr. Chairman.

Senator STEVENS. Have you had any difficulties? Do you anticipate any in that program?

Mr. BUTLER. Yes, sir. We have had a situation develop there. Basically, the livestock reduction program that we have to date, in our judgment has been quite successful on a voluntary basis. We have only heretofore had 12 actual cases of impoundment, but with Judge Walsh's decision on February 10 in which he basically adopted the Federal mediator report for petitioning the joint use area in which he adopted the mediator's report, there was some consideration as to who would have the continuing responsibilities and authority.

I personally met with the chairman of the Hopi Tribe, and representatives of the Navajo Tribe on February 23, at which time it was unanimously the agreement of all parties that the Secretary should retain the responsibility for livestock reduction, for range restoration, for the fencing, surveying, and monumenting. Based upon an unamimous agreement of all parties, these five items were to continue as secretarial responsibilities.

I made an administrative decision on February 25 that we also then had to carry out the secretarial responsibilities. We, therefore, felt that it was necessary in such matters as impoundment that as we move down the road we will have more involuntary actions and impoundment activities as we reach the end of the line on livestock reduction and we must maintain a secretarial court and a secretarial enforcement program within that area.

The Hopi Tribe wishes to have the enforcement responsibilities in these matters. And, as a result, recently we had an impoundment action in the court of the Hopi Tribe of 41 head of cattle which we solved and redeemed the cattle from the impoundment area.

QUESTIONS SUBMITTED BY SENATOR DECONCINI

Senator STEVENS. Senator DeConcini had some other questions to follow along with what he was talking about this morning. We will ask you to respond to them for the record, please.

Mr. BUTLER. Yes, sir.

[The following questions were not asked at the hearing, but were submitted to the Department for responses subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR DECONCINI

Higher Education

Question: How much of the $245.5 million requested for education is earmarked for the Navajo Community College for FY 1978?

Answer: In FY 1978 the Bureau is requesting $5.3 million for the Navajo Community College.

Question: How does this amount compare to last year's allocation?

Answer: In FY 1977 $4.4 million was appropriated which is an increase of $900 thousand. This is a result of action in the Band Analysis.

Question: How much money is allocated per student?

Answer: Using the requested $5.3 million and an approximate enrollment of 1,100 students, this would provide approximately $4,800 per student.

Question: How does that compare with what BIA is spending per student at Haskell Junior College?

Answer: This is somewhat more than the average student expenditure at Haskell Junior College. The latest figures the Bureau has for Haskell indicate an average cost per student of $3,259.

Misc. Appropriations

Question. The object classification for equipment shows a $1 million increase for equipment. What is that for?

Answer. The $1 million increase for equipment is to cover replacement costs for backhoes, drag lines caterpiller tractors, graders, gradealls, bulldozers, front-end loaders, dump trucks, compressors and specialized spraying equipment to be used for operation and maintenance of the Indian irrigation system and the irrigation power system.

Question. Under the Indian Self-Determination Act the BIA was requested to conduct a feasibility study with recommendations regarding Indian-controlled community colleges. What is the status of the study and are recommendations available?

Answer. The study was completed as of October 1975. The following recommendations are under consideration by the Bureau:

Basic Recommendations from Report

Recommendations:

Implementation of a plan for development and maintenance of Indian-Controlled Community Colleges is recommended

Recommendation No. 1:

Technical modification of existing legislation (Title X of Higher Education Act of 1965 as amended).

A recognition by legislation of direct support of local governments

in determination of need and financing without reference to State participation.

Recommendation No 1 - Alternative to No 1 above:

Replication of existing legislation (Title X of Higher Education Act of 1 65 as amended) by the introduction of new legislation to be entitled Indian-Controlled Community College Act.

Title X of the Higher Education Act of 1965 be replicated as to general purposes with specific terminology relating to American Indian Alaska Native groups recognized as local governments with detailed approved authorization based on data gathered under existing and subsequent studies.

Recommendation No 2:

The Department of Interior - Bureau of Indian Affairs continues to be the congressional and executive branch agent for carrying out trust responsible acts:

Therefore, it is suggested that the Department of Interior - BIA be directed to carry out the processes of data gathering recommended under items one and two, and that the Department of Interior - BIA be the executive agency responsible for carrying out any legislation requirements concerning Indian-controlled community colleges.

Indian Organization's Response

Recommendations:

1. That the two colleges, American Indian Satellite Community College and Sisseton-Wapeton College be placed on the list of operating colleges.

2. That the report to Congress contain a narrative written in as positive terms as possible about each institution.

3. The major recommendations made by the contractor should also be presented as recommendations.

4. Tribal support express in ways other than cash should be reported, free use of buildings, volunteer services, vehicle use, free use of tribal land, etc.

5. That additional study in the financial and demography categories not be recommended. Reports should be based on available information.

6. The Bureau of Indian Affairs should assume it has the authority for funding colleges and that appropriate line item funding be requested by the Commissioner.

7. That Title X be amended or parallel legislation be written to include funding and authorization for Indian controlled colleges, recognizing that this title funding is largely start-up funding for developing institutions.

8. It was recommended that a strong Indian organization be given the task of "pushing" legislation through Congress on the Indian controlled community college portion of the report. It was recognized that if the Bureau makes the recommendations it would be limited in its follow through and promotional efforts, especially through OMB.

9. On the matter of individual college funding, a model formula must be avoided. An appropriate funding base should be developed for the unique needs of each individual institution.

10. If possible, individual college presidents should be permitted to answer questions resulting from the congressional hearings.

11. The term "community college" is too confining, a broader concept and term should be used.

12. The BIA must equitably fund existing colleges including Blackfeet college, Browning; Chippewa, Lanse; and Alaskan colleges.

13. Six to eight reservation colleges per year will emerge. The BIA must provide monies for technical assistance and support of these emerging institutions.

14. Most tribes want lower/upper division and graduate courses. Legislation must not limit endeavors to only a community college level.

15. The BIA must coordinate and seek building and facility requirements of existing and future colleges.

JOHNSON-O'MALLEY PROGRAM

Senator STEVENS. How about Johnson-O'Malley? Let's go on to that area.

You are, in effect, decreasing the Johnson-O'Malley program for this budget; aren't you? There is a slight increase but it is really not enough to cover inflationary costs; is it?

Mr. DEMMERT. The amount per student nationwide is going down even though the budget is going up. That is correct. But there are two key factors one needs to be aware of. In basic support the amount has gone down substantially because of the new rules and regulations and the reduction of the one-third per year of which 1978 is the last year. The amount per student in supplementary support has gone up substantially as a result of the move away from the basic support to supplementary support.

Senator STEVENS. You are carrying over $3 million in JOM?

Mr. DEMMERT. I don't quite understand the question.

Senator STEVENS. Is there a projected $3 million carryover in Johnson-O'Malley funds?

Mr. DEMMERT. Yes.

Senator STEVENS. Why are we having any money left over if it is based on eligibility?

Mr. DEMMERT. A point of clarification. We had some money provided as an add-on to our 1977 request. We carried that money over for a short period of time until we got the latest student count and we were distributing that money in accordance with our usual procedures through the advice of allotment process. We are looking at some reprograming possibilities, but that is still in the internal debate process.

CHANGES IN JOHNSON-O'MALLEY FUND DISTRIBUTION

Senator STEVENS. I understand that the Department has sent out letters requesting comments on several new formula options for distributing Johnson-O'Malley funds. What has been the result of that effort? Do you have responses back yet?

Mr. DEMMERT. Yes, we have. The House of Representatives or a Member of the House of Representatives asked us to reconsider the existing formula. The existing formula provides that distribution by a State or a national average, a per pupil expenditure rate by State, looking at the State or national average, whichever is higher.

The recommendation that has come to us is that we must look at the title I formula which allows States below the national average to come up within 80 percent of the national average and States above the national average to go up 120 percent or 20 percent above the national average. We sent out three formulas for review and comment. The first formula looked at the State average only. The second formula is the one that we are now using, the State or national average, whichever is higher. The third recommendation looked at the title I formula.

The comments that came back from Alaska were in favor of the first option which was the State average. The comments from Oklahoma and States below the national average favored the second option.

So it was well distributed over the three in terms of number of students served. The rest favored the third option, but in terms of geographic locations there were specific biases.

Senator STEVENS. Have you made a decision yet?

Mr. DEMMERT. No. We have a meeting scheduled for later this month, which doesn't give us much time, but we do have it scheduled. After reviewing the final results, we will make a decision.

Senator STEVENS. Could you give us a State by State breakdown for Johnson-O'Malley with the number of students in the 1976 allocation, the 1977 allocation, and the estimated 1978 allocation. With regard to 1978 show how it is effected if each of the three options were utilized.

Mr. DEMMERT. Yes. We can do that.

[The information follows:]

Johnson-O'Malley Expenditures Including Pupil Expenditures--By State

STATE	F. Y. 1976 NUMBER OF STUDENTS	F. Y. 1976 ALLOCATION	F. Y. 1976 PER PUPIL COST	F. Y. 1977 NUMBER OF STUDENTS	F. Y. 1977 ALLOCATION	F. Y. 1977 PER PUPIL COST
Alaska	11,631	$5,684,000	$ 489	21,094	$5,638,435	$ 267
New York	1,837	781,080	425	2,137	585,810	274
Minnesota	3,607	890,000	247	4,143	715,411	173
Michigan	698	156,989	225	1,123	190,566	170
Oregon	1,195	221,605	185	1,191	196,723	165
Wisconsin	3,011	670,179	223	3,935	620,504	158
Wyoming	1,120	211,177	189	1,390	217,147	156
Washington	6,576	1,217,840	185	6,724	1,029,868	153
Montana	7,064	1,279,695	181	7,959	1,195,205	150
California (Sacramento)	1,886	374,808	199	10,253	1,539,696	150
California (Phoenix)	510	98,532	193	610	91,604	150
Colorado	899	292,000	325	783	219,000	280
Florida	258	41,417	160	464	69,679	150
Kansas	220	102,000	464	224	76,500	341
Nebraska	849	344,000	405	961	258,000	268
Iowa	218	44,364	203	251	37,693	150
Arizona (Navajo)	16,459	2,303,651	140	15,134	2,272,676	150
Arizona	11,989	1,400,502	117	18,000	2,703,062	150
Nevada	2,805	492,407	175	3,365	505,323	150
New Mexico (Navajo)	14,436	2,631,563	182	14,991	2,251,202	150
New Mexico (ABQ Area)	7,469	1,647,500	221	7,164	1,235,625	172
North Dakota	2,082	740,000	355	2,550	555,000	218
South Dakota	4,683	759,000	162	6,338	951,779	150
Utah (Navajo)	1,411	279,990	198	1,411	211,891	150
Utah (Phoenix)	600	77,142	129	615	92,355	150
Oklahoma (Anadarko)	4,116	569,197	138	6,238	936,762	150
Oklahoma (Muskogee)	10,871	1,507,000	139	14,299	2,147,284	150
Idaho	1,969	485,000	246	2,056	363,750	177
Mississippi	28	15,000	536	27	11,250	417
TOTAL	120,497	$25,317,638	$ 210	155,430	$26,919,800	$ 173

OPTIONS TO BE CONSIDERED FOR THE DISTRIBUTION OF JOHNSON-O'MALLEY EDUCATIONAL ASSISTANCE

Funds for Johnson-O'Malley Educational Assistance in FY 1978 will be apportioned as one allocation among the States based on the number of eligible Indian students for whom funds are sought, multiplied by a national average per pupil cost and a weighting factor which is intended to take into account the differences in education costs among the States.

The weighting factor is a number which is related proportionately to the differences in cost of education between the States. It is used as that number which attempts to give credit to those differences. The result is that this number, also, indicates how much more a student gets in one State than a number in another State. In the three options which follow, Option A gives an absolute percentage difference in the cost of education between the States; Options B and C are designed to limit the range of differences among States.

OPTION A

The weighting factor is the quotient obtained by dividing every State's cost of delivering educational services by the lowest State's cost.

OPTION B

The weighting factor is the quotient obtained by dividing every State's cost of delivering educational services by the lowest State's cost. Except that, for every State whose cost is below the national average, the national average will be used as that State's cost.

OPTION C

The weighting factor is the quotient obtained by dividing every State's cost of delivering educational services by the lowest State's cost. Except that, in considering a State's cost of delivering educational services, no State will be considered at a level less than 80% of the national average nor more than 120% of the national average.

The weighting factor obtained is then multiplied by the number of eligible students for whom funds are sought within the State. It is this multiplied by the weighting factor that increases the student count proportionately to compensate for the differences in the cost of delivering educational services between the States. The result of this multiplication, thus, gives a weighted student count for each State.

The sum of all weighted students gives a total weighted student count.

The total amount of funds available is then divided by the total of weighted students giving an allocation per weighted student.

This allocation is then multiplied by every State's number of weighted students to obtain a total State allocation.

All contractors within the State will receive the same amount for each eligible Indian student for whom funds were sought under a contract.

NATIONAL AVERAGE: $1,294.21		OPTIONS			10/31/76	OPTIONS			OPTIONS		
		A	B	C		A	B	C			
STATES	PER CAPITA* EXPENDITURE	WEIGHTING FACTOR	WEIGHTING FACTOR	WEIGHTING FACTOR	NUMBER OF STUDENTS SERVED	WEIGHTED STUDENT UNITS	WEIGHTED STUDENT UNITS	WEIGHTED STUDENT UNITS	A ALLOCATION**	B ALLOCATION**	C ALLOCATION**
ALASKA	$2,299.90	3.04	1.78	1.50	21,094	64,126	37,547	31,641	6,757,351	6,113,246	4,922,393
NEW YORK	2,216.38	2.93	1.71	1.50	2,137	6,261	3,654	3,206	659,761	594,929	498,758
MINNESOTA	1,484.59	1.96	1.15	1.43	4,143	8,120	4,764	5,924	855,656	775,655	921,598
MICHIGAN	1,467.13	1.94	1.13	1.42	1,302	2,526	1,471	1,849	266,181	239,503	287,650
OREGON	1,428.84	1.89	1.10	1.38	1,191	2,251	1,310	1,644	237,202	213,289	255,758
WISCONSIN	1,362.77	1.80	1.05	1.32	3,935	7,083	4,132	5,194	746,380	672,755	808,031
WYOMING	1,347.14	1.78	1.04	1.30	1,390	2,474	1,446	1,807	260,701	235,432	281,116
WASHINGTON	1,324.27	1.75	1.02	1.28	6,724	11,767	6,858	8,607	1,239,963	1,116,591	1,338,992
MONTANA	1,280.48	1.70	1.00	1.24	7,959	13,530	7,959	9,869	1,425,741	1,295,850	1,535,322
CALIFORNIA	1,269.83	1.68	1.00	1.23							
SACRAMENTO					10,253	17,225	10,253	12,611	1,815,106	1,669,351	1,961,895
PHOENIX					610	1,025	610	750	108,011	99,318	116,678
COLORADO	1,237.69	1.64	1.00	1.20	783	1,284	783	940	135,304	127,485	146,236
FLORIDA	1,236.52	1.63	1.00	1.19	464	758	464	552	79,876	75,547	85,875
KANSAS	1,218.56	1.61	1.00	1.18	224	361	224	264	38,041	36,471	41,071
NEBRASKA	1,208.73	1.60	1.00	1.17	961	1,538	961	1,124	162,069	156,466	174,861
IOWA	1,203.67	1.59	1.00	1.16	251	399	251	291	42,046	40,867	45,271
ARIZONA	1,158.70	1.53	1.00	1.12							
NAVAJO					15,008	22,962	15,008	16,809	2,419,650	2,443,540	2,614,978
PHOENIX					18,000	27,540	18,000	20,160	2,902,062	2,930,685	3,136,293
NEVADA	1,150.38	1.52	1.00	1.11	3,365	5,115	3,365	3,735	539,000	547,876	581,055
NEW MEXICO	1,043.25	1.38	1.00	1.01							
NAVAJO					14,991	20,688	14,991	15,141	2,180,024	2,440,772	2,355,487
ALBUQUERQUE					7,164	9,886	7,164	7,236	1,041,750	1,166,413	1,125,706
NORTH DAKOTA	1,028.14	1.36	1.00	1.00	2,550	3,468	2,550	2,550	365,445	415,181	396,704
SOUTH DAKOTA	993.60	1.31	1.00	1.00	6,338	8,303	6,338	6,338	874,939	1,031,927	986,004
UTAH	978.31	1.29	1.00	1.00							
NAVAJO					1,411	1,820	1,411	1,411	191,785	229,734	219,510
PHOENIX					615	793	615	615	83,564	100,132	95,676
OKLAHOMA	959.94	1.27	1.00	1.00							
ARADARKO					6,238	7,922	6,238	6,238	834,791	1,015,646	970,447
MUSKOGEE					14,299	18,160	14,299	14,299	1,913,633	2,328,104	2,224,497
IDAHO	953.72	1.26	1.00	1.00	2,056	2,591	2,056	2,056	273,030	334,750	319,853
MISSISSIPPI	756.48	1.00	1.00	1.00	27	27	27	27	2,846	4,397	4,201
TOTALS					155,483	270,003	174,749	182,888			

*NCES, 1975

**Based on a total available of $28,451,900

ENROLLMENT INCREASES

Senator STEVENS. I am told that the enrollment in the Johnson-O'Malley program has increased 80 percent over the last 6 years and appropriations over the same period have increased only by 38 percent. How much of this difference has been taken care of through part A entitlements under the Indian Education Act?

Mr. DEMMERT. The average for part A of the Indian Education Act is probably at about 10 percent of the State or national average. That is probably $100 to $120 per student for those schools that are funded. I am giving you an estimate right now, not having worked on the program for over a year. I am unable to tell.

Senator STEVENS. But it doesn't quite make up the difference. The 80-percent increase and only about a 40-percent increase in appropriations. Would you say that the Indian Education Act makes up that difference?

Mr. DEMMERT. It doesn't make up the difference totally, no.

Senator STEVENS. Has a determination been made regarding the eligibility of students attending previously private schools for Johnson-O'Malley funds?

Mr. DEMMERT. Current regulations do not exclude such children from eligibility.

TRANSFER OF BIA SCHOOLS IN ALASKA

Senator STEVENS. Let me get a little provincial with you. You transferred six of the schools formerly run by the Bureau in Alaska over to local control. I have been working with various parties involved trying to develop a program to cover the transitional period. Do you have a task force in the Bureau for the coordination of BIA transferred schools?

Mr. DEMMERT. That is correct. They have been pulling together the basic statistical information for our office over the last couple of weeks and they have been meeting over the last day or two and informed me that they will be coming forward with the recommendation to the Commissioner within a week or a week-and-a-half for a final decision on the differences of opinion and how that transfer ought to take place.

Senator STEVENS. Are those recommendations to be arrived at on the basis of the present constraints in the Juneau area office as far as finances are concerned? Or are they just working within the framework of the existing allocation to Juneau?

Mr. DEMMERT. I don't think that I have an answer for that. I think the Commissioner would have to wait until the final recommendations——

Mr. KRENZKE. I met with that group yesterday, Mr. Chairman. They don't have any constraints whatsoever. They indicated that they will be studying all possibilities in the development of this option paper for the Commissioner.

Senator STEVENS. I am concerned that if they have to stay within the current level of funding for the area office there won't be any incentive to continue the transition. This is six of the schools. How many more do you have in operation in Alaska now?

Mr. DEMMERT. Forty-four.

Senator STEVENS. The State and local reaction or regional reaction to assuming control of the schools may well be permanently impacted by what you do with regard to the six. That is my opinion.

Mr. DEMMERT. That is correct.

COST SAVINGS IN TRANSFERS

Senator STEVENS. It is my memory that you are spending how much—about $15 million for operation of these schools now? What is the cost of operating BIA schools in Alaska?

Mr. DEMMERT. Approximately $14 million.

Senator STEVENS. So if we had a transition period or concept that would give an incentive to the State to take the schools over at the end of that transition, there would be no further obligation of this funding, You would still provide Johnson-O'Malley assistance, but you wouldn't have a total Bureau operation.

What we would save the Government if the State were to take these over?

Mr. DEMMERT. That is one of the issues that the team is looking at. They haven't provided me personally with any direct figures but they are putting that together.

Senator STEVENS. I have a letter from Dr. Marshall Lind, commissioner of education from Alaska which states the request of the State with regard to this area. I would like to ask you to have the task force or whoever would do so for the Bureau review that and give the committee recommendations without regard to current budget levels. I am convinced that we must have some form of assistance to bring about this transition. The State requests $8 to $9 million over a 5-year phaseout period. I would hope that the Bureau task force would address itself to the program of what type of assistance could be offered in a transitional period by the Bureau if the State request was agreed to by the Congress.

In other words, what we would like to see is what kind of a program you would provide in a transition period if you had $8 to $9 million. What would you do if you had, say, $5 or $6 million; and what would you do if you had $2 to $2.5 million?

Mr. DEMMERT. We can do that.

Senator STEVENS. Thank you.

[The information follows:]

Transition of Bureau of Indian Affairs Schools into the State of Alaska

The task force, in answering the question, regarded the amounts mentioned above as add-ons to the 1978 budget, to cover not only the six schools transferred in 1977, but also the 44 day schools still operated by the BIA but expected to be transferred in the future. Since transfers of schools will be spread over a number of years, and the timing will depend on local option, language will have to be included in the appropriation act to authorize the funds to remain available until expended.

The following options for the different funding levels are defined as specific amounts per pupil, or per instructional unit, in the transferred school. For purposes of clarification, these amounts are compared to elements in the Alaska state aid formula that are approximately the same size.

When a school transfers from the BIA to the public system, the amount specified for that school would be a one-time payment in the year of transfer.

The abbreviation REAA means Regional Education Attendance Area, which is the local educational authority outside of the city and borough school systems in Alaska. There are 21 REAA's, but only seven contain BIA schools.

The abbreviation ADM means average daily membership, and is a measure of pupils used in determining "instructional units", which in turn determine the basic State aid.

Instructional units correspond roughly to classrooms, and take account of the number of pupils, the size of the school, and the type of program offered, such as elementary, secondary, vocational, and special education.

Funding level of 2.5 Million Dollars

Option A, $2,544,000. The BIA would pay the Alaska Department of Education $600 for each ADM in the school during the year of transfer. This would ultimately total $2,544,000 for the 4,240 ADM in the 50 BIA day schools, including the six schools recently transferred ($734,000) and 44 schools still operated by the BIA ($1,810,000).

The $600 per ADM would approximately offset the State payment made in lieu of local revenue during the transition year. The in lieu component of State aid enables the REAA school systems, which have no tax base, to offer those services which city and borough systems finance from local taxation. This would assist the Alaska State Department of Education in meeting the extraordinary costs involved in the transition of Bureau of Indian Affairs schools into the State of Alaska school system.

Funding level of 5 to 6 Million Dollars

Option B, $4,861,000. The BIA would pay to the Alaska Department of Education the amount specified in Option A ($2,544,000), plus an additional $2,317,000 based on the cost of regional differentials as used in the State aid formula, for a total of $4,861,000. Of this, approximately $1,580,000 would go for the six schools transferred in 1977.

In 1976 this differential averaged $7,000 for each of the 331 instructional units in the 50 schools under consideration, but the exact amojnt for each school depends on the location of the school.

The regional differential component of the State aid formula allows for the higher costs of operation in the more remote and isolated villages. Option C, $4,861,000. The same amount as in Option B for each school, but divided equally between the Alaska Department of Education and the REAA to which the school is transferred. The purpose would be to assist both in the costs of the transition year, and to provide local incentive for the transfer over and above the regular State aid.

Funding level of 7 to 8 Million Dollars

Option D, $7,448,000. The BIA would pay to the Alaska Department of Education $22,500 per instructional unit in the school during the first year of transfer. This would total $7,448,000 for the 331 instructional units in the 50 schools. Of this, approximately $1,950,000 would go for the six schools transferred in 1977. The figure $22,500 is close to the basic State aid in 1976, before adding regional cost differences and the amount allowed to REAA's in lieu of local revenue.

Option E, $7,448,000. The same amount as in option D for each school, but divided equally between the Alaska Department of Education and the REAA to which the school is transferred. The purpose would be to assist both in the costs of the transition year, and to provide local incentive for the transfer.

NORTH STAR OPERATIONS

Senator STEVENS. With regard to the *North Star*, I understand that the Department of Commerce completed a study of ocean transportation needs for the Bureau's Alaska resupply operations. The *North Star* is solely used for Alaska resupplies; is that correct?

The Commerce study concludes that of seven alternatives that they examined, it would be less expensive to the Government, if this vessel is used only for Alaskan operations, if it were owned by the Government. And consideration of construction conversion costs, operating costs, et cetera, has led the Commerce Department to recommend conversion of C3S33A or an integrated tug-barge operation to meet these Bureau's requirements. That is what I am told.

If that is correct, what has the Bureau done with regard to the Commerce Department's recommendations on the *North Star?*

Mr. BUTLER. Mr. Chairman, the Maritime Commission is scheduled to make a presentation to us and to the Undersecretary at 2 o'clock tomorrow afternoon.

Senator STEVENS. I see. How much longer can we use the *North Star?* Do you know?

Mr. BUTLER. They tell me probably through this season we can get by. Next year may be pretty touch and go.

Senator STEVENS. What is the annual operation and maintenance and repair costs on the *North Star?*

Mr. BUTLER. Around $3 million, Mr. Chairman.

Senator STEVENS. Have you costed out the Commerce Department's recommendation?

Mr. BUTLER. No, sir. We have not yet. As I say, they will be presented to us tomorrow afternoon.

Senator STEVENS. But if you can operate through the season that means that we are going to have to do something in the fiscal 1978 budget; is that right?

Mr. BUTLER. That is correct, sir. In all probability.

SCHOOL CONSTRUCTION PRIORITIES

Senator STEVENS. I want to ask you one question before we get on to school construction.

We have noted an increased number of swimming pools, gyms, music rooms, and auditoriums in your schools in what we call the south 48, which I don't argue with. But I note that there is no similar attention being given to some basic needs in Alaskan schools.

For instance, some of the schools still lack inside plumbing. When we had the funds to build a new school in Chevak, they were reprogramed for trailer facilities. Students are still attending school in trailers. I understand that we have higher costs, but do you feel these children are getting a fair shake when they are going to school in trailers and you are building swimming pools, music rooms, entertainment rooms, gyms and auditoriums on the schools in the south 48?

Mr. BUTLER. Mr. Chairman, it wouldn't sound to me like they are from your explanation. No, sir. I will ask Mr. Demmert to comment further on that.

Mr. DEMMERT. As I understand it, we have a priority system that identifies which school would be built where, based on the availability of funds and it has been found to be less expensive to complete a total project rather than to complete part of a project. So as they identify which schools need to be rebuilt in the past few years, I think they focused primarily on buildings, as I pointed out this morning, that have been condemned or destroyed.

Senator STEVENS. Bill, we are both Alaskans. I just want this to be in the record. I understand your position and you understand mine. But the Mekoryuk request was in the budget last year. We put it in and approved it and right after the fiscal year started the money was reprogramed and the new facility was not built and trailers were moved in.

I have gone through the Bureau's construction program at both ends of Pennsylvania Avenue, but it does seem to me that the expenses of some of these schools, when you look at the priorities that are not being met, can't be justified if the existing schools and these temporary schools are so deficient. I don't see the balance of sending kids to school in the Arctic in trailers and in facilities that don't even have indoor plumbing and at the same time building schools in the Southwest that have swimming pools and auditoriums and music halls and all the rest.

I am not against those kids having those schools. It just seems to me that the budget requests are not sufficient to meet the other needs of the other schools. I would hope that someone would take a look at it from the point of view of analyzing what needs to be done to upgrade existing schools and to meet basic needs first.

We have gone over the priorities of the Bureau in terms of the construction program. I don't think we argue with the priorities. At least we haven't so far. But I do think that the program does not take into account a review of the inadequacy of the facilities that are there.

Mr. DEMMERT. We have that under preliminary investigation on what it would take over 10 years to erase the backlog and still meet the needs within that 10-year period. The preliminary figure that we have is about $60 million a year for 10 years.

We will be going out fairly soon for an update of that. In fact, Mr. Carmody, the director of education facilities has been given instructions and has already started that.

Senator STEVENS. I haven't done so yet, but I am going to talk to the chairman about putting some language in these bills to lapse the money for construction, if it is not spent and obligated within a reasonable period of time. That Alaska money was kicked around for 7 years and we finally had to agree to have part of it reprogramed outside the State in order to get part of it spent inside the State.

That dormitory money from Sitka was reprogramed up to a total of what—6 years, at least. By the time that we get around to building the projects, the funds are insufficient. That is why the project is not built. We have to commit these funds in a shorter period of time.

CONSTRUCTION AT MEKORYUK

I think you also have got to take a look at the inadequacy of the facilities even where there is a school and try to get a balanced educational program for all of these Indian and native schools throughout the country. Again, the one of Mekoryuk, I think those people are legitimately disturbed.

I am told that we had money for a new facility that was necessary. It was on your program. But after we told them they moved in some trailers and they didn't get a school. I assume that you spent the money we had on the new school for the trailers, is that right? What is the status of that reprograming? Will we ever build that school that we appropriated the money for last year?

Mr. GORRELL. Senator Stevens, a technical point if I might. The Mekoryuk school money, $2 million was appropriated in fiscal 1977. You are correct, sir. You have pending before you and in the House right now a proposed reprograming which you are still studying, so that money has not been moved to some other location.

Senator STEVENS. We are going to study it a long time to get the answer. Are you going to build a school?

Mr. GORRELL. Our proposal before you does not indicate that.

Senator STEVENS. I know that. It would indicate we are going to have some trailers. That doesn't answer my question. Are you just going to keep the trailers there and never build the school that we gave you the money for?

Mr. DEMMERT. A point of clarification, Mr. Gorrell, if I might. Mr. Carmody tells me that they are prefabs rather than trailers. The life expectancy is about 15 years.

Senator STEVENS. That is the school?

Mr. DEMMERT. Yes.

Senator STEVENS. I guess I had better go up and see it. That is not what we have been told. We have been told it is just a temporary situation.

Mr. DEMMERT. That is the information that I have. That they are prefab and the life expectancy is about 15 years.

Senator STEVENS. What did it cost?

Mr. DEMMERT. About $1 million.

Senator STEVENS. How much did we give you in the budget last year to build a new school?

Mr. GORRELL. $2 million, Senator. We are proposing in this reprograming to retain $484,550 there for the upgrading of those existing prefab schools and to provide a multipurpose building.

TEMPORARY SCHOOL CONSTRUCTION IN ALASKA

Senator STEVENS. Why didn't you build a new building?

Mr. CARMODY. Mr. Chairman, at the time they did not want to move the students out of the village during the reconstruction time. They wanted to go in with some temporary buildings that they talked about at first. But when they got the prefabs up there, they were a lot better than what we would call temporary in trailers. They are regular prefabs. Classroom sizes are within the standards that we use. We feel they are very adequate in that they have a life expectancy of 15 years. They are not temporary.

Senator STEVENS. Would you identify yourself for the record, please?

Mr. CARMODY. John Carmody.

Senator STEVENS. All right. Thank you. Here's a suggestion, then. Why don't we put some of these prefabricated classrooms on the Navajo Reservation and see what kind of results we get next year. I feel that some people are thinking they can get by with these things in Alaska because of the situation up there.

Did you confer with people before you moved in this type of facility as opposed to building a new one?

Mr. CARMODY. That was handled by the area office and the area office worked with the community, as far as I know. That was the reason that they went in right away with the type of building they wanted to, because the community did not want to move the students out of the community for 1 or 2 years, whatever might have been required for regular submittal of a supplemental if that is what they were going to do for additional funding.

Senator STEVENS. Don't you have some portable units you can move in for temporary school use during construction?

Mr. CARMODY. We don't have any facilities that we have set aside for temporary use.

Senator STEVENS. What would you do if a school burned down somewhere in New Mexico?

Mr. CARMODY. We would put in temporary facilities in New Mexico.

Senator STEVENS. Isn't that what happened in Alaska?

Mr. CARMODY. Yes.

Senator STEVENS. Why does our temporary facility become permanent? I assumed that it was just temporary because of the lack of a permanent school. But that school is going to stay there for 15 years unless we change it? Those prefab units?

Mr. DEMMERT. That is the intent.

Senator STEVENS. Why don't you just let them have the cost of building the facility we intended you to build last year and you could move the temporary facilities on somewhere else? How much will it cost to build that school?

Mr. GORRELL. Our estimate last year in the budget was $2 million. I assume that it would increase somewhat, but that was our estimate last year.

Senator STEVENS. I think that we are losing two ways here. That part of Alaska has as high as 80 percent unemployment and they are fully welfare dependent people as far as BIA is concerned. I don't understand bringing in prefab units when they could have participated in the construction project and continued their education in temporary units. You could have moved them out and you would have had a total effect on the economy as well.

Where else are you using prefab units? Are you using them anywhere else in the country?

Mr. DEMMERT. Let me check on that.

Jemez, New Mexico, is another example. I would like to respond in part to the Alaskan situation. As I understood, John, if they had decided to build a 30-year permanent facility from the ground up, they would have had to send the students out because the facility itself was no longer there. The old facility had burned down.

PERMANENT SCHOOL FACILITIES AT MEKORYUK

Senator STEVENS. You could have used these temporary facilities and moved them out after they built the school, moved them over somewhere else. Shaktoolik is in a temporary structure. That is going to be permanent now. You presented it to us as a permanent school. Now you have taken prefab units and put them in there and our people who would have had a part of this construction business face the prospect that there will not be any jobs associated with that construction.

So as a net result, you have an ongoing high unemployment for a period of years. In the south 48 you bring in an architect to design it and go through it and make it compatible with the landscape. You locate the swimming pool in the right place, and make sure that the parking lot and employee housing are in the right place. And what do you do as far as Mekoryuk? You bring in a couple of trailers and join them together and say they are a school.

I still want the cost, commencing in 1978, of a permanent school for Mekoryuk. You have embarrassed me. I sent them word that a permanent new school had been approved. It was a budget request from the President. It was approved by the Congress. I told them that it would be a new school. I don't think that you ought to do that to us.

If you had come in and said we are going to put in a temporary facility—we are going to use this kind of prefab construction in there and tell your people we will be moving in these two buildings and joining them together and I had told them that, I don't think that there would be any grounds for complaint. But we told them what you told us and now you haven't done it.

I think that is what leads to a misunderstanding. I think the committee should have a quarterly report on the status of construction submitted to the chairman or the staff. You once gave us that information and it has been discontinued in view of the reprograming activities and what not. I think we ought to know what progress you are making in obligating these funds. We just might want to reprogram them ourselves as we look at supplementals. If you are not going to obligate the money as you have told us, maybe we ought to add to that bill a request to design a swimming pool for Mekoryuk.

Mr. DEMMERT. It sounds good.

Senator STEVENS. I wonder what it would cost for a swimming pool to be built in Mekoryuk.

INDIAN EDUCATION RESOURCE CENTER

The Senate report last year made reference to the Indian Education Resource Center in Albuquerque. Have you made any plans to change the functions of that office or reduce the staff?

Mr. DEMMERT. We have. The Office of Indian Education Programs, which is my immediate office, has been reorganizing. That reorganization impacts the Albuquerque Indian Education Resource Center, IERC, as we call it.

We will be reducing the staff through attrition and increasing, as part of the central office, the number of people in the central office here in Washington, D.C. The rationale for that is based on a study

conducted over a year ago pointing out that the Office of Indian Education was not able to carry out the responsibilities with the existing ceiling. Education had been reduced by over 100 people and we are increasing it by about 20.

Senator STEVENS. In Albuquerque?

Mr. DEMMERT. No, no. Here in Washington. The functions at IERC will be changed primarily to monitoring and providing technical assistance for evaluation and research efforts that our office will conduct.

In addition to that we are drafting a letter of agreement with the Office of Indian Education, title IV, and the Office of Bilingual Education and looking into the possibility of tieing in to a bilingual center down there and adding to that a resource or curriculum center for materials developed on Indian education.

If we do that we are looking—at least I am looking at IERC as a possible center for that activity.

STATUS OF IERC PERSONNEL

Senator STEVENS. Who is the current Director—we understand that he is going to be at Princeton for 2 years; is that right?

Mr. DEMMERT. I am not sure of that. Dr. Benham is still the Director and is looking to upgrading his skills and I think that is under consideration. That is correct.

In addition to that, we will be shuffling people at IERC into the central office as a result of the reorganization. The process personnel is having us use, is the reduction in force procedures, commonly referred to as RIF. Part of the reason for that is the complications we have when we have Indian preference, veteran preference, a combination of the two and a non-Indian staff that needs to be replaced.

In any case, if we were just to use regular open competition process, many of the non-Indians in the central office, which includes IERC, would not be able to compete for the job because they would all be open to competition with Indian preference. Indian members from outside the community would probably fill all of the jobs not filled by Indians. At the same time it is felt that the Federal Government has a responsibility to the non-Indians that are within the system and I think that is why they are using the RIF procedure.

Senator STEVENS. Will he be going to Princeton at the Bureau's expense? Is that through one of those intergovernmental education programs? Who will take his job while he is gone for 2 years?

Mr. DEMMERT. It depends on whether he goes on an IPA or a Government training act. If it is a Government training act, we pay for that. If it is an IPA—that is negotiable.

Senator STEVENS. We have a little problem with the chief—as I understand it, he is the Director.

Mr. DEMMERT. That is correct.

Senator STEVENS. We have had criticism in the past of people who are in the position of Director. Apparently the person makes a recommendation for such programs, taking that type of program out for himself and not being replaced. Who will be the Director if he goes on this program?

Mr. DEMMERT. It depends on the RIF procedure. He will be replaced by someone in the system now who is at a GS–15 grade level and who is qualified for the job. The first cut there is veteran preference, then you have Indian preference tied into that.

Senator STEVENS. We misunderstand. You won't be holding the job for him while he is at the University of Princeton?

Mr. DEMMERT. That is correct.

Let me clarify that. That particular job would not necessarily be left open for him. That is a decision that I would have to make as the Director for Indian education programs.

Senator STEVENS. Will he be on your payroll while he is at the University of Princeton?

Mr. DEMMERT. Yes. But he would have job rights, not necessarily to that job, when he comes back.

Senator STEVENS. But if he goes, he is going to go on one of these national acts and not on money that we give you for Indian scholarships?

Mr. DEMMERT. That is correct. Or if it is under an IPA we would just continue his salary or a portion of his salary as allowed by that particular act. I think it is a 1-year or 9-month program.

Senator STEVENS. That is not a way around the Indian Preference Act, is it?

Mr. DEMMERT. No. He is an Indian, but not a veteran. So he would be assigned according to the scale that is set up. It is a very complicated scale. If you wanted a detailed explanation——

Senator STEVENS. We just wanted to make sure that you were not sending off a supervisor that is going to leave a vacancy, especially if that is the person who makes the choice who goes.

Mr. DEMMERT. No. I would make the choice on who goes. And if that position is filled, that will also be my choice.

NATIONAL ADVISORY COUNCIL ON INDIAN EDUCATION

Senator STEVENS. The National Advisory Council on Indian Education was in here a couple of weeks ago. Their budget was cut to a very low ebb, as you know.

Mr. DEMMERT. Yes.

Senator STEVENS. We are trying to do what we can to help them. Have you tried to help them?

Mr. DEMMERT. We have asked them as part of their regular activities under the law to make some specific recommendations on the Bureau of Indian Affairs and we are paying for those services, adding that to their budget.

Senator STEVENS. They pointed out that in terms of the Indian Education Office they had three reviews of each application for grants. I inquired why one of those could not be done by the people on the council. Have you reviewed your programs to see if there is any meaningful way that they could be involved in review of grants or assistance or funds that go through the BIA for education?

Mr. DEMMERT. We have given a grant for $75,000 to look at recommendations for the Bureau's educational programs in general. In terms of the reviewing process, from my analysis, they have actively participated in the reviewing process as individuals. Then as a group

they come forward with recommendations for who should or should not be funded.

But we do not pay for part of that process. That is paid for out of the administrative budget for the Office of Indian Education. The Bureau does participate in that review process and we pay, I think, for the travel and per diem.

FICE MEETING

Senator STEVENS. Did you fund that meeting that was held in Washington, the purpose of which was to remove Indian education from Interior and transfer it to HEW?

Mr. DEMMERT. I am not aware of a meeting of that nature.

Senator STEVENS. The council at Dulles?

Mr. DEMMERT. We had a Federal education meeting at Dulles called FICE. We funded part of that. It was also funded by HEW and some of the other agencies since FICE is made up of all of the agencies in the Federal Government. And I sit as a chairperson for the subcommittee on FICE that is looking at legislative recommendations for Indian Education.

We have a requirement under Public Law 93–638 to come forward with some legislative recommendations. We are long overdue on that, but informally we have pointed out when I came as Director for the Indian Education Programs 9 months ago, that it would take us about a year to pull those recommendations together. That meeting was part of the process for pulling those recommendations together.

It brought together members of the Federal Government that have programs that Indians will participate in as citizens and has special programs for Indians as well as representatives from the tribes and Indian professionals throughout the country.

Senator STEVENS. Are you familiar with Senator Ribicoff's new Department of Education bill?

Mr. DEMMERT. Not in detail.

Senator STEVENS. Has the Bureau or the Department taken the position—if there is any Department of Education—as to whether Indian education functions should be transferred to it?

Mr. BUTLER. No, sir. They have not.

Senator STEVENS. Is there a task force or any review going on with regard to that?

Mr. BUTLER. Not at this time, Mr. Chairman. No.

I would add this comment, though, that relative to the negotiations on the establishment of the Department of Energy, the Department of the Interior took the position that as far as the natural resources were concerned relative to the trust responsibility that we hold for the Indian reservations that no part of that would initially be transferred to the Department of Energy.

FUNCTIONS OF THE IERC

Senator STEVENS. I see. What do you expect to achieve at the Albuquerque center and in what is the time frame?

Mr. DEMMERT. The IERC? I see a primary responsibility for looking at and providing information for evaluating not only the education activities in area offices but educational activities taught in the school.

We do not have an information system that helps us for evaluating progress or problems.

In addition to that, we need information on what projects are effective and what programs are ineffective. The term we use for that is usually research. We need to conduct activities in that area. It is strategically located in the center of a lot of activity of the Bureau of Indian Affairs, to be specific—the Navajo Nation has a large majority of the education budget and students still within the Bureau system.

In addition to that, we need to be pulling together an information center on material that has been developed in the area of Indian education. There is a substantial amount that has been developed over the past 3 or 4 years and we do not have a central information center for either looking at that, evaluating it or distributing it to other schools that might want to use it.

Senator STEVENS. Now, we are transferring some of these schools in the State of Alaska—some native areas that have had BIA schools and have had their own local schools, some others that have had State schools. Is it going to be possible to take a look at the end product of these schools and tell us if we are going in the right direction, for instance, in our State?

Mr. DEMMERT. Yes. We will be able to do that if we get the resources for a longitudinal study. Longitudinal studies are fairly expensive, but in many cases, in my judgment, they are essential and necessary.

JOHNSON-O'MALLEY FUNDING FORMULA CHANGES

Senator STEVENS. I have some questions as to whether we are going in the right direction. Maybe people are going to be better off under the State school system or maybe they are going to be shortchanged. If you change the Johnson-O'Malley funding, as some people have suggested, they will get shortchanged, won't they?

Mr. DEMMERT. If we would move the support from Johnson-O'Malley or if we change the formula? The formula itself will have an impact on the high per pupil cost States. If we change it to the third option, which is 120 percent or 80 percent, or if we leave it where it is, it will have no impact other than changes by the number of students that we add to or take away from the program.

But in the final analysis if we reduce basic support nationwide for schools that are on or near reservations that do not have an economic base in which to draw from at the community level, Indian students to a large degree in public schools, in my judgment, will be underfunded.

Senator STEVENS. If we are dealing by definition, Alaska areas that are 100-percent higher than the cost of living in New Mexico, then obviously the cost per student has got to be higher in Alaska. If you get down to the point where it is reduced to not more than 120 percent, again, we are going to be one of the States that loses heavily by a change in the formula; aren't we?

Mr. DEMMERT. We will make sure that your office is invited to participate in the meeting that we have on the formula change. I might add that Mr. Gravel's office has also requested that they be invited and that will be done.

JOM SUPPORT FOR TRANSFERRED SCHOOLS

Senator STEVENS. I appreciate that. We will be happy to do that.

But, again, looking at the question of whether the schools will be transferred to the State if the JOM funding is decreased at the time that the number of students in State schools is increasing, it seems to me that the children's education level is going to be harmed unless we can find some money from somewhere else.

I just can't understand why this is such a good time, if you are in the middle of changing or even looking to change the JOM formula, to proceed with the transition program to transfer the schools to the State.

Mr. DEMMERT. I might add that the Bureau internally has been looking at the possibility of developing basic support programs for those public schools that are on or near reservations that do not have an adequate economic base from which to draw.

Senator STEVENS. I would like to do that. We talked about that yesterday, and I would like to look at something like the Ford Foundation program that is worked out for our State schools and have the Bureau provide for the areas where they do not have the local support, the basic moneys that would be supported by taxation in other areas. Then let the State fund the basic amount that is provided by the State for each school. Are you familiar with that formula?

Mr. DEMMERT. Yes.

Senator STEVENS. I am sure. But the way it would work on a national level, it would seem to me, is that you would go to a State and say if you provide *x* dollars for an Indian student, we will provide *y* dollars per Indian student for you to provide public school education instead of this formula that is a national formula that you are working on now for JOM. It would be negotiated on an area-by-area basis. So that the net result would be that all over the country native Indian students would receive quality education at the same level and we would not be dealing with these national formulas that are not adequate in some places and are over the top in others.

Mr. DEMMERT. In our budget on 1A–9, you would note that we are requesting $1 million to look at the non-Federal school funding, primarily public schools. That is an area that we intend to look at very closely.

PERSONNEL CHANGES DURING THE TRANSITION

Senator STEVENS. Thank you very much, Mr. Demmert. Incidentally, this is just a factual question. Are we looking at any changes in the Bureau, any people coming or going in this period of transition?

Mr. BUTLER. Yes, sir, we will be looking. Of course, the Secretary has been looking for my replacement. He has publicly stated that he will become an Assistant Secretary for Indian Affairs. He went out with a letter to all tribal chairmen inviting them to submit names and recommendations to him which he now has under consideration today.

Senator STEVENS. Your predecessor was supposed to become Assistant Secretary of Indian Affairs. I have tried to get that position cleared for 2 years. I am hopeful that some people remember that as we proceed with this new plan.

Mr. BUTLER. Indeed, Senator, we do.

Senator STEVENS. But you don't see any other schedule C positions leaving that you know of at the policy level?

Mr. BUTLER. I know many of them who have immediate plans themselves of leaving. A number of them have already left.

Senator STEVENS. I see. Well, we hope you will keep us informed on what the shifts are as they occur, if they do occur.

Mr. BUTLER. Indeed, sir.

ECONOMIC DEVELOPMENT PROGRAMS

Senator STEVENS. On economic development, you have a total request of $67.5 million. That is a $6.7 million net reduction. That includes a $15 million reduction in the loan guarantee account. It seems to be a pretty stiff cut in the business enterprise program. How did that come about?

Mr. BUTLER. As I understand, Mr. Chairman, the Indian Financing Act authority is expiring. Because of that expiration we did not request additional funds, with the expiration of the 3-year funds.

Senator STEVENS. You don't contemplate requesting an extension to that Act?

Mr. BUTLER. Yes, sir. We are moving forward. In fact, I just had a note this morning from our legislative counsel that I believe there are hearings scheduled for that in May.

Senator STEVENS. Your employment and business enterprise development activity is down $8.3 million from fiscal 1977, yet your employment request is up 45 positions. I am told you have transferred the funds and positions for credit and financing services to this account. Are there other positions involved here?

Mr. BUTLER. No, Mr. Chairman, those are the transferred positions. The Indian Financing Act positions will go to credit and financing for the continuing service of all of those grants and the guaranteed loans that have been made under the Indian financing authorization, they will continue to be serviced and monitored for sometime to come.

Senator STEVENS. Would that be affected by the extension of the financing act, if it is extended?

Mr. BUTLER. If the Indian Financing Act is extended, we would then come back to you, Mr. Chairman, and we would move those positions back under the loan guarantee program.

Senator STEVENS. Why isn't there a position decrease to go along with the $8.3 million employment business enterprise development program decrease?

Mr. BUTLER. It is to continue the servicing and monitoring——

Senator STEVENS. But you haven't taken them away from there.

Mr. BUTLER. We have moved them over to business enterprise development.

Senator STEVENS. You have a total program level of $8.3 million less than the current year. Why do you need the same number of people to administer a program that is $8.3 million less?

Mr. BUTLER. There is also the consideration of Indian action teams. I would ask Mr. Dan McDonald to speak to that.

Senator STEVENS. I was just going to ask that. It looks like you are reducing Indian action programs, too. A $6 million decrease there.

Mr. McDONALD. Yes, Mr. Chairman, that is what we have put in the budget. The $6 million was an add-on in last year's budget by the Congress.

Senator STEVENS. I understand, but the total decrease then in Indian action teams and employment business development is $14 million plus but we don't see any corresponding reduction in positions.

Mr. McDONALD. There is not really because the programs will continue as they are basically. They will be reduced financially but the same contracts will be carried on as they are now.

INDIAN ACTION TEAM FUNDING

Senator STEVENS. I see. What are the training costs associated with the Indian action teams?

Mr. McDONALD. I don't know if we have it in our writeup very well or not. The Indian action team program has changed its complexity a lot since the beginning, since it is not primarily a training program anymore. It is more of a community development program of constructing facilities and building the capabilities of the tribes in all phases. It improves the administration construction capabilities, training capabilities, those kinds of things. So the training costs are basically one-third of what we actually spent on the program.

Senator STEVENS. Does that come out as adult educational training; on the job and ongoing training?

Mr. McDONALD. No, this is a line item in our budget.

Mr. BUTLER. Mr. Chairman, if I may, I would like to say that in the Indian action teams both the Bureau and the Department had originally requested the full $18 million. The $6 million that was added on by Congress for the 1977 budget was deleted by OMB.

Senator STEVENS. They kept the level the same as last year's budget request.

Mr. BUTLER. That is correct.

Senator STEVENS. But they did not take the positions away from you.

Mr. BUTLER. The Indian action team has very, very few positions. Most of that program is a contractual type program with Indian tribes. There are 61 current Indian tribal contracts under the Indian action team program.

GUARANTEED LOANS

Senator STEVENS. You have a $5 million budget and 164 positions for your loan program but you have only 105 people to take care of the $17 million housing program. Can you explain why it takes so many people to administer credit financing services? I assume it is just managing loans that are outstanding on the basis of this reduction.

Mr. BUTLER. For the loan guarantee and the business enterprise grants that is a monitoring service that will continue. However, in credit and financing there are many, many loans that will be carried on. The basic difference in my judgment, Mr. Chairman, between the number of positions for that program as opposed to the number of positions in housing is that about 60 percent of the housing improvement programs are out under contract with the tribal housing authorities and tribal organizations.

Senator STEVENS. How are we doing in loans? Can you give us a statement on the loans that have been made or guaranteed by the Bureau and how many of them are in default?

Mr. BUTLER. Yes, sir. We will submit that for the record.

[The information follows:]

LOAN PROGRAM

We estimate defaults to be approximately three percent of the outstanding loans guaranteed and estimate repayments at the rate of 10 percent per year based on an estimated average loan term of 10 years. As such defaults will equal about 30 percent of repayments. Since the program is new we do not have a history of defaults on which to make a more accurate estimate.

Loans under this program are made by commercial lenders and guaranteed by the Bureau. We rely substantially on the lending institution to assure that the loan is sound and that repayment ability is demonstrated. However, our loan processing procedures include a thorough review of the loan package to determine repayment ability and feasibility of the project being funded. We will also provide management and technical assistance to those business enterprises needing such assistance.

The lender is required to service the guaranteed loan in the same manner in which they service their other loans. In the event of default, and subsequent payoff by the Bureau, the lender assigns the loan and all security to the bureau. The Bureau may then work with the borrower to collect on the loan or liquidate the security by selling all available security. All collections received are deposited into the Loan Guaranty Fund for use in future guaranteed loans.

LOAN BALANCES

Senator STEVENS. Could you tell us why your loan authorization is dropping if guaranteed and insured loans can be financed from available fund balances? Are those balances declining, too?

Mr. MCDONALD. Yes. We expect that the total amount of money we have available will be expended by the end of this year or next year.

Senator STEVENS. How does the amount available in 1978 compare to the amount you had available in 1977 in fund balances?

Mr. MCDONALD. It expires in 1977, the authority.

Senator STEVENS. You don't have any for 1978? They are going to have to wait?

Mr. BUTLER. Mr. Chairman, could I introduce Mr. Bob Selvy, chief of our Financial Assistance Division, to give us some details on the outstanding balances.

Mr. SELVY. Federal guaranteed funds, Mr. Chairman——

Mr. MCDONALD. Mr. Chairman, before Bob gets to talking I would like to comment from your State alone we have requests for something like at least $90 million of guaranteed loans.

Senator STEVENS. That is what I am interested in finding out. If loans are guaranteed, they are good loans. And the programs are working. There is no drawdown on you except for administration is there?

Mr. MCDONALD. Yes, there is because we have to pay an interest subsidy and we have to set aside a certain amount for default. And the administration program also comes out of this.

Senator STEVENS. That is what we are trying to get to. It looks to us like your revolving fund is depleting.

Mr. MCDONALD. This is not the revolving fund, sir.

Senator STEVENS. That is not coming out of the revolving fund?

Mr. MCDONALD. No, this is the guarantee program.

LOAN FUND BALANCES

Senator STEVENS. What do you call available fund balances then? What does that mean?

Mr. SELVY. Is that on the guarantee program? The guarantee program is a revolving fund. All of the appropriation went into the fund and all collections for premiums are assets that go into the fund and revolve. The unobligated balance right now is $38.4 million in that fund.

Senator STEVENS. Is that declining?

Mr. SELVY. Yes, it is.

Senator STEVENS. What is the rate of the decline?

Mr. SELVY. Right now we have 66 loans guaranteeing $44.8 million. We estimate about another 100 for 1977. We estimate $98.1 million in new loans to go out. That will deplete the fund.

Senator STEVENS. When you are talking about fund balances, I think you are talking about the amount of money you need to pay the subsidy and insure the loans.

Mr. SELVY. Yes. It will be used to pay the subsidy which, when we enter into a contract to guarantee a loan, we set aside the amount of subsidy to cover the term of the loan, even up to 30 years. We also set aside a reserve for losses equivalent to 15 percent of the Government's liability.

Mr. MCDONALD. Excuse me, Bob, for butting in. Mr. Chairman, this is a flexible thing we have. We have a new interest rate set every month by the Treasury Department and the difference between what the bank charges and the lender charges and what the subsidy that the Government sets for us varies considerably. And also we have no way of knowing how many defaults are actually occurring. We just use a formula of 7 percent or something like that.

Senator STEVENS. I think we understand that. But are you going to be able to make as many loans in 1978 as you made in 1977? From what you say, the authority is expiring but you anticipate its being extended. Is that right? Let's assume it is extended. Will you be able to make the same number of loans, insured and guaranteed, in 1978 or more than you made in 1977?

Mr. SELVY. No.

Senator STEVENS. Why?

Mr. SELVY. The fund will probably be expended in 1977.

Senator STEVENS. Why didn't you ask for more?

Mr. SELVY. The collections that we have and maybe some carryover from 1977 funds.

FUNDING AUTHORIZED UNDER THE INDIAN FINANCING ACT

Senator STEVENS. Why didn't you ask for more money to go into the revolving fund, then, or did you?

Mr. SELVY. Somebody else may be able to answer that.

Mr. MCDONALD. Yes, we did.

Senator STEVENS. How much did you ask for?

Mr. MCDONALD. We asked for the full authorization of the act which was $20 million for 3 years.

Senator STEVENS. How much?

Mr. MCDONALD. $20 million for 3 years each year.

Senator STEVENS. How much have you received in 3 years?

Mr. SELVY. $45 million.

Senator STEVENS. Total? Of the $60 million, you received $45 million?

Mr. SELVY. $20 million in 1975, $15 million in 1976, and $15 million in 1977.

Senator STEVENS. So here again we are going to have to wait for authorization to extend the financing in order to determine whether you are going to request money for 1978 for the revolving fund.

Mr. MCDONALD. For the guarantee program.

Senator STEVENS. Do you need any of that money this year—in 1977—to process applications for utilization of moneys that will be available in 1978?

Mr. MCDONALD. In my opinion, not in the guarantee program. In the grant program, we think we do need it.

Senator STEVENS. How much authorization do you have left?

Mr. SELVY. None.

Senator STEVENS. I thought you just said you had $20 million a year and you only got $45 million. I would assume another $15 million.

Mr. SELVY. We understand that we will have 1-year authorization if the money is appropriated.

Senator STEVENS. You have something called a supplemental coming up the day after tomorrow.

Mr. BUTLER. We have $15 million theoretically left in 1977, Mr. Chairman, under the authorizing legislation. I think that is what you were getting at. Yes, sir.

Senator STEVENS. If you have that in this fiscal year, assuming the extent of the financing act, would you then be able to continue the financing program at the same rate or greater than last year?

Mr. MCDONALD. Yes.

Senator STEVENS. You had two programs, right?

Mr. MCDONALD. Right.

Senator STEVENS. So we may offer an amendment and try to get the money.

Mr. BUTLER. Mr. Chairman, my finance specialist here just sort of corrected me. They say the additional $10 million in 1976 is lost but we might still have $5 million for 1977.

Senator STEVENS. What I would like for you to do is tell the staff how much is authorized for 1977. We need to have by Monday, a statement to the staff with justification for seeking the amount in this fiscal year in order to continue the program next fiscal year at the same rate.

Mr. BUTLER. Mr. Chairman, we will be delighted to do that.

NATURAL RESOURCES DEVELOPMENT PROGRAM

Senator STEVENS. Now lastly, gentlemen, let's go to natural resources. We have a request for a $10.1 million increase. That would give you a $49.7 million natural resources development program. How are you going to spend this money? Is it contractual services?

Mr. BUTLER. Mr. Chairman, I will ask Mr. Ralph Keen, the director of Trust Responsibilities, to respond.

Senator STEVENS. I note, for example, there are no new positions.

Mr. KEEN. No; there are not.

Senator STEVENS. This is a strange budget. You decrease a tremendous amount in funding and then remain at the same personnel level. And you increase the personnel level and you remain at the same funding amount. I think my friend Warren Magnuson says the busiest man down there is a sign painter. He is moving them from office to office.

How can you do that? How can you increase a program $10.1 million and manage it with the same number of people?

Mr. KEEN. The largest part of the increase, Mr. Chairman, is $7,572,000 for mineral inventory. These inventories are accomplished under contract with the Bureau of Mines and the USGS. So they do not require anything on the part of the Bureau.

Senator STEVENS. Is it contracted out to native Indian organizations?

Mr. KEEN. No; we have not as of yet, but we are talking about it right now.

FORESTRY PROGRAM

Senator STEVENS. In forestry and agriculture you are increasing the $14.9 million program by $600,000. You indicate this will finance increased harvesting.

Mr. KEEN. Yes.

Senator STEVENS. It is only 4 percent. That is hardly enough to cover the inflation factor.

Mr. KEEN. What this is for is for contract administration. Last year the Congress gave us an add-on of $5.5 million a year for a 10-year period. The $5 million was for timber stand improvement and reforestation. Half a million dollars was for contract administration. The contract administration money was not enough to fully utilize the beneficial use, the additional money for reforestation and timber stand improvements. What we are trying to do is increase our in-house capabilities here so we can fully utilize the money that we have. With this new money it will allow us to do an awful lot more. Somewhere around——

Senator STEVENS. Shouldn't this program increase in terms of production? That is what appears in your justification. How can you state that you will increase timber harvesting with only $600,000?

Mr. KEEN. I am not sure I understood your question.

Senator STEVENS. This is a 4-percent increase. I am told the justification says that this will finance increased harvesting of timber.

Mr. KEEN. That is true. This money will be used for our contract people within the Bureau of Indian Affairs. They have to go out and mark the timber to prepare the contract, to advertise them, to oversee them, and this is what the money is for. So we will actually be able to cut more timber because we have these people.

GAO REPORT ON BUREAU MANAGEMENT POLICIES

Senator STEVENS. I was going to go into the question—let me talk first about the General Accounting Office report. It indicates that Indian tribes are losing revenues because of inefficient management policies in the BIA. The BIA doesn't have a staff to assist tribes in development and does not encourage the development. That GAO report came out in January. Have you done anything about it? Have you responded to it in the first place?

Mr. BUTLER. Mr. Chairman, I am not familiar with that at all.

Mr. KEEN. Yes, Mr. Chairman, we have. The increased emphasis that we now have in the natural resources program began last year. It is our effort to do something about the problem. Now it is true that the increase in the budget was the result of the add-on but we did have a backlog. We did have justification to use the money that was given us. So our program started then and we are simply asking that we be allowed to continue that.

Senator STEVENS. Let me put in the record here a story of January 30, 1977, from the Arizona Republic about this report. This indicates, for instance, in the Crow and Cheyenne program on coal leasing they signed agreements on fixed rates rather than rates based upon the selling price of coal. The report indicates that to a certain extent this is because the BIA doesn't have the expertise to deal with coal companies.

Has the Bureau looked into this report? Are you going to make any comments on it? Have you seen the GAO report?

Mr. KEEN. Yes, sir. I might say, Mr. Chairman, that we are doing everything possible at this time to increase our capabilities across the whole spectrum of natural resources. We are making, with the help of Congress, some inroads into the backlog of shortcomings that we have had in the past.

Senator STEVENS. It is one of the responsibilities of this committee to find out if you have the people who have the qualifications to deal with this type of trust responsibility; and if you don't, what you need in terms of financial resources to get them. So if this is a matter that you haven't gone into yet, as I say, we will put this in the record. I would like to ask for the record that you give us your comments on the GAO report and specifically direct your comments toward the qualification of those Bureau personnel who deal in mines and minerals and resource trust responsibilities.

I would also like to know if you have had any comments from any of the tribes affected by that report as to what their suggestions might be to meet the deficiencies that the GAO alleges exist in terms of this management program. Would you do that, please?

Mr. BUTLER. Mr. Chairman, I would be glad to look into that report. I apologize. I haven't been in this job long enough to take a look at that one.

Let me add though, however, that specific to Crow, the Crow leases were canceled by Secretary Kleppe and we are now working with the Crow people. They have established a tribal coauthority that is currently in negotiation with the coal companies there in looking into the best operations that would be available for the Crow tribal people.

[The information follows:]

[From The Arizona Republic, Jan. 30, 1977]

BIA IS MISMANAGING TRIBES' NATURAL RESOURCES, U.S. REPORT SAYS

(By Bill Donovan)

WASHINGTON—Indian tribes throughout the nation are losing revenue because of inefficient management of their natural resources by the Bureau of Indian Affairs, a report by the General Accounting Office contends.

The report, released last week, claims that the BIA has not offered adequate assistance to Indian tribes and has placed only limited emphasis on developing mineral resources on Indian reservations.

The BIA also has not provided its staff with the expertise to assist tribes in mineral development nor has it encouraged mineral departments of one area to exchange information with other areas, the report says.

"The government's record of mismanaging Indian coal leasing and development is undeniable," the report says.

The report does not indicate exactly how much money the tribes are losing but it quoted Department of Interior estimates that the gas and oil reserves on 40 reservations total about 3 percent of the nation's reserves.

The Interior Department estimates that about 33 reservations have sizable coal reserves and more than 10 percent of the nation's coal is reported to be on Indian land.

GAO investigators visited several BIA area offices and reported they discovered only a limited number of BIA personnel with minerals expertise.

This means the BIA is unable to offer advice on mineral resources even when the tribes have requested it, the report says.

Tribes also are losing possible revenue because the BIA offices do not exchange information about what kinds of mineral agreements other tribes have approved.

One example in the report concerns the Navajo Tribe and a 1954 agreement the tribe signed with a coal company. In the agreement, the tribe, for the first time, based its royalty payments on the selling price of the coal instead of taking a flat rate per ton.

Yet, in 1966 and again in 1971, the Crow and Cheyenne tribes signed coal-lease agreements based on fixed royalty rates. The report quotes a BIA official as saying that the fixed royalty rates were approved in those two cases because there was a "lack of BIA experience in dealing with coal companies."

Even though tribes can benefit from agreements made by other tribes, BIA officials told GAO investigators that they do not favor the interchange of minerals information.

The reason given is that BIA officials believe such a system would be "difficult and expensive to establish."

BIA officials said they also worried that such a system would cause problems because "tribes may believe that what has been obtained on one reservation could be obtained on their reservation without giving consideration to differing circumstances."

SUBMITTED QUESTIONS

Senator STEVENS. All right. In view of that I will just submit the balance of these questions on that area so that you can respond to them at the same time.

Mr. BUTLER. We will, indeed, sir.

[The following questions were not asked at the hearing, but were submitted to the Department for responses subsequent to the hearing:]

FORESTRY AND AGRICULTURE PROGRAM

Question. The General Accounting Office published the results of a study on Natural Resources which revealed a substantial backlog in reforestation and thinning work and a harvest level during 1969–1973, that averaged 110 million board feet below the annual allowable cut on the 12 major timbered Indian reservations. A principal conclusion of this study was that this work could not be completed because the BIA forestry branch was understaffed and underfunded. Do you agree with this finding? If so, what steps are being taken by your agency to overcome these problems?

Answer. A study of the needs of our forestry program undertaken by the Bureau forestry staff is now being finalized. Preliminary data from this study confirms the understaffing and underfunding situation identified in the GAO Report. As the personnel and funding needs to bring the forestry program up to full operation are more fully analyzed and balanced against other program priorities, efforts will be made to secure additional appropriations and personnel. In fiscal year 1977, a budget increase of $5 million was obtained to initiate a ten-year program to eliminate the backlog of forest development work on Indian lands. While no additional positions were provided to administer this substantial budget add-on, much of the work associated with forest development is of a project nature and is being accomplished by contracting with Tribes.

Question. It has come to the attention of the Committee that the BIA staffing level allocated for forestry operations proposed for 1978 remains unchanged from the 1977 level of 358 permanent positions. How do you propose to eliminate the backlog and improve the management of Indian forests without increasing the BIA staffing?

Answer. As stated previously, elimination of the backlog of forest development work, which is of a project nature and highly labor intensive, can be accomplished by contracting arrangements. Only a small increase in staff is required to administer the contracting program. The requirements to harvest the full annual allowable cut from Indian lands are, however, of a different nature and will require substantial increases in staff to accomplish this goal.

INDIAN SELF-DETERMINATION ACT

Question. What has the BIA done in the two years since the passage of the Indian Self-Determination Act to implement the spirit of this legislation with respect to the management of Indian forests? What has been the attitude of Indian tribes in contracting to perform the work funded by the forestry development add-on which was appropriated last year? What conditions would be necessary before Indian tribes could assume responsibility for the management of their forest resources as well as performing the field work?

Answer. Indian tribes with major forest holdings have been made aware of contracting opportunities in the forestry program. A Bureau task force has also done a study of this matter. Preponderance of opinion both from Tribes and our own staff is that basic planning functions for forestry activities such as management plan development, inventory and timber sales, require the services of BIA professional foresters. These activities do not easily lend themselves to contracting arrangements. Other activities involving project type work and field tasks associated with forest inventory, timber sale administration, and forest protection are functions where Indian performance can be expanded and is encouraged. The tribes have been generally quite receptive to entering into Contracts to perform forest development work funded from last year's budget add-on. Both "Buy-Indian," and P.L. 93–638 contracting authorities are being utilized. Before Indian tribes will be prepared to assume total responsibility for management of their forests, professional forestry capability and expertise will have to be developed within the Indian people. This will take considerable time and is presently being pursued by encouraging Indian students to seek careers as professional forests. For some tribes there will also have to be a change in perspective in the Indian attitude toward the federal trust relationship. Some feel that forestry program functions are basic trust responsibilities and should be fully performed by the Federal Government. Tribes have also expressed disinterest in taking over forestry programs unless they are first fully funded.

Question. Are Indian lands privately owned? Are Indian lands managed as intensively as other lands owned by private industries? If not, why not?

Answer. Yes, Indian lands are privately-owned, with title held in trust by the United States Government. Because of past inadequacies in funding and staffing, Indian forest lands have been managed at a level of intensity below that of lands owned by private forest industries.

Question. Can you provide the Committee with an estimate regarding how much money and additional personnel would be needed to bring management of Indian forest resources up to the level employed by the leaders in the forest products industry in the management of their property?

Answer. Our study of forestry program needs indicates that $6.6 million and 262 additional permanent positions would be required to achieve an operational level capable of harvesting the current annual allowable cut and meeting quality and intensity of management standards established by private industry and other government agencies.

Question. With the BIA not being able to meet annual allowable cut levels and accumulating backlog for their reforestation work, what efforts has the BIA made to adjust its harvesting and management schedule?

Answer. Harvest levels have been reduced considerably below the allowable cut amounts on some reservations because of lack of staff and funds. Staff and fund utilization have also been realigned to achieve a better balance in accomplishing essential forestry tasks. This has resulted in a shift in emphasis from timber harvesting to other management activities such as forest development, protection and environmental considerations. This change in emphasis to achieve better quality management often meets resistance from tribes because it diverts attention from the income producing timber sales program.

Minerals and Mining Program

Question. What is the demand for mineral inventories? What kind of total program are we talking about in years and dollars?

Answer. Requests from tribes for resource data and technical assistance are increasing. As the demand for mineral resources accelerates, so does the need for sufficient information with which to adequately negotiate with industrial companies likely to do the development work. It is very difficult to forecast the amount of time and money required to sufficiently inventory and qualify these resources. However, it is estimated it will take from eight to ten years and cost $40 to $50 million.

Question. Are mineral leasing activities handled under natural resources? If so, how is the work budgeted?

Answer. In our field offices these functions are included as a portion of the workload of technicians responsible for other real property management activities and are budgeted under real estate services. In the Washington office, these functions are included within the Minerals and Mining budget.

Question. Do you go to the Bureau of Land Management for leasing assistance, just as you go to Geological Survey and Mines for inventory work?

Answer. No. In our field offices this work is done by technicians who are primarily responsible for other land management activities.

Question. What lies ahead for the mineral leasing program? Is any kind of coordinated program laid out?

Answer. It is virtually impossible to formulate a hard-rock leasing program as such, on Indian lands, due to the widespread location of the various reservations, different minerals involved, and the basic necessity of the Indian owners to execute the documents. Competitive bid sales of oil and gas leases, however, are held periodically in areas having these resources. The leasing of Indian mineral resources in the recent past has begun to take a new form. We are now faced with a joint venture or joint participation type agreement of various forms to accomplish the development of Indian mineral resources.

Bureau Personnel and Qualifications

Question. Would you please provide for the record an accounting of Bureau personnel dealing with mining and minerals and their qualifications for the positions they now hold?

Answer. Yes, the Bureau has four graduate geologists, three petroleum engineers, and two engineering technicians. Two of the engineers and the two technicians do work specifically on the Osage Reservation in Oklahoma. Many employees throughout the Bureau perform mineral leasing activities as part of their real property management functions, although not academically qualified.

Question. Have the tribes requested advice on mineral matters to which the Bureau has been unable to respond to due to a lack of qualified personnel?

Answer. Yes. This occurs with increasing regularity as the pace of Indian mineral resource development quickens. We are now receiving, and have received in the past, technical advice, supervision and assistance from both the USGS and the Bureau of Mines. However, these agencies are also understaffed and are unable to provide all the necessary services.

Navajo Irrigation Projects

Question. How much is in your 1978 budget for Navajo Irrigation project on-farm development for block two, and what is the total available including the 1976 funds?

Answer. The 1978 budget contains $2.4 million for on-farm development of Block III of the project. Block II was funded from 1976 transition Quarter and 1977 funds. The table below shows the on-farm funding schedule assumed in the fiscal year 1978 budget:

NIIP on-farm development funding

[Dollars in thousands]

Fiscal year	Block I	Block II	Block III	Total
1975 act	$2,000			$2,000
1976 and TQ act	900	$990		1,890
1977 available		1,910	$490	2,400
1978 estimate			2,400	2,400
Subtotal	2,900	2,900	2,890	8,690
Tribal funds	1,600	2,500	2,510	6,610
Total cost	4,500	5,400	5,400	15,300

Question. We are told that an additional $1 million is needed for Block Two. Is that correct? Or is it less?

Answer. The total cost for Block II is estimated to be $5.4 million. The budgeted amount of $2.9 million will make it necessary that the Tribe contribute $2.5 million, or 46.3 percent of the cost of on-farm development for Block II.

Question. To what extent should the federal government cover the block two cost increase?

Answer. The fiscal year 1978 budget assumes that $2.9 million per block for the first 5 blocks is a fair and reasonable Federal share for the on-farm development costs.

RIGHTS PROTECTION

Question. What program on-going level are we talking about for water rights work, and over what period of years?

Answer. "Water rights" work, as the Bureau Rights Protection Office interprets the term, is essentially water resources investigations. Regardless of what term is used, such as inventories, studies, investigations, litigation studies, etc., the work involves the determination of available water resources on Indian reservations, the total water resources required for comprehensive development of reservations, and specific programs and projects to meet reservation water resources requirements.

The following priorities have been employed as guidelines in channeling our manpower and fiscal resources: 1. Required to support litigation in progress; 2. Litigation is imminent; 3. Major water controversy possible; 4. Required to establish water right for reservation development.

The following information depicting rate of accomplishment and amount of work required, in the absence of litigation, embraces the time period from May 1971 to the present:

Water resources investigations

Area	Total required	Completed	Additional completions by end of fiscal year 1977	Remaining
Aberdeen	50	3	6	41
Albuquerque	115	9	17	83
Billings	56	14	12	30
Navajo	6	0	1	5
Phoenix	87	0	1	86
Portland	81	8	12	61
Sacramento	200	5	8	186
Total	595	39	57	492

These water investigations are basically the Priority 4 type. When litigation is introduced, the completed basic investigations are reviewed by attorneys for adequacy for judicial review. In the litigation we are involved in at present, we have had to supplement the basic studies with additional work to properly represent the tribes in the lawsuits. At this time, the supplemental investigations are few; but we anticipate a dramatic increase in light of the national energy picture regarding fossil-fuel development requiring huge amounts of water and the increasing demand placed on a limited water resource base by non-Indian competitors.

The preceding figures, reduced to rates of accomplishment, show a time-rate of change of 12 investigations completed per year. At that rate, the remaining investigations would be completed in a period of 36 years.

Beyond the time frame mentioned above, the BIA will be involved in implementing the specific programs and projects identified in the Phase 3 investigations and, hopefully, assisting the tribes to operate water projects leading to the full development of all the Indian reservations falling under the jurisdiction of the Bureau of Indian Affairs.

Agriculture Program

Question. The same question applies to your $18.7 million agriculture program. The proposed 3 or 4 percent increase will hardly cover any program expansion as justified, will it?

Answer. Program expansion will be minimal as a result of escalating prices. The fiscal 1976 and 1977 figures are as follows:

Program activity	1976	1977	Increase or decrease
Inventory and research	$2,004,480	$2,297,004	+$292,524
Farm and ranch planning	2,728,690	3,368,718	+640,028
Environmental quality investigations	199,521	236,741	+37,220
Farm land improvement	2,918,429	3,576,632	+658,203
Rangeland improvements	4,380,004	4,035,702	−344,302
Rangeland fire protection	267,320	404,067	+136,747
Leasing and permitting services	2,019,491	2,285,407	+265,916
Energy reduction program	11,637	17,561	+5,924
Unclassified work for others	5,060	88,468	+83,408
Indian policy groups	34,406	27,170	−7,236
Contract monitoring	121,769	190,685	+68,916
Safety conversions	19,564	27,667	+8,103
Tribal enterprises	954,595	910,684	−43,911
Formal staff training	130,034	139,494	+9,460
Total	15,795,000	17,606,000	1,811,000

The above increases and decreases reflect the desires of the tribes through the band analysis.

Question. The $867,000 increase for fishing rights, or the *Boldt* Decision, would make $3.1 million available. This sounds like the same program, only bigger. Specifically why is the increase needed?

Answer. The increase reflects the priorities of the tribes in determining how they desire to expend funds. Many of the tribes in the case area have little or no tribal funds. Since 1974, many tribes started with a zero base and have slowly worked into the fishery conservation program with the goal of becoming self regulatory. As the various tribes gradually work into the program, they are becoming increasingly aware of the need for more sophisticated procedures in order to obtain the data required to manage the resource in a wise and prudent manner. Increased emphasis will be placed on enhancement activities to upgrade the quantity and quality of the resource.

TRUST RESPONSIBILITIES

Senator STEVENS. On trust responsibilities, in general, you have a $3.7 million increase. That is a 36-percent increase. What brought about that jump in 1 year? Is that 36-percent increase in 1 year in terms of trust responsibility warranted?

Mr. KEEN. We have had, as you are well aware, a drought in this country. It has brought new awareness to the shortage of water, the importance that water has in our country. Because of this there has been a literal flood of lawsuits to determine, first of all, who owns water; and technically, how much they can get. We want to assist them in finding and preserving their rights to this water. So a lot of this money goes to water inventory in support of this and other water inventories not in support of this litigation are aimed toward providing a sound basis for the tribes to put water to good use.

Another area of increase within our trust responsibility is our need, our growing need each year, to comment on various environmental impact statements. Some of that increase goes for that. But the large bulk of it is for the purpose of assisting tribes in protecting their water rights.

"BOLDT" DECISION

Senator STEVENS. You have an $867,000 increase on fishing rights. I assume that is the *Boldt* decision problem.

Mr. KEEN. Yes, it is.

Senator STEVENS. How much longer will we have to fund that problem at that level?

Mr. KEEN. We have currently in the making a report which would define the Federal Government's responsibility as a result of the *Boldt* decision. That report has been drafted and is currently being circulated among the various Federal agencies for comment.

What I think that report will say is that we have a responsibility under the *Boldt* decision brought about by the Federal trust responsibility to assist the tribe in the proper management of their fishery activities. And because of our shortcomings in the past, we are trying to play a catchup game now. But even after we are caught up to the point that we can adequately manage their resources, we may be asked for a long period of time to continue these services. I don't think there is anyone at this point in time who is willing to even guess how long we will be asked to ask the Congress for appropriations for that.

I might add, Mr. Chairman——

FISHING RESOURCES IN STATE OF WASHINGTON

Senator STEVENS. Are you negotiating with the State of Washington to see if you can get some sort of an agreement, a tripartite agreement—Federal, State, and Indian—to deal with this in terms of reproduction hatchery plus conservation mechanisms to assure that fishery resource is not harmed out there in the interim?

Mr. KEEN. We are constantly working to try to reduce the impact, the adverse impact. Let me say this. A great deal of this money goes toward preserving the resource itself and also some of this money actually goes to the tribe for consultation and coordination with the State. I think we are all aware of the heated nature of the controversy in the Northwest. I might say, that in spite of all that, progress is being made and we are moving forward toward, trying not only to preserve the assets but also to try to make sure that the asset is there for years to come, and even try to improve it.

We have with us today a gentleman who is from our Portland office who is directly in day-to-day contact with this. If you would like, we can call him forward and have him further answer the question.

Mr. BUTLER. Mr. Chairman, if I may, in direct answer to your question, yes, I think progress is being made in that respect. The tribes in that area and the governors of the three States of Washington, Oregon and Idaho have just recently concluded an agreement relative to the fisheries problem affecting the Columbia River. Of course that is not directly related but it is indirectly related. I think this is a very excellent sign of cooperative progress in this area.

Senator STEVENS. That is hopeful. That sounds good.

All right. I think we all understand the problem. It just seems that the fund is constantly increasing and it doesn't seem that we can see the end of it. I hope that there is a plan and a goal that we can work toward.

Mr. BUTLER. Mr. Chairman, I just happened to recall there is also a recent development that is taking place now in negotiations with one of the tribes there in the Puget Sound area with the State of Washington and with us relative to a fish hatchery program there, regarding this, so there is a very good cooperative attitude developing.

Senator STEVENS. That is good. I have submitted several questions to you about our hatchery problem. I would be happy to see your response there. I note there is no money in the budget for that second phase. But we have a potential there of the same circumstances if it is not met.

I have a series of questions on Indian services and construction, if I can hurry through, because we've got to go on. I appreciate your response to the questions we will deliver to you.

SELF-DETERMINATION SERVICE

You have requested a $2 million increase in self-determination services. What is the total cost of administration of the self-determination program? Can you break that out or is it spread out through the whole program, the whole budget?

Mr. KRENZKE. The self-determination program is involved in virtually all of the various programmatic operations of the Bureau. Identified specifically in the budget, however, are amounts for self-determination grants, for training and technical assistance and also for contract support funds. There are three specific items, but the actual amounts in the budget go beyond those three identifiable items.

Senator STEVENS. Can you break that out for the record? The reason why is we don't see any corresponding decrease in your employment accounts. As these are contracted out it seems to me that people are still staying in the BIA who were there to perform the services. Is there a reduction coming downstream?

Mr. BUTLER. Mr. Chairman, if I may respond to that generically, yes. I envision a reduction taking place as we eventually move into this type of a local delivery system in contracting with the tribes as opposed to the direct delivery system from the Federal Government. You don't initially have a corresponding staff reduction, but as some of the locations and tribes, and I draw specific attention to the large contractual arrangements with the Navajos in social services, where there has been a corresponding reduction in staff in that one particular area.

Now at the same time some of the local service delivery systems correspondingly require additional staff because of their increase. So it is not a one-for-one type of a staff reduction.

But as we move along into a larger proportion of the Bureau's funding for service programs to local option programs there will be a decrease in staff.

Senator STEVENS. We would like to have you break out these costs for administering the self-determination programs and identify the employment in the areas that are now contracted out. What was the employment in the Bureau before and what is the employment now?

Mr. BUTLER. Yes, sir. We will be glad to do that.

[The information follows:]

ADMINISTRATION OF P.L. 93-638

With regard to the effects of self-determination employment in the Bureau we are presently developing a reporting system which will provide detailed data on Bureau positions which go into the position and ceiling reserve. The reserve is established by 25 CFR 271.77 and applies to all Bureau positions affected by program contracts entered into after the effective date of the self-determination regulations (December 5, 1975).

The following is an itemization of the costs incurred by the Public Law 93-638 staff in the Office of the Commissioner, Office of Indian Services and for the twelve Area Offices:

Office of the Commissioner (P.L. 93-638)	$146,000
Office of Indian Services Division of Indian Self-Determination	250,000
Area Offices—P.L. 93-638 Coordinators	147,180
Total	543,180

The above administrative costs include such items as personnel services, travel and transportation, equipment, supplies and materials.

CONSTRUCTION PROGRAM

Senator STEVENS. We have $87.2 million in the construction account, an increase of $10.1 million. Now, $52 million of 1976 funds were carried over. You had $129 million in this current year. We do not know from your presentation how much will be carried over from the $129 million. Can you give us an estimate now?

From 1977 to 1978 what is your carryover estimate? Apparently we read it to be zero. We can't believe that. Not after you carried over $52 million last year.

Mr. GORRELL. That is the assumption that is in the President's budget, Mr. Chairman. That is correct.

Senator STEVENS. How much have you obligated as of today? Do you have any idea?

Give us a schedule, a realistic one on how you are going to obligate that money. If you are not going to obligate it this year, we just might be able to use it somewhere else.

Mr. BUTLER. We will provide that information for you.

[The information follows:]

Construction buildings and utilities

Unobligated balance, Sept. 30, 1976	$91,211,215
Obligations as of Feb. 28, 1976	18,234,000
Anticipated additional obligations, Sept. 30, 1977	41,766,000
Unobligated balance, Sept. 30, 1977	31,211,215
Unobligated balance, Sept. 30, 1977	31,211,215
Available fiscal year 1978	42,870,000
Anticipated obligations, Sept. 30, 1978	58,861,000
Unobligated balance, Sept. 30, 1978	15,220,215

PLANNING AND DESIGN

Senator STEVENS. Then you have planning and design funds of $369,000 for four projects. Is it your intent that those projects will be funded for construction in fiscal 1979? I am talking about the schools now.

Mr. BUTLER. I am advised, Mr. Chairman, the plan is for construction in 1979.

Senator STEVENS. What projects are those? What four projects will be designed from this money and be under construction in 1979?

Mr. BUTLER. Mr. Chairman, they are the Cherokee Agency administration in North Carolina, the Western Navajo Agency in Arizona, Fort Peck Rehabilitation Center in Montana and the Hopi Rehabilitation in Arizona.

Senator STEVENS. Does the presentation give us the estimated construction cost for these projects?

Mr. BUTLER. The preliminary estimates, Mr. Chairman, are $5.3 million.

Senator STEVENS. Give us a list of all planning and design funds that you have received since fiscal 1970 that have not been followed by construction, for the record?

Mr. BUTLER. Yes, sir.

[The information follows:]

PLANNING AND DESIGN PROJECTS

The following is a list of planning and design projects funded since 1970 which have not been followed by Constructions:

AREA	PROJECT	$ APPROPRIATED			
		YEAR	PLANNING	DESIGN	PLANNING & DESIGN	STUDY
Aberdeen	Promise Elem. School, S.D.	1974	$ 20,000	$ -	$ -	$ -
	Little Eagle Day School (Addn.), S.D.	1971	5,400	-	-	-
	Fort Thompson Day School (Addn.), S.D.	1971/74	35,400	-	-	-
	Cherry Creek Day School (Addn.), S.D.	1971/74	25,400	-	-	-
	Flandreau School Vocational Shops, S.D.	1971	45,000	-	-	-
	Fort Totten Day & H.S Sch. (Addn.), N.D.	1971/73/75	5,400	375,000	-	100,000
	Bullhead Day School (Addn.), S.D.	1971	5,400	-	-	-
	Pine Ridge Elem. & H.S., S.D.	1972/73	125,000	330,000	-	-
	Turtle Mountain Elem. School, N.D.	1973/74	70,000	350,000	-	-
	American Horse Elem. School, S.D.	1973/75	16,500	150,000	-	-
	Kyle High School, S.D.	1975	-	-	198,000	-
	Pine Ridge (K/D), S.D.	1976	-	-	80,000	-
	Fort Thompson (Rehab. Center), S.D.	1976	-	-	60,000	-
	Mandaree (Dorm), N.D.	1973	40,000	-	-	-
Albuquerque	San Felipe Elem. School, N.M.	1972/73	25,000	240,000	-	-
	Albuquerque Indian School, N.M.	1972	40,000	-	-	-
	Alamo Elem. School, N.M.	1973	19,000	-	-	-
	Laguna Jr. High School, N.M.	1973/74	30,000	125,000	-	-
	Santa Clara Day School, N.M.	1974	12,700	-	-	-
	Zia Day School, N.M.	1974	25,000	-	-	-
	San Juan Day School, N.M.	1974	25,000	-	-	-
	Isleta Day School, N.M.	1974	30,000	-	-	-
Anadarko	Fort Sill Boarding School, Okla.	1971	45,000	-	-	-
	Chilocco School, Okla.	1973/74	40,000	200,000	-	-
Billings	Busby School, Montana	1973/74			149,500	-
	Northern Cheyenne H.S., Montana	1972/73	50,000	230,000	-	-
Juneau	Fairbanks (Dorm), Alaska	1971/72	19,500	96,000	-	-
	Anchorage (Dorm), Alaska	1971/72	19,500	96,000	-	-
	St. Mary's (Dorm), Alaska	1971/72	19,500	96,000	-	-

AREA	PROJECT	$ APPROPRIATED YEAR	PLANNING	DESIGN	PLANNING & DESIGN	STUDY
Juneau (cont'd.)	Barrow Elem. School, Alaska	1971/72	$	$616,000	$ -	$ -
	Northway Elem. School, Alaska	1971	-	86,000	-	-
	Tok (Dorm), Alaska	1971		62,666	-	-
	Ft. Yukon (Dorm), Alaska	1971		62,666	-	-
	Dillingham (Dorm), Alaska	1971		62,666	-	-
	Shungank Day School, Alaska	1972	16,000	-	-	-
	Kalskag Day School, Alaska	1972	16,000	-	-	-
	Akiak Day School, Alaska	1972/75	16,000	180,000	-	-
	Tununak Day School, Alaska	1972	16,000	-	-	-
	Galena Day School, Alaska	1972	16,000	-	-	-
	Napakiak School (Phase II), Alaska	TQ1976	-	-	150,000	-
	Kotzebue High School, Alaska	1973/74	24,000	300,000	-	-
	Unalakleet Day School, Alaska	1973	10,000	-	-	-
	Shatoolik Day School, Alaska	1973	10,000	-	-	-
	Gambell Day School, Alaska	1973	10,000	-	-	-
	Mt. Village Day School, Alaska	1973	10,000	-	-	-
Minneapolis	Sac & Fox Elem. School, Iowa	1974/75	20,000	210,000	-	-
Muskogee	Seneca School (Rehab.), Okla.	1971/72	39,000	135,000	-	-
Navajo	Tuba City Middle & Elem. School, N.M.	1971/72	96,000	415,000	-	-
	Chinle Elem. School (Rehab), N. M.	1971	96,000	-	-	-
	Kayenta Elem. School (Exp),N. M.	1971	33,000	-	-	-
	Wingate Elem. School, N. M.	1971	-	641,160	-	-
	Red Rock Elem. School, N. M.	1972	50,000	-	-	-
	Low Mountain Elem. School, Ariz.	1973	61,500	-	-	-
	Pinon Elem. School, Ariz.	1972	50,000	-	-	-
Phoenix	Polacca Elem. School, Arizona	1972/73/76	59,000	80,000		
	Hopi High School, Arizona	1973/74	35,000	250,000		
	Lake Shore Elem. School, Arizona	1973	40,500			
	Moen Copi School, Arizona	1973/74	20,000	100,000		

AREA	PROJECT	YEAR	$ APPROPRIATED PLANNING	DESIGN	PLANNING & DESIGN	STUDY
Phoenix	CiBecue Day School, Arizona	1974	$30,000			
	Supai Elem. School, Arizona	1974/76	25,000	$ 80,000	$	
	Salt River Elem. School, Arizona	1975			140,000	
Eastern Area	Ahfachkee Day School	1975			60,000	
Centralized Schools	Haskell Indian Jr. College, Kansas Gym	1976			190,000	
	Environment Health Bldg.	1972		240,000		
	Inst. American Indian Arts, New Mexico	1971	39,000			

IRRIGATION PROJECTS

Senator STEVENS. The President has laid out his program concerning water projects throughout the country. I understand that Senator Jackson has talked to you about the Bureau's irrigation projects. Are any of the BIA projects affected by the President's decision?

Mr. BUTLER. None of the BIA projects is affected. There are eight Department of the Interior projects in the Bureau of Reclamation.

Senator STEVENS. But none of the BIA?

Mr. BUTLER. No; none of the BIA projects.

SUBMITTED QUESTIONS

Senator STEVENS. I have additional questions related to the construction program that I will submit and ask that you provide answers for the record.

Mr. BUTLER. We will be happy to answer them for the record, Mr. Chairman.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

CHEMAWA INDIAN SCHOOL

Question. Last year Congress provided $10 million for the Chemawa Indian School. We note that no funds are requested for FY 1978. What is the status of that project?

Answer. In Fiscal Year 1977, Congress provided $10 million for the Chemawa Indian School. Design and drawings are now being modified for Phase I Construction. The current schedule indicates the following:

Award Construction Contract	3rd Qtr. 1977
Start Construction	3rd Qtr. 1977
Complete Phase I Construction	3rd Qtr. 1979

Question. Did the Bureau originally request additional construction money for Chemawa?

Answer. No.

SHERMAN INDIAN SCHOOL

Question. $1.5 million is requested to complete facilities at the Sherman Indian Boarding School. Will you please supply for the record the additional amounts to be spent on the auditorium, fine arts complex, home-living unit, plant maintenance shop, swimming pool and athlete field?

Answer. $4,500,000 was appropriated in Fiscal Year 1976 for construction of the above stated facility. Increased construction costs indicated that 1.5 million would be required to complete the project. However, when bids were received, the total project cost was $4,800,000. A contract award was made for the total project in lieu of further phasing because of cost savings. Savings in the amount of $300,000 from completed projects were used to award the contract.

STANDING ROCK SCHOOL

Question. The justification states that Standing Rock Boarding School now has 120 students from kindergarten through 12th grade, yet the facilities for 7-12th grades are being proposed to accommodate 600 students. How many students are now in these five classes?

Answer. The 120 students in the justification statement relates to the number of students in the residential program at the current time. Standing Rock Boarding School is a residential/day school. The school's student roster dated March 11, 1977 lists the following students in grades 7 through 12:

Grades	No. of Students
7	71
8	66
9	84
10	79
11	79
TOTAL	379

In addition to the above, it is anticipated that the students from the following locations will enroll in the Standing Rock Boarding School:

Location	Grade						Total
	6	7	8	9	10	11	
St. Bernard's Mission	15						15
Little Eagle			5				5
Bullhead			5				5
Wahpeton			5				5
Intermountain				1	2		3
Flandreau				8	12	3	23
Cheyenne Eagle Butte		1	1	3	2	4	11
Pierre Indian Lrng. Ctr.			4				4
Mormon Placement				46			46
Other Missions				7			7
Standing Rock	51						51
						TOTAL	175
						Students 6-11 now at Standing Rock	379
						GRAND TOTAL	554

There are forty new housing starts being constructed on the reservation and will also bring families back to the reservation and will also increase the enrollment of the school.

There are approximately one hundred (100) students who are living in non-Indian foster homes off the reservation. The tribe is attempting to bring these children back to the reservation to be reared with their own people and cultural environment.

FORT YATES SCHOOL

Question. An additional $4 million is requested for Ft. Yates in addition to the $5.2 million appropriated in FY 1976. The 1976 justification stated that the facilities would include an administrative area, academic area, special use labs for science, art, typing, home economics and physical education. Support facilities were to include a learning resource center, kitchen-dining room and auditorium. Those are exactly the same items contained in the fiscal year 1978 request. It is difficult to believe that construction costs have increased by 80 percent in two years. What has led to this greatly expanded request?

Answer. Bids were received for the Standing Rock Boarding School project August 5, 1976. The lowest bid excluding several alternates exceeded the $5,200,000 appropriated in FY 1976. Under the EDA Public Works Program, EDA supplemented the $5,200,000 by $1,900,000 and the contract award was made in February 1977 for construction of the administrative area, academic area, special use labs for science, art, typing, home economics and physical education with support facilities such as learning resource center, kitchen-dining and auditorium. There was inadequate funding to accept several bid alternates such as coiling doors and door chases, theatre and stage equipment, paving parking area, sewage lagoon enlargement and sandblasting rough concrete.

The $4,000,000 requested in the FY 1978 budget request will now complete the bid items that were not accepted, and in addition, provide vocational shops, music room, swimming pool and expand the water treatment plant.

Question. The budget indicates that we can expect future requests to complete this project. Will you please supply for the record a break-down of additional funds required to complete this school?

Answer. To complete the high school, outdoor recreation facilities, plant management shop and housing site improvements are required. It is estimated that the project will cost $1,500,000.

FORT HALL AGENCY OFFICE

Question. Will the $600,000 request for the Fort Hall Agency Office fund both the design and construction of the building?

Answer. The $600,000 requested for the Fort Hall Agency office building (design-construct) will fund the design and construction of the facilities for the basic administrative staff. When the funds are appropriated, our schedule is to complete the design and bid the project in FY 1978.

In addition to housing basic administrative staff, the design will be expandable so at a later date an addition can be provided to house the soil moisture conservation and irrigation functions.

Question. $5 million is requested for facility improvement. How many facilities will be brought up to health and safety standards with this amount?

Answer. Of the $5 million requested, fifty seven projects and $3,685,000 are identified to unsafe and unsanitary conditions.

Question. This is the second year the Bureau has requested funds for public school construction. Last year's testimony indicated that the 1977 appropriation would allow some 1,300 Indian children to attend school closer to home. In view of this, can we anticipate a continued decline in the enrollment of the boarding school?

Answer. No, there will not be a continued decline in our boarding schools enrollment because of public school construction funding. The funding for public school construction is for the most part replacement of a present school and not for a complete new school. Students who attend boarding schools are those for whom there are no schools available for them, public or Bureau, those who come from broken homes, or who have other social problems, and for special education needs that are not being met by public schools.

HASKELL INDIAN JUNIOR COLLEGE

Question. You are budgeting $3.5 million for a new gymnasium at Haskell Indian Junior College in Kansas. Is this the next priority for Haskell?

Answer. Yes.

Question. What about the second dormitory? We are told that is the most immediate need.

Answer. Subsequent year budget requests will include the second dormitory for Haskell. In fiscal year 1978 the new gymnasium at Haskell had a higher priority over the dormitory.

Question. We need to get the Haskell problem cleared up. The committee would like the Bureau to get some kind of official position from Haskell on its construction priorities.

Answer. The construction priorities for Haskell Indian Junior College as furnished by the Board of Regents is as follows:

Haskell

1. Physical Education facilities including health clinic, renovation of two buildings and development of athletic fields.

2. Dormitories for 128 students.

3. Completion of student union and site improvement around kitchen and learning resource center.

4. Dormitory as needed.

5. Remodel building #50 for fine arts facility.

6. Housing for married students.

7. Administration Building.

8. Remodel various vocational buildings for changes in college program.

In FY 1975 Congress appropriated $2,850,000 for construction of 2-130 pupil dormitories. At the time of the Bureau's budget request, the dormitory design was not complete. The initial programmed square footage for the two dormitories was 56,200. The final contract drawings indicated 63,336 or an increase of 7,136 square feet. The major change in program was to provide private areas for each of the students for sleeping and studying. The Bureau was able to award a construction contract for only one dormitory because of an increase in site costs, increased dormitory size and a low initial program estimate.

It is estimated that the second 130 pupil dormitory will cost approximately $2,600,000.

Question. Haskell brings to mind a related problem, that of Indian self-determination policy on construction. We are told the reason Haskell's second dormitory couldn't be built was that the college regents insisted on a more elaborate plan, including private rooms.

Indian self-determination is a fine goal, but to what extent does the BIA allow Indian desires to affect budgeted construction? What constraints do you have, say, in the case of Haskell and the dormitory design?

Answer. The construction cost of the Haskell Dormitory project was increased due to enlarged sleeping-study areas and other minor changes such as larger living rooms and additional building circulation space created by limited site conditions.

The program was for minimal type dormitory facilities with two students to a room with a bathroom between every two rooms. In lieu of a rectalinear or modular room, an L shaped arrangement was designed which provided a private area for each student. One bathroom still served four students. The architect engineer selected to provide design services had extensive nationwide experience in design of college dormitories and presented several concepts to the Board of Regents, school, Area and Central Office personnel. The Board of Regents were instrumental in selection and acceptance of the design concept which exceeded the initial program requirements.

The Bureau has returned to the concept of educational specifications and facility specifications which details the educational program and will be a constraint to the user as well as the architect-engineer for future designs.

FACILITY IMPROVEMENTS

Question. Your $5 million request for facility improvement is up sharply over 1977's $1 million estimate. What size projects are these on the average?

Answer. In FY 1978, the average project is $73,000.

Question. Give us a general breakdown of facility improvements that are budgeted - whether for schools or dormitories or whatever, whether they are sanitation, safety or other types?

Answer.

Unsafe and Unsanitary

	Projects	Amount
Education Facilities, BIA Operated	38	$2,390,000
Common Activities including Education (Water, Sewage, etc.)	9	549,000
Program Activities excluding Education	10	746,000
Sub-Total	57	3,685,000
Other		
Education Facilities, BIA Operated	3	460,000
Common Activities including Education	3	430,000
Program Activities excluding Education	1	120,000
Sub-Total	7	1,010,000
Engineering Services		305,000
	64	5,000,000

Question. What is the difference between facility improvement under your construction account and the maintenance and repair of facilities budgeted in the operating account?

Answer. The repair and maintenance program includes work required to operate, service, maintain and make major repairs and minor improvements to buildings, structures, grounds and related utility systems.

Facility improvement includes work which substantially alters or changes a functional area or use of an existing building, structure, grounds or utility system.

SALARIES UNDER CONSTRUCTION PROGRAM

Question. The average salary of ungraded positions in the construction account has increased three times as much as for the GS positions since Fiscal 1974. What has caused this desparity?

Answer. Wage board salaries have been increasing from 10 to 12 percent annually. The increases are based on prevailing wage rates in geographical location where the Bureau has employees. Pay cost increases for GS positions have averaged about 5 percent.

ROUGH ROCK SCHOOL

Question. Back to school construction, why is there no request for the needs of Rough Rock School in Arizona? We understand the next phase is ready to go.

Answer. The school has been considered a private school since the Bureau had never operated a high school at Rough Rock. In Fiscal Year 1973, $1,470,000 was appropriated for construction through an add-on by the Congress. Since the school was privately operated, the Bureau had no authority to request additional funds to complete the construction project although the need for the completion was supported.

With the enactment of P.L. 93-638 the Bureau was given authority to request funding for previously private tribally operated schools. An application has not been received from the Rough Rock School, However, the Navajo Area Office has indicated a proper application would be forthcoming. When the application is received it will be rated for prioritizing and funded when funds become available in priority order.

ROAD CONSTRUCTION

Question: What is the formula being used by the Bureau for allocation of Road Construction funds?

Answer. Road Construction funds are allocated by formula based on 1/3 each for Indian population, Indian Trust Land area and inventory of BIA Roads.

Question: Please provide an Area Office breakdown of these funds.

Answer: Following is a tentative allocation for BIA Road Construction for FY-1978: ($in thousands)

Area	Amount
Aberdeen	$ 7,870.0
Albuquerque	5,978.0
Anadarko	1,035.0
Billings	6,344.0
Eastern	940.0
Juneau	2,060.0
Minneapolis	2,150.0
Muskogee	2,210.0
Navajo	18,844.0
Phoenix	10,871.0
Portland	5,933.0
Sacramento	1,331.0
Total	65,566.0

Question: Under your object classification for other services, the Committee notes great disparity over the years. Your estimate for FY 1975 was $14.5 million -- the actual level was $19.2 million; the 1976 estimate was $15 million -- actual was $17.7 million plus $19 million for the transition quarter; last year you showed an estimate of $22 million for FY 1977 -- this budget shows an estimate of $34 million. Can you explain these figures?

Answer: The estimates and actuals reflect the amount of Road Construction by contract. They show that BIA accomplished $4.7 million more construction by contract than was estimated for FY 1975; $2.3 million less construction by contract than was estimated in FY 1976; and an updated estimate of $34 million Road Construction to be accomplished by contract in FY 1977. The balance of BIA Road Construction projects are accomplished by the force account method which provides more direct employment of Indians on reservations. Approximately 40% of BIA Road Construction is normally accomplished by force account.

VEHICLE REQUEST

Question. A total of 185 vehicles are requested in line with the law enforcement program -- 100 of these are replacement vehicles. What will be that total fleet for law enforcement in FY 1978?

Answer. The current BIA fleet for law enforcement vehicles numbers 311. If the 85 new vehicles are approved, the total in FY 1978 will be 396.

Question. Would you please provide a statement for the record with a more adequate justification for the 85 new vehicles.

Answer. Law enforcement services are provided on 129 reservations throughout the country. The total BIA fleet of law enforcement vehicles numbers 311. A basic objective of a good law enforcement program is to provide constant patrol of the reservations and also to answer calls for assistance as speedily as possible. In the past, as noted in the ICJS, the BIA police system has been underequipped with regards to vehicles. The rough terrain and great distances traveled lead to frequent need for repair which requires a large enough fleet to keep vehicles on patrol while others are being repaired. Sixty-five percent of the new vehicles are scheduled for the Phoenix and Aberdeen Area. The Phoenix area includes Nevada where the Federal Government has reassumed jurisdiction and must provide enough vehicles to operate this new program. The Aberdeen area program is one of the most active in the Bureau. Additional vehicles are required there because of the heavy requirements for patrol activity.

LOAN PROGRAM

Question: Although no appropriations are requested for the Indian Loan and Guaranty Fund for Fiscal 1978, we are concerned to note that you anticipate defaults equal to almost 30 percent of the repayments. If that should be the case, it would soon mean the end of this fund. What efforts is the Bureau making to prevent defaults and what type of collection process do you have?

Answer: We estimate defaults to be approximately three percent of the outstanding loans guaranteed and estimate repayments at the rate of 10 percent per year based on an estimated average loan term of 10 years. As such defaults will equal about 30 percent of repayments. Since the program is new we do not have a history of defaults on which to make a more accurate estimate.

Loans under this program are made by commercial lenders and guaranteed by the Bureau. We rely substantially on the lending institution to assure that the loan is sound and that repayment ability is demonstrated. However, our loan processing procedures include a thorough review of the loan package to determine repayment ability and feasibility of the project being funded. We will also provide management and technical assistance to those business enterprises needing such assistance.

The lender is required to service the guaranteed loan in the same manner in which they service their other loans. In the event of default, and subsequent pay off by the Bureau, the lender assigns the loan and all security to the Bureau. The Bureau may then work with the borrower to collect on the loan or liquidate the security by selling all available security. All collections received are deposited into the Loan Guaranty Fund for use in future guaranteed loans.

Question: Your 1978 budget shows a significant change in the 1977 object classification for class 33 loans and class 41 grants and subsidies. Loans are reduced $1 million, which is explained as a reduction in estimated defaults. Grants and subsidies are increased from $2.8 million to $15.2 million, which is explained as a recording of interest subsidy as obligations in the year the loan is made. Please give us a better explanation for these changes that cause a $5 million increase in the obligation program.

Answer: We assume that the changes referred to are the result of a comparative of estimates contained in the 1977 budget justification with the revised estimate contained in the 1978 budget justification. The reason for the changes is that the estimates in the 1977 budget for FY 1976 did not materialize resulting in a carry forward of unobligated balances to FY 1977. The estimate for 1977 as shown in the 1978 justification reflects these changes in estimated loans guaranteed, with a corresponding change in class 33 loans and class 41 grants and subsidies. In addition, the 1977 justification showed for class 41 grants and subsidies only the cost incurred for interest subsidies during the one year, 1977. A different base was used in 1978 to record as an obligation the total interest subsidy over the life of the loan, which is estimated to be 10 years.

ALASKA NATIVE FUND PAYMENTS

Senator STEVENS. Now, the Bureau has never requested funds for the so-called Buckley amendment which was designed to offset the losses under the Alaska Native Claims Settlement Act due to the delay in the construction of the pipeline. How much would be required to fund this provision for 1978?

Mr. BUTLER. Mr. Chairman, I apologize. I am not familiar with that. I will have to look that up for you.

Senator STEVENS. Is there anyone here who is familiar with that? Then will you give us that for the record.

Mr. BUTLER. Yes, sir.

Senator STEVENS. I don't understand. Every year I put that in and every year the House knocks it out. That means that someone down there must be telling them we don't need it. I would like to know why you don't need it. You supported the Buckley amendment at the time it went through. You had a letter from the Department supporting that Buckley amendment and it was adopted. We have never been able to fund it because of reluctance apparently from downtown to back it up. I would like an analysis of the Buckley amendment. How much should have been provided over the years, and specifically what would be required to fund it in 1978?

Gentlemen, if you don't realize it, the Government is open to a suit based on the Buckley amendment. It just opens the door again for Alaskan Native Claims Settlement Act suits based upon failure to carry out the expressed intent of Congress to equalize that settlement so that it would not be decreased because of the delay which was brought about through no fault of the Native people. I think it is very unrealistic not to fund it. It is going to cost more somewhere down the street.

SOUTHEASTERN ALASKA CANNERIES

I have some additional questions of my own that I would like to submit to you about the canneries in Southeastern Alaska—is anyone here prepared to discuss canneries for a minute?

Mr. DEMMERT. It would depend on what kind of a discussion it is.

Senator STEVENS. Cannery management and the loans that are in the process of application for forgiveness of the loans in the canneries in Southeastern Alaska.

Mr. MCDONALD. Mr. Chairman, Bobby Selvy and his credit people have been working with them. I don't know what the status is at this stage in the game. Bobby, are you prepared to comment?

Mr. SELVY. No.

Senator STEVENS. Some day I am going to write a book about those canneries. I went through a period of years in this Department as you know, and I spent a tremendous amount of time trying to get those things straightened out. They are in a worse situation now than they were when I left the Department, which I am sorry to say is now 17 years ago, or 16 years ago. They are the same loans. Until they get out from under those loans they will not be able to compete. I would like to find a way to cancel the loans with legislation. I am ready to try. But we gave you authorization to cancel

those loans so those people can borrow money and modernize and get involved in the fishery business again. I just don't understand why we have this problem with study after study and study after study.

The plan that was adopted in the 1950's with regard to managing those canneries didn't work. They are now totally burdened with debt and interest and they cannot function. I would appreciate particularly if you would address yourselves to the question of southeastern canneries. In view of the 200-mile limit we just passed and implemented on March 1, if those canneries don't get into business, then the Japanese or someone else will come in and build canneries in those same areas and will probably end up by bringing their management personnel and everything else and we will have the worst situation we have ever had. They ought to participate and expand with the increased supply of fishery products due unto the 200-mile limit bill. So I urge you to look at the situation.

Mr. BUTLER. We are pleased to do that, Mr. Chairman.

ADDITIONAL QUESTIONS

Senator STEVENS. All right. We will give you questions submitted by Senators Burdick and Jackson along with several of my own. We will also supply you additional committee questions that we could not cover today and ask that they be answered for the record.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR QUINTON BURDICK

BIA HIGHER EDUCATION FUNDING

Question. Is It not true that the Navajo Community College, Lakota Community College and Sinte Gleska Community Colleges are currently receiving direct funding from BIA through the "Trial Institutions" line item of the BIA higher education budget?

Answer. Yes, this is correct. In fiscal year 1978 the Bureau is requesting the following amounts: $5.3 million for the Navajo Community College; $291.8 thousand for Sinte Gleska; and $307.3 thousand for Lakota.

Question. Am I correct that the funding levels for this assistance are determined by the central BIA office here in Washington?

Answer. The funding level for the Navajo Community College is determined in part by legislation under the Navajo Community College Act and in part by the Band Analysis at the local and Area levels. As for Lakota and Sinte Gleska the determination was made some time ago to fund those schools at the $200,000 level. In fiscal year 1977 the tribes input into the Band analysis resulted in an increase for funding at Sinte Gleska of $100,000. This input has caused a reduction in the request for fiscal year 1978 of $8,200 for Sinte Gleska and an increase of $107,300 for Lakota.

Question. As you may know, Turtle Mountain Community college was organized in 1972 and now serves 421 students. The college has a strong history of support for the Turtle Mountain Tribal Council, and the Council has given this institution a high priority for funding—even adopting a resolution earlier this year requesting direct BIA support at the college's "true need level." The tribe has given this institution seed money, but with its growth and success, a greater and more stable source of funding is needed. To meet this need, I suggest to you that Turtle Mountain Community College be included in the Tribal Institution category of the BIA higher education budget and funded through the central BIA office at a minimum level of $200,000. Would you care to comment on this?

Answer. Your recommendation will most certainly be taken into consideration. At the present time there are a number of tribal controlled community colleges that are seeking financial support from the Bureau of Indian Affairs. The Bureau is currently collecting data and information that will be used in making a decision regarding the funding futures for these institutions.

Question Submitted by Senator Jackson

Housing Program

Question. I understand that the Quileute Tribe of Washington has managed a successful, indeed exceptional housing program over the last four years, but is not yet finished. Do you have any comments on this successful housing project?

Answer. Yes, this project has proved far more successful than it was originally anticipated. It has all the fine ingredients that make for a good housing program. One of the major factors of its success, we feel, is its embodiment of most of the principles that demonstrates how to build Indian housing. We are rather proud for having supported and funded this project. Through the hard work, support and cooperation among Quileutes, BIA and IHS, the project is being built in a manner that produces a fine housing project.

Questions Submitted by Senator Stevens

Alaska Housing Assistance

Question. During spring break-up last fall, the riverbank in Venetie was eroded some 150 feet. While new homes in the village are being built back from the river there are still many existing homes very near the bank. I am concerned that either this year or next year further erosion of the bank could cause flooding and possibly the loss of property and life in the village. Has the Bureau taken any steps to prevent such an occurrence?

Answer. No. The BIA has not taken steps to prevent such an occurrence.

Question. Would you recommend improvements to the riverbank or providing new homes for the people now living on the river to be located farther back from the river? What is the cost estimate for this?

Answer. The BIA does not recommend improvements to the riverbank. We suggest new homes be provided for families who will be affected. The estimated cost for one three-bedroom unit including material, labor and freight is approximately $28,166. There are eight families requiring assistance.

Metlakatla Aquaculture Project

Question. Phase II construction of an aquaculture facility for the Metlakatla community calls for an appropriation of $1,506,500 of which $1,310,000 is for construction and the remaining amount is for administrative overhead. As you know, there is no budget request for this item. Has the Juneau office worked out an acceptable agreement with Metlakatla regarding administrative costs?

Answer. The Metlakatla group submitted to the Juneau Area on January 21, 1977 an application for a contract under P.L. 93–638 to manage the hatchery.

Question. If this money were made available in Fiscal Year 1978 would it be obligated in the year?

Answer. If funds were appropriated for Phase II of the aquaculture project in fiscal year 1978, they would be obligated.

Question. For the record, I would like you to supply a breakdown of the construction items included in Phase II.

Answer. Following is a breakout of the construction items for the Phase II aquaculture project:

(1) Lab office building	$100,000
(2) Shop/generator/stor. bldg	75,000
(3) Beach water supply system	100,000
(4) Backup water supply system	75,000
(5) Hatchery bldg. expansion	300,000
(6) Addition, incubation and rearing facilities	280,000
(7) Lake outlet water control structure	100,000
(8) Adult handling facility, permanent adult wier facility, excavation of holding ponds, construction of adult handling egg take facilities	150,000
(9) Refrigeration	50,000
(10) Barge and dock facilities	80,000
	1,310,000

In addition, $196,000 will be required for administrative cost which is broken down as follows:

(1) Project design consultant (5 percent)	65,000
(2) Admin. overhead (constr. contract 2 percent)	26,200
(3) Hatchery management	105,300
	196,500

Emmonak Erosion

Question. The Corps of Engineers has completed a study of the erosion problems at Emmonak. While the situation is serious, according to Corps' standards the project would not be cost effective. The most effective solution, according to the Corps, would be to create a wave maze using old truck tires. The Corps has estimated the cost of this project at $2 million. It would seem to me that the Bureau could cordinate with Federal and State agencies within Alaska to obtain worn tires, excess lumber and buoys, thus reducing the cost estimates of the Corps. I would appreciate your looking into this situation and providing the committee with a report on Emmonak telling us if the project could be handled within available funds, or, if not, what would be required.

Answer. The State of Alaska Division of Water and Harbors and Public Works were contacted to review the erosion problem at Emmonak. The respective divisions contacted were not familiar with the problem.

The Bureau reviewed the problem with the Bethel Agency staff and they confirmed the difficulty with slowing or stopping erosion at Emmonak because of the soil conditions. Several cases of erosion control failures were reviewed including attempts made at Bethel.

The Emmonak School erosion problem was also discussed with the Corps of Engineers and they confirmed that the various alternatives furnished by the Corp's study were of the self-help type and were considered to be temporary including the wave-maze breakwaters and longard sand tubes.

Because of the time lapse and inflation, the Corps estimate would probably now be $3,000,000 wave-maze and $700,000 for the tube plan.

School Construction

Question. In examining the Bureau's school construction and reprogramming requests, I am most concerned to note the number of swimming pools, gyms, music rooms and auditoriums being built for schools in the lower 48 while many of the Bureau's Alaskan schools still lack inside plumbing. Last year the Bureau requested funds to build a new school at Mekoryuk. Hardly had the new fiscal year begun when we received a reprogramming request stating that the temporary trailer facilities at Mekoryuk would be used for a permanent facility and that construction funds were no longer needed. Shaktoolik students are also attending school in trailers. I feel that this situation would not be tolerated outside Alaska. Would you please explain why the Committee should support large campus type complexes in the lower 48 while most Alaskan BIA students lack what most of us would consider basic amenities?

Answer. In both the Lower 48 and Alaska the Bureau provides school facilities to implementing the educational programs developed for each particular site. Climatic conditions, availability of suitable building sites and the availability of utilities are often controlling factors in many locations. This is especially evident in many Alaska locations where it would be impracticable to provide outdoor recreational and instructional facilities but we do provide indoor facilities for the program which are generally greater than many locations in the Lower 48.

The Bureau is aware of the different requirements in construction dictated by weather, and site. It is not the intent of the Bureau to provide arbitrarily facilities in one area that might be superior to those in another.

COMMITTEE QUESTIONS

Indian Services

Question. Now, on Indian services the request is for nearly $174 million. That's a big 21% increase. Why can't some of these services be funded through trust fund accounts?

Answer. I think 21% would be a bit high according to our FY-1978 proposal. Indian Services would increase $17.2 million over a FY-1976 base of $156.8 which represents an increase of 11%. Your point about using trust funds is a good one and is frequently raised and not just necessarily in relation to Indian Services program.

First of all, the trust funds belong to the individual tribes. They may have been generated through reservation income or through claims. They could only be spent for the benefit of the tribes they are held in trust for and in many cases those trust dollars would not match need. They can only be spent with the consent of the tribes and the Bureau should not request certain tribes to pay for services that are offered free to other tribes. This could lead to further tribal claims.

A further point should be kept in mind and that is that of the increase of $17 million, almost half or $8 million is for increased costs in the welfare program and these costs are really not discretionary to either the tribes or to the Bureau if the existing need is to be met.

Question. The Indian Criminal Justice Survey (ICJS) recommended that each court have two probation and parole officers. How much is provided in this request for probation and parole officers, and what additional funds would be required to meet the ICJS level?

Answer. It is true that the ICJS recommended that each court have two probation and parole officers. That level of recommendation was the exemplary level for court operations. The level included in the FY 1978 proposed budget for judiciary totals $3 million. This roughly corresponds to the minimum level for courts in the ICJS. This minimum level calls for each court to have only a chief judge, 3 associate judges, and a clerk. The exemplary levels in the ICJS calls for each court to have a prosecutor and 2 probations and parole officers above the minimum staffing. To institute this exemplary level Bureauwide would cost $7 million which is an increase of $4 million over the proposed FY 1978 level.

Tribal Government Services

Question. Will the $1.2 million earmarked in the budget for census maps complete the project in fiscal 1978?

Answer. The $1.2 million included under the Tribal Government Services sub-activity includes both comprehensive planning and the census map project. The comprehensive planning effort will be held level at $775,000 and the special census program will cost $430,000 out of the total of $1,235,000. This special program for Indian benefit in the 1980 Census is a two year program which of necessity must be completed in the FY 1979 if it is to be of use in the 1980 Census. Another $430,000 will therefore be required in the FY 1979 for project completion.

Navajo-Hopi Settlement Program

Question. When do you expect completion of the Navajo-Hopi Settlement Program, and what additional Federal funds will be required?

Answer. As you know Senator, the Secretary of Interior's responsibility in the Navajo-Hopi Settlement Program is confined to stock reduction and range restoration. The actual relocation and resettlement of families is the responsibility of the Relocation Commission, an independent agency. If the proposed funding level of $3,464,000 for stock reduction in FY 1978 is approved and the FY 1977 funding for stock reduction is $3,204,000 as anticipated in the FY 1977 supplemental, then it will be possible to complete the stock reduction program by the end of FY 1978. Our current estimates then call for continuing range restoration activity through fiscal year 1980 in order to comply with the court decision. This will require about $3 million beyond FY 1978.

SOCIAL SERVICES

Question: The budget request for Social Services has increased by 24 percent in the past two years, yet the caseload has remained essentially unchanged. Have public assistance payment levels actually increased by 24 percent since fiscal year 1976?

Answer: As indicated in Senator Stevens question this Bureau's social services budget has significantly increased over the past two years while the caseload has remained essentially unchanged.

This is accounted for by two basic factors which influence this Bureau's social services expenditures, general assistance unit cost increases and child welfare assistance unit cost increases.

This Bureau's general assistance payments are generally based upon standards established by the various states for their AFDC public assistance program. Public welfare statistics available to us for 1975 and 1976 indicate that the average payment per AFDC family has risen seven percent in 1976 over 1975. This has been a generally consistent growth rate over the past few years and reflects our own experience in the general assistance program.

This Bureau's child welfare assistance payments also are generally based upon standards established by the various states for their child welfare programs. As nearly as we can ascertain from the public welfare statistical information available to us there has been a significant increase across the board in child welfare expenditures over the past several years. This is certainly reflected in our own child welfare expenditures which have increased an average 15 percent each year over the past few years. This dramatic increase on a Bureau-wide basis, which according to our information is generally shared by public child welfare agencies, is primarily due to two main causes, the changing nature of children in placement and the related changes in cost of child care.

In this regard, while the number of children in care has been relatively stable over the past few years a larger number of those children are receiving more expensive and specialized kinds of care. Basically, this care is related to the special needs of children requiring institutional care (emotionally disturbed, mentally retarded, physically handicapped, delinquent) where unit cost per child served has risen 30 percent to 45 percent over the past three or four years.

In addition, many states have radically altered their method of setting residential child care costs. In this regard many institutions have increased the cost per child as much as $200-$300 per month in a year, under new state definitions of allowable costs. Factors contributing to these increases in institutional care cases include but are not limited to Department of Labor rulings applying minimum wage and time-and-a-half wage requirements for child care staff and inflation and utilities costs, both of which have had significant impact on overall institutional care costs.

Question. Your justification shows that the incidence of violent crimes in Indian areas is 500 percent greater than in other rural parts of our country. The budget requests an increase of only $400,000 which is about 3 percent of the increase recommended by the Indian Criminal Justice Survey, yet the justification further states that with this increase ". . . crime on Indian reservations should be contained at manageable levels by the end of fiscal year 1978."

What do you consider a "manageable level of crime?"

Answer. Manageable is used in relation to the resources available to fight crime. Realistically we cannot expect the resources or the ability to eliminate completely crime on Indian reservations. However, with the resources now available we see a slowing in the crime rate and this we feel indicates that these programs that the Bureau and the tribes are operating are able to manage the crime problems they are faced with. Manageable should not be thought to imply that the crime levels are acceptable. But, we do feel that through prudent use of the resources provided we can manage to contain crime from increasing as it had in the past on Indian reservations.

Law Enforcement

Question. $16.3 million is earmarked for enforcement which is an increase of only 1 percent over fiscal 1977. Considering inflation and wage increases, doesn't this, in effect, mean a decrease in enforcement effort?

Answer. The FY 1978 law enforcement program was included on the Band Analysis for increases only. As you know, over the past two years we have had a significant increase in the funds available for law enforcement. Fiscal 1977 and Fiscal 1978 are implementation years in a sense. Tribes are completing their law enforcement planning exercises and can be expected to move along with implementation of those plans. Without doubt, this implementation will call for higher funding levels. However, for FY 1978, the level of funding represents what the tribes intended to earmark for increases in law enforcement. The ICJS originally recommended a phased three-year program to reach an exemplary level. We now are at approximately the minimum adequate level and tribes and the Bureau can be expected to maintain adequate enforcement services at this level.

Contracting of BIA Programs

Question. What is the Bureau's responsibility for program quality once an operation has been contracted out to Indians?

Answer. The Bureau would have the same responsibility for program quality or results as if it were running the program itself. Congress in appropriating money for BIA programs expects certain results regardless of the method of delivery of those services provided by the appro-

priations. The Bureau will expect the tribes to accomplish the activity for which they contract. To this end, the Bureau will monitor contracted program activities and require periodic progress reports as well as accounting for program expenditures. Our point of view is that contracting essentially is another, perhaps preferred method, for delivery of services and that these services delivered by contractors must be equal to those provided under any other delivery method.

Self-Determination Services

Question. You are requesting a $1 million increase to maintain the incentive grants at the current level. Would you please provide for the record a list of those tribes receiving incentive grants this year and the amount of the grants?

Answer. Following is a listing of Incentive Grants and Eligible Tribes for FY-1977:

Fiscal Year 1977
DETAIL OF INCENTIVE GRANTS AND ELIGIBLE TRIBES

AREA/TRIBE	BASIC GRANT	SMALL TRIBE INCENTIVE	PHASED TGDP INCENTIVE	TOTAL GRANT ELIGIBILITY
ABERDEEN:				
FLANDREAU	10,863	$5,185	$9,952	26,000
ANADARKO:				
IOWAS OF KANSAS	10,450	$ 5,598	---	16,048
SAC & FOX (KANS)	1,558	9,170	---	10,728
DELAWARE	8,342	7,706	---	16,048
FT. SILL APACHE	5,592	9,170	---	14,762
KAW	8,158	7,890	$ 1,752	17,800
PAWNEE	24,246	---	2,454	26,700
TONKAWA	3,254	9,170	---	12,424
ABSENTEE SHAWNEE	34,100	---	15,900	50,000
IOWA OF OKLAHOMA	6,004	9,170	---	15,174
SAC & FOX (OKLA)	35,842	---	3,658	39,500
		$57,874	$23,764	
MINNEAPOLIS:				
SAC & FOX (IOWA)	26,492	$ ---	$ 8,308	34,800
FOND DU LAC	27, 179	---	19,821	47,000
GRAND PORTAGE	7,608	8,440	---	16,048
MILLE LACS	31,900	---	9,900	41,800
NETT LAKE	35,750	---	14,250	50,000
BAD RIVER	37,308	---	3,792	41,100
FOREST COUNTY POTTAWATOMIE	10,267	5,781	---	16,048
SAKOAGAN	7,104	8,944	---	16,048
STOCKBRIDGE-MUNSEE	21,450	---	4,350	25,000
LOWER SIOUX	6,096	9,170	---	15,266
PRAIRIE ISLAND	4,675	9,170	---	13,845
SHAKOPEE	3,713	9,170	---	12,883
UPPER SIOUX	4,492	9,170	---	13,662
BAY MILLS	22,458	---	20,942	43,400
HANNAHVILLE	8,571	7,477	1,452	17,500
		$67,322	$82,815	

Fiscal Year 1977
DETAIL OF INCENTIVE GRANTS AND ELIGIBLE TRIBES

AREA/TRIBE	BASIC GRANT	SMALL TRIBE INCENTIVE	PHASED TGDP INVENTIVE	TOTAL GRANT ELIGIBILITY
PHOENIX:				
YAVAPAI-TONTO	3,988	$ 9,170	---	13,158
CHEMEHUEVI	367	9,170	---	9,537
COCOPAY	21,313	---	$ 6,587	27,900
FORT MCDOWELL	14,667	1,381	---	16,048
AK-CHIN	13,383	2,665	---	16,048
FALLON	14,392	1,656	2,752	18,800
LAS VEGAS	5,775	9,170	---	14,945
LOVELOCK	5,088	9,170	---	14,258
MOAPA	7,654	8,394	---	16,048
WINNEMUCCA	1,513	9,170	---	10,683
YERINGTON	11,000	5,048	---	16,048
YOMBA	2,200	9,170	---	11,370
SKULL VALLEY	1,742	9,170	---	10,912
DUCKWATER	3,667	9,170	---	12,837
ELY	5,775	9,170	---	14,945
GOSHUTE	6,096	9,170	---	15,266
KAIBAB	5,454	9,170	---	14,624
HAVASUPAI	16,683	---	12,517	29,200
YAVAPAI-APACHE	18,792	---	5,808	24,600
YAVAPAI-PRESCOTT	3,850	9,170	---	13,020
		$129,184	$27,664	
ALBUQUERQUE:				
SANDIA	9,167	$ 6,881	---	16,048
NAMBE	14,713	1,335	---	16,048
PICURIS	5,454	9,170	---	14,624
POJOAQUE	4,492	9,170	---	13,662
SAN ILDEFONSO	15,721	327	---	16,048
TESUQUE	10,954	5,094	---	16,048
		$31,977		
SACRAMENTO:				
ALTURAS	733	$ 9,170	---	9,903
BENTON PAIUTE	3,667	9,170	---	12,837
BIG PINE	5,088	9,170	---	14,258
BIG SANDY	2,842	9,170	---	12,012
BRIDGEPORT PAIUTE	2,338	9,170	---	11,508
CEDARVILLE	229	9,170	---	9,399
COLUSA	1,238	9,170	---	10,408
CORTINA	275	9,170	---	9,445
COVELO	15,950	98	---	16,048
DRY CREEK	1,054	9,170	---	10,224
EL-EM	4,721	9,170	---	13,891
FORT BIDWELL	3,713	9,170	---	12,883
FT INDEPENDENCE	2,063	9,170	---	11,233
GRINDSTONE	2,338	9,170	---	11,508
HOPLAND-NOKOMIS	1,925	9,170	---	11,095
JACKSON	367	9,170	---	9,537
LAYTONVILLE	4,675	9,170	---	13,845
LONG PINE	7,196	8,852	---	16,048
LOOKOUT	413	9,170	---	9,583
MANCHESTER	3,713	9,170	---	12,883
MIDDLETOWN	1,100	9,170	---	10,270

Fiscal Year 1977

DETAIL OF INCENTIVE GRANTS AND ELIGIBLE TRIBES

AREA/TRIBE	BASIC GRANT	SMALL TRIBE INCENTIVE	PHASED TGDP INCENTIVE	TOTAL GRANT ELIGIBILITY
SACRAMENTO cont.				
ROBINSON	825	9,170	---	9,995
RUMSEY RANCHERIA	871	9,170	---	10,041
SANTA ROSA	9,442	6,606	---	16,048
SHERWOOD VALLEY	504	9,170	---	9,674
STEWARTS POINT	2,154	9,170	---	11,324
SUSANVILLE	4,996	9,170	---	14,166
SYCAMORE VALLEY	2,338	9,170	---	11,508
TABLE MOUNTAIN	1,513	9,170	---	10,683
TULE RIVER	13,567	2,481	---	16,048
TUOLUMNE	6,279	9,170	---	15,449
UPPER LAKE POMO	1,971	9,170	---	11,141
X-L RANCH	1,971	9,170	---	11,141
BIG BEND	963	9,170	---	10,133
BIG LAGOON	229	9,170	---	9,399
MONTGOMERY CREEK	917	9,170	---	10,087
RESIGHINI	963	9,170	---	10,133
ROARING CREEK	550	9,170	---	9,720
TRINIDAD	1,238	9,170	---	10,408
AGUA CALIENTE	5,867	9,170	---	15,037
BARONA	8,754	7,294	---	16,048
CABAZON	779	9,170	---	9,949
CAHUILLA	1,238	9,170	---	10,408
CAMPO	7,242	8,806	---	16,048
CUYAPAIPE	92	9,170	---	9,262
INAJA-COSMIT	458	9,170	---	9,628
LA JOLLA	3,254	9,170	---	12,424
LOS COYOTES	2,750	9,170	---	11,920
MANZANITA	1,008	9,170	---	10,178
MESA GRANDE	1,100	9,170	---	10,270
MORONGO	12,329	3,719	---	16,048
PALA	13,521	2,527	3,252	19,300
PAUMA	3,483	9,170	---	12,653
PECHANGA	3,208	9,170	---	12,378
RINCON	8,938	7,110	---	16,048
SAN MANUEL	1,008	9,170	---	10,178
SAN PASQUAL	2,292	9,170	---	11,462
SANTA ROSA	779	9,170	---	9,949
SANTA YNEZ	4,400	9,170	---	13,570
SANTA YSABEL	5,225	9,170	---	14,395
SOBOBA	12,008	4,040	---	16,048
SYCUAN	2,246	9,170	---	11,416
TORRES-MARTINEZ	3,025	9,170	---	12,195
VIEJAS	6,188	9,170	---	15,358
		$546,713	$3,252	
EASTERN:				
CAYUGA	30,479	---	9,421	39,900
COUSHATTA	10,496	5,552	2,652	18,700
ONEIDA	6,967	9,081	---	16,048
MICCOSUKEE	1,475	1,473	---	16,048
CHITIMACHA	10,404	5,644	---	16,048
		$21,750	$12,073	

Fiscal Year 1977
DETAIL OF INCENTIVE GRANTS AND ELIGIBLE TRIBES

AREA/TRIBE	BASIC GRANT	SMALL TRIBE INCENTIVE	PHASED TGDP INCENTIVE	TOTAL GRANT ELIGIBILITY
PORTLAND:				
KOOTENAI OF IDAHO	2,888	$ 9,170	---	12,058
BURNS PAIUTE	5,913	9,170	9,517	24,600
CHEHALIS	13,200	2,848	13,152	29,200
HOH	2,154	9,170	---	11,324
MUCKLESHOOT	41,250	---	4,250	41,250
NISQUALLY	9,075	6,973	---	16,048
QUILEUTE	11,596	4,452	---	16,048
SAUK-SUIATTLE	5,454	9,170	---	14,624
SHOALWATER	2,933	9,170	--	12,103
SKOKOMISH	15,583	465	6,752	22,800
SQUAXIN ISLAND	7,608	8,440	---	16,048
SUQUAMISH	9,396	6,652	--	16,048
UPPER SKAGIT	3,254	9,170	---	12,424
KALISPEL	5,454	9,170	---	14,624
		$94,020	$33,671	
JUNEAU:				
AKHIOK	5,546	$ 9,170	---	14,716
AKUTAN	3,804	9,170	---	12,974
ALEKNAGIK	8,388	7,660	---	16,048
ATKA	3,483	9,170	---	12,653
BELKOFSKY	3,025	9,170	---	12,195
CANTWELL	1,971	9,170	---	11,141
CHANEGA	92	9,170	---	9,262
CHIGNIK	2,796	9,170	---	11,966
CHIGNIK LAGOON	3,208	9,170	---	12,378
CHIGNIK LAKE	4,354	9,170	---	13,524
CHISTOCHINA	1,833	9,170	---	11,003
CHITINA	733	9,170	---	9,903
CLARKS POINT	4,033	9,170	---	13,203
COPPER CENTER	8,892	7,156	---	16,048
EGEGIK	4,171	9,170	---	13,341
EKLUTNA	2,154	9,170	---	11,324
EKUK	1,925	9,170	---	11,095
EKWOK	4,904	9,170	---	14,074
ENGLISH BAY	3,713	9,170	---	12,883
EYAK	14,942	1,106	---	16,048
FALSE PASS	3,025	9,170	---	12,195
GAKONA	2,521	9,170	---	11,691
GULKANA	3,621	9,170	---	12,791
IGIUGIG	1,833	9,170	---	11,003
ILIAMNA	1,467	9,170	---	10,637
IVANOV BAY	1,971	9,170	---	11,141
KARLUK	4,354	9,170	---	13,524
KING COVE	11,642	4,406	---	16,048
KNIK	596	9,170	---	9,766
KODIAK	13,063	2,985	---	16,048
KOKHANOK BAY	4,079	9,170	---	13,249
KOLIGANEK	6,096	9,170	---	15,266
LARSEN BAY	3,758	9,170	---	12,928
LEVELOCK	4,033	9,170	---	13,203
MANOKOTAK	10,267	5,781	---	16,048
MENTASTA LAKE	3,071	9,170	---	12,241
NAKNEK	8,892	7,156	---	16,048

Fiscal Year 1977
DETAIL OF INCENTIVE GRANTS AND ELIGIBLE TRIBES

AREA/TRIBE	BASIC GRANT	SMALL TRIBE INCENTIVE	PHASED TGDP INCENTIVE	TOTAL GRANT ELIGIBILITY
JUNEAU continued				
NELSON LAGOON	2,154	9,170	---	11,324
NEW STUYAHOK	12,971	2,077	---	16,048
NEWHALEN	3,896	9,170	---	13,066
NINILCHIK	3,713	9,170	---	12,883
NONDALTON	8,204	7,844	---	16,048
OLD HARBOR	12,100	3,948	---	16,048
OUZINKIE	7,425	8,623	---	16,048
PEDRO BAY	2,567	9,170	---	11,737
PERRYVILLE	4,583	9,170	---	13,753
PILOT POINT	3,117	9,170	---	12,287
PORT GRAHAM	5,592	9,170	---	14,762
PORT HEIDEN	3,300	9,170	---	12,470
PORT LIONS	9,029	7,019	---	16,048
PORTAGE CREEK	3,208	9,170	---	12,378
SAND POINT	15,033	1,015	---	16,048
SELDOVIA	7,013	9,035	---	16,048
SOUTH NAKNEK	6,508	9,170	---	15,678
ST. GEORGE ISLAND	7,196	8,852	---	16,048
TATITLEK	5,088	9,170	---	14,258
TWIN HILLS	3,529	9,170	---	12,699
TYONEK	11,000	5,048	---	16,048
UGASHIK	1,283	9,170	---	10,453
UNALASKA	8,296	7,752	---	16,048
AKIACHAK	14,117	1,931	---	16,048
AKIAK	7,975	8,073	---	16,048
ANIAK	14,025	2,023	---	16,048
ATMAUTLUAK	5,592	9,170	---	14,762
CHEFORNAK	7,471	8,577	---	16,048
CHUATHBALUK	5,592	9,170	---	14,762
CROOKED CREEK	3,896	9,170	---	13,066
EEK	8,433	7,615	---	16,048
GOOD NEWS BAY	9,075	6,973	---	16,048
KAKTOVIK	4,950	9,170	---	14,120
KALSKAG	5,775	9,170	---	14,945
KASIGLUK	13,108	2,940	---	16,048
KIPNUK	15,079	969	---	16,048
KONGIGONAK	7,975	8,073	---	16,048
KOTLIK	11,963	4,085	---	16,048
KWIGILLINOGOK	8,214	7,844	---	16,048
Kwinhagak	14,346	1,702	---	16.048
LIME VILLAGE	1,833	9,170	---	11,003
LOWER KALSKAG	7,563	8,485	---	16,048
MARSHALL	7,838	8,210	---	16,048
MEKORYUK	11,596	4,452	---	16,048
NAPAKIAK	11,046	5,002	---	16,048
NAPASKIAK	9,075	6,973	---	16,048
NEWTOK	5,592	9,170	---	14,762
NIGHTMUTE	5,133	9,170	---	14,303
NUNAPITCHUK	14,071	1,977	---	16,048
OSKARVILLE	2,704	9,170	---	11,874
PILOT STATION	13,063	2,985	---	16,048
PITKA'S POINT	3,529	9,170	---	12,699
PLATINUM	3,254	9,170	---	12,424
RED DEVIL	2,475	9,170	---	11,645

Fiscal Year 1977
DETAIL OF INCENTIVE GRANTS AND ELIGIBLE TRIBES

AREA/TRIBE	BASIC GRANT	SMALL TRIBE INCENTIVE	PHASED TGDP INCENTIVE	TOTAL GRANT ELIGIBILITY
JUNEAU continued				
RUSSIAN MISSION	5,958	9,170	---	15,128
SCAMMON BAY	8,342	7,706	---	16,048
SHELDONS POINT	5,683	9,170	---	14,853
SLEETMUTE	5,546	9,170	---	14,716
STONY RIVER	3,071	9,170	---	12,241
TOKSOOK BAY	12,054	3,994	---	16,048
TULUKSAK	7,654	8,394	---	16,048
TUNTUTULIAK	9,763	6,285	---	16,048
TUNUNAK	11,275	4,773	---	16,048
ALATNA	1,467	9,170	---	10,637
ALLAKAKET	6,050	9,170	---	15,220
ANAKTUVAK PASS	5,683	9,170	---	14,853
ANVIK	3,896	9,170	---	13,066
ARCTIC VILLAGE	5,363	9,170	---	14,533
BEAVER	3,896	9,170	---	13,066
BETTLES	1,650	9,170	---	10,820
BIRCH CREEK	1,604	9,170	---	10,774
CHALKTYSIK	3,575	9,170	---	12,745
CIRCLE	2,475	9,170	---	11,645
DELTA JUNCTION	2,338	9,170	---	11,508
DOT LAKE	1,833	9,170	---	11,003
EAGLE	3,208	9,170	---	12,378
GALENA	14,804	1,244	---	16,048
GRAYLING	6,508	9,170	---	15,678
HOLY CROSS	9,625	6,423	---	16,048
HUGHES	4,033	9,170	---	13,203
HUSLIA	7,838	8,210	---	16,048
KALTAG	9,396	6,652	---	16,048
KOYUKUK	5,133	9,170	---	14,303
MANLEY HOT SPRINGS	596	9,170	---	9,766
MCGRATH	6,371	9,170	---	15,541
MINTO	8,708	7,340	---	16,048
NENANA	9,992	6,056	---	16,048
NIKOKAI	4,629	9,170	---	13,799
NIKOLSKI	2,704	9,170	---	11,874
NOOIKSUT	92	9,170	---	9,262
NORTHWAY	9,075	6,973	---	16,048
NULATO	13,246	2,802	---	16,048
POINT LAY	1,467	9,170	---	10,637
RAMPART	2,383	9,170	---	11,553
RUBY	5,913	9,170	---	15,803
SHAGELUK	6,096	9,170	---	15,266
STEVENS VILLAGE	2,842	9,170	---	12,012
TAKOTNA	1,283	9,170	---	10,453
TANACROSS	4,171	9,170	---	13,341
TELIDA	825	9,170	---	9,995
TETLIN	4,813	9,170	---	13,983
TOK	4,721	9,170	---	13,891
VENETTIE	4,767	9,170	---	13,937
WAINWRIGHT	15,767	281	---	16,048
AMBLER	7,929	8,119	---	16,048
BREVIG MISSION	5,683	9,170	---	14,853
BUCKLAND	6,004	9,170	---	15,174
DEERING	3,438	9,170	---	12,608

Fiscal Year 1977
DETAIL OF INCENTIVE GRANTS AND ELIGIBLE TRIBES

AREA/TRIBE	BASIC GRANT	SMALL TRIBE INCENTIVE	PHASED TGDP INCENTIVE	TOTAL GRANT ELIGIBILITY
JUNEAU continued				
ELIM	7,150	8,898	---	16,048
GAMBELL	15,400	648	---	16,048
GOLOVIN	5,179	9,170	---	14,349
INALIK	4,583	9,170	---	13,753
KIANA	12,833	3,215	---	16,048
KIVALINA	8,204	7,844	---	16,048
KOBUK	3,117	9,170	---	12,287
KOYUK	7,333	8,715	---	16,048
NOATAK	11,963	4,085	---	16,048
SHAKTOOLIK	5,592	9,170	---	14,762
SHISHMAREF	12,283	3,765	---	16,048
SHUNGNAK	7,150	8,898	---	16,048
ST. MICHAEL	8,708	7,340	---	16,048
STEBBINS	15,033	1,015	---	16,048
TELLER	8,479	7,569	---	16,048
WALES	4,767	9,170	---	13,937
WHITE MOUNTAIN	4,079	9,170	---	13,249
CHILKAT	6,096	9,170	---	15,266
CRAIG	8,479	7,569	---	16,048
DOUGLAS	5,958	9,170	---	15,128
HAMIS	4,950	9,170	---	14,120
HYDABURG	10,817	5,231	---	16,048
KASAAN	92	9,170	---	9,262
KLAWOK	11,092	4,596	---	16,048
PELICAN CITY	3,117	9,170	---	12,287
PETERSBURG	14,350	1,698	---	16,048
SAXMAN	6,738	9,170	---	15,908
SKAGWAY	2,154	9,170	---	11,324
YAKUTAT	11,229	4,819	---	16,048
		$1,349,059		
MUSKOGEE				
EASTERN SHAWNEE	9,167	6,881	---	16,048
QUAPAW	7,242	8,806	---	16,048
WYANDOTTE	4,354	9,170	---	13,524
		$ 24,857		

Question. Other Federal planning programs outside the Bureau, which use a population formula to determine funding often provide per capita rates between 30 cents to 50 cents per capita. I realize that self-determination covers a much broader range of programs, but can you tell us how the $50 per capita level was decided upon?

Answer. Prior to the inception of P.L. 93-638, the Bureau established a program called Tribal Government Development Program (TGDP). At that time research was conducted into budgets for small rural communities. Of course, we were not able to compare Indian communities directly with any comparable non-Indian communities. However, per capita costs in the $50 per capita only applies to the first 2,000 in population. When you get to a large tribe such as the Navajo, the per capita allowance for population in excess of 10,000 is only $3. With these very small tribes which predominate if we were allowing 50 cents per capita we would be providing $150 or less to most and obviously they could not

improve the capacity of their government very much with that amount of money. Therefore, it was felt that in addition to being a reasonable amount, the per capita should generate enough resources to provide for significant programs. Other Federal grant programs deal with population in the millions and small per capitas can be adequate for those programs, but that entitlement would not work for the populations served by tribal governments.

CONTRACTING

Question. There have been long delays in the past between the decision of a tribe to contract for a Bureau program and the actual signing of the contract due in large part to an insufficient number of contract officers within the Bureau. Would you please provide for the record a breakdown by area of the number of contracting officers you have had in the past three years and the number for fiscal 1978?

Answer.

Contracting Officers by Area

AREA	FY-1975	FY-1976	FY-1977	FY-1978
Aberdeen	4	7	6	6
Anadarko	1	2	2	2
Albuquerque	5	6	9	9
Billings	3	3	4	4
Juneau	6	6	6	6
Minneapolis	3	3	3	3
Muskogee	5	5	5	5
Navajo	14	12	13	13
Phoenix	3	11	11	11
Portland	6	8	6	6
Sacramento	2	3	3	3
Eastern (DC)	5	5	5	5
Indian Tech. Asst. Center	2	2	2	2
Facilities Engr.	5	5	5	5
Field Administrative Office	3	3	1	1
Total	67	81	81	81

Housing Program

Question: For housing programs, the request is for $16.8 million, increasing them by nearly $1.5 million. How many additional homes can be built with this increase?

Answer: This $1.5 million will provide for the construction of approximately 40 new homes and the repair of approximately 230 additional homes.

Question: Please compare the HIP construction and renovation goals of the 1977 and 1978 program, for the record.

Answer:

	FY 1977 (Est.)	FY 1978 (Est.)
New house starts (HIP)..	385*	490
Renovations (HIP).....	2,200*	2,630
HUD-assisted new homes..	6,000	6,000

* After reviewing the 1st quarterly HIP reports, we find that the actual FY 1977 production of new house construction and repairs may exceed our FY 1977 budget estimates.

Question: On your housing program, how has the publication of the Interdepartmental Agreement affected your responsibilities as well as your coordination with HUD and IHS? How is this coordination carried out? Do you meet regularly?

Answer: The Interdepartmental Agreement has formalized the cooperation among the agencies and has pinpointed responsibilities as well as set out coordinating procedures which have been helpful. It has not solved the overall problem of production of HUD houses. The coordination aspect and the delineation of responsibility has highlighted potential problem areas and has enabled the Bureau of Indian Affairs to better carry out its responsibilities.

This coordination is carried out daily through the phone and personal contact in the Central Office and field offices of HUD, BIA, and IHS. Regular scheduled meetings are carried out at the field level and it is intended to re-establish regular meetings at the Central Office level as well.

Question: What is the Resident Training/Counselling Program for housing and is it successful?

Answer: For several years the Bureau of Indian Affairs has been receiving requests from numerous local Indian housing authorities to help them to improve the living condition and help their people receive training and counselling needed to cope with changing living conditions resulting from moving into new modern homes. Since 1973, the BIA has responded to the housing authorities' concern by helping several housing authorities conduct RTCPs. The overall goal of the RTCP is to enable Indian families to enjoy better living conditions through increasing their understanding of the benefits, advantages, requirements, responsibilities and the consequences of owning or living in a new home.

Our efforts so far have proved successful and the RTCP has become a popular and widely accepted method of training and counselling program both by the housing authorities and Indian homeowners and tenants. Because of its success it has also been recognized and adopted by HUD as an pre-approved training and counselling program for HUD-financed new mutual-help housing occupants.

Question: How will it affect the maintenance problems?

Answer: The RTCP also covers property care and maintenance. It provides for the development of certain skills by the participating families enabling them to become thoroughly familiar with heating and electrical systems in the home; major and minor household appliances; preservation of the interior and the exterior of the home; fixtures, etc. The skill development also enables the families to perform minor repairs around the house by themselves.

It is the intent of the RTCP that understanding and awareness by the families about the necessity for property care and maintenance will result in decreased maintenance cost by both the housing authorities and participating families. Therefore, we hope that this will begin to solve some of the more serious maintenance problems we have experienced and thereby protect the Federal investment.

Question: Does this type of effort apply to HUD-financed houses also? If so, does HUD fund the effort?

Answer: The published HUD regulations on Indian housing make provision for training and counselling services for all HUD-funded new

mutual-help (Homeownership) housing project occupants. For this purpose HUD will include up to $500 per unit in the development budget of Indian housing authorities' mutual-help housing projects. However, HUD funding is available only for the new homeownership homes to be constructed. It is not available for those homeownership units which have already been occupied as well as for any (new and occupied) low-rent housing units. Therefore, in addition to Bureau's own RTCP, the Bureau is heavily involved in assisting with RTCP of those HUD units which are not and cannot be funded by HUD. Moreover, HUD funding is "one-time" funding only, and Bureau's program is able to continue with the effort, which we find takes a minimum of three years of training. It has become clear that for this type of a program to be effective, it has to be carried out over a considerable period.

Question: Why are the average cost for HIP houses so much under HUD costs?

Answer: Usually, the cost of a HIP house includes the material and skilled labor costs only. The HUD total development cost per unit includes items such as land, labor money, street, etc., which are not reflected in the HIP costs. In addition, under the HIP, continuous efforts are made to combine HIP with other programs; i.e., IHS, Department of Labor, Title X monies, etc.

Question: In addition to providing them technical assistance, has there been an effort to help upgrade the capabilities of Indian housing authorities?

Answer: The Bureau's training and education efforts are concentrated primarily on housing occupants. HUD concentrates its efforts on housing authority personnel training. Several years ago they announced a training program for Indian housing authorities (Management Initiatives for Indian Housing Program (MIFIH)). We have assisted the National American Indian Housing Council in their efforts to develop training material and assisting the housing authorities with the MIFIH program. Implementation of the program however, has been slow.

Question: Have you had any success with the development of home savings institutions?

Answer: Bureau efforts to establish Indian owned and managed credit institutions have proved successful. The establishment of Indian owned and managed savings and loan associations will also increase the opportunity for HUD and Farmers Home Administration to provide mortgage money in Indian areas. The first such savings and loan institution has been established on the Navajo Reservation with technical and financial assistance being provided by the BIA. This appears to be the basis for a breakthrough in attracting insured as well as conventional mortgage money to housing on trust land.

SUBCOMMITTEE RECESS

Senator STEVENS. We appreciate your comments. We really hope you will take a good long look at Mekoryuk. That is not too good.

Thank you for your courtesy.

Mr. BUTLER. Thank you, Mr. Chairman.

Senator STEVENS. We will recess until 9:30 a.m., March 22, when we will hear the fiscal year 1978 budget requests of the Office of the Secretary, Office of the Solicitor, and the Navajo-Hopi Relocation Commission.

[Whereupon, at 4:10 p.m., Thursday, March 17, the subcommittee was recessed, to reconvene at 9:30 a.m., Tuesday, March 22.]

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 1978

WEDNESDAY, MARCH 23, 1977

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, D.C.

The subcommittee met at 9:35 a.m., in room 1114, Everett McKinley Dirksen Office Building, Hon. Dennis DeConcini presiding.

Present: Senators DeConcini and Stevens.

NAVAJO AND HOPI INDIAN RELOCATION COMMISSION

STATEMENT OF HAWLEY ATKINSON, CHAIRMAN

ACCOMPANIED BY:

REV. PAUL URBANO, COMMISSIONER
HARRY R. SHARP, ACTING CHIEF ADMINISTRATIVE OFFICER
MATTHEW N. NOVICK, FINANCIAL MANAGER, OFFICE OF THE SECRETARY, DEPARTMENT OF THE INTERIOR
DAVID A. GILBERT, BUDGET OFFICER, OFFICE OF SECRETARIAL OPERATIONS—FISCAL, DEPARTMENT OF THE INTERIOR

OPENING REMARKS

Senator DECONCINI. The hearing will come to order at this time.

Good morning. We are glad to see you here. We appreciate your attendance. This the day scheduled to hear the budget estimates of the secretarial offices and the Navajo-Hopi Relocation Commission. To expedite the hearing we will hear the Navajo-Hopi Commission first, then the Office of the Solicitor and finish with the Office of the Secretary.

Is Mr. Atkinson here? I don't see him. Oh, yes, I do. How are you?

Mr. ATKINSON. Good morning, Senator.

BUDGET REQUEST AND PREPARED STATEMENT

Senator DECONCINI. Welcome. We are glad to see you.

Are you here for the NACO meeting also? It is going on, I understand.

Mr. ATKINSON. No.

BUDGET REQUEST AND PREPARED STATEMENT

Senator DECONCINI. We are glad to have you. There is a request here for fiscal 1978 of $25.2 million. It includes $500,000 for administration and $24.7 million for relocation and assistance payments. In terms of operation of the Commission this represents an increase of $100,000 over appropriations to date.

Mr. Atkinson, if you have a prepared statement, we will put it in the record and we will ask that you highlight your statement.

[The statement follows:]

STATEMENT OF HAWLEY ATKINSON

Mister Chairman:

It is a personal pleasure on behalf of the Navajo and Hopi Indian Relocation Commission to appear before you today to explain our budget request for Budget Year 1978 and answer any questions you may have. The $500,000 requested will be necessary to fund the activities of the Commission for this period. These funds will provide compensation for the Commission and staff plus other expenses necessary to fulfill our responsibilities as intended by Congress by passage of Public Law 93-531.

The Commissioners have acted conservatively in their past actions waiting for the Federal Court to set the Partition Line. Judge Walsh established this line on February 10th.

The Commission is ready now to develop the Relocation Report and Plan to be submitted to Congress on or before February 10, 1979.

We are requesting $3,700,000 assistance payments or the balance of the $5,500,000 authorized under Public Law 93-531. In our discussions with the relocatees, tribal leaders, and study of history, the failures in the past have been largely due to the unavailability of funds when needed.

The Commission also requests $21,000,000 or the balance authorized in Public Law 93-531 for moving expenses and purchase of replacement dwellings. The fears and anxieties of the relocatees will be partially allayed by knowing the relocation benefits have been fully appropriated.

The above two requests are necessary to enable the immediate relocation of all voluntary relocatees during the two-year period of developing the report and plan.

At this time we wish to acknowledge our appreciation of Secretary Cecil Andrus of the Department of Interior and his staff. They have displayed a sincere desire to assist us in carrying out our responsibilities of Public Law 93-531. Many problems of the past have disappeared during the last two months.

We would also like to commend Secretary Francis Harris of Housing and Urban Development on the expeditious handling of our recent request concerning Section 15(b)(2) of the Public Law 93-531, which increased the housing allowance by 25 percent.

Thank you for allowing me to appear before you today. Your support of our requests will be most appreciated and will greatly aid in solving this 100-year old problem.

COMMISSIONER'S STATEMENT

Senator DECONCINI. We would like to put some questions to you. So you may proceed. If you would please introduce your other witnesses.

Mr. ATKINSON. Senator, we have distributed the copies of the prepared statement. Do you wish me to read it, sir, or just summarize it?

Senator DECONCINI. It is quite satisfactory if you just give it to us. We will put it in the record. You may read it or highlight or generalize it, if you like.

Mr. ATKINSON. We will just submit it.

Senator DECONCINI. Fine. Do you want to make any statement at all before we ask some questions?

Mr. ATKINSON. The only statement I would like to make, Senator, is I think it is very obvious to you that we have come here and asked for the balance of the authorization in the public law where we have not really spent any vast sum.

We come before you today and ask for millions of dollars. The reason for this is the credibility of the Navajo and Hopi Indian Relocation Commission with the Navajo Tribe and with the Hopi Tribe. The Indian tribes, including both of those, have had some sad experience with acts of Congress in thinking that the authorization was actually going to be followed by appropriation. We need the appropriation so that we can go to the two tribes and say that the money is in the bank. We have it. It has not only been authorized by Congress, it has been appropriated. Now when the relocation commences, we will have the money for you. It is no longer a promise. It is a fact. It is a matter of credibility.

COMMISSION CREDIBILITY WITH INDIAN PEOPLE

Senator DECONCINI. Regarding that particular area, why do you think you will lack credibility with either the Hopis or the Navajos if, in fact, the funds are not actually appropriated? Other than credibility, why can't the Indians involved in this particular area be satisfied with the authorization, the commitment from the Department of the Interior and everything but the actual appropriated dollar in advance for the relocation?

Mr. ATKINSON. Senator, it is unfortunate that the Indian people have had some of the experiences which have occurred. The authorization was to them the same as the appropriation. Throughout the last 50 or 75 years there has been a constant stream of people from Washington, D.C., who have gone onto the reservations and said these are the things that we are going to do for you. Then a year later they came back and said, we wanted to do those things for you but we did not receive the money.

The actual times that perhaps the appropriation failed and did not meet the authorization—I don't know how many times that happened, but in my experience with the Indian people, particularly the year I spent with the Indian Development District of Arizona, was that we received promises but not appropriations; and that there was a real credibility gap.

I don't think that this credibility gap was created by the Congress itself. I think the credibility gap was created by the various agencies who went up and made promises that they simply couldn't keep. I think it is a very well accepted promise that without appropriation, without the money being there, that the tribes simply do not—well, they just don't have any real hope they will be there.

USE OF UNOBLIGATED FUNDS

Senator DECONCINI. Your budget justification shows that you will have an unobligated balance of approximately $24 million at the end of 1978 for relocation payments; is that correct?

Mr. ATKINSON. Yes, sir.

Senator DECONCINI. That seems to me to be a great deal of confidence that we need to provide. I am wondering if you think there is any other way to secure the confidence without the actual appropriation when you are not prepared to spend the money?

Mr. ATKINSON. Well, Senator, I don't think that there is. We wouldn't ask you for that money unless we felt that it was absolutely essential to our credibility with the two tribes involved. Senator, there is another credibility issue here, that is, our credibility with you and with the Congress, with the Senate and the House.

If we come in and we ask for these sums and they are not spent, then the Congress will say, why did you ask for all these millions? It lies there and it isn't spent.

So we are in a dilemma, in a way, but we have reached the conclusion that we are far better off to fulfill the obligations and responsibilities under the act to ask the Congress to give us the full appropriation to establish a real credibility with the two tribes involved.

ASSISTANCE PAYMENTS

Senator DECONCINI. Mr. Atkinson, you received $1.8 million for assistance payment in fiscal year 1976. Your budget justification indicates that you intend to obligate a total of $1,250,000 through fiscal year 1978. Why then do you need the additional $3.7 million you are requesting for fiscal year 1978?

Mr. ATKINSON. These assistance payments are an incentive bonus to move people. We anticipate that once the Federal court has ruled on the appeals that we will get a certain number of volunteers. In no way would we get the volunteers, probably, to use up the $1.8 million.

But it is the same situation with why we are asking for the additional $3.7 as in asking for the $21 million. It is still the credibility, sir.

FUTURE SUPPLEMENTAL APPROPRIATION

Senator DECONCINI. Do you feel it would be inappropriate that when you really see the need for such as the $3.7 million to come for a supplemental? Have you considered that?

Mr. ATKINSON. Yes, sir. We have considered it. I simply don't want to seem to be as repetitive as I am appearing to be, Senator. I certainly don't mean to be stubborn about this.

Senator DECONCINI. I understand that.

Mr. ATKINSON. We are firmly convinced that this is the only way to go.

Senator DECONCINI. My concern is to satisfy, at least myself and the record, that you have indeed given consideration to every other conceivable alternative at least that I can think of and the supplemental appropriation would certainly be one. The fact is that you haven't spent some of the assistance payments for 1976.

Mr. ATKINSON. Sir, that is certainly a fallback option for us.

IMPACT OF DELAYED APPROPRIATION

Senator DECONCINI. What actual effect—when you say confidence, what do you think would occur if the Congress did not appropriate the $3.7 million or the $21 million until 1979? Is that going to cause a physical upheaval? Do you anticipate great consternation or just what do you anticipate happening if that occurs?

Mr. ATKINSON. Oh, we have thought about it, sir. That is why these two credibility issues come in, one with the tribe and one with you. It will make the job easier for us if the appropriation is made in full. If it is not made in full, I think that we will still have a great measure of success over the next year or two.

CREDIBILITY WITH TRIBES

Senator DECONCINI. Is there now, Mr. Atkinson, a credibility gap or a lack of credibility and confidence with the Commission and Congress in your judgment regarding the Navajos and Hopis that are involved in this relocation?

Mr. ATKINSON. You mean a credibility gap between the Relocation Commission and Congress?

Senator DECONCINI. Both that and the Relocation Commission and the Indians involved.

Mr. ATKINSON. I would say that there is no credibility gap between the Commission and Congress, but with regard to the credibility gap between the Relocation Commission and the two tribes, let me answer separately.

I do not think there is any credibility gap between the Relocation Commission and the Hopi Tribe. There is a gap between the Commission and the Navajo Tribe.

As you know, Senator, our Commission has evolved out of numerous law suits and Public Law 93–531. The Navajo Tribe has suffered two defeats in this. One, they suffered a legal defeat then they suffered a political defeat. And the leadership of the Navajo Tribe is not yet ready to accept relocation.

They are going to use, in my opinion, every recourse they have to prevent relocation under the law, which is certainly their privilege and they have a right, but until relocation is absolute the Navajo Tribe will never accept it. They do not accept the eventuality of it today.

So this is the gap. At many of the meetings that Father Urbano and I have attended with Governor Lewis, who, by the way, due to business with the Zuni Tribe, in New Mexico, could not be here; but they are not ready to admit that there is going to be relocation. But there is a different feeling with many, many of the relocatees. I think that they are beginning to accept it.

We have taken the information and the law up to the chapter houses and to the reservation. We have discussed it with them and we are beginning now to establish a rapport and a line of communication with the individual Navajo who is going to have to relocate or between the tribal leadership and the Relocation Commission.

There will probably never be a real understanding for 2 or 3 years.

VOCATIONAL REHABILITATION

Senator DECONCINI. Let me ask you a few questions, if you don't mind, Mr. Atkinson.

What are these people going to do vocationally when you relocate them?

Mr. ATKINSON. This is one of the deep problems. The relocatees are living now in a grazing economy. The relocatee has run sheep generally out in the joint use area. Now where they are going to go, I doubt that they will have enough acres to run sheep.

When they choose their site of where they wish to be relocated, I think it is going to cause a major change in the way in which they make a living. We are well aware of that.

We feel that as we go down the road we are going to have to offer the relocatee training, skills training in the various phases of employment which they might want to enter. If they are going to cluster, or if they are going to go off the reservation, they are certainly going to need it.

I would think that we will start prerelocation employment counseling, job orientation before they move. When they decide where they will move, we are going to have to emphasize that greatly.

If we are not careful, Senator, what will occur is that we will move this Navajo relocatee from his grazing economy on the reservation which does not enable the relocatee to get his fair share of material wealth of our country. We are going to have to be very careful that we do not move them into a poverty pocket.

We are well aware of it. We feel that the act itself gives us the moral responsibility to move the Hopi and the Navajo relocatees to where they do have a chance to share in the material wealth. It is going to take intensive job training or vocational skill centers.

FUNDING FOR VOCATIONAL AND JOB TRAINING

Senator DECONCINI. You talk about preparing them. You don't have any money in your budget. Are you looking to the BIA for that assistance, vocational education or any other preparedness for this new life?

Mr. ATKINSON. We are going to look to the BIA, but you have asked the question and we undoubtedly will come right back to you when this is—when we get down the road and we see the moneys that we are going to need. We think the law itself is that there is an intent there on the part of Congress that these people be given an opportunity and we plan to live up to the intent. We will be back to you to ask you for additional sums for job training, job counseling, et cetera.

Senator DECONCINI. If I understand it then, what you are going to do is physically move them and train them after they have been

moved for some kind of new life so that they can have some kind of economic income; is that correct?

Or is it that simple?

RELOCATION PROCESS

Mr. ATKINSON. Well, sir, when we reach the point where the relocatee identifies the site which the relocatee wants to be moved—now, this site identification is their choice. We are not going to move any Navajo or Hopi to any site that they don't want to move to.

Senator DECONCINI. Wait a minute. Let's go back over that. If they don't want to move, your statement is not correct. And I guess some of them flatly don't want to move.

So you are going to have to move them even if they don't want to. You have that mandate and you are going to proceed with that, I presume, unless the law is changed.

Mr. ATKINSON. Unless the law is changed. We are talking down the road of nearly 7 years. We feel that——

Senator DECONCINI. You hope to educate them or convince them?

Mr. ATKINSON. Yes, sir. We feel that the relocation will begin to pick up before the 7 years have expired. They will all have been relocated except a few. If they are not, we are going to come back to you.

It is not our intent to ever use physical force on the relocation measure. But let me clarify one point, sir.

When the Navajo identifies his site, and we know where we are going to move then we will start our job orientation or employment counseling long before he physically moves because he is simply not going to move off of his location. It will take some time for a new home to be built.

During that time we will give this prerelocation job training.

RELOCATION SITE LOCATIONS

Senator DECONCINI. Do you have selected locations for them to look at now? If you find a relocatee who is now prepared to consider moving, do you have areas to show him that they might choose?

Mr. ATKINSON. Yes, sir. We do. It hasn't been fully done yet. One of our problems, which I discussed earlier, was that the Navajo Tribe leadership was not prepared to accept relocation yet. We are going to need their help in identifying the sites on the Navajo Reservation. But there are one or two places there to which they could be moved. We have promised the Navajo Tribe, the relocatees, that we will have a list of site identification before May 1.

This isn't difficult to identify the sites. They run throughout, the Pieta, and the Ship Rock. On the Navajo Reservation, there is an empty plant. It used to hire 500 people. This offers an opportunity for us to move people in there. The plant is there to entice some industry in.

The Navajo Tribe has what they call the Navajo irrigation project. It is in New Mexico. There are approximately 110,000 acres involved there. Ten thousand, I believe, have been put under water and are being used now.

This would offer ideal location site for these people who have been brought up on a grazing economy. It would not be a grazing economy if they were all given 160 acres, since as they know it now, they are ranging over 4,000 or 5,000 acres.

But it would give them a chance, at least, to go into an agricultural economy. This is the type of site, if they want to go to Albuquerque, we are prepared to move them immediately. But to move them on the Navajo Reservation takes the approval of the Navajo Tribal Council and the local plan on the reservation.

At this point there has been no Navajo community that has thrown its arms wide open and said, we welcome our brother and our sister who are being relocated. But we are arguing this out. It is difficult.

RELOCATION OF INDUSTRY TO AREA

Senator DECONCINI. You talk about industry at Ship Rock. Do you have any proposal or are you making any inquiries about encouraging or enticing industry to move into that vacant plant?

Mr. ATKINSON. We have made no positive steps on it yet, Senator.

Senator DECONCINI. Your statement indicates that the relocation report and plan will be submitted to Congress on or before February 10, 1979. Are you still planning to complete the plan by that date?

Mr. ATKINSON. We would like to get that plan into you somewhere in the next 18 or 20 months. We don't think that it will take the full 2 years to prepare it, sir.

EXPENSES OF THE COMMISSION

Senator DECONCINI. Mr. Atkinson, could you and your staff submit to us in detail the appropriations you estimate that would actually be needed for this fiscal year that you are certain you are going to have to expend, realizing what you have said in the record as to the confidence and the need for this?

I am sure the committee, when they meet on this subject, will take that into consideration. It would be helpful to us to see your justification of where you are going to spend what dollars to the best of your ability.

Mr. ATKINSON. Yes, sir. We will have that prepared and submit that to you, sir.

Senator DECONCINI. All Right. And any justification you want to add at that time is fine, too, on this confidence matter. But it has all been adequately put in the record today.

[The information follows:]

NAVAJO AND HOPI RELOCATION COMMISSION ANTICIPATED OBLIGATION FOR FISCAL YEAR 1977

The Commission is very confident that the full fiscal year 1977 appropriation of $400,000 and $220,000 of prior year funds will be fully obligated in support of the operation of the Commission in fiscal year 1977. In addition to the usual costs of staff support, rent, supplies and travel, the Commission will apply any available funds provided for operation of the Commission into contracts for appraisal of the fair market value of habitations and improvements.

The Commissioners are confident that some relocation will begin in fiscal year 1977. It is difficult to estimate the possible number of relocations because of the many variables, however, all relocation expenses will be provided from funds which were appropriated in fiscal year 1976. This does not detract from the belief of the Commissioners for the need of appropriating the full Relocation and Assistance Authorization in fiscal year 1978.

Senator DECONCINI. I have no further questions.

I compliment you, Mr. Atkinson, on your very difficult chore and the way you have approached it. I certainly don't envy you in attempting to make this work. I wish you every success. I know that it is a great challenge.

Mr. ATKINSON. Thank you, Senator, very much. I am sure you have heard of Father Urbano.

Senator DECONCINI. Yes. I didn't have a chance to talk with him, but welcome, Father Urbano. This is an extremely important endeavor.

Do you have anything else that you would care to submit at this time?

Mr. ATKINSON. No, sir. Thank you, Senator.

DEPARTMENT OF THE INTERIOR

OFFICE OF THE SOLICITOR

STATEMENT OF LEO M. KRULITZ, SOLICITOR

ACCOMPANIED BY:

TIMOTHY S. ELLIOTT, ACTING DEPUTY SOLICITOR
JOHN E. MERRELL, ADMINISTRATIVE OFFICER
FRANCIS M. WILES, DIRECTOR OF BUDGET, DEPARTMENT OF THE INTERIOR

Senator DECONCINI. We will now go to the Office of the Solicitor.

The request for fiscal 1978 totals $14,054,000, which is an increase of $1.7 million over appropriations to date. The justification has been included in part 1 of the hearing record.

BIOGRAPHICAL SKETCH AND PREPARED STATEMENT

Mr. Krulitz, we welcome you before the committee. Thank you for your patience in waiting for us. We will be glad to place your biographical sketch and your prepared statement in the record at this point.

[The biographical sketch and statement follow:]

BIOGRAPHICAL STATEMENT

LEO M. KRULITZ

SOLICITOR

Date of Birth: June 15, 1938

Place of Birth: Wallace, Idaho

Education: Stanford University, B.A. 1960
Harvard Law School, J.D. cum laude, 1963
Stanford Graduate School of Business, MBA 1969

Employment: Moffatt, Thomas, Barrett & Blanton, law partner
Boise, Idaho , 1963-1967

Irwin Management Company, Vice President & Treasurer
Columbus, Ohio , 1969-1977

Professional Organizations: Member of Bar in Indiana and Idaho
Member of The Harvard Club of New York Cit
Member, Columbus Area Chamber of Commerce
Treasurer, Irwin-Sweeney-Miller Foundation
Director, L'Enfant Plaza Properties, Inc.
Washington, D.C.
Mayor's Transportation Advisory Committee
Columbus, Indiana

Family: Wife: Donna Ristau
Children: Cynthia May and Pamela

STATEMENT OF LEO M. KRULITZ

Mr Chairman:

I want to thank you and the distinguished members of the Subcommittee for the opportunity to discuss the Solicitor's budget request for fiscal year 1978.

As you know, this is my first appearance before your subcommittee, having been confirmed as Solicitor just a week ago. I am, however, well aware of the support this subcommittee has afforded the Department and the Solicitor's Office in its mission to protect and utlilize our Nations natural resources and protect the interest of our Native Americans and Territorial peoples.

Our request for Fiscal Year 1978 is $14,054,000. This represents a net increase over Fiscal Year 1977 of $1,133,000. This increase will allow the Office of the Solicitor to fund its presently authorized positions which are needed to provide effectively and efficiently the increased legal services required by our client agencies. Of the increase, the bulk of the request is to fund 15 Man Years of permanent full time personnel, not funded in Fiscal Year 1977. The Solicitor's Office is not requesting an increase in personnel. We are asking for increased funding so that we may maintain our current personnel ceiling, and may have that ceiling fully funded. Included in our request are noncontrollable costs, such as within grade increases, and the annualization of the executive pay raise granted in February 1977. The largest percentage of the request is for personnel related activities and are of course, what is called controllable expenses. These latter expenses are those which management has the opportunity through decision making to reject or accept.

Our submission to the Congress shows a projected average paid employment of 440 employees versus 425 employees estimated for Fiscal Year 1977. As noted above, this does not mean we are requesting 15 additional positions for the Office of the Solicitor; rather this request will permit the office to fund our total authorized permanent employment. As shown in this submission the 440 average paid employment includes 423 permanent positions and 17 man-years of part-time employment. Our request therefore, relates essentially to the man-years of work needed to perform the increased responsibilities required of the office without jeopardizing its effectiveness or efficiency.

Of course, as you are aware, this request was originally prepared and submitted by the outgoing Solicitor. The Secretary has directed me to be involved with the Presidents initiative to evaluate personnel requirements in order to operate effectively with the lowest number of people necessary. It is my belief that there may be cost savings in the Office of the Solicitor. As you may know, I do not have a Deputy, nor are all the permanent Associate Solicitor positions filled. Once they are in place, I believe we will have a better idea of the magnitude of possible savings. I have, however, discussed this with senior level career Assistant

Solicitors on board who have indicated that, in the main, the office has been handling this workload outlined in the justifications included in the request, and can continue to handle this workload with a moderate increase in funding. I have already requested the Regional Solicitors to begin evaluating their offices. Additionally, there may be some reorganization and consolidation which could afford savings. I believe it is possible for the Solicitor's Office to continue to carry on with its increased responsibilities, through efficient management, consolidation and higher productivity from its attorneys with a moderate increase in funding.

Mr. Chairman, this concludes my statement, I will be more than happy to answer any questions you or the subcommittee might have.

INTRODUCTION OF ASSOCIATES

Senator DECONCINI. If you will introduce those with you and highlight your statement for us, then we will put some questions to you.

Mr. KRULITZ. Thank you, Mr. Chairman. I would like to introduce the gentlemen with me today. To my right is Mr. Tim Elliott who is Acting Deputy Solicitor, and to my left is Mr. John Merrell, who is our administrative officer.

Senator DECONCINI. Thank you. Welcome.

Mr. KRULITZ. For your information, I would like to have the prepared statement put in the record and then just make a couple of comments.

SUMMARY OF REQUEST

Senator DECONCINI. Please proceed.

Mr. KRULITZ. I have been in office a very short period of time. Of course, the budget process goes on. This basic fiscal 1978 budget was prepared by my predecessor, Greg Austin. I have had the opportunity last week to spend 2 days meeting with the eight regional solicitors who are located around the country.

I have spent some time visiting and discussing the budget with the career assistant solicitors who are here in Washington. Our new Deputy Solicitor and associates have not been named.

Basically, the budget request asks for no new employees within the Solicitor's Office. However, we do request funding for 15 positions which have been authorized but have not been funded in the last couple of years.

With that, I would be pleased to answer any questions that the Committee has.

Senator DECONCINI. Mr. Krulitz, welcome again and congratulations on your taking the position. I do have some questions. If we can't get to them all, we will submit them to you in writing.

PRESENT AND PLANNED STAFFING

Your justification and your statement made it clear that you are not seeking new positions, but you are asking for funds necessary to increase your staff to the full authorized level of 442. How many permanent full-time positions are currently funded and exactly how many additional slots are you requesting?

Mr. KRULITZ. Yes, Mr. Chairman. As of March 21—we have a total of 420 full-time positions either onboard or committed. In the 420 number I am including the associate solicitors who will be added, as well as the Deputy.

We, right now, within our current fiscal 1977 budget have funding for an average number of 425 paid positions. We are now at 420. We have funding this year for 408 permanent positions. We are asking for funding for an average paid employment of 440, which includes 17 temporary man-years. We don't need the full funding for 442.

Senator DECONCINI. You say you don't need it?

Mr. KRULITZ. Not for 442. We are asking for funding for an additional 15 man-years which, will enable us to have an average employment of 440 during the next year.

Senator DECONCINI. 440?

Mr. KRULITZ. Yes. That will give us a little margin slightly below the total authorized ceiling.

FUNDED VERSUS AUTHORIZED POSITIONS

Senator DECONCINI. Do you have unfulfilled positions because Congress did not allow you to fund them? If you have, then it would seem to me you are actually requesting new positions. So you are, in effect, asking for at least 15 new positions. Is that right?

Mr. KRULITZ. Well, Mr. Chairman, I am new to this process myself.

Senator DECONCINI. I understand. So am I.

Mr. KRULITZ. I understand that we have—there are two ways to approach this. The total number of employees which are authorized and then the funding for those employees.

At this point for the Solicitor's Office there are authorized 442 positions, but this committee has not seen fit in the past to fully fund those positions.

Senator DECONCINI. So, you are not asking for any new positions. But in terms of funding, you are. Is that correct?

Mr. KRULITZ. That is correct. I think that is set out pretty well on page 28 of the justification.

ALLOCATION OF FUNDS

Senator DECONCINI. All right. You are asking for $1,035,000 related to funding the additional positions. What specifically does that amount cover? That is for 15 positions if I am correct here.

Mr. KRULITZ. Yes. Mr. Chairman, the total increase requested of $1,133,000 is not solely to fund those additional 15 positions. That request will cover the broad spectrum of our budget needs for fiscal 1978. We have to fund in 1978—there are a number of items that are noncontrollable that occur in a sense automatically, such as in-grade promotions which account for about $170,000 of the $1,333,000.

Senator DECONCINI. That is for existing employees?

Mr. KRULITZ. Yes. For existing employees.

We also have an increased cost for space. These are billings from General Services based on increases in their user charges which totals $98,000. Within the $1,133,000 there is about a 7-percent increase anticipated for cost of travel.

We are not anticipating additional travel, but simply increased cost of airline tickets, and the like. Employee benefits are expected to increase slightly by about $91,000.

As you know, there was a new pay raise authorized in February of this year and for our Office that will add an additional cost of about $121,000.

There are some other minor items. So basically when you total that all up, about half of the $,133,000 is for noncontrollable kinds of increases. The other half approximately relates to the additional funding of positions.

ADMINISTRATION'S POLICY ON CEILINGS

Senator DECONCINI. In lieu of what I believe the administration has indicated, attempting to curtail and reduce governmental jobs

with nonfilling of positions through attrition, how do you rationalize your request for new people?

Mr. KRULITZ. Senator, I am very much in accord with the desires of President Carter and, in our Department, Secretary Andrus is trying to keep employment to a minimum to try to make things go further if we can.

As you know, we are operating under an employment freeze with regard to attrition, allowing some reductions there. I am just now in the process of beginning to dig into the details of the operation of the Solicitor's Office. I am finding some areas where we think there may be an opportunity to have savings, both in manpower and in costs.

For example, I learned in the last week or two that we have 6 field offices today out of a total of 20 which are really one-man operations with one attorney advisor and one support staffperson. I am asking regional solicitors to tell me how we can operate more efficiently. So I think there may be the possibility of some savings here.

On the other hand, I think you have to understand that the work of the Solicitor's Office is correlated very much with the work of the Department. There are some things that occurred during the past year which have put an increased burden on our manpower.

For example, the Big Cyprus land acquisition program in Florida where our Atlanta office is now in the process of dealing with 100,000 title opinions. Those title opinions previously had been done by Justice. They have turned that responsibility over to us. We are using existing manpower to perform that task.

But we are dealing with that. In Alaska we have a situation of increased demands on our staff. There is a tremendous amount of legal work to be done with regard to the D2 lands program and a whole variety of matters that are handled there.

Litigation is increasing. We have some 4,000 items of litigation. In addition to that, we have about 2,500 administrative proceedings, all of which we have to worry about and follow and control, even though the actual trial work is done by Justice in most instances.

In short, I would like to do better. I can't come before this subcommittee today and tell you how many people we can eliminate by operating more efficiently.

Senator DECONCINI. Mr. Krulitz, you mentioned—I lost the word you mentioned—the Carter administration had put a ban or freeze on new employees.

Did you or the Secretary have to get permission to exceed that and be exempt from that in order to ask for these 15 positions?

Mr. KRULITZ. Mr. Chairman, this is a program of attrition so that it is a reduction through attrition.

Senator DECONCINI. As I understand it, you want these new additional employees, but if someone leaves, you hope not to fill that; is that correct?

Mr. KRULITZ. Yes.

Senator DECONCINI. I have a number of questions relating to this subject which I would appreciate your responding to for the hearing record.

[The following questions were not asked at the hearing, but were submitted to the Department for responses subsequent to the hearing:]

Question. We are having difficulty interpreting your methods of presentation. Last year your justifications spoke of annualizing positions which weren't funded previously, and now you present sketchy information on your plans for FY 1978.

Please provide for the record the number of man-years you were able to fund in fiscal years 1975, 76 and 77. Then give us your estimate of man-years to be funded in fiscal year 1978. If we take that approach perhaps we can make accurate comparisons.

Answer. We are able to fund in FY 1975 388 permanent positions, in FY 1976 we had funds for 393, this year, FY 1977 we have funds to cover 408 permanent positions and we are requesting for FY 1978 funding for 423 permanent positions. For the record I will provided a chart showing these figures.

[The information follows:]

	Fiscal year			
	1975 (actual)	1976 (actual)	1977 (actual)	1978 (estimate)
Funded permanent full-time	388	393	408	423
Funded other permanent full-time	15	14	17	17
Average man-year of employment	403	407	425	440

Question. Your detail of permanent positions is equally confusing. If you plan to fill unfunded positions in fiscal year 1978, then I would expect your total of permanent positions at the end of the year to reflect the increase. Your schedule shows no change from fiscal 1977 to 1978—423 positions filled in each year. Would you explain that?

Answer. Our authorized position ceiling is 442 permanent positions. This ceiling has not changed since 1976. In both fiscal year 1977 and in fiscal year 1978 we expect to lapse 19 of those positions. That is to say that we cannot realistically expect to employ on the first day of the fiscal year the total number of vacant positions, and too, that we know through experience that a number of employees will retire, transfer or leave the Solicitor's office.

We are asking for the funding of 15 additional man-years of permanent employment, not 15 new positions. We plan in FY 1978 to employ in the first week of October, 10 Solicitor's program attorneys. These attorneys have been offered positions and were to begin working in September of this year, however, we do not have sufficient funding in our FY 1977 budget to employ them at that time. Consequently, their appointments have been deferred until early October 1977. We feel also, that we will be able to identify and fill the remainder of the positions early enough in the new fiscal year to need the additional funds for the increased man-year's of work.

Question. Your detail of permanent positions for fiscal 1976 as presented this year differs from last year's presentation. Please reconcile the difference for the record.

Answer. The previous Solicitor requested the authorized position ceiling be reduced by 10 positions because he felt that he would be unable to identify and fill all of the vacancies. In FY 1976 the Solicitor's office was lapsing or indicating unfilled vacancies at the end of the year of 49 positions as shown in our FY 1978 submission.

Question. Please expand on your justification for the additional positions. What are the specifics of the workload increases?

Answer. We are experiencing workload increases in all of the five divisions in Washington, as well as, in the 28 offices in the field. Specifically, we have had an increase in the total number of pending legal matters. The monthly analysis of statistical information on page 8 of our justification was as of the end of June 1976. Since that time we have experienced an increase of nearly 40%. As of January 1977, we have 7100 matters of pending litigation, over 3500 matters concerning administrative proceedings, and a total of approximately 3500 other matters needing the attention of the attorneys of the Office of the Solicitor. There is furthermore, an increasing need for personnel in Alaska to assist in the matters surrounding the Trans-Alaskan pipeline, including the Oil Spill Liability Fund. Additionally, as we move toward a Presidential decision on the Arctic Gas Transportation System, legal work in Anchorage and Washington will expand.

We do believe however, with the funding in our request we will be able to handle the increased workload resulting from those areas mentioned here, as well as in the areas of coal leasing, oil and gas leasing, and the leasing of outer continental shelf.

I might further point out that our Conservation and Wildlife Division has now over 3,000 cases pending in the areas covered under the Endangered Species Act, our General Law Division is experiencing increased workload in the areas of environmental law, procurement, equal opportunity, freedom of information and related areas, and our Indian Affairs Division is experiencing an increase in workload. One case under their supervision is *U.S.* v. *Atlantic Richfield* which involves over 150 corporate defendants concerning the rights of Indians. All in all, our workload has increased significantly in almost every area under the jurisdiction of the Solicitor's office. I do feel though, that the increased workload can be handled adequately with the funding requested for the 15 additional man-years we are seeking in this submission. You can be sure that every effort will be made to improve the efficiency and productivity of the Office of the Solicitor, however, not at the expense of our doing a less than professional job.

DISTRIBUTION OF PERSONNEL

Senator DECONCINI. Where will some of these new positions be stationed?

Mr. KRULITZ. If we are dealing with 420 that we have onboard now and we are 5 below and we are asking for funding for 440, that leaves 20 positions.

Within the Solicitor's Office we have a program that is called the Solicitor's program which has been in operation for a number of years and it is through this program that we go to the leading law schools in the country, most of the law schools in the country, and hire young attorneys coming out of law schools.

We have 10 attorneys who have been offered positions in the Department. These are not included in these numbers as the result of last year's program. This program is critical to the ongoing capability of the Solicitor's Office to provide the best legal service for the Secretary and the agencies.

I might mention—and the number always astounds me, we had something like 5,000 applications for those 10 positions. We are able to hire some of the outstanding graduates of law schools.

So of the 20, 10 of those positions are earmarked as the first year for those new lawyers coming in. I have to confess to you, Mr. Chairman, that the first year of a lawyer's career is generally not the most productive. In fact, it probably will take us more time to work with them and train them than we will get benefit from them, but that is to be expected.

But it is critical to the ongoing operation. That leaves an additional 10 positions that we are thinking about. Of those—of course, with those 10 new lawyers coming in there could be some support staff which gets counted in these numbers, as well.

In addition to that, the most critical need that we have at the moment for additional lawyers are, first, in Alaska where we are understaffed. We may be able to use one or two additional lawyers there given all the activity that is going on.

Second, I was out in Idaho Falls the end of last week where we now have three attorneys working on the Teton Dam settlement claims process. Those attorneys, in a sense, at least two of them, had been pirated out of the other offices, one from Washington and one from Denver. The need is there.

Third, we have a need down in the Tulsa region at the Amarillo office. There are other areas where folks would like to have more help, but until I am really fully on top of it, I am not——

PERSONNEL TURNOVER

Senator DECONCINI. How many full-time lawyers do you have?

Mr. KRULITZ. 248.

Senator DECONCINI. What is your longevity average? How long do they stay with the Department? Has anyone ever done a study on that?

Mr. KRULITZ. I am not sure. Let me check with Mr. Merrell.

Mr. MERRELL. I don't think anyone has done a study on it. Traditionally, though, the turnover rate in the Department of Interior is somewhat less than related to other legal activities.

Senator DECONCINI. The whole Department or your Office?

Mr. MERRELL. The Office of the Solicitor. I came from the Department of Justice in November where obviously they have a great deal more turnover. Attorneys there seem to be a more marketable product after their internship. They can go out and market themselves to private law firms.

I think last year we had something like 30 attorneys leave.

Senator DECONCINI. Thirty?

Mr. MERRELL. About 30 in the Solicitor's Office.

SOLICITOR'S PROGRAM

Senator DECONCINI. What is your beginning salary for an attorney?

Mr. MERRELL. Our beginning salary, in the Solicitor's program is now $17,056. Attorneys start at a GS–11. These are highly qualified, as Mr. Krulitz has said. Those hired in this year's program were generally in the top 10 percent of their class and had other academic achievements as well.

Senator DECONCINI. Is that determination solely on academic standards or do you give them tests or interviews and do you take other things into consideration?

Mr. KRULITZ. In terms of setting the GS level?

Senator DECONCINI. In terms of this Solicitor's program.

Mr. KRULITZ. They are interviewed—John, maybe you had better comment on that.

Mr. MERRELL. Basically, as we said, we had somewhere in the neighborhood of 5,000 applications. So we obviously had to have some kind of cutting point. There are a couple of initial cuts based on, primarily, academic standing in the class and other achievements, law review and so forth.

When we get down to, say—the top 100—we begin the interview process. Based on interviews more and more were weeded out until we get something like 50 top candidates. Then the 50 were ranked and we went down the ranking and offered jobs until we had secured the 10 positions we wanted to fill in the program.

Senator DECONCINI. Are you talking about No. 1 gradewise?

Mr. MERRELL. No. No. 1 in terms of how they came out in our ranking, which, as I said included grades and other achievements. However, consideration is given to those who have been studying, for instance, environmental law and this type of thing, and who have expressed the desire to seek a career with Government.

Senator DECONCINI. That is what I was getting at. If you find a law student who has decided that he wants to be a public lawyer

for public causes or for environmental firms, or for that matter, for the mining company—if he has specialized in that area, is he given special consideration?

Mr. MERRELL. Yes. Those are the sort of pluses that come out of the original cut. If there are people who are interested in environmental law, mining or natural resources, and the like—those people obviously are given extra consideration in our rating because their interests coincide with our interests.

OVERTIME

Senator DECONCINI. Thank you. Mr. Krulitz, you indicate in your budget $88,000 for overtime.

Mr. KRULITZ. Yes, sir.

Senator DECONCINI. Could you accomplish the same work at a savings by hiring additional part-time help?

Mr. KRULITZ. Mr. Chairman, we do have some part-time employees. I believe the equivalent of about 17 man-years of part-time employment that we do use to fill in on a temporary basis. The problem with overtime is basically that our attorneys work overtime through weekends if that becomes necessary preparing for a court appearance or other imposed deadlines. It really is not possible to keep the work of the Department completely within the normal workday.

We would like to do that, but overtime is simply required to supplement and support the extra work done by attorneys.

Senator DECONCINI. What are the increments of overtime you have to pay, starting with 5 minutes or 20 minutes?

Mr. MERRELL. I believe it is anything over a half an hour.

Incidentally, we have tried to cut down on the overtime. Unfortunately, it does eat into the employee's own personal time. We have tried to arrange the hours so that for example, they would start a little bit later and work later, to get the additional coverage. But, unfortunately, it doesn't work all the time.

We can't always fill our needs by having someone stay until 7 o'clock by having them come at 10. Many of our employees have special arrangements at home with children and so forth.

TRAVEL INCREASE

Senator DECONCINI. Your travel increase is $36,000. How much of that is due to inflation and how much for increased travel requirements? Do you have it broken down?

Mr. KRULITZ. I believe—and, again, this was not a budget prepared by me, but my understanding is that that all reflects inflation in the cost and it does not anticipate additional travel.

CONSERVATION AND WILDLIFE DIVISION

Senator DECONCINI. Under your program description related to the National Capital Parks, you mention a 24-hour service which provides advice to the Park Police. Can you give us a little background on that program?

Mr. KRULITZ. Yes, Mr. Chairman.

I think I will ask Mr. Elliott to respond to that.

Mr. ELLIOTT. Mr. Chairman, there are currently, I believe, three attorneys in the Division of Conservation and Wildlife who are in a group which services the National Capital Parks region. I believe two of them have page systems which tie them to the Park Police headquarters.

The Park Police, as you know, function on a 24-hour basis. Occasionally there are arrests and other activities which require legal advice in terms of first amendment and other rights.

It is basically a 24-hour service for the Park Police headquarters. The lawyers are on call. We don't have attorneys sitting there 24 hours a day.

Senator DECONCINI. Is this for criminal advice as to seizures or search warrants or anything like that?

Mr. ELLIOTT. For the most part it is, although they provide advice to the National Capital Parks region on permits for demonstrations and other affairs, if you will, on the Mall and the other Federal properties around Washington.

Mr. KRULITZ. Let me just add, Mr. Chairman, that, as you know, Washington tends to be a focal point for a whole variety of demonstrations, protests, and what have you. These can occur in the day or night. The Capital Park Police does fall within the Department and within the Solicitor's Office jurisdiction.

It is kind of a unique situation.

Senator DECONCINI. Do you have a criminal division where you have a few lawyers set aside who are experts in criminal law as well?

Mr. ELLIOTT. Mr. Chairman, the attorneys who service the National Capital Parks have some expertise in criminal law. They do, of course, work with the Justice Department and the U.S. attorney's office in Washington and Alexandria.

Senator DECONCINI. Wait a minute. They are not under your Department?

Mr. ELLIOTT. Our attorneys work with the Justice Department attorneys. The Division of General Law has a group called the general legal services which provides some criminal legal service when there are investigations by the Investigation Division of the Department as to criminal activity which may have involved employees of the Department.

The service provided there is to review an investigative report and determine whether or not the facts, if proven, would be a criminal violation and then refer it to the Justice Department or the appropriate U.S. attorney, as the case may be.

So we do not have a criminal law specialty within the Office of the Solicitor. But there are attorneys who have sufficient experience.

Senator DECONCINI. Have you thought of asking the Justice Department to provide this criminal advice, legal advice?

Mr. KRULITZ. Senator, I think the advice that is given generally in most instances relates particularly to first amendment rights and that sort of thing. Not solely criminal matters. Our attorneys are not prosecutors. Because the Park Police are a part of the Interior Department they have a need for legal advice, and, as you know, we have a centralized legal function in the Solicitor's Office in the Department.

This is like many situations we bring to the Justice Department. Of course, we retain Justice to do all of our trial work. So if matters get beyond what our attorneys feel like they ought to be handling and it looks like criminal activity where litigation may be involved, then we will bring in Justice. I don't feel a need to turn this particular responsibility over to the Justice Department.

Senator DECONCINI. In that area, do you give seminars or courses to the Park Department as to criminal law that they may come across and need to contact a lawyer about?

Mr. ELLIOTT. It is my understanding, Mr. Chairman, that that is done not only with the personnel in the Park Service, but also the law enforcement people in Fish and Wildlife Service and the Bureau of Land Management.

ENERGY AND RESOURCES DIVISION

Senator DECONCINI. What effect has the new Federal coal leasing policy had on your workload? Have you had a chance to review that? Are you adequately staffed in your fiscal year 1978 budget to handle the increased workload?

Mr. KRULITZ. Mr. Chairman, I have not focused specifically on the program of coal leasing. We are concerned at this point with regard to strip mining legislation which is pending and which will have a workload.

I will say that the area of the Solicitor's Office for energy and resources where this matter would fall is one of our larger areas. Not having a new associate solicitor onboard, I would say at this point nobody is telling me it is going to create a problem. Let me put it that way.

Senator DECONCINI. You don't anticipate extra workload or anything that you can't handle?

Mr. KRULITZ. Mr. Chairman, I have one of the attorneys from the Department in that area here. Let me just check with him, if I might.

It will obviously increase our workload some, but I am sure that it can be handled within the request that we have.

Senator DECONCINI. It was mentioned in your justification as an ongoing project. It may be interpreted as part of the reason for additional personnel. I wonder if you have any close analysis on that?

That is all right. I have no further questions. Nor do we have any further questions here. Do you have anything else that you would care to say?

Mr. KRULITZ. No, I don't, Mr. Chairman. I thank you very much for your courtesy.

Senator DECONCINI. I thank you for your well-prepared presentation.

Mr. KRULITZ. Thank you.

OFFICE OF THE SECRETARY

STATEMENT OF RICHARD R. HITE, ACTING ASSISTANT SECRETARY, ADMINISTRATION AND MANAGEMENT

ACCOMPANIED BY:

HEATHER L. ROSS, ACTING DEPUTY ASSISTANT SECRETARY, PROGRAM DEVELOPMENT AND BUDGET

EDWARD E. SHELTON, DIRECTOR, OFFICE OF EQUAL OPPORTUNITY

JAMES THURSTON, DIRECTOR, OFFICE OF AIRCRAFT SERVICES

MATTHEW N. NOVICK, FINANCIAL MANAGER, OFFICE OF THE SECRETARY

DAVID A. GILBERT, BUDGET OFFICER, OFFICE OF SECRETARIAL OPERATIONS, FISCAL

FRANCIS M. WILES, DIRECTOR OF BUDGET

PREPARED STATEMENT

Senator DECONCINI. Next we will hear from the Office of the Secretary. The request for fiscal year 1978 totals $37.6 million which is an increase of $3.2 million over appropriations to date. The justifications are in part 1 of the record.

Mr. Hite, we welcome you to the subcommittee. If you would introduce those who are with you and highlight your statement. Your full statement will be placed in the record at this point.

[The statement follows:]

STATEMENT OF RICHARD R. HITE

Mister Chairman:

It is my pleasure to appear before you today in support of the FY 1978 Appropriation requests for the Office of the Secretary.

The fiscal year 1978 Budget requests for the three appropriations of the Office of the Secretary total $37,625,000, a net increase of $2,072,000 over the amount expected to be available in FY 1977.

Salaries and Expenses

The fiscal year 1978 appropriation request for "Salaries and Expenses" is $23,161,000, an increase of $1,791,000 over the amount expected to be available during fiscal year 1977.

Program Increases

An increase of two positions and $30,000 is requested in the Office of Secretarial Operations-Personnel to provide much needed staff to the Secretarial Personnel Office in areas of job classification and cyclical job audits. The Secretary's Office has fallen behind in this effort and must begin to make inroads to avoid serious backlogs, and complaints from the Civil Service Commission.

An increase of $550,000 is requested in the Office of the Assistant Secretary - Program Development and Budget for three contract areas:

First - $100,000 to evaluate the implementation and effectiveness of the Endangered Species Act of 1973, and the impact of that Act upon Interior bureaus and other Federal Agencies that have land management responsibilities.

Second - $250,000 for short-term contracts on current issues of Departmental priorities.

Third - $200,000 for the development of environmental impact guidance and training. These funds would be used to develop guidelines, standards and format for EIS preparation and to train Departmental personnel in their use.

Program Decreases

The above increases are partially offset by the following decreases:

- A reduction of $30,000 and two positions in the staff of the Under Secretary's Office
- A decrease of $100,000 and three positions in the Office of the Assistant Secretary - Energy and Minerals due to the appropriation transfer of Ocean Mining Administration from Salaries and Expenses to Departmental Operations
- A reduction of $174,000 and seven positions in the Office of Equal Opportunity due to a government-wide realignment of construction contract compliance responsibilities

Maintain Current Operations

An increase of $1,515,000 is requested to maintain current support costs. Included in this request is $119,000 for increased cost of space provided by GSA, $268,500 for additional postage services, $85,000 for the additional cost of the FTS system and $41,438 for employee compensation payments. The above mentioned increases, which total $513,938, are not due to any expansion of staff, but are increases over which we have no control. The balance of the request for "Salaries and Expenses," $1,001,062, is needed to meet the necessary additional costs of within - grade increases, full year funding of new positions granted in FY 1977 and other increased costs of daily operations.

Departmental Operations

The fiscal year 1978 appropriation request for the account "Departmental Operations" is $13,464,000, a net increase of only $188,000 above the amount expected to the available in FY 1977.

Program Increases

An increase of 12 positions and $464,000 is requested for the Ocean Mining Administration of which three positions and $100,000 were appropriated in FY 1977 under the "Salaries and Expenses" Appropriation. This additional staff is necessary to provide for technical expertise and related support for the Law of the Sea Negotiations.

Program Decreases

A non-recurring decrease of $1,000,000 results from the reduction of the contract funding for Petroleum Reserve Number 4 in the Office of Minerals Policy Research and Analysis, and a reduction of $394,000 for aircraft procurement in the Office of Aircraft Services.

Maintain Current Operations

An increase of $1,118,000 is requested to maintain the current level of support for existing operations. Included in this amount is $99,000 for increased costs of Space provided by GSA, $32,000 for the increased cost of the FTS system, $66,000 for additional postage service and $20,000 for employee compensation payments. Here again the Department has no control over these increases. The Office of Library and Information Services will require $340,000 to update its resource bank, and to correct physical, safety and storage deficiencies. The remaining $561,000 is necessary to provide the additional funds for within-grade increases, reduction of lapses and other increased costs of operation.

Special Foreign Currency

The fiscal year 1978 appropriation request for "Special Foreign Currency" is $1,000,000, an increase of $93,000 over the amount expected to be available in FY 1977. This funding is in excess foreign currency which is used by the Department in two catagories. First, a total of $285,800, an increase of $29,800 over FY 1977, is to be used for research in programs and projects in India which complement current research done in the U.S. This is not duplicative research, but is an exchange of scientific and technical research on similar projects. The second part of the request, $714,200, an increase of $114,200 over the amount available in FY 1977, is for endangered species research in India, Pakistan and Egypt which will add additional knowledge to current domestic studies on like species.

Partially offsetting these increases is a reduction of $51,000 due to the completion of the joint U.S./Poland research program funding.

Mr. Chairman, Secretary Andrus has made several changes in the Department, and the Secretarial Offices, since his appointment. The budget you have before you does not currently reflect these changes, or those that the Secretary anticipates making. The Secretary has not fully reviewed the total budget activities of the Secretarial Offices, however, he has committed himself to economies, and these savings will be identified to the Congress as they occur. This Administration intends to comply fully with all reprogramming procedures and will work with the Committee to develop a sound budget for the Secretarial Offices.

If I may, there are a few minor corrections and clarifications which I should like to submit for the record and I shall further address these as you proceed with the review of the Secretary's Budget Request.

I shall be happy to answer any questions the Committee may have in regard to the FY 1978 Budget Request.

INTRODUCTION OF WITNESSES

Senator DECONCINI. We will have some questions.

I note that you have given the committee some new information this morning so you might give us a little explanation on that.

Mr. HITE. Yes, Mr. Chairman. Thank you very much.

I have with me at the table on my right Dr. Heather L. Ross who is our acting Deputy Assistant Secretary for Program Development and Budget. On my extreme left is Matthew Novick, our financial manager for the Office of the Secretary. On my immediate left is David Gilbert, our budget officer for that area.

OPENING REMARKS

Mr. Chairman, as Mr. Krulitz pointed out in his presentation, the budget cycle is an ongoing thing. The administration has changed and the budget estimates that you have before you, sir, have been effected by some of Secretary Andrus' earlier decisions.

I have a prepared statement, as you noted, Mr. Chairman, and if I may submit that for the record, I will summarize by making a few comments on each of the appropriations.

In the accounts that you have before you, a request of $23,161,000 for the salaries and expenses account; and for departmental operations we have requested, a total of $13,464,000. And finally, for special foreign currency, we have a request of $1 million.

Now, Mr. Chairman, as I noted, I have some changes for the record. I would like to explain them to you either through your direct questioning or in my summary.

CHANGES REQUESTED IN APPROPRIATION

Senator DECONCINI. Why don't you give us a summary. We will place the new material in the record at this point.

[The information follows:]

Proposed changes in the "Salaries and Expenses" and "Departmental Operations" Budget as currently presented

1. Reduce Field Cocrdination FY 1978 Request from 22 positions and $919,100 to 8 positions and $372,100; a reduction of 14 positions and $547,000.

2. Increase A/S Program Development and Budget - Office of Environmental Project Review by 7 positions and $286,000. These positions and funds would come from the Field Coordination Activity and be utilized in the field, assisting bureaus in the tremendous effort of EIS preparation.

3. Withdraw the request of 12 positions and $464,000 for "Ocean Mining Administration" in "Departmental Operations", and reinstate 3 positions and $100,000 in "Salaries and Expenses" for staff support of law of the sea negotiations and $50,000 for contract studies on ocean mineral resources and law of the sea matters.

Recap Changes

	FY 1978 Request Funds	Pos.	FY 1978 Revised Funds	Request Pos.	Change Funds	Pos.
Salaries and Expenses	$23,161,000	641	$23,050,000	637	$-111,000	-4
Departmental Operations	13,464,000	339	13,000,000	327	-464,000	-12
Special Foreign Currency	1,000,000	--	1,000,000	--	--	--
Total	37,625,000	980	37,050,000	964	-575,000	-16

DEPARTMENT OF THE INTERIOR
OFFICE OF THE SECRETARY
DEPARTMENTAL OPERATIONS

Analysis of Increases

	F.Y. 1977 Ant. Approp.		F.Y. 1978 Increases				FY 1978 Appropriation Request	
				Program Increases				
	Positions	Funds	Maintain Current Level of Operations	New Pos. Related Funds	Total Increases Positions	Total Increases Funds	Positions	Funds
1. Office of Hearings and Appeals.....	189	$ 5,316,000	68,000	--	--	$ 68,000	189	$ 5,384,000
2. Office of Library and Information Services.....	57	1,884,000	340,000	--	--	340,000	57	2,224,000
4. Office of Minerals Policy Research & Analysis.....	27	2,233,000	255,000	-1,000,000	--	-745,000	27	1,488,000
5. Office of Aircraft Services	26	1,632,000	142,000	-394,000	--	-252,000	26	1,380,000
6. Emergency Preparedness.....	15	461,000	69,000	--	--	69,000	15	530,000
7. Outer Continental Shelf Program.....	13	650,000	27,000	--	--	27,000	13	677,000
	--	--	--	--	--	--	--	--
9. General Services.....	--	1,100,000	217,000	--	--	217,000	--	1,317,000
Total	327	13,276,000	1,118,000	-1,394,000	--	-276,000	327	13,000,000

OFFICE OF THE SECRETARY
SALARIES AND EXPENSES

Analysis of Increases

Activity/Subactivity	F.Y. 1977 Anticipated Appropriation		F.Y. 1978 Increases				F.Y. 1978 Appropriation Request	
				Program Incr.	Total Increases			
	Positions	Funds	Maintain Current Level of Operations	New Positions and Related Funding	Positions	Funds	Positions	Funds
1. Departmental Direction:								
Immediate Office of the Sec'y	16	665,000	32,000	--	--	32,000	16	697,000
Executive Secretariat.....	8	133,800	9,200	--	--	9,200	8	143,000
Office of Under Secretary....	11	386,000	14,600	-30,000	-2	-15,400	9	370,600
Field Coordination.....	22	838,000	81,100	-547,000	-14	-465,900	8	372,100
Office of Public Affairs.....	14	418,000	11,300	--	--	11,300	14	429,300
Office of Equal Opportunity..	95	2,766,200	177,000	-174,000	-7	+3,000	88	2,769,200
A/S - Cong. & Legis. Affairs	36	822,000	68,400	--	--	68.400	36	890,400
A/S - Program Dev. & Budget..	80	2,635,400	158,000	836,000	+7	994,000	87	3,629,400
Subtotal.....	282	8,664,400	551,600	85,000	-16	636,600	266	9,301,000
2. Program Direction and Coord.:								
A/S - Energy and Minerals....	20	705,500	85,500	--	--	85,500	20	791,000
A/S - Land & Water Resources	21	644,100	35,900	--	--	35,900	21	680,000
A/S - Fish & Wildlife & Parks	20	601,700	63,300	--	--	63,300	20	665,000
Office of Territorial Affairs	17	584,700	49,300	--	--	49,300	17	634,000
Subtotal.....	78	2,536,000	234,000	--	--	+234,000	76	2,770,000

OFFICE OF THE SECRETARY
SALARIES AND EXPENSES

Analysis of Increases

Activity/Subactivity	F.Y. 1977 Anticipated Appropriation Positions	F.Y. 1977 Anticipated Appropriation Funds	F.Y. 1978 Increases: Maintain Current Level of Operations	F.Y. 1978 Increases: Program Incr. New Positions and Related Funding	Total Increases Positions	Total Increases Funds	F.Y. 1978 Appropriation Request Positions	F.Y. 1978 Appropriation Request Funds
3. Administrative Management:								
A/S - Administration & Mgmt.....	9	322,000	12,000	--	--	12,000	9	334,000
ADP & Telecommunications Mgmt...	8	247,000	11,000	--	--	11,000	8	258,000
Secretarial Operations.....	40	988,500	24,500	30,000	+2	54,500	42	1,043,000
Audit & Investigations.....	132	3,421,600	121,400	--	--	121,400	132	3,543,000
Administrative Services.....	44	898,500	21,500	--	--	21,500	44	920,000
Personnel Management.....	27	811,000	12,000	--	--	12,000	27	823,000
Administrative Management Policy	31	1,104,000	25,000	--	--	25,000	31	1,129,000
Subtotal.....	291	7,792,600	227,400	30,000	+2	257,400	293	8,050,000
4. General Services.....	--	2,377,000	552,000	--	--	552,000	--	2,929,000
TOTAL SALARIES AND EXPENSES.....	651	21,370,000	1,565,000	115,000	-14	1,680,000	637	23,050,000

Assistant Secretary - Program Development and Budget
Listing of Funds and Positions for Fiscal Year 1977 and 1978 and Distribution of Increases

	F.Y. 1977 Base		Current Staff Support	Program Increases		Total Increases	F.Y. 1978 Estimate	
	Funds	Pos.		Funds	Pos.		Funds	Positions
Immediate Office.....	$ 287,200	8	$ 14,400	$ --	--	$ 14,400	$301,600	8
Office of Policy Analysis.....	1,025,500	31	75,000	350,000	--	425,000	1,450,500	31
Environmental Project Review..	751,000	24	35,400	486,000	+7	521,400	1,272,400	31
Office of Budget.....	571,700	17	33,200	--	--	33,200	604,900	17
Total.....	2,635,400	80	158,000	836,000	+7	994,000	3,629,400	87

Mr. HITE. All right. In total, it would effect a reduction of 16 positions and $575,000 in the three accounts which you have before you this morning.

Secretary Andrus has made a determination to reduce our field representative national network from a total of 22 positions to a total of 8. This is a reduction of 14. Seven of those positions which are involved in environmental impact review study would be transferred to the program development shop to be put into the Office of Environmental Project Review.

This would then be a net reduction of seven positions and the associated funding.

In the departmental operations account, we would like to recede from our request for 12 positions in the Ocean Mining Administration and present you only with the base budgeted figure of 3 positions and the associated funding together with $50,000 for continuing contract studies.

These are the finite changes that Secretary Andrus has made to this point. I would like to add, sir, that we expect to achieve further economies through a combining of the staffs of the Secretary and the Undersecretary, but I would not want to tie Secretary Andrus to a specific figure at this point.

We will follow your prescribed reprograming procedures and there may be a budget amendment necessitated by the Ocean Mining change, which I mentioned, but we will work with your staff and keep you fully informed, sir.

Senator DECONCINI. So your request then for 1978 is $37,050,000; is that right?

Mr. HITE. That is correct, sir.

And 964 positions.

Senator DECONCINI. So that is an increase of roughly $2.7 million rather than $3.2 million?

Mr. HITE. That is correct, sir. And a reduction in the total number of positions requested.

Senator DECONCINI. Yes. And a reduction in total number of positions. I compliment you and the Secretary for that gallant effort.

INCREASES REQUESTED IN FISCAL YEAR 1978

What does the bulk of the increase then, the $2.7 million, come into your budget?

Mr. HITE. Sir, I believe you will find it spread through the account and it is attributable to increases in salary. We don't have any significant programmatic increases. It is the increased salary money necessary to maintain the current level.

The biggest—well, I have one amendment to that, sir. The biggest single increase would be in the Assistant Secretary for Program Development and Budget, where we are requesting money for contract studies.

IMPACT OF PROPOSED ENERGY DEPARTMENT

Senator DECONCINI. What impact do you expect the proposed Energy Department to have on the Secretary's office, particularly those areas related to energy? Have you had a chance to assess that?

Mr. HITE. Yes, sir. The prime impact will be in our Assistant Secretary for Energy and Minerals. Of course, as I understand it, sir, we would lose part of—under the present proposal—the elements in the Bureau of Mines and the Geological Survey, we would expect when the determination is written that a commensurate number of the direct support positions in the Assistant Secretary would go to the Department of Energy. Also, the emergency preparedness function, which is resident in the Assistant Secretary for Energy and Minerals, will be transferred to the Department of Energy under the proposed legislation.

Senator DECONCINI. Do you think that would enable you to bring back some proposed budget reductions? Will it be based on that?

Mr. HITE. Yes, sir. Of course, there will be transfers to the Department of Energy.

Senator DECONCINI. But as far as your budget in personnel, do you consider further reduction because of this Department of Energy?

Mr. HITE. Yes, sir.

SALARIES AND EXPENSES

Senator DECONCINI. The portion of your request for salaries and expenses is $23.2 million, an increase of $2.5 million, or a little less with this revision, over appropriations to date. As I gather from what you have testified, this is mostly cost-of-living increases and salary increases and employee benefits?

Mr. HITE. That is correct, sir. The most significant program increase is the study money I mentioned.

SECRETARY'S TRAVEL

Senator DECONCINI. Under the immediate Office of the Secretary, you are requesting a $6,000 travel increase and all of this increase would be for travel of the Secretary to review work in the field; is that correct?

Mr. HITE. That is correct, sir.

The Secretary and some key staff.

Senator DECONCINI. The Secretary, has he commenced that traveling review yet?

Mr. HITE. He has made some trips, Mr. Chairman, principally in connection with the water project review.

Senator DECONCINI. Is he in the midst of doing that himself in addition to the review hearings he is holding on the suggested needed water projects?

Mr. HITE. Yes, sir. He was in Jamestown, N. Dak., yesterday on the Garrison diversion project.

Senator DECONCINI. Is he coming to Arizona, do you know?

Mr. HITE. I don't know, Mr. Chairman. I will certainly inquire.

Senator DECONCINI. Would you please? I would like to know if he anticipates going out there.

FIELD ACTIVITIES

We understand that one of the areas which you propose to change is your field coordination activity; is that correct?

Mr. HITE. That is correct, Mr. Chairman.

Senator DECONCINI. I believe the Secretary has already reduced field positions, among other things. Could you give us an idea of where this program is headed under the new Secretary?

Mr. HITE. Yes, sir. We had field representatives in 11 locations throughout the country. These have been reduced to four principal locations, three offices, one each in Seattle, Denver, and Atlanta and a suboffice in Anchorage.

The Secretary feels, at least at this point, that we can provide adequate secretarial presence, if you will, from these locations and simplify the field structure.

OFFICE OF EQUAL OPPORTUNITY

Senator DECONCINI. Under the Office of Equal Opportunity, you show a reduction—and I think you set forth where some of these people are being transferred to other agencies, other departments. The number of positions in equal opportunity goes down, but the travel costs go up. Can you explain that?

Mr. HITE. Yes, sir. In two phases, if I might.

The seven-position reduction was ordered by the Office of Contract Compliance of the Department of Labor through the Office of Management and Budget. As you point out, it is in conjunction with the transfer of responsibilities in some of our regional areas.

In the area of contract compliance we have a national organization. This calls for a great deal of travel. We are regionalized. We have a regional office in Washington as well as our headquarters, a regional office in Denver, and Anchorage, Alaska, where we have been very active in equal opportunity activities in connection with the pipeline. The Interior responsibilities in equal opportunity are located throughout the country.

This is the principal reason for the increase in travel costs.

CONGRESSIONAL LIAISON

Senator DECONCINI. Thank you. Under Congressional and Legislative Affairs you show an increase of $51,400 to fully fund permanent positions and to hire temporary support positions. How many permanent positions and how much is earmarked for temporary help?

Mr. HITE. Mr. Chairman, I believe that we are requesting full year funding for permanent positions already authorized. Those positions are broken down to 36 in total; 21 of them are associated with the legislative counsel. The balance with congressional liaison functions.

I may toss the ball to Mr. Gilbert here and see if he can give you a detailed answer on the temporary hires.

Mr. GILBERT. Mr. Chairman, that represents the full year funding for staff that has been authorized which due to vacancies over the past few years have not been fully funded, and summer help, basically clerical in nature used during vacation periods to handle the heavy influx of congressional inquiries during the year; catch up on backlog of mail, things of this nature.

CONGRESSIONAL LIAISON STAFF DEPARTMENTWIDE

Senator DECONCINI. How many congressional liaison officers do you have that deal particularly with Congress?

Mr. HITE. Throughout the Department, Mr. Chairman?

Senator DECONCINI. Yes.

Mr. HITE. I will have to supply that for you for the record. Each of our large bureaus do have congressional liaison.

[The information follows:]

Positions involved in departmentwide congressional liaison

Bureau, number, and title	
Reclamation: 1 Chief, Office of Congressional and Legislative Affairs	GS–14
Outdoor Recreation:	
1 Congressional liaison officer	GS–14
1 Staff assistant	GS–9
Land Management:	
1 Liaison officer	GS–14
1 Congressional liaison specialist	GS–12
1 Liaison aide	GS–9
1 Mail and file assistant	GS–7
1 Secretary	GS–7
1 Clerk	GS–5
National Park Service:	
1 Congressional liaison officer	GS–15
1 Congressional liaison specialist	GS–12
Geological Survey:	
1 Congressional liaison	GS–14
1 Legislative specialist	GS–12
1 Secretary (typing)	GS–7
Mining Enforcement and Safety Administration:	
1 Congressional services officer	GS–15
1 Congressional services specialist	GS–12
1 Congressional correspondence specialist	GS–9
1 Secretary	GS–7
Mines:	
1 Assistant to the Director, Congressional and Legislative Affairs	GS–15
1 Congressional services assistant	GS–11
1 Legislative information assistant	GS–7
1 Legislative information assistant	GS–5
Indian Affairs:	
1 Legislative development officer	GS–15
1 Congressional liaison specialist	GS–14
Sports Fish and Wildlife:	
1 Chief, Office of Legislative Services	GS–15
1 Assistant chief	GS–14

CONGRESSIONAL LIAISON IN THE SECRETARY'S OFFICE

Senator DECONCINI. How many does the Secretary's Office have?

Mr. HITE. We have three principals. We have the Director—and, incidentally, I should have mentioned, sir, that for a number of years now we have had an Assistant Secretary in charge of congressional liaison. In an effort to reduce executive positions, the Secretary has chosen not to fill the congressional liaison post at the Assistant Secretary level, but we will have a Director and do, in fact, have one onboard.

He has two principal assistants, one each for the Senate and the House. The balance of staff there is to handle and process the tremendous amount of correspondence and telephone inquiries that we do get.

I will supply the departmental structure.

Senator DECONCINI. I wish you would supply that to us.

[The information follows:]

Positions involved in congressional liaison in the Office of the Secretary

Assistant Secretary—position to remain vacant	Ex Level IV
Director of Congressional Liaison	GS–16
Assistant to the Assistant Secretary	GS–15
Do	GS–15
Confidential assistant	GS–15
Congressional services officer	GS–11
Management specialist	GS–14
Liaison specialist	GS–12
Management specialist	GS–11
Secretary	GS–11
Congressional liaison assistant	GS–8
Management assistant	GS–8
Congressional liaison aides (2)	GS–7
Clerk typist	GS–7
Clerk	GS–6
Assistant to the Assistant Secretary Energy and Minerals	GS–2
	GS–15

OFFICE OF HEARINGS AND APPEALS

Senator DECONCINI. You indicate under Departmental Operations, Hearing and Appeals that part of the $68,000 increase requested will be used to reduce the number of vacant positions. How many vacancies do you currently have in this office and how many would be filled?

Mr. GILBERT. Mr. Chairman, there are currently 189 permanent fulltime positions allocated to the Office of Hearings and Appeals. This office is very similar to the Solicitor's Office. There are a large number of attorneys and administrative law judges in this activity. The turnover rate among attorneys and support personnel in that area is continual.

At this time there are approximately 170 people onboard in the Office of Hearings and Appeals. The workload in coal mine health and safety hearings, and other administrative hearings is constant. They are currently holding hearings on the Teton Dam project with the Solicitor's Office, as well as other matters that the Department gets involved in.

This office has not been able to staff up to their authorized level of 189 positions due to funding constraints. I can supply for the record what their actual employment is this month and what the additional positions hired would be.

Senator DECONCINI. That would be satisfactory.

[The information follows:]

EMPLOYMENT IN THE OFFICE OF HEARINGS AND APPEALS

As of February 28, 1977, there were 174 employees in the Office of Hearings and Appeals. The additional funding requested in FY 1978 will be used to hire additional authorized staff. These authorized vacant positions are primarily support staff and clerical in nature. The budget request will provide for full funding of all authorized positions in FY 1978.

Mr. HITE. I believe that the 19 vacancies there, and the point is somewhat similar to what the Solicitor made, we have not, due to budgetary constraints, had sufficient funding for the total annual costs for 189 positions.

Senator DECONCINI. I understand. Thank you.

ALASKA NATIVE CLAIMS

You indicate that you have 10 staff members for the Alaska Native Claims effort in your Office of Hearing and Appeals. Is that correct?

Mr. GILBERT. Yes, Mr. Chairman.

Senator DECONCINI. What is the current workload and what is your projection for fiscal 1978?

Mr. GILBERT. Mr. Chairman, I do not have with me the exact workload in numbers of cases. I will provide that for the record.

Senator DECONCINI. I wish you would, please.

ANTICIPATED INCREASES IN CLAIMS CASES

Mr. HITE. It is going to go up, Mr. Chairman.

Senator DECONCINI. Do you have any projections of what you anticipate for 1978?

Mr. GILBERT. I don't have numbers, Mr. Chairman, but according to the information received from that office, they anticipate a substantial increase in caseload on the Alaska Native claims settlement as a result of approaching decisions on land conveyance by the Bureau of Land Management to the Alaska Natives. I will provide some specifics for the record.

Senator DECONCINI. I wish you would.

[The information follows:]

WORKLOAD OF ALASKA NATIVE CLAIMS OFFICE

Alaska Native Claims Settlement Act mandates conveyance of 40,000,000 acres of land to Alaska Natives. As of 1976, less than 1% of this entitlement had been conveyed (see Oversight Hearings on Implementation of ANCSA before the Senate Committee on Interior and Insular Affairs, June, 1976). The Board's entire case load to date has been generated by this small percentage of the total conveyances mandated by ANCSA. The Board expects a substantial number of appeals to be filed after adjudications and issuances of decisions by the Bureau of Land Management resulting from agreements between the Secretary and Regional Corporations on easement procedures.

The Board was not required in 1976 to hold hearings because the appeals before it involved questions of law and were decided on the record. Over 30 appeals have recently been filed from determinations of acreage entitlement under Section 14(a) and population figures for land allocations under other sections of ANCSA. The specific issues involved and the Board's jurisdiction have not been resolved, but it is probable that hearings on the residents of individuals enrolled to each village may be necessary. Cases involving easement issues and questions of navigability may also require extensive factual hearings.

Alaska Native Claims Appeal Board Cases

Fiscal year 1976:	
Pending July 1, 1975	17
Received	30
Decided	9
Pending June 30, 1976	38
Transition quarter:	
Pending July 1, 1976	38
Received	9
Decided	10
Pending Sept. 30, 1976	37
Fiscal year 1977 (1st quarter):	
Pending Oct. 1, 1976	37
Received	3
Decided	7
Pending Dec. 31, 1976	33

Senator DECONCINI. Your justification mentions a large number. Please include more specific information for the record.

Mr. HITE. All right, sir.

LIBRARY SERVICES

Senator DECONCINI. Under Library Services, you say that a portion of the increase will be used to fill key vacant positions. What key positions are you talking about?

Mr. HITE. Mr. Chairman, for over 1 year now our staff in the library has run in actual strength of about 45. The key positions that are vacant are the assistant director's for various technical services, and other top staff positions.

Mr. GILBERT. The library is divided into several functions, technical information, resources, a users division for people who are coming in and inquiring about information. Various departments and Federal agencies use our library to gain access to the information and data we have on natural resources which is now in a computer system for research purposes and easy access.

There are several of the second and third level of assistant librarians which have been vacant due to turnovers and budgetary constraints, which we have not been able to hire.

Mr. HITE. I am sorry. I don't have the term. The two assistant director posts, one for technical services is the individual who actually manages the collection. The other assistant director is the one who runs the computer network of which Mr. Gilbert speaks.

We do have a national library network and it is a research facility, sir. We have had a great deal of trouble attracting competent people. I don't know whether we are poor recruiters in this area or whether our wages are not attractive. But again, we need this increase to fully fund the vacancies.

Senator DECONCINI. Would you submit to us a little more detailed justification for the additional travel and contracting funds for the library? Our staff found that insufficient in detail. Maybe you would like to give it to us now.

LIBRARY TRAVEL INCREASE

Mr. GILBERT. Mr. Chairman, with regard to the additional travel for the library, this is a national natural resources library. The various bureaus in the Department have library facilities nationwide and our library staff in Washington is responsible for coordinating the information and the resources that these libraries have.

The library is currently working with the Bureau of Indian Affairs to upgrade and identify all the resources in the various BIA school libraries and other facilities the BIA uses. This requires travel to the various field libraries, attending symposiums on current library information, and knowing what the latest publications are in the library field.

Mr. HITE. I think you need those data for the record, sir, and we will supply it. We will also indicate currently vacant positions.

But the heaviest area of travel involves the scientific bureaus, the Geological Survey, the Fish and Wildlife Service, and the Bureau of Indian Affairs.

Senator DECONCINI. We would like to have that justification for the record, please.

Mr. HITE. Yes, sir.

[The information follows:]

Clarification of Travel and Contracting Costs for the Library

CONTRACT COSTS

The additional contracting funds requested in FY 1978 represent the $150,000 needed for physical and safety improvements to the library facility and $52,900 necessary to meet the additional costs of programming, maintaining, and increasing the data research files of the library.

TRAVEL COSTS

While the Natural Resources Library and the Office of Information Services provides services to all Departmental employees, it is technically impractical to provide some of these services directly from Washington to all. In order to overcome the barrier of distance brought about by a Continent-wide spread of the people needing our help, we have designed and are developing the National Natural Resources Library and Information System. The foundation of this system is the Departmental Natural Resources Library working closely together with the 400 plus libraries, large and small, maintained by the bureaus and offices of the Department. A small field library/information center staffed by trained, qualified people can bring the information resources of the world to that field site, no matter how remote, if the network backup and expertise is available. By providing the mechanisms and systems for sharing materials and information and having it flow quickly from one area to another, we are improving the sharing of costly resources.

The increased travel budget proposed is necessary to provide the library staff with the resources and the ability to send technical assistants out to the field libraries.

It is very difficult to accurately cite dollar figures for savings directly resulting from increased travel by the field liaison librarians.

If we send one team of three people to Denver to train nineteen library aides and technicians for three days, the difference for just that one item is $2,300.00 in tuition costs.

The Alaska Resources Library serves all Interior employees in Alaska either directly or indirectly. In addition, it provides the primary source of resource information to the Alaska Native corporative.

Remoteness of Anchorage makes travel a necessary item in the budget. At a minimum, the ARL librarian must travel to Washington once each year to confer, and be introduced to new services and new procedures. Funds are also requested to allow the librarian, ARL to visit some outlaying offices within the State to fulfill her responsibility to provide information services.

The Field Library Services Division must have some travel funds to succeed. They need regular contact with library/information professionals who are able to keep them on course, aid them in serving their users, provide information about services, and other technical support functions. In order to do this, we provide an annual Workshop, regular newsletters and directory, and at least a minimum of contact from the aiding professional at the field site. We have tried to lay out a program of field visits so that the 10–12 major nodes of the NRLIS can be visited at least once each two years. This is a bare minimum to assure that these node libraries are able to fulfill their function in the network.

List of Key Vacant Positions in the Office of Library and Information Services

Assistant Director, Administative Services—Assist the Director in providing the full range of management and administrative services for the library system.

Assistant Director, Technical Processes—Oversees the acquisitions, analysis, indexing and bibliographic control of the library's collection.

Monograph Cataloging, Supervisor—Supervises the cataloging function for all nonserial meterials.

Serials Cataloging, Supervisor—Supervises the cataloging of all serial materials.

Assistant Director, User Services—Oversees and administers the Information Systems Branch, the Law Branch, Circulation and Interlibrary Loan Branch and the Stack and Collection Maintenance Branch.

REPAIR OF LIBRARY FACILITY

Senator DeConcini. You show $150,000 to begin modernization of the central library facility. What kind of total program are we talking about here and over how long a period of time?

Mr. HITE. Mr. Chairman, this is for a physical refurbishment of the library. It is quite a large facility in the Interior headquarters building with four decks of the collection stacks below the main library.

The building which was constructed by Mr. Ickes in 1937, is certainly a monumental building and we are suffering leakage in the subterranean decks. We need to virtually reconstruct that wall at the west end of the building. We need to insure it and we need to water proof it.

There are other minor problem areas which we are reviewing with GSA to determine the cost and most efficient way to correct.

Senator DECONCINI. Do you have estimates on that?

Mr. HITE. Yes, sir. The General Services Administration people were in and talked to contractors.

Senator DECONCINI. Thank you.

MINERALS POLICY RESEARCH AND ANALYSIS

Under the Office of Minerals Policy Research and Analysis you indicate that $210,000 will be used for contracts and computer time.

First, how much is for contracting other than computer usage?

Mr. GILBERT. Mr. Chairman, I do not have the exact breakout of contracting costs versus computer time, I will supply that for the record. These are contracts which the office is continually involved in updating. We are trying to establish a lot of our contracting in data base models which requires using the computer extensively, revising the program and actual running time on the computer which is very extensive in lieu of hiring additional staff.

[The information follows:]

CONTRACTING IN THE OFFICE OF MINERALS POLICY RESEARCH AND ANALYSIS

Approximately $170,000 of the $210,000 requested increase in fiscal year 1978 will be used for contracting. The remaining $40,000 will be expended on rental time for computer programs maintained or developed by the Office.

Senator DECONCINI. This is saving staff in your estimation?

Mr. GILBERT. I believe that is an accurate statement, Mr. Chairman.

Mr. HITE. These people have done considerable study work in connection with their responsibilities. This has been the thrust of their most recent efforts. I believe we have avoided increased staff through these studies.

Senator DECONCINI. You provide a list of contract work but don't provide the amounts associated with these contracts. Will you do so for the record, please?

Mr. HITE. Certainly, sir.

[The information follows:]

PROPOSAL CONTRACTS IN FISCAL YEAR 1978 FOR THE OFFICE OF MINERALS POLICY RESEARCH AND ANALYSIS

Several of the studies proposed for funding in fiscal year 1978 have not developed to the stage of identification of funds necessary for the study, however, there are several studies which the Office has developed sufficient information to associate estimate funding levels for. These contracts are identified as follows:

(1) *Critical Minerals Policy Development.*—The Department has been criticized by a recently released GAO report for not developing operational policies for minerals under the Mining and Minerals Policy Act. The Office published a major analysis

in 1975 for aluminum, chromium, platinum, and palladium which focused on the problems of supply interruptions and cartel actions and provided a theoretical framework to analyze such situations. This study needs to be extended to arrive at an operational minerals policy by also considering substitution possibilities, potential conservation actions and recycling, possible tax incentives, diversification of foreign sources, and effects of R&D. Similar studies are to be performed in fiscal year 1978 for manganese, cobalt and tin. Estimated cost, $120,000.

(2) *Analysis of Constraints Affecting Domestic Minerals Development.*—The Mining and Minerals Policy Act mandates that the Secretary promote the development of domestic minerals and mining industries. The Office is currently sponsoring a comprehensive study of all government regulations affecting coal production, and the development of an analytical framework for assessing the impact of current and proposed regulations on coal production. Similar studies are planned for fiscal year 1978 for the smelter and fertilizer industries. Estimated cost, $150,000.

(3) The Office has acquired: The Jorgenson-Hudson model to be used for Departmental coal, gas, and oil supply and leasing policy decision analysis; commodity models for chromite, cobalt, lead, manganese, and nickel, to be used in policy analysis.

These models need to be updated, maintained, and adjusted to allow interaction with a model for the U.S. economy to determine how minerals actions affect GNP, employment, inflation, etc. Estimated cost, $50,000.

(4) The Assistant Secretary, Energy and Minerals, has instructed the Office to undertake the following studies and reports:

Minerals Perspectives.—A policy-oriented compendium of nonenergy minerals data similar to Energy Perspectives, which was developed by the Office and very successful.

Minerals Depletion Allowance.—The Department was unable to respond to the request by the National Commission on Supplies and Shortages to demonstrate the impact of abolishing the depletion allowance on domestic exploration, revenues o. the mining industry, imports, future supplies of minerals, etc.

Measure of Minerals Scarcity for the Secretary's Annual Report to Congress.—The traditional measure of minerals scarcity used by the Department—U.S. import dependence—is seriously deficient. Better measures should be developed to guide U.S. Minerals policy. Estimated cost, $90,000.

The balance of the funding requested will be necessary to provide for continual operation by the office and the resource for other contract studies outlined in the justification to be performed based on the funding available.

OFFICE OF AIRCRAFT SERVICES

Senator DECONCINI. What is the responsibility of the Office of Aircraft Services outside of the Alaska operation? Can you give us a rundown on that, please?

Mr. HITE. Yes, sir. Mr. Chairman, the Office of the Aircraft Services is in Boise. We have a responsibility in the lower 48 States to upgrade and standardize pilot qualifications, maintenance standards on aircraft and the large number of contract areas we employ.

I have with me today, sir, James Thurston who is Director of that Office of Aircraft Services. If I may, I will have him come forward and give you a detail on that.

Senator DECONCINI. I appreciate that. We have several questions we would like to ask.

Mr. HITE. Mr. Thurston, you may want to embellish my remarks on your responsibilities in the lower 48.

Mr. THURSTON. Yes. Good morning.

Senator DECONCINI. Welcome.

Mr. THURSTON. In the lower 48 we presently are involved across the board in all aircraft contracts entered into by the Department of the Interior. We handle the procurement for all contract aircraft, as well as necessary technical support such as, inspections of the equipment, qualification of aircrews and ongoing administration of these contracts in the field.

This part of our program in the contiguous 48 states amounts to—I can furnish the exact figure for the record later. I don't have them with me.

[The information follows:]

Contract program in contiguous 48 states in fiscal year 1977 is estimated at $6,500,000 involving an estimated 160 aircraft.

Mr. THURSTON. It approximates at this time about $8 or $9 million and probably something in excess of over 200 aircraft. Our direct involvement with the management and operation of aircraft owned by the bureaus in the contiguous 48 States is a program that we have not as yet gotten into, sir.

SAVINGS FROM PURCHASE OF AIRCRAFT

Senator DECONCINI. In fiscal year 1976 you indicated that $25,000 would be saved annually by the purchase of a twin engine turbine aircraft as opposed to chartering one. During fiscal 1977 hearings, the plane had not been purchased. I assume that it has been purchased by now. What has been the annual savings? Or what do you think that they will be now?

Mr. THURSTON. We have had the aircraft in our inventory and on the line, sir, for just part of the year. We got it in late July 1976. I estimated, as I recall, an annual savings on the order of $34,300. To date we have saved slightly in excess of $10,000 and I predict with a great degree of confidence that we will probably exceed the annual savings target which I estimated 2 years ago by a comfortable margin.

ALASKAN CHARTER COSTS

Senator DECONCINI. The Office of Aircraft Services in Alaska confirmed to our staff that commercial charter rates are less than those charged by OAS. How do you explain this?

Mr. THURSTON. First of all, I don't accept that at face value, but I am aware of the discussions that occurred in Alaska. There may be a misunderstanding.

For the types of operations that we conduct within house that would be suitable to be performed through on call charters and wherein the judgment as to how we provide these services is predicated upon comparative economics, the cost for in-house services are less than what the prevailing charter costs are in Alaska.

There are, however, some other operations in Alaska, predominantly those that are geared to specific projects within certain bureaus in which a different set of circumstances prevail. To give you an example, the Fish and Wildlife Service, requires aircraft to be domiciled by a project biologist. In those situations, our unit cost per flight hour in some cases does, in fact, exceed some of the on call charter flight rates.

However, in instances where on call charter flight rates are less than our in-house cost per flight hours, it is not indicative that we are doing something for more money than we could do another way.

If you took that same equipment from the private sector and, for example, through a contract approach tied the aircraft up for exclusive use for a year the flight hour cost of that type of arrangement would

far exceed our inhouse cost per flight hour. This would also exceed prevailing on call charter rates per flight hour because the aircraft would be exclusively dedicated to you. This is because an operator would necessarily have to charge off all his fixed costs to one customer, as opposed to spreading them over numerous customers, which is what they would do normally in a charter type situation.

Senator DECONCINI. So you don't accept the information that has been supplied?

Mr. THURSTON. I do not accept—could you restate for me, please?

Senator DECONCINI. There are aircraft services in Alaska—the Office of Aircraft Services in Alaska confirmed to our staff that commercial charter rates are less than those charged by OAS.

Mr. THURSTON. Sir, as a result of discussions with my staff in Alaska 3 weeks ago when I was up there, my understanding is that our costs per flight hour for domiciled aircraft do, in some instances, exceed prevailing on call hourly charter rates. This relates to some of the project-type operations, such as I just described.

Senator DECONCINI. If that is the case, then, what do you plan to do about it? Do you plan on leasing aircraft?

Mr. THURSTON. No. Because as I just described in my opinion the charter rates are not indicative of what it would cost to run that operation if we contracted for the service.

AIRCRAFT UTILIZATION IN ALASKA

Senator DECONCINI. We understand that about 15 of your aircraft are not used to the maximum efficient rate last year and that 2 of them were flown under 100 hours. Will you please supply for the record a list of all OAS aircraft in Alaska and the hours flown for each of them last year?

Mr. THURSTON. I will be happy to, sir.

[The information follows:]

OAS AIRCRAFT UTILIZATION - ALASKA CY76

Aircraft Type	Tail #	General Utility Hrs. Flown	Mission (Project) Hrs. Flown	Mission (Project) Bureau*
CESSNA 185	N70162		123.0	FWS
CESSNA 185	N748		67.5	FWS
CESSNA 185	N740		256.7	FWS
CESSNA 185	N1673		182.4	FWS
CESSNA 185	N1954	463.0		
CESSNA 185	N4761 1/	308.6		
CESSNA 185	N714		50.5	FWS
CESSNA 185	N1055		183.3	FWS
CESSNA 185	N1217		208.2	FWS
CESSNA 180	N713 2/	179.7		
CITABRIA	N700		170.9	FWS
PIPER PA-18	N720		82.4	FWS
PIPER PA-18	N739		272.9	FWS
PIPER PA-18	N724		135.0	FWS
PIPER PA-18	N704		244.2	FWS
BEAVER	N766		115.1	FWS
BEAVER	N728		64.8	FWS
GOOSE	N778		35.5	FWS
GOOSE	N789 3/	128.9		
GOOSE	N644	279.5		
GOOSE TURBO	N780	486.4		
GOOSE TURBO	N642	294.5		
AERO CDR.	N81370 4/	153.6		
AERO CDR.	N6392 5/	326.2		
CESSNA 402	N87144	409.6		
P-2V NEPTUNE	N8347	140.1		
BELL 206	N450	553.4		
DHC-6 OTTER	N490	507.2		
	TOTAL	4,230.9 66%	2,192.4 34%	

1/ Available 9 months - excessed 10-76
2/ Available 10 months - excessed 11-76
3/ Available 7 months - refurbished and put into service 6-76
4/ Available 5 months - purchased 7-76
5/ Available 10 months - excessed 11-76

*Mission (Project) aircraft are assigned by OAS to FWS to be domiciled in the field with a FWS resource person as a support vehicle for a project. Day-to-day operation control of the aircraft is with FWS.

This information also indicates the percentage of mission oriented transportation for OAS aircraft.

Senator DECONCINI. Do you care to comment on that statement? I don't want to leave it unanswered if it is inaccurate.

Mr. THURSTON. I will certainly acknowledge some of the aircraft are not flown very heavily during the course of the year. This generally is the situation with the project-type aircraft that are domiciled for exclusive law enforcement type activities and various other activities that are conducted by the Fish and Wildlife Services.

This is true for several of those types of operations. It doesn't particularly upset me because it is the character of the operation. I frankly don't know how we could improve on it.

OAS INVENTORY IN ALASKA

Senator DECONCINI. Since June 1975 OAS in Alaska has had a cumulative inventory of 46 planes. Of these 17 have been excessed, four are scheduled for excess and two are being used for parts only. That amounts to half of the fleet. The value of these 23 aircraft was listed in 1975 in excess of $950,000.

Can you please explain this to the subcommittee?

Mr. THURSTON. I cannot explain the numbers of aircraft and the figures that you are citing, Senator. They do not jibe with mine.

Senator DECONCINI. You disagree with those figures? You do not have 17 that are presently excessed and four that are scheduled for excess?

Mr. THURSTON. I would have to check to see what we presently have. Yes. I agree with those figures, sir. The question that I have on the figures that you have was the 47 aircraft that you cited sometime back for fiscal year 1975.

Senator DECONCINI. Yes. In June 1975 the cumulative inventory was 46 aircraft.

Mr. THURSTON. I disagree with that figure, sir.

Senator DECONCINI. I am advised that is June 1975 through the present. That is something that you have accumulated. Is that incorrect?

Mr. THURSTON. We have never, to my knowledge, had 47 aircraft in inventory in Alaska.

Senator DECONCINI. How many do you have?

Mr. THURSTON. We presently have 27, sir, and that is down from where we started when we consolidated the Alaskan operation. We started with 38.

Senator DECONCINI. When you talk about 27, does that include some that have been put in excess or programed to be put in excess? Are those from the 27 on line, so to speak?

Mr. THURSTON. Correct, sir.

Senator DECONCINI. So how many do you have in excess, sir?

Mr. THURSTON. Once they are excessed, sir, they are gone from our fleet.

Senator DECONCINI. What I would like to find out is how many planes you have turned around or have had on line and how many have been in excess. We have a figure here that the value of some 23 planes you have excessed since 1975 are listed as $950,000. I would like an explanation of whether or not that is correct and how you explain that many in excess.

Why would you need to have 23 planes put in excess if those figures are correct? If they are not, I will stand corrected.

CONSOLIDATION OF ALASKA FLEET

Mr. THURSTON. If I may address that in general as to what I am doing up there, when we consolidated the operation 3½ years ago, Senator, the fleet was in a fairly sad state of repair. So in some instances we excessed aircraft because they were worn out, or they were costing prohibitively high amounts of money to keep maintained.

We also have endeavored within OAS to establish a financial management cost accounting system for our aircraft to enable us to better make intelligent decisions with respect to the propriety of operating an aircraft in-house as opposed to procurring services from the private sector.

As the result of this system, we have been making decisions in certain cases to excess aircraft. Such decisions being predicated purely on economic—comparative economic rationale. In areas where we felt that certain aircraft were not economical to operate in-house, we have excessed them and we are utilizing, as a result, the private sector capabilities in place of that.

Senator DECONCINI. You are talking about charter?

Mr. THURSTON. Yes. Charter or contracting from the private sector. If I could make a point——

Senator DECONCINI. Please go ahead.

Mr. THURSTON. Mr. Chairman, what has occurred up there—since we consolidated the operation in Alaska we have reduced the number of aircraft in the Government inventory by approximately one-third. We have reduced the number of maintenance personnel in the operation by almost half, and we have reduced the number of facilities to support the operation by one-half. In terms of the annual dollars spent to support that in-house operation during the past 3½ years, this has been reduced by approximately one-half.

Most of these decisions have been based upon the comparitive economics of whether we should provide this service utilizing Government personnel and Government-owned equipment as opposed to relying upon the services available in the private sector.

With respect to your question about the $950,000 I will have to verify this. I don't have that information with me today.

VALUE OF AIRCRAFT INVENTORY

Senator DECONCINI. I appreciate that. If you might verify our records here of the inventory and the values that have been placed on them since June 1975. We show 23 aircraft listed in 1975 with an excess value of $950,000. We would like that verified.

Mr. THURSTON. I would be happy to provide that, Senator.

[The information follows:]

OAS Fleet History

The use of the OAS fleet in Alaska fluctuates depending upon the season of the year and the schedule for excessing unwarranted aircraft. The following historical chart provides information of the OAS Alaska fleet. The fleet is currently expected to operate at approximately 28 aircraft. An aircraft is determined to be unwarranted when it is heavily damaged, costly to operate, not suitable to overall program needs or beyond standard flying hour limit.

OAS - ALASKA FLEET INVENTORY

No.	Aircraft No.	Acquisition Date	Inventory Value Transfer In Value 6-74	OAS Appraisal 6-75	OAS Appraisal 6-76	OAS Appraisal 9-76	Excess Date
1.	N-4761Q	1-74	34,391.64	8,000	8,000	8,000	10-76
2.	N-4696U	1-74	23,199.81	5,000	--	--	1-76
3.	N-1673M	1-74	43,400.57	15,000	15,000	15,000	
4.	N-6392	1-74	121,240.14	36,000	36,000	36,000	11-76
5.	N-1954U	1-74	41,073.01	15,000	15,000	15,000	
6.	N-640	1-74	176,959.35	80,000	80,000	80,000	
7.	N-642	1-74	82,646.03	80,000	80,000	80,000	
8.	N-641	1-74	54,316.75	--	--	--	5-75
9.	N-644	1-74	71,313.40	40,000	40,000	40,000	
10.	N-645	1-74	114,647.15	70,000	--	--	3-76
11.	N-740	1-74	26,620.50	20,000	20,000	20,000	
12.	N-70162	1-74	26,620.50	20,000	20,000	20,000	
13.	N-789	1-7	40,000.00	40,000	40,000	40,000	
14.	N-724	1-74	6,288.99	8,000	8,000	8,000	
15.	N-74022	1-74	--	--	--	--	3-75
16.	N-750	1-74	14,916.46	--	--	--	3-75
17.	N-706	1-74	17,371.00	5,000	--	--	8-75
18.	N-748	1-74	26,620.50	20,000	20,000	20,000	
19.	N-763	1-74	--	1,000	--	--	4-76
20.	N-715	1-74	54,847.21	26,000	--	--	10-75
21.	N-766	1-74	65,610.77	26,000	26,000	26,000	
22.	N-700	1-74	10,750.00	5,000	5,000	5,000	
23.	N-722	1-74	--	--	--	--	5-75
24.	N-778	1-74	40,000.00	40,000	40,000	40,000	
25.	N-754	1-74	79,502.77	80,000	80,000	80,000	
26.	N=784	1-74	6,000.00	5,000	--	--	1-76
27.	N-714	1-74	--	10,000	10,000	10,000	
28.	N-768	1-74	26,000.00	26,000	--	--	4-76
29.	N-713	1-74	18,200.00	8,000	8,000	8,000	11-76
30.	N-703	1-74	40,000.00	--	--	--	5-75
31.	N-780	1-74	--	200,000	200,000	200,000	
32.	N-765	1-74	--	26,000	26,000	26,000	3-77
33.	N-728	1-74	61,701.00	26,000	26,000	26,000	
34.	N-720	1-74	13,566.00	13,566	13,566	13,566	
35.	N-739	1-74	10,120.00	10,120	10,120	10,120	
36.	N-704	1-74	18,657.34	8,000	8,000	8,000	
37.	N-6PS	1-74	257,176.10	200,000	--	--	1-76
38.	N74806V	1-74	14,916.46	--	--	--	3-75
39.	N-2965	1-74	159,866.84	--	--	--	4-75
40.	N-121F	8-75			45,977	45,977	
41.	N-450AS	1-76			169,347	169,347	
42.	N-81470	7-76				560,631	
43.	N-490AS	1-76				521,248	
44.	N-564395					715,733	
45.	N-564390					715,733	
46.	N-87144	9-75			256,862	256,862	
47.	N-1055F	6-75		45,977	45,977	45,977	
	TOTAL		1,798,540.29	1,218,663	1,352,850	3,866,196	

GAO STUDY ON AIRCRAFT

Mr. HITE. I don't want to argue with Mr. Thurston since I have to fly with him, Mr. Chairman, but I think the problem might be when the worth of those aircraft was calculated. What I hear Jim saying is that the judgments that were made on the upkeep or the value of the craft at the time that they were excessed was actually what most of the decisions were based on.

Mr. THURSTON. That is correct, sir. I may also state that the General Accounting Office has been involved in recent time in a Government-wide study of civil Government aircraft operations. They have gathered information from us as well as from a lot of other agencies and I merely point that therein perhaps might be a source of additional information which may be of benefit to this committee in their deliberations.

USE OF OAS STAFF IN ALASKA

Senator DECONCINI. As you know, when the Senator from Alaska appeared this morning there was a great concern in this area. He has a number of questions.

One other that I would like to pose to you while you are here—the OAS in Alaska currently has 36 permanent positions, 11 part-time and 10 seasonal employees. Since most of the activity is done on a charter basis, wouldn't it be more economical to the Government to have the individual bureau's charter directly with the commercial operators? Why do you need these 57 people?

Can you respond to that?

I think the key question is would it be more economical for the individual bureaus to charter directly with the commercial operators in your opinion?

Mr. THURSTON. Part of the head count up there, of course, relates to in-house aircraft operations personnel such as maintenance personnel or pilots. The other part of the head count relates to technical services and administrative personnel.

The technical services personnel are primarily involved with the extensive contract aircraft program in Alaska, as well as with the technical support of charter operations. We have established that arm of OAS, if you will, as an attempt to address several problem areas, the major one of which is aviation safety

An example of a bureau going directly to a charter operator and what can happen occurred a year ago this fall. A bureau chartered directly with an operator who piled eight people into a small De Havilland Beaver and all eight were killed a few hours later, in an accident which probably would not have happened had OAS handled the charter arrangements.

We have been endeavoring to get a quality control handle on the aviation operation in Alaska which includes the contracted services, as well as the chartered services. I know of no other way to do this than to have technically competent aviation-type personnel specialized in the various aviation disciplines, working with the bureaus in the development of specifications for contracted and chartered services, as well as inspecting and qualifying aircraft and pilots offered for our use.

Senator DECONCINI. Excuse me just a minute. Was that accident that you talked about on a chartered flight?

Mr. THURSTON. That is correct, sir.

BUREAU CHARTER ROLE IN ALASKA

To further elaborate or clarify your question, we allow the bureaus in Alaska to charter directly from the operators if they so desire. But we do, however, publish a list of chartered operators who are acceptable and meet our qualifications in terms of pilot qualifications, insurance, and other criteria.

Some of the bureaus do work directly with the charter operators. Predominantly, however, the bureaus have chosen to come through us and have OAS make these types of arrangements, due to the professional flight planning, technical and safety capabilities that we offer.

Senator DECONCINI. You were talking about the bureaus asking you to line up their charters?

Mr. THURSTON. That is correct. And we in turn work with the operators.

Now, there is another reason why I think they desire to do this. That is that 90 percent of the operators across the land that we do business with are small business operators. It is reasonably common, I would say, that with these people, concerns over cash flow is a major problem.

The Government, in my view, has been traditionally slow in paying its bills. We pay these people within an average of 10 days after they have a bill to us. Consequently, from the viewpoint of a chartered operator, he gets his money faster when he deals with us. So there is an additional advantage from the standpoint of the user bureau who chooses to work thru us because we handle all payments for them. This makes it easier for them, since they don't have to answer a lot of complaints and handle other administrative problems.

AIRCRAFT PROCUREMENT IN FISCAL YEAR 1978

Senator DECONCINI. We note that three new planes were requested in the fiscal 1977 budget. Are you requesting another one in this budget?

Mr. THURSTON. We had earlier, but I am requesting at this time that that the one aircraft in the fiscal 1978 budget be withdrawn. This is the result of our recent trip to Alaska and a reevaluation of the situation. I don't feel that we need it.

Senator DECONCINI. Have you purchased the three which were funded in the current year?

Mr. THURSTON. It is in process now, sir.

Senator DECONCINI. You are also asking for the authority to acquire two replacement aircraft from surplus, is this correct?

Mr. THURSTON. That is correct.

Senator DECONCINI. What type of aircraft are you talking about?

Mr. THURSTON. I don't know. The reason I don't know is that we have made that request traditionally over the years. We have used it very little, but the reason that we have made it—it is more of a contingency type of item in case a need does come up and

an aircraft is excessed that would meet our requirements. This allows us to take advantage of these situations. It is really a contingency request.

Senator DECONCINI. Thank you very much for your information and testimony. I would appreciate your submitting those items we asked about for the record. Particularly the list of planes and flying time.

I appreciate your presentation and your effort to help the committee.

Mr. THURSTON. Thank you, sir.

OCS PROGRAM

Senator DECONCINI. Under your OCS program you are asking for a $23,000 increase to pay for travel and per diem costs of Advisory Board members to national meetings. Who will be covered by the effort, Interior personnel only? Is there any logical reason why Interior should pay these costs for members from the State Department, NOAA, EPA, DOD, and other Federal agencies?

Mr. HITE. Mr. Chairman, I think Dr. Ross should address these questions as that office falls under her purview.

Ms. ROSS. Mr. Chairman, none of the travel funds requested by this office are used to pay the travel costs of other Federal personnel who are members of the board. The increased funding is necessary to pay the travel and related costs of state and private members of the OCS Advisory Board to national meetings. The Secretary felt that he could advocate avid participation by the state and private members if they did not have to provide the additional burden of travel costs from their own resources. These members do not receive any compensation, other than travel costs for their service.

Senator DECONCINI. Would you please furnish more details on the OCS travel budget?

Ms. ROSS. I will be happy to supply the additional information for the record.

[The information follows:]

OCS TRAVEL BUDGET

The OCS Program Office is requesting $75,000 for travel in FY 1978. This is an increase of $32,000 over what was appropriated in FY 1977. The need for this rather large travel budget is detailed as follows:

There are three national meetings scheduled per year. For each of these meetings Interior pays for 23 state, 6 private and 3 Interior members to attend. These members receive standard government perdiem and transportation costs which averages approximately $350.00. 32 members × $350.00 per member = $11,200 × 3 meetings per year = $33,600.

There are six regions each meeting approximately three times per year. Two Interior OCS staff members attend each meeting at an average cost of $350.00. 2 members × 6 regions × 3 meetings × $350.00 = $12,600.

The balance of the travel budget is to cover trips by Washington and field personnel to tract selection meetings, public hearings, Federal-State coordination sessions and other occasions where Interior is requested to explain various aspects of the OCS Program.

EMERGENCY PREPAREDNESS PROGRAM

Senator DECONCINI. Do you work with FEA in your emergency preparedness program? It seems that some of the items you list fall into their purview. For example, under oil and gas you indicate that you will develop emergency petroleum and gas plans. Doesn't FEA do that also?

Mr. HITE. The emergency preparedness functions of the Department of the Interior are a long-range responsibility and are primarily intended to provide readiness to mobilize the natural resources industries in a national defense emergency.

The Federal Energy Administration is by statute a short-range organization with a limited life span included in its enabling legislation. Its whole purpose is emergency related, but for energy shortages not involving a national defense mobilization.

Thus, the differences are in the type of emergency being prepared for and in the nature of the resource responsibilities of the two agencies.

I would like to supply for the record a few more details on the program and its responsibility.

[The information follows:]

EMERGENCY PREPAREDNESS FUNCTIONS

The Emergency Preparedness Staff is responsible for the development and maintenance of petroleum and gas emergency preparedness plans and the establishment, organization, staffing, maintenance and training of an emergency petroleum and gas organization.

National Defense Executive Reservists are recruited primarily from the petroleum and gas industries.

Specific emergency planning responsibilities include development and testing of emergency plans and programs related to emergency operating facilities, priorities and allocations, supply and requirements data, manpower, materials, supplies and services, facilities protection, damage assessment, postattack rehabilitation of facilities, emergency preparedness research, survival items and emergency financial and credit measures.

SPECIAL FOREIGN CURRENCY

Senator DECONCINI. I would like to turn to the special foreign currency program. The special foreign currency program request is $1 million which represents an increase of $93,000 over appropriations to date. Can you tell me where the program stands and what the increase is for?

Mr. HITE. Yes, sir. Mr. Chairman, at this time I would like to bring Dr. Slater from our Office of Program Development and Budget forward. He played a key role in putting this budget together. Dr. Slater?

Dr. SLATER. Thank you, Dick. Thank you, Mr. Chairman. The primary increase there, sir, is in the National Park Service. It has come into the program, requested to come into the program for the first time in fiscal year 1978 budget. There has been some decrease in 1977 to 1978 in Fish and Wildlife work under that budget. But the Park Service has more than offset that to the tune of $93,000.

RESULTS OF THE POLISH PROGRAM

Senator DECONCINI. I see. Thank you.

This request includes the termination of the research programs with Poland. Is that correct?

Dr. SLATER. Yes, sir. It does.

Senator DECONCINI. That is an energy-related program as I recall. Do you have any information on the results of that work?

Dr. SLATER. Yes, I do. It concerns about seven or eight projects. I should probably submit that for the record.

[The information follows:]

Results of Interior's Special Foreign Currency Program (SFCP) Poland

Interior has found that interchanges with counterpart agencies or institutions in other countries assist it in fulfilling its official responsibilities. Such interchanges facilitate the Department's work by providing (1) needed information about technology, research, and developments abroad which are of use to the Department, (2) information about foreign resources investment opportunities and future sources of raw materials, and (3) opportunities for studying worldwide natural resources and environmental phenomena in order to improve the knowledge and methods of study in monitoring of similar phenomena in the United States.

Generally, our Polish work has been beneficial because it:

-- Helps to get a foot in the door for U.S. industry by opening foreign markets for selling U.S. equipment, products, and materials.

-- Allows U.S. researchers to compare research results and to deal with unique foreign conditions, e.g., geologic formations.

-- Allows the United States to use excess foreign currencies that would otherwise be unused.

-- Assists U.S. researchers modify, redirect or even discontinue some aspects of domestic research and thus save many research dollars.

-- Permits research to be conducted abroad at a fraction of the cost in the United States, e.g, wages in Poland are about one-fourth of U.S. wages.

-- Is often less impeded with environmental restrictions, e.g., Polish experimental mine explosions can be conducted with greater frequency and higher forces.

-- Helps complement and supplement U.S. research; not duplicate or displace U.S. researchers.

-- Permits us to use debt money to benefit the United States through foreign scientific research.

-- Allows the United States to tap new foreign reservoirs of R&D knowledge and experience, e.g., Polish research in mine safety and automated mining is among the best in the world; if one U.S. miner's life will be saved by learning from Polish research, this program will have been worth the investment.

Specifically, the Bureau of Mines, the Geological Survey, and the Office of Water Research and Technology, that have monitored our research with Polish counterparts, have delineated the following results from Interior's SFCP in Poland.

Bureau of Mines

P. L. 480-funded projects in Poland on Triggered Barriers and Initiation of Coal Dust Explosions were designed to utilize the significant experience of the Polish investigators in these research areas to measure such transients as flame speed, dynamic pressure, static pressure and flame radiation from coal dust explosions to provide insight into an improved, more detailed model of coal dust explosions, and to augment the relatively low level U. S. research effort on passive or triggered barriers as means of extinguishing coal mine explosions. Results on dust explosion initiation have demonstrated that only thin surface layers of coal dust take part in the explosion. Polish research has shown the possibility of coal dust explosions in dust mixtures exceeding the U. S. 65 percent incombustible requirement.

A number of tasks have been accomplished in the triggered barriers project. The Polish underground facility has been modified to incorporate a new gallery, 180 meters long, about 5 meters wide and 1. 5 meters high, essentially representing typical American mine entry geometries. In this facility, which to our knowledge has no American counterpart, a number of preliminary investigations using triggered barriers containing water have confirmed our initial observations that rectangular entry geometries (a) must be completely filled with dispersed water to provide proper extinguishment, and (b) accomplishing the dispersion with water is not a simple task. Research in the use of passive water barriers has demonstrated the limitations of these barriers against weak explosions, particularly those with speeds approaching the lower limit of flame speed.

Results that we have obtained from the Polish work are providing guidance in the experimental design of the Bureau of Mines projected efforts in the double entry and multi-entry facility at Bruceton. In addition, this information should provide guidance in the initial drafts of regulations concerning the use of passive water barriers in American coal mines.

In the research on coal mine safety hazards, Polish researchers have developed a borehold penetrometer for qualitative measurement of coal mine roof conditions. Extensive laboratory tests and limited field trials have shown that the results of the penetrometer tests correlate well with roof rock quality. Highly stressed zones in coal beds can cause pressure bumps or coal outbursts, potential hazards in deep mines. Research in Poland has found that a size analysis of drill cuttings can be used to indicate the presence of these zones. The technique is used on a routine basis in Poland in mines where pressure bumps are common. Laboratory tests have shown that the technique can be applied to several U. S. coal beds. The method will be field tested in a U. S. mine experiencing bump problems.

We believe that this work in Poland has additional value in that the Central Mining Institute is recognized as a foremost technical organization. Our interaction with them provides much desired involvement with the European Community. This liaison helps provide more timely and detailed exchange of information than otherwise would be available. We also feel that the opportunity to obtain an independent peer group evaluation of our results has great inherent value.

Geological Survey

Our research in mining hydrology was initiated in 1973 by the Central Mining Institute. Work completed includes a compilation and synthesis of existing data and preparation of a progress report (53 pages, 10 figures) describing the stratigraphy, geologic structure and hydrogeologic conditions as related to coal mining in the study area. A program of field and laboratory tests has also been evolved to increase and refine the precision of earlier reconnaissance studies that include, aquifer hydraulics tests, isotope and analog model studies along lines of test wells (pieyometers) to be drilled across rivers bounding the study area. The results of this work should be directly applicable to mining areas in comparable geologic settings in several parts of the United States.

The lead-zinc work has led to refinement of our knowledge of the comparative geology of the two regions; relations between mine development and stratigraphic and structural controls on ore deposition; structures, textures, and mineral composition of lead-zinc ores; wall-rock alteration associated with mineralization; age of mineralization; paleotemperatures; relations of magmatic sources with ore deposition; paragensis of ore formations. Comparative studies will provide new refinements in guidelines to the search for new lead-zinc bodies as well as extensions of known ore bodies in the United States.

Office of Water Research and Technology

The following benefits accrued from Office of Saline Water's desalination project in Poland:

1. Development of an economic method for obtaining commerical grade magnesium oxide from desalination plant brines. This not only reduces pollution load from plant, but also improves overall economics of the process.

2. Development of promising processes for obtaining concentrated magnesium chloride solutions from desalination plant brines.

3. Valuable data for isolation of potassium, calcium, ammonium and other magnesium compounds from desalination plant brines.

In addition to the above, the project has given us access to the other developments by the Poles related to desalination and pollution control including:

1. Details of the Polish 650,000 per day desalting plant, which provides potable water for the local inhabitants and over 200 metric tons of salt per day to the economy. This plant cost in excess of 200,000,000 zloties ($10 million).

2. Details for method of scale control in boiler installations that does not require prior softening or pretreatment.

The Bureau of Mines and the Geological Survey have also embarked on a new energy research program (FY 1976-FY 1978) using $1,450,000 equivalent in Polish zlotys. It is too early to provide results from this research; however, it is hoped that this work will filfill the following objectives:

-- Develop mechanical/chemical processes for removal of organic and inorganic sulfur from coal.

-- Minimize the disruptive effects of mining through land use classification, hydrologic and geologic studies, labor skill profiles, worker training, and mine planning.

-- Learn the geologic factors most important in establishing the location, quality, and quantity of coals.

-- Determine what coals are most adoptable to coal hydrogenation and gasification and best plant designs for processing feedstock.

PROGRAM IN INDIA

Senator DECONCINI. A large part of the program in India is related to studies of dam building in earthquake areas; is that correct?

Dr. SLATER. That is correct, sir.

Senator DECONCINI. Have you produced anything to date which is being applied to construction work in the United States?

Dr. SLATER. No. That program is just getting underway with the Bureau of Reclamation and Geological Survey. When we do get results, we would be glad to submit them.

Senator DECONCINI. When do you anticipate your first results?

Dr. SLATER. I would say within the next year we will have contracts completed with the research institutes in India. We are very pleased with the election results in India and we anticipate that we will be getting underway in a more effective way with the two bureaus involved.

Senator DECONCINI. You mentioned the recent election. Was the previous administration there a handicap for moving this program?

Dr. SLATER. We did not get the contract signed throughout the Government in the last 3 years. I don't have the exact figures, but with the dozen or so departments and agencies throughout the Federal Government involved, I understand there have only been two or three contracts signed in the various departments.

SUBMITTED QUESTIONS

Senator DECONCINI. We have some questions I would like to submit to you in writing regarding territorial affairs that are somewhat detailed. I will not take the time now. I just request that you send these back for the record.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

Territorial Affairs

Question The Office of Territorial Affairs is asking for a $50,000 increase but no personnel increase. Do you feel this office is adequately staffed?

Answer The Secretary and members of his staff, as well as the anticipated new Director of the office, will be reviewing the staff of the office, its mission and accomplishments to determine how to best serve the various Territorial Governments. The staff of the office have accomplished many things with limited resources.

Question - Within the Office of the Secretary, what other organizations are responsible for developing proposed territory legislation for submittal to Congress?

Answer

The Office of Territorial Affairs is responsible for developing proposed territorial legislation. The Office of the Solicitor provides technical expertise in the development, and the Office of Legislation is responsible for unification and coordination of the Department's legislative program and its presentation to OMB and Congress.

Question This committee just recently finished budget hearings for territorial affairs. We learned that authorizing legislation not only for fiscal 1978 but for the current year either had not been transmitted at all or had only recently been transmitted to Congress. Now we find ourselves in a position of acting on appropriations that stand little chance of being authorized in time.

What has caused this bottleneck in the transmittal of proposed territorial authorizations?

Answer With regard to Interior Department legislation, there are very few Department proposals that are just simple money authorizations, but any such proposals, like all Interior proposals, go through the standard Administration review and clearance process which is set up to be responsive to the Congressional budget process. Since the new Administration has transmitted its budget for fiscal year 1978, no delays are expected in any pending Interior legislative proposals. In general, there may be short delays in transmitting money authorizations during the budget season when the Administration is drawing up the budget, since authorizing legislation is dependent upon Executive budget decisions. However, once the budget is completed, the authorizing legislation would then be able to go forward. The same would apply when an authorization depends upon a supplemental budget request or a budget amendment. This past winter there may have been some additional delays since the new Administration was preparing its budget for fiscal year 1978, and reviewing prior budget decisions.

Question There would seem to be an excuse for these kinds of delays, but we would like to have for the hearing record a rundown on the status of needed authorizations and an explanation of why they have been so late in development and transmittal.

Answer Attached is a chronology on the development of the authorizations in question: Enewetak Rehabilitation and Resettlement, Guam Assistance, Rongelap and Utirik Compensation, Trust Territory of the Pacific

Islands. Proposals developed by the Office of Territorial Affairs must be reviewed by the Department before submission to OMB. Once the Department, after review, clears a proposal, it is sent to OMB for Administration review and clearance. Territories' proposals must be reviewed by other agencies, who may want to offer revisions. The Administration clearance process is designed to be responsive to the budget cycle, but must also allow for thorough review and comment by all interested agencies. There may have been some short delays this year because of the change of Administration in January, and the new Administration's review of the 1978 budget. Under the circumstances, we do not believe that these proposals were unduly delayed.

ENEWETAK REHABILITATION & RESETTLEMENT:

1. April 1972, Ambassador Haydn Williams and High Commissioner announced return of Enewetak to TTPI Government.

2. September 1973, Interagency meetings on cleaning and rehabilitation plans.

3. October 1973, OMB sets forth following responsibilities, Department of Defense for maintaining ongoing facilities and operations in Enewetak, and for cleanup operations; Interior for Rehabilitation; Atomic Energy Commission for radiological monitory and survey.

4. August 1974, Rehabilitation authorization submitted to Congress by Interior Department, but Congress did not enact legislation. October 1974, House Interior Committee decided that action on authorization for rehabilitation be deferred until DOD had received its funding for the cleanup.

5. House Subcommittee on Territorial and Insular Affairs held hearings on October 1, 1974, S-3812 and H.R. 15983 on Rehabilitation of Enewetak, Subcommittee voted that S-3812, as amended, be reported favorably to full committee.

6. DOD received Congressional approval for cleanup funding in July, 1976. Present approved cleanup in military construction appropriation, P.L. 94-367, on July 16, 1976.

7. DOI resubmitted Enewetak rehabilitation authorization to 94th Congress on September 15, 1976. 94th Congress adjourned without taking any action.

8. DOI resubmitted Enewetak Rehabilitation authorization to OMB in early January 1977, and OMB referred the proposal to other agencies for review. In late February 1977, OMB cleared Enewetak authorization proposal, and on March 2, 1977, DOI transmitted Enewetak Rehabilitation authorization to Congress.

Guam Assistance

1. During April 1976, the Department was developing legislation to assist Guam, however, Typhoon Pamela hit Guam May 21, 1976. Because of the Typhoon, the Department had to respond to Guam's immediate needs and develop any future legislation in light of the Typhoon. The Department requested $20.0 million in emergency grants, which was approved by Congress in June 1976.

2. During the Department's normal budget process, new assistance legislation was developed, taking the Typhoon into account, and submitted to OMB in September 1976.

3. Administration decision on the budget made in November 1976, and the final Presidential budget approved $11.2 million in grants for Guam.

4. The Department submitted legislation to OMB for review and clearance in early January 1977. OMB referred to affected agencies, and cleared proposal in March 1977. The Department transmitted the proposed legislation to Congress on March 11, 1977.

Rongelap and Utirik Compensation

1. The Department proceeded within the budget cycle and submitted proposal legislation to OMB in December 1976.

2. OMB and the New Administration cleared the authorization proposal early March, 1977, and the Department transmitted the proposal to Congress in the middle of March 1977.

Trust Territory of the Pacific Islands

1. The Department transmitted draft authorization to OMB in May 1976. OMB deferred decision because of several unresolved issues and necessity for review by a number of interested Federal Agencies.

2. The Department continued its normal budget cycle process, received the OMB revised proposal, and appealed this revision in November 1976. Appeal was denied by OMB in early December 1976.

3. The President's budget was finalized in late December 1976.

4. Legislative Program was reviewed by the New Administration in January 1977, and concurred in budget as proposed by the past Administration.

5. Pursuant to this review, the Department submitted authorization proposal for FY 1978 to OMB early in March, OMB cleared proposal and the Department submitted to Congress on March 18, 1977.

Question: Why does the Office of Territorial Affairs need $22,000 travel increase when its work here in Washington is apparently being kept up?

Answer: In order to effectively carry out the mission of this Office it is imperative to travel to the individual territories, in order for the Office to ascertain, on site progress, problems, complaints, etc., from not only the Government and Legislative people but also from the local legislature and traditional leaders who seldom come to Washington. Communications at best, from 9,000 miles away is not always clear and concise, and, therefore, requires travel to the territories so that sensitive matters such as political status, economic development and financial management can be fully explored and developed on site and not in Washington where the territorial people tend to be awed by the largeness of the U.S. Government. Although the number of trips in relation to other Bureaus or Offices is small, the cost of the trips to the territories is much more expnesive because of the distances involved.

Senator DECONCINI. I have no further questions this morning.
Thank you very much for your time and your staff's time.
Mr. HITE. Thank you very much, Mr. Chairman.

SUBCOMMITTEE RECESS

Senator DECONCINI. The subcommittee will be in recess until 9:30 a.m., March 25, when we will hear the fiscal 1978 budget request of the Bureau of Land Management. Thank you.

[Whereupon, at 11:20 a.m., Wednesday, March 23, the subcommittee was recessed, to reconvene at 9:30 a.m., Friday, March 25.]

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 1978

FRIDAY, MARCH 25, 1977

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, D.C.

The subcommittee met at 10 a.m., in room 1114, Everett McKinley Dirksen Office Building, Hon. Dennis DeConcini presiding.

Present. Senator DeConcini.

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

STATEMENT OF GEORGE L. TURCOTT, ASSOCIATE DIRECTOR

ACCOMPANIED BY:

FRANK A. EDWARDS, ASSISTANT DIRECTOR, MINERALS MANAGEMENT
ARNOLD E. PETTY, ASSISTANT DIRECTOR, ADMINISTRATION
ARCHIE D. CRAFT, ASSISTANT DIRECTOR, TECHNICAL SERVICES
PAUL M. VETTERICK, CHIEF, DIVISION OF BUDGET AND PROGRAM DEVELOPMENT

BUDGET ESTIMATES AND PREPARED STATEMENT

Senator DECONCINI. Good morning. We are scheduled today to hear the fiscal 1978 budget estimates of the Bureau of Land Management. They total $463.4 million for all accounts, including those changes submitted by President Carter. Overall, that is an increase of $180.5 million in appropriations to date. The justification for the initial budget submittal has been printed in part 1 of the hearing record, and we will include the justification for the Carter budget amendments in the record at this point.

Since the Carter amendments also modified an extensive fiscal 1977 reprograming proposal contained in the original budget proposal, we will also include the revision of this reprograming in the record after the amendment justification.

Mr. Turcott, if you will introduce those with you for the record, you may proceed to highlight your opening statement. The full prepared statement will also be printed in the record.

[The information follows:]

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

	FY 1978 Request Pending	FY 1978 Proposed Amendment	FY 1978 Revised Request
Management of Lands and Resources	$237,711,000	755,000	$238,466,000

Management of Lands and Resources
Program and Financing (in thousands of dollars)

Identification code 14-1109-0-1-302	FY 1978 Request Pending	FY 1978 Proposed Amendment	FY 1978 Revised Request
Program by Activities:			
Direct Program:			
1. Energy and Mineral Management ..	98,295	-1,000	97,295
2. Lands and Realty Management	24,708	+100	24,808
3. Renewable Resource Development, Protection and Management	63,974	+900	64,874
4. Planning and Data Management ...	24,133	755	24,888
5. Cadastral Survey	17,724	--	17,724
6. Firefighting and Rehabilitation.	4,750	--	4,750
7. Administration and Enforcement .	4,127	--	4,127
10.00 Total Program Cost Funded, Obligation	237,711	755	238,466
40.00 Budget Authority: (Appropriation)	237,711	755	238,466
Relation of Obligations to Outlays:			
71.00 Obligations incurred, net	237,711	755	238,466
72.00 Obligated balance, start of period	88,281	--	88,281
74.00 Obligations balance, end of period	-92,252	--	-92,252
77.00 Adjustments in expired accounts.	--	--	--
90.00 Outlays	233,544	755	234,299
91.20 Outlays from civilian pay raise supplemental	196	--	196

OBJECT CLASSIFICATION (in thousands of dollars)

	Personnel compensation:			
11.1	Permanent positions	69,000	475	69,475
11.3	Positions other than permanent	20,113	--	20,113
11.5	Other personnel compensation	4,883	--	4,883
11.8	Special personal services payments	4,000	--	4,000
	Total personnel compensation	97,996	475	98,471
	Personnel benefits:			
12.1	Civilian	13,039	160	13,199
21.0	Travel and transportation of persons	9,056	60	9,116
22.0	Transportation of things	4,027	20	4,047

Identification code 14-1109-0-1-302	FY 1978 Request Pending	FY 1978 Proposed Amendment	FY 1978 Revised Request
23.0 Rent, communications, and utilities	11,984		11,984
23.1 Standard Level User Charges	(6,571)	--	(6,571)
23.2 Other	(5,413)		(5,413)
24.0 Printing & Reproduction	1,600	30	1,630
25.0 Other services	71,526		71,526
26.0 Supplies and materials	13,000	5	13,005
31.0 Equipment	8,528	5	8,533
32.0 Lands and structures	6,242	--	6,242
41.0 Grants, subsidies, and contributions	1	--	1
42.0 Insurance claims and indemnities	910	--	910
Subtotal	237,909	755	238,664
95.0 Quarter & Subsistence Charges (1)	-198	--	-198
99.0 Total obligations	237,711	755	238,466

Personnel Summary

Direct:			
Total number of permanent positions	4,496	30	4,526
Full-time equivalent of other positions	2,186		2,186
Average paid employment	6,214	26	6,240
Average GS grade	9.33	11.0	9.34
Average GS salary	$15,982	$17,056	$15,989

Justification

This 1978 Budget amendment is requested to fully finance second year requirements totalling $2,755,000 for the land-use study of the National Petroleum Reserve-Alaska mandated by the Naval Petroleum Reserves Production Act of 1976. The original 1978 Budget provided $2.0 million for this study consisting of a program increase of $1.0 million and continuation of an initially proposed FY 1977 reprogramming which would have resulted in reducing the Bureau's range management program by $600,000, forest management program by $200,000, watershed management program by $100,000 and energy related lands casework program by $100,000. This amendment substitutes a proposed $1.0 million reduction in the current budget request for Outer Continental Shelf baseline studies in lieu of proposed reductions in other programs. It provides for the remaining need of $755,000 by amending the requested budget total. Thus, subject to congressional approval, the amendment will finance the Petroleum Reserve planning function by a total of $1,755,000 in 1978 budget increases plus $1,000,000 to be derived by reducing the request for the Outer Continental Shelf program.

The 1978 program will provide for data analysis, identification of potential land use conflicts, conflict resolution with adequate public input, graphic production of planning documents, and completion of contracted data gathering efforts initiated in 1977. These activities will permit completion of a plan and appropriate recommendations to the Congress by the statutory deadline of April 1979.

As specified by law, the planning effort involves seven Interior bureaus. It is carried out under BLM lead, and the BLM budget includes the total funding for all agencies as follows: BLM, $579,000; BIA, $83,000; FWS, $1,019,000, BOR, $138,000; NPS, $165,000; BM, $110,000; and GS, $661,000.

The total FY 1978 funding level of $2,755,000 is a program decreased of $1,100,000 from the $3,855,000 and 30 position level requested by supplemental appropriation in FY 1977. The decrease is possible because data gathering requirements are reduced in the second year as program emphasis shifts from data gathering to actual plan preparation.

Note: Following supercedes pages 14 and 15 of the FY 1978 budget justifications for the Bureau of Land Management

DETAILS OF FY 1977 Reprogramming
(Revised 2/22/1977)

In an effort to accommodate Fiscal Year 1977 new priority funding requirements associated with recent legislation including:

- The Federal Land Policy and Management Act (P.L. 94-579), approved October 21, 1976

- The Naval Petroleum Reserve Production Act (P.L. 94-258), approved April 5, 1976.

- The 1976 Amendment to the Wild and Scenic Rivers Act (P.L. 94-486), approved October 12, 1976.

The following reprogramming actions are proposed:

1. The Federal Land Policy and Management Act (P.L. 94-579).
   - Mining Claim Recordation (+$700,000) from Energy Related Lands Casework, (-$500,000); Geothermal Steam, (-$100,000); and Outer Continental Shelf Baseline and Monitoring Studies (-$100,000).

   - Wilderness Review (+$700,000) from Energy Related Lands Casework, (-$500,000); and Outer Continental Shelf Baseline and Monitoring Studies (-$200,000).

   - California Desert Planning (+$1,100,000) from Trans-Alaska Pipeline Inspection, (-$500,000); and Outer Continental Shelf Baseline and Monitoring Studies (-$600,000).

2. The Naval Petroleum Reserve Production Act (P.L. 94-258).
   - Surface Management for the National Petroleum Reserve - Alaska (+$500,000) from Outer Continental Shelf Baseline and Monitoring Studies.

3. The 1976 Amendment to the Wild and Scenic Rivers Act (P.L. 94-486).
   - Upper Missouri Wild and Scenic River Management Plan (+$100,000) from Outer Continental Shelf Baseline and Monitoring Studies.

   - In addition to the funds reprogrammed above, the following position reprogramming occured in order to provide personnel for the increased programs: a) Geothermal (-2), Oil Shale (-1), Oil and Gas (-10), and Material Sales/Mineral Leasing (-4), to staff Mining Claim Recordation (+12) and NPRA Surface Management (+5); b) energy related lands casework (-8), to staff wilderness review (+8) and c) planning for multiple use (-3), to staff the Upper Missouri Wild and Scenic River programs (+3).

MANAGEMENT OF LANDS AND RESOURCES
Revised 2/22/77

Activity/Subactivity	Appropriation FY 1977	Adj. to Establish Data Management Subactivity	Law Enforcement Restructure	Oil Shale Patent Processing Restructure	Reprogramming 1/	FY 1977 Proposed Pay Cost Supplemental	Revised FY 1977 Total as Shown in Revised President's Budget
Energy & Minerals Management	($89,426,000)	(-$1,654,000)			(-$1,100,000)	(+$1,142,000)	($87,814,000)
Energy Minerals - Onshore	25,698,000	-860,000		-$200,000	+400,000	+686,000	25,724,000
Energy Minerals - Offshore	58,417,000	-617,000			-1,500,000	+250,000	56,550,000
Non-Energy Minerals - Onshore	5,311,000	-177,000		+200,000		+206,000	5,540,000
Land & Realty Management	(37,044,000)	(-1,441,000			(-800,000)	(+1,076,000)	(35,879,000)
Land & Realty Operation	29,188,000	-1,346,000			-300,000	+1,076,000	28,618,000
Trans Alaska Pipeline	7,856,000	-95,000			-500,000		7,261,000
Renewable Resource Development, Protection & Management	(63,302,000)	(-3,592,000)	(-$350,000)		(+800,000)	(+1,617,000)	(61,777,000)
Forest Management	7,168,000	-1,131,000				+204,000	6,241,000
Range Management	24,878,000	-1,124,000	-200,000			+619,000	24,173,000
Recreation Management	6,153,000	-348,000	-75,000		+800,000	+159,000	6,689,000
Soil, Water & Air Mgmt.	11,063,000	-356,000				+282,000	10,989,000
Wildlife Habitat Management	5,574,000	-245,000	-75,000			+127,000	5,381,000
Fire Management	8,466,000	-383,000				+226,000	8,304,000
Planning & Data Management	(8,645,000)	(+8,930,000)			(+1,100,000)	(+458,000)	(19,133,000)
Planning for Multiple Use	8,645,000	-617,000			+1,100,000	+294,000	9,422,000
Data Management		+9,547,000				+164,000	9,711,000
Cadastral Survey	(15,873,000)	(-610,000)				(+431,000)	(15,694,000)
Alaska Survey	8,666,000	-333,000				+86,000	8,419,000
Lower 48 Survey	7,207,000	-277,000				+345,000	7,275,000
Firefighting & Rehabilitation	(4,750,000)						(4,750,000)
Firefighting	4,150,000						4,150,000
Rehabilitation	600,000						600,000
Administration & Enforcement	(4,789,000)	(-1,633,000)	(+350,000)			(+184,000)	(3,690,000)
Administration	4,789,000	-1,633,000				+173,000	3,329,000
Enforcement			+350,000			+11,000	361,000
Total Management of Lands and Resources	223,829,000	--	--			+4,908,000	228,737,000

1/ Details provided on the following page.

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240
MAR 10 1977

Honorable Robert C. Byrd
Chairman, Appropriations Subcommittee
on Interior and Related Agencies
United States Senate
Washington, D. C. 20510

Dear Mr. Chairman:

New legislation passed in the second session of the 94th Congress has created workloads for the Bureau of Land Management for which no funding is presently available in Fiscal Year 1977. This is a request for your approval to reprogram a total of $3.1 million in the Bureau's "Management of Lands and Resources" appropriation to accommodate this new work.

As you know, the Budget for 1978 submitted by the previous Administration reflected Fiscal Year 1977 reprogramming actions totalling $4.1 million, rather than $3.1 million as requested herein. As a part of President Carter's review of the Budget, a decision has been made to request a Fiscal Year 1977 supplemental for National Petroleum Reserve-Alaska planning activities rather than to fund this item by reprogramming. This accounts for the $1.0 million reduction in this reprogramming request from the amounts reflected in the Bureau of Land Management's 1978 Budget Justifications. Specifically, the reprogrammings will no longer affect the Bureau's range management; forest management; and soil, water, and air management programs. Additionally the amount proposed to be reprogrammed from energy related realty activities is reduced from the $1,100,000 shown in the BLM Budget to $1,000,000 in this proposal.

The remaining functions for which approval to reprogram funds are requested are characterized by nondiscretionary deadlines established in the new legislation. The programs from which funds will be taken are those where changing requirements due to unforeseen circumstances make funds available without significant detriment to the program.

The activities, subactivities, and program components involved in the proposed reprogramming actions are shown on the enclosed table. Specific descriptions of each part of the total reprogramming request are as follows:

Surface Management for the National Petroleum Reserve - Alaska (+$500,000) from Outer Continental Shelf Baseline and Monitoring Studies

Public Law 94-258, the Naval Petroleum Reserves Production Act of 1976, gave the Secretary responsibility for protection of the environmental, fish and wildlife, recreational, historical, and scenic values in the Naval Petroleum Reserve Number 4, Alaska, on April 5, 1976. Total jurisdiction over the vast 23 million acre reserve, retitled the National Petroleum Reserve-Alaska, will be assumed by the Secretary on June 1, 1977.

Oil and gas exploratory activities are being carried out in the Reserve under contract awarded by the Navy in 1976. These activities will require construction of access roads, development of gravel

83-107 (Pt. 4) O - 77 - 15

supplies, and construction of staging areas and camps in remote areas having surface values of local, state, and national interest. Necessary BLM surface management activities to protect the fragile environment will include: implementation of regulations for surface protection; preparation of environmental analysis reports and issuing or denying permits for proposed well sites, material sites, water sources, roads, campsites, etc.; and a small number of contract studies to evaluate archeological and historic values, water supplies, and fishery values at specific sites where use permits for some type of development are requested. These surface management responsibilities are to be carried out in coordination with the Geological Survey which has responsibility for monitoring exploratory activities once they are underway.

Funds for the National Petroleum Reserve activities are proposed to be reprogrammed from the $44.6 million available for Outer Continental Shelf baseline and monitoring studies. A planned and funded new study of the Northern California - Oregon - Washington Pacific OCS area will be rescoped and/or deferred. Oil company interest in this area is generally low.

Mining Claim Recordation (+$700,000) from Energy-Related Lands Casework, $500,000; Geothermal Steam Leasing, $100,000; and Outer Continental Shelf Baseline and Monitoring Studies $100,000

Section 314 of the Federal Lands Policy and Management Act of 1976, (Public Law 94-579) approved October 21, 1976, requires the filing of unpatented lode and placer mining claims located prior to October 21, 1976, within a three-year period. Claims located after passage of the Act must be recorded within ninety days. The workload in eleven BLM State Offices with jurisdiction over public lands in seventeen western states will be increased significantly by the new recordation requirements of Section 314. Claims must be manually recorded on a mineral location plat. Approximately 175,000 filings are anticipated annually. Filing fees, tentatively established at $10 a claim, will more than offset costs, but appropriations need to be available for expenses of the work.

Energy-related lands casework funding for processing rights-of-way applications is available for reprogramming in a total amount of $1,000,000 based on applications on hand. This program is entirely dependent on private sector initiatives (applications) which to date in Fiscal Year 1977 have not materialized as estimated. $500,000 from this activity, $100,000 from the geothermal steam leasing program where the noncompetitive leasing activity has stabilized and $100,000 from Outer Continental Shelf Baseline and Monitoring Studies as discussed in the previous proposal, are requested to be reprogrammed for the mining claim recordation workload. If additional rights-of-way applications for new projects, e.g., the proposed Northern Tier Pipeline, are received later in the year, it may be necessary to request new authority to use appropriated receipts as authorized in P.L. 94-579 and this will be sought in conformance with new receipt limitation appropriation financing proposed in the Fiscal Year 1978 budget.

Wilderness Review (+$700,000) from Energy-Related Lands Casework, $500,000; and Outer Continental Shelf Baseline and Monitoring Studies $200,000

Under Public Law 94-579, the Secretary has until July 1, 1980 to review existing Public Land designated primitive and natural areas and submit a recommendation to the President and the Congress on their possible redesignation as wilderness areas. Mineral surveys to determine mineral values are required by the law to be made on each area before recommendations are submitted. Since the existing areas cover an

estimated 600,000 acres the program must be initiated in the current year to meet the Act's deadline. Other roadless areas of 5,000 acres or more are also to be reviewed, but within a fifteen-year time frame. The Fiscal Years 1977 and 1978 efforts will be limited to the existing designated primitive and natural areas.
The funding for wilderness review is proposed to come from the remaining $500,000 of current excess availability for energy-related casework as discussed under the previous proposal above, and $200,000 from Outer Continental Shelf Baseline and Monitoring as discussed previously under Surface Management for the National Petroleum Reserve-Alaska.

California Desert Planning (+$1,100,000) from Trans-Alaska Pipeline Inspection $500,000; and Outer Continental Shelf Baseline and Monitoring Studies, $600,000

Public Law 94-579 also requires the submission to the Congress of a long range land-use and management plan for the heavily used southern California Desert by September 30, 1980. Although this plan will be developed primarily by using existing resource inventory data, there are several critical gaps to our knowledge of the Desert and its resources. To fill the resource inventory gaps involving some 3.5 million of the 15.5 million total acreage in the Desert, inventory work must be accelerated in 1977 to leave enough time for actual development of a desert plan by the Congressional deadline. The $1.1 million for this program will be heavily oriented to contract inventory efforts.

Of the $7,761,000 appropriated for Trans-Alaska Pipeline inspection, $500,000 can be reprogrammed without detriment to ongoing construction monitoring activities because construction is proceeding smoothly toward the planned completion date in the third quarter of this calendar year. The $600,000 is to be reprogrammed from Outer Continental Shelf Baseline and Monitoring Studies as discussed previously in Surface Management for the National Petroleum Reserve-Alaska.

Upper Missouri Wild and Scenic River Management Plan (+$100,000 from Outer Continental Shelf Baseline and Monitoring Studies)

On October 12, 1976, Public Law 94-486 was approved and added about 150 miles of the Upper Missouri River to the National Wild and Scenic Rivers System. Under the Act, BLM is the responsible managing agency; and must, by October 12, 1977, establish detailed boundaries, designate wild river, scenic river, and recreation river area as appropriate, and prepare a management plan. A minimum program level of $100,000 in Fiscal Year 1977 is essential to accomplishment of this task including necessary consultation with state and local governments and the interested public.
Funds for Upper Missouri planning are proposed to come from Outer Continental Shelf Baseline and Monitoring Studies as discussed previously under Surface Management for the National Petroleum Reserve-Alaska.

The Office of Management and Budget concurs in this reprogramming request.

Please let us know if you have any questions or need any further information on these proposed actions.

Sincerely,

Cecil D. Andrus

CECIL D. ANDRUS
SECRETARY

MANAGEMENT OF LANDS AND RESOURCES APPROPRIATION

Summary of Proposed Reprogramming Actions
for Fiscal Year 1977 by Action, Activity, Subactivity,
and Program Component 1/

	($000's) Presently Available	Proposed Reprogramming
I. National Petroleum Reserve-Alaska		
Energy & Minerals Mgmt. Activity		
Energy Management - Onshore Oil & Gas (Surface Management)	8,061	+500
Energy Management - Offshore	58,050	-500
II. Mining Claim Recordation		
Energy & Minerals Mgmt. Activity		
Energy Management - Onshore Geothermal	2,575	-100
Energy Management - Offshore	58,050	-100
Lands and Realty Management		
Lands and Realty Operations		
Status and Records	7,191	+700
Energy-Related Realty	13,851	-500
III. Wilderness Review		
Energy & Minerals Mgmt.		
Energy Management - Offshore	58,050	-200
Lands and Realty Mgmt. Act		
Energy-Related Realty	13,851	-500
Renewable Resource Development, Protection and Mgmt. Act.		
Recreation Management		
Wilderness Review	--	+700
IV. California Desert Planning		
Energy & Minerals Mgmt. Activity		
Energy Management - Offshore	58,050	-600
Lands and Realty Mgmt. Act		
Trans-Alaska Pipeline Insp.	7,761	-500
Planning and Data Management		
Planning for Multiple Use	8,322	+1,100
V. Upper Missouri Wild & Scenic River		
Energy & Minerals Mgmt. Activity		
Energy Management - Offshore	58,050	-100
Renewable Resource, Dev. Prot., and Mgmt. Act.		
Recreation Management		
Recreation Resource Mgmt.	3,526	+100

1/ Presently available amounts include the proposed pay costs supplemental for comparability with FY 1977 amounts in the FY 1978 Budget.

STATEMENT OF GEORGE L. TURCOTT

Mr. Chairman:

Since the beginning of our history the public lands have served our Nation well, contributing their wealth to the common good. Today the public lands still comprise twenty percent of the Nation's land area - some 470 million acres. Their resources -- energy and non-energy minerals, timber, forage, water, wildlife, recreational opportunities, cultural values and others -- are increasingly significant in the face of our growing shortages and increasing demands upon our natural resource base.

It is noteworthy that the Congress in 1976, our Bicentennial Year as a Nation and as a public landowner, enacted major new legislation -- the Federal Land Policy and Management Act -- which provides a new comprehensive multiple use charter for the public lands under BLM stewardship. Several new or expanded programs in this Budget and some significant proposed changes in the way our programs are financed are directly attributable to this new Act. Secondly, the Budget request is responsive to other important new legislation including the Alaska Native Claims Settlement Act Amendments of 1976, the Naval Petroleum Reserves Production Act of 1976, the Federal Coal Leasing Amendments Act, and the Act which provides for in lieu tax payments to counties and similar units of local government. Besides implementing this new legislation, the Budget continues to be oriented to the need for environmentally sound development of public land energy resources. Management of timber, forage, watershed, and wildlife resources is continued at the expanded program levels provided in recent years to begin reversing the declining trend in resource conditions.

To briefly highlight some of the more significant changes in the Budget, let me touch on implementation of new legislation first. A total of $6.6 million is requested for Federal Land Policy and Management Act implementation. This includes $1.2 million for interim management activities in the California Desert; $1.2 million to review existing primitive and natural areas for possible wilderness designation; $2.0 million for initial capitalization of a BLM working capital fund; $1.0 million for a long-range study of public land management objectives, programs, and regulatory requirements under the new Act; and a total of $1.2 million in smaller increases for withdrawal review, District advisory boards, and law enforcement contracting with state and local agencies. These amounts are all in addition to certain funds proposed for FY 1977 reprogramming on behalf of this as well as other new legislation.

For implementing the Alaska Native Claims Act amendments and reducing our expanded backlog of Claims Act realty work and cadastral surveys, a total of $4.3 million in increases is requested. We previously testified on our request for a Fiscal Year 1977 supplemental of $2.4 million for these same purposes.

To implement the in lieu tax payments legislation, Public Law 94-565, the Budget request is $100 million, the same as the requested supplemental for 1977.

BLM's role in carrying out the Secretary's responsibilities for the National Petroleum Reserve-Alaska under the Naval Petroleum Reserves

Production Act includes surface management of this vast 23 million acre area plus the lead role in a multi-Bureau planning effort to meet the April 1979 deadline for submission of a plan to Congress. The funding situation is a bit complex here. First for 1977, the initial Budget proposed funding this planning function at the $1.0 million level entirely by reprogramming existing funds and manpower. One of President Carter's Budget revisions has been to change the 1977 funding for the Petroleum Reserve planning activities to a requested supplemental of $3.8 million; surface management at a $.5 million level is still proposed to be made available by reprogramming. For second year planning activity funding in 1978, the initial Budget submission included $2.0 million, consisting of an increase of $1.0 million and an additional $1.0 million to be derived from continuing the 1977 reprogramming into 1978. This would have resulted in reductions in our range, forestry, and watershed programs. An additional $1.8 million is now requested as a budget amendment. The amendment consists of $1.0 million to be derived from decreasing the initial request for OCS baseline studies and a $.8 million increase in the total appropriation. Two significant points about President Carter's revisions in this area are that they fund the multi-agency planning effort in 1977 and 1978 at the level actually required to do an adequate job by the Congressional deadline, and they negate the need for the reprogramming actions which would have otherwise reduced forestry, range, and watershed programs in both years.

For energy programs a major increase of $6.1 million is requested to meet second year requirements of the coal leasing program in conformance with the Coal Leasing Amendments Act. Efforts are oriented to regional environmental impact statement work and rehabilitation potential assessment. Initial leasing under the new program is tentatively scheduled for FY 1978. OCS and onshore oil and gas leasing programs requirements account for total requested increases of $1.7 million. Because the construction phase of the Trans-Alaska Pipeline is expected to be completed in FY 1977, a major reduction of $4.1 million is reflected in requirements for the inspection activity.

A significant item in this Budget is a requested increase of $3.0 million for land and resource data systems management. Under the BLM land use planning system, and also as a consequence of environmental analysis work under the National Environmental Policy Act, the Bureau has experienced a quantum increase in data and needs for data about the lands and their resources. Up to now, we have relied almost exclusively on manual systems for recording and analysis of this information. A "Strategic Plan for Information Systems Management" was initiated in 1974 and completed in 1976. This plan clearly indicates the advantages of an integrated automated system for land base and resource data and preliminary work on the system is underway in 1976. Widely acclaimed by others including data management expertise from GSA, the Department of Commerce, and the National Bureau of Standards, the plan requires the $3.0 million increase for second year costs in 1978. To better portray this and other BLM data management funding requirements, the Budget includes a new data management subactivity.

Also, I would like to briefly mention some smaller, but significant needs the budget recognizes including the initiation of a program to preserve deteriorating Eastern States Land Records, the need to deal

with a growing backlog of nonenergy minerals cases, the need for a modest expansion of lower 48 cadastral surveys to support timber management activities, and general administrative support requirements in procurement, accounting and personnel transactions.

In our construction activity, the Budget accommodates several of our most urgent needs for administrative facilities in locations where GSA space is not available. Also funded is the second California Desert way station on Interstate 8 west El Centro, California. Acquisition of easements and road construction are programmed at the same level as FY 1977 while increases of $0.5 million are proposed to accommodate our facility maintenance needs.

The Oregon and California Grant Lands request, based on projected receipts, accommodates needed expansion in management and forest development to maintain the Western Oregon allowable cut. For Range Improvements, a projected $1.4 million increase based on the new revenue distribution formula in the Federal Land Policy and Management Act will be used for additional rangeland improvements and facility maintenance.

During my tenure as Associate Director, BLM has been in a state of rapid evolution. No longer oriented simply to land disposal, mining, grazing, and timber production, our concerns have expanded into other fields - archeology, wildlife, hydrology, geology, air quality, and socio-economics to name a few. This diversity is essential to total and well balanced management of the lands and resources under our jurisdiction. Certainly the most significant development to date in this evolution has been passage of the Federal Land Policy and Management Act. I feel that this Budget is responsive to this and other new legislation, our emerging new responsibilities under that legislation, and important National priorities.

Finally, I would like to express my appreciation to this Committee for your understanding and support of our efforts. We look forward to this hearing and will be pleased to answer your questions about our programs.

DIRECTOR UNABLE TO APPEAR

Senator DECONCINI. Before you proceed, however, we are wondering why the Director, Mr. Berklund, was not scheduled as the principal witness and is not with us today.

Mr. TURCOTT. Director Berklund has two other congressional commitments today, including a meeting with subcommittee Chairman Siberling of the House Interior and Insular Affairs Committee this morning. The committee and staff are in the Department of the Interior with the Secretary and the Secretary requested all bureau heads to be with him.

This afternoon the Director has a hearing before the Subcommittee on Energy and Power in the House. And, as No. 2, his alter ego, I am pleased to be here today, sir.

Senator DECONCINI. You may proceed.

INTRODUCTION OF WITNESSES

Mr. TURCOTT. On my far left is Archie Craft, Assistant Director for Technical Services. On my immediate left is Frank A. Edwards, Assistant Director for Minerals Management. On my immediate right is Paul M. Vetterick, Chief, Division of Budget and Program Development. On my far right is Arnold E. Petty, Assistant Director for Administration.

In addition to that, depending on the chairman's review and insights, I have people in the audience, BLM specialists in certain program areas and two members from USGS who are also here. But I will not introduce them unless they are called to cover in detail certain programs that we may go into.

I am very pleased, sir, to appear before you for the first time. And I enjoyed meeting some of your staff yesterday.

Senator DECONCINI. Yes, I understand you did.

INTRODUCTORY STATEMENT

Mr. TURCOTT. Mr. Chairman, since the beginning of our history the public lands have served our Nation well, contributing their wealth to the common good. Today the public lands still comprise 20 percent of the Nation's land area, some 470 million acres. Their resources are increasingly significant in the face of our growing shortages and increasing demands upon our natural resource base.

It is noteworthy that the Congress in 1976, our Bicentennial Year as a Nation and as a public landowner, enacted major new legislation—the Federal Land Policy and Management Act—which provides a new comprehensive multiple use charter for the public lands under BLM stewardship. The budget is responsive to the mandates of this act. Second, the budget provides funding for other important new legislation including the Alaska Native Claims Settlement Act Amendments of 1976, the Naval Petroleum Reserves Production Act of 1976, the Federal Coal Leasing Amendments Act, and the act which provides for in lieu tax payments to counties and similar units of local government. Besides implementing this new legislation, the budget continues to be oriented to the need for environmentally sound development of public land energy resources. Management of timber, forage, watershed, and wildlife resources is continued at the expanded

program levels provided in recent years to begin reversing the declining trend in resource conditions.

Senator DECONCINI. Mr. Turcott, I have your full statement and it has been submitted. If you would like to highlight that for us, or just go ahead and submit to some questions, it will be in the record and I think that will be sufficient, if you would like to summarize it.

Mr. TURCOTT. All right, sir. I would like the highlight statement included in the record.

NATIONAL PETROLEUM RESERVE—ALASKA

I would like to suggest, sir, that we might at this point, with your permission, have a discussion on the national petroleum reserve program in Alaska, including budgetary material from two other bureaus in the Department of the Interior as well as our own. I understand that the committee has had some trouble interpreting it. We are the last Interior bureau involved to appear before you.

I would like to have our budget officer highlight the total Interior program.

Senator DECONCINI. That is satisfactory with me. We had other questions to come to but we do have some questions in that area. If you would like to proceed——

Mr. TURCOTT. We have a visual aid that you can follow, sir.

Senator DECONCINI. All right.

Mr. VETTERICK. Mr. Chairman, I appreciate some of the potential confusion that might result from the number of agencies coming up before this committee asking for funds for the national petroleum reserve in Alaska and the appearance of duplication and overlap of effort. But I assure you that within the Department of the Interior we have developed these various programs in a way where they are very closely coordinated. Some of these efforts will, in fact, feed other efforts being proposed in this reserve.

EXPLORATION PROGRAM

In talking about national petroleum reserve in Alaska, there are three basic efforts that are required by law. The first is the exploration program mandated by Congress including the transfer of that program from the Department of the Navy to the Geological Survey. The purpose of that exploration program is singularly oriented toward oil and gas, that is, where is it located and what is the potential for development. Through 1980 there will be about 26 wells drilled.

Geologic Survey is concerned with the administration of the exploration contract. And their principal orientation is toward the technical aspects of the oil and gas exploration program.

There is a companion program being undertaken by BLM who has been designated responsibility for the surface resources, the management of all other values other than the oil and gas. So as a companion effort with the Geological Survey's exploration effort, BLM has proposed in fiscal 1978 a $1 million surface management program. This will provide the surface management concerns to Geologic Survey. We would be involved in the forthcoming plans in the year for the Husky contract, looking principally at the surface

resources and other values other than oil and gas that may be impacted. We are also the coordinator of this program as far as the outside world is concerned, as far as coordination of Natives, coordination with the State government and any other interested parties in this petroleum reserve in Alaska.

Now, there is a memorandum of understanding between Geologic Survey and the Bureau of Land Management. It was finalized on January 18 of this year. So this exploration program with our companion surface management efforts is pretty well coordinated. And, of course, we have monthly meetings, coordination meetings with Geological Survey. So the exploration program and its companion surface management responsibilities are one aspect of NPRA effort.

ECONOMIC AND POLICY ANALYSIS STUDY

The second major effort is a Presidential study on the economic and policy analysis as far as the development of that petroleum is concerned. That is oriented toward who should develop the resource, that is, the oil and gas, how should the resource be transported, how should it be distributed, what methods of leasing should be initiated if in fact a decision is made to lease oil and gas and what are the economic impacts of certain actions in the control and operation of national petroleum reserve in Alaska.

For example, what are the economic impacts of large withdrawals, what are the economic impacts of very stringent environmental stipulations on future production.

Now, this study will draw upon whatever data comes out of the exploration effort as it is available at that time. Although a report is due in Congress by January of 1980, the current target date for at least a draft is September 1, 1978, and that is fairly important because it will help in developing the last thing that I will talk about.

A companion to this study on the economics and policy for developing oil and gas reserves is an environmental impact analysis undertaken by Geological Survey. The study by the Assistant Secretary, Energy and Minerals, will address several leasing scenarios and they will be submitted to Congress as part of the report. Accompanying those leasing scenarios from a policy and economic standpoint will be a companion environmental assessment for each of those scenarios. So Congress will have an ability to look at not only the economic and national security implications but will also be able to look at the environmental consequences of those various scenarios. So the second effort revolves around this presidential study mandated by the act.

MULTIPLE USE PLAN FOR NPR—ALASKA

Up to now all we have talked about is oil and gas development, nothing else. The third major effort in the national petroleum reserve, Alaska is an overall comprehensive land use plan which draws on the data as it is available from these other studies, but also considers all the other myriad of values in NPRA such as the archaeological values, the scenic values, the fish and wildlife values, the Native subsistence values, potential utility corridors, and land use. This study, although funded and led by the Bureau of Land Management involves all the other Interior agencies which by law are to be involved in

the task force. This includes such agencies as the Bureau of Indian Affairs, Fish and Wildlife Service, Bureau of Outdoor Recreation, National Park Service, the Geological Survey and the Bureau of Mines. It is due April 1979 to Congress.

So if this program is properly funded, we will be able to continue the exploration program with adequate protection for the surface resources. We will develop a policy and economic analysis as to how we should develop oil and gas in the petroleum reserve and we will provide the Congress with an overall comprehensive land use plan that takes not only oil and gas into account but all of the other values in this Alaskan area as they are known at that time.

I hope this will help clarify some of the confusion and misunderstandings that may have developed from all of these series of agencies coming up asking for money for their work in this national petroleum reserve.

Senator DECONCINI. Did I understand the land use plan you referred to takes in all of Alaska?

Mr. VETTERICK. No, sir. This is strictly limited to the 23 million acres of the petroleum reserve in Alaska.

BLM BUDGET REQUEST FOR NPR—ALASKA

Senator DECONCINI. With the Carter budget amendment you seem to be requesting a total of $3.3 million additional to the petroleum reserve in Alaska for management planning. How much in total is in the year 1978 budget for NPRA?

Mr. TURCOTT. About $3.7 million, sir.

Senator DECONCINI. This is less, is that right? No, this is an add on. In other words, you are asking for $7 million under the Carter administration revisions, correct? And $3.7 million is the total for NPRA?

Mr. TURCOTT. For planning, and for the surface management yes, sir. We are asking $1 million for surface management and $2.7 million for the planning.

Mr. VETTERICK. Of which $1 million is to be derived by reprogramming out of the Outer Continental Shelf program.

Senator DECONCINI. Is that the total appropriation request, for management and planning?

Mr. VETTERICK. For national petroleum reserve in Alaska in 1978, yes, sir. $3.7 million.

Senator DECONCINI. I see. Why do you budget the NPRA surface management program under energy and minerals?

Mr. TURCOTT. It is a surface management effort directed towards development of the oil and gas resource there and it is very closely tied in with the exploration program as Mr. Vetterick indicated.

Senator DECONCINI. The surface management program is not directly related to energy and the leasing is it?

Mr. TURCOTT. Yes, it is oriented toward the exploration program that the USGS is carrying out under the new act. That is the reason for the cooperative agreement between us in January of this year, to completely tie that in. The exploration plans are mutually developed between USGS and BLM and mutually approved under this coopera-

tive agreement. Of course, USGS has the major role with respect to all the technology and science of exploration. But its effects on the surface resources and their management is BLM's part. You can't have two bosses, so we worked out a cooperative agreement and it calls for mutual planning, mutual concurrence, and if there is a dispute, reconciliation here in Washington.

ALASKA TRANSPORTATION STUDY

Senator DECONCINI. The Office of the Secretary is budgeting for a policy study in NPRA, including transportation alternatives for oil and gas. Hasn't the BLM been studying transportation corridors already?

Mr. TURCOTT. Yes. There was a transportation corridor study that came about under the Alaskan Native Claims Act and the report was submitted to Congress. It covered the whole State of Alaska and it did not concentrate necessarily on the petroleum reserve in northern Alaska.

We feel now that with such an intensive exploration program and the oil and gas production possibilities, although we won't know until all the holes are drilled and the interpretations are made, but that part will require much more intensive studies. In addition, there are the economics of it. And one of the major problems before the Congress and the Executive now is to know the security aspects of it. Additionally, the environmental part will have to be taken more into account than was done in the original corridor study.

I must say the original transportation study was for the whole State and it was very well accepted by the Congress and we were complimented on it. But it is not intensive enough.

NPR—ALASKA MANAGEMENT AND PLANNING REQUEST

Senator DECONCINI. Can you give us a breakdown, Mr. Turcott, of specifically what your total budget request for NPRA management will be used for? I have the breakdown you gave me a minute ago but you have $500,000 in there for management. What do you do with that?

Mr. TURCOTT. It will cover our participation in the annual operating plan called for by the cooperative BLM—USGS agreement. Preliminary work is going on now with USGS.

Senator DECONCINI. Does that entail new employees?

Mr. TURCOTT. There are some reprogramed employees in the 1978 budget.

Senator DECONCINI. How many?

Mr. TURCOTT. In 1977 there is a reprograming proposal of five positions and those will carry on in 1978.

Senator DECONCINI. What else are those funds used for?

Mr. TURCOTT. First is the general umbrella, the operating plan. Then there is more involvement as we work with USGS on special surface management stipulations. That will go into the authorizations and operating orders of the Government contract with the Husky Oil Co. There will be environmental analyses involved in some of this work.

Senator DECONCINI. Is that contracted outside the Department?

Mr. TURCOTT. Not all of it. Not the environmental analysis work. Not all of it, no.

Senator DECONCINI. How much of this is contract money?

Mr. TURCOTT. I don't know. I will probably have to furnish that for the record, sir. But there are some contract funds involved.

Senator DECONCINI. You are only talking about five employees for this $500,000 management?

Mr. TURCOTT. In fiscal year 1977, the $500,000 level is proposed.

Senator DECONCINI. What is the bulk of that money used for, that $500,000?

Mr. TURCOTT. Permanent and temporary employment, operating expenses and contracts.

Senator DECONCINI. How many temporary employees?

Mr. TURCOTT. I don't have that readily available.

Mr. VETTERICK. I would have to provide that for the record. But for the five permanent employees, their salaries and operating expenses come to roughly $200,000, which would leave $300,000 for contract work and temporary help.

The types of contracts that we would be entering into would be site specific contracts where Husky plans to operate the following year. We would be collecting such things as archeological data and wildlife data to make sure that the stipulations that we put into their operating orders for that particular site protect to the maximum extent some of the other values.

Senator DECONCINI. Is that management?

Mr. VETTERICK. It is part of the management program, yes, sir.

Senator DECONCINI. Not the planning?

Mr. VETTERICK. No, sir.

BREAKDOWN OF NPR—ALASKA BUDGET

Senator DECONCINI. Well, please supply a breakdown of your total NPR-A budget for 1978, with the comparable 1977 numbers.

[The information follows:]

FUNDING FOR NPR—ALASKA

BLM's activities for which funds are requested on behalf of the National Petroleum Reserve—Alaska involve two main efforts:

1. Surface Management with emphasis on the protection of surface resources in conjunction with the USGS lead oil and gas exploration program.
2. Planning which seeks to produce multiple use management recommendations for the reserve by the legislatively mandated deadline of April, 1979.

Budgeted amounts for these two program features are as follows:

[In thousands of dollars]

	Fiscal year	
	1977	1978
1. Surface management	[1]500	[1]1,000
2. Planning	[2]3,855	[3]2,755
Total request	4,355	3,755

[1] $500,000 from proposed reprogramming action.
[2] Proposed fiscal year 1977 supplemental.
[3] $1,000,000 in regular fiscal year 1978 budget; $755,000 from proposed amendment and $1,000,000 to be reprogrammed out of fiscal year 1978 OCS studies request.

UTILIZATION OF TEMPORARY EMPLOYEES

Senator DECONCINI. What do your part-time employees do under the management phase?

Mr. VETTERICK. Those are seasonals. We could, for example, hire archeological help from the University of Alaska during the summer months who would go out to sites that are going to be subject to disturbance in the following winter by either seismic trail or drilling activity. Those people would make an evaluation of potential archeological values there that need to be protected. Some of the other kinds of temporary help would be people who are knowledgeable in wildlife species or in fisheries because there is going to be habitat disturbance and the need for gravel from various streams up there.

SURFACE PROTECTION IN NPR—ALASKA

Senator DECONCINI. Included in that management is identifying what you want to preserve or what may be endangered. And then does it also include the funds to accomplish that?

Mr. VETTERICK. It would also provide the funds during the winter to conduct followup inspections of the operations to make sure that in fact these protective stipulations are being followed.

Mr. TURCOTT. It is oriented to the stipulations that the contractor will have to follow, sir. The actual rehabilitation or mitigation cost is not in our request.

Senator DECONCINI. If he finds something that should be preserved, then you require the contractor to agree to do that?

Mr. TURCOTT. Yes.

Senator DECONCINI. Is that in the contract now with the contractor?

Mr. TURCOTT. That kind of thing is covered, yes, sir.

Senator DECONCINI. Does that ever get to be astronomical in the contractor's opinion? When your request is more than what he has budgeted for, what happens?

Mr. TURCOTT. I have never heard of those people up there calling it astronomical. I have heard complaints, yes, from various mineral and energy development programs that some of our stipulations may be excessive and that they are costly.

Senator DECONCINI. Are there contingency funds for when they come in and say that they can't provide for that—preserving whatever has been identified under the management study?

Mr. TURCOTT. I am sure there are avenues within the contract, including dialog between the contractor and USGS concerning any stipulation and how it is to be carried out. And I would hope the rule of reason would prevail.

Senator DECONCINI. Do they submit a change order if you find a trail you want to preserve and then you say that under the contract clause we want to preserve that trail and not disturb it or do something to it, and they say, "Gee, we don't have the money." Do they submit a change order then?

Mr. TURCOTT. No. That is not the sole solution at all.

Senator DECONCINI. How does it work?

Mr. TURCOTT. That might be one of the alternatives but there might be some concessions or other alternatives developed. But the sensitivity of the arctic environment to disturbance, and frankly, sir,

the magnifying glass aspect we have from both the Congress and the public as to what is going on up there, there is not going to be any turning of the head or ducking the mitigation of environmental disturbance.

I can't say that in any one case a change order might not be a way out. But the change order will probably be some kind of compromise or alternative to get the desired effect.

Senator DECONCINI. Have you had any change orders to this yet?

Mr. TURCOTT. We don't have that yet.

Senator DECONCINI. You are not that far?

Mr. TURCOTT. The USGS, frankly, will have to answer that question, sir.

Mr. VETTERICK. The USGS is not scheduled to take over the Husky Oil contract until June, so right now it is still under the Department of the Navy. In order to prevent change orders, the operator, the contractor, is required to submit an operating plan in the spring for the following winter's operations. That is what we orient ourselves and our activities to; that is, where does he plan to operate next winter. That then directs our efforts, both BLM's and the Geological Survey's; ours from the surface value standpoint and theirs from the subsurface value; namely, oil and gas. We work out the stipulations that will go in for that year's operating plan so there won't have to be change orders and Husky knows in advance what they are required to do to protect the surface values. Where they are to get the gravel and where they are to get their water for ice roads and that sort of thing is known well in advance of their operations. And that is the whole orientation of this program, Mr. Chairman.

Mr. TURCOTT. Nevertheless, Mr. Chairman, I don't want to give the idea that it is cast in concrete for next winter's operations. Your question is well taken for flexibility.

TRANS-ALASKA PIPELINE MONITORING

Senator DECONCINI. Your pipeline monitoring, the change in that, you have not asked for funds to monitor the Alaskan pipeline, since that project is supposed to go operational in the current fiscal year. Is that still a valid expectation?

Mr. TURCOTT. Yes, sir. There are funds asked for monitoring, if I heard you properly. The pipeline goes into operation late this fall and on into the winter.

Senator DECONCINI. This year. Do you still expect that to occur?

Mr. TURCOTT. Yes; we anticipate a program of about $3,150,000 for monitoring in fiscal year 1978.

Senator DECONCINI. Those are your continuing pipeline monitoring responsibilities as funded in the 1978 budget?

Mr. TURCOTT. Yes, with this $3-million-plus estimate which is going to involve monitoring the operations along the pipeline. In addition to that we have asked that this appropriation be transferred to the newly requested service charges, deposits and forfeitures account. It will see that such things as the roads kept up, are there any oil seepages at the main pumping stations, are the personnel of the pipeline company using ground vehicles at the wrong time on the soft tundra, and that sort of thing.

Senator DECONCINI. Is that done year around, that monitoring?

Mr. TURCOTT. Yes, sir. And it will be continued as a program so long as the pipeline is in operation.

NEW DIRECTION IN PUBLIC LAND MANAGEMENT

Senator DECONCINI. I would like to turn, Mr. Turcott, to some of the policies of your Department. BLM has presented us with a somewhat bewildering array of the number of changes that significantly alter your budget program for 1977. It reflects a major shift continuing in 1978 for management, planning and studies.

Is BLM in danger of drifting away from its basic mission of managing the public land resources in your opinion?

Mr. TURCOTT. No, sir. I think that proper funding and the policy direction of Congress through the Public Land Policy and Management Act and some of the other acts that impact on the management of public lands, such as the National Environmental Policy Act, the Threatened and Endangered Species Act, the Air and Water Quality Acts, and so forth, that the Bureau is finally getting at management. It has the platform to do it. What we are finding is that in too many of the functional areas, such as wildlife, range management, watershed, some of our recreation activities, we have just been going along at a custodial level.

A frightfully low number of cents per acre, for instance, is spent in the range management program, and we are now starting to pay the price. But I don't think all is lost. I think we have the platform. This is going to require inventories. For instance, the only basic inventories we really ever had on the rangelands is forage or for the forest, timber data. We don't have soil site productivity, we don't have the aspects of rangeland inventory for wildlife habitat. Our recreational-type inventory is largely geared to land use. So that is why some of this money is being requested. We cannot do the job according to the principles of the Federal Land Policy and Management Act without adequate input.

The dictates that are put in there depart from our old type of custodial management. Anyone who reads that act must realize that the principles and goals and objectives, right down to procedural requisites for land transactions, wilderness and so forth, that the process to keep it all together, the glue, is land use planning.

This requires data, inventories, modern, up-to-date assessments and it provides a tremendous need for data management, data handling, instead of trying to do it by old hand-colored maps and tabular statistics. We have to get into the 20th century, into computer applications for resource management. We have it in our administrative processes but not on behalf of the resources themselves.

So I have come down pretty hard on your question. It may be strange for some people to understand, a lot of our western constituency does not understand why the need for all this money and this approach because of the change. Aren't things going to be pretty much the same? They will only be the same if the Bureau does not secure the funds on an evolutionary basis to carry out the principles of the act, because that act requires change.

RANGE MANAGEMENT

Senator DECONCINI. When you talk about your western constituents, I happen to have a few of those, and they get very concerned about the land lease program of BLM, how they are not consulted or asked to respond to new rules or regulations on leasing, particularly on limiting livestock. I find it very difficult to answer those questions, and I find your regional people very nice in attempting to be very helpful, but they seem to have their hands tied with the directives from Washington that these new rules are going to be promulgated or existing rules are going to be enforced reducing livestock grazing on BLM leased land. For the life of me, I can't conceive of this, and I wonder if your people have really been out there and if you have a feeling of what it is really like to fly over some of those ranches and to drive through them and see that these people don't overgraze, because for the most part that is their business and they are doing the best they can. If they overgraze, they are hurt the next year.

PUBLIC INVOLVEMENT IN DECISION MAKING

Mr. TURCOTT. You have about three major questions there. The first, as I understand it, is the public involvement, the interface with our clientele groups, and this is an age-old problem. I won't try to sit up here and deny that on occasion we may have moved too rapidly or we have not involved the public or the particularly interested resource groups.

Sometimes it is just an oversight on our part and sometimes it is something you can't do anything about. Sometimes there is a statutory deadline and sometimes we are required to do it by the Department. The BLM Organic Act in eight different places stresses public involvement, public participation, and we have it firmly inculcated and institutionalized in all of our instructions.

I sometimes think, sir, if I can be a little humble, that we are not always perfect in carrying it out. I sometimes think one should be cautious in terms of dealing with somebody that has a commodity interest and his livelihood is dependent upon a commodity interest. He may very well have had an opportunity or may have participated through the public involvement process in rules and regulations and policies as they apply to his specific area and he did not get his way so he claims lack of cooperation or the more personal charge, "I did not get a chance."

I have been at this 30 years, I am a listener. I am from a State just to the north of you, Nevada. I have spent 30 years dealing with this very kind of thing.

I am not about to say that we are perfect, but we make an honest effort.

Senator DECONCINI. I don't think you are perfect, either, and quite frankly, I agree with you. Sometimes when ranchers don't get their way they obviously get biased. What bothers me is that I have talked to so many of them in Arizona and if some of them out there speak highly of BLM, I have yet to come across them. And I don't think that speaks well for your public relations with the hundreds of ranchers that I have talked to.

83-107 (Pt. 4) O - 77 - 16

Mr. TURCOTT. I will tell you the reason, sir. The western rancher operating under the Taylor Act since it was passed in 1934 and operational in 1935, clear on up into the 1960's pretty much had that range out there to himself. Then the people of the United States through the Congress started saying there are such things as environmental concerns, water pollution, endangered species, esthetic values. We have money now, we are going to go out and recreate on these lands. We are going to hunt and fish, and we are going to just go out and look. And what we look at we don't want scarred up and we don't want it overgrazed.

The way I put it in terms of a real Nevada analogy is that there is a cowboy out there in his saddle but there is somebody else with him that is a wildlife enthusiast, the recreational enthusiast, the environmentalist.

Senator DECONCINI. Do you realize, Mr. Turcott, that same cowboy builds ponds that provide water for other animals that are out there, for birds to land, for all different kinds of things that are just what you are saying. He is out there with someone else and he has an interest, although it is secondary to his ranching interest, and I realize that.

It just concerns me a great deal, and I express this for my constituents in Arizona, that they don't feel that your office listens to them. Or when they do listen to them the decision is already made and your answer is, "I'm sorry, we can't do anything; we are going to have to cut back because of the rules and regulations that have been promulgated."

I wonder if anyone from here goes out and talks to those ranchers besides just the Arizona representative.

Mr. TURCOTT. I am out that way often and so are others, some of them at this table.

Senator DECONCINI. Take Mohave County, if you know where that is. There is a tremendous problem there. I have been over it just recently and for the life of me I can't see any scarring or overgrazing, although I am not a cattleman or conservationist. Those ranchers for the most part have not had an opportunity until after the new rules are promulgated to study the new rules as to the restrictions on cattle per acre. That is their livelihood and they don't feel that they have an input. This is not just a single rancher, I talked to 14 or 20 of them in December.

PROPOSED LIVESTOCK GRAZING REGULATIONS

Mr. TURCOTT. I would be careful of the factual base that they are talking from because it has been well known through press releases and also in stockmens' meetings that the promulgation of the grazing regulations have not been basically modified since 1936. There will be a big public meeting in Salt Lake City on our revised regulations next month, in April. We are hoping that at least the leadership will come from the various public western range livestock groups. We have the Sunshine provision so we have also asked all the conservation groups to come, too.

I have promised the National Advisory Board, and the Director concurs, that the proposed regulations be taken out to the grassroots—

to the little schoolhouses, to the meeting halls, where every rancher will be given an opportunity to come in and have it explained to them in the best layman language we can and to make input to these rules.

Senator DECONCINI. That is really good, and I compliment you for doing that. What I would really like to ask you is, are they going to have an opportunity to have some input before you draw the rules and say, "Here they are, folks, and we will explain them to you"?

Mr. TURCOTT. They already have, and that is what kind of bothers me, sir. Maybe not the "John Smith" rancher that talked to you, but his leaders in the community of ranching, or those in the statehouse have made an input. They suggested regulation changes under the Taylor Act that, now coming up, are the cause for much concern. They have been in the development stages for years and we have been working at meeting after meeting with the livestock leadership.

Senator DECONCINI. The confrontation comes after you've done all this work and come to the conclusion that you have to reduce the cattle and they don't agree with you. Is that a fair estimation?

Mr. TURCOTT. Sometimes you will have a reduction of livestock, especially in the low-rainfall years like the last 2 or 3. But our point is this. We have not begun to practice range management as a science on the western ranges. We have done it like they did it in 1890. There is so much to do and learn, and we have to do this working mutually with the rancher in developing what we call an allotment management plan. It is not considered an approved plan by the Government until that rancher signs it. He has to participate.

Senator DECONCINI. I hope you exercise your willingness to listen to the ranchers because it is a severe problem to them and they don't feel—I can tell you that sincerely—they don't feel that you have a sympathetic Department that is interested in maintaining the land without scarring it and abusing it, but also permitting the use of it under the Grazing Act.

We will go on; that is sufficient.

COST OF PLANS, STUDIES AND DATA COLLECTION

How much in total is contained in your 1978 operating budget for plans, study and data gathering? Do you have that broken down?

Mr. TURCOTT. No, sir, not in that fashion.

Senator DECONCINI. Can you break that down for us?

Mr. TURCOTT. Certainly, we can provide that for the record.

[The information follows:]

PLANNING AND DATA COSTS

Plans, studies and data gathering cost items shown in the budget for Planning and Data Management Activity are:

Item description	*Cost (millions)*
Planning for multiple use management	$7.4
Data management	12.7
Special studies (California Desert, NPR–A, BLM Management study	4.0

Data gathering and inventories are carried out within each resource program activity or subactivity, for example, minerals, range, forestry. Some special studies are conducted within these program areas by contracting with universities or other Federal Agencies. The total cost to collect inventory data is estimated at $7 million in fiscal year 1978.

COST OF ENVIRONMENTAL WORKLOAD

Senator DECONCINI. One number you should be able to produce is the total funding in 1977 and 1978 devoted to environmental paperwork. We would like to have that with a comparison to what it was some years back, if you have any studies on that.

Mr. TURCOTT. We have it, and I would like to be able to give it to you orally, because it is a staggering figure.

Senator DECONCINI. Yes, I imagine it is.

Mr. TURCOTT. As I recall it is about 25 percent of our operating budget.

Mr. VETTERICK. For environmental compliance work which we define as doing environmental assessments, impact statements, and associated support work in the 1978 budget is about $23.2 million. We also have some corollary programs that are environmentally related such as, for example, our OCS baseline and special studies. That is another $55.1 million projected in fiscal 1978.

Then if you include, for example, the trans-Alaska pipeline, the monitoring of that pipeline as an environmental program, that is another $3.2 million. So the three items I have mentioned, that is the basic compliance with NEPA, the OCS studies and trans-Alaska pipeline, those programs alone come to $81.5 million in fiscal 1978, which is a substantial part of our budget.

Senator DECONCINI. What is that compared to 5 years ago, if you have any idea? Just an estimation.

Mr. VETTERICK. Five years ago we had no such thing as baseline studies on the Outer Continental Shelf. We were just beginning to become aware of the implications of the National Environmental Policy Act. I would guess that that amount would have been less than $5 million, if even that, sir.

Mr. TURCOTT. There is one thing on this that I always caution against because some people use it improperly. Wildlife management for example, if it is done properly, should be highly environmentally oriented. So some of these figures are very hard to define that they are x times more than they were 5 or 6 or 10 years ago. There is always a degree of subjectivity here.

SKILLS NEEDED FOR PUBLIC LAND MANAGEMENT

Senator DECONCINI. We note with interest the comments in your statement on the expanded role of BLM, even into such areas as socioeconomics. Would you define that role? And is it in your opinion expanding?

Mr. TURCOTT. Yes, it is. There is no way we feel that we can make proper resource management decisions, albeit we have the best biological data, the best mineralogical data, the best professionalism on our staff, and the best laymen, citizen input, unless we have professional socioeconomic inputs as to the effects of our programs, even though some of this has to be done through this concept of scenarios or alternate strategies, whatever you want to call it.

In our planning process we have state socioeconomic analyses done, usually by contract through State university people. We have some sociologists on our staff to interpret this work or talk to professional sociologists on the outside. The same is true with economists. We have policies, for instance, in range management and timber management. Before certain actions are taken in these programs there has to be cost benefit studies done. This is professional economics.

In addition to that, I think the Public Land Policy and Management Act certainly calls for the upgrading of socioeconomics in decision-making. One of the areas most important right now, where there has been so much controversy—and in fact, we lost a lawsuit in New York State last month—concerns the sociology and economics of the Outer Continental Shelf. The oil and gas leasing program and the bringing of these resources onto the shore must be properly assessed. As the judge said, as far as bringing it onshore and that impact, both environmentally, socially and economically that we were deficient. We don't quite agree with him, but that is what he said. So that just shows you the importance of it.

AGENCY COORDINATION

Senator DECONCINI. The BLM is getting more deeply into many other areas that you mentioned, archeology, hydrology, geology, and on and on. There are, as you know, other agencies in the Interior Department that specialize in these particular areas. What is the justification for the BLM to become expert in these areas when you have the expertise in other agencies or other departments?

Mr. TURCOTT. This is a classic question, not only here but in the Department, also. I don't know if it is ever satisfactorily answered and I will not approach it from a manpower standpoint first. I am going to try to approach it differently.

The public lands are for the most part in large contiguous blocks and are managed as a wholism. When we do our land use planning we must deal with archeology, cultural resources, watersheds, hydrology, wildlife, minerals, open space, and so on. There is just no way that we have found where we can universally and substantially ask Fish and Wildlife Service, the Park Service, the USGS to do all of this work for us and give it to us when it is needed. There have to be some of these people, as you mentioned earlier, out there on the ground, kicking around on the rocks, looking for themselves.

That does not mean that we don't get a lot of expert advice, interpretation and, help with our professional manuals and so forth from others. And in some cases the final determination, such as USGS on mineralogical classification, is with others; they have to do it by law and by departmental charter. But we have to help them.

If there is a wildlife expert over in a wildlife refuge, say one of them in Arizona, the Kofa Game Range, and we have 6 or 7 months of intensive wildlife management work to do up around Yuma and he is all tied up with his requirements and his program, we can't ask him to move 500 miles and do this job. That does not mean that one way or another we don't have a lot of interaction with Fish and Wildlife Service in fish and wildlife matters. As a matter of fact, their Office of biological services is doing a lot of regional fish and wildlife surveys.

I think they will be up here justifying their appropriation to do this kind of work on a regional basis and they will take advantage of that. But that is not onsite data where we have to have it in our local planning and decisionmaking.

COORDINATION WITH STATE AND FEDERAL AGENCIES

Senator DECONCINI. Do you have any procedure where, in the instance you just gave, that you would talk to the fish and game and other departments before you decided to commit your resources to go and do the study? Can you check the State fish and game, or wildlife, or anybody else to see whether somebody is out there for that program in the future that could be helpful to you?

Mr. TURCOTT. I think our closest State government working relationships now, has been for many, many years and I hope will continue in the future is with the State fish and game departments. We have long had very good working, detailed agreements with each State fish and game department. We have always felt they where responsible for management of the animals in the State.

The BLM on the public lands manages the habitat, so we have to have an interface and we do. We do talk to them on this kind of thing and there are very fine technologists on their staff. For many years until we got some appropriations for wildlife people of our own, that is about all the help we did get.

Senator DECONCINI. What procedure do you have to work with agencies in your own department like Fish and Wildlife, Park Service, Geological Survey? Do you contact them before you decide to commit your resources to do a study or to do something?

Mr. TURCOTT. Yes. We have departmental agreements, departmental policy requires this.

One point I did not mention in our State relationships was the Sikes Act and the Sikes Act Amendment efforts where in we work cooperatively with the State on specialized Sikes Act programs and in critical wildlife management areas. That is a new thing. And I think in terms of the numbers of agreements we have worked out and are starting to implement through some funding of our wildlife program, I think we are in the lead government-wide in working with the States on wildlife matters.

SOCIO-ECONOMIC SKILLS IN BLM

Senator DECONCINI. How many people in the BLM are working full time on pursuits such as socioeconomics? Can you identify that?

Mr. TURCOTT. I will have to furnish that, sir. We can identify them.

Senator DECONCINI. Would you, please?

[The information follows:]

FULL-TIME BLM POSITIONS DEDICATED TO SOCIOECONOMICS

The following is a tabulation of socioeconomic skills in the Bureau as of February 26, 1977:

Economist	49
Soiciologist	8
Social science program analyst	2
Total	59

PAYMENTS IN LIEU OF TAXES

Senator DECONCINI. I would like to ask you a few questions on the in lieu of taxes payments. Does the BLM plan to make payments in the same quarter each year to the counties to avoid double payments that may cause serious budgeting problems?

Mr. TURCOTT. I would like to defer to our Assistant Director for Administration, Mr. Petty.

Mr. PETTY. That will depend largely on the timing of the appropriation. We hope and fully expect this year to get the initial payment that is called for in the act in the 1977 fiscal year made by September. In future years it would be closely tied to the appropriation itself, when the money becomes available.

To answer more specifically your question, it would fall pretty close to the same quarter. We fully recognize the problem that counties and States have in budgeting for these receipts. We recognize that, we have talked with them. Hopefully the process can be timed where they will know when the money is coming and can count on it.

Senator DECONCINI. For the most part I can compliment the Department, at least from Arizona's standpoint. From what I gather there is a real willingness to attempt to work with the counties there. It is quite pleasing to some of the county officials I have talked to that the Department responded as helpfully as they did, even though there were some problems in implementing it the first year.

Has the BLM received reports from each State for public land payments that are deducted in section 4 of Public Law 94–565?

Mr. PETTY. No, sir, we have not.

Senator DECONCINI. Have you requested those reports?

Mr. PETTY. I had hoped to have it out by now, but we have just cleared the regulations to implement this act in final form from the Solicitor's Office and those should be published in the very near future. Now that this is done, we have gotten the go with the request to the various State governments.

Senator DECONCINI. When do you plan to do this?

Mr. PETTY. I had hoped to do it by March 15. Obviously we did not meet that. Hopefully within the next month we can do that.

Senator DECONCINI. Without the reports, as you can appreciate, the counties have a delay in their budgeting. Obviously you are aware of that if you have a target date so soon.

Mr. PETTY. Most of them we have talked to and they are already alerted to the type of questions we are going to ask.

Senator DECONCINI. So they can do some preliminary preparations?

Mr. PETTY. Some of them have done quite a bit of preparation and, hopefully, they will have their answers by the time we get the questions out to them.

SECTION 3 PAYMENTS

Senator DECONCINI. I compliment you for giving them that leadtime. Have section 3 payments been completed yet?

Mr. PETTY. No, sir, they have not. We expect to get the information from the Forest Service by May 1, and from the Park Service, hopefully by June 1, so that we can make those payments along with the section 1 payment.

Senator DECONCINI. When does the 5-year period allowing for section 3 expire?

Mr. PETTY. As we read the act, that does not expire especially as new land acquisions may be acquired.

Senator DECONCINI. In connection with this in lieu of tax program it appears a supplemental request will be appropriated shortly. As a matter of fact, it was considered yesterday in the Senate.

Are you ready to move with this program?

Mr. PETTY. Yes, sir, we are.

Senator DECONCINI. You are able to handle that if it came out within the next couple of weeks?

Mr. PETTY. Yes, sir. We have done an awful lot of work, an awful lot of weekend work in preparing for this. It came unexpectedly but I think we have made up some lost time and we will be able to move ahead.

PAYMENTS TO LOCAL AND STATE GOVERNMENTS

Senator DECONCINI. BLM now seems to be the agency to ask the question: What are the total payments to States and local governments from Federal lands and associated Federal activities? For the record provide a detailed breakdown for 1976, 1977, and 1978.

Mr. TURCOTT. In fiscal year 1976 the BLM paid almost $173 million to States and local governments as their share of BLM receipts. As you request, we will provide a detailed breakdown for the record.

[The information follows:]

Payments to States and Local Governments - Funds $000

Department	Item	FY 76	FY 77	FY 78
Interior	Payments to States (proceeds of sales)	715	124	496
	Payments to States from Grazing Receipts	1,289	160	2,044
	Payments to Coos Bay and Douglas Counties	1,629	1,700	2,200
	Payment to O&C Counties	49,348	29,563	82,500
	Payment to States from Mineral Leasing	119,601	108,213	177,821
	Payment to Counties, National Grasslands	275	290	336
	Oklahoma (royalties)	8	--	2
	Payment to Counties under National Wildlife Refuge Fund	3,035	4,850	3,300
	Education Expenses, Children of Employees Yellowstone National Park	381	295	475
	Payments to State of Wyoming, in Lieu of Taxes on Lands in Grand Teton NP, National Park Service	25	25	25
	Claim and Treaty Obligations, Bureau of Indian Affairs	762	200	200
	Office of Comptroller for Guam	600	441	336
	Internal Revenue Collections for Virgin Islands, Territorial Affairs	17,284	19,000	20,000
	Payments in Lieu of Taxes	--	100,000	100,000
	Colorado River Dam Fund, Boulder Canyon Project - Payments to States of Arizona and Nevada	600	600	600
	Payments to Farmers Irrigation District (North Platte Project, Nebraska-Wyoming)	8	8	8
	Payments to Local Units, Klamath Reclamation Area	123	125	140
	Land and Water Conservation Fund - Appropriations to States	175,739	175,303	351,635
Transportation	Public Lands Highways, 23 USC 209 Authorization	16,000	16,000	16,000
Agriculture	Payments to Minnesota	259	65	259
(USFS)	Payments to Counties, National Grasslands	986	990	1,000
	Payments to School Funds, Arizona and New Mexico	77	38	150
	Payments to States, National Forests Fund	87,794	48,946	189,120
	Total	476,538	506,936	948,647

In addition, based on the amount of public lands included in states, they also realize a savings in the percentage of matching funds they have to provide for highway construction. Savings realized by states having public lands comprising over 5% of total acreage amount to the following: FY 1976 $94,329,000; FY 1977 $89,568,000. FY 1978 can be estimated to maintain approximately the FY 1977 level of savings.

BUDGETARY IMPACT OF NEW LEGISLATION

Senator DECONCINI. Your statement mentioned the impact of new laws on your budget which I can appreciate; the Federal Land Policy and Management Act, coal leasing amendments and so forth.

What is the total impact of the new laws, in dollars, in your 1978 budget request?

Mr. VETTERICK. The impact in the 1978 budget is substantial. Starting with the amendment to the Native Claims Settlement Act, I believe we are asking for a lands and realty increase of about $2.6 million. For a cadastral survey, about $1.5 million, which is also the subject of a fiscal year 1977 supplemental. That Cadastral survey request is not specifically related to new legislation but it is a means of expediting conveyance of lands to the Native people in Alaska.

For Petroleum Reserve No. 4, the act establishing NPR–Alaska has budgetary implications that we discussed earlier; in fiscal year 1978 about $3.7 million which covers both the planning and the surface management of that area.

The amendment to the Wild and Scenic Rivers Act which added to our responsibility 150 miles of the Upper Missouri, the budgetary impact is anywhere from $100,000 to $200,000.

When we get into BLM's Organic Act, it is a little more complicated. We have budgeted half a million dollars, for example, for withdrawal review which is a requirement of that bill. We have budgeted $1 million for the California Desert planning where there is a 1980 deadline in submission of a management plan.

We have budgeted $1.9 million for wilderness review which also has congressionally mandated time limits. We just discussed the $100 million for payment in lieu of taxes which is the result of another bill. There is also in President Carter's amendment a $40 million item that relates to mineral impact loans. That has not been formally requested yet in our budget pending congressional action on amending the BLM Organic Act to increase the rate of interest and possibly set an upper limit on that loan account.

I have not tallied these in my head but there are several tens of millions of dollars involved in this budget as a result of the action by the last session of the 94th Congress.

Mr. TURCOTT. We will be glad to refine his oral presentation and present it.

Senator DECONCINI. I would like to see it for the record if you would supply that.

[The information follows:]

FUNDING FOR IMPLEMENTATION OF NEW LEGISLATION

The Fiscal Year 1978 Budget includes increase funding for programs primarily intended to implement new legislation as listed below. Fiscal Year 1978 Budget requirements for the 1978 Coal Leasing Amendments Act (P.L. 94–377) are not included on the list. This is because we did not need to change the funding level from that required under the Department's coal leasing program announced prior to passage of the amendments.

Public Land Policy and Management Act—Public Law 94–579;[1] $500,000 for review of existing public land withdrawals; $400,000 to establish District grazing advisory boards; $1,200,000 for interim management in the California Desert; $1,200,000 for the review of existing primitive and natural areas for possible wilderness designation; $1,000,000 for a long range study of management objectives, programs, and regulatory requirements under the Act; $250,000 for law enforcement contracts and training;

[1] Excludes $40.0 million for Mineral Development Impact Loans for separate transmittal based on proposed legislation.

$2,000,000 for initial capitalization of a BLM Working Capital Fund. Subtotal $6,550,000.

Alaska Native Claims Settlement Act Amendments of 1976—Public Law 94-204; $2,665,000 for the Cook Inlet settlement, case backlog reduction, and related lands and realty program activities; $1,560,000 for cadastral survey program acceleration. Subtotal $4,225,000.[2]

Naval Petroleum Reserves Production Act of 1976—Public Law 94-258; $2,755,000 for land use planning for the National Petroleum Reserve—Alaska.[3]

Public Law 94-565 (No Title—Payments in Lieu of Taxes Legislation); $100,000,000 for payments to counties in which Federal entitlement lands are located.[4]

Grand Total $113,530,000.

CREATION OF A DEPARTMENT OF ENERGY

Senator DECONCINI. Congress seems headed toward the creation of a new Department of Energy, as I am sure you are aware, proposed by President Carter. As that department is envisioned in the President's plan, how would your energy-related programs be affected?

Mr. TURCOTT. As best we can determine now, it is not too significant. But I think that is because we are dealing with the general language of the President's mission. What must eventually come is some interpretations and definitions of key words such as coordination, goal setting, scheduling, and so forth.

There isn't any question about it that there is going to have to be an awful lot of coordination with any such new department. And as new policies are developed by the new department it could very well affect our operating programs.

For instance, they might say, that there will be accelerated scheduling in some minerals or energy area that will have an impact on us. But as of now we are saying there is zero budget impact and no transfer of funds or positions is contemplated.

I think I would have to defer answering the question until I see what the Congress finally works out when they start including the "except for's" and "provided" language.

Senator DECONCINI. Isn't it true that at least the portion of BLM's energy leasing program involved in policy decisions, as I understand it, would go to the new Department?

Mr. TURCOTT. Certainly we deal with policy and we have relatively few people, that are involved with policy recommendations and development. We work with the Department on that where there is a complement of people that does that. It is not a big group or really a significant thing and I just can't see those people being transferred to the Department of Energy at this point.

Senator DECONCINI. You do not anticipate duplication from the Department of Energy with some of the energy leasing programs that you have?

Mr. TURCOTT. Not as far as the Bureau of Land Management is concerned.

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[2] Pending passage of a fiscal year 1977 supplemental request, $2,400,000 of this amount would be available in the current year.

[3] Pending passage of a fiscal year 1977 supplemental request, $3,855,000 would be available for this program in the current year.

[4] A supplemental of $100 million is also pending for fiscal year 1977.

ADVANCED CHANGES IN THE FISCAL YEAR 1977 BUDGET

Senator DECONCINI. Your budget as presented is based on substantial changes that are proposed but not yet approved by the Congress. Why do you reflect these changes in your 1977 numbers before the fact? Could you give us some explanation?

Mr. TURCOTT. I would like to have the budget officer discuss this.

Senator DECONCINI. You get the hard ones.

Mr. VETTERICK. It is a fairly easy one because, Mr. Chairman, BLM did not recommend that the 1977 budget be revised for proposed reprograming actions until such time as the Congress acted. There was a great deal of discussion on this between us and OMB at the time the Ford budget was being put together. We were finally told that you must, you will change the 1977 budget to reflect the proposed reprograming.

But the Bureau did not concur in that decision and in all honesty, I think it was a mistake since we do not revise our budget for supplementals until the Congress acts. We did not feel it was proper to reflect reprograming actions that had yet to be approved by Congress but we lost that battle and our budget now, of course, as originally submitted to this committee is in error because the Carter amendments to that budget have changed some of those reprograming actions.

Senator DECONCINI. It is very difficult to compare your 1978 budget to the approved 1977 program, as I hope you can appreciate from our standpoint.

I would like to have you submit for the record a statement displaying the existing 1977 program. Can you do that?

Mr. VETTERICK. Yes, sir, we will reconcile the differences in the original 1977 budget and the 1977 budget as it is now proposed and try to resolve those differences in the record.

Senator DECONCINI. And make comparison to the 1978 budget request, including the pay supplemental.

Mr. VETTERICK. Yes, sir. We will provide that.

Mr. TURCOTT. I want to be sure we have it straight. You said describing the 1977 program, then we started talking about crosswalks and comparisons.

Senator DECONCINI. First I would like a breakdown of the 1977 programs. Then I would like a comparison to the 1978 budget. You had a breakdown on a subprogram basis similar on page 12 which was clear to us, but we do not have a good breakdown as to what your 1977 programs are and how they compare to your 1978 programs. We would like to have that.

Mr. VETTERICK. Yes, sir.

[The information follows:]

MANAGEMENT OF LANDS AND RESOURCES - Analysis by Activities, Subactivities and Components (in thousands)

Activity/Subactivity and Component	1977 Appropriation* (1)	1977 Pending Reprogramming (2)	1977 Base (Col.1+Col.2) (3)	1978 Requested Increase/Decrease (Ford Budget) (4)	1978 Carter Amendments & Reprogramming (5)	1978 Total (Col.3+4+5) (6)
- Energy & Minerals Mgmt.						
Energy Minerals Onshore	$25,324	$ +400	$25,724	$+7,260	$ —	$32,984
Oil & Gas Leasing	(8,061)	(+500)	(8,561)	(+1,160)	—	(9,721)
Coal Leasing	(14,081)	—	(14,081)	(+6,100)	—	(20,181)
Geothermal Leasing	(2,574)	(-100)	(2,474)	—	—	(2,474)
Oil Shale Leasing	(608)	—	(608)	—	—	(608)
Energy Minerals Offshore	58,050	-1,500	56,550	+2,000	-1,000	57,550
Non-Energy Minerals Onshore	5,540	—	5,540	+1,080	—	6,620
Mineral Materials	(1,929)	—	(1,929)	—	—	(1,929)
Mining Law Administration	(1,613)	—	(1,613)	(+880)	—	(2,493)
Non-Energy Mineral Leasing	(1,998)	—	(1,998)	(+200)	—	(2,198)
Pay Increase Annualization	—	—	—	+141	—	141
Activity Total	$86,914	$-1,100	$87,814	$+10,481	$-1,000	$97,295
- Lands & Realty Mgmt.						
Lands & Realty Operation	$28,918	$ -300	$28,618	$ -3,884	—	$24,734
Status & Records Mgmt	(7,191)	(+700)	(7,891)	(+200)	—	(8,091)
Energy-Related Realty	(13,851)	(-1,000)	(12,851)	(-7,249)	—	(5,602)
Non-Energy Related Realty	(7,876)	—	(7,876)	(+2,665)	—	(10,541)
Withdrawal Review	—	—	—	(+500)	—	(500)
Trans-Alaska Pipeline	7,761	-500	7,261	-7,261	—	—
Pay Increase Annualization	—	—	—	+74	—	74
Activity Total	$36,679	$ -800	$35,879	$-11,071	$ —	$24,808
- Renewable Resources Develop.,Protect.&Mgmt.						
Forest Mgmt.	$ 6,241	—	$ 6,241	$ -73	$ —	$ 6,168
Forestry, Public Lands	(4,927)	—	(4,927)	(-73)	—	(4,854)
Forestry, Western Oregon	(1,314)	—	(1,314)	—	—	(1,314)
Range Mgmt.	24,173	—	24,173	+326	—	24,499
Livestock Mgmt.	(21,836)	—	(21,836)	(+326)	—	(22,162)
Wild Horse & Burro Mgmt.	(2,181)	—	(2,181)	—	—	(2,181)
Endangered Resource Protection	(156)	—	(156)	—	—	(156)
Recreation Mgmt.	5,889	800	6,689	+2,378	—	9,067
Recreation Resource Mgmt.	(4,726)	(+800)	(5,526)	(+2,378)	—	(7,904)
Cultural Resource Mgmt.	(913)	—	(913)	—	—	(913)
Visual Resource Mgmt.	(250)	—	(250)	—	—	(250)
Soil, Water, & Air Mgmt.	10,989	—	10,989	+378	—	11,367
Wildlife Habitat Mgmt.	5,381	—	5,381	-2	—	5,379
Fire Mgmt.	8,304	—	8,304	—	—	8,304
Pay Increase Annualization	—	—	—	+90	—	90
Activity Total	$60,977	$+800	$61,777	$+3,097	—	$64,874

*Includes pending pay costs supplemental; excludes pending program supplementals for firefighting ($35 million), Alaska Native Claims Settlement Act amendments ($2.4 million), and National Petroleum Reserve-Alaska planning ($3.855 million).

MANAGEMENT OF LANDS AND RESOURCES - Analysis by Activities, Subactivities and Components (in thousands)

Activity/Subactivity and Component	Appropriation* (1)	1977 Pending Reprogramming (2)	1978 Base (Col.1+Col.2) (3)	1978 Requested Increase/Decrease (Ford Budget) (4)	1978 Carter Amendments & Reprogramming (5)	1978 Total (Col.3+4+5) (6)
- Planning & Data Mgmt.						
Planning for Multiple Use	$ 8,322	$+1,100	$ 9,422	$+1,000	$+1,755	$12,177
Data Mgmt.	9,711	--	9,711	+2,960	--	12,671
Pay Increase Annualization	--	--	--	+40	--	40
Activity Total	$18,033	$+1,100	$19,133	$+4,000	$1,755	$24,888
- Cadastral Survey						
Alaska	$ 8,419	--	$ 8,419	$+1,560	--	$ 9,979
Other States	7,275	--	7,275	+440	--	7,715
Pay Increase Annualization	--	--	--	+30	--	30
Activity Total	$15,694	--	$15,694	$+2,030	--	$17,724
- Firefighting & Rehabilitation						
Firefighting	$ 4,150	--	$ 4,150	--	--	$ 4,150
Rehabilitation	600	--	600	--	--	600
Activity Total	$ 4,750	--	$ 4,750	$ --	$ --	$ 4,750
- Administration and Enforcement						
Administration	$ 3,329	--	$ 3,329	$ +170	$ --	$ 3,499
Enforcement	361	--	361	+250	--	611
Pay Cost Annualization	--	--	--	+17	--	17
Activity Total	$ 3,690	--	$ 3,690	$ +437	$ --	$ 4,127
TOTAL APPROPRIATION	$228,737	--	$228,737	$ 8,974	$ +755	$238,466

*Includes pending pay costs supplemental; excludes pending program supplementals for firefighting ($35 million), Alaska Native Claims Settlement Act amendments ($2.4 million), and National Petroleum Reserve-Alaska planning ($3.855 million).

AMENDMENTS TO FISCAL YEAR 1978 BUDGET

Senator DECONCINI. Although President Carter has sent up several amendments on your budget, it is primarily the Ford administration budget. Is that correct, or is this a substantial change?

Mr. VETTERICK. There were the changes in the reprograming proposals that we just discussed. There are also amendments proposed.

Senator DECONCINI. Two amendments, I think.

Mr. VETTERICK. There is one amendment with regard to the national petroleum reserve—Alaska planning effort in the amount of $775,000. That is now reflected in our budget request. I think the second budget amendment to which you are referring is the $40 million mineral impact loan program. That is not being fully advanced at this time pending congressional action on certain changes.

COMPARATIVE BUDGET SUBMISSIONS

Senator DECONCINI. What we need to answer the question fully is the detail of your original budget submission. For the record give us a rundown by account and activity of your initial budget request for 1978 showing how much the Department allowed and the OMB allowance. If that is there, we didn't get it. Maybe it is, but if you would give that to us, we would appreciate it.

Mr. VETTERICK. Yes, sir, we will provide that.

[The information follows:]

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

Comparison of FY 1978 Annual Definite and Indefinite Appropriations Proposals

Departmental Submission to OMB - President's Budget to Congress
(In thousands of dollars)

Appropriation/Activity	Departmental Submission to OMB Total thru Nov. 4, 1976	Amendment Requested	Subsequent Request for Pay Raise Require-ments	Total Submission to OMB	President's Budget Submission to Congress January 1977
MANAGEMENT OF LANDS AND RESOURCES					
I. Energy and Minerals Management					
A. Energy Management, Onshore	(33,488)		(771)	(34,259)	(33,069)
1. Geothermal Leasing	2,214		404	2,618	2,518
2. Oil and Gas Leasing	10,578		262	10,840	9,750
3. Oil Shale Leasing	593		17	610	610
4. Coal	20,103		88	20,191	20,191
B. Energy Management, Offshore	(59,800)		(281)	(60,081)	(58,581)
C. Non-Energy Minerals Management	(6,414)		(231)	(6,645)	(6,645)
1. Patent Process	2,424		78	2,502	2,502
2. Mineral Leasing	2,119		88	2,207	2,207
3. Sale of Minerals	1,871		65	1,936	1,936
Subtotal, Energy & Minerals Mgmt.	(99,702)		(1,283)	(100,985)	(98,295)
II. Lands and Realty Management					
A. Land Status and Records	7,326		390	7,716	8,116
B. Energy Casework	13,461		417	13,878	5,529 a/
C. Non-Energy Casework	13,305		343	13,648	10,563
D. YAPS	3,651				-0- b/
E. Withdrawal Review	1,031			1,031	500
Subtotal, Land & Realty Mgmt.	(38,774)		(1,150)	(39,924	(24,708)
III. Renewable Resource Development, Protection & Mgmt.					
A. Range	23,754		653	24,407	23,933
B. Forestry	6,037		215	6,252	5,979
C. Recreation	5,815		168	5,983	9,076
D. Soil, Water and Air	11,089		298	11,387	11,283
E. Wildlife	5,329		134	5,463	5,386
F. Protection	8,378		239	8,617	8,317
Subtotal, Surface Resource Use and Protection	(60,402)		(1,707)	(62,109)	(63,974)
IV. Planning for Multiple Use Management					
A. BLM Management Study					1,000
B. Planning for Multiple Use	8,028	3,855	298	12,181	14,281
C. Management Systems	13,387		200	13,587	12,707
Subtotal, Planning for Multiple Use	(21,415)	(3,855)	(498)	(25,768)	(27,988)
V. Cadastral Survey					
A. Alaska	9,833		95	9,928	9,988
B. Lower 48	7,830		366	8,196	7,736
Subtotal, Cadastral Survey	(17,663)		(461)	(18,124)	(17,724)
VI. Firefighting Rehabilitation	(4,750)		(239)	(4,989)	(4,750)
VII. General Administration and Enforcement	(3,356)		(201)	(3,545)	(4,127) c/
Subtotal, Management of Lands & Resources	(245,031)	(3,855)	(5,300)	(251,793)	(241,566)
ACQUISITION, CONSTRUCTION AND MAINTENANCE					
I. Construction and Acquisition	10,200		160	10,360	10,170
II. Maintenance	7,192		96	7,288	7,388
Subtotal, Acquisition Construction & Maintenance	(17,392)		(256)	(17,648)	(17,558)
PAYMENT IN LIEU OF TAXES	(109,000)			(109,000)	(100,000)
OREGON AND CALIFORNIA GRANT LANDS	(45,000)			(45,000)	(45,000)
RANGE IMPROVEMENTS	(8,585)			(8,585)	(8,750)
RECREATION DEVELOPMENT AND OPERATION OF RECREATION FACILITIES	(300)			(300)	(300)
SERVICE CHARGES, DEPOSITS AND FORFEITURES					(11,250)
PERMANENT APPROPRIATIONS	(269,000)			(269,000)	(266,150)
WORKING CAPITAL FUND	(3,000)			(3,000)	(2,000)
TOTAL FEDERAL FUNDS	697,308	3,855		704,326	681,324
TRUST FUNDS	(700)			(700)	(700)
TOTAL FEDERAL & TRUST FUNDS	698,008	3,855		705,026	682,024

a/ $7,249 transferred to Service Charges, Forfeitures and Deposits appropriation.
b/ $3,151 transferred to Service Charges, Forfeitures and Deposits appropriation.
c/ Includes law enforcement function transferred from other subactivities.

Senator DECONCINI. Mr. Turcott, I am going to go back to the sensitive area we were discussing a minute ago, because I have one question in particular I want to ask you.

Under the Organic Act of 1976 you have broad discretionary power within the Department, the Federal Government does, if I am not mistaken. Is there an appeal to those decisions other than going to the court?

Mr. TURCOTT. Yes, there is a provision for the full appeal process. And in several special cases, particular appeal processes are indicated. In only one case, and it is by statute through one sentence in the permits part of the range management section which is not well understood by ranchers, wherein no appeal is granted. If a rancher accepts one of these permits and there is need to revise or modify it, then that is done without an Interior appeals process. His only avenue is to go right to the courts. We are putting it into full force and effect.

Senator DECONCINI. That is in the law now and it prohibits him from any appeal.

Mr. TURCOTT. If he accepts the permit. Of course it is a sensitive area. They are under great pressure per that part of the Organic Act where it says you shall issue permits commensurate with the condition of the rangelands, that are prevalent. One of the more significant reports that we have recently developed was for this committee on rangeland conditions 3 or 4 years ago and it is not a good picture. With all of the new values that we must take into account and the things we want to do with the stockmen through the use of range science, I think it is quite foolish for the livestock industry to insist that these 10-year permits be issued. Because if we have to change them, then there is no room for negotiation, mutually accepted planning or appeals process to get at changes.

If we just have to change them, not cancel them but change them, then it goes into full force and effect. If a permit is canceled outright for whatever reason so that the land can go to some other use, then there is a 2-year period before the cancellation can take place.

Senator DECONCINI. Are you suggesting that they should not ask that the permits be issued?

Mr. TURCOTT. I am suggesting that when they do ask for a permit that they work with us and let us work it out properly, rather than just trying to maximize the number of AUM's based on a data base and multiple-use planning base that is not perfected yet.

Most people feel if they got that 10-year permit in their hand they have tenure. They do not have any more tenure with that than if they had the annual license. In all my years with the Bureau of Land Management and being closely associated with this program, I can think of only three or four cases where someone's permit was just canceled outright and those were the most willful, flagrant trespass cases that you can imagine. That was done through the administrative appeals process, we didn't do it arbitrarily.

Senator DECONCINI. There are many ways. Reducing cattle on a permit is interpreted as canceling and this in fact is not canceling.

Mr. TURCOTT. I just wanted to make sure my words were understood.

83-107 (Pt. 4) O - 77 - 17

APPEALS PROCESSES

Senator DECONCINI. Yes, sir, I understand.

Under the Organic Act of 1976, broad discretionary powers are conferred upon the Federal representative. There is no appeal except through a very lengthy process within the Department.

Don't you think some capability for immediate relief must be devised to provide some system of checks and balances over the authorized officer as well as the BLM?

Mr. TURCOTT. The Director can always review a decision of a State director or district manager and suggest that it be reexamined or revised, or simply overrule it.

As far as formal appeals are concerned, until a few years ago there was in the Bureau a separate Appeals Division that heard appeals and reviewed decisions. Because of public criticism that the decisionmaker was also the reviewer on appeals, a new Office of Hearings and Appeals that is separate and apart from the BLM, and is actually an arm of the Secretary's office, was created. This appeals process was established to permit objectively in approach by completely removing the appeals functions from the decisionmaker.

Senator DECONCINI. Because of many administrative changes, there have been contradictory and conflicting policies issued by the representatives. How do you propose to correct this?

Mr. TURCOTT. Mr. Chairman, I'm not sure that this applies to BLM in a major way for which I can only speak. We try to assure uniformity of implementation by issuance of regulations, manuals, and instruction memorandums. For example, in implementing the Federal Land Policy and Management Act, all policy issues are resolved by the Director. We cannot, of course, overlook the human element which may result in one person reading a policy statement differently from another person. However, we do try to avoid that by frequent contacts and meetings with State directors, and by our written instructions. Furthermore, we are working very hard to issue interim guidance and new regulations as quickly as possible to reflect both administrative and legislative changes which impact BLM.

GRAZING MANAGEMENT PRACTICES

Senator DECONCINI. I have not talked to any ranchers who are opposed to the concept of allotment management plans to prepare for the environmental impact statements. Their disagreement is with the methods and criteria used. They feel the regulations do not consider the unique nature of Arizona cattle grazing, especially in desert areas.

In desert areas, rotational grazing is a necessity and apparently it is not being taken into full consideration by the BLM. The number of head allowed on individual allotments have been reduced as much as 50 to 70 percent in some areas and is creating an extensive economic hardship among ranchers in that area.

Why can't BLM criteria be changed to allow considerations of annual forage as well as perennial when the carrying capacity is being determined?

Mr. TURCOTT. BLM range inventory procedures do take into consideration the production of annual forage for establishment of

stocking rates. Because of the extreme fluctuation of forage from annual plants from year to year or even season to season, they must be rated lower in reliability and forage value than perennial plants. Our management goal must be to encourage the increase of desirable perennial vegetation by protection from over use during the years when forage production from annual plants is very low. Changing our criteria so that perennial plants are overgrazed during low annual forage production would work just contrary to the long-range goals which will benefit the public and rancher alike.

Senator DECONCINI. There is also opposition to tagging by the ranchers. The animals are already branded, so why are the owners being burdened with the excessive expense of tagging?

Mr. TURCOTT. Livestock tagging is usually only required in range areas where there is a continuing trespass problem on public lands. The tag shows that the animal is covered by a grazing permit. In other words, a rancher may have 75 branded animals and a permit for 50, so any untagged animals on the allotment are obviously not covered by the grazing permit. In areas where unauthorized use by livestock is not a problem there is no need for tagging. The tagging approach to control livestock trespass is the least expensive method we have of supervising range use.

PROGRAMS FOR RENEWABLE RESOURCE MANAGEMENT

Senator DECONCINI. A continuing area of concern in these days of priorities is BLM's program to manage the range, forest, and other renewable resources. Based on increases we approved for the current year, your 1978 request does not seem to be adequate. What is your assessment?

Mr. TURCOTT. Of course you will find this out when we submit the report you requested. We requested through the Department and on to OMB increases in these programs and it was a decision of the Office of the President that on balance we should stay at the level we had for fiscal year 1977 as increased by congressional action. There are, however, certain selected increases.

Senator DECONCINI. In terms of program levels, what does the 1978 budget provide for renewable resource management? Is there any substantial change from 1977?

Mr. TURCOTT. The fiscal year 1978 budget includes almost $64 million for renewable resource management. The substantial changes from the 1977 appropriations include increases of $400,000 for establishing grazing boards, $1,200,000 for reviewing primative and roadless areas on public lands, and $1,200,000 to protect resources of the California Desert.

Senator DECONCINI. Do you feel your budget, which was largely prepared before enactment of the Policy Act, adequately reflects multiple use planning and management needs?

Mr. TURCOTT. I know there are several different kinds of costs associated with the BLM Organic Act. New policies in some programs such as surface mining and withdrawal review will require regulations and costs are not well defined yet. Other programs in wilderness review, mining claim recordation, and the California Desert require immediate funding actions and it is in these areas we did request

extra funds to initiate work to meet deadlines. This was done through reprograming which will reduce programs not specifically addressed in the new act. I don't think the current budget reflects all the planning and management needs or costs related to this new act, but it does recognize the most immediate items.

FUND REQUESTS FOR RANGE MANAGEMENT AND IMPROVEMENTS

Senator DECONCINI. We realize that the range improvement funds have been increased under your new Organic Act. But haven't you simply taken the increase out of your range management program?

Mr. TURCOTT. It doesn't work quite like that.

Senator DECONCINI. How does it work?

Mr. TURCOTT. Basically the amount of money that the Treasury will receive is not as much. That is basically what is going to happen.

Senator DECONCINI. You will have less——

Mr. TURCOTT. Going into the general fund of the Treasury, yes.

Senator DECONCINI. But the total range management program is the same, is it not?

Mr. TURCOTT. It is up slightly if we are talking both the range improvement fund and range management.

Senator DECONCINI. Both. I said only range management but I mean both.

Mr. TURCOTT. The activity called range improvement is up $1.4 million. The range management increase requested for 1978 is $400,000.

Senator DECONCINI. Is that up on the adjusted 1977 figure or the appropriation to date?

Mr. VETTERICK. Range management and improvement is funded in two places in our budget. One is through the appropriation called management of lands and resources. That is budgeted at about $23.9 million which includes a $600,000 reprograming out of the program. Now that the reprograming in range management is no longer valid as a result of President Carter's changes to our reprograming actions that, in effect, is increased by $600,000. So we are talking about roughly a fiscal year 1978 total of $24.5 million.

The range improvement fund which is a plowback of the grazing receipts to the Bureau, at least a part of them or 50 percent is increasing from about $7.4 million to about $8.8 million which is a $1.4 million increase. That is a result of the change in the law through the BLM Organic Act that said 50 percent of all range fees collected by BLM will go back to the Bureau in this account.

So we are getting a $1.4 million increase through the range improvement fund. We are asking for $400,000 in the regular appropriation to fund the advisory board activities that are also mandated in the act. There is a requirement for establishing district grazing advisory boards if, in fact, the majority of the livestock permittees in any BLM district petitions for such a board then we will have to establish one. So there are funds in there to support that.

The overall range program is about $1.8 million better off today than it will be in fiscal year 1977.

NEED FOR RANGE IMPROVEMENT FUND

Senator DECONCINI. Since a greater portion of your range program is now paid from the fee account, what effect will this have on your 1978 program if the drought drastically curtails grazing and reduces revenues?

Mr. TURCOTT. The revenues received from grazing receipts provides funds for our range betterment program. Since these funds are used essentially for on-the-ground project development and maintenance, if receipts were to drop this program would be reduced proportionately to the reduction in receipts and slowdown implementation of allotment management plans as well as other range investment and maintenance projects.

Senator DECONCINI. What is the benefit of maintaining the range improvement fee account in the first place? Wouldn't it be much better to return that revenue to the Treasury and appropriate directly for range management needs?

Mr. TURCOTT. The range improvement account has been a part of the range program since the Taylor Grazing Act was passed in 1934, and has been reaffirmed by Congress in the Federal Land Management and Policy Act that was passed last year. We find this account has given us greater control over meeting our objective of improving range conditions on the public lands. Our best tool for meeting this objective is through intensive livestock management practices which depends on range improvement projects to implement these practices. Since these funds are earmarked specifically for developing and maintaining range improvement projects, without this account, range management funds could be reduced or shifted away from project development placing greater stress on reaching our range management goals.

On the other hand it would simplify our budget structure. We have this situation in many of our programs, that is a situation where part of our funding comes from appropriated receipts, in the form of receipt limitation appropriations. The forestry and recreation programs are financed that way for example, and our right-of-way work will be under this budget in 1978. It is a situation you can argue both ways because there is a certain logic to using appropriated receipts for programs that are at least partially of a business nature. It also eliminates possible fluctuations in program levels because of fluctuating receipts. It is a matter of weighing that against a simpler and consistent budget and appropriations. Of course you would be getting into amending the authorizing legislation to change over to simply general fund appropriations. In the case of the range fund, I believe it requires amending the Public Land Policy and Management Act of 1976 and the Taylor Grazing Act of 1934.

WITHDRAWAL AND WILDERNESS REVIEW PROGRAMS

Senator DECONCINI. The Land Policy Act provides for conditional review of certain kinds of major BLM management decisions. Have you assessed these requirements and estimated their cost?

Mr. TURCOTT. One of the main ones is withdrawal review and processing. According to the withdrawal section, if there is any withdrawal to be promulgated that is 5,000 acres or more, that must

be reviewed by the Congress. In addition, there is a withdrawal review provision. The Congress in that section set an authorization level of $20 million, $10 million for the review process and another $10 million for the processing of withdrawals pending on the date of the act. The only increase we have asked for this year is for the withdrawal review provisions.

Now, another feature that is also subject to an increase is the wilderness review process. There is an increase requested for that of $1.2 million. This also has specified deadlines involved, two of them. One is to review all of those outstanding natural and primitive areas we have designated over the years which we often manage as wilderness. There are about 600,000 acres of them and we must finish our reviews of them to see whether we should establish them as wilderness by 1980. The remainder is a 15-year program and by 1991 we must go through a wilderness review study of all of the lands under our jurisdiction with areas of 5,000 acres or more and roadless to determine if they have wilderness values. So this is a start, then, of a new program as a result of the Federal Land Policy and Management Act.

Senator DECONCINI. Have you estimated the cost?

Mr. TURCOTT. The total cost on the wilderness review?

Senator DECONCINI. Yes. On all of these new programs.

Mr. TURCOTT. In the legislative history on the withdrawal process, yes, we did give the Congress that $20 million figure. On the wilderness program, I don't have an exact figure.

Mr. VETTERICK. The wilderness program could cost as much as $200 million in the next 15 years, but that, we feel, is an extreme outside figure of the total cost of the wilderness review program. Mineral surveys, by law, must be conducted for areas to be recommended for inclusion within the wilderness system. Those surveys on an average basis can cost anywhere from $3 to $5 an acre. They are conducted jointly or concurrently by the Geologic Survey and the Bureau of Mines and we intend to budget for them and transfer those funds to these agencies as we need those mineral surveys done.

If we are talking about 30 to 40 million acres of potential wilderness area that might be recommended, that acreage times $4 per acre comes up to a rather substantial sum of money but at present it is all conjecture.

Senator DECONCINI. Who will do the mineral surveys?

Mr. VETTERICK. The Geologic Survey does one type of survey. They do a broad geologic survey of those areas. This, in turn, orients the Bureau of Mines to do more detailed examinations of specific sites to determine whether or not there are mineral values present. Those survey results must be reported to Congress along with the recommendations or the nominations for wilderness designations.

Mr. TURCOTT. What he is saying is the Secretary cannot recommend to the President or to the Congress a recommendation for wilderness unless it is accompanied with a mineralogic survey. This year the $1.2 million increase is substantially oriented toward funding the USGS and the Bureau of Mines study.

SERVICE CHARGES, DEPOSITS, AND FORFEITURES

Senator DECONCINI. Your budget proposes establishment of a new fund account called, I think, service charges, deposits, and forfeitures. This is designed to provide self-sustaining financing for various reimbursable activities such as right-of-way and related environmental impact statements.

Do you believe this is the best and most effective method of funding this kind of work?

Mr. TURCOTT. I would like to have our CPA talk to this question. The answer to your question is yes.

Would you go from there, please?

Mr. PETTY. Yes, sir, I would like to speak to that. It is almost essential. You go back to when the Artic Gas Project was first started. One of the big problems in getting that job started on time, knowing that Artic Gas was going to fully reimburse the treasury for the specific appropriation and costs it did result in a delay. Because under that we had to come forth, get a supplemental appropriation and it is a rather lengthy process. Artic Gas then reimburses us and it goes into general fund as receipts.

Under the new authority the company can pay us in advance and then we can start work right away. The Government comes out exactly the same, it just speeds up the process considerably.

Senator DECONCINI. Does it cost you something to implement it?

Mr. PETTY. No, sir. The procedures are all in place there.

Senator DECONCINI. They are all there; administratively it is no more burden to you?

Mr. PETTY. No, sir. Just getting the companies to agree to pay their deposit and the position ceilings to do the work. As volume increases there is more work involved but the procedures are in place.

NORTHERN TIER PIPELINE PROJECT

Senator DECONCINI. We in Congress have a problem before us right now which we might deal with in the supplemental appropriation bill. As you know the Northern Tier Pipeline Co. is about to apply for a right-of-way permit.

Do you have sufficient funds available to start the EIS work?

Mr. PETTY. No, sir, we do not.

Senator DECONCINI. Do you have an estimate of what that will cost you?

Mr. VETTERICK. We estimate about a half million dollars for the rest of this fiscal year, Mr. Chairman. When we say we do not have the funds available, that implies approval of the reprograming as it is now pending. Part of the money we want to program out of is energy related lands and realty which provides funds for this type of work.

If the committee disallowed part of that reprograming, then we would have funds. But then we would also be short funds in other areas to meet the mandatory deadlines in the Organic Act and elsewhere.

Senator DECONCINI. If you reprogram to come up with these funds, you are going to be short someplace else. That is what you are saying, right?

Mr. VETTERICK. The current reprograming effort proposes taking money out of energy-related land casework to the tune of $1 million. If the Congress only allowed us to reprogram half a million dollars, keeping the other half million dollars in there for the Northern Tier project, then we would be short the half million dollars we need to meet certain legislative commitments and mandates we have had placed on us.

Our feeling is that the best alternative in handling this is to institute this new account we have just discussed via the supplemental process through putting in the language to establish it in the 1977 supplemental bill. Therefore, we would have the authority to collect the money from the company, deposit it and immediately start work subject to additional personnel ceilings as required.

Mr. TURCOTT. Mr. Chairman, there is something here you might be missing. In the departmental regulations, the applicant has to pay when he files his application. The regulations read that there will be a basic filing fee which, in the case of this project we estimate to be about $3,500. Then, for this fiscal year something in the neighborhood of $500,000 will be incurred in processing the application. They are just going to have to pay it or we are not going to work.

Senator DECONCINI. Do you anticipate that they will pay it?

Mr. TURCOTT. We have had some meetings with them and they are having a hard time understanding this point. More and more the Congress via congressional committees and the OMB, require payment for services and that is the rule we are going by.

Senator DECONCINI. Why don't you supply some justification of this proposal, so that we might consider this when the supplemental is taken up in the Senate.

Mr. TURCOTT. We now expect the northern tier application to be filed next week. This discussion is particularly timely in that we would have no way to begin processing that application short of either a regular supplemental request or language permitting use of a deposit by the applicant in fiscal year 1977. This assumes, of course, full approval of our reprograming which Mr. Vetterick just discussed. In other words, making the service charges, deposits, and forfeitures financing approach available this year. A normal supplemental request would, of course, need to be cleared through administration channels, including the Department, OMB as well as the Congress, which would take some time and could result in a considerable delay or even an appropriation which came too late in the fiscal year to properly utilize it. That is why we believe that early authorization of this new account would be the best approach, not only for the northern tier pipeline, but for any other major project which might materialize between now and October.

LAW ENFORCEMENT PROGRAM

Senator DECONCINI. Let me turn to law enforcement. Tell us about the $350,000 shift you propose to establish a new law enforcement activity. Where is the money coming from under your resource management programs and exactly what is it to be used for?

Mr. TURCOTT. The money is coming from several subactivities as funded previously where some law enforcement was authorized; range management, wildlife, and recreation. The new program comes from the law enforcement authority as granted in the Public Land Policy and Management Act which complements prior authorities under the Wild Horse and Burro Act, the Sykes Act amendment and an amendment to the Wild and Scenic Rivers Act. But it is basically now embodied in the Land Policy and Management Act authority. This would call for placement in time of one fully trained, highly qualified law enforcement agent in each State. He will be in the State office, a line officer. He will have the same credentials by grade as an equivalent FBI agent.

In addition to that we eventually plan to have several rangers who will have law enforcement authority in the California Desert and there may be a few of them eventually in States such as Utah and Arizona. These people will have law enforcement authority but they will have a dual role, people management, information, assistance, and that type of thing. They will have arrest authority and they will carry firearms. At the present time we have three of these people in training down in Georgia at a Federal establishment to train law enforcement agents and we will have three more later. We expect by July 1 to have six to put in the California Desert.

A lot of people, especially out West, say that BLM, is going into another police force, a Federal police force. That is not true. This is especially prevalent in my home State and there is much misinformation about this. I never anticipate that the BLM will have a large police force or special agent force with arrest authority. Where we do have them, such as the rangelands, forests, or the deserts, I guess they will be some there. But all of these will be supervised by these highly qualified, trained special agents out of the State offices and I never anticipate more than two or three of those special agents per State at the most.

Already as far as the California Desert is concerned, one instance may be of some interest to you because there has been some of this activity in western Arizona. Participating with the Alcohol, Tobacco, and Firearms Control Branch, the FBI, and State police, we have made a major arrest in California of people hauling off truckloads of the saguaro cactus. So this program is much needed.

Senator DECONCINI. In addition to the $350,000, what other law enforcement funding is in your 1977 program?

Mr. TURCOTT. There are no other funds in our 1977 program for law enforcement. I should mention, however, that we are defining law enforcement activities as those conducted by special agents, rangers with arrest authority, and employees working directly with them on criminal cases. We are not talking about activities such as enforcement of grazing permits, lease stipulations, and trespass work which is still being performed in our other activities unless an actual criminal violation is involved.

CALIFORNIA DESERT MANAGEMENT PROGRAM

Senator DECONCINI. Under your renewable resource management activity you want an increase of $1.2 million for California Desert management.

How much in total is in the budget for the desert and how does it compare to 1977?

Mr. TURCOTT. The total for the recreational management part of the California Desert program is $2.4 million. Then there is some additional $955,000 for construction of the Yuha way station. And there is another feature to it also, $1 million in planning for future management.

Senator DECONCINI. How much of the California Desert funding is for law enforcement?

Mr. TURCOTT. I will have to break that out. It covers only a part of the 34 rangers.

Senator DECONCINI. Thirty-four desert rangers?

Mr. VETTERICK. The law enforcement activity in the California Desert is relatively small and it only covers those rangers that are now qualified to bear arms and have arrest authority. I believe the delegation is about to be allocated to about two or three rangers in the desert. All the other so-called rangers are more people persuaders, that aid visitors and try to get them to behave themselves. Not through law enforcement or threat of arrest but just through education and cooperation.

Senator DECONCINI. You are training 34 now?

Mr. VETTERICK. No, there are 34 in the desert.

Senator DECONCINI. Thirty-four online. How many are you training?

Mr. TURCOTT. Three right now, and there will be three or four more by July 1.

Senator DECONCINI. Those are for California?

Mr. TURCOTT. Those will have arrest authority, the others do not have it yet.

DROUGHT PROGRAM

Senator DECONCINI. As you know supplemental funding is under consideration for drought mitigation by the BLM. Meanwhile we understand the President is sending up his own program to attack the drought problem.

How does BLM figure in the President's program, do you know?

Mr. TURCOTT. I read his message yesterday, sir. The main feature impacting BLM that I see in it is that he has said that the Secretary of the Interior and Secretary of Agriculture are to authorize emergency grazing uses as appropriate. I don't see that there is anything in here for the Bureau of Land Management with respect to funding any of these things that he has requested us to do.

Now a second feature is to make sure we are most alert and do all those things necessary including the transfer of equipment and firefighters for the fire season if that occurs. We had already started on that before he issued his statement.

Senator DECONCINI. You don't anticipate another supplemental?

Mr. TURCOTT. I don't. The only thing I know is what the Congress is considering in the 1977 supplemental.

BUDGET FOR GRAZING DISTRICT ADVISORY BOARDS

Senator DECONCINI. How did you develop the $400,000 estimate for reestablishing district grazing advisory boards? What will that money be used for?

Mr. TURCOTT. It will be used for board member per diem, traveling expenses, or anything else that involves the operation of the meetings themselves. It is based on a membership of from 3 to 5 per district for a total of about 43 districts.

Senator DECONCINI. Are these people within the Department?

Mr. TURCOTT. The advisers?

Senator DECONCINI. Yes.

Mr. TURCOTT. No, these are ranchers that will be elected by their peers.

Senator DECONCINI. How many are we talking about?

Mr. TURCOTT. Our policy limits membership to three to five members per district. That is about one per resource management area. A typical BLM district is broken up usually into three to five distinct management areas.

CRAIG, COLO. DISTRICT WAREHOUSE

Senator DECONCINI. You are requesting $455,000 to build a warehouse at the Craig, Colo., district office. What will happen to the existing warehouse site? How do you propose disposing of it?

Mr. VETTERICK. The existing warehouse will be declared surplus and disposed of through GSA.

Senator DECONCINI. How old is that existing warehouse?

Mr. VETTERICK. I think it was built during CCC days, so it is quite an old structure.

BOISE, IDAHO, DISTRICT OFFICE COMPLEX

Senator DECONCINI. In your request for the new district office complex in Boise, Idaho, you indicate that the existing site will be used in a manner more consistent with its urban location. What are your plans for that?

Mr. VETTERICK. Again that would be surplused to GSA and disposed of through their facilities.

Senator DECONCINI. You don't have any plans for it?

Mr. VETTERICK. No, sir. We have an existing site at the Boise Airport adjacent to the current Boise Interagency Fire Center. The land is zoned for that purpose. We have good access to the Interstate System where we can move our fire equipment very rapidly without having to go through downtown Boise. So it is a much more efficient location for us.

YUHA DESERT WAY STATION

Senator DECONCINI. The only project under recreation construction is the Yuha Way Station on the California Desert. You mention that this is the second of eight planned stations. When do you plan construction of the other six?

Mr. VETTERICK. The others are tentative, of course, depending on what the California Desert plan recommends. That plan is due to Congress in 1980. But we have a projection of doing one additional way station in fiscal 1979, three in fiscal 1980 and two more at some undertermined point in time.

Senator DECONCINI. You are talking about doing some of the four before the plan comes out?

Mr. VETTERICK. Yes; but most would be proposed concurrently or after the release of the plan. There are three proposed in fiscal 1980. Most of these additional way stations are not the type that we are proposing to build in this budget or the one that we built in the fiscal 1973 budget. Those latter type are way stations with interpretive centers. The majority of the remaining way stations, with the exception of one, will be much smaller and less expensive.

ROAD AND BRIDGE CONSTRUCTION

Senator DECONCINI. Under your road construction program you list 18 bridges to be constructed. Are these new or replacements, or is there a breakdown?

Mr. VETTERICK. I believe most of the bridge construction in this budget are replacement bridges, bridges that are either no longer serviceable or those that provide a hazard to the using public.

Mr. TURCOTT. We will get that for you, if you wish.

Senator DECONCINI. Yes. Would you give us for the record how many are new and how many are replacements?

[The information follows:]

FISCAL YEAR 1978 PROPOSED BRIDGE CONSTRUCTION

New	1
Replacement	[1]17
Total	18

[1] Includes culverts which replace existing hazardous bridges.

BUILDING MAINTENANCE INCREASES

Senator DECONCINI. Your building maintenance will take place in mainly Alaska. Would you break down the $400,000 by State for the record, please?

Mr. VETTERICK. Yes, sir, we will be happy to do so.

[The information follows:]

DISTRIBUTION OF BUILDING MAINTENANCE INCREASE

The proposed fiscal year 1978 building maintenance increase will be distributed to the following States:

Alaska	$285,000
Montana	60,000
Wyoming	55,000
Total	400,000

REQUEST FOR ENERGY AND MINERALS MANAGEMENT

Senator DECONCINI. The request for energy and mineral management is about $98.3 million, up about $8 million from 1977 funding. Most of the increase relates to coal leasing.

In view of the slowdown that has already occurred under the new Secretary, do you think you will need all the funding you budgeted for coal leasing?

Mr. TURCOTT. I would like Mr. Edwards to talk to that, please.

Mr. EDWARDS. Yes, Mr. Chairman, we think we do. That program includes the preparation of regional impact statements that have been

initiated or will be initiated next fiscal year and to continue on. It is necessary to complete these environmental impact statements before any kind of leasing program can begin in those areas. It is planned that we will initiate nine new statements in fiscal year 1978.

Senator DECONCINI. How much will those environmental impact statements cost? Do you have any estimation?

Mr. EDWARDS. Of the amount of increase requested, $2.9 million is for the preparation of EIS's.

Senator DECONCINI. What are the other fund increases for?

Mr. EDWARDS. Of the rest, the breakdown includes $500,000 for the beginning of a competitive leasing program. We term it "EMAR's" and that is for analyzing tracts that should possibly be considered for offering in the market in the future including preparation of a lease schedule.

In addition to that there is about $2.7 million for collection of environmental data under our program termed "EMRIA" which is for inventory and the soils and water information necessary to determine the capabilities for reclamation of land in the event that mining takes place in those areas.

Senator DECONCINI. Is there no other place you can get that environmental data?

Mr. EDWARDS. No, sir. We are using all available data that exist. We are using information from soil surveys from the Soil Conservation Service and surveys that have been done locally. But in many of these areas there is no data that exists for our needs. We are using everything available but there is still additional site specific data needed.

EMPHASIS ON COAL RESOURCES

Senator DECONCINI. You mentioned $500,000 of that amount is for new lease schedules. Haven't conditions changed considerably since you formulated that budget request?

Mr. EDWARDS. Well, no, sir. At best we probably would not begin to issue additional new leases for another 1 to 1½ years, because we are still in the preparation of environmental statements. Our plans are to continue and we have no indication that that should stop because it appears that there will be an increased demand for coal for energy sources.

Mr. TURCOTT. The Secretary has indicated, Mr. Chairman, that he wants the coal program to go under review and close scrutiny. I believe he has indicated that he is not tied to any schedules but he certainly has not told us to stop here. He realizes the tremendous amount of leadtime it takes in planning, working with the public locally and in regional areas and the preparation of environmental impact statements.

In addition to that the Secretary and the President, of course, have given several indications about the Nation's need for using more coal to offset any oil and natural gas shortages. In fact, just the other day the President said that he wanted a hard look taken at nuclear development and more emphasis placed on coal. So we are not stopping. We can't say exactly what the scheduling is going to be as we go from one administration to the next. But I think it would be unwise to slow it down.

Senator DECONCINI. I would like to ask you the same question regarding your offshore oil and gas leasing program. Why do you need to maintain the 1977 funding in view of the slowdowns that have occurred from adverse court decisions and Interior's own slowdown?

Mr. EDWARDS. Actually it is not a slowdown as such. In the court case referred to earlier concerning the Mid-Atlantic, those are leases that have already issued. We are waiting for a final resolution in the courts as to whether to proceed with their development.

We have not materially slowed down the schedule that we have been working on for the past few years. The Secretary did cancel the Cook Inlet OCS sale for a period of 90 days to give him an opportunity to fully review all of the studies and information that has been collected to date. It was something that he had not had an opportunity to fully review at the early stages of the initial sale decision.

While that has been canceled for purposes of fully studying and understanding what is involved, we are still proceeding on plans for other sales and he has not indicated that we should do anything differently.

Senator DECONCINI. You don't think they are having a slowdown now, is that what you are telling me?

Mr. EDWARDS. In regard to the Cook Inlet sale, it is definitely put off for at least 90 days. But in terms of steps that are being taken on other sales that are in the schedule, we are continuing as planned.

Senator DECONCINI. Won't these slowdowns reduce your monetary needs?

Mr. EDWARDS. No, we think not. Because the monetary needs are for the purposes of monitoring the existing leased acreage where there will be exploration or development started and those leases. As drilling begins on those, it will be necessary for us to have people and resources available to monitor what is going on in those leases and determine if they are fully meeting all the environmental protection measures that are necessary.

Senator DECONCINI. I understand that. But if you did not have this court decision and if you did not have some slowdowns, it would seem to me like you are going to have some excess in monetary needs.

How many OCS leases do you actually expect to sell in 1977 and 1978 at this time? How does that expectation differ from the schedule on which you budgeted for 1978?

Mr. EDWARDS. We are currently operating under the January 1977 OCS planning schedule which calls for five lease sales in fiscal year 1977 and six lease sales in fiscal year 1978. This schedule was also the basis for our fiscal year 1978 budget assumptions. We have not projected specific numbers of leases we plan to sell, since the number of tracts offered in each sale is not detrmined until the EIS and other documents are evaluated. There is no standard number of leases per sale.

Mr. TURCOTT. Could I have the budget officer talk about the effects of these reprograming items as it affects OCS program?

Senator DECONCINI. Yes, sir.

Mr. VETTERICK. One of the things we are proposing in the 1978 budget, in line with President Carter's amendment, is to fund a part of the National Petroleum Reserve—Alaska study, the land use study or multiple-use plan, by taking the money out of the budget for the OCS program. So we are already reducing that program by $1 million. This is on top of a reprograming reduction of $1½ million proposed in fiscal year 1977.

Senator DECONCINI. I am advised that we cannot find that in the amendment. Do you have it before you?

Mr. VETTERICK. I believe it is in the writeup with the amendment itself, sir.

Senator DECONCINI. I am advised by staff that the number is apparently in the revised Carter budget amendment, which we do not have before us. That is the amendment that was to be inserted in the record at the beginning of these proceedings, correct? We will have to examine the revised proposal.

Mr. TURCOTT. In any event, when the directions came for the programing, to redo the combination that way, looking at all these programs we did find a little bit of what you are talking about, that that is where the money should come from.

Senator DECONCINI. That is what you are doing?

Mr. TURCOTT. Yes, sir.

BLM AND USGS OCS ACTIVITES

SenatorDECONCINI. Both BLM and USGS budget for lease monitoring. How do the two differ and how is duplication avoided?

Mr. TURCOTT. The principal BLM monitoring activities on the OCS relate to studies in our baseline and monitoring studies program and maintenance of lease records. The records maintenance or monitoring function includes lease assignments, terminations, and renewals. BLM also monitors right-of-way permits granted on the OCS. The monitoring studies track changes in critical environmental parameters as a result of development activities. The GS is responsible for monitoring actual development operations on the lease site. Close cooperation between BLM and GS also aids in avoiding duplication of effort.

Senator DECONCINI. How does BLM routinely follow up on production by leaseholders, or is this primarily the function of USGS?

Mr. TURCOTT. Followup on production is the responsibility of USGS. BLM is sometimes made aware of production in the course of granting pipeline right-of-way permits, but we are not directly involved in this aspect of the OCS.

Senator DECONCINI. There have been charges that energy leaseholders have been withholding production, and we understand an investigation is underway by the Department. Are you involved in the investigation?

Mr. TURCOTT. No, BLM is not directly involved in the investigation. As with your other questions, USGS has a major role in the departmental study. However, data on Gulf OCS leases kept in our New Orleans OCS office are available to the study team should they wish to utilize them.

Senator DECONCINI. Mr. Turcott, I want to thank you and your staff members for your presentation today and your well-preparedness.

SUBMITTED QUESTIONS

We will submit to you some questions, not only in the leasing area but several others that we did not get to this morning. We ask that you return them as soon as possible to the staff, in writing, for the record.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

1977 REPROGRAMMINGS AND BASE ADJUSTMENTS

Question: As has been noted, substantial changes have been proposed in your operating budget structure, and these changes would be implemented through a series of so-called adjustments, restructuring and reprogramming in the current year. It is difficult to look at your 1978 request without examining all these 1977 changes. To what extent have any of these changes been implemented?

Answer: None of the activity and subactivity structure changes have been made in 1977 as yet. The proposed changes are to be made in 1978 subject to Congressional concurrence. Operating results for FY 1976 and the Transition Quarter were converted to the new structure by manual analysis of year end reports as will 1977 actuals. Extensive lead time is required for reprogramming our computer. The only reprogramming which has been implemented in 1977 is a limited start on National Petroleum Reserve Alaska planning and surface management which is being done within existing flexibility, due to the Congressional deadline in the 1976 Petroleum Reserves Act. Other proposed 1977 reprogrammings are pending Congressional approval of the reprogramming request.

Question: The main feature of your reprogramming proposal - moving $1.1 million from energy and minerals to planning and data - seems to be a stiff cut in your offshore oil and gas program. This was an area we already reduced in your appropriation request last year. How can you accommodate this further reduction?

Answer: In the energy and minerals activity, the reprogramming proposal involves decreasing Outer Continental Shelf baseline and monitoring studies by $1.5 million (from a total of $44.6 million); decreasing the geothermal steam leasing program by $100,000; and increasing oil and gas leasing by $500,000 for surface management activities of the National Petroleum Reserve-Alaska. The $1.5 million from the OCS studies program would come specifically from the initially planned baseline study for the Northern California - Washington - Oregon Pacific OCS area. There is little known private interest in leasing this area, and the Secretary recently cancelled a call for nominations in this region. Accordingly, we have deferred initiation of baseline studies at least through Fiscal Year 1977.

Question: In this maze of fund shifting we note you have taken $423,000 out of recreation management, then reprogrammed $800,000 back into it. Can you explain this?

Answer: The changes were shown to provide Congress with a full record of how the revised 1977 base for the FY 1978 Budget was derived. The reductions were for Recreation Management's share for establishing the proposed new Data Management ($348,000) and Law Enforcement ($75,000) subactivities. The reprogramming increase is to fund 1977 work in Wilderness Review ($700,000) and to initiate development of a management plan for the Upper Missouri Wild and Scenic River ($100,000).

Question: Please explain the $200,000 shift identified as "oil shale patent processing restructure".

Answer: Oil shale leasing is handled by the BLM within the Energy Minerals - Onshore subactivity. Oil shale mineral entry applications are processed under the mining law administration component of the non-energy mineral - onshore subactivity. The $200,000 shift from the oil shale program to mining law administration in the departure for the FY 1978 program as shown is based on the need to respond to a District Court decision that requires BLM to hold administrative hearings on three of 21 patent applications, in the fall of 1977, that have been in litigation since 1962. It is further expected that the Court will include the remaining 18 patent applications in its ruling and require expeditious processing of all 21

applications involved. A $250,000 increase is requested in the non-energy mineral - onshore subactivity in 1978 for processing of the remaining 18 applications.

Question: All these proposed changes involve nearly $12.4 million, 28 positions that we can identify, and nearly every activity and subactivity. Why was this kind of major overhaul required in 1977? Why didn't you work all these proposals into your 1978 budget presentation?

Answer: FY 1977 Reprogramming of $3.1 million is necessary in 1977 because of new legislation, passed after the 1977 President's Budget was submitted, with mandated deadlines which required that work be started in 1977 to meet the deadlines. The new legislation included: a) the Federal Land Policy and Management Act (P.L. 94-579), approved October 21, 1976; b) the Naval Petroleum Reserve Production Act (P.L. 94-258), approved April 5, 1976; and c) the 1976 Amendment to the Wild and Scenic Rivers Act (P.L. 94-486), approved October 12, 1976. This is an alternative to supplemental funding in FY 1977 for certain mandated deadlines and related activities. The balance of proposed adjustments which will not be effective until FY 1978, involve the establishment of the data management function ($9.5 million), law enforcement ($0.4 million) and oil shale adjustments ($0.2 million).

PLANNING AND DATA MANAGEMENT

Question: The bulk of these changes -- some $9.5 million -- are to establish the new data management subactivity. What is the objective of the restructuring? What are you trying to achieve, and why is there no justification for the proposal?

Answer: The data management subactivity has been established so that data management functions could more easily be identified to facilitate budget review. We are trying to achieve a data management system which will provide usable information necessary to serve the public and to insure adequate management of resources valued in the multi-billions of dollars. A major increase of $2,960,000 is proposed for financing implementation of a recently completed study of data management requirements. The study calls for sequential adoption of modern data processing procedures in 15 areas of Bureau activity. This is made necessary by the substantially increasing volume of data and data analysis requirements in support of land use planning, environmental analysis, environmental impact statement preparation and overall resource decisionmaking and management functions. A justification for establishing the data management subactivity is given on page 106 of BLM's FY 1978 Budget Justification.

Question: Are you saying all that $5.2 million moved from range and forestry management and from energy and minerals management has been devoted to data?

Answer: Yes, data processing in these areas include such functions as the calculation of the allowable cuts by sustained yield unit for the timber management program, billings for various land and resource uses, lease recordation and lease management, as well as each activity's share of the automated personnel and financial program management systems. As noted, data storage and processing costs are substantial. This is one reason that they are proposed to be identified as a separate subactivity in the "planning and data management" activity.

Question: The BLM budget is beginning to appear planning and data heavy, at the expense of your basic mission to manage the resources. Just how accurate are your estimates on total data management needs?

Answer: They are the best possible estimates given our existing financial management system. Once data management costs are identified and recorded separately through our revised financial program management system, our future estimates should be highly accurate. It should be noted that expenditures on planning amount to less than 4% of BLM's operating budget. Data management costs have been stable over the years and the amount requested for FY 1978 represents the only significant program increase since BLM began automated data processing operations in 1964.

Question: For years now we have been giving increases to the Geological Survey to gather all this land resource data - the same kind you're talking about and store it and analyze it. Why is it necessary for BLM to build up its own large system?

Answer: The Bureau of Land Management has management responsibility for National Resource Lands requiring total resource information on which to base sound land use decisions. U.S. Geological Survey provides only a portion of the resource inventories required. The following is a comparison of the inventory information provided by USGS and that required by BLM to manage the public lands.

BLM Inventory Needs	USGS Inventory Program
I. Energy Mineral Commodities	Land Use Mapping
A. Geothermal	Hydrology/Water Resources
B. Oil and Gas	Topographic Mapping
C. Oil Shale	Geology/Geophysics
D. Coal	Mineral Resource Evaluation
II. Nonenergy Mineral Commodities	
A. Leasable Minerals such as: Phosphate, Potassium, Sodium and Sulfhur	
B. Locatable Minerals such as: Gold, Silver, Iron, Copper, and other metalic and non-metalic materials	
C. Saleable Minerals such as: Sand, Gravel, Stone, Clay, and other mineral materials	
III. Lands and Realty Management	
A. Land for agricultural, industrial, municipal and other authorized uses (although BLM does not have formal inventory procedures for the Lands Resource, this information is necessary to formulate Land Use plans)	
IV. Renewable Resource Development Protection and Management	
A. Range	
1. Livestock and Wildlife Forage	
2. Suitability	
3. Threatened or Endangered Plants	
4. Wild Horse and Burro Population	
B. Forestry	
1. Timber	
2. Woodland	
3. Productivity for Allowable Cut Computation	
C. Watershed	
1. Soils	
2. Vegetation (cover)	
3. Water Quality and Yield	
4. Geology	
5. Erosion	
D. Recreation	
1. Cultural	

2. Visual
3. Recreation

E. Wildlife
1. Threatened or Endangered Species Habitat
2. Fisheries and Other Aquatic Species Habitat
3. Riparian and Marshland Species Habitat
4. Other Nongame Species Habitat
5. Priority Big and Small Game Species Habitat

To meet the overwhelming inventory task BLM not only utilizes information from USGS, but all other reliable information sources including Federal and State Agencies, universities, etc. to avoid duplication and reduce costs.

Inventory information storage and retrieval has always been a problem for BLM. With increasing demands for natural resources and land uses requiring more detailed resource information this problem is becoming greater and greater. Our strategic plan for gathering, storing, and retrieving information is designed to meet this need. The strategic plan will store information and make it possible to retrieve it in an efficient and useful form that is presently unavailable to the land manager.

Question: After all this restructuring to establish the planning and data activity, you request an additional $1.1 million reprogramming and $3.8 million supplemental to establish a large base. Then you ask in your 1978 budget for still more increases to end up with a program of nearly $26 million. We realize you have studies to conduct, including the Alaska reserve, but isn't this going a bit heavy on planning and data?

Answer: Land use planning is prerequisite to proper management of the public lands and is now required by the newly enacted Federal Land Policy and Management Act (Public Law 94-579). This Act not only establishes the overall planning principles to be applied to all public land decisionmaking but also dictates special areas of emphasis such as the California Desert area, potential wilderness areas and planning for right-of-way corridors. As indicated in the question above, there is also other newly enacted legislation which requires greater emphasis in BLM's planning effort, including the Naval Petroleum Reserve Production Act of 1976 and the 1976 amendments to the Wild and Scenic Rivers Act.

This planning in turn must be based upon factual information which is organized in a useable form. Given the immense size of the public lands and the many alternatives and often conflicting demands on their resources, public land use decisions must be based upon scund land use planning and the management of vast amounts of resource data. Such planning insures that uses of all the different resources are properly coordinated with each other, with plans of local government and with the private sector. We believe that insuring proper resource use of an estate measured in multi-billion dollar terms is well worth the costs involved.

The $26 million quoted above amounts to only 11% of the Management of Lands and Resources Appropriation and only 8% of the total operating budget of BLM We do not feel these levels to be excessive in view of the importance of this program.

Question: As we discussed earlier, you have a big buildup in your planning and data work, but the justification isn't clear on how much of this buildup is for the preparation and continuing revision of a public land resource inventory. What amount is that in 1978?

Answer: Most of the proposed increase in the Planning and Data Management Activity is required to implement an automated data management system. No inventories are programmed in this activity but are programmed in each resource program activity or subactivity. For example, major new inventories are scheduled in FY 1978 in the range and minerals programs to meet the needs of allotment management plans and coal leasing criteria.

Question: When do you anticipate initial completion of the inventory, and at what total cost?

Answer: Changing conditions, values and needs have recently required additional inventories for management of Wild Horses and Burros, Wilderness, Cultural Resource, Rare and Endangered Species and Mineral Leasing. Because of these changes, inventories considered adequate ten years ago, often do not provide enough up to date information on which to base land use decisions today. In many cases, inventories will be recurrent. An inventory proposed to fund all basic inventory work and lining it up to current standards would require approximately $323 million over a 10 year period of which $70 million is already reflected in the current budget over this next decade.

Question: Is the requested $1 million the total cost for your long range study of land management objectives? How will that study be performed? In-house or by contract?

Answer: Yes, the $1 million programmed will complete the study. The objectives are to evaluate the new requirements contained in the Federal Land Policy and Management Act and develop cost efficient methods for complying with these requirements. All major components of the study will be contracted.

Question: Because of all these special studies, it would seem your base program for land use planning is actually down. Is that the case, and if so, how will that affect your management programs?

Answer: Changes in the amount identified for "planning for multiple use management" were accomplished through reprogramming, restructuring the budget for FY 1978 and through increased funds for certain planning and study efforts. Accordingly, there has been no decrease in the base planning program from what it was in FY 1977. However, as indicated in previous answers, the demands on the base land use planning effort has increased over and above that accommodated in FY 1978 budget adjustments.

OTHER FY·1977 PROGRAM CHANGES

Question: While we are on 1977, please explain the $1.5 million increase in travel spending reflected in your revised object classification.

Answer: Through various travel cost reduction programs, the Bureau embarked on an ambitious travel reduction effort. Non-direct mission travel related to meetings, conferences and workshops was drastically reduced, and telecommunication media was used more extensively. These efforts were not enough, however, to absorb the increase travel costs related to 597 new permanent positions that are coming on board in FY 1977. These new positions, as well as approximately 2,000 additional temporary man-months, are absolutely essential to priority program accomplishment. To effectively achieve program objectives, travel is a necessary component of the job, and it must be utilized by these new employees to get to remote field locations in order to do the required on-the-ground work related to program accomplishment. This $1.5 million increment, when divided by increased man-month capability (8,000 M/M) yields an average travel cost per man-month of $190, which when divided by current per diem rates ($35) yields less than 6 days of travel per month, and that excludes any consideration for transportation costs such as air fare, or vehicle mileage, and across-the-board increases in per diem rates effective during the past year.

Question: You also show $4 million in reductions in lands and structures and supplies and material from your original 1977 program. It looks like most of that went into travel and personnel compensation. What happened?

Answer: As we noted in our answer to the previous question, our original travel estimates for fiscal year 1977 were understated. Additionally, our revised object class estimates in the 1978 President's Budget for 1977 reflect the impact of proposed 1977 reprogrammings as initially contemplated by the Ford administration. To a significant extent, the trade-offs in the reprogramming involved additional personnel for implementing Federal Land Management and Policy Act requirements and other new legislative mandates at the expense of contractual services in object classes 25 and 32 (lands and structures) and supplies and materials in object class 26. Based on President Carter's revision of the reprogramming proposal, which restored proposed cuts in the range and watershed programs, we would now revise our lands and structures other services, and supplies estimates upward by about $0.5 million. We have also experienced an increase in our average permanent position grade from 9.13 to a current estimate of 9.33 due to underestimates of grade levels required to staff activities such as the coal program, and the fact that less than permanent positions are substituted for permanent clerical jobs under position ceiling constraints. This factor alone would account for more than our increase in permanent salary estimate except that we concurrently are experiencing unplanned lapse which has an opposite effect. The remaining significant factor in our reestimate is that some range management, wildlife, and watershed project work we expected to accomplish in FY 1977 must now be foregone in favor of in-house and contracted resource inventories to meet unforeseen delays and quality problems with environmental impact statements under the NRDC versus Morton court settlement.

Question: In a table submitted to the Committee on 1977 object class changes you show $20.0 million in "adjustments", giving you a total 1977 management program of $235.8 million. Please identify and explain these adjustments. Do they include pending supplementals?

Answer: The adjustments reflect enacted changes to the initial President's Budget submission to the Committee for FY 1977. They do not include pending FY 1977 supplementals except for pay costs. Specifically, they are as follows:

Budget Amendments	Millions
FY 1977 Coal Leasing Program Budget Amendment as Enacted	+$9.3
FY 1977 Sohio Pipeline EIS Amendment as Enacted	+ 1.0
Other Congressional Action on FY 1977 Request	
Offshore Oil and Gas	- 2.0
Public Domain Forest Management	+ 1.1
Soil and Water Management	+ 1.0
Range Management	+ 4.0
Wildlife Management	+ .9
Pay Costs (October 1975 pay raise)	- .2
Subtotal, Enacted	+15.1
Pending:	
Pay Costs Supplemental (October 1976 pay raise)	+ 4.9
Total	+$ 20.0

LANDS AND REALTY MANAGEMENT

Records Management

Question: Under Lands and Realty, you request a $200,000 increase for preservation of eastern states land records. How much will this 11 year program cost in total?

Answer: We anticipate that the total estimated cost for this records improvement project is approximately $3.5 million, which over an 11 year period would amount to an average cost of $320,000 per year.

Land Withdrawal Review

Question: You have requested $500,000 to begin implementing a review of all land withdrawals as required by the land policy act. What kind of a schedule have you worked out for this program?

Answer: The $500,000 requested for FY 1978 should allow completion of the inventory phase in one year. In order to meet the 15 year timeframe set in the law (October 21, 1991) program requirements will be substantially higher for Fiscal Years 1979-1991. Information developed by the inventory will provide a better basis for determining total funding and manpower requirements.

WILDERNESS REVIEW

Question: You have $1.2 million budgeted to begin the wilderness review required by the land policy act. What is the timetable and total estimated cost of this review?

Answer: The policy act requires that all 5,000 acre roadless tracts and roadless islands be reviewed within 15 years for possible inclusion as wilderness areas. Procedures for accomplishing this task are being developed and the total cost including Alaska is estimated at $224 million of which approximately $135 million will be the cost of mineral surveys. The average annual cost will be about $15 million.

ADMINISTRATION & ENFORCEMENT

Administrative Expenses

Question: You are requesting $4.1 million for administration and enforcement. Together with the administrative costs assessed to programs as common services, that appears to run BLM's overhead costs up about 19 percent of the operating budget. Isn't that steep for administrative costs?

Answer: Common services includes many costs which are not administrative. One example is that fixed costs such as rent, utilities, telecommunications and postage are charged to common services because it is difficult, unjustifiably expensive, and not feasible with present manpower to keep track of these charges by specific programs.

A percentage calculation should recognize that the $40 million common services budget for FY 1978 includes $4.9 million derived from appropriations other than Management of Lands and Resources. In addition, law enforcement should be subtracted from Administration before computing a percentage of "administrative" costs. These adjustments result in a figure of 16% for Management of Lands and Resources even without considering that many costs are not "administrative" to begin with. We feel that this percentage is well in line with overall governmental and industry averages for administrative or indirect costs.

Law Enforcement

Question: Why do you think law enforcement should be included under the administration activity? Why not under resource management?

Answer: The Federal Land Policy and Management Act gave BLM overall authority for enforcement of laws and regulations governing the public lands, a significant change from the limited authorities we had previously. Moreover, the total enforcement workload is significant and growing. Law enforcement was included as a subactivity under administration and enforcement because it is a support function for diverse programs that span the entire activity structure, including lands and realty, and our minerals programs as well as the renewable resources. Furthermore, contract authority permitting for the use of local law enforcement agencies in enforcing

BLM regulations on public lands will not be oriented to a specific land or resource function and thus, could not be accurately assessed in advance against lands and realty, minerals management or renewable resource management. These general types of law enforcement contracts, as well as BLM's own internal efforts are felt to be best funded in the new Administration and Enforcement support activity.

Question: How has BLM funded the law enforcement buildup, including the training program in Georgia? How was the 1977 program developed since it was not specifically covered in your budget request last year, and what is the full funding program for the new activity for 1977 and 1978?

Answer: Under the impetus of the Wild Horse and Burro Act and the Sikes Act, the BLM established limited law enforcement capability in 1976 with 10 personnel and operating costs of $350,000 for salaries, equipment and other expenses. Funding for the program includes costs of authorized BLM law enforcement personnel, or enforcement personnel on a reimburseable basis from other agencies, to investigate and prosecute violations of laws, regulations, or use authorizations where penalties for criminal violation exist and the BLM has authority to place violators under arrest (as opposed to trespass where civil penalties are involved). The program is being funded through program services assessments in FY 1977 of $350,000. For FY 1978 the full funding level is $611,000 consisting of the $350,000 base, a $250,000 requested increase per contracts and $11,000 for pay costs.

The training in Georgia is held at the Federal Law Enforcement Training Center at Glynco, Georgia. The only BLM employees who attend this training are the Special Agents and Law Enforcement Rangers who have arrest authority.

The full funding program for FY 1978 is the $350,000 FY 1977 base plus the proposed increase of $250,000.

Question: How will the $611,000 requested for law enforcement under the Administration and Enforcement activity be used?

Answer: The breakdown is as follows: a) salaries and benefits for 10 special agents, $247,000; b) equipment, communications, travel, and other operating expenses, $80,000; and c) contracts with state or local enforcement personnel to meet Federal training standards $284,000.

PAYMENT IN LIEU OF TAXES

Question: At the time you submitted your budget, the request for $100 million under the payment in lieu of taxes program was presented as the best estimate available. Have you refined that estimate yet?

Answer: From $91.3 to $100.8 million is still our best estimate of the total requirement. The Solicitor has approved proposed regulations and BLM's letter to the state governors requesting verification of land ownership prior to Federal acquisition and the amount of receipts transferred to counties by the state. The states will have 30 days to respond. The data requested is essential for accurate computation of payments under Section 1. We still anticipate making payments by August 1, 1977.

Question: We covered this program in the supplemental hearings, so we will not have detailed questions at this time. You aren't having any unexpected problems with this program are you?

Answer: No, we do not have any new problems with the payments program.

Question: So that the fiscal 1978 hearing record will be complete, please provide the state breakdown of the $100 million. I believe we asked you to provide that in the supplemental hearings. Please add any county breakdowns you have.

Answer: The state and county breakdown (printout) provided to the committee at the time of the supplemental hearings still represent our current estimates. This breakdown can be very misleading in that no accurate information on certain existing payment distributions can be taken into account until responses are received from state governments showing actual amounts transferred to counties. Some individual county amounts and state totals could be overstated or understated in the breakdown for this reason. Also, the breakdown applies only to Section 1 payments. Section 3 estimates are not available by state or county at this time.

ACQUISITION, CONSTRUCTION, AND MAINTENANCE
Comparative Analyses

Question: You are proposing a new appropriation called "Acquisition, Construction and Maintenance" which would combine your previous Roads and Trails account with Construction and Maintenance. In addition, it would put all the acquisition funding in this one account. First of all we would like to have a table which clearly compares fiscal 1977 funding with fiscal 1978 on the basis of roads and building construction. We would like the table to compare budget authority and obligational programs and clearly breakout the amounts for road construction as opposed to other construction.

Answer: The following table shows the new budget authority and obligation program amounts for fiscal year 1977, and the comparable amounts for fiscal year 1978 (requested budget authority and the obligation program are identical in fiscal year 1978). Please note that acquisition funding is included in the road and trail construction obligation program in fiscal year 1977 in the amount of $925,000. For fiscal year 1978 this acquisition program funding appears in a separate subactivity which includes the $925,000 base plus $175,000 derived by comparitive transfer from Management of Lands and Resources activities. The negative budget authority in fiscal year 1977 for road and trail construction is attributable to $13.9 million of an available total of $20.0 million in unobligated contract authority balances having been rescinded in the FY 1977 Appropriations Act. The $13.9 million rescission plus the $6.1 million FY 1977 obligation program account for the total of $20 million in unobligated contract authority brought forwarded from the Transition Quarter to FY 1977.

ACQUISITION, CONSTRUCTION, AND MAINTENANCE

	FY 1977		FY 1978
	Budget Authority	Obligation Program	Budget Authority and Obligation Program
Acquisition and Construction			
Building Construction 1/	$ 2,915,000	$ 3,107,000	$ 3,735,000
Recreation Construction 1/	453,000	1,834,000	1,100,000
Road and Trail Construction 2/	-13,900,000	6,100,000	4,075,000
Acquisition 3/	--	--	1,100,000
Pay Costs	--	--	160,000
Activity Total	-10,532,000	11,041,000	10,170,000
Maintenance			
Buildings	1,611,000	1,611,000	2,011,000
Recreation	2,964,000	2,964,000	3,064,000
Roads and Trails 1/	2,217,000	2,496,000	2,217,000
Pay Costs	--	--	96,000
Activity Total	6,792,000	7,071,000	7,388,000
Total Acquisition, Construction & Maintenance	-3,740,000	18,112,000	17,558,000

Footnotes:

1/ Difference between FY 1977 budget authority and FY 1977 obligation program is attributable to unobligated Construction and Maintenance appropriation balances brought forward to FY 1977 from the Transition Quarter.

2/ The FY 1977 columns are the Public Land Development Roads and Trails account. The obligation program total for FY 1977 includes $1.1 million for acquisition.

3/ See narrative explanation preceding the table for source of funding for this proposed new subactivity.

BUILDING CONSTRUCTION SURVEY, DESIGN AND ADMINISTRATION

Question: How did you arrive at the estimate of $230,000 for survey, design and administration, and how does that figure break down?

Answer: The $230,000 is based upon anticipated requirements for survey and design of FY 1979 building construction projects plus estimates for administrative and managerial support. The estimate consists of $42,000 for construction contract administration and managerial support; for on-going construction work; $48,000 for construction site survey; and $140,000 for construction design.

RECREATION MAINTENANCE

Question: Under recreation maintenance you say that you will replace 12 pit toilets out of 35 which will require replacement due to health and pollution reasons. Could you give us a cost estimate on replacement of the remaining 23, and also provide the locations by state?

Answer: We have identified an additional seventeen pit toilets in Alaska along with fourteen in Oregon and nine in Wyoming that need to be replaced with vault toilets. Cost of replacement is estimated to be $360,000.

Question: When do you plan to have them all replaced?

Answer: Given existing levels of funding, they should be replaced with adequate structures by the end of Fiscal Year 1981.

OREGON AND CALIFORNIA GRANT LANDS
Timber Management

Question: Are you currently able to maintain the allowable cut in your O&C management program?

Answer: The current allowable cut calculations of 1.172 billion board feet can be offered with the funds requested in FY 1978. We can do this by diverting permanent personnel away from long range planning in order to meet each years commitment. However, unless the Bureau can get ahead on planning for future timber sales, including forest development and construction, there will be a fall down in future sustained yield production. In fact the productive capability of these O&C grant lands is dependent upon the implementation of long range plans and each allowable cut calculation reflects the adequacy or inadequacy of all forest management practices.

Question: Under your forest management activity you have earmarked $160,000 for improving you map base. What exactly will this be used for? Doesn't the USGS provide you with adequate maps for forest management uses?

Answer: The United States Geological Survey map series was originally produced in about 1945 to show topography for each township in the O&C at a small scale. Due to the intensity of forest management and the

lack of planning detail on existing maps we propose to contract with USGS for the remapping of these areas in greater detail and at a larger scale. The funds identified in the budget would be passed on to USGS for this work.

Forest Development

Question: You indicate that you will reseed 10,000 acres out of the current 40,000 acre backlog. Why can't you work at reducing the backlog any faster?

Answer: Tree planting efforts will increase from 30,000 acres in FY 1977 to 40,000 acres in FY 1978. This rate of reforestation effort allows the planting of about 25,000 acres of recently clear-cut lands, replanting of failures from previous efforts of about 5,000 acres and a reduction in the backlog of about 10,000 acres. This rate of progress assumes normal survival rates in the FY 1977 season which, because of below normal moisture conditions, may increase the need for greater replanting. Because of restrictions on the use of endrin treated seed to avoid total destruction of the effort due to rodents, all recently harvested and backlog acres must be planted with nursery grown seedlings and each additional 10,000 acres requires a minimum of 5,000,000 seedlings. Funds requested for FY 1978 will be used to plan and schedule tree planting for these additional areas. However, since it takes two years to produce plantable trees suited to each specific site it will not be possible to eliminate this backlog until FY 1981.

Question: You have $300,000 earmarked for land acquisitions at seed orchards to expand the genetic improvement program. Are you working with any other Federal agencies or private industries on genetic research?

Answer: The Bureau of Land Management is cooperating with the U.S. Forest Service, State of Oregon, Oregon State University, several lumber companies and the Industrial Forestry Association in the genetics improvement program. One example of this is the collection and testing of seed from selected superior trees in Western Oregon. Seed was collected from specific sites under direction of U.S. Forest Service and Oregon State University from lands managed by all cooperators. Seedlings will be tested at different sites and the Bureau is acquiring additional orchard capability to test the success and growth of seedings which are site specific to the O&C lands in Western Oregon.

SUBCOMMITTEE RECESS

Senator DECONCINI. We will stand in recess until Tuesday at 9:30 a.m. when the Committee will hear the Fish and Wildlife Service budget.

Thank you very much.

[Whereupon, at 11:50 a.m., Friday, March 25, the subcommittee was recessed, to reconvene on Tuesday, March 29.]

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 1978

TUESDAY, MARCH 29, 1977

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, D.C.

The subcommittee met at 9:30 a.m., in room 1224, Everett McKinley Dirksen Office Building, Hon. Ted Stevens presiding.

Present: Senators Stevens and Bellmon.

DEPARTMENT OF THE INTERIOR

U.S. FISH AND WILDLIFE SERVICE

STATEMENT OF LYNN GREENWALT, DIRECTOR

ACCOMPANIED BY:

EUGENE HESTER, ASSOCIATE DIRECTOR, ENVIRONMENT AND RESEARCH
HARVEY NELSON, ASSOCIATE DIRECTOR, FISH AND WILDLIFE RESOURCES
KEITH SCHREINER, ASSOCIATE DIRECTOR, FEDERAL ASSISTANCE
MICHAEL SPEAR, ASSISTANT DIRECTOR, PLANNING AND BUDGET
FRANCIS M. WILES, DIRECTOR OF BUDGET, OFFICE OF THE SECRETARY
ROBERT PUTZ, DIRECTOR OF RESEARCH

BUDGET REQUEST AND PREPARED STATEMENT

Senator STEVENS. We will call the hearing to order.

This morning we are scheduled to hear the fiscal 1978 budget request of the Fish and Wildlife Service. The request, including recent budget amendments, totals $221.5 million, an increase of $71.4 million over appropriations to date. The original justifications are in part 1 of the record and we will insert the budget amendment justifications in the record at this point along with a revised budget summary table.

This table, incidentally, has an error that should be corrected. In addition, there was no detail of permanent positions submitted with the resource management amendment. We would ask for you to include that with the justification.

Mr. GREENWALT. Yes, sir, we will.

[The information follows:]

RESOURCE MANAGEMENT

	Request pending	Proposed amendment	1978 Revised request
Resource Management	$155,628,000	$13,000,000	$168,628,000

Program and Financing (in thousands of dollars)

Identification code 14-1611-1-1-303	19 actual	19 78 Request pending	19 78 Proposed amendment	19 78 Revised request
Program by activities:				
1. Habitat preservation		31,668	10,000	41,668
2. Endangered species		12,269	3,000	15,269
All other activities		111,691	....	111,691
Total program costs, funded.		155,628	13,000	168,628
Reimbursable program:				
6. Replacement of personal property sold		200	....	200
7. Miscellaneous services - other agencies		15,800	....	15,800
Total, reimbursable program		16,000	....	16,000
10.00 Total obligations		171,628	13,000	184,628
Financing:				
11.00 Federal funds		-13,500	....	-13,500
14.00 Non-Federal sources		-2,500	....	-2,500
Budget authority		155,628	13,000	168,628
Relation of obligations to outlays:				
71.00 Obligations incurred, net		155,628	13,000	168,628
72.00 Obligated balance, start of year		28,061	1,000	29,061
74.00 Obligated balance, end of year.		-35,562	....	-35,562
90.00 Outlays, excluding pay raise supplemental		147,960	14,000	161,960
91.10 Outlays from wageboard pay raise supplemental		19	....	19
91.20 Outlays from civilian pay raise supplemental		148	....	148

OBJECT CLASSIFICATION (in thousands of dollars)

Identification code 14-1611-1-1-303	19 actual	1978 Request pending	1978 Proposed amendment	1978 Revised request
Personnel compensation:				
11.1 Permanent positions		82,983	2,532	85,515
11.3 Positions other than permanent		13,574	340	13,914
11.5 Other personnel compensation		3,317	100	3,417
Total personnel compensation		99,874	2,972	102,846
Personnel benefits:				
12.1 Civilian		10,429	314	10,743
13.0 Benefits for former personnel		123	....	123
21.0 Travel and transportation of persons		6,546	640	7,186
22.0 Transportation of things		1,495	135	1,630
23.1 Standard level user charges		5,941	....	5,941
23.2 Other rent,comm.&utilities..		2,983	300	3,283
24.0 Printing and reproduction		903	150	1,053
25.0 Other services		14,915	4,829	19,744
26.0 Supplies and materials		8,770	200	8,970
31.0 Equipment		3,372	500	3,872
32.0 Lands and structures		478	200	678
41.0 Grants, subsidies, and contributions		....	2,760	2,760
42.0 Insurance claims and indemnities		513	....	513
Total costs, funded		156,342	13,000	169,342
95.0 Quarters and subsistence		-714	....	-714
99.0 Total obligations		155,628	13,000	168,628

PERSONNEL SUMMARY

Identification code 14-1611-1-1-303	19 actual	19 78 Request pending	19 78 estimate Proposed amendment	19 78 estimate Revised request
Total number of permanent positions		4,372	100	4,472
Full-time equivalent of other positions		1,296	....	1,296
Average paid employment		5,668	100	5,768
AVERAGE GRADE AND SALARY				
Average GS grade		9.74	....	9.74
Average GS salary		$18,412	....	$18,412
Average salary of ungraded positions		$14,723	....	$14,723

Justification

FY 1977 will be the first year of funding for a five year $400 million effort to improve Fish and Wildlife Service Programs. Approximately $100 million will be spent under the Resource Management Appropriation to: provide increased manpower for the wildlife refuge system; determine, evaluate and predict the effects of environmental contaminants and land and water developments on fish and wildlife and their habitats; and provide grants-in-aid to States to carry out endangered species cooperative agreements.

Environmental Contaminant Evaluation - $5,200,000 - 46 positions.
A total increase of $5,200,000 will be used to fund 46 new positions, $1.7 million for habitat status interpretation, $2.1 million for ecological field appraisal and early warning alert system, $1 million for contaminant analysis and assessment, and $.4 million for extended national environmental contaminant monitoring. There is an urgent need to substantially improve the Service's capability of meeting its responsibility to protect fish, wildlife and their habitat. This need can be met by identifying, evaluating, and predicting effects of environmental contaminants on fish, wildlife, and their habitat in major biogeographical regions as a basis for decisions which will promote conservation of wild species and management of the associated natural environments. Expertise and capability will be provided to assess environmental problems as they occur in the field and serve as an early warning system to alert the Fish and Wildlife Service to possible impending environmental crises which will adversely affect fish and wildlife. An anticipatory scheme such as this could have predicted the kepone contamination of the James River well before it reached the crisis stage. Pre-crisis analysis of probable problem areas, supported by sound data and necessary regulatory authority (Environmental Protection Agency/Toxic Substances Control Act), will preclude many major environmental crises.

A biogeographic approach will permit an orderly consideration of key ecosystems. Both field and laboratory data bases will be incorporated into systematic approaches for predicting adverse effects of potential contaminants, including the scope and duration of effects of known or unknown contaminants. Efforts will be directed at improving problem assessment by introducing a competent ecological field element into the early stages of planning. The monitoring concept will be extended to include new and promising approaches to measure the status of fish and wildlife resources. Environmental indicators useful for interpreting resource and habitat status will be developed.

Adverse effects of environmental contaminants on fish and wildlife resources have reached catastrophic proportions in several years--for example, polychlorinated biphenyls (PCBs) and other contaminants in Lake Michigan and agricultural chemicals in Coastal Louisiana--before remedial measures have been attempted. Production and use of chemicals and hazard potential are in spiralling increase. The Fish and Wildlife Service has the responsibility of evaluating and predicting effects on fish, wildlife, and habitat. The magnitude and complexity of the problems, however, have outstripped the resources available to solve them. Knowledge and capability to predict the contaminant problems of the future, before they become emergencies, has become a critical need.

No area of the country is immune to the adverse effects of environmental contaminants. Contaminants resulting from intensive agricultural practices, forest pest control, intensive land uses, urbanization, and energy development are now causing serious problems for fish and wildlife.

The Fish and Wildlife Service has developed and consistently supported an excellent but small nucleus of scientists and laboratory facilities devoted to anticipating, detecting, and ameliorating real and potential environmental contaminants. However, capabilities of the Service for ecological research on these contaminants is limited in many aspects, and non-existent in others. Such research, both ecological and chemical, is essential to the Service's early warning capabilities by providing more definitive first and second generation feed-back data in the form of information, chemical-physical detection of contaminants, biological standing crops, chemical-biological monitoring, and interpretive and predictive evaluation. These overall early warning capabilities must be ordered along logical, biogeographical regions, which will permit orderly consideration of key ecosystems within biogeographical regions that should be given more intensive analysis.

1. Habitat Status Interpretation ($1.7 million - 16 positions). Develop environmental indicators usable for interpreting resource and habitat status by establishing a research expertise and predictive capability based upon integrative use of ecological, physiological, behavioral, and mathematical modeling expertise and methodology to enhance our predictive capability.

   The approach will require a balance between in-house research and contracting. A core of research expertise is essential--it is only through involvement that concepts and needs are generated and interpretive capabilities possible. Contracts provide an extension of this capability. The Cooperative Units will be involved to the extent possible as an agent for utilizing the capabilities of the universities. Research teams will be tripartite to integrate ecological, experimental, and contractual efforts from the strong base of specialized expertise in Fish and Wildlife Service research laboratories. These teams will interact at the field level where appropriate and maintain liaison through a team leader at each of the Fish and Wildlife Service laboratories involved. One research team consisting of eight professional staff will be located at the Fish-Pesticide Research Laboratory in Columbia, Missouri, and one team of eight professional staff will be located at the Patuxent Wildlife Research Center in Laurel, Maryland.

2. Ecological Field Appraisal and Early Warning Alert System ($2.1 million - 20 positions). Provide expertise and capability to assess environmental problems as they occur in the field and serve as an early warning system to alert the Fish and Wildlife Service to possible impending crises by developing an ecological research base in major biogeographical regions.

   Development of predictive capabilities will require a blending of the Service's operations and research units. Field teams will concentrate on the identification of potential contaminant problems. Research will be responsible for overall guidance, amplification, interpretation, and interaction with regulatory agencies. Two field teams each made up of 10 professional staff located at identified biogeographic areas will conduct ecological field investigations. These teams will interact with the research teams located at the Fish-Pesticide Research Laboratory at Columbia, Missouri, and the Patuxent Wildlife Research Center at Laurel, Maryland.

3. Contaminant Analysis and Assessment ($1 million - 8 positions). Provide the advanced expertise and capability to detect and identify the complexity of chemicals and their breakdown products that accumulate in fish and wildlife and their habitat. This program will be particularly useful in aiding in the identi-

fication and quantification of unknown compounds, degradation products, and other unusual chemicals appearing in the environment. This concept can best be utilized by serving as a viable early warning system for new suspect toxic chemicals. This concept will be implemented by establishing and staffing an analytical contaminant identification team to be located at the Fish-Pesticide Research Laboratory, Columbia, Missouri.

4. Extend Environmental Contaminant Monitoring ($.4 million - 2 positions). Extend the monitoring concept to a regional surveillance system combined with nationwide trend monitoring. This will expand the existing coordinated national program for accurately sampling and measuring residues of environmental contaminants in fish and wildlife resources and habitat.

Implementation of the extended monitoring concept will allow us to routinely analyze for environmental contaminants that require previously unavailable sophisticated and expensive analytical techniques and equipment. The personnel responsible for implementing this concept will be stationed at the Fish-Pesticide Research Laboratory, Columbia, Missouri, and at the Patuxent Wildlife Research Center, Laurel, Maryland.

Land and Water Resources Development Planning, $4,200,000 - 50 positions. The goal of this program is to protect fish and wildlife by enhancement (improvement) of their habitat and to prevent or compensate for habitat losses from activities such as dredging, filling, removal of streambank vegetation, pollution, channelization, flooding and urban developments. This will be accomplished through participation in the following:

1. Initial and early planning for area-wide management of land and water uses, alterations, or regulations to be administered by Federal and State agencies; and

2. planning and implementation of Federal, federally-assisted, and federally licensed projects for land and water uses, alterations, or control.

The Fish and Wildlife Service proposes to use these additional resources to make a significant improvement in its capability to provide meaningful fish and wildlife resource-related input to other agencies and the general public in the early developmental stages of planning and decision-making. This input would include identification of critical spawning and production areas and needed habitat management, protection, and replacement measures.

It is anticipated that increased emphasis on early pre-project input would result in:

1. an increased awareness and consideration of fish and wildlife concerns at early decisionmaking stages in the development of policies, land and/or water use management plans, and project designs;

2. a reduced percent of projects and plans that must be opposed by the Service because of unacceptable losses of fish and wildlife habitat such as in the proposed Cross-Florida Barge Canal Project; and

3. a reduced percent of projects and plans that must be opposed by the Service because acceptable compensation is not provided for unavoidable losses of habitat.

The delays caused when projects are opposed by the Service often result in increased costs and unnecessary public controversy. Earlier and more precise identification of fish and wildlife needs at pre-project stages of planning will allow decisionmakers more flexibility in considering

these needs. At later stages of planning, when land easements have already been purchased, project designs completed, and construction costs calculated and authorized, it is more difficult to make modifications to accommodate fish and wildlife concerns. When fish and wildlife data are adequate and fully considered by the planning agency, there is seldom need for the Service to oppose any subsequent project.

When the Service is able to actively participate early in a major planning effort and the Service's comments are fully considered, several benefits can be achieved. Among these benefits are projects which are environmentally compatible, such as the McGee Creek Project in Texas; improved interagency coordination; and increased public awareness.

However, while the number and size of planning efforts have been ever increasing, the Service's recent annual budgets for participation in these efforts have not kept pace. Accordingly, a decreasing percent of plans and projects are receiving adequate Service participation.

With this budget amendment, the Service will be able to develop and implement an effective pre-project environmental assistance strategy through:

1. improved and increased interagency agreements;

2. adequate manpower to participate in major planning efforts such as Coastal Zone Management Plans;

3. acquisition and dissemination of pertinent fish and wildlife data to all appropriate parties such as State planning agencies;

4. improved data analyses; and

5. improved identification of priority fish and wildlife habitat needs and issues.

The opportunities to provide timely and important pre-project environmental assistance are increasing. For example, several broad planning studies have already been legislatively mandated. They include EPA Area-Wide Waste Treatment Management Planning in all States, Level B (Comprehensive) River Basin Studies in at least 8 States, and Coastal Zone Planning and Administration of the Coastal Energy Impact Program under the Coastal Zone Management Act in 34 States and territories. Other important large scale efforts such as the Department of Transportation planning in all States and public lands management in all western states also need current, detailed data on fish and wildlife habitat and input as to how this habitat can best be protected while still accomplishing their main purpose. If provisions are not made for significantly increasing the Service's ability to participate in these planning efforts, a large, as yet undetermined number of acres of fish and wildlife habitat may be needlessly damaged or destroyed by pollution, construction, filling, over grazing or lack of water. Furthermore, continued destruction of our Nation's estuaries will directly affect the human population through a significant reduction in production of shellfish and fish which are economically important sources of food and other products.

This proposed amendment would provide for Service implementation of pre-project environmental assistance in three major areas:

1. early and effective participation in planning and decision-making processes affecting coastal fish and wildlife habitat;

2. early and effective participation in planning and decision-making processes affecting streams and adjacent fish and wildlife habitat; and

3. Improved project impact and resource analysis.

A detailed discussion of each of these major areas follows:

1. Early and Effective Participation in Planning and Decisionmaking Affecting Coastal Fish and Wildlife Habitat ($2,150,000 - 22 positions). Seventy-five percent of the Nation's estuaries have been damaged by dredging, filling, or pollution. Over half of the Nation's population now lives within fifty miles of one of the coasts and the growth rate in coastal areas is three times the national average. Clearly, these areas are where many crucial decisions affecting fish and wildlife resources will be made now and in the future. Detailed information on fish and wildlife habitat concerns and needs, which is currently not available, must be obtained and made available to the decisionmakers if these resources are to be conserved and protected.

This amendment would permit the Service to upgrade its presently limited and cursory review of coastal resource development proposals. In this connection, the Service proposes to significantly expand and alter our current posture on coastal resource developments by adding sufficient personnel and funds to undertake a more active role in major project planning efforts for the Nation's coastal areas at an early stage.

Contracting monies would be available to secure habitat information in specific critical coastal areas to provide Service personnel with adequate data that can be directly used in planning by other agencies and in Service efforts and activities. Investigations would focus on areas of immediate concern. One such area involves the large expanse of U.S. Pacific Islands coral ecosystems which are threatened by many types of human activity. Another priority need is the development of site specific, predictive capabilities for determining impacts of specific developments on critical fish spawning grounds and waterfowl production and wintering areas. For instance, studies are needed in Pamlico Sound, North Carolina, and the California estuaries which are threatened by navigation projects and agricultural-urban encroachment, respectively. Funds would be used to provide the information generated by the investigations to the general public to increase awareness of critical resources and the impacts of human uses thereon.

The new positions would be individually located in key Service coastal Field, Area, or Regional Offices in Alaska, Oregon, Maryland, Texas, and several other States to expedite communications between the Service and users of the information that would be developed. The users would include State planning agencies and Federal construction and regulatory agencies. One immediate task for these positions would be to ensure that adequate ecological principles and Service policies are included in coastal zone management programs currently being developed by the 34 coastal States and territories under the Coastal Zone Management Act.

2. Early and Effective Participation in Planning and Decisionmaking Processes Affecting Streams and Adjacent Fish and Wildlife Habitat ($1,200,000 - 16 positions). This Service effort would be an inland counterpart to the aforementioned program for coastal habitat and would focus efforts on protecting critical stream and adjacent (streambank) habitat. These 16 positions would be used to develop pertinent fish and wildlife information in specific locations and to provide this information along with a clear presentation of Service policies into the early stages of area-wide and project planning efforts including the planned Platte River Study, Nebraska, and the Atchafalaya Basin Studies, Louisiana. Previously, manpower and funding limitations have usually precluded all but late stage cursory reviews of such studies.

Information (resource inventories, critical area delineation, impact analyses) developed under various research contract and inventory efforts would be made available to the decisionmakers earlier than input has usually been made in the past. This is important, because at the early

stages of planning, project designs have not been fixed and thus are easier to adjust to take into account the Service's recommended provisions for the protection of fish and wildlife.

A minor portion (less than $25,000) of the contract funds would also be used to improve information flow (brochures and other publications) to other Service elements and, more importantly, to the general public. Most of the positions would be located in key inland Service Field or Area Offices such as Grand Island, Nebraska; Phoenix, Arizona; Vicksburg, Mississippi; and Lebannon, Ohio; which are geographically close to major problem areas, to expedite communications between the Service and information users.

Emphasis would be placed on those riverine systems faced with the severest development threats. The Platte River, mentioned above and bottomland hardwood wetlands in central and southeastern U.S., respectively, are two examples of where studies are needed. Initial staff efforts would focus on establishing coordination with the agencies charged with making decisions affecting those areas and identifying the fish and wildlife information needs of those agencies.

3. Improved Project Impact and Resource Analysis ($850,000 - 12 positions). At present, neither manpower nor equipment are available to effectively monitor and compile data to show the impacts of dams, reservoirs, and other proposed development projects on fish and wildlife resources at each project site. Also, prudent management decisions as to priorities for protection of different habitat types, such as bottomland hardwood versus salt-cedar habitat, in project areas are difficult to make unless adequate information is available. Such decisions must be made prior to making fish and wildlife-related project recommendations to construction agencies. These agencies include the Corps of Engineers, Soil Conservation Service, Bureau of Reclamation, and others. Service recommendations to protect or improve fish and wildlife resources are required for most major Federal water projects by the Fish and Wildlife Coordination Act (48 Stat. 401, as amended; 16 U.S.C. 661 et seq.) and under other legislation including the National Environmental Policy Act (83 Stat. 852, 42 U.S.C. 4321 et seq.).

In recognition of the need for improved methods and tools for field use, a Project Impact Evaluation Center has been established at Ft. Collins, Colorado. This facility will be used to further develop and refine the Service's Habitat Evaluation Procedures and to undertake related tasks including the determination of key habitat evaluation criteria (biological factors important to various species). However, existing allocations of staffing and equipment for this facility are limited to meeting essential field needs and do not provide resources (manpower and equipment) for effectively measuring, monitoring, and compiling comprehensive or aggregative fish and wildlife habitat and other project data. Thus, the need is to augment and extend existing staff and equipment.

With the additional funding and ceilings, resources would be provided in each region and the Central Office and the new Center at Ft. Collins, Colorado. This will extend existing staff and equipment to enable compilation and maintenance of impact data for each project and to provide summary data for each county, basin, congressional district, State, region, and the Nation. Priority issues such as shortages of water and energy development and their effects on fish and wildlife resources will be addressed more effectively in the planning process with improved definition of program needs relating to these changes. A portion of this effort will be effected through contracting and reassignment of existing ceilings.

The results of this effort will include:

1. data compilations which can be effectively used to analyze the impacts of Federal water projects on fish and wildlife resources;

2. biologically-based and statistically valid data for support of Service recommendations to construction agencies in fish and wildlife reports;

3. data and analyses for use in prudent resource management decisions concerning the best use of available manpower and funding to focus on the most critical fish and wildlife habitat problems; and

4. data and analytical capabilities needed to respond to public State, Federal, and other inquiries on project-related impacts on fish and wildlife resources.

Biological Services, $600,000 - 4 positions. Utilizing the riparian habitat component of the overall habitat classification scheme, which is proposed for development in FY 77, important riparian (streamside) habitat will continue to be mapped, on a selected basis, as an additional activity to those activities already programmed by the National Wetlands Inventory for FY 78. The work on the habitat classification system also proposed for initiation in FY 77, will be completed to a sufficient level of detail to allow its initial testing at selected sites in FY 78. Work will continue on development of the information system proposed for initiation in FY 77.

The riparian zone, the transition area between wetlands and uplands, has a biological significance far in excess of its physical dimensions. Especially in the arid and semi-arid west and southwest, riparian zones may be the most important wildlife habitat in any geographic unit. This is largely because the riparian zone provides the overstory cover for wildlife foraging in wetland and upland areas, as well as ready access to water. Thus, this zone may truly be one of the most critical wildlife habitat components. Such habitat is being lost at an alarming rate. In addition to the Fish and Wildlife Service, the Forest Service and other Federal and State agencies maintain a strong interest in riparian habitat. The Forest Service in particular has expressed a strong desire to have a riparian habitat inventory included in the National Wetland Inventory in order to support their assessment activities required by the Forest and Rangeland Renewable Resource Planning Act of 1974.

The dynamic nature of resource development poses problems in predicting where the next of the greatest impact upon fish and wildlife will be. Resolution of this problem requires a uniform approach to all upland habitats, rivers, lakes, and wetlands. The National Wetland Inventory will do much to provide information on habitats used by waterfowl, but will not provide data on upland areas or details of streams and lakes, such as type, width, discharge, gradient, bed materials, and origin, which are important in assessing values to fish and wildlife. A national approach to habitat classification and analysis is now underway. A major need is to expand upon the national classification system and to utilize the standardized approach to habitat inventories now being developed.

Large amounts of resource information have already been and will be collected in Alaska for the Alaska Native Claims Settlement Act, corridor planning, the National Petroleum Reserve Alaska, permits and licenses, Federal project planning, and Refuge management functions. This information is frequently used only for the project which collected the data. Other projects must then recollect the same data because: (1) they are unaware of the existing data; (2) the data are not readily available; and (3) the data have been lost through periodic file reduction. A mechanism is required that will store, archive, and retrieve resource information assembled by all present and future projects in Alaska and other States.

Benefits expected include extension of mapping and inventory activities to include the important wildlife habitat which occurs in the riparian ecotone. Benefits will also be seen from the initial Alaska activities

leading to better understanding and management of the diverse fish and wildlife habitat.

Endangered Species Grants-in-Aid, $3,000,000 - no positions. Service responsibilities under the Endangered Species Act (16 U.S.C. secs. 1531-43) are: (1) to list species that must receive the protection of the Act in order to survive as unique entities of our ecosystems; (2) provide protection for the species and their critical habitats under Sections 7 and 9; and (3) carry out or encourage other levels of government, agencies, or groups to carry out recovery programs whereby individual species are maintained or, if possible, returned to the point where they are no longer Endangered or Threatened. Because our authorities essential for management of listed species outside the U.S. are limited, most recovery programs will affect only native species.

Much benefit and satisfaction can accrue to people of the United States from preservation of native species alone. The resources needed for such a program are greater than anticipated appropriations and manpower of the Fish and Wildlife Service. The States must also have roles and authorities which will enable them to protect and conserve Endangered and Threatened wildlife. By entering into cooperative agreements, the Service and the State fish and wildlife agencies share the responsibility for Endangered and Threatened wildlife. States that have entered into such agreements are also eligible for financial assistance under the Program.

Most of the proposed State projects require two to four years to complete. Therefore, $3,000,000 will be required in FY 1978 to renew essential work initiated in FY 1976 or 1977. As projects are completed, new projects will be approved in order of importance to the program.

A total of $1,165,000 in grant-in-aid funds has already been allocated to 16 States and an additional allocation will be made soon. Fourteen States now have Endangered Species projects and two more will submit project proposals soon. With activation on an Endangered Species grant-in-aid program, the States will be augmenting substantially Federal recovery efforts for species on Federal lists. They will also be working on other State-listed species for which direct Federal efforts are otherwise unavailable. Among the projects being funded and to be funded are monitoring breeding populations of the Kirtland's warbler, reestablishing self-sufficient colonies, and providing protection on the winter range; assessing public acceptance in preparation for reintroductions of the timber wolf; captive propagation and release of peregrines and locating and assessing new release sites; determining the effect of current pesticide levels on bald eagle populations; and implementing recommended management measures for the Columbian white-tailed deer. These projects are in direct support of cooperative recovery plans developed or being developed for each species. Some States are using grant-in-aid to support their participation in recovery plan development.

Given the funds, States can select and employ additional personnel to carry out specific Endangered Species tasks. Delegating certain recovery responsibilities to the States alleviates Service need for hard-to-get, permanent full-time personnel ceilings. With the States providing one-third of the cost of a project through matching funds, the Service can achieve three dollars worth of Endangered Species work for the investment of every two dollars in Federal funds. In every way, Endangered Species grants are a sound investment.

CONSTRUCTION AND ANADROMOUS FISH

	Request pending	Proposed amendment	1978 Revised request
Construction and Anadromous Fish	$12,692,000	$30,000,000	$42,692,000

Program and Financing (in thousands of dollars)

Identification code 14-1612-1-1-303	19 actual	19 78 Request pending	19 78 Proposed amendment	19 78 Revised request
Program by activities:				
1. Construction and rehabilitation				
(a) New facilities		....	13,064	13,064
(b) Rehabilitation of facilities.		8,860	16,936	25,796
(c) Pollution abatement		310	....	310
2. Anadromous fish		3,522	....	3,522
Total program costs, funded		12,692	30,000	42,692
Change in selected resources (undelivered orders)		6,700	....	6,700
10.00 Total obligations		19,392	30,000	49,392
Financing:				
21.00 Unobligated balance available, start of year		-6,700	....	-6,700
24.00 Unobligated balance available, end of year		....	....	....
40.00 Budget authority (appropriation)		12,692	30,000	42,692
Relation of obligations to outlays:				
71.00 Obligations incurred, net		19,392	30,000	49,392
72.00 Obligated balance, start of year		18,499	....	18,499
74.00 Obligated balance, end of year		-18,613	-5,000	-23,613
90.00 Outlays		19,278	25,000	44,278

OBJECT CLASSIFICATION (in thousands of dollars)

Identification code 14-1612-1-1-303	19 actual	1978 Request pending	1978 Proposed amendment	1978 Revised request
Personnel compensation:				
11.1 Permanent positions		773	....	773
11.3 Positions other than permanent		105	....	105
11.5 Other personnel compensation		16	....	16
11.8 Special personal services payments				
Total personnel compensation		894	....	894
Personnel benefits:				
12.1 Civilian		125	....	125
21.0 Travel and transportation of persons		230	60	290
22.0 Transportation of things		40	40	80
23.2 Other rent,comm.&utilities		30	20	50
24.0 Printing and reproduction		260	25	285
25.0 Other services		6,343	9,775	16,118
26.0 Supplies and materials		175	10,500	10,675
31.0 Equipment		130	4,580	4,710
32.0 Lands and structures		1,300	5,000	6,300
41.0 Grants, subsidies, and contributions		3,165	....	3,165
Total costs, funded		12,692	30,000	42,692
94.0 Change in selected resources		6,700	....	6,700
99.0 Total obligations		19,392	30,000	49,392

Identification code 14-1612-1-1-303	19 actual	19 77	19 78	19 78
		Request pending	Proposed amendment	Revised request
Total number of permanent positions		42	....	42
Full-time equivalent of other positions		10	....	10
Average paid employment		52	....	52
	AVERAGE GRADE AND SALARY			
Average GS grade		9.74	....	9.74
Average GS salary		$18,412	....	$18,412
Average salary of ungraded positions		$14,723	....	$14,723

JUSTIFICATION

For Development and Restoration of the National Wildlife Refuge System, $30,000,000

The establishment and growth of the National Wildlife Refuge System is a magnificent tribute to man's foresight and concern for future generations. However, the System is now in jeopardy.

- Visitation, expected to reach nearly 30 million in 1977, has quadrupled in 20 years.
- Refuge acreage has doubled during the same period.
- Facilities, many built in the 1930's, have deteriorated for lack of cyclic maintenance funding, and has resulted in a $70 million backlog, at 1975 costs, in essential rehabilitation.

Without substantial funding for needed improvements, plus restoration of existing facilities, the wildlife potential of this vast system of wildlands, let alone opportunities for people to use and enjoy this resource, can not be realized.

FY 1977 will be the first year of funding for a five year $400 million effort to improve Fish and Wildlife Service programs. $250 million will be used for rehabilitation, habitat improvement and development of wildlife refuges. The five year refuge construction program is projected as follows:

	FY 77	FY 78	FY 79	FY 80	FY 81
		($ in millions)			
Wildlife Refuge Construction Program	7	30	80	93	40

The following list contains a preliminary summary of the National Wildlife Refuge System needs by field station for FY 1978.

Development of National Wildlife Refuges, $13,064,000. Various levels of management intensity are employed on refuges. Urban wildlife areas require substantial development and a high-intensity level of management in order to provide for heavy public use and still protect the wildlife resource on these lands. Natural-type areas, however, may require only protection and a minimum of habitat manipulation to assure that their natural values are preserved. The goal is to privide whatever level of management is needed at each refuge. This policy assures optimum value to the American people in that it prevents development where none is needed while providing development where it is essential to meet the needs of wildlife and people. At the same time it insures that the provision of public use opportunities does not conflict with wildlife use of these refuges

Development of new facilities is needed on many existing refuges, with particular emphasis on recently acquired areas which have received almost no development to date. In addition to habitat restoration and improvement, many recently acquired refuges require headquarters buildings and storage facilities, as well as developments to allow or enhance public enjoyment and provide access throughout the refuge.

Development on older refuges would include items like leveling a field for planting and flooding to provide waterfowl feeding areas, or construction of new, adequately insulated headquarters and visitor centers. While new development needs currently total at least $200 million, less than $4 million has been appropriated for this purpose since 1970.

This investment will create new jobs directly as well as provide jobs indirectly through the creation of new business opportunities. Approximately 95 percent of the proposed improvements on NWR's will be accomplished

by private contractors. Because of the dispersed nature of the NWRS, this benefit will be widespread. Further, since many refuges are situated in rural locations, economically depressed areas will be major beneficiaries.

Restoration of Existing Facilities, $16,936,000. Acute deterioration of roads, buildings, water control structures, public use facilities and many other types of facilities found throughout the NWRS has occurred as a result of four decades of inadequate funding and staffing to properly maintain the more than 17,000 facilities currently in the System. There is a pressing need to make major repairs so that visitors are provided a safe, clean, enjoyable experience and that full wildlife benefits are realized from existing facilities. A further pay-off is that when facilities are properly maintained and repaired as would occur under a properly funded cyclic maintenance program, overall economy in the use of these facilities is assured and further excessive deterioration is prevented.

At the present time the total needs for essential rehabilitation, at 1975 price levels, is $70.1 million. The current ability to reduce the backlog is minimal--only $3.3 million is available for rehabilitation projects in FY 1977.

The proposed investment in the development of new facilities as well as the restoration of deteriorated facilities at existing refuges will provide significant opportunities to enhance the Nation's fish and wildlife resources as well as major opportunities for the public to enjoy wildlife and wildlands. Preliminary estimates indicate that a wide variety of benefits will accrue.

BUDGET AMENDMENT - FISCAL YEAR 1978

CONSTRUCTION AND ANADROMOUS FISH

State/Refuge	Projects	Amount ($ Thousands) FY 1978
ALABAMA		
Choctaw	Road relocation	10
	Rehabilitation of work center	9
	Install gasoline tanks and pumps	3
	Swamp rehabilitation	140
Eufaula	Stake/dump truck	15
	Rehab drainage system impoundment	20
	Heavy equipment	30
	Kennedy impoundment	260
Wheeler	Wildlife interpretive center	750
	Access road maintenance	22
	Heavy equipment replacement	120
	Rehabilitation of dewatering unit	280
	State Total	1,659
ALASKA		
Kenai	Construct headquarters complex (Service buildings, office and 2 residences)	1,200
	State Total	1,200
ARIZONA		
Cabeza Prieta	Vehicles	95
	Office/shop/storage and residence complex	500
	Solar energy plant	100
Cibola	Rehabilitate roads	55
	Rehabilitate irrigation system	120
Havasu	Bulldozer	60
	Rehabilitate irrigation system	50
	Marsh rehabilitation (dikes, control structures)	120

State/Refuge	Project	Amount ($Thousands) FY 1978
Imperial	Farm Tractor	20
	Office/visitor contact station complex	195
	Residences (3)	135
Kofa	Heavy Equipment	180
	Boundary Posting	40
	Water Truck for wildlife watering facilities	45
	State Total	1,715
ARKANSAS		
Big Lake	Road Grader	60
	Mower	5
Holla Bend	Rehabilitate shop/service building	12
	Roads improvement (shape & gravel)	45
	Dump truck	15
	Heavy equipment	80
	Access road rehabilitation	45
Wapanocca	Bulldozer	101
	Road grader	70
White River	Sanitary facilities	80
	Access road rehabilitation	270
	Rehabilitate pool A. Levee	56
	State Total	839
CALIFORNIA		
Kern	Water lift pump	23
	Land leveling	60
Klamath Basin	Domestic water system	29
	Visitor center/office complex	20
	Rehabilitate ditches & channels	117
	Rehabilitate ponds, dikes and Islands	36
Sacramento	Irrigation wells	24
	Main pump house	15
	Main water pump installation	39
	Irrigation pipes and risers	60
	Portable fire pump	12
	Airboat	16
	Radial gates for irrigation system	35
	Cropland rehabilitation	30
Salton Sea	Land leveling and drainage tile	60
	Water distribution facilities	60
San Francisco Bay	Construct headquarters complex	736
San Luis	Land leveling	181
	Irrigation well construction and rehabilitation	87
	State Total	1,640

State/Refuge	Project	Amount ($Thousands) FY 1978
COLORADO		
Alamosa	Canal structure rehabilitation	46
	Farm field rehabilitation	40
	Bank stabilization	50
Arapaho	Residence replacement	15
	Complete residence replacement	20
	Complete shop/service building replacement	23
	Habitat development	46
Monte Vista	Equipment replacement	50
	Construct well	22
	Rehabilitate buildings	5
	Sprinkler irrigation system	50
	State Total	367
DELAWARE		
Bombay Hook	Construct boat dock facilities	16
	Office/service building complex	98
Prime Hook	Marsh Rehabilitation	5
	State Total	119
FLORIDA		
J.N."Ding" Darling	Rehabilitate residence	14
	Rehabilitate bulkhead and dock	25
Lake Woodruff	Access road rehabilitation	18
	Restoration of headquarters facilities	58
Loxahatchee	Water pumps	150
Merritt Island	Rehabilitate South Exit Road	60
National Key Deer	Rehabilitate headquarters facilities	13
	Repair parking lot	5
St. Johns	Marsh management equipment (ATV)	3
	Backhoe	5
	Storage building	11
St. Marks	Stony Boyou Dike	40
	Rehab water control facility	16
	Farm tractor	18
	Mound subimpoundment	106
	Stony Boyou North Dike	137
	Water pumps	7
	State Total	686
GEORGIA		
Okefenokee	Sewage treatment plant	30
	Construct oil/paint storage building	130
	Construct equipment storage building	150
	Construct shop/service building	130

State/Refuge	Project	Amount ($Thousands) FY 1978
Piedmont	Farm tractor	14
	Resurface and gravel connector roads	16
	Shape/gravel campground access roads	18
	Gravel for service roads and trails	10
	State Total	498
HAWAII		
Island Complex	Boundary Fencing	109
	Interior Fencing (1.0 mile)	4
	State Total	113
IDAHO		
Camas	Road grader	35
	Land leveling	69
Deer Flat	Fencing and Parking lot	50
Grays Lake	Farm equipment	25
	Marsh management vehicle (ATV)	23
	Boundary fencing	50
Kootenai	Dikes and water pump	28
	New water pump	19
Minidoka	Repair dikes	5
	Building rehabilitation	5
	State Total	309
ILLINOIS		
Crab Orchard	Public access road rehabilitation	679
	Equipment rehab/replacement	142
	Interpretive/Recreational facilities	124
	State Total	945
INDIANA		
Muscatatuck	Water control facility (initial construction phase)	1,050
	State Total	1,050
IOWA		
DeSoto	Interpretive/Informational Sign	17
	Building roof repair	10
	Recreation site trash dumpsters	6
Union Slough	Interpretive tour route	7
	Habitat development	8
	Marsh ditch cleaning	8
	State Total	56

State/Refuge	Project	Amount ($Thousands) FY 1978
KANSAS		
Flint Hills	Equipment replacement	50
	Habitat development	63
	Erosion control	5
	Aerial seeding	20
Kirwin	Purchase two trucks	19
	Building rehabilitation	5
	Road rehabilitation	20
Quivira	Equipment replacement	125
	Flood damage rehab	340
	Building rehabilitation	163
	Fencing	12
	Construct equipment storage building	115
	State Total	937
LOUISIANA		
Catahoula	Heavy equipment	130
	Clean Lake Drain	30
	Gravel Lake Dike	11
Delta	Water treatment plant	29
Lacassine	Canal rehabilitation	25
	Boundary fencing	9
	Farm Unit "C" Rehabilitation	28
	Farm Unit "A" Rehabilitation	28
	Replace electrical wiring (headquarters)	11
	Boat replacement	5
	Headquarter's bulkhead rehab	35
	Headquarter's road paving	46
Sabine	Headquarter's fire system	6
	Boundary posting	16
	Barge replacement	16
	Rehab levee on pool #3	46
	Dragline	45
	Canal rehab	736
	State Total	1,252
MAINE		
Moosehorn	Dike Rehabilitation	28
	Road Rehabilitation	66
	Boundary posting	2
	State Total	96
MARYLAND		
Blackwater	Observation tower rehab	35
	Interpretive wildlife drive rehab	85
	Rehabilitate residence	5
	Boundary posting	30
	Rehabilitate administrative building	3
Eastern Neck	Tree plantings	4
	Road rehabilitation	7
	State Total	169

State/Refuge	Project	Amount ($Thousands) FY 1978
MASSACHUSETTS		
Great Meadows	Headquarter rehabilitation	5
	Construct Dike (AE)	15
Parker River	Heavy equipment (Bulldozer)	36
	Base gravel for road system	359
	Road grader	66
	State Total	481
MICHIGAN		
Seney	Equipment repair/replacement	76
	Black-top tour route	420
	State Total	496
MINNESOTA		
Agassiz	Water facility (Bank stabilization) rehab	240
Minnesota Wetland Complex	Boundary fencing/Public access	192
	Waterfowl habitat improvement	102
Rice Lake	Water control/Administrative facility rehab	237
Sherburne	Construction of water control structure	828
Tamarac	Water facility rehabilitation	56
	Habitat rehabilitation	87
Upper Mississippi	Administrative facilities	403
	Multi-agency management planning	200
	State Total	2,345
MISSISSIPPI		
Hillside	Farm Field Drain (tile) Rehab	6
	Access road rehab	37
Noxubee	Farm field impoundment rehab	10
	Dike levee rehab	109
	Green tree reservoir	50
Yazoo	Alligator Pond Levee Rehab	46
	Flemming Levee Rehab	10
	Swan Island Road Rehab	13
	Swan Island Impoundment rehab	3
	Deer Lake Road Rehab	16
	Green Tree Reservoir Water Control	3
	Replace bullzozer	60
	State Total	363

State/Refuge	Project	Amount ($Thousands) FY 1978
MISSOURI		
Squaw Creek	Interpretive/Informational signs	10
	Habitat rehabilitation	35
	Resurface roads	37
Swan Lake	Road rehabilitation	50
	State Total	132
MONTANA		
Bowdoin	Replace water control structure	100
Charles M. Russell	Comprehensive facility and management planning	525
	Oil Storage Building	20
	Rehab maintenance shop	5
	Replace fire pump unit	5
	Survey and boundary posting	265
	Boundary post and signing	25
	Construct new and repair old fences	220
Medicine Lake	Construct fences on WPA's	42
	Establish Dense Nesting cover (DNC)	28
Ravalli	Replace vehicles	30
	Rip-Rap River bank	20
	Replace oil storage building	10
	State Total	1,295
NEBRASKA		
Cresent Lake	Rehabilitate fences	15
	Fire control equipment	44
	Boundary survey	20
	Rehabilitate access roads	20
	Rehabilitate residences	45
	Rehabilitate administrative facilities	70
Fort Niobrara	Replace domestic water system	12
	Rehabilitate buildings	55
	Construct interpretive exhibits	1
	Interpretive and informational signs	10
Hastings WMD	Equipment	65
	Habitat rehabilitation	17
	Dump truck	18
	Rehabilitate buildings	47
	Rehabilitate roads and visitor parking lots	20
Valentine	Purchase horses	1
	Oil storage building	23
	2-way radio equipment	10
	Heavy equipment (Backhoe)	18
	Rehabilitate access roads	20
	Rehabilitate buildings	15
	Airboat	10
	State Total	556

State/Refuge	Project	Amount ($Thousands) FY 1978
NEVADA		
Desert NW Range	Lake Rehabilitation	111
	Heavy equipment (backhoe)	40
	Dike Rehabilitation	8
	Rehabilitate roads	12
	Construct and repair interior fences	12
	Construct interpretive display	6
	Boundary fencing	30
	Interpretive/informational signs	3
	State Total	222
NEW JERSEY		
Brigantine	Water distribution ditch rehabilitation	50
	Dike rehabilitation	100
	Wildlife interpretive center	30
Great Swamp	Water management vehicle (ATV)	15
	Rehabilitate Interpretive boardwalk	30
	Complete development of Pool 2	150
	Rehabilitate residence	4
	State Total	379
NEW MEXICO		
Bitter Lake	Irrigation system	120
Bosque del Apache	Irrigation system	162
Las Vegas	Water delivery system	110
Maxwell	Backhoe/front end loader	20
	Road grader	70
Sevilleta	Heavy equipment	140
	State Total	622
NEW YORK		
Iroquois	Onadaga Pool	4
	Feeder road improvement	3
	Feeder canal improvement	4
	Interpretive display	30
Montezuma	Rehabilitate office (AE)	13
	Water pump and building	5
Target Rock	Marsh restoration	5
	Pond rehabilitation	9
	Office rehabilitation	6
	Snowplow	2
	Residence rehabilitation	4
	State Total	85
NORTH CAROLINA		
Mackay Island	Rehabilitate Knotts Island Causeway tower	23
	Bulkhead rehabilitation	15
	Relocate residence	14
	Complete service building	22

State/Refuge	Projects	Amount ($ Thousands) FY 78
Matamuskeet	Entrance road rehabilitation	11
	Equipment storage building rehabilitation	17
	Rehabilitate residence	2
	Repair boat	8
	Marsh impoundments	254
Pea Island	Water impoundment	22
	Farm tractor	13
Pee Dee	Construct impoundments	131
	Dike rehabilitation	7
Pungo	Heavy Equipment	80
	Canal rehabilitation	45
	Farm land rehabilitation	45
	State Total	709
NORTH DAKOTA		
Arrowwood Complex	Transport truck	45
	Water development	8
	Dense nesting cover (DNC)	45
	Grassland rehabilitation	80
	Rehabilitate equipment storage building	4
	Rehabilitate office	12
	Residence rehabilitation	46
Audubon	Establish dense nesting cover	18
	Road graveling	5
	Water control structure	20
Des Lacs	Boundary fencing	100
	Office rehabilitation	6
	Dump truck	30
	Residences	73
	Oil storage building	4
	Water control structures	5
	Ditching	12
	Bridge	35
	Farm equipment	32
Devils Lake	Establish dense nesting cover	60
	Tractor and mower	16
	Dump truck	15
	Road rehabilitation	50
	1/2 Ton truck	14
J. Clark Salyer	Residence rehabilitation	44
	Fencing	33
	Water control structure	80
Kulm WMD	Pickup truck	7
	Fencing	15
	Water control structures	15
Tewaukon	Construct residence	45
	Water impoundment development	35
	Oil storage building	4
	Construct boundary fences	40
Upper Souris	Fencing	75
	Residence rehabilitation	13
	Road rehabilitation	21
	Equipment storage building	42
	State Total	1,204

State/Refuge	Projects	Amount ($ Thousands) FY 1978
OHIO		
Ottawa	Dike and ditch rehabilitation	128
	State Total	128
OKLAHOMA		
Salt Plains	Bulldozer	45
Sequoyah	Road grader	35
	Causeway	35
Tishomingo	Replace 3 residences	135
Wichita Mountains	Pave 5.2 miles road	570
	State Total	820
OREGON		
Sheldon-Hart	Land leveling	15
	Power Plant	15
	High Line canal rehabilitation	12
	Erosion control dike and protective fence	38
	Fence and water control structure rehabilitation	17
	Livestock watering ponds	10
	Spring rehabilitation	15
Malheur	P-Ranch rehabilitation	5
	Farm field rehabilitation	23
	Water impoundment rehabilitation	15
	Domestic water system rehabilitation	30
	Sanitary facilities	10
	Building restoration	2
Umatilla	Interpretive/informational signing	17
	Construct storage building	37
	Water pump repair/replacement	35
	Rehabilitate access roads	55
William F. Finley	Marsh Rehabilitation	52
	Buildings and parking lot rehabilitation	8
	Equipment (backhoe)	28
	Construct sanitary facilities	12
	Portable water pumps	4
	Ditch rehabilitation	8
	Bulldozer	36
	State Total	499
PENNSYLVANIA		
Erie	Seneca Pool impoundment (AE)	40
	Dump/stake truck	14
	Woodcock Creek pool	173
	Posting Seneca Division	6
Tinicum	Dike and control structures	150
	Water impoundment rehabilitation	25
	Headquarters/environmental complex	100
	State Total	508
RHODE ISLAND		
Ninigret	Replace roof- storage building	4
	Rehabilitate office building	40
	State Total	44

State/Refuge	Project	Amount ($Thousands) FY 1978
SOUTH CAROLINA		
Cape Romain	Equipment replacement	6
	Tractor and mower	10
	Construct public use facilities	20
	Building rehabilitation Bulls Island	15
Carolina Sandhills	Heavy equipment	50
Santee	Electrical wiring rehabilitation	13
	2-way radio equipment	6
	Road and dike repair	10
	Heavy equipment	80
	Dump truck	12
	Boundary posting	3
	Visitor recreational facilities	10
Savannah Complex	Boat dock facilities	50
	Farm tractor	12
	River Dike renovation	170
	Bulkhead rehabilitation	165
	Water control structure rehabilitation	15
	Dike rehabilitation	22
	Gravel River dike	100
	State Total	769
SOUTH DAKOTA		
Lacreek	Equipment	41
	Dike rehabilitation	84
Lake Andes	Fencing	39
	Dike repair	12
	Water Supply (Lake Andes)	160
	Equipment	20
Madison WMD	Water development	28
Sand Lake	Fencing and Posting	42
	Equipment	57
	Water structures	66
	Building rehabilitation	23
	Disease control facilities	9
	Road rehabilitation	26
Waubay	Boundary fencing	24
	Habitat development	16
	State Total	647
TENNESSEE		
Cross Creeks	Dike rehabilitation	132
	Replace residence heating unit	6
Hatchie	Water impoundment rehabilitation	19
	Storage Lake impoundment rehabilitation	13
	Water well and power source	12
Reelfoot	Marsh rehabilitation	5
Tennessee	Heavy Equipment	60
	Tractor replacement	45
	Soil ammendment treatment (lime)	150
	Gravel (roads)	25
	Texas farm road rehabilitation	6
	Lorraine Creek road rehabilitation	15

State/Refuge	Projects	Amount ($ Thousands) FY 1978
	Cool_/ Bottoms road rehabilitation	8
	Dragline replacement	60
	Frontend loader	20
	Water control structures	225
	State Total	801
TEXAS		
Anahuac	Shoveler pond dike and road	100
Aransas	Auditorium addition to office	75
	Fence/post Matagorda Island	75
Brazoria	Entrance Road	145
Laguna Atascosa	Interpretive Displays	22
	Bulldozer and scraper	100
Santa Ana	Bank stablization	360
	Office/visitor contact station and residence	350
	Interpretive trails	56
Attwater Prairie Chicken	Roads 2.5 miles	60
	State Total	1,343
UTAH		
Bear River	Observation Tower	10
	Storage building replacement	15
	Truck replacement	33
	Shop replacement	32
	Buildings rehabilitation/replacement	63
Fish Springs	Vehicle replacement	16
	Sign replacement	5
	Office/storage rehabilitation/replacement	32
	Equipment rehabilitation/replacement	105
Ouray	Habitat development	154
Browns Park	Habitat development	42
	Facility development	60
	Building rehabilitation	40
	State Total	607
VERMONT		
Missisquoi	Dike/water control structures	100
	Pool # 1 rehabilitation (AE)	50
	State Total	150
VIRGINIA		
Back Bay	Rehabilitate entrance road	96
	Visitor contact station	12
	Habitat development	5
Chincoteague	Underground fuel tanks and pumps	3
	Rehabilitate residences	29
	Dike construction (AE)	4
	Marsh rehabilitation	5
	Dragline replacement	75
Great Dismal Swamp	Road rehabilitation	31

State/Refuge	Projects	Amount ($ Thousands) FY 1978
Mason Neck	Interpretive boardwalk rehabilitation	10
Presquile	Rehabilitate electrical system	25
	State Total	295
WASHINGTON		
Lower Columbia	Water impoundments	77
	Entrance road and signal light	44
	Grazing land rehab and seeding	40
	Road rehabilitation	25
McNary	Road rehabilitation	13
	Rough fish control	6
	Boundary fence rehabilitation/replacement	97
	Irrigation equipment rehabilitation	40
Nisqually	Survey of Dungeness	23
	Dike McCallaster Creek rehabilitation	58
	Tide gate	35
Turnbull	Residence rehabilitation	9
	Water control structure rehabilitation	39
	Headquarters complex rehabilitation	11
	State Total	517
WISCONSIN		
Horicon	Dike and access road rehabilitation	86
Necedah	Small management pool rehabilitation	50
	State Total	136
WYOMING		
Seedskadee	Headquarters development	74
	Habitat development	46
	Boundary posting and signing	77
	State Total	197
	GRAND TOTAL	30,000

Summary of Funds

Rehabilitation	16,936
Construction	13,064
Total	30,000

DEPARTMENT OF THE INTERIOR
U.S. FISH AND WILDLIFE SERVICE

MIGRATORY BIRD CONSERVATION ACCOUNT

	Request pending	Proposed amendment	1978 Revised request
Migratory Bird Conservation Account	....	$10,000,000	$10,000,000

(Permanent, indefinite, special fund)

Identification code 14-5137-1-2-303	19 actual	19 78 Request pending	19 78 Proposed amendment	19 78 Revised request
Program by activities:				
2. Acquisition of refuges and other areas			10,000	10,000
Total program costs, funded (obligations)			10,000	10,000
Financing:				
Budget authority			....	10,000
Budget authority				
40.00 Current appropriation (general fund)			10,000	10,000
Relation of obligations to outlays:				
71.00 Obligations incurred, net			10,000	10,000
90.00 Outlays			10,000	10,000

OBJECT CLASSIFICATION (in thousands of dollars)

Identification code 14-5137-1-2-303	19 actual	19 78 Request pending	1978 Proposed amendment	1978 Revised request
Personnel compensation:				
Total personnel compensation				
Personnel benefits:				
21.0 Travel and transportation of persons			30	30
25.0 Other services			500	500
32.0 Lands and structures			9,470	9,470
Total costs, funded			10,000	10,000
99.0 Total obligations			10,000	10,000

PERSONNEL SUMMARY

Identification code 14-5137-1-2-303	19 actual	19 78 Request pending	19 78 Proposed amendment	19 78 Revised request
Total number of permanent positions		152	....	152
Full-time equivalent of other positions		19	....	19
Average paid employment		169	....	169
Average GS grade		9.68	....	9.68
Average GS salary		$18,412	....	$18,412

Justification

Migratory Bird Conservation Account, $10,000,000 - no positions

This request is for $10,000,000 as an advance to the Wetlands Loan Fund and is in addition to the projected duck stamp revenues of $22,000,000 in FY 1978. Twelve million dollars of this revenue is based on the current duck stamp price of $5. The FY 1978 budget proposes to raise the price of the stamp to $10, which would provide an estimated $10,000,000 in additional receipts. However, new legislation will be required for the Service to realize these additional receipts.

The objective of the Service's current accelerated land acquisition program carried out with funds from the Migratory Bird Conservation Account is to preserve those habitats, primarily wetlands, most important to the maintenance of existing waterfowl populations and other migratory bird species in the United States. Emphasis is on habitats most important to the waterfowl resourve (i.e., breeding and wintering) and treatened with near-term loss if not acquired by the Service. The program is nationwide in scope. Authorities for acquisition include Migratory Bird Hunting Stamp Act, as amended (16 U.S.C. 718d), and Migratory Bird Conservation Act of 1929, as amended (16 U.S.C. 715-715S).

Based on an evaluation of the ongoing program completed in 1975, new acquisition objectives, policies and priorities have been developed. New objectives are to acquire, in fee and less than fee interest, approximately 1.9 million acres of key waterfowl breeding and wintering habitat, with minor purchases of selected refuge inholdings, during the period FY 1977-86. The acquisition period may need to be extended through FY 1991 depending on fund availability. Achievement of this acquisition objective is expected to maintain habitat required by more than 50 percent of the current U. S. waterfowl production, excluding Alaska, that is not currently protected in public ownership and prevent loss of approximately 10 percent of the current average post-breeding season population of waterfowl. The estimated program cost at 1975 land values is $410 million.

Proposed acquisition for FY 1978 will acquire an additional 31,600 acres as follows:

Habitat Type and Location	Acres	Cost ($000)
California Central Valley Wintering	3,000	600
Miss. Delta Bottomland Wintering (AR,LA,MS,TN)	9,800	2,500
Texas Coastal Wintering	16,000	5,000
Miss. Flyway Outside Pothole Region Breeding (WPA) (WI)	2,000	500
Atlantic-Eastern Gulf Coast Wintering (DE, MD, VA, NC, SC, GA, FL)	800	400
Incidental Acquisition Costs	-	1,000
TOTAL	31,600	$10,000

Migratory birds are an international resource for which the Federal Government, through the Fish and Wildlife Service, has primary responsibility for protection and management. An analysis of waterfowl habitat preservation needs completed by the Service in 1975 concluded that at least 1.9 million acres of habitat will need to be preserved by Service acquisition over the next 10-15 years to achieve migratory bird program objectives of maintaining current waterfowl population levels and distribution.

The analysis emphasized the necessity to preserve the most important and intensively used waterfowl breeding and wintering areas most critical to maintenance of each species and population. In the context of this emphasis, waterfowl land acquisition is high priority since habitat destruction is, for practical purposes, irreversible. Delay will result in permanent and significant habitat reductions and subsequent declines in waterfowl populations as well as other wetland-dependent migratory bird species.

Waterfowl and other wetland-dependent migratory birds benefit both consumptive and non-consumptive users as well as the public in general. Wetlands and other waterfowl habitats preserved also provide numerous other benefits to society in general such as production of other wildlife and commercial fisheries, flood control, groundwater recharge, storm buffers, and aesthetically pleasing natural areas.

Primary benefits derived from the MBCA acquisition program can be categorized as general species stewardship, conservation and recreation. Stewardship responsibilities of the Federal Government for maintenance and protection of migratory birds are emphasized through protection of habitats critical to perpetuation of species and populations. Although a substantial secondary benefit, on-site public use of migratory birds is not a primary justification for MBCA acquisition. Direct beneficiaries are approximately 2.8 million waterfowl hunters and 8-10 million birdwatchers.

Fiscal year 1977 will be the first year of funding a five-year $400 million effort to improve Fish and Wildlife Service programs. During this period, $50 million will be spent for the acquisition of migratory bird habitat from advances to the Wetlands Loan Fund.

U.S. FISH AND WILDLIFE SERVICE

Statement providing the detail of permanent positions exhibit.

The detail of permanent positions exhibit for the FY 1978 budget amendments is attached.

DETAIL OF PERMANENT POSITIONS

	1978 Request pending	1978 Proposed amendment	1978 Revised request
Executive Level V	1	....	1
Subtotal	1	....	1
GS-18	1	....	1
GS-17	2	....	2
GS-16	16	....	16
GS-15	60	....	60
GS-14	291	5	296
GS-13	440	18	458
GS-12	739	47	786
GS-11	898	1	899
GS-10	1	....	1
GS-9	732	15	747
GS-8	27	....	27
GS-7	545	10	555
GS-6	282	....	282
GS-5	424	10	434
GS-4	144	....	144
GS-3	21	....	21
GS-2	2	....	2
Subtotal	4,626	106	4,732
Ungraded	537	....	537
Total permanent positions	5,163	106	5,269
Unfilled positions, June 30	-291	-6	-297
Total permanent employment, end of year	4,872	100	4,972

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Senator STEVENS. Mr. Greenwalt, we have your statement and it will also be placed in the record. As it is long we would ask you to summarize it and introduce those with you at the witness table.

[The statement follows:]

STATEMENT OF LYNN A. GREENWALT

Mr. Chairman:

My associates and I welcome this opportunity to review with you and members of the subcommittee the fiscal year 1978 budget for the United States Fish and Wildlife Service.

The amended 1978 budget is a unique commitment to the protection and enhancement of our fish and wildlife resources. It provides funding for part of a five-year, $400 million effort--initiated by the President's recent supplemental appropriation requests and fiscal year 1978 amendments--to improve substantially the operational capability of the Service and help secure the diversity, health and benefits of our fish and wildlife resources. The highlights of that initiative are as follows:

- Two hundred and fifty million dollars will be requested for construction over the five-year period to be used for rehabilitation, habitat improvement, and development of the National Wildlife Refuge System.

- Operation and maintenance of existing refuges will be facilitated by a $7 million increase in annual funding and staffing increase of 500 employees.

- $10 million per year will be requested under the Wetlands Loan Authority to acquire migratory bird habitat.

- A $10 million increase in environmental programs will significantly improve our capability to identify, evaluate, and predict the effects of environmental contaminants on fish and wildlife and their habitat, and to provide meaningful fish and wildlife resource-related information to other agencies and the general public in the early stages of planning and decisionmaking.

- The endangered species grants-in-aid program with the states will be supported at a level of $3 million per year.

The 1978 budget is thus not only a singular commitment, but also an extraordinary opportunity and an enlivening challenge. It mirrors the determination of the American people to preserve and enhance all of our fish and wildlife and to protect those lands and waters which comprise their essential habitats. I am convinced that the public better understands the problems facing living natural resources and, as a result, their concern is more intense and has become focused more directly on key issues. We are able to detect a diverse range of interests about how fish and wildlife resources should be used, but beneath that range of concerns is strong commonality of purpose: the protection and wise use of these resources to assure their availability to future generations.

In summary, the budget provides for increasing the currently appropriated level of $150.3 million to a total of $211.3 million for the Resource Management and Construction and Anadromous Fish appropriations. The budget clearly puts us in a position to respond far more effectively to those concerns and problems that I have discussed with this subcommittee in each of the past three years. These are:

- Protecting wildlife and key habitat from destructive uses and from the effects of environmental damage.

- Achieving a more effective level of operations and development for the National Wildlife Refuge System.

- Expanding the Service's ability to manage those species of fish and wildlife for which there is a Federal responsibility because of international treaties, interstate agreements, or other special obligations.

- Assuring that the substantial investment in facilities at refuges, hatcheries and research laboratories continues to produce benefits to fish and wildlife and to the people who have made the investment.

I would now like to highlight some of the principal proposals and the background for these budget decisions.

Habitat Preservation Programs

The budget proposes a total funding level of $41.7 million for habitat preservation programs. Of that amount, $10 million is for the purpose of continuing the supplemental funding proposed for fiscal year 1977.

Environmental Contaminant Evaluation Program

Our studies help to detect trends in environmental quality as measured by chemical pollutant residues in selected fish and wildlife species. The information we develop has been applied in national decisions on use, application and control of pesticides and other contaminants. For example, our research demonstrated the hazards of DDT to fish and wildlife and was a major factor in the EPA decision to cancel use of this compound. Studies on the toxic effects of chemicals on fish and other organisms provided factual bases for water quality criteria. Recent studies are adding a new dimension to understanding the full range of effects from oil spills or discharges. We have shown that if oil adhering to a bird's plumage is transferred to eggs during incubation it can cause reduced hatchability of the eggs. While more work must be done in this area, the implications, in terms of potential threat to various wildlife species or populations, are nonetheless apparent.

In recent years the nation has been confronted repeatedly with environmental contaminant problems of crisis proportions--DDT, PCBs, kepone, oil spills and others. These problems are becoming more complex, widespread and acute, and presently outstrip the capability for solution. The Service must determine effects of contaminants and their interactions on fish and wildlife to protect the resource, whether as species, populations, or entire ecological communities. This is our role as opposed to EPA, which is heavily oriented toward registration and regulation. A 1974 agreement between our two organizations delineates respective roles in regard to several scientific and technical environmental matters of common concern. Capabilities and responsibilities of each agency are identified to avoid duplication of effort and to facilitate an exchange of information and skills in several areas, including research and monitoring of environmental contaminants.

We cannot adequately protect fish, wildlife and habitat resources from environmental contaminants as long as funding constraints force us to deal almost exclusively with known crises or react to current emergencies. The 1978 budget amendment will help correct that situation by enabling the Service to develop an ability to predict emerging contaminant problems before a crisis is reached and to assess what will happen to wildlife and habitat across broad geographic areas, to keep track of what is happening by establishing monitoring systems, to obtain fundamental and basic data about key plant and animal species as indicators of overall environmental health, and to undertake more intensive research on how to diagnose environmental problems more effectively and quickly. The 1978 budget provides for a total appropriation of $11.3 million for the environmental contaminant evaluation program.

Land and Water Resources Development Program

Our request for the Land and Water Resources Development Planning program is $14.3 million. In 1978, we will move toward providing technical assistance, information and advice to planning agencies at the conceptual stage of project planning. This will be more effective and efficient than the traditional method of coordination where our review occurs after preliminary project design has been accomplished, and modifications to benefit the environment are often time-consuming and costly. These actions will reduce project controversy and the time required for project review.

During the past several years, the Service has been able to step up its efforts to monitor land and water developments that have the potential for destruction of fish and wildlife habitat and to bring these considerations into the decision-making process. One of the more significant recent environmental decisions occurred when the Corps of Engineers deined a permit request for most of the Marco Island development in Florida. The request to bulkhead and drain more than 2,000 acres of red mangrove swamp at the northwestern edge of the Everglades would have destroyed the swamp and impacted on estuarine areas containing the breeding grounds of many aquatic species. The decision by the Corps to favor protection of those wetland resources was greatly influenced by a clear demon-

stration of the values of the jeopardized wetlands made under our project evaluation procedures. Our objective is to prevent unacceptable loss of fish and wildlife resources from project development or to obtain project modification which will permit development while safeguarding those resources. This responsibility is rooted in the Fish and Wildlife Coordination Act.

The Service, however, has not been able to participate with necessary effectiveness in pre-project environmental planning assistance or to keep abreast of the increasing number of applications received for review from other Federal agencies. The opportunities for such planning assistance are growing, with several broad planning studies required by legislation, including coastal zone planning in 34 states and territories and Area-Wide Waste Treatment Management Planning in all states. The 1978 budget provides for substantially increasing Service ability to participate in these and other planning efforts. The major thrust of the amendment is to develop data on critical coastal, estuarine and inland habitat areas for use in guiding decisions by state planning agencies and Federal construction or regulatory agencies. Availability of such information as resource inventories, critical area delineation, and impact analysis at early planning stages will enable projects to be designed to protect or enhance fish and wildlife resources.

The budget also provides for Service participation in the general permit program of the Corps of Engineers and for development of standardized habitat evaluation procedures. The latter is an important field assessment tool for evaluating specific impacts of various kinds of developments on different habitat types or ecosystems and will respond to requirements of NEPA and the Principles and Standards for Water and Related Land Resources. The general permit program will reduce conventional individual permit review requirements, speed up the process, and provide better service to the public and the permitting or development agencies. The 1978 budget will be a major step forward in accelerating our review and study processes, to avoid undue delays, and assure that projects are planned and constructed in ways that protect wildlife now and in the future.

Biological Services Program

We request total funding of $13.0 million for the Biological Services program.

Many types of land-use changes have potentially significant impacts on fish and wildlife but do not require Service review of specific permits, licenses, or individual projects. A serious void has existed in understanding how to predict environmental impacts of these land-use changes because of a lack of information about fish, wildlife and habitat values affected. Scientific facts often have not been available to demonstrate accurately what the probable short-term and lasting effects on wildlife resources will be if streams are dammed, wetlands are drained, or wild lands are modified or opened to human activities. There has been no central source for basic ecological information, analogous to Geological Survey for hydrology and minerals. Such information, however, is sought by Federal agencies and is required to comply with the National Environmental Policy Act.

Our biological services program has begun to address these problems by building information on ecosystems, developing improved techniques for anticipating impacts, developing better methods and strategies to minimize impacts, and improving our ability to make ecological information widely available and in a form useful to decisionmakers. For example, data and information have been developed to modify bank stabilization methods on the Missouri River by the Corps of Engineers and to decrease environmentally damaging channelization on the Logan River, Utah. Technical assistance has been provided to Federal agencies at their request, including preparation of testimony for EPA on the Brunswick Power Plant, North Carolina, expert technical assistance and guidance to the National Park Service on the impact of the Bailey Power Plant on the Indiana Dunes National Moument, and extensive participation in FPC hearings on the Storm King, New York, pumped storage project. We have participated in a number of important Interior Department energy-related task forces, and carried out studies for EPA aimed at obtaining environmental information to permit energy developments to occur with acceptable impact on environmental quality.

In 1978, we are requesting an additional $3.4 million to further strengthen the role of this Service as the central Federal focus for scientific information on fish and wildlife and their supporting ecosystems for use in planning and environmental impact assessment. These funds will be used for the following purposes:

-- For energy related studies, $1,560,000 to accelerate collection and analysis of baseline data related to coal development, power plant siting, and for oil, gas and other development of the Outer Continental Shelf. The objective is to facilitate development of these vital energy resources by providing timely, comprehensive and accurate information which indicates how such development can take place with minimum adverse impacts on the environment. The information is essential for informed decisions on such critical items as regional Environmental Impact Statements for accelerated coal leasing; coal leasing stipulations and operating plans; oil and gas lease sales off the Atlantic, Pacific and Alaskan coasts, and on-shore facilities and operations related to OCS development.

-- For national habitat classification systems, $1,750,000 to maintain the schedule for completion (in fiscal year 1979) of the National Wetlands Inventory and to develop procedures for a national Habitat Classification and Analysis project. Both systems will provide universally applicable information on fish and wildlife habitat, based on a standard classification, inventory and assessment methods. These systems will help correct the existing situation in which many agencies are involved in often overlapping and redundant data collection systems, designed for single projects or programs and largely for preparation of Environmental Impact Statements. The information will be available to a wide range of Federal, state, local and other public groups. This information will also be of great value to the Service in improving the effectiveness of our work in such areas as land acquisition planning, permit and license review, project pre-planning, endangered species critical habitat designations and recovery planning, and habitat evaulation procedures.

Land Acquisition

Land acquisition by the Service is a complementary function of our general habitat preservation actions. We acquire lands to meet responsibilities and objectives of several operational programs. Our acquisitions are aimed at those lands which are essential to key resources and which cannot be protected adequately by other means.

For land acquisition, the budget requests $32 million under the Migratory Bird Conservation Account, the largest amount ever proposed for this account. Some $22 million are anticipated in receipts from sales of the Migratory Bird Hunting and Conservation Stamp. The level of receipts is predicated on proposed legislation which would allow the Secretary to increase the price of the duck stamp taking into consideration the current costs of land acquisition and other program costs. An additional $10 million would be available under the advance provisions of the recently amended Wetlands Loan Act. These funds will enable the Service to acquire about 111,000 acres of habitat and make progress toward acquisition of the 1.9 million acres of key migratory bird habitat that must be acquired during the 1977-1986 period. Our acquisition will be directed toward the most threatened as well as the biologically most important habitat. It will focus on key waterfowl breeding and wintering areas, including the prairie pothole region of the northcentral states, Mississippi River Delta bottomland hardwoods, coastal marshes in Texas, the Central Valley of California and six other areas. The amount of funding proposed is essential if we are to maintain current waterfowl population levels and distribution.

Wildlife and Fisheries Resources

The budget proposes a total funding level of $105.5 million under the Resource Management appropriation for the seven operational programs in these two activities. In addition, a total of $42.7 million is budgeted for the Construction and Anadromous Fish appropriation.

I would like to discuss first several proposals which cross individual program lines. These include:

- Development and operation of the National Wildlife Refuge System.
- Maintenance and rehabilitation of facilities at refuges, hatcheries and research laboratories.
- Wildlife and fisheries research and training.

Refuge Operations and Development

The Bicentennial Land Heritage Program proposes some $285 million over a five-year period for operations and development of the National Wildlife Refuge System. A total of $250 million (with $30 million planned for fiscal year 1978) is for construction funding to restore existing facilities, improve habitats and develop new facilities. We will emphasize rehabilitation and restoration of existing facilities and equipment during the first several years of this initiative. There will be a gradual shift over the next three years to meet new construction requirements.

The remaining $35 million, or $7 million annually, is for direct operations and maintenance. These funds are needed principally to increase staffing by 500 positions for wildlife management, public use, and maintenance purposes. About 260 of these positions will be immediately allocated to refuge operations. Over the next two or three years the remaining positions must be used for engineering, realty, contracting and other services in order to support the accelerated construction and land acquisition proposals. These positions will be shifted to refuge operations as planning and implementation requirements for construction and land acquisition are concluded. Because of the position situation, some modification of the station allocations as shown in the Justifications has been required.

These proposals will help restore the health of the refuge system as a whole. They will protect wildlife resources on refuge lands, and increase opportunities for all Americans to share in the values and benefits which those resources provide as part of our natural heritage. This is by far the greatest initiative ever proposed for the refuge system. It is long overdue and urgently needed. I wholeheartedly commend it as a demonstration of the nation's commitment to wildlife resources, and a sound and productive investment in our future.

Maintenance and Rehabilitation of Service Facilities

I have often discussed with this subcommittee the need to bring existing Service facilities up to acceptable minimum standards in order to attain intended program benefits. In the past we simply have not had adequate funding for cyclical maintenance of these facilities. This type of maintenance involves routine repair and upkeep to prevent deterioration of facilities and protect their useful life expectancy and operational effectiveness. One result of continued inadequate funding for cyclical maintenance has been a huge buildup in major rehabilitation and reconstruction requirements.

In 1978 we propose an increase of $6 million in the Resource Mangement appropriation for cyclical maintenance at refuge, hatchery and research field installations. This will enable the Service to avoid further substantial additions to the rehabilitation backlog by more adequate attention on a recurring, annual basis to the condition of physical facilities. It will prevent substantial deterioration of facilities now in reasonably sound condition and protect newly restored facilities. We plan to utilize $4 million of the increase for refuge and wildlife research facilities and $2 million on hatcheries and fisheries research stations. The construction appropriation includes an additional $8.8 million for major rehabilitation to restore badly deteriorated facilities to operational effectiveness. Of that amount $8.0 million will partly complement the BLHP construction proposals to help reduce the currently estimated $108 million backlog in rehabilitation and reconstruction requirements at wildlife refuges. The budget thus provides a balanced approach to facility upkeep and restoration which will improve the operational effectiveness of facilities and equipment, correct hazardous working conditions, and enhance the wildlife experience of millions of visitors to our field installations.

Wildlife and Fisheries Research and Training

The 1978 budget requests an additional $1.1 million for these purposes. The requested increase for research ($637,000) is needed to upgrade Service capability for protection and management of certain resources where the Federal Government has primary or special responsibilities--migratory birds, anadromous and Great Lakes fisheries. We propose, for example, a major research initiative in order to develop a coordinated management plan for non-game marine and coastal migratory birds. We need to assess impacts on these international resources from habitat change or manipulation and to develop baseline data on population status and distribution. New emphasis will be given to the fragile

ecosystems within the U.S. Pacific Trust Territories. This work to determine management and protection requirements must be undertaken now to avoid crisis-management in the future.

Our proposals provide for expanding research on environmental stress, disease, nutrition and genetics to enhance extremely valuable anadromous and Great Lakes fishery resources. We have also requested funds to re-register chemical compounds needed for both hatchery production and resource management purposes, complying with requirements of the Federal Environmental Pesticide Control Act of 1972. These compounds are needed for such purposes as control of diseases, marking and spawning of trout and salmon, diet formulation, control of predatory fish populations, disinfection of production facilities and control of weeds or plant growth in natural or hatchery environments. Unless re-registered, these tools will no longer be available for use by the Service or the states, resulting in less effective and more costly fish cultural practices and curtailed ability for efficient management of recreational fisheries.

Training programs of the Service serve to develop or reinforce the professional skills of our own employees and provide opportunities for employees of other Federal agencies and the states to benefit from training not available elsewhere. However, for the past several years training of refuge and hatchery personnel has been virtually eliminated because of funding and position constraints. We have requested an increase of $481,000 in 1978 to reactivate a refuge manager training academy and establish a consolidated fishery management training program. Such training helps assure a continued high level of professional ability in the conduct of Service operations. The academy will provide necessary and appropriate support to the planned upgrading of the refuge system over the next five years.

Other Proposals

In addition to these cross-program proposals, I want to touch briefly on several other increases in the wildlife and fisheries categories:

• Alaska Native Claims Settlement Act. The Service will continue to work cooperatively with the State of Alaska, other Federal agencies, and native villages and regional corporations to protect the extraordinary diversity and abundance of wildlife resources supported by Alaskan lands and waters. We request an additional $320,000 to stay abreast of requirements of the ANCSA land selection and allocation processes. This funding is necessary for studies to mitigate potential habitat loss on some 2 million acres of existing refuge lands which may be selected by Native villages under ANCSA provisions and for investigations of about 700 historic sites which may be conveyed to private ownership. As you are aware, some 31 million acres are proposed for new units or additions to existing units of the National Wildlife Refuge System under ANCSA provisions. Congressional decisions on those lands will occur by early fiscal year 1979, less than two years from now. The increase requested in 1978 will be the last needed to support ANCSA planning prior to our assumption of new management responsibilities for these unique wildland and wildlife resources.

• Animal Damage Control. The proposed increase of $1.1 million will support livestock protection effort in 13 western states. The increase is needed partially to replace funding available from the Department of Agriculture during fiscal years 1976 and 1977 for predator control.

• Anadromous and Great Lakes Fish Production. A total of $580,000 is requested to operate facilities coming on line at three new hatcheries--Green Lake, Maine; Allegheny, Pennsylvania; and White River, Vermont--and to increase production at Jordan River, Michigan. Fish from these stations are essential to restoration of Atlantic salmon in New England waters and for reestablishment of self-sustaining lake trout populations in the Great Lakes. In recent years substantial progress has been made toward achieving those objectives. It is important to reinforce our efforts to develop these resources for their potential recreational and commercial fishing values.

The budget also reflects the termination of financial assistance to the State of Washington to implement the Judge Boldt decision on Indian fishing rights. Congress provided $2,057,000 for this purpose in fiscal year 1977. Assistance to the State will continue through use of base funds for fishery assistance and contract work ($690,000 initially provided in fiscal year 1975) and grant-in-aid funding where states elect to use that option.

Endangered Species

We have requested a total of $15.3 million for this program. The total includes $3 million, under the 1978 budget amendment, for grants to the states. This amount is $1 million below the adjusted 1977 total. The grant funding will enable the states to fulfill more effectively their roles and authorities for protection of endangered and threatened wildlife. These funds will provide for continuation of work begun in fiscal years 1976 and 1977. To date, 14 states have had their application for Federal assistance approved for projects benefitting over 25 endangered species. In FY 1978, as in the past, new state projects will be approved in order of importance to the total program. The projects will directly support species recovery plans which have been cooperately developed with the states. Under this grant program, one-fourth to one-third of the cost of each project is funded by the states through matching funds. The grant program is an efficient and effective mechanism for accomplishing national objectives to protect and restore endangered wildlife.

We propose an increase of $2.9 million for our direct operations under the endangered species program. There are two kinds of work to be done. The first is to develop further the base of scientific facts which is essential for listing endangered or threatened plant and animal species. We have requested an additional $1.4 million for responsibilities in these areas. This includes our work related to status determination of candidate species, designation of critical habitats, and guidance for subsequent recovery actions. As species are listed, they are protected from any form of harvest or taking under provisions of Section 9 of the Act. Section 7 of the Act charges all Federal agencies to carry out conservation programs for listed species and to insure that their actions do not jeopardize such species or adversely modify their critical habitat. The increase will enable the Service to acquire necessary botanical science skills and plant management capability, to accelerate the process of screening candidate species and listing those which qualify, and to improve our assistance to Federal agencies so they can effectively meet their responsibilities for protection of critical habitat.

The second major area involves implementation of species recovery plans. An increase of $1.5 is requested for this purpose in 1978. There are now 57 official recovery teams appointed, responsible for 68 listed species. Eight recovery plans have been approved and are ready to be implemented. By 1978, we expect to have 70 recovery teams, about 85 approved recovery plans, and some 225 species covered by recovery efforts. The increase will be used largely for management of refuge lands to protect both plant and animal species. The actions taken will not only be essential for protection of listed species but will also serve as models and set standards for other Federal land-managing agencies.

Mr. Chairman, this concludes my opening statement. My associates and I will be pleased to respond to your questions and those of the other members of the subcommitte.

INTRODUCTION OF ASSOCIATES

Mr. GREENWALT. Yes, sir. I would be pleased to. Beginning at my left, sir, to your right, is Dr. Robert Putz, who is Director of Research for the Fish and Wildlife Service. And next to him is Mr. Michael Spear, Assistant Director for Planning and Budget. To my immediate right is Mr. Harvey K. Nelson, associate director for Fish and Wildlife. To his right is Dr. F. Eugene Hester, who is associate director for environmental activities in the Service. And beyond him at the end of the table is Mr. Keith Schreiner who is the associate director for Federal assistance programs.

BUDGET SUMMARY

Mr. Chairman, I would be pleased to highlight my opening statement.

As you indicated, this budget proposal includes a substantial increase for the Fish and Wildlife Service. The bulk of this increase is related to a Presidential initiative having to do with the fundamental improvement of the funding and staffing of the national wildlife refuge system as well as increases related to habitat preservation activities within the Service. The request reflects an enhanced ability to acquire land, particularly for migratory birds.

Mr. Chairman, the Presidential initiative is one proposed to encompass 5 years of effort and is designed basically to reconstruct and rehabilitate facilities on national wildlife refuges as well as carry out new construction for that system.

In addition, we are looking at an enlarged ability to deal with an area we refer to generally as habitat preservation as it has basically to do with monitoring the state of grace of the fish and wildlife environment as well as deal with the biological consequences of land use changes and development projects proposed by other agencies.

And of particular note, I think, is the emphasis given to the area of land acquisition; as the chairman is aware, the principal problem confronting fish and wildlife in the United States today is the loss of or deterioration of habitats suitable to support wildlife of all kinds.

Within the purview of responsibility of the Fish and Wildlife Service, of course, is a particular interest in migratory birds. Our proposal includes a substantial increase for the migratory bird conservation account which is that fund designed specifically to acquire migratory bird habitat. In addition, although not a part of this budget presentation, is that related to the Land and Water Conservation Fund which, as you know, has been substantially increased due to amendments passed in the last session of the Congress.

There are a number of details of the increases which I am sure we will want to discuss during the course of our discussion this morning. I won't attempt to treat those here.

NATIONAL WILDLIFE REFUGE SYSTEM

I would like to say, Mr. Chairman, that of particular interest to me is the very special attention that is being paid the national wildlife refuge system. As you know, on previous occasions of this kind I have pointed out difficulties being encountered in the system, not only because of a chronic lack of money to operate and maintain

facilities and to carry out the biological work necessary on those stations, but also the problems associated with personnel to do this work.

I regard the actions of the administration in this connection as being a major step in the direction of a recognition of a system that has been long neglected, a system with which I have been personally associated with for more than a quarter of a century and obviously in which I have a keen interest; and one which has the potential for providing manifold benefits to the people of this country. I am very pleased at the prospect of an increase of this significance in this particular area.

Mr. Chairman, I think rather than attempt to deal with all the details spelled out in the statement, I will present myself and my staff for any questions you may have at this point.

Senator STEVENS. How many acres do we have now in the wildlife refuge system?

Mr. GREENWALT. Slightly more than 32 million, sir.

Senator STEVENS. 20 million of those in my State?

Mr. GREENWALT. 19 million and some odd acres. Yes, sir.

ENVIRONMENTAL PROTECTION ACTIVITIES

Senator STEVENS. Now, the committee is pleased to see basic changes in the pending supplemental that would correct what we consider to be inadequate budgets for basic management programs in the refuge and fisheries' areas. But we wonder about the 66 percent increase in the 1978 appropriation for environmental planning and evaluation. Doesn't this duplicate what is already being done in other Federal agencies in the environmental field?

Mr. GREENWALT. No, sir. In my judgment, it does not for several reasons, the principal one of which is that our efforts are directed to the impacts of environmental problems as they relate specifically to fish and wildlife and the habitats they occupy. In fact, our efforts in this regard rather substantially complement the work done by other agencies. The other agencies involved in this include EPA, which as you know, has the largest stake in environmental quality concerns.

Our relationship with the Environmental Protection Agency is a longstanding one and a very good one. We do a great deal of work that is complementary to their basic mission, which is largely a regulatory one, and have over the years supported and enhanced EPA's ability to address some of the problems that confront the environment. We have a formal agreement with EPA which spells out our respective roles in this area. And our activity is, in my judgment, fundamental to the role of EPA in the sense that we are looking at those kinds of environmental problems which tend to presage and condition the kinds of regulations that EPA promulgates.

For example, in the preparation of water quality standards. Throughout the United States the Fish and Wildlife Service has been instrumental in providing the foundation, as it were, for the kinds of decisions that EPA finally makes, particularly as it relates to maintaining a quality of water that will support fish and wildlife.

Senator STEVENS. Why aren't your activities reimbursable? We give EPA the money to conduct the environmental studies and they reim-

burse other agencies when they do studies that are necessary to complete the environmental impact statement. Why don't you get your money for this process from them?

Mr. GREENWALT. We do get substantial funding from EPA, more particularly in special project areas. Our interest is not entirely in support of EPA. That is to say, not in support of EPA alone. We are concerned, in addition to maintaining an understanding of the well being, the state of health of fish and wildlife populations across the country, notwithstanding EPA's interest.

Senator STEVENS. We thought we had been taking pretty good care of that area in the past. I don't remember denying any funding in this area in the past.

Mr. GREENWALT. No, sir. You have been very generous.

INCREASE IN ENVIRONMENTAL ANALYSIS

Senator STEVENS. What brings about a 66-percent increase in 1 year in your request for environmental analyses?

Mr. GREENWALT. It is based fundamentally on the rapidly growing need to deal with issues beyond those with which we have been involved traditionally. One of the principal interests we have is in connection with the examination of proposed activities carried out through the other agencies. An example would be the implications of coastal zone planning and other management.

Senator STEVENS. We sit on those, too, Mr. Greenwalt. We budget those and no one has told us that you are not going to be reimbursed as are all other agencies on this energy leasing. Are you involved in the assessment of that for Fish and Wildlife?

Mr. GREENWALT. Yes, sir. We are.

Senator STEVENS. Well, don't they reimburse you?

Mr. GREENWALT. For some projects, but not all, sir. Among the things that we are trying to do is to assess in a general way the probable impacts to fish and wildlife of such things as coal development and extraction, not in a site specific way. We are working in the West and on Eastern coal problems. We are looking at the general problems associated with powerplant siting, for example, rather than each specific project.

When we deal with specific projects of this kind, we are reimbursed but not for the generic studies that are done relative to the problem as a whole. We have never been able to do this work to a satisfactory level. Among the increases that we are asking for are funds to enable us to attack these problems at the proper level of effort. In all of the projects with which we deal that are related to specific programs, as for example, Corps of Engineers construction projects, we seek and are provided reimbursement. In the case of the Bureau of Reclamation, we are reimbursed. We are paid for our participation in specific project studies for BLM, for example.

RELATIONSHIP WITH EPA PROGRAMS

Senator STEVENS. It sounds like you are getting into programs that are assigned to EPA. We thought that you were managing the fish and wildlife refuge system and carrying out specific tasks assigned to you by the Secretary with regard to fish and wildlife.

Now, why should we allow you to duplicate the EPA?

Mr. GREENWALT. I suggest that you should not allow us to duplicate EPA. I suggest further, Mr. Chairman, that we do not duplicate EPA.

Perhaps, in order to give you some more specific examples, I will ask Dr. Hester to respond in greater detail and perhaps clear the air on the relationship that we have, the contribution we make. In my judgment it is unique to the capability of the Fish and Wildlife Service.

Senator STEVENS. We congratulate you for your increase with regard to wildlife refuge management and upgrading the facilities, but approximately 22 percent of your increase is in the environmental area. It has nothing to do with upgrading your refuges. I think the committee ought to know why. All of a sudden this thing has taken off like a skyrocket to duplicate the activities of the Environmental Protection Agency.

Mr. HESTER. I do not think that it is duplicative of the EPA. It is supplemental to it. There are a number of ways in which we have a very effective working relationship with EPA. The memorandum of understanding which Director Greenwalt has already mentioned and there are other ways in which we serve on various committees in EPA and serve in other advisory functions to EPA.

We provide information to that agency with reference to its regulatory hearings. We provide data on our fish and wildlife studies of the effects of environmental chemicals on fish and wildlife both in terms of effects on individuals and effects on entire populations.

Senator STEVENS. All right. You were doing that last year; weren't you?

Mr. HESTER. Yes, we were.

Senator STEVENS. As I said, I can't remember ever cutting your budget in this area in any substantial way, although this same problem surfaced in the supplemental request. But what brought about a 66 percent increase in 1 year in environmental analysis?

Mr. HESTER. I think it is in general a recognition of the increased complexity of environmental chemicals available in the air and water and showing up in fish and wildlife.

ENVIRONMENTAL PROGRAM PROPOSALS

Senator STEVENS. Well, specifically what are you going to do with all that money?

Mr. HESTER. We will increase our research for one thing.

Senator STEVENS. How many more people are you going to take on?

Mr. HESTER. In total, out of the entire increase we would be taking on about 100 additional full-time, permanent people. Not just for environmental contaminant work, but for work about changes—both physical and chemical changes in the environment and the effect that they have on fish and wildlife.

Senator STEVENS. Well, now, isn't Food and Drug Administration doing this already?

Mr. HESTER. They are doing some. The EPA and—I think again our memorandum of understanding with them is very effective in the sense that it delineates the kinds of responsibilities we will carry out and how we will integrate this with responsibilities of EPA.

We provide them, for example, toxicity data at our research laboratories directly from our experiments, not from the standpoint of research publications in journals but actual data as soon as we have conducted experiments while the information is still in a raw state as soon as it has been through a statistical analysis, and EPA does effectively use this information. I think for the most part they recognize the kind of expertise that exists within the Fish and Wildlife Service and they rely on us for this information and we try to provide it.

An additional part of the increase is for changes in land use, so we are addressing both the changes in chemical composition of the environment and the physical changes in the environment.

REIMBURSABLE PROJECTS

Senator STEVENS. How much reimbursement did you get from EPA for those studies last year?

Mr. HESTER. Probably——

Senator STEVENS. If you don't know, let's put it in the record. Are you shifting EPA's budget burden to this budget? Have you been reimbursed in the past? Are you not going to be reimbursed in the future? Is there some change we don't understand?

Mr. HESTER. We have been reimbursed for specific studies, both research studies and for some monitoring that the EPA has asked us to take on.

Senator STEVENS. To make sure that I understand, this is in the area of environmental analysis of other agencies' programs; right?

Mr. HESTER. Of land and water use changes in general.

Senator STEVENS. In other words, this is the place where you are looking into the endangered species behind dams and things like this?

Mr. HESTER. No. This is not endangered species program. We are concerned about the contamination of fish and wildlife from whatever source, whether it is from industry or whether it is from whatever source that a chemical might get into, the water or air and end up in the fish and wildlife, and land use changes as they relate to our responsibilities in a broad way under the Fish and Wildlife Coordination Act and other responsibilities.

Senator STEVENS. Do you get reimbursed for site specific studies?

Mr. HESTER. Site specific studies that relate to the Corps of Engineers, the Bureau of Reclamation and some other site specific studies, yes.

Senator STEVENS. Well, when EPA has the environmental lead role in an environmental impact statement, do you get reimbursed for the studies?

Mr. HESTER. In an environmental impact statement, if we provide data relative to an impact statement we would expect to get reimbursed. However, I dould point out that much of this is not directly related to an impact statement per se. It may be more related to regulatory hearings of EPA.

CONCERN FOR SUBSTANTIAL INCREASE IN ENVIRONMENTAL FUNDS

Senator STEVENS. Well, I am going to call it to the attention of the chairman. I suggest that you ought to defend that fantastic increase

in 1 year. You had better do it a little bit better because that is just too great. I think you ought to realize that. Why didn't you ask us for more last year if you weren't doing an adequate job? What has this to do with the increased program that deals with upgrading the refuges and upgrading the facilities and the whole new emphasis that you mentioned from the administration? I don't see that it is in any way connected, Mr. Greenwalt.

Mr. GREENWALT. Mr. Chairman, let me, if I may, present the philosophical background that has been accepted by the administration because, after all, they approved this increase.

We asked for similar increases last year, but were not allowed them. The concern that all of us have about the fish and wildlife values in this country, as I expressed earlier, is based primarily on the rapidly disappearing or degrading habitat, most of which is not under Federal or State control in that sense that it is owned land, like a national wildlife refuge or a national forest or a national park.

In order to maintain the quality of fish and wildlife environments and assure the preservation of fish and wildlife into the future it seems to me that the real concern must be in addition to the maintenance of refuges and of migratory bird programs. And very importantly, in conditioning and insofar as is possible, influencing the kinds of decisions that affect fish and wildlife habitats so that the proposed activities, whether it is the construction of a transportation system or the development of a water project, have a minimum impact on fish and wildlife values.

One of the facets of this concern that we address specifically in this request is that referred to as the environmental contaminant evaluation program there is a subtle degrading of the environment through the addition of contaminants of all kinds, PCB's and DDT, with which you are familiar. All of these have a profound impact on fish and wildlife and our great concern is that somebody maintain an understanding of the effects of these things on the environment and the creatures that live in that environment.

The recent passage of the Toxic Substances Control Act which, again, is administered in its general way by EPA has set upon us a responsibility which we share with EPA in the assessment of the probable effects of the listed contaminants on fish and wildlife.

As one example, I understand that we have agreed with EPA to study the effects of more than 60 toxic substances on fish and wildlife. Whether or not our studies reveal a problem sufficient to ban continued fishing in certain waters or limit human activity in some way, will depend, of course, on the outcome of those studies——

OTHER AGENCIES INVOLVEMENT

Senator STEVENS. I just went through that with the Food and Drug Administration regarding mercury in halibut. They did that work. They have experts in this field. I don't understand why suddenly you come in and say you need money to do it because nobody is doing it. We have just been through this with EPA and Food and Drug Administration and the National Science Foundation. They were all involved in this—mercury in halibut, mercury in swordfish, and the effects of DDT on the reproductive cycle.

I remember sitting through some of these things before other agencies. We hear those budget requests, too. And the inference to me and to the chairman has to be that you didn't tell us last year. I specifically remember asking you last year where you were cut by the Office of Management and Budget.

Mr. GREENWALT. I am sure that we provided that——

Senator STEVENS. I didn't hear anything in that area. And the increase is extremely rapid. How many people have you got in that area right now?

Mr. HESTER. In the total area of all the things that we do in what we call habitat preservation——

Senator STEVENS. In the area where the 66-percent increase, how many people do you have onboard?

Mr. HESTER. Eight hundred people.

Senator STEVENS. And how many will this make? Another hundred?

Mr. HESTER. Yes, it will.

Senator STEVENS. And this is generically under habitat preservation; right?

Mr. HESTER. That is correct.

REIMBURSEMENT RECORD

Senator STEVENS. We would like for you to detail for the record any reimbursement you have received in the past with regard to the areas that you list there—environmental contaminant, land and water resource development planning, and biological services.

Mr. HESTER. Yes, sir.

[The information follows:]

Under the Habitat Preservation activity, funding was obtained through reimbursements as follows:

Biological Services.—A total of $3,512,000 was received as reimbursable funds in FY '77. This consisted of an Outer Continental Shelf transfer of $797,000 from the Bureau of Land Management (BLM) for an Alaskan study coordinated with National Oceanographic and Atmospheric Agency: $127,000 from the Corps of Engineers (COE) for stream alterations studies; Environmental Protection Agency (EPA) Funds of $2,343,000 for marine, freshwater and terrestrial studies associated with impact of energy development on the environment; $80,000 from the Federal Power Commission and Energy Research Development Agency for specific Power Plant studies; and $165,000 from BLM related to development of coal resources on public lands, specifically Regional EIS Teams.

Land and Water Resource Development Planning.—A total of $1,515,000 was received as reimbursable funds. This consisted of transfer funds of $389,000 from the COE for special studies such as the Atchafalaya land and water management study; $40,000 from BLM for projects such as the Star Lake Bisti Study; $725,000 from the Bureau of Reclamation for construction project studies such as the Columbia Basin Project; $238,000 from the Department of Transportation for the Great Lakes-Saint Lawrence River Navigation Study; $45,000 from the Pacific North West River Basin Commission to study the Basin; $42,000 from the International Boundary Water Commission to study the Rio Grande Channelization; and $36,000 from several other agencies for assorted environmental studies.

Environmental Contaminant Evaluation.—A total of $858,000 was received as reimbursable funds in FY '77. This consisted of Department of Agriculture funds of $81,000 for effects of insecticides on fish and wildlife; and EPA transfers of $777,000 for studying the effects of Kepone, petroleum and other selected toxic substances on fish and wildlife and monitoring oil spills.

CONTRACTUAL SERVICES

Senator STEVENS. As a matter of fact, we did raise it last year by $250,000.

Well, let's go on to something else that concerns the committee in a general sense and that is the area of contracting. Why is it that there is an increase of almost 50 percent more than your initial 1977 program? Ten million dollars is requested for contracting out the work you do. As I am told, you will have a total of nearly $20 million of your program, a little less than 10 percent, that will be contracted out, as opposed to doing it with your people—and you are asking for 600 new people at the same time.

Mr. GREENWALT. Mr. Chairman, the greater part of the new people coming onboard are intended to support the refuge system and the construction and contract work that is related to reconstruction and redevelopment within the system. That is to say, with the moneys you just referred to, we do a great deal of contracting out to universities and our own cooperative fish and wildlife research units, to States, to other agencies, to secure information or to do research work necessary to the support of our program. We do not do it inhouse largely because we lack the full range of personnel necessary to do all the work within the Fish and Wildlife Service.

Senator STEVENS. Well, do you have any specifics on the proposed contracts that you would be talking about?

Mr. GREENWALT. Yes. We can give you a detailed list. We can discuss them in more specific terms.

Senator STEVENS. Why don't you give us a list and a short description of what the contracts are for?

Mr. GREENWALT. Yes, sir.

[The information follows:]

The following is a list of the types and costs of the kinds of contracts proposed:

	Estimated costs
Environmental contaminant evaluation	$2,483,000
Contracts to predict, evaluate and interpret fish and wildlife vulnerability to contaminants arising from petroleum spills; agricultural and forest insect control practices and fish and wildlife management practices. There will also be contracts to develop a watershed data base that will include physical aquatic resources, existing contaminants and their sources, projected industrial and agricultural changes, residue levels and distributions in indicator species and effects of these contaminants on fish and wildlife populations.	
Land and water resource development planning	2,884,000
Contracts to secure baseline information for planning purposes relating to onshore Outer Continental Shelf energy development; contracts to obtain basic resource information on certain Pacific Islands needed to provide guidance to developmental interests in the use of these areas, such as deep water ports; contracts to obtain baseline information on bottomland hardwoods subject to development and potential threat to valuable natural resources; early planning for energy development in Pacific Coast estuaries; and freshwater inflow requirements of Texas estuaries.	
Biological services	2,508,000
Contracts for snythesizing existing biological and related environmental data designed to produce manuals and guidelines dealing with ecological problems. Contracts for developing new baseline data and determining energy development impacts on wildlife habitat which are longer range in nature than the first type. Contract studies of these types will be performed in the areas of classification and inventory of riparian habitat and in the classification of Alaskan habitat, together with development of an Alaska habitat information system.	
Migratory birds/mammals and nonmigratory birds	2,215,000
Equipment rental contracts—For the types of specialized equipment that may not be available at a given national wildlife refuge, such as draglines, backhoes, grassland drills, and so on, needed for road and dike rehabilitation and maintenance and for habitat improvement.	
Personal services contracts—For the specialized skills that may not be available, such as painters, roofers, carpenters, and heavy equipment operators, that are necessary to complete essential rehabilitation and maintenance.	
Research contracts—For scientific expertise and analytical capability, to supplement our own research capability in some instances, and to provide such expertise and capability not available within the Service for some field of research.	
Coastal anadromous fish	−1,995,000
Judge Boldt funding from the State of Washington.	
Endangered species	1,970,000
Contracts to obtain status surveys for candidate plant species; status surveys and critical habitat determinations for animal species; research contracts in support of recovery plan implementation; habitat management actions identified in recovery plans on Service lands and off Service lands. Plant management contracts on refuges; support contracts-publications, advertising, etc.; and contract for programatic environmental impact statements.	
Total	10,065,000

RESEARCH CONTRACTS

Senator STEVENS. Are you contracting out research in the area that we have just been discussing?

Mr. GREENWALT. Principally research. Yes, sir.

Senator STEVENS. How much of this money we have just been discussing will be contracted out?

Mr. HESTER. Probably half of it or more, sir.

Senator STEVENS. Well, who would you contract it out to?

Mr. HESTER. To universities, to State fish and game agencies and to other types of contractors.

Senator STEVENS. You are not paying EPA to do any work for you now; are you?

Mr. HESTER. No. We are not paying EPA.

Senator STEVENS. This is contracting out from the Federal Government, correct?

Mr. HESTER. Yes, sir. That is correct.

TRAVEL

Senator STEVENS. Now, you have a travel budget request of $7.2 million, up 31 percent, a $1.7 million increase in 1978. What brought that about?

Mr. GREENWALT. It is related to resource management as a whole and reflects our projections based on increased numbers of personnel and the increased cost of travel related to the programs that will be enhanced as a result of the budget increase requested. In short, we are doing more work requiring more travel than has been occasioned in the past.

Senator STEVENS. Is that the result of bringing more activities into Washington from the region?

Mr. GREENWALT. No, sir.

Senator STEVENS. You are not centralizing your authority?

Mr. GREENWALT. No. We are decentralizing our authority and the Bicentennial land heritage program in large measure will contribute to the increase in travel requirements, simply to carry it out. There will be more people and far more activity in this area.

Senator STEVENS. It happens that your budget will exceed that of the Park Service in travel. We would like to see a breakdown of your travel to see who is doing the travel.

Mr. GREENWALT. We would be pleased to provide it, sir. And I would point out, although this is a comparison new to me, our range of activities, the kinds of things we do are far more diverse than those of our friends in the Park Service.

Senator STEVENS. We thought they got the prize for traveling.

Mr. GREENWALT. I would not comment on that, sir, since I really don't know.

Senator STEVENS. Well, we would like to see the breakdown.

[The information follows:]

U.S. FISH AND WILDLIFE SERVICE

RESOURCE MANAGEMENT

Statement concerning an explanation of the increase in travel.

GSA announced in the Federal Register Vol. 41, No. 191, pages 43253-43254, changes to Federal Travel Regulations. These changes became effective October 3,

1976. They increased mileage, per diem, and other expense allowance rates and increased the prescribed maximum daily rates at the designated high rate geographical areas.

Additional travel costs will also be incurred since Congressional action provided additional personnel ceilings for the Service. Expanded program requirements of Service professional employees will also entail increased travel activities.

The following is a breakdown of increases for travel in FY 1978:

Travel costs identified in the justifications

Environmental contaminant evaluation: Monitoring	$281,000
Land and water resource development planning:	
Permits and licenses	150,000
Project investigations—technical assistance	45,000
Biological services: Systems and inventory	51,000
Migratory birds	368,000
Refuge manager training	26,000
Cyclical maintenance—Marine bird research	46,000
Mammals and nonmigratory birds: ANCSA	160,000
Coastal anadromous fish	18,000
Great Lakes fisheries	10,000
Inland fish and reservoirs	15,000
Endangered species:	
Regional botanists	36,000
Recovery plans	25,000
Administration and related support	150,000
Total	1,678,000

FISCAL 1977 POSITION INCREASE

Senator STEVENS. The object classification for 1977 submitted with your 1978 budget shows sharp changes from last year's estimates. Nearly $20 million has been shifted, mostly in the personnel compensation and benefits. The explanation given the committee cited 307 additional positions and other program requirements. What are these 307 additional positions? Let's be specific. Did you increase permanent positions in midyear without submitting a program change to Congress?

Mr. SPEAR. Mr. Chairman, the increased positions are 93 of that 307 is an increase over——

Senator STEVENS. Mind you, I want to make sure we understand. We are talking about the changes you show to us in your 1977 budget as you ask for money in 1978. You are not making any request for a change, but you submitted an object classification to us for 1977 which is different from the one that you submitted when you requested the money in 1977. And it looks to us as though you made a substantial change in the congressionally approved budget for 1977 without even notifying the committee. Is that right?

Mr. SPEAR. This relates to a personnel increase we were granted by the Department and the Office of Management and Budget of 307 persons. Approximately 93 of those were related to the heritage program where we were advanced on the heritage program provided by the Department. The other 204 were a combination of things. Partially they related to the congressional action on the 1977 budget. Both the House and this committee requested that additional people be provided the service. The Department and OMB partially fulfilled

that request. In addition they added some people to replace some that had been taken away in the previous year; and in addition, asked us to put more people in a certain function.

OBJECT CLASS ADJUSTMENTS

Senator STEVENS. We gave you $63.9 million for permanent positions. The tabulation I have shows that in your 1978 budget you have substantially increased that. Now where did you get the money? We didn't give it to you. You didn't come to us with a reprograming request; did you?

Mr. SPEAR. No. We did not come to you with a reprograming request as a result of adding people.

Senator STEVENS. Where did you get the money?

Mr. SPEAR. The money came from a redistribution in our object class.

Senator STEVENS. For transportation of things, we gave you $2,138,000. You reduced it to $1,005,000 and put $1,093,000 into personnel compensation. What is the use of my sitting here and listening to all of this budget data trying to figure out if it is right or wrong and distributing the money if you can just willy-nilly do that without even telling us?

Mr. SPEAR. Well, that particular item you cited, Mr. Chairman, related to the fact that the estimate we provided you with the 1977 budget was later determined to be approximately double what the actual experience indicated we needed. We revised the totals when we revised the 1978 budget to provide you with more accurate figures.

Senator STEVENS. In shifting money into personnel compensation, you sharply reduced funds originally budgeted for transportation, other services and equipment. What is involved in those reductions? What did you give up?

Mr. GREENWALT. Increasing personnel compensation reflects a more effective and advantageous use of career and temporary personnel, as opposed to contracting for services. The revised figures reflect closely the actual experience of fiscal year 1976 in these areas as adjusted by fiscal year 1977 budget changes. Since the Service will execute its programs by the means outlined in the revised object class estimates, a better level of achievement should result. Therefore, in response to your question, Senator, in my judgment nothing is being given up in terms of program effectiveness.

SHIFT OF FUNDS INTO PERSONNEL COMPENSATION

Senator STEVENS. I think a major shift in funding of this nature needs more detailed explanation than has been provided. Please submit an accounting of these changes and what they mean to your program.

Mr. GREENWALT. It is more desirable from a program standpoint to finance permanent employees than to contract out the effort. The increase in personnel compensation reflects a combination of reinstatement of positions which were reduced by the administration, advances of positions for the proposed Bicentennial land heritage program, and committee changes associated with the budget. It should also be pointed out that a shift in object class does not reflect a shift in the program directions as approved by the Congress. When the

original object class was prepared for fiscal year 1977 in December 1975, the actual data available was only for fiscal year 1975. When the fiscal year 1977 column of the fiscal year 1978 budget was prepared in December 1976, actual expenditure data for fiscal year 1976 was available. The current fiscal year 1977 object class projections, therefore, are more accurate estimates than those prepared over a year ago.

[The information follows:]

Major shifts in object class estimates

	Adjusted 1977 column	1977 as shown in 1978 budget	Difference
Personnel compensation	$73,336	$89,249	$15,913
Transportation of things	2,138	1,045	−1,093
Other services	24,404	9,895	−14,509
Supplies and materials	9,788	7,509	−2,279
Equipment	4,413	3,197	−1,216

COMMITTEE APPROVAL OF ADJUSTMENTS

Senator STEVENS. Well, I don't understand how you can reprogram money we gave you for transportation to compensation for permanent positions without letting us know. What if we didn't want you to have 307 more people onboard last year?

Mr. SPEAR. Well, I think it is correct, Mr. Chairman, that, in fact, if you didn't want us to have it, then we didn't provide you with an opportunity to indicate that.

Senator STEVENS. It looks like a sizable opportunity not to be heard. Suppose we approve this travel request you just gave us. If you decide to hire people instead of travel, are you going to do it next year?

Mr. SPEAR. We have to live within the total budget. That is for sure.

Senator STEVENS. You have to live within the line items. Otherwise, I am not going to take my time to sit here and listen to all these budget details. How can we possibly budget and go into conference—we had to hammer out your travel budget last year. I distinctly remember that in conference.

We are going to have to get some definite understanding about what you are going to notify us of in terms of major differences, or we are going to have to put some language in the bill that prohibits change. We had an understanding that dealt with minor changes in terms of changes within object classification.

Mr. SPEAR. I am not aware of exactly what the understanding is in the object class levels, Mr. Chairman.

Mr. GREENWALT. Mr. Chairman, it is not my intent in any way to violate understandings that should be reached. Our people will work with yours to insure that we do have a clear understanding of the——

PERSONNEL COMPENSATION INCREASES

Senator STEVENS. In your personnel compensation, Congress adjusted your total request. We went up almost $5 million in terms

of the congressional action from the President's budget of 1977. So you went up from $68 million to roughly $73 million as a result of congressional action. The table I have shows that your budget submission now for 1977 in regard to the 1978 budget shows you went up to $89.2 million in personnel compensation which means that you took $16 million from some other area and used it for personnel compensation.

Now, I think we are entitled to know if you are going to take the money out for additional positions without talking to us about it.

Mr. SPEAR. Mr. Chairman, I would like to indicate that part of the difficulty here is one of timing. At the time you made the adjustments we did not have the additional positions. We did not have the additional positions to carry out the work. We would have had to do it through contracting.

POSITION CEILINGS

Senator STEVENS. I understand. You had a position ceiling and they changed your position ceiling.

Mr. SPEAR. And OMB provided us positions through the Department, after that time.

Senator STEVENS. With due respect, OMB doesn't provide you with anything. They may lift the ceiling they put on you, but we appropriate money for a specific number of people.

Mr. SPEAR. I believe that we have a problem there, Mr. Chairman, in that we are unfortunately in the situation where we get ceilings from OMB, we get positions from you, and frequently during the year they don't match. You provide a certain amount of positions and later on OMB will increase our personnel ceiling and the object class dollars are not adjusted that quickly.

In other words, the object class dollar is not adjusted to compensate for these changes.

Senator STEVENS. You should notify us and if the OMB in its wisdom is going to lift its own ceiling, then it ought to give you an increase in terms of a budget justification, and come in to get the money to pay for more people. I don't see that you should be permitted to take that money for personnel compensation out of the other items that we have given you.

You have reduced supplies and materials. You reduced printing and reproduction, for instance. You asked for $20 million. We gave you $24 million. And then you took $14 million of it for personnel compensation.

Mr. SPEAR. That is in the item of contracting. When we got the additional positions we were able to do less contracting and do more work inhouse.

Senator STEVENS. We are all for doing it inhouse. I think it is more costly in your operations to do it though contracting. But as a practical matter we ought to be involved in it. It does get to be a little ridiculous for us to go over these budgets to make certain that you have proper justification for it, then have you turn around and take 60 percent of the money for another classification without even notifying us.

Mr. GREENWALT. Mr. Chairman, I think that it is fair to point out that this understanding is reached also with the Department, because we operate under their rules too.

REPROGRAMING LIMITATION

Senator STEVENS. Well, we will just put language in this bill. No more than 10 percent of any item can be reprogramed by either OMB or departmental approval without prior approval of the committees of Congress. How is that?

Mr. GREENWALT. We would certainly abide by whatever regulations or stipulations you put in for the Service.

Senator STEVENS. You know if they want to make a final decision of how much money that you are going to spend, they ought to read first the Constitution and, second, go run for the Senate or the House. It is hard sometimes to get this money for you people out of our colleagues over there. I needn't tell you that.

Mr. GREENWALT. No, sir.

Senator STEVENS. All right. We will go on. We will discuss this with the House and we will make a statement. I don't know how it will be done, either in the report or in the bill itself with regard to reprograming. If those people are, in effect, bringing about impoundment by budget ceilings or reprograming by either budget or departmental action that we are not familiar with, then we are going to have to change it very quickly. Because we have seen reprograming in other areas when it is only 5 percent.

As a matter of fact, we just sat through a whole Department of Defense hearing where there was a reprograming within the same item. But they had submitted to us the information to show that they were going to be spending the money for the regular services and they decided under the same object classification to spend it for the Reserves. They came in and made a justification and submitted the matter to the committee involved for their approval. I don't see any reason why you shouldn't be subject to the same requirement.

OBLIGATIONAL LEVEL FOR FISCAL 1977

Your total obligations for 1977 now run almost $2 million above the approved appropriation and pay cost supplemental. Where did that additional funding come from?

Mr. GREENWALT. The Resource Management appropriation contains no-year funding for the endangered species grant program as well as the Service's annual operating funds. Any unused portion of these operating funds is returned to the Treasury at the end of the fiscal year, but unobligated endangered species grant funds carry over into the suceeding fiscal year. The additional funding indicated in our budget schedules represents the unobligated portion of the endangered species grant funds from 1976 and carried into fiscal year 1977.

MARINE MAMMALS

Senator STEVENS Now, in marine mammals, the authorization of that funding expires, I understand. Did someone put in a reauthorization of Marine Mammal Act?

Mr. GREENWALT. Yes, sir. It has been reintroduced.

Senator STEVENS. Your language does not indicate that it is subject to authorization. Do you believe that you could spend this money without a reauthorization of Marine Mammal Protection Act?

Mr. GREENWALT. No. We obviously could not spend the money. The marine mammal authorization extension has been introduced. Hearings have been held on it in the House.

Senator STEVENS. Do you know what the new level will be in the authorization? It was a level funding, as I recall; wasn't it?

Mr. GREENWALT. I recall that it stayed the same as the former level, but extended the time of authorization, the duration of authorization.

Senator STEVENS. I mean the original authorization. Was it a level of funding on an annual basis?

Mr. GREENWALT. Yes, sir.

Senator STEVENS. Is that what you are seeking again this time?

Mr. GREENWALT. Yes, sir. An extension of time, however.

ENVIRONMENTAL CONTAMINANT EVALUATION

Senator STEVENS. In Resource Management, you have $168.6 million including a $13 million amendment and this is $39.7 million over appropriations to date for this year.

We went over part of this in your environmental contaminant evaluation. Do you have any further detail that you can supply in regard to that one particular portion? Is this right that the environmental contaminants evaluation program goes from $4.6 million to $11.3 million this year?

Mr. GREENWALT. That is correct, sir.

Senator STEVENS. That is about 150-percent increase on that one item. Well, we have gone over it before to a certain extent. We would like to have you give us that cooperative agreement with EPA.

Mr. GREENWALT. We will, sir.

[The information follows:]

U.S. FISH AND WILDLIFE SERVICE

Resource Management
Habitat Preservation

Statement concerning the memorandum of agreement with Environmental Protection Agency

A copy of the agreement is attached.

MEMORANDUM OF AGREEMENT
between
ENVIRONMENTAL PROTECTION AGENCY
and
BUREAU OF SPORT FISHERIES AND WILDLIFE
DEPARTMENT OF THE INTERIOR

In accordance with the advice of the President to Congress in his July 19, 1970 Message Relative to Reorganization Plans No's. 3 and 4, this Agreement takes cognizance of several scientific and technical environmental matters of common concern to the Agency and the Bureau: research, including monitoring and field appraisal, on effects of chemical contaminants (pesticides, PCB's, heavy metals, and other pollutants) on fish and wildlife; questions of pollution and its abatement at Bureau installations; establishment of water quality criteria and standards as these may affect fish and wildlife; chemical contamination in food chains; and the registration of chemicals and drugs. This Agreement recognizes the merit of avoiding duplication and of exchanging information and expertise in the interest of the public service.

The elements of the Agreement are as follows:

1. Research and monitoring of environmental contaminants

The Bureau's four primary centers for research on the effects of environmental pollutants (Laurel, Maryland; Denver, Colorado; Columbia, Missouri; and Ann Arbor, Michigan) will continue and, as possible, broaden efforts at understanding and anticipating the effects of pollutants on survival, reproduction, physiology, behavior, and other factors critical to the well-being and management of fish and wildlife and the conservation of wildlife populations. The Bureau will seek to understand the mode of action, methods of inhibition, and movements through the ecosystem of chemicals and formulations in common or anticipated use.

The Bureau agrees to provide, to the designated offices or officers of the Agency, regularly scheduled data and progress reports based upon current Notifications of Research Projects (NRP's) submitted to the Science Information Exchange of the Smithsonian Institution.

The Bureau will continue to provide to the Agency, on request, all available information and advice that may be helpful in evaluating pollutants or in preparing for hearings. The Bureau will allow employees of the Agency to utilize the Bureau's specialized reprint files and will permit them to photocopy reprints in reasonable numbers on Bureau machines, as available, without charge.

The Agency agrees to provide, to the designated offices or officers of the Bureau, information concerning current or anticipated pesticide or other pollutant problems upon which research would be desirable.

In the interests of efficiency, economy, and avoidance of duplication, the concern of the Bureau and its expertise in research on the effects of pollutants on wildlife and freshwater fish, particularly on effects that are important to conservation, management, and recreational use of fish, wildlife, and associated food organisms and environment, are recognized. The Agency will depend especially heavily on the Bureau for research, data, information, and analyses in relation to wildlife.

Both parties agree that the EPA is concerned and has expertise with respect to many environmental areas including effects of pollutants on man and laboratory mammals, effects of pollutants on the aquatic environment, determination of pollutant sources, regulation of pesticides, control of pollutants, studies of air and water quality, and control of air and water quality. The Bureau recognizes that some of these fields do and will require tests with fish.

When the Agency requires research or analyses within the expertise of the Bureau, the Agency may ask the Bureau to undertake this work in its entirety or to participate in Agency research or analysis. The Bureau will make a concerted effort to provide such service, retaining the option for in-house or contract services. The cost of such work will be borne by the requesting party. A similar relationship will prevail when the Bureau requires special work within the expertise of the Agency.

The Bureau has not only the expertise for evaluating the effects of toxicants on fish and wildlife resources, but also the capability to conduct on-site studies by using its own professional field people who are already trained and strategically located throughout the country.

The Bureau will continue to monitor residue levels of organochlorine insecticides, heavy metals, and other contaminants in birds and freshwater fish under the National Pesticide Monitoring Program in cooperation with the Council on Environmental Quality (CEQ). As part of its research and monitoring programs, it will conduct field observations on the effects of pollutants upon fish and wildlife. The Bureau will review all plans involving the proposed use of pesticides on Bureau lands.

The Bureau will make monitoring data available to the Agency as quickly as possible after chemical analyses are completed, assembled, and reviewed. The Agency will consult the Bureau for its views on the interpretation of monitoring data with respect to hazards to fish and wildlife. The Agency needs meaningful data in considering the possible impact of pesticides and other contaminants upon man and other living organisms. The Bureau and the Agency will take such steps as they deem necessary to ensure free exchange of information on a scientist-to-scientist basis, which will benefit both agencies in meeting their responsibilities on environmental matters.

The Agency reserves the right to be the first to release or to publish data resulting from work it has performed or financed independently of the Bureau. The Bureau reserves the same right in respect to work it has performed or financed. Work done jointly by the Agency and the Bureau, or done by one with the financial aid of the other, will be released or published only if agreed to by both parties. If the Agency and the Bureau differ on the advisability of releasing given data that have resulted from joint action, either party may release the data 30 days after giving written notice to the other party. Notwithstanding this agreement, such data may be entered into any statutory or judicial review procedure without the 30 days notice.

2. Federal Aid in pesticide programs

Nothing in this Agreement will limit the authority of the States to carry out research, development, and management programs using chemical agents, including herbicides and other pesticides, nor the authority of the Bureau to enter into agreements with the States to finance such programs

under Federal Aid in Fish and Wildlife Restoration, and other grant or contractual programs, subject to guidelines published by EPA for Federal agencies or mutually acceptable requirements for specific projects.

3. Pollution elimination at Bureau installations

The Bureau recognizes the Agency's expertise in, and its own responsibilities for prevention, control and abatement of environmental pollution at Bureau installations. The Bureau will need the Agency's advice and assistance in interpretation of water quality standards and effluent limitations, review of proposed pollution elimination facilities, and other aspects of wastes and effluents.

In addition, each of the parties to this Agreement will provide for the timely exchange of information which would be of apparent benefit to either agency (for example; new knowledge or new developments in such areas as general water chemistry, hydraulics, monitoring devices, heating or cooling mechanisms, filtering methods or equipment, pumps, and aerators).

4. Provision of test fish

The Bureau agrees to provide to the Agency reasonable numbers and available species of fish from its National Fish Hatcheries, as may be required for the Agency's research. Requirements for unusual numbers, species, or sizes of fish will be specified at least 12 months in advance of the time the fish are needed.

5. Registration of chemicals

The Bureau and its Federal Aid-supported State programs have urgent need for certain chemicals for fish and wildlife management (for example, herbicides for vegetation control in hatchery waters, control agents for pest animals). Bureau research centers and field stations will continue to do research pertinent to the registration and clearance of these chemicals. The Agency agrees to furnish the Bureau prompt authoritative statements from the Agency on minimum requirements for clearance and registration of such materials as the Agency regulates. The Agency agrees to provide guidelines for the research and testing needed to secure clearance and registration; to review research protocols from the Bureau promptly; and to inform the Bureau, upon request, of the status of any particular pesticide or device within the registration process.

The Agency, in its responsibility for registration of pesticidal chemicals, requires expert advice in establishing guidelines and protocols for evaluating the effects of these chemicals on fish and wildlife. The Agency recognizes the experience, responsibility, and interest of the Bureau in this field and may consult the Bureau in the preparation and trial of protocols for laboratory, field, and simulated field tests with fish and wildlife. The Bureau may assist in the evaluation of given tests proposed for inclusion in protocols designed for use with fish and wildlife. The Bureau agrees, within the limits of its resources, to conduct methodological research on this subject as mutually agreed upon; to provide copies of publications and reports on this subject that result from its own research; and on request to provide knowledgeable professionals for membership on panels and task forces.

The Agency recognizes that the Bureau requires much reliable information on pesticides and pollutants in the course of its work, and that the Bureau cannot meet this need by duplicating the vast amount of toxicological work already performed by industry on given chemicals. The Agency will, therefore, release to the Bureau, on request, as much information on given pesticides and other materials as is legally permissible and economically practicable.

6. Water quality criteria and standards

The Bureau recognizes the Agency's responsibility for promulgating water quality criteria, for approving State water quality standards and establishing standards when necessary, and for conducting or sponsoring research that will lead to more effective standards. The Agency recognizes the Bureau's responsibility to conduct research to determine the water quality required for the health and productivity of the fish and wildlife resource. The Agency will consult the Bureau for aid in defining water quality criteria for protection of the fish and wildlife.

APPROVALS:

For the Environmental Protection Agency:

John R. Quarles, Jr.
Deputy Administrator
Environmental Protection Agency

October 10, 1973
Date

For the Bureau of Sport Fisheries and Wildlife:

Lynn A. Greenwalt
Director, Bureau of Sport
Fisheries and Wildlife
Department of the Interior

January 31, 1974
Date

GOAL OF ENVIRONMENTAL EVALUATION

Senator STEVENS. We understand that involvement is necessary, but just where is this program headed?

Mr. GREENWALT. Up to the present time, the service environmental contaminant evaluation program has been primarily reactive, rather than predictive, in its approach. The new thrust is intended to provide increased capability by developing a data base of contaminant effects; increasing technical capacity and research capability in order to detect and investigate suspected and unknown contaminants in fish and wildlife habitats. This will move the environmental contaminant evaluation program from constantly reacting to situations toward a predictive capability.

Senator STEVENS. What ongoing programs in the Environmental Protection Agency relate to the work you are doing? Do you have any idea how much EPA has budgeted for similar functions?

Mr. GREENWALT. The Environmental Protection Agency has programs concerned with pollutants in the aquatic environment at two freshwater and two marine laboratories. They are primarily concerned with the maintenance of water quality and the use of fish as indicators. It is my understanding that the cost of supporting the four EPA laboratories is approximately $15 million annually. EPA does not have a wildlife or terrestrial vertebrate program.

Senator STEVENS. Is your expansion in this area paralleled by a reduction in EPA's efforts?

Mr. GREENWALT. It is my understanding that funding within EPA for work on the impact of pollutants in the aquatic environment has remained static over the past several years resulting in a gradual decline at the rate of inflation. Our expansion would exceed the EPA's decline.

Senator STEVENS. Are you assuming that your supplemental request is fully granted in this request? Is this at all duplicative of your supplemental request in spending?

Mr. GREENWALT. This represents a continuation of the supplemental as it was requested. The $10 million for example, in Habitat Preservation, represents the assumption of a continuation of the supplemental request for 1977 at the time this budget amendment was prepared.

Senator STEVENS. You have 46 people in the supplemental and 51 in the 1978. Are they the same positions plus five?

Mr. GREENWALT. Yes, they are.

LAND AND WATER RESOURCE DEVELOPMENT PLANNING

Senator STEVENS. Now, the land and water resource development planning. We have gone through that one.

First of all, how much of this funding is earmarked for contracting? You mention contracting as an important part of the effort in your budget amendment.

Mr. GREENWALT. Approximately $10.4 million has been earmarked for contracting for important habitat data in critical areas of the United States which are subject to increasing development pressures.

NEW POSITIONS

Senator STEVENS. You have 50 new positions associated with the resource development planning portion of your request. With that many new positions, why the heavy reliance on contracting?

Mr. GREENWALT. The new positions will be needed full-time to improve project-related impact analyses and to actively participate with planning and decisionmaking agencies in the early stages of planning. During this participation, our biologists will need adequate fish and wildlife data to input into the planning processes.

For example, in Texas we are working with the Bureau of Reclamation and the Texas Water Commission on planning the Choke Canyon Dam. This dam will reduce freshwater inflow to Nueces, Corpus Cristi and Redfish Bays. To adequately protect fish and wildlife, we need to know the freshwater requirements of these estuaries. This information will also be invaluable for participating in the planning for the Harbor Island inshore deepwater port which will also alter water exchange rates between the bays and the Gulf of Mexico.

Other examples include acquisition of needed information on Alaska estuaries for use in assisting oil companies locate onshore oil facilities in the least damaging sites and coral ecosystems of our Palau Islands in the Pacific for use in planning deepwater harbors which have been proposed by Japan.

These information needs are critical and immediate. Since we do not have the manpower to obtain it ourselves, we intend to obtain it by contracting which is less labor intensive and utilizes available expertise from the public sector.

Senator STEVENS. Again, why isn't this a reimbursable program? Why are we seeing this overlap? It would seem to me that the agency with the prime responsibilities should budget for all the environmental costs. If they do not have inhouse capability, they budget for reimbursable services. Now you come before us with your own request for the same work. Why?

Mr. GREENWALT. We have maintained in the past and will continue to promote in the future the point you addressed which is appropriate when we are assisting a specific agency with specific projects. However, the major thrust of preproject invironmental assistance is to obtain critical habitat information and to provide it to several major planning and construction agencies before specific projects are formulated. While this approach is very cost-effective, it would be very difficult to subdivide the costs among the many agencies that would benefit from this assistance.

PROJECT IMPACT EVALUATION CENTER

Senator STEVENS. We have a project impact evaluation center at Fort Collins. When did you establish that?

Mr. HESTER. We are in the process of establishing that now, sir.

Senator STEVENS. What is the current funding for that center?

Mr. GREENWALT. The current fiscal year 1977 funding for the project impact habitat evaluation center is $80,000, which will accomplish the initial establishment of the center. Approximately $349,000 of the proposed fiscal year 1978 increase has been earmarked to get the center into full operation. This includes funds for contracting

the development of key habitat criteria, and the publication and dissemination of habitat evaluation procedures intra-Service and to construction agencies.

Senator STEVENS. Did you ever identify that in your budget request before?

Mr. HESTER. Not a center as such. We had people doing this work in other places. We have consolidated them there.

Mr. GREENWALT. This is the first reference to it in the budget process.

Senator STEVENS. Have you built something we don't know about?

Mr. GREENWALT. No, sir. It is occupying facilities provided by the university.

Senator STEVENS. I see. Now, you have 12 new positions and equipment there. What kind of equipment are you talking about?

Mr. HESTER. In the land and water resource development planning program?

Senator STEVENS. We are specifically talking about Fort Collins.

Mr. HESTER. We have access to a computer terminal for one thing, sir.

Senator STEVENS. We are not buying the university some computers with this; are we?

Mr. HESTER. No, we are not.

Senator STEVENS. What is the equipment?

Mr. HESTER. We have computer terminals there which we use in our assessment work and in our access to data systems.

Mr. GREENWALT. The equipment purchased would be the computer terminal to gain access to the master computer.

Senator STEVENS. We would like to have some specifics as to what kind of equipment you are talking about and what the cost is and what you have there already.

[The information follows:]

The following equipment is proposed for acquisition for Habitat Evaluation at Ft. Collins: a programmable calculator, a cassette memory device, printer, card reader, display, storage expansion, impact printer/plotter, and interface cards and connectors. The cost of this equipment will be $38,000. The purchase of these items will provide equipment which is comparable to equipment now in use in each region and expand capabilities for project impact studies. By providing comparable equipment, the team of specialists at Ft. Collins will be able to replicate field studies and delineate and resolve problems occurring in field use. The Habitat Evaluation Procedures Team will work in close conjunction with Biological Services personnel already stationed in Fort Collins, who are working on wildlife problems associated with western energy development. That group has remote sensing and computer equipment, valued at approximately $100K. The Habitat Evaluation Project will use these facilities in its efforts to assign non-monetary values to wildlife resources and to assist in determining project impacts for land and water related developments.

Senator STEVENS. Have you made any remodifications of that facility in order to establish a center?

Mr. HESTER. No, we have not.

Senator STEVENS. You have development planning in the supplemental in this area. Does the 1978 request annualize the supplemental request in this area also?

Mr. GREENWALT. Yes, sir. It does.

BIOLOGICAL SERVICES

Senator STEVENS. In biological services you have a $4 million increase. Your total program level will be $13 million. You state that you have to work on the coal EIS's which you discussed, the powerplant siting, and OCS development. How is this function different from the development planning function? Why do you need a separate biological services function as opposed to development planning function that we just discussed?

Mr. HESTER. The biological services function tends to look at problems nationwide and to characterize the types of problems, like, for example, powerplants, what are the environmental aspects of powerplants nationwide? What are the things which we should be conscious of as we do more site specific things.

In the land and water resource development planning program we are emphasizing site specific kinds of analyses, individual powerplants, making analyses of what are the effects of individual plants.

The basic difference is the biological services, one is a generic one looking at problems across the Nation. Whereas, the land and water programs are site specific dealing with individual permits.

OCS AND COAL LEASING

Senator STEVENS. With regard to OCS and coal leasing, in particular, doesn't BLM do that?

Mr. HESTER. We are working very closely with BLM on that.

Senator STEVENS. They have biological people. They have people to prepare the environmental impact statements. Are you duplicating their work?

Mr. HESTER. No. In many cases there are departmental teams in which we in Bureau of Land Management and Geological Survey and other agencies work collectively in preparing such things.

Mr. GREENWALT. We also operate, Mr. Chairman, under the provisions of a secretarial order which provides that the Fish and Wildlife Service will contribute the fish and wildlife information to these OCS projects for which BLM has the fundamental responsibility in terms of leasing.

ALASKA PIPELINE

Senator STEVENS. Let's take the Alaska pipeline, for instance, because that is unique. The private corporation that built it is reimbursing the Government for the EIS work. Now, on the EIS work that you did, we put the money in the BLM portion of the budget. You have not requested the money, or have you? We thought that we were putting it in BLM and BLM would be reimbursing you.

Have you been spending money in addition to what we budgeted?

Mr. GREENWALT. At the time of the construction of the Alaska pipeline, Mr. Chairman, we had just short of $500,000, as I remember, for pipeline monitoring which was specifically appropriated to the Fish and Wildlife Service.

Senator STEVENS. All right. I do remember that monitoring money. But I am talking about EIS preparation. We have a gas pipeline going on and you have done some work for the gas pipeline system. There was a task force on it.

Mr. GREENWALT. That is right, sir.

Senator STEVENS. Where did you get your money for it?

Mr. HESTER. We were reimbursed by BLM.

Senator STEVENS. That is what I thought. Now why aren't you reimbursed by BLM to prepare the statements for OCS development and coal leasing? We thought we were giving them the money and they were reimbursing everybody else.

Mr. GREENWALT. Again, Mr. Chairman, we are referring in the request for increases for the same kind of generic studies that were referred to by Dr. Hester in terms of the powerplant siting. We do receive reimbursement from the lead agency, in this case, BLM. Our overall efforts, as reflected in this budget, are to develop general information about the consequences of various kinds of coal development and extraction, for example, and to develop methods by which this can be done with a minimum of impact on fish and wildlife in connection with any specific coal leasing program or power plant siting effort.

OCS INVESTIGATIONS

Senator STEVENS. Let's get specific then about OCS.

Mr. GREENWALT. OCS in the same general context. Much of the work that we do on OCS is, of course, reimbursed by BLM.

Senator STEVENS. Well, we specifically intended to give BLM the money. And they are reimbursing NOAA. They are reimbursing other agencies we felt.

Is this money for specific leases? Where they have an analysis, an environmental impact statement, prepared on a specific lease proposal they are supposed to reimburse you, NOAA, everyone else for it. Is this money that you are seeking for EIS on any OCS specific lease proposal?

Mr. HESTER. It is not for specific leases; it is for a general knowledge about areas. Coastal areas in which development is likely to occur.

Senator STEVENS. Is this the baseline data program; is that what you are telling me?

Mr. HESTER. It is not baseline in the sense that on the baseline studies that BLM is conducting at the time of—at or immediately prior to lease.

Senator STEVENS. Well, I think we need to have some breakdown and we would ask you to consult with BLM and have your budget people prepare a statement with them, through the Department. We need to have a clear understanding of the BLM responsibility with regard to Federal coal leasing and OCS in terms of what is reimbursable from the BLM and what you will budget for directly. Because it appears to us that we have already heard the request for moneys from BLM for the same two activities in the same department.

Mr. GREENWALT. Mr. Chairman, I should point out that the secretarial order, to which I referred earlier, specifically provides that the Fish and Wildlife Service will budget for certain items relative to the OCS leasing as a part of the Service budget and apart from the BLM budget.

Senator STEVENS. Will you see if you can give the committee a statement after you consult with BLM which states your responsibility with regard to the coal leasing program and the OCS program and

what will be reimbursed to you from the BLM moneys that they have requested?

Mr. GREENWALT. We will, sir.

[The information follows:]

The BLM is responsible for leasing Federal coal and Outer Continental Shelf oil and gas resources. Those responsibilities include acquisition of environmental information, preparation of EIS's, and incorporation of environmental stipulations in the leasing program.

The FWS is responsible for providing overall Federal leadership in assuring that the nation's fish and wildlife resources will be conserved and protected. In this role, FWS has two responsibilities with respect to the coal and OCS leasing programs:

(a) Provide information on the fish and wildlife resource and the impact of development on those resources, for use by BLM, States, other Federal agencies, and others concerned on all phases of the energy development. The aim of FWS is to provide a broad information lease base which delineates the fish and wildlife values and potential impacts on a large regional scale to provide a context within which the impacts of specific leasing actions can be assessed. For example, on the western coal leasing program, FWS is working with the States to identify and priorities wildlife values in potential lease areas. This information is being used by BLM in EIS's and in preparation of management framework plans, by the State agencies, and others. In the OCS leasing program, the BLM environmental studies activity has focused on the marine or offshore impacts of development while the FWS studies have focused on the resources and habitat in coastal wetlands, estuaries and in-shore areas that could be impacted by development, as for example, coastal bird populations. FWS and BLM study activities are coordinated by mechanisms which will be described below.

(b) Provide an objective advocacy for protection of fish and wildlife resources in Departmental decisionmaking. Based on information concerning the potential impact of alternate developments on the fish and wildlife resource, FWS makes recommendations concerning such aspects as leasing schedules, lease tract selection, regulations, and environmental stipulations. These recommendations tend to assure that wildlife values will receive full consideration in energy leasing decisions.

Mechanisms for FWS participation include Secretarial Order 2974 and two Memoranda of Understanding which outline FWS input at every step of the OCS process. The FWS participates on Departmental coal task forces dealing with such aspects as comparing Federal and State reclamation regulations; developing criteria for identifying lands unsuitable for mining; developing coal leasing and operating regulations, etc. Work is currently underway on a BLM-FWS Memorandum of Understanding relating to coal leasing.

The following FWS involvement is reimbursed by BLM in fiscal year 1977:

1. Participation of FWS personnel as members of Coal Regional EIS task forces—$165K.

2. Acquisition of baseline data on marine birds, funded through NOAA, as part of the BLM-OCS environmental studies program—$797K.

The remainder of FWS coal and OCS activities are funded directly in the FWS budget. These include development of an information base on fish, wildlife and supporting habitat which would be impacted by development; research on better prediction of impact and on means of preventing or mitigating the impacts of development; field personnel to provide information and recommendations in leasing programs, etc.

NATIONAL WETLANDS INVENTORY

Senator STEVENS. You have a large increase here in biological services for wetlands inventory. I take it this is the national wetlands inventory. How is that going along?

Mr. GREENWALT. Mr. Chairman, it is operational at present with actual mapping being done in Florida at this moment. We will move shortly into the rest of the United States, with the entire mapping to be completed at the end of fiscal year 1979.

Senator STEVENS. 1979?

Mr. GREENWALT. Yes, sir.

Senator STEVENS. Are you going to contract a great portion of this activity in terms of the increase for habitat classification analysis?

Mr. HESTER. Yes, we are.

Senator STEVENS. Have you contracted that in the past?

Mr. HESTER. We have contracted some work in the preoperational phases. We have not actually done a wetlands inventory other than the one done more than 20 years ago. But we have contracted several preoperational phases to determine such things as what aerial photography now exists that is suitable for this purpose and other such things, and now we will actually implement this, carry it into the operational phase, and some of it will be done by contract.

Senator STEVENS. Will you give us a breakdown of these proposed contracts for 1978; the cost of each contract and some brief description of the need for the work that is going to be contracted out?

Mr. GREENWALT. Yes, sir, we will.

[The information follows:]

Task 1: Collect and prepare basic materials for the Inventory—$100,000.

This would include preparation of base maps on which to display inventory information, using existing USGS topographic maps. Topographic information would be screened to allow greater emphasis of wetland information and new legends would be added.

In addition, photogrammetric control data necessary for the inventory would be located, collected and collated State by State as the inventory proceeds.

Task 2: Acquire aerial photography—$150,000.

Most of the inventory will be accomplished by interpreting recent aerial photography with selected field sampling. Contracts/Purchase Orders would be used to procure aerial photography. Where adequate photography exists, copies would be purchased; if adequate photography does not exist new photography would be flown. In the latter case, we would try to enter cooperative agreements with States to share the costs of acquiring new aerial photography that can be used both for the Inventory and for other purposes by the States.

Task 3: Complete the inventory in the coastal areas of the U.S., the prairie potholes of Minnesota, North and South Dakota, and portions of the Mississippi floodplain—$150,000.

Contracts would be let to provide basic photo-interpretation, delineation of wetland areas, and selected field checking and sampling to complete the inventory initiated in fiscal year 1977 in these areas.

Task 4: Initiate the inventory of wetlands in Alaska, Hawaii and the interior portions of the conterminous U.S.—$400,000.

Contracts would be let to provide basic photo-interpretation, delineation of wetland areas, and selected field checking and sampling to initiate the inventory in these areas.

Task 5: Digitize inventory data—$150,000.

This contractual effort would digitize all wetland inventory information derived in Tasks 3 and 4 and incorporate this information in a wetland data base.

Other aspects of the wetland inventory will be done in-house.

BICENTENNIAL LAND HERITAGE PROGRAM

Senator STEVENS. You have a $13 million increase in your wildlife resources function under the Bicentennial land heritage program. Of this money $7 million is for 407 new positions. Are they really new or are they conversion from part time?

Mr. GREENWALT. These are new positions, new full time positions available to the Service. None necessarily need be converted from less than full time.

Senator STEVENS. We applauded the Secretary's statement in that he had found there had been some sort of funny business as far as hiring policies and they had a lot of part time people that were going around personnel ceilings. Now is this what we are doing? Are we clearing up the record or are we really hiring this many new people?

Mr. GREENWALT. The options available to us are to convert part time people to permanent full time using these ceilings, or, conversely, we can use these ceilings to hire new people who have never been employed by the Service before.

Senator STEVENS. How many man-years of temporary employment?

Mr. GREENWALT. Most of them will be new full-time permanent employees.

Senator STEVENS. How many man-years of temporary employment are included in this increase? You can provide that for the record if you would like.

Mr. GREENWALT. Yes, sir.

Senator STEVENS. $6 million is for maintenance. How much of that is for temporary employment? Can you tell us that, too?

Mr. GREENWALT. We will provide an estimate for the record. The maintenance is divided among wildlife facilities and fishery facilities. The work may involve temporary employment, as you might imagine, or in some cases, small contracts for painting and this sort of thing.

[The information follows:]

The present total manpower complement of the National Wildlife Refuge System consists of approximately 65 percent of permanent full time man-years, 35 percent of temporary man-years. Approximately 264 of the 500 ceilings associated with the $7.0 million will go to field stations in fiscal year 1978. It is estimated that approximately 142 temporary man-years will be needed to support the program.

Approximately 35 percent of the total manpower complement on National Wildlife Refuges consist of temporary appointments, and 65 percent is full time permanents. Cyclic maintenance projects tend to be labor intensive and can provide temporary appointments for a range of skilled, semi-skilled and unskilled workers. However, some projects will be contracted; some will require large amounts of supplies; all will require careful monitoring and supervision by professional or other technically oriented employees. Given the wide range of projects needing cyclic maintenance funds, we estimate that approximately 70 temporary employees could be utilized for each $1,000,000 in cyclic maintenance funds.

REFUGE MANAGER TRAINING ACADEMY

Senator STEVENS. You have money in here for a refuge manager training academy.

Mr. GREENWALT. Yes, sir.

Senator STEVENS. Where is that?

Mr. GREENWALT. We have not selected a site yet, Mr. Chairman, although we have boiled down the candidate sites to five. We are looking at places where facilities are presently available and have no intention of building one of our own. We propose to use some training facility that is presently available and can be set aside for the time span each year for the refuge manager training activity.

Senator STEVENS. Are you going to contract out for a place? Is that what you are saying?

Mr. GREENWALT. We may be able to find a place that is available at no charge to us beyond the basic operating costs.

Senator STEVENS. Well then, let's have a statement, please, of the costs and benefits of running such an academy and how much of that would be contracted out.

Mr. GREENWALT. Yes, sir.

[The information follows:]

COST AND BENEFITS OF THE REFUGE MANAGERS ACADEMY

An expenditure of $220,000 is planned in fiscal year 1978 to reactivate the Service's Refuge Manager Training Academy.

The direct benefits immediately identifiable include a training program of superior and uniform quality which produces more effective employees. This results in a saving at the numerous field stations, both in training time and results achieved. The participants receive an increased awareness of National goals and objectives. Provincialism is greatly reduced by getting better acquainted with their peers and superiors and also receiving exposure to the activities of other regions. The public which uses refuges and supports the System, benefits from employees who are more aware of and better able to relate to public concerns.

Several locations for the 1978 Academy are under consideration. Contractural arrangements will be made for room, board, classroom facilities, instructor training, and equipment purchases. The amount will vary depending on the site selected. This is estimated at $159,000.

ALASKA NATIVE CLAIMS SETTLEMENT ACT—HISTORIC SITES

Senator STEVENS. Under the Alaska Native Claims Settlement Act you indicate you are going to review 700 historic sites. Now, what are you doing reviewing historic sites? I thought that was done by the Park Service?

Mr. GREENWALT. The Park Service does a good deal of this. These are sites that exist on present or potential national wildlife refuges in Alaska. We find that the Park Service cannot do this for us, simply because they have too much of their own to do. Ordinarily this is the sort of thing we would engage the Park Service to do for us. In order to get it done we find that we will have to do much of this work ourselves, Mr. Chairman.

Senator STEVENS. Is there a deadline for getting it done?

Mr. GREENWALT. There is not a legislative deadline, Mr. Chairman, in that sense. We are interested as you know because the Natives can withdraw land around these historic sites and they, too, are interested in making an assessment as quickly as possible.

Senator STEVENS. There is a deadline, then. They are going to get their land by December of 1978.

Mr. GREENWALT. I am told there is no deadline insofar as these historic sites are concerned.

JURISDICTION FOR HISTORIC SITE REVIEW

Senator STEVENS. Why shouldn't we give this money to the Park Service and then let them do the job if they have the people? Isn't that consistent with what you are telling us about Fish and Wildlife? We shouldn't let them build up a Fish and Wildlife Service in the Park Service, why should we let you build up a historic sites group in the Fish and Wildlife Service?

Mr. GREENWALT. Quite frankly I would have no problem at all with this, if we can get the work done in a timely way so that the intent of the act can be carried out as it relates to the Natives and their withdrawals of these lands.

Senator STEVENS. My memory is that we are talking about the provision that the Secretary has to reserve from the lands conveyed to the Natives those historic sites that are included in the lands. Would you have someone take a look at that again to tell us if there is any time frame involved? Did you ask the Park Service to do it?

Mr. GREENWALT. We did ask the Park Service to do it and they presented the problem I just described. We are involving Park Service in many of these specific areas.

[The information follows:]

TIME LIMIT FOR NATIVES TO MAKE LAND SELECTIONS UNDER ANCSA

There were several different time limits established for native land selections in the Act. Village Corporations were given until December 18, 1974, to make their selections under Section 12(a) or 16(b). The Regional Corporations had until December 18, 1975, to make their land selections under Section 12. Villages had until December 18, 1975, to select lands under Section 12(b) of the Act.

The two million acres to be selected and conveyed under Section 14(h) had other time frames or no specified time limit. By regulation, the Secretary established deadlines for selection of those portions of Section 14(h) that had no statutory limit. All of those time limits have now passed except for the 14(h)(8) selections which must be completed prior to December 18, 1977.

ANIMAL DAMAGE CONTROL

Senator STEVENS. Under your animal damage control program you have a $1.1 million increase to offset the loss of funding from the Department of Agriculture. Why did you lose the funding from the Department of Agriculture?

Mr. GREENWALT. Mr. Chairman, a bit of history is appropriate here. Sometime ago former President Ford indicated that he wished to have an accelerated animal damage control program undertaken. In order to fund it, he withdrew funds from the Department of Agriculture in order to transfer them to the Fish and Wildlife Service for animal damage control activities. The Department of Agriculture funds are no longer available, but the administration did authorize an increase to replace those funds in order to keep the animal damage control effort at the same level.

Senator STEVENS. You say that most States are not currently prepared to assume the responsibility for providing predator damage control assistance. Why is that?

Mr. GREENWALT. Historically animal damage control has been undertaken by the Fish and Wildlife Service under the provisions of the 1931 act related to animal damage control. We have offered States the opportunity to assume the responsibility with reimbursement from the Fish and Wildlife Service. Many States have not exhibited any enthusiasm for this, in part because of the uncertainty of continued funding and, in part, because State fish and game agencies are not always the agencies within the State which would conduct the operation. Our dealings, as a matter of fact, have initially been with the fish and game agencies, because animal damage control is basically a problem of the management of a resident species. Many States are reluctant to undertake the program because the fish and game agency of that State would not in fact do the work.

Senator STEVENS. You mean they disagree with your conclusions about predator control or they just can't afford it?

Mr. GREENWALT. No. They agree with our conclusions about predator control as being the management of a resident species. In many States that work would not be undertaken by the fish and game agency but by the State department of agriculture or some other agency. The States fish and game agencies are reluctant to enter

into an agreement with which they might not have a real role in the long run.

Senator STEVENS. Will you give us a list of the States that are involved and a statement indicating the impact of this funding for the future and your assessment of what they might do if we tell them we are not going to continue to fund it this way?

Mr. GREENWALT. Very well, sir, we would be pleased to do so.

Senator STEVENS. Specifically the States involved.

[The information follows:]

The FWS has contracts with the States of South Dakota and Washington, whereby they have taken over all operational control of damages caused by resident wildlife. These States would oppose the withdrawal of Federal contract funding and would undoubtedly request resumption of former cooperative programs, wherein Federal employees performed part of these resident wildlife ADC functions.

COOPERATIVE FISH AND WILDLIFE RESEARCH UNITS

Senator STEVENS. I see the Senator from Oklahoma is here. I know he is a busy gentleman.

Do you have any questions?

Senator BELLMON. Mr. Chairman, I do have a couple of questions.

Senator STEVENS. All right.

Senator BELLMON. Mr. Greenwalt, I am interested in the funding your agency provides to the cooperative fish and wildlife units that are located throughout the country at various universities. From your report the funding level for fiscal year 1977 was $2,997,000 and for fiscal year 1978 the request is the same. Considering that we have had some inflation, some escalation in salary costs, this amounts to a rather significant reduction in the level of program activity, does it not?

Mr. GREENWALT. Yes, sir, it has in the long run.

Senator BELLMON. You indicate 94 positions. How many positions will be lost if this level of funding is approved?

Mr. HESTER. It would be a gradual diminishing. Probably about three, I would say, in fiscal year 1978 would be left unfilled because of lack of funds.

Senator BELLMON. And what will be the effect on the program? Will you be required to reduce support across the board, or are you going to close out the program at some universities? How do you intend to live within this reduced level of funding?

Mr. HESTER. At present, about 97 percent of the funds in this program are used for paying salaries and benefits.

Senator BELLMON. What percent?

Mr. HESTER. Ninety-seven percent of the Federal funds in this program go for salaries and benefits for the Federal employees at these units. We now have one position we are leaving unfilled because of the tightness of the funding there.

Basically we would have to leave other positions unfilled, either leaving one position unfilled in some units or perhaps closing units if necessary.

Senator BELLMON. Well, in your judgment are these units doing valuable work? Is this a program that justifies our continued support, or is it a program that because of its inadequacies needs to be cut back?

COOPERATIVE UNITS BENEFITS

Mr. GREENWALT. Mr. Chairman, I would like to respond to that. The unit program is a beneficial one, because as the name implies it is cooperative, involving the Fish and Wildlife Service, the State game and fish agencies, and the universities at which the units are headquartered. The units provide exceptional training for wildlife research biologists. Perhaps more importantly they conduct a variety of research programs useful particularly to the States. The benefits are manifold, and in my judgment, the program is well worth its continued support.

Senator BELLMON. Well, I happen to be totally convinced that it is a good program. In my State it has done a great deal to help us make better utilization of our fish and wildlife resources. And yet we have a great deal of work still to be done.

We have done such things as bringing the striped bass which added a great deal to the recreational value of our reservoirs. And in addition, they are doing a lot of work with some of our indigenous species, wild turkey and bobwhite quail and others. Our State, which at one time was almost a wildlife desert, has come to be now a very attractive recreational area. And a good bit of this work has been accomplished through the funds made available in this program.

So my question is: Did the Department not ask for more money?

Mr. GREENWALT. The Department did not. That is correct.

Senator BELLMON. You did not ask for more?

Mr. GREENWALT. Yes, sir. Mr. Chairman and Senator Bellmon, we asked for additional funds within the Service, but the Department did not support us.

Senator BELLMON. You were cut off at the pass by the Department then, is that what happened?

Mr. GREENWALT. That is correct, sir.

Senator BELLMON. Do you mind telling us for the record what your additional request was?

Mr. GREENWALT. We had an additional request of $300,000.

Senator BELLMON. That more or less would keep the program at the same level?

Mr. GREENWALT. It accounts for the inflation factor that you just spoke of.

Senator BELLMON. Could you use more than that? Suppose the committee decided to fund this program at, just to use a figure, say, the $4 million level. Would these funds be used wisely?

Mr. GREENWALT. Absolutely, sir.

Senator BELLMON. So you could use substantially more money than you asked for at the Department level?

Mr. GREENWALT. That is correct, sir.

Senator BELLMON. Well, I am going to try to get some more money for that program.

PROPOSED DEEP FORK REFUGE, OKLAHOMA

Also I wanted to ask you, Mr. Greenwalt, as I have done before, if there is adequate funding here for addition of some new wildlife areas. I am thinking particularly of the Deep Fork project in Oklahoma. Do you have funds here in existence?

Mr. GREENWALT. There are funds available for addition to the system and I think you know, Mr. Bellmon, we are examining just how to approach the Deep Fork project and we contemplate its inclusion in future funding. We are looking at funding under the land and water conservation fund and the migratory bird conservation account. One or the other, or perhaps both.

Senator BELLMON. When you say future funding, you mean in 1978?

Mr. GREENWALT. Not in 1978. There are no funds specifically set aside for Deep Fork in fiscal year 1978.

One of the things that we want to do is examine very carefully how much of the total Deep Fork area, which I understand is a sizable one, should be set aside for refuge and perhaps even find some ways to preserve those elements of the Deep Fork that might not be included in the refuge. We anticipate it will take about 1 year before we can suggest a specific figure for funding of the Deep Fork project.

Senator BELLMON. You do have a study underway?

Mr. GREENWALT. Yes, sir. One has been initiated.

Senator BELLMON. When will it be completed?

Mr. NELSON. It is being planned in 1977, sir. We would have a continuing reconnaissance activity. We hope to be in a position to have more information to work with in 1978 looking toward 1979.

Senator BELLMON. Can you tell me categorically that you can come to the committee a year from now and tell us how much you will need for Deep Fork in fiscal 1979?

Mr. GREENWALT. Yes, sir, I can do that. I can say categorically we will tell you what we will need for Deep Fork.

Senator BELLMON. Very good, Mr. Chairman, and I will be here to ask.

Mr. GREENWALT. Very good, sir, we look forward to it.

FISHERY RESEARCH IN ALASKA

Senator STEVENS. Thank you, Senator Bellmon.

You were given $200,000 for fishery research in Alaska in 1977. What did you do with the money?

Mr. GREENWALT. I will ask Dr. Putz to respond since this is in his area.

Dr. PUTZ. In fiscal year 1977 we had an add-on of $200,000 of which three projects were initiated, one being a virus survey with the Alaska Fish and Game of the sockeye salmon. It runs in the hatchery fish that we are utilizing. All were positive to the virus.

We also worked with the Alaska Fish and Game to determine how to genetically differentiate the stocks of Pacific salmon in the Alaskan hatcheries. And then we are working with them on the methodology of detection of virus in water systems coming into the hatcheries and control thereof.

We have spent roughly $127,000 of the $200,000. We have $73,000 remaining for support of field equipment. We have four of the six positions onboard and we are working now with GSA to have space available by June 1 and during the interim we are working out of our regional office in Anchorage.

Senator STEVENS. I thought it was 300; was it 200?

Dr. PUTZ. Yes, sir. The Senate had originally added 300.

PROPOSED PROJECT EXPANSION

Senator STEVENS. What are you going to do with that in 1978?

Dr. PUTZ. We are going to continue with these projects, only expand them, for example. With the virus work we want to know what other diseases and virus exist in other watersheds aside from those where the hatcheries are to see if there is a common problem throughout the State and throughout the watersheds with the natural fish stock being carriers of various diseases.

We intend also to continue the genetic work to identify various strains in populations with unique traits and to be able to help the hatchery system differentiate again the difference in the stocks. What they have now within the hatchery system as opposed to what the runs are and where they can go, then, to get disease-free stock, if it looks like they have to do that.

We have also within our base budget asked for roughly $65,000 through our coastal land use fish program to continue this and increase this work aside from the add-on.

Senator STEVENS. Where is the money for this, in the 1978 budget?

You had $200,000 last year, how much will you have this year?

Dr. PUTZ. We are asking through our budget request for about $65,000 continuous of that.

Senator STEVENS. Will that continue the research at the level it has been going on? I understand from the Senators from Washington that someone has raised the question of mutation in our salmon stocks as a result of inbreeding of hatchery stock. Are you looking at that?

Dr. PUTZ. Yes, a hybridization. We have had our geneticist up there on two different occasions working with the Fish and Game.

Senator STEVENS. Will this $67,000 continue that at the level that it has been carried out in the past?

Mr. GREENWALT. It will increase it, Mr. Chairman, because the $200,000 now is in the base and we are asking for an additional $65,000.

Senator STEVENS. We don't see it in the base. Is it really going to be $265,000 then?

Dr. PUTZ. Yes, sir.

Senator STEVENS. That is the level of funding for this operation?

Dr. PUTZ. Yes, sir.

ALASKA FIELD STATION

Senator STEVENS. You are checking into the problem with regard to the Washington hatchery stocks coming through Alaska waters?

Dr. PUTZ. Yes, sir, we are doing that. This field station operating in Alaska is running in conjunction with our lab in Seattle, Wash. So it is a combined program in the State of Oregon, State of Washington, and State of Alaska.

Senator STEVENS. All right. Now, I don't need to seek an add-on here to continue that function; is that right?

Dr. PUTZ. No, sir. Additionally, we would estimate a need of roughly $137,000 in order to equip.

Senator STEVENS. I mean this is money that is in the budget request?

Dr. PUTZ. No, sir. The $137,000 is not in the budget.

Mr. GREENWALT. The $265,000 is in the budget request, yes, sir.

Senator STEVENS. What is the $137,000 for again?

Dr. PUTZ. After initiation of the program we are finding that the costs associated with both chemistry and microbiological equipment at the field station when they get staffed up this summer, in June, are roughly $137,000 to properly equip that field station. No positions.

Senator STEVENS. Will that come under fisheries research or will that come under some sort of a materials and supplies acquisition?

Dr. PUTZ. That will come under fisheries research.

Senator STEVENS. Can you give us a little statement of what you will do with that, if we can provide it?

Dr. PUTZ. Yes, sir.

Mr. GREENWALT. Yes, sir, we will.

[The information follows:]

The laboratories for the new Alaska Field Station have been designed to provide maximum capability for in-house research. GSA has indicated that laboratory space will be available in the Anchorage area no later than June 1. Some furniture and equipment will be borrowed from the Western Fish Disease Laboratory during this summer's field season. This arrangement cannot continue beyond September 30 without seriously interrupting the research at both facilities. The $137,000 will be used to permanently equip the microbiology and chemistry laboratories at the Alaska Field Station so that work can continue uninterrupted.

BOLDT DECISION FUNDING

Senator STEVENS. You propose a reduction of $2 million in the work related to the Boldt fishing rights decision. Now why is this?

Mr. GREENWALT. This is a reduction resulting from the termination of the greater part of our activity that supported Washington State's involvement in the Boldt decision. It related to fisheries management conducted by the State and which complemented work being done by the Indians and funded through another part of the Interior budget. The basic operations under the initial Boldt decision in terms of management have been pretty well concluded. We will retain $690,000 which has been in the base for several years, and which can be applied to the continuation of this operation. And if the States require funding above that, there is the option to use grant-in-aid funds at the State level for this purpose.

The original funding was basically a passthrough to the two State organizations in Washington which deal with the Boldt decision.

Senator STEVENS. Yes, I am aware of this, and I think we added some money at the request of the Senators from Washington. We know that a recent press release from Secretary Andrus said that a technical advisory committee has been established to insure compliance with the agreement. Are you part of that? Will you require funding to do your work as part of the technical advisory committee?

Mr. GREENWALT. Mr. Buterbaugh can respond to this in greater detail.

Mr. BUTERBAUGH. Mr. Stevens, we are part of that agreement. We are involved in putting it together. And as we envision our involvement, the 690 that is in our base would cover any of our costs.

Senator STEVENS. Your agency with BIA was to prepare a report regarding the Federal responsibility in the Boldt matter. Was that report prepared?

Mr. GREENWALT. Yes, sir, that report was prepared and submitted to the Department.

Senator STEVENS. Would you provide the staff with a copy of that report if it is available?

Mr. GREENWALT. Yes, sir, we will.

[The information follows:]

BOLDT DECISION DISCUSSION PAPER

Prepared by

Bureau of Indian Affairs

U.S. Fish and Wildlife Service

January 17, 1977

A. Statement of Issue:

In a letter to the Secretary on August 6, 1976, Senator Robert C. Byrd, Chairman of the Appropriations Subcommittee, referring to the case area in the Boldt decision on Indian fishing rights, requested the Department "...to submit for Committee review and approval recommendations concerning the Federal responsibility in the establishment of a long-range fisheries management, enforcement and enhancement program."

Congressman Sydney R. Yates, of the House Appropriations Committee, on September 10 requested the Secretary to provide a copy of his report to the House Committee. The report is to be sent to the Committees by February 17, 1977.

On November 10, Deputy Under Secretary Ickes requested the Assistant Secretary for Fish and Wildlife and Parks and the Commissioner of Indian Affairs to develop a draft proposal addressing five specific points related to Senator Byrd's request.

This paper was prepared to answer specific questions asked by Deputy Under Secretary Ickes in his memorandum of November 10 to the Assistant Secretary for Fish and Wildlife and Parks and the Commissioner of Indian Affairs.

B. Introduction:

The suit, U.S. v. Washington, was filed on September 18, 1970, in the U.S. District Court, Western Washington District, Tacoma,

by the U.S. Department of Justice, at the request of the Department of the Interior acting on behalf of the United States as trustee for several Indian tribes. The suit named as defendants the Washington Department of Fisheries, the Washington Department of Game (and their respective directors), and the Washington Reef Net Owners Association. During the initial trial, 14 Indian tribes participated as plaintiffs. Thirteen additional tribes were granted intervention following the decision to participate in the continuing jurisdiction proceedings.

The geographical area covered by the case is that portion of the State of Washington west of the Cascade Mountains and north of the Columbia River drainage area. It includes the U.S. portion of the Puget Sound watershed, the watersheds of the Olympic Peninsula north of Grays Harbor Watershed, and the offshore waters adjacent to those areas.

Basic issues in the case were the degree to which the State of Washington could regulate and restrict the off-reservation fishing rights of treaty Indians, and whether existing State laws and regulations discriminated against the Indians.

Judge George H. Boldt's decision, delivered on February 12, 1974, among other things, ordered the State to assure that the treaty Indians were given the opportunity to catch 50 percent of the harvestable salmon and steelhead and provided that Indians could be self-regulating in the off-reservation fishing under certain conditions.

More detailed information is contained in the BIA/FWS publication Background Information on Indian Fishing Rights in the Pacific Northwest which is attached to this paper.

Reactions of non-Indian Commercial fishermen, who saw the basis for their livelihood sharply reduced, and of sport fishermen, who saw legal Indian nets catching fish they viewed as theirs, have been sharp. Conflicts among the user groups have escalated. The points of view among the interested parties, both Indian and non-Indian, have become increasingly inflexible.

It is in this area that the Secretary has been asked by Congress to define Federal responsibilities. Many, but not all, of the parties may be looking to the Department of the Interior for a mechanism for resolving these conflicts.

It is important to recognize the precedent that may be established in the response by the Department to the Congressional request for a definition of Federal responsibilities in the Boldt decision case area.

The Boldt decision defined Indian treaty fishing rights to off-reservation sites in the Puget Sound area of Washington. Involved are steelhead and salmon, the first considered by the State and most non-Indians as a game fish. Salmon, managed by a different State agency, are important in the commercial fishing industry. The rights of 22 recognized tribes are involved.

There are other cases now in court in which treaty hunting and fishing rights are at issue. Additional litigation can be anticipated. Phase II of U.S. v. Washington, scheduled for trial on January 9, 1978, will deal with the determination of whether various State actions have had a detrimental effect on fish habitat and, therefore, the size of current salmon and steelhead runs in the Boldt case area. This phase may also bring in question Federal actions--dams, roads, timber sale, etc.--as they relate to fish habitat. Some of those actions have been under the authority of this Department.

Present and potential litigation may have an impact on how the Department can best execute its responsibilities. We suggest, therefore, that the Department's response to Congress be confined to the Boldt case area specifically and to the results of litigation to date.

C. General Responsibilities of this Department with Respect to the Recent Court Decisions:

Under its trust responsibility, assigned by Congress, the Interior Department is responsible for administration of Indian property, including lands and natural resources within Indian reservations, for providing certain services to Indian people and for the protection of Indian treaty rights.

The Department also has responsibility to provide Federal leadership to conserve, protect and enhance fish and wildlife and their habitats for the continuing benefit of the people. This stewardship is accomplished through the Fish and Wildlife Coordination Act of 1934, the Fish and Wildlife Act of 1936, Anadromous Fish Conservation Act of 1965 and other legislative authorities.

D. The Appropriate Departmental Components Responsible for Executing Each of these Responsibilities:

The Bureau of Indian Affairs has the direct responsibility for carrying out the Department's authorities for Indian programs.

The Fish and Wildlife Service is the Department's authority on matters related to fish and wildlife resources and their habitats. In matters involving fish and wildlife on Indian lands, the Departmental Manual (2 DM 501) provides that:

--Bureau of Indian Affairs is responsible for coordination and integration of management programs pertaining to

Indian resources and for Indian off-reservation treaty fishing rights.

--Fish and Wildlife Service is responsible for advising the Bureau of Indian Affairs on fish and wildlife matters, preparing fish and wildlife management data as requested and for assisting the Bureau of Indian Affairs in its responsibility for executing management programs on Indian lands.

FWS assisted in preparing data for the Department of Justice in pre-trial and trial activities in U.S. v. Washington and since the decision, by agreement of Indians and State representatives, has continued to assist in the collection and analysis of data used by both parties.

E. The Proposed Processes for Coordinating the Departmental Responsibilities Identified Above within the Department and with Other Agencies and Organizations:

Internal Coordination:

1. We suggest that the Secretary establish a Departmental Committee to coordinate Departmental policies and plans, on a continuing basis, with respect to responsibilities in the Boldt case area. The committee would be chaired by a member of the Secretary's staff and would include the Solicitor; Assistant Secretary, Fish and Wildlife and Parks; the Director, Fish and Wildlife Service; and the Commissioner of Indian Affairs.

   Coordination could be achieved through periodic meetings of the principals and by initiation of an information exchange system to keep all parties informed of significant developments.

2. Coordination between Bureau of Indian Affairs and Fish and Wildlife Service at the Washington level can be improved to

assure that budget requests, funding priorities and operating policies of the two organizations are compatibly developed. This responsibility can be exercised by the Commissioner and the Director.

External Coordination:

Department of State. The Department of State has responsibility for the execution of treaties with other countries. Through the North Pacific Salmon Convention, executed by the U.S. and Canada, the catch of the Fraser River run of sockeye salmon is divided between the two countries. Decisions under the Convention impact the availability of that run within the Boldt case area.

Fish and Wildlife Service and Bureau of Indian Affairs have some representation as advisors to the annual negotiating team under the Convention. Presentation of Departmental interests from the Secretary to the State Department would help assure that Indian rights are recognized and that the impact of Convention negotiations on those rights are considered.

National Marine Fisheries Service. NMFS, within the Department of Commerce, has the primary Federal responsibility with respect to the Regional Fisheries Management Councils established by P.L. 94-265. This Act states that Departmental representation on the Councils is through the Fish and Wildlife Service as a non-voting member. Although the State of Washington and non-Indian fishing interests are well represented on both the Pacific and North Pacific Fishery Management Councils, there is no direct representation of Indian fishing interests. Both Councils deal specifically with fishery management planning within the 200-mile limit for salmon stocks of concern in the Boldt case area. Catch limits established for off-shore fishing will, to a great extent, determine the size of the allowable harvest available to Indians and non-Indians.

In addition to representation by the Fish and Wildlife Service non-voting member on the Council, the Department should initiate presentations to the Department of State, NMFS and the Councils to assure that Departmental interests and responsibilities are considered.

Department of Justice. Coordination with the Department of Justice regarding active or proposed litigation of Indian fish and hunting rights is through the Solicitor.

If both Bureau of Indian Affairs and Fish and Wildlife Service responsibilities are to be properly executed, members of the Solicitor's staff assigned to handle the work of both bureaus need to be kept informed of actions to be taken, as do the bureaus themselves. The Departmental committee suggested earlier would provide for necessary information exchange.

F. The Mechanism for Resolving Differences Between the Responsible Agencies and Organizations, including State and Tribal Organizations: Given the nature and intensity of conflicts that exist in the case area between Indian fishing interests, various non-Indian commercial fishing groups, the two State management departments, public sentiments and even between State and Federal courts, this is the most difficult problem to resolve.

A large number of formal and informal groups exist which represent various interests and varying levels of authority. A disincentive of primary importance to the direct resolution of conflict is the opportunity for either the State or Indian tribes to go back to the Court to resolve situations with which they are not in agreement.

We recommend that the Secretary use his office to attempt to bring together representatives of key interest groups to form

a joint policy and planning group. This would not be an advisory group to the Secretary, but rather a group assembled under his sponsorship.

The resolution of conflicts among interested parties can best be achieved through their cooperative action. We suggest the Secretary issue an invitation to the directors of Washington State Department of Fisheries, which manages salmon, the Department of Game, which manages steelhead, the Executive Director of the Northwest Indian Fish Commission, and to a representative of those tribes not represented by the NWIFC to join with the Portland Area Director of the Bureau of Indian Affairs and the Regional Director of Fish and Wildlife Service in such a group. The Secretary's designee who chairs the Departmental Committee could chair initial meetings until the group developed its own charter and internal organization and procedures. This would provide a direct link between the Departmental Committee in Washington and the joint group in the Northwest.

The Secretary's invitation should suggest that the group comprise a policy body to direct the joint development of a fishery management plan that would provide adequate protection of all interests, including protection of the fishery resources. Actual development of the plan could be assigned to professional fisheries staff currently available in each of the organizations under the policy direction of the group sponsored by the Secretary.

A proposed schedule of events to initiate these actions is shown as follows:

	Events	Complete
1.	Secretary appoints Departmental committee	Feb. 15
2.	Secretary issue invitations to participate in joint field planning group	Mar. 1

	Events	Complete
3.	Secretary's designee convenes joint planning group	Mar. 20
4.	Joint planning group establishes own charter and procedures	Apr. 15
5.	Joint planning group prepares objectives and guidelines for development of case area fishery management plan	May 15
6.	Joint planning group appoints technical sub-group	May 15
7.	Technical sub-group completes fishery management plan	Est. 12-18 mos

G. Departmental Position on Federal Funding to the State of Washington:

An important issue not addressed in Deputy Under Secretary Ickes' specific questions is the position of the Department with respect to continued Federal funding to the State to assist it in carrying out its responsibilities under the Boldt decision.

Prior to Judge Boldt's decision in 1974, Washington State's salmon and steelhead management was directed at its territorial, off-shore waters with little attention given to terminal (natal) streams where spawning occurred. Such practices, although insufficient today, appeared to fully meet biological and user needs prior to the decision. With the Boldt decision, however, came the need for more specific in-stream management if the 50-50 sharing formula directed by Judge Boldt was to be achieved.

The State of Washington was neither financially able nor scientifically prepared for such a shift in management effort. Congress appropriated the following funds for logistic and fiscal support of improved management:

Fiscal Year	Amount	How Obtained	Purpose
1975	$690,000	Budget amendment	FWS participation in salmon and steelhead in-stream data collection

Fiscal Year	Amount	How Obtained	Purpose
	$150,000	Congressional add-on	Increase salmon and steelhead production at Federal hatcheries
	$900,000	Congressional add-on (Pass-through to State)	Increase fish production of State-owned hatcheries
	$300,000	Congressional add-on (Anad. Fish grant-in-aid)	Fish stocking, run predictions, harvest monitoring
(1975 Total - $2,040,000)			
1976	$690,000 $150,000 $300,000	FWS base funding	Continuation FY 75 programs
	$1,985,000	Congressional add-on (Pass-through to State)	Collection of base-line data, fish production, harvest monitoring
(1976 Total - $3,125,000)			
1977	$690,000 $150,000 $300,000	FWS base funding	Continuation of FY 75 programs
	$2,085,000	Congressional add-on (Pass-through to State)	Continuation of base-line data collection, fish production, harvest monitoring
(1977 Total - $3,225,000)			

Through add-ons in fiscal years 1976 and 1977 totaling $4,070,000, Congress appropriated funding to State agencies to implement provisions of U.S. v. Washington. In considering the FY 1977 appropriations, however, the House Appropriations Committee advised the FWS that future add-on authorizations for pass-through to the State would not be approved. The FY 1978 Budget presently contains no such requests because the Department has held the view that this additional funding was primarily the responsibility of the State and 100 percent Federal funding of additional requirements was not appropriate.

Judge Burns, sitting on the Ninth Circuit Court which affirmed Judge Boldt's decision, clearly stated that "it has been recalcitrance of Washington State officials (and their vocal non-Indian commercial and sports fishing allies) which produced the denial of Indian rights requiring intervention by the district court." These circumstances may argue that correction of the situation is a State responsibility which should be borne financially by the State and not the Federal Government. However, the Secretary has a trust responsibility to protect the Indian off-reservation fishing rights which was not aggressively exercised in the Puget Sound area prior to the 1960's. It is understandable, therefore, why the State of Washington, which has the primary fishery management responsibility, had not developed the necessary data to effectively implement the Boldt decision.

The State, in requesting funds from Congress, presented a three-year program (FY 1976-78). We believe it is in the Federal interest to provide financial assistance for the final year of that plan to assure the Secretary that his responsibilities, both to support Indian rights and to protect the fishery resource, can be met.

We recommend that the Department seek an amendment to add $1,000,000 to the FWS budget in FY 1978 which can be provided to the State through the Anadromous Fish Grant-in-Aid Program. Such grants are made on a 50-50 matching basis and would again assure a $2,000,000 State program. This strategy has several advantages:

- It appropriately divides financial responsibility between the State, as manager of the resource, and the Federal Government in support of the Secretary's trustee role.

- The provisions of the grant-in-aid program will provide a measure of assurance that State research and data-

gathering programs funded with these monies will be prudently administered, relevant to the Boldt decision, and responsibly terminated when specific questions are resolved.

- It will not place undue burden on the FWS' resource management appropriation through which some 85 percent of its work is funded (excluding Federal Aid-P.R. and D.J. to States and other non-appropriated funds).

There are a number of other suits in support of Indian hunting and fishing rights now in court, and more can be anticipated. For that reason, this funding recommendation is intended to be specific to the Boldt case area and should not be construed to be an endorsement for similar Federal funding to all States where Indian treaty hunting or fishing rights may be supported by court decisions. Departmental positions on Federal funding to States to implement such decisions must be determined based on the circumstances and equities of each situation.

LEETOWN TRAINING FACILITY

Senator STEVENS. You are going to reestablish a fishery management training program at Leetown, W. Va., which has been curtailed since 1974.

Mr. BUTERBAUGH. That is correct.

Senator STEVENS. Where are you going to get the personnel to man that program?

Mr. BUTERBAUGH. We have training facilities located around the country in a number of other locations. These would be transferred to Leetown, including personnel. We would pick experts from throughout the country, from States, from universities to bring them in to do some of the teaching. The permanent staff required to maintain the facility, would only be four or five. A director and a few other people.

Senator STEVENS. Why can't you do the same thing with on-the-job training under existing programs?

Mr. BUTERBAUGH. The type of training we are talking about is very specialized. It is not available elsewhere and we need to bring not only Service personnel but there is a great request from foreign governments and from the States for the Service to provide training in specialized areas that is not available elsewhere. Fish diseases, for example, and nutrition and genetics work; there is a large area there that training is just not available. And we can't provide it in any one hatchery or any one research lab. We need a central facility where we can have the equipment and visual aids and all of the other materials needed to carry on this type of training.

ENDANGERED SPECIES

Senator STEVENS. On your endangered species, you have a budget amendment of $3 million, and the same amount, $3 million, in the current supplemental. But there is a base of $1 million in the 1977 budget so that you are actually proposing a $1 million decrease for 1978. Is that right?

Mr. GREENWALT. That is correct, sir.

Senator STEVENS. Why is that? Why did you go up in 1977 and back down in 1978?

Mr. SCHREINER. Mr. Chairman, I don't know exactly how to answer you except to say that the former Administration was not very favorable toward grant programs and the current Administration views them somewhat differently.

Senator STEVENS. I understand that. We have heard the statement of the Secretary that it was going to go up. But now it is coming back down in 1978. Why didn't you maintain the level of 1977?

Mr. SCHREINER. We have a supplemental increase in now for $3 million and in 1977, the current fiscal year.

Senator STEVENS. That gives you $4 million for 1977?

Mr. SCHREINER. Yes, sir.

Senator STEVENS. For grants to the States?

Mr. SCHREINER. Yes, sir.

Senator STEVENS. Then you are only asking us for $3 million in 1978?

Mr. SCHREINER. Yes, sir. That amount of funding is that which is needed to take care of all our needs in 1977 and 1978. We have 17 States with cooperative agreements. Sixteen now have projects that are being funded. We anticipate another 13 before the end of 1978. We have talked to them on the phone and received a general idea of the funds they need. And that funding level, $4 million in 1977 and $3 million in 1978, will take care of those needs, Mr. Chairman.

Senator STEVENS. These funds were to be available under the Federal aid to fish and wildlife restoration funds, and $114 million is in the 1978 budget.

Mr. SCHREINER. Yes, sir.

Senator STEVENS. Are you going to duplicate these grants to the States under that program?

Mr. SCHREINER. No, sir, there is no duplication whatsoever.

Senator STEVENS. What are you going to use the $114 million for?

Mr. SCHREINER. These funds are used primarily for game species and in some instances for nongame species. The same people are issuing the grants and there is and will be no duplication. The big majority of the funds are used primarily for game species, those animals that are hunted.

Senator STEVENS. Under the Federal aid to fish and wildlife preservation fund, could you ask for money for endangered species grants to a State?

Mr. SCHREINER. Yes, sir, it is possible to do that and some States do. But it is a very small amount. About 2 percent of the funds in the Federal aid in wildlife restoration program are used for nongame or endangered species. The States have fully utilized those funds since 1937 for game species. And in most cases they are very dependent on them for game wildlife resources.

STATUS OF ENDANGERED SPECIES GRANT-IN-AID

Senator STEVENS. Are the endangered species grants authorized under current law?

Mr. SCHREINER. Yes, sir, through fiscal year 1977.

Senator STEVENS. For 1978?

Mr. SCHREINER. No. We have an amendment in for 1978 and 1979 and 1980, I believe, Mr. Chairman, at the $3 million level annually.

Senator STEVENS. This $3 million for 1978 is subject to authorization?

Mr. SCHREINER. Yes, sir.

Senator STEVENS. If this is such a worthwhile program, and if it brings in matching support from the States, why aren't you seeking more funding for grants?

Mr. GREENWALT. We have determined that the eligible States will not have sufficient State funds to match more than $3 million in Federal grant funds in fiscal year 1978.

Senator STEVENS. What has been accomplished to date with the grant program?

Mr. GREENWALT. The first State project was approved under the grant-in-aid program about 6 months ago on October 6, 1976. Since then, we have approved 13 additional projects with the Federal share

of funding totaling almost $1,280,000. The approved projects encompass a variety of actions including species status surveys and inventories, research, habitat acquisition and improvement, captive propagation, and the development of public information materials. Habitat acquisition has already occurred for one species in California. Over the next few months, we are certain that State accomplishments for endangered species under this program will be significant indeed.

Senator STEVENS. You have endangered species biologists for five area offices and seven part-time biologists to consult with Federal agencies. Why do you want part-time biologists with regard to the section 7 requirements?

Mr. SCHREINER. Mr. Chairman, quite candidly we have got a job to do and that is the only option that is available to us at this time.

Senator STEVENS. Why can't you do it with your biologists in the area offices?

Mr. SCHREINER. They will do some of the consultation and they are permanent full-time ceilings. They will do it, particularly at the beginning level or what we call the threshold level of consultation. This is required under section 7 of the act as you know, sir.

However, the anticipated volume, actually the current volume, is much too heavy for those few people to handle. In fact, it may be too heavy for the additional part-time people to handle, also.

LAND ACQUISITION

Senator STEVENS. You don't have any money for land acquisition, do you?

Mr. GREENWALT. No. Part of the State grant-in-aid program could be used by States for land acquisition. None of the Federal land acquisition for endangered species is considered in this budget at all. It is budgeted through BOR and the land and water conservation fund.

Senator STEVENS. Have you any land that is authorized for acquisition under either of those programs for which you don't have money requested?

Mr. GREENWALT. Let's see if I understand you, Mr. Chairman.

Senator STEVENS. I will hear the land and water conservation fund Thursday. But in this budget do you have any money for land acquisition at all?

Mr. GREENWALT. Yes. Migratory bird conservation account funding is requested in this budget.

Senator STEVENS. Is it sufficient to acquire the land that is authorized? Do you have any backlog?

Mr. GREENWALT. Yes, sir. We have a substantial backlog. The backlog is about $410 million. The plan that has been developed identifies about 1.9 million acres that should be acquired over the next 10 to 15 years. The total, as I say, at the present day price is about $410 million. Our request in the 1978 budget is $32 million.

Senator STEVENS. I have a little proposal I am going to make to you along those lines, in case you haven't heard of it. You let us develop some of our minerals in Alaska and we will give you the income to buy the land down here, all right?

Mr. GREENWALT. Mr. Chairman, at first blush that sounds like an offer that I could hardly refuse.

Senator STEVENS. We will have to take a good long look at it. We are working on it now.

CONSTRUCTION AND ANADROMOUS FISH

On your construction and anadromous fish account you want an increase of $25.4 million. What is your timeframe for obligating that money? Is that 18 months' money to begin with?

Mr. GREENWALT. No, sir. That is no-year money.

Senator STEVENS. No-year money. What is the timeframe for obligation?

Mr. GREENWALT. We expect to obligate about 90 percent of it within the fiscal year.

Senator STEVENS. In 1978?

Mr. GREENWALT. Yes, sir, the 1978 fiscal year.

LEETOWN TRAINING FACILITY

Senator STEVENS. You are going to remodel the Leetown, W. Va. center for $750,000. I assume that is part of your training program we just discussed.

Mr. GREENWALT. Yes, sir, it is.

Senator STEVENS. Would you give us a breakdown of that and a description of the work to be done?

Mr. GREENWALT. Yes, sir, we will.

Senator STEVENS. Is that enough to complete the job?

Mr. GREENWALT. No, sir. It will not complete the full plan we have for this project.

Senator STEVENS. In terms of construction, will it complete the remodeling?

Mr. GREENWALT. That would require, I am told, about $250,000 more to complete the remodeling and rehabilitation contemplated.

Senator STEVENS. When do you contemplate beginning training courses?

Mr. BUTERBAUGH. Approximately 1½ years. It could be even as soon as 1 year. It would depend on when the laboratory is completed and we get the construction completed. In the next 18 months.

Senator STEVENS. Well, give us a little statement on that. The chairman might well want to give you the money to get it all done at once.

Mr. GREENWALT. Yes, sir, we shall.

[The information follows:]

The President's Budget for FY 1978 contains $750,000 to rehabilitate the existing Leetown Laboratory to be used for high priority Service programs. These plans include a fish cultural training program, development center activities and a disease diagnostic unit. This complex will provide a broad base technical support to Federal, State, private and foreign fish culture activities.

An additional $250,000 is required to complete the extensive work required for the conversion of laboratory rooms and research facilities into classrooms, operational type training facilities for fish culture, and modification of fish rearing ponds and water systems.

HATCHERY EFFLUENT WASTE

Senator STEVENS. Pollution abatement: $300,000 increase to bring effluent discharge at 40 hatcheries up to compliance standards. What is that? Have we been discharging from hatcheries in violation of the Federal water standards?

Mr. GREENWALT. We have not been in violation of Federal water standards. But those standards are being solidified now by EPA and we must come into compliance with EPA standards.

Senator STEVENS. What standards are you talking about? Are you talking about the problem of discharge of natural fish waste into the tidal waters?

Mr. GREENWALT. Into waters generally, not just tidal waters.

Senator STEVENS. The natural fish waste?

Mr. GREENWALT. Yes, sir, from hatcheries.

Senator STEVENS. Did you have anything to do with the standards?

Mr. GREENWALT. We did get involved in the setting of the original general water quality standards. The standards we must meet are related to problems that affect fish hatcheries in particular.

Senator STEVENS. I really don't understand this. You have seen a stream I am sure after the salmon have spawned.

Mr. GREENWALT. Yes, sir, I have.

Senator STEVENS. Clogged with dead salmon. They go downstream by the ton and that is nature's way. Now what is wrong with an effluent of natural fish waste from a hatchery?

Dr. PUTZ. Sir, there is one other component and that is some of the chemicals and drugs which we use to treat and maintain the health of the fish within the hatchery systems. EPA is also asking us to look at that and set guidelines toward that.

Senator STEVENS. I understand that. That would be a different matter. But you mean the chemicals you might put in the tanks?

Dr. PUTZ. Yes, sir.

Senator STEVENS. While they are being raised; is that right?

Dr. PUTZ. Prior to being released, yes, sir. Like gill fungus, external bacteria problems. We may treat, we may feed the drugs to the fish through the food and there might be some subsequent release with the fecal material.

Mr. GREENWALT. Mr. Chairman, one of the problems that makes this different from a natural situation is that the operation of the hatchery requires periodic flushing of these wastes which raises the level to a level beyond the acceptance of EPA.

Senator STEVENS. That is what I am questioning, whether you can put it all on that level of EPA. We just talked to you about their looking to you for advice. Did you establish those standards or did they?

Mr. GREENWALT. We helped establish the standards for continuous discharge but we do not discharge waste from hatcheries on a continuous basis. They are accumulated and then flushed periodically. And it is that period during flushing when the level of contaminant is higher than the acceptable levels set by EPA.

Senator STEVENS. Why don't you give us a list of the hatcheries and location by State, if you would, please?

Mr. GREENWALT. We will.

[The information follows:]

In order to meet established EPA broad pollution abatement standards, raceway cleaning vacuum devices will be used at the following hatcheries:

Arizona
Alchesay-Williams Creek Berlin
Willow Beach

Arkansas
Grerrs Ferry
Norfork

California
Coleman

Colorado
Hotchkiss
Leadville

Georgia
Chattahoochee Forest

Idaho
Hagerman

Maine
Craig Brook

Montana
Bozeman
Creston
Ennis

Michigan
Hiawatha Forest
Jordan River
Pendills Creek

Nebraska
Crawford

Newada
Lahontan

New Hampshire
Berlin

New Mexico
Mescalero

North Dakota
Garrison Dam

Pennsylvania
Allegheny
Lamar

South Carolina
Walhalla

South Dakota
McNenny

Tennessee
Dale Hollow
Erwin

Vermont
Pittsford

Virginia
Paint Bank
Wytheville

Washington
Entiat
Leavenworth
Quilcene
Winthrop

West Virginia
Bowden
White Sulphur Springs

Wyoming
Jackson

Wyoming
Jackson

Senator STEVENS. I still think they are off base and I wish you would straighten them out.

I don't know if you can have a cannery right next to one of those anadromous fish streams. The cannery chops the heads off the fish they are going to can and puts them back into the stream. That is pollution. In the case of the ones that go up stream to spawn, all of the fish comes back downstream, not just the head. I can't quite understand their attitude.

You are not getting caught with the same thing are you? They are not telling you that you cannot discharge natural fish waste?

Mr. GREENWALT. Yes, sir. They are telling us we cannot discharge natural fish waste in the flushing process. At that time the levels go above the normally acceptable levels and for that period we are in violation of the standards.

Senator STEVENS. All right. Give us location by State, will you, please?

Mr. GREENWALT. Yes, sir, we will.

KENAI HEADQUARTERS DEVELOPMENT

Senator STEVENS. Now in refuge rehabilitation, $38 million is for construction and rehabilitation of refuge facilities. I asked you about that. Nineteen of the 32 million acres of the refuges are in my State. How much of the $38 million is in my State?

Mr. GREENWALT. $1.2 million for 1978, sir.

Senator STEVENS. You must be using an abacus to figure out the distribution of this money. It doesn't seem quite to balance.

Are you building a new visitors' center down there with this money?

Mr. GREENWALT. It is for Kenai.

Senator STEVENS. How much is for the Kenai center?

Mr. GREENWALT. That is the $1.2 million.

Senator STEVENS. Is that for the new center?

Mr. GREENWALT. I am sorry. It is for the headquarters complex at Kenai.

Senator STEVENS. I went down there and they gave me a briefing on the new visitors' center for Kenai. Now you want $38 million more and I don't see it included. You ought to take a little review of that.

I am pulling your leg a little bit.

Mr. GREENWALT. I realize that.

EQUIPMENT AND CONSTRUCTION

Senator STEVENS. In this rehabilitation program for refuges how much is for equipment and how much for actual construction?

Mr. GREENWALT. For 1978?

Senator STEVENS. Yes.

Mr. GREENWALT. We don't have that information at hand, sir.

Senator STEVENS. Give it to us for the record then.

Mr. GREENWALT. We will furnish it, yes, sir.

[The information follows:]

Statement concerning the dollar amounts for construction, rehabilitation and equipment in the $38,005,000 refuge construction request.

The list was developed giving priority to rehabilitation projects ($24,941,000) and high priority new construction ($13,064,000). A portion of each category contains equipment. Some pieces of equipment are being replaced or rehabilitated: $3,629,000; some pieces are new purchases: $720,000. This leaves a balance of $21,312,000 for replacement or rehabilitation of facilities and structures and $12,344,000 for construction of new facilities or structures.

SABINE REFUGE PARKING FACILITY

Senator STEVENS. Let's look at some specifics. I am all for improving the visitor accommodations at these refuges as necessary; but do you need $82,000 for parking at the Sabine refuge? Is that to pave the existing parking or for additional parking?

Mr. GREENWALT. We will give you the full details in just a second, Mr. Chairman.

It shows as a rehabilitation project, sir. It is paving of an existing parking area.

Senator STEVENS. Well, give us a note about that for the record, too.

[The information follows:]

The budget request for the FY 1978 budget included $82,000 for blacktopping parking sites at the Sabine Refuge. The two parking areas at Central Canal and Highway 27 provide 95 percent of the public use program parking at Sabine. Both lots have been re-surfaced with oyster shell twice and are now in need of extensive repair and resurfacing. Cost and quality of shell prohibits continual maintenance with it. Blacktopping both areas, the launching ramps, and the highway entrance would solve the problem for over a 10 year period. Annual maintenance could then probably be arranged with the highway department of Louisiana.

CABEZA PRIETA REFUGE—SOLAR ENERGY PLANT

Senator STEVENS. For the Cabeza Prieta Refuge in Arizona you have $100,000 for a solar energy plant. Is that an experimental plant? If so, what is it doing in your budget?

Mr. GREENWALT. I am advised it is partially experimental.

Senator STEVENS. Are we going to turn the refuge rehabilitation program into an experimental program? Why don't you get that from ERDA? I think it would be great for you to try these things at some of these visitor areas.

Mr. GREENWALT. This is what we are doing in this case.

Senator STEVENS. Why don't you get the ERDA money? We gave them over $1 billion I think, in the last 2 years.

Mr. GREENWALT. We have made requests in these connections of ERDA and, quite frankly, I don't know what the results have been. We have asked several times for this kind of consideration.

Senator STEVENS. Well, we really don't see why you should be using refuge money for experimentation. If it is a tested project, that is one thing. But if it is experimentation, I don't think you ought to be involved in it.

Would you give us another statement about that, too, please? In other words, what kind of a plant you are going to use. You had better check it out with ERDA.

Mr. GREENWALT. It is a heating plant arrangement. I don't know how experimental it really is but we will provide information for the record.

Senator STEVENS. Is it for the headquarters?

Mr. NELSON. It is for the headquarters, sir. And they have a system that they feel will do the job, but we still feel there are some experimental aspects involved insofar as application elsewhere in the southwest.

Senator STEVENS. Well, we will get you some money out of that other pot. Just let us know what it is, will you, please?

[The information follows:]

SOLAR ENERGY DEVICE AT CABEZA PRIETA

The budget request for the FY78 budget included $100,000 for a solar energy supply source at the new administrative site of the Cabeza Prieta National Wildlife Refuge at Ajo, Arizona. The solar energy will supply the heating and cooling needs of the entire administrative complex. In an area where the sun shines nearly everyday, a shortage of this form of energy would never exist. Because of the ideal geographical location of the Ajo station and its endless supply of sunshine, a system to tap the solar energy resource should be included as part of the construction of an administrative site. The utilization of alternate energy sources on refuges, especially remote areas where rural utility services are generally quite expensive and in some cases not reliable, would save dollars as well as provide a dependable energy source.

In a time when the conservation of our Nation's natural resources is paramount, the Fish and Wildlife Service is taking every opportunity to construct alternate energy systems whenever we can.

SAN FRANCISCO BAY REFUGE, CALIFORNIA

Senator STEVENS. The headquarters construction at San Francisco is scheduled to receive $736,000. That is a lot of money for headquarters construction at San Francisco Bay refuge. What are you going to do?

Mr. GREENWALT. It is new, sir, new construction.

Senator STEVENS. New construction?

Mr. GREENWALT. Yes, sir.

Senator STEVENS. Where is it located?

Mr. GREENWALT. It is in South San Francisco Bay. I am not sure exactly where the site is for this headquarters.

Senator STEVENS. This is actually on the site, now; it is on the refuge?

Mr. GREENWALT. Yes, sir, it is.

Senator STEVENS. What kind of a headquarters building do you have there now?

Mr. GREENWALT. There is none there.

CRAB ORCHARD REFUGE, ILLINOIS

Senator STEVENS. How about Crab Orchard refuge in Illinois, $1.8 million. What is that for?

Mr. GREENWALT. The principal expenditure is for reconstruction, and upgrading of the sewage and waterplant. We provide water and sewage facilities for an industrial complex that is in the refuge. It is very unique, as you might imagine. In that connection we maintain the support facilities for an industrial complex converted from a World War II ordnance construction site. Our responsibilities in this include the sewage and water supply, both of which date back from that same era and need rehabilitation.

MUSCATATUCK REFUGE

Senator STEVENS. What about this Muscatatuck refuge. A million dollars for the first phase of water control. What is the total cost of that project?

Mr. GREENWALT. The total project for completion is $9.4 million.

Senator STEVENS. What is the timeframe for construction?

Mr. GREENWALT. Five years.

Senator STEVENS. This is a water control facility necessary for the refuge itself?

Mr. GREENWALT. Yes, sir.

Senator STEVENS. Habitat management?

Mr. GREENWALT. Marsh and habitat management.

Senator STEVENS. Is it a tidal area?

Mr. GREENWALT. No, sir. It lies alongside a stream.

Senator STEVENS. What is it? An artificial wetland?

Mr. GREENWALT. In part. Yes, sir.

Senator STEVENS. That is a lot of money. Has that plan been approved?

Mr. GREENWALT. Yes, sir. It has.

Senator STEVENS. How much land have you got there?

Mr. GREENWALT. 7,700 acres.

CONSTRUCTION CARRYOVER FUNDS

Senator STEVENS. Now, on your construction schedule, how much money did you have left in the pipeline at the end of 1976? How much did you carry over?

Mr. SPEAR. $17 million carrying over from 1976, Mr. Chairman.

Senator STEVENS. What is your estimate of carryover from 1977?

Mr. SPEAR. $8 million carryover into 1978 from 1977.

Senator STEVENS. $8 million? Do you reflect that in your budget justifications? Do you have any carryover at the end of 1978 estimated?

Mr. SPEAR. We anticipate carrying over approximately 10 percent. We are building up the staffing by roughly 100 people in that area and expect to be able to obligate at a considerably faster rate.

Senator STEVENS. I am a little worried. You asked us for no-year money, but you end up by carrying it over on a basis that really becomes base-year money. Why should these funds be available until expended?

On page 118, you don't have an estimated carryover of 10 percent. You carried over $6.7 million from 1977; $17 million from 1976. The 1977 carryover is just an estimate; right?

Mr. SPEAR. That is correct.

Senator STEVENS. You don't show any carryover from 1978. You ought to have an estimate of how much you would have unobligated at that time.

Mr. SPEAR. We anticipate as of now about 10 percent would carry over. A lot of that would go for construction inspection.

Senator STEVENS. You can obligate that, can't you?

Mr. SPEAR. Not until the completion of the project, sir. It is actually is used while the project is——

Senator STEVENS. Are you talking about in-house inspection or your own inspection contracted out?

Mr. SPEAR. In-house inspection.

Senator STEVENS. If you can obligate it all in 1 year why do you need that no-year money?

Mr. SPEAR. I think the critical reason, Mr. Chairman, is the contingency nature—the uncertain nature of the whole construction cycle.

Senator STEVENS. It sounds like the Department of Defense. They keep telling us that. We give them 1-year money.

We would like to know if you can give us something—it seems realistic to think that you are going to have some carryover. You have $17 million one year and $6.7 million the next. Furnish us your estimate of how much you will have unobligated at the end of 1978, will you please?

Mr. GREENWALT. Yes, sir.

[The information follows:]

Carryover funds of 10 percent are normally required in the Construction appropriation because of multi-year contracts. The contract may be awarded in the current year, but depending on the magnitude, will not be completed until near the end of the following year (or longer in special cases). The cost to administer the actual construction (i.e., the amount estimated for contingencies, and engineering and management inspections) is included in the amount appropriated for the current year to accomplish the project or phase, and hence is carried over until the work is complete and the constructed facility accepted by the Service. In some situations, the carryover may represent funds for equipment that cannot be purchased until the facility which

houses the equipment is complete, or it could be a part of the project that cannot be contracted for until another part is finished or contingent upon proper climatic conditions (i.e., road paving using hot mix).

For the above reasons, it is estimated that $4.9 million will remain unobligated at the end of fiscal year 1978.

MIGRATORY BIRD CONSERVATION ACCOUNT

Senator STEVENS. The migratory bird conservation account budget amendment requests a $10 million advance in addition to the estimated $22 million in duck stamp revenues. The list of projects in the budget amendment duplicates some of those proposed in the regular justification. So that we are clear on this matter, will you provide a list of the acquisitions proposed, if you have the full $32 million. And we would like a priority list so that if there is any slippage in that we will know what we are going to acquire.

Is that agreeable?

Mr. GREENWALT. Yes, sir. We can do that.

[The information follows:]

Priority order of the acquisitions planned for the $32,000,000 in the MBCA.

Habitat type and location to be acquired, by priority	Acres	Cost [1](in thousands)
Waterfowl production areas—N. Dak., S. Dak., Mont.		
Fee	14,300	$4,900
Easement	28,000	5,100
Waterfowl production areas—Mont.		
Fee	7,000	4,100
Easement	2,000	700
Wintering habitat—Central Valley, Calif	6,000	1,500
Coastal black duck wintering habitat—Del., N.J., N.Y., Mass	512	675
Wintering habitat—Mississippi River Delta Bottomlands—La, Mass	17,300	4,900
Coastal wintering habitat—Tex	18,700	5,830
Redhead duck breeding habitat—Idaho	315	190
Waterfowl breeding habitat—Wis	4,000	1,300
Coastal waterfowl wintering habitat—Fla	1,200	800
Waterfowl breeding habitat—Colo	790	500
Coastal wintering habitat—Wash	506	305
Waterfowl and sandhill crane migration habitat (Platte River)—Nebr	700	700
Total	101,323	31,500
Duck stamp printing/sales		500
Grand total	101,323	32,000

[1] Includes incidental acquisition costs.

DUCK STAMP REVENUE

Mr. GREENWALT. Mr. Chairman, I should point out that there is slippage built into the system already because $10 million of the increase is contingent upon legislation increasing the price of the duck stamp. The new price would increase the return from the sale of duck stamps.

Senator STEVENS. You mean the $22 million in duck stamp revenue is contingent upon the enactment of legislation to increase the cost of the duck stamp?

Mr. GREENWALT. Ten million of it is, not the full $22 million. Legislation was advanced with former President Ford's supplemental request for fiscal year 1977 and has not been acted upon in the Congress.

DEVELOPMENT AND OPERATION OF RECREATIONAL FACILITIES

Senator STEVENS. You are proposing the creation of an indefinite fee account which would make available to the Service all funds collected as recreation fees. As of November 30, 1976, you said the fund contained over $52,000. Is there any more current information about that fund?

Mr. GREENWALT. I think there is no more current information about the status of the fund.

Senator STEVENS. How accurate is the estimate of $150,000 for this account in 1978?

Mr. GREENWALT. It is a projection, sir, based on what we anticipate in fees for some additional activities for which fees will be charged.

Senator STEVENS. What fee structure is it based on now? Is it a published fee structure?

Mr. GREENWALT. It is published in the Federal Register but the structure varies with the activity and the response to that activity. Most of it is related to providing services, for example, in hunting programs. We contemplate fees for various activities on certain refuge areas in 1977 and have no way of knowing exactly what the return will be. I have a note here that as of the end of February this year we had collected $81,330 in fees.

Senator STEVENS. Why has it taken the Service so long to get a fee system established and expanded?

Mr. GREENWALT. It must be remembered that recreation is a secondary use on Service lands and that most of the permitted activities would not normally be subject to land and water conservation fund fees. We do not encourage activities such as camping, swimming, vehicle and trailer storage, nor do we rent boats and similar equipment that are normally used in mass recreational pursuits. This has resulted in a very small potential revenue producing base. We have had a fee system in operation for several years, but most of the revenues have been from such things as the rental of duck blinds and decoys. Since the revenues produced have been very small, OMB has, in the past, felt that the dollars collected were not significant enough to justify a special disbursing account. As a result of that decision, we conducted a complete review of all our recreational activities and modified those that could improve the overall fee collection system. The success of these actions has led to the request for the disbursing account. In summary, it only appears that we have been delinquent primarily because of the types of activities we permit and the levels of participation.

FEE COLLECTION SYSTEM

Senator STEVENS. Other agencies such as the Park Service and BLM have had fee accounts for some time.

Mr. GREENWALT. We have never had one before.

Senator STEVENS. Why not? What kind of fees are you talking about? Visitor fees?

Mr. GREENWALT. No. As one example, at Wichita Mountain refuge in Oklahoma, there are services provided in connection with an elk hunt that is conducted there. And in fiscal year 1976 this returned $2,700.

The DeSoto refuge in Iowa and Nebraska, service was provided in the way of reserving blinds and providing for other hunting activities and returned $3,370 in 1976. We do not charge entrance fees. The Park Service does and has for a great many years.

Senator STEVENS. Is this going to be used to offset regular appropriation requests?

Mr. GREENWALT. It will be used to put back into the basic recreational program for which fees are charged in order to offset the cost.

Senator STEVENS. How will you use the fund?

Mr. GREENWALT. To aid in the administration of the overall fee system. The fees are required where appropriate under provisions of the Land and Water Conservation Fund Act.

Senator STEVENS. I am sure we don't have any objection to that.

Your justification says that appropriations from the fee account are to be used without prejudice to other regular appropriations.

Mr. GREENWALT. Correct.

Senator STEVENS. How are you going to do that?

Mr. GREENWALT. This would be in order to sustain the fee program and the returns from the fee account would be used exclusively to administer and carry out the fee program required under the Land and Water Conservation Fund Act.

Senator STEVENS. But OMB will require you to charge it against the account; won't they?

Mr. GREENWALT. Yes, sir. Against the fee account.

Senator STEVENS. In the regular account.

Mr. GREENWALT. Sir?

Senator STEVENS. If you use a portion of the fee account to pay the people who work on that refuge out in Oklahoma for that elk hunt, then they are going to charge that portion of the reimbursement against that account; aren't they? Against your regular appropriation?

Mr. SPEAR. Mr. Chairman, I suspect that we might run into that difficulty if it got much larger. We are really just getting started in the whole thing. However, there shouldn't be competition with our resource management account, or there is really no incentive to collect the fee.

Senator STEVENS. Let's hope there is not an alligator in one of those swamps you drained, then, that becomes an enticement and inducement to increased fees for a particular activity beyond any scope that is reasonable.

Have you contemplated additional fees?

Mr. SPEAR. Mr. Chairman, frankly, we are in a situation where we have certain activities for which we are required to collect fees under the act. Since we have not had this sort of an account, we had difficulty in getting the fee collection started.

Under the provisions of the Land and Water Conservation Fund Act there are specific requirements to collect fees where you provide specialized facilities, such as boat ramps with automated equipment. We are required to charge a fee and in some of those instances

we have not been doing so. This gives us an opportunity to charge the fee and yet use the funds to maintain the equipment.

Senator STEVENS. We have a commitment now that you are not going to charge the visitor who is going to the refuge to see the operations, who is not a participant in some special activity, like boat ramps.

Mr. GREENWALT. That is correct. In order to enter the refuge to see wildlife, for example, we do not and will not charge a fee.

Senator STEVENS. All right.

Mr. GREENWALT. Unless the law is changed to require an entrance fee. It presently does not.

ADMINISTRATIVE PROVISIONS

Senator STEVENS. You have requested authority to purchase 144 replacement and 41 new motor vehicles. Now what brings about the need for 41 new vehicles?

Mr. GREENWALT. Mr. Chairman this is to provide motor vehicles for the new employees who come onboard, particularly special agents in our law enforcement area. These men and women are, by the nature of their work, required to use automobiles, and therefore, require the motor vehicle.

Senator STEVENS. Have you a list of where they will be assigned and a statement of what they will be used for?

Mr. GREENWALT. Yes, sir. We do.

Senator STEVENS. Will you provide that for the record?

Mr. GREENWALT. Yes, sir.

[The information follows:]

Since the budget was formulated, we have made some modification in where the agents will be stationed. Therefore, the record should show that we plan to locate these police-type vehicles as follows:

Law enforcement vehicles

Station:	No.
Portland, Oreg	1
Sacramento, Calif	2
Denver, Colo	1
Kansas City, Mo	1
Albuquerque, N. Mex	1
Chicago, Ill	2
New Orleans, La	2
Miami, Fla	2
Nashville, Tenn	2
Baltimore, Md	1
New York, N.Y	2
Boston, Mass	1
Total	18

Standard-type automobiles

Crab Orchard refuge, Illinois	2
Fergus Falls Wetland Management District, Minn	1
Big Stone Wetland Management Area, Minn	1
Tamarac Wetland Management Area, Minn	1
Inland fish program, Wellsboro, Pa	1
Total	6

Station wagons

Bosque del Apache, N. Mex	1
Agassiz, Minn	1
Horicon, Wis	1
Muscatatuck, Ind	1
Necedah, Wis	1
Rice Lake, Minn	1
Seney, Mich	1
Shiawassee, Mich	1
Sherburne, Minn	1
Ottawa, Ohio	1
Tamarac, Minn	1
Rachael Carson, Maine	1
Platte River, Neb	1
Oswego, N.Y	1
Leetown, W. Va	1
Juneau, Alaska	1
Philadelphia, Pa	1
Total	17
Total additions to the fleet	41

REPLACEMENT AIRCRAFT

Senator STEVENS. How about these four aircraft? Which four aircraft are you going to replace and what are you going to replace them with?

Mr. GREENWALT. We will replace an aircraft in Louisianna with an aircraft equivalent to a supercub. We will replace an aircraft in Maryland, again, with the equivalent of a supercub. And I say this advisedly because we buy these under contract and may not, in fact, get a supercub but something equivalent. We are replacing a Cessna 185 in Minneapolis and a supercub in Albuquerque.

LAKE OKEECHOBEE, FLA.

Senator STEVENS. Was that your lake down in Florida?

Mr. GREENWALT. Okeechobee?

Senator STEVENS. Yes. Have you a plane down there?

Mr. GREENWALT. No, sir.

Senator STEVENS. Whose is that? The Park Service?

Mr. GREENWALT. Yes.

Senator STEVENS. It didn't seem to have the range for safety involved in the flight it was taking. I think it must have been the Park Service.

Mr. GREENWALT. It must have been, sir. They maintain aircraft at the Everglades National Park.

Senator STEVENS. All right. Well, that is a fairly straightforward proposition.

I do hope that you will take a good long look at this problem of what happens to us on release of positions and how we come out in terms of some of these battles that we have over your specific items in your budget.

Mr. GREENWALT. We certainly will, sir.

Senator STEVENS. It is just going to weaken our ability to raise those levels if you take down that one account, for instance, 60 percent. How can we urge that it be maintained at the same level for next year?

ADDITIONAL QUESTIONS

The chairman has some specific questions and Senator Huddleston also has some specific questions that we will submit to you for the record. There may be others that I am not aware of.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR ROBERT C. BYRD

Fish Hatchery Facilities in West Virginia

Question: Mr. Greenwalt, once the new facilities are completed, what are the plans for the existing buildings and facilities?

Answer: A $750,000 increase is included in the FY 1978 Budget for rehabilitation of the existing Leetown laboratory building. This building is scheduled to be used as a Fishery Training Center which will serve to provide training in fish culture, function as a Disease Diagnostic Unit, and conduct Development Center activities.

Question: Are there additional needs for development of the existing facilities beyond those in the budget request?

Answer: An additional $250,000 is needed to complete the conversion of laboratory rooms and research facilities into classrooms and operational type training facilities for fish culture, and for modification of rearing ponds and water systems.

Question: What about staff positions for the renovated facilities? Could additional positions be used effectively in FY 1978?

Answer: An estimated staff of 23 positions will be required once renovation is completed and the complex is in full operation. The FY 1978 budget contains increases of $125,000 and 2 positions for initial operations and maintenance. Six more positions could effectively be utilized in FY 1978 with an additional operating increase of $195,000.

Question: At the White Sulphur Springs National Fish Hatchery, are there any additional construction needs for FY 1978? Are there any additional funds needed for operation and maintenance?

Answer: In FY 1978, additional construction funds totalling $122,000 could be utilized to accomplish the next phase of development at White Sulphur Springs. The estimated costs of these items are as follows:

Construct disinfection station	$ 50,000
Install culverts in open drainage ditches	12,000
Install flood control culvert from water intake to hatchery entrance road	7,000
Retaining wall for Wade Creek	40,000
Straighten entrance road at Quarters No. 3	10,000
Replace walkway around display pool	3,000

Additional operation and maintenance funds in the amount of $9,000 are also needed for FY 1978. This would be used to replace the carpeting in the visitor center and for residential window replacement and installation of aluminum siding.

Question: Mr. Greenwalt, I understand that production at the Bowden Fish Hatchery could be increased with a relatively small increase for construction and operation and maintenance. What are your additional needs for FY 1978?

Answer: Construction funds in the amount of $90,000 are needed for replacing earthen ponds with raceways. Completion of this work would help increase the present fish production capability level by approximately 30,000 pounds. Additional FY 1978 operation and maintenance funds in the amount of $16,000 are needed for equipment purchases to include a fish distribution truck, raceway aerators, and lawnmowers, and also for effecting equipment repairs and building improvements.

Funding for the National Fish Health Laboratory

Question: I understand that construction of the new National Fish Health Laboratory at Leetown will be completed during FY 1978?

Answer: That is correct. Construction is under way now and the facility should be available to move into no later than May 1978.

Question: Is there any additional equipment that is needed to enable the Laboratory to operate at full capacity?

Answer: New, more sophisticated equipment is required as well as additional standard equipment and furniture to bring this laboratory to full capacity and efficiency. Examples are scintillation counter, electron microscope, centrifuges, incubators, and experimental fish tanks. A total of $600,000 is required for furniture and equipment purchase.

Question: What about additional personnel?

Answer: Fourteen additional positions could be effectively used in the new facility: 11 research and direct research support; 2 administrative support staff and one security guard. Personnel costs and related operational costs would require $500,000 additional base funds.

Question: Am I correct in understanding there are some needs for construction outside of the Laboratory itself? What are the items, and what is their estimated cost?

Answer: Further development of the current spring water supply would make more water available to the laboratory and associated facilities and prevent problems associated with access of foreign objects (salamanders etc.) to the pipeline. Cost: $300,000. An effluent treatment system to meet state and federal water quality standards will require $100,000. Landscaping of the area disturbed by the construction will require $100,000.

Recovery Plan Implementation

Question. For implementation of recovery plans under Endangered species you are asking for a $625,000 increase. You indicate that you have 60 plans which need to be completed and approved. How far along will this increase take you?

Answer. The $625,000 requested in FY 1978 will enable us to fund key recovery actions for approximately 30 high priority species located on Service lands. In addition, this will allow the Service to set a proper example and to encourage the support of other agencies involved in implementing recovery plans.

Question. The justification is a little sketchy in terms of describing exactly what you will accomplish with the base funding and with the increase. Would you provide details for the record? We would like to know exactly what the output of this effort will be.

Answer. The recovery actions on Service lands we propose to fund with the requested amount for FY 1978 are:

Rehabilitate Columbian white-tailed deer habitat destroyed by levee break in 1976.

To carry out a food habitat study and develop a food supply through pasture rehabilitation on Columbian white-tailed deer refuge.

Ditching, fencing and dike reconstruction on five Hawaiian refuges to protect and restore Hawaiian waterbird habitat.

Perimeter fencing to protect Santa Cruz salamander habitat at Ellicott Slough CA.

Restore nesting habitat for least tern on Seal Beach NWR CA.

To restore a watersupply to newly acquired Kealia NWR HI.

To propagate squawfish at Willow Beach NFH AZ for release in the wild.

To propagate bonytail chubs, humpback chubs, and razorback suckers at Willow Beach NFH AZ for release in the wild.

To conduct a census of the wild population of Yuma clapper rail on refuges in AZ.

To restore facilities at Dexter NFH NM to produce selected endangered fishes.

Develop wintering habitat for the whooping crane at Aransas NWR TX.

Develop wintering habitat for Bosque del Apache NWR NM for whooping cranes of the experimental Gray's Lake flock.

Develop propagation techniques for the Gila trout.

Habitat management for the Yuma clapper rail on Havasu, Cibola, and Imperial NWRs.

Maintain blue pike specimens from the Upper Lake Erie at Hebron NFH ON.

To provide key protection to alligators on NWRs.

To protect sea turtle nestings from predators on NWRs.

To evaluate experimental release of the red wolf on Cape Romain NWR SC.

Conduct a nest box study of the Delmarva fox squirrel.

Protect habitat of the Southern bald eagle and Delmarva fox squirrel on the newly-acquired Harrett tract in Maryland.

Management of Delmarva fox squirrel habitat on Chincoteaque NWR VA.

Management and restoration of breeding population of Aleutian Canada geese on Aleutian Islands NWR AK.

Change in Activity Structure

Question: Your FY 1978 request will make two changes in your activity structure. The first would change Interpretation and Recreation from an activity to a subactivity of the Wildlife program. It appears that the major reason for this change is to allow "for reasonable interprogram adjustments." Why can't you accomplish such adjustments by reprogramming as you do now?

Answer: Although the Service finds it useful to identify Interpretation and Recreation as a separate program for management purposes due in part to specific statutory responsibilities under the Refuge Recreation Act of 1962, I&R is so interrelated with wildlife management activities on refuges that it becomes extremely difficult to execute the program because of the many joint costs shared at the program level, such as salaries of fractional permanent man-years, and shared maintenance of facilities for both public use and resource management purposes.

Moreover, the Congress frequently adds funds to the President's Budget which are intended to increase I&R functions on refuges. Normally, the funds are added to the Wildlife Resources activity which at present is not intended to fund these functions. Putting I&R in Wildlife Resources would allow for efficient budget execution in these circumstances while maintaining its integrity as a program.

Question: It seems that you are seeking more discretionary authority. Why shouldn't we be expected to be notified of "interprogram adjustments"? Why do you really need to change this item?

Answer: The Department of the Interior has an understanding with the Congressional committees that funds will not be shifted among budget activities without the formal concurrence of both committees. The reprogramming latitude currently existing allows only for the shifting of funds among programs within a budget activity. Reprogramming actions are a cumbersome process, particularly where small amounts are involved. There is no intention to obscure reprogramming action. Rather, the intention is to provide flexibility in a small program and to avoid lengthy processing of minor resource allocation actions, which also are time consuming to the Congress.

As previously stated, current restrictions provide little reprogramming flexibility. This change would afford the opportunity for more efficient budget execution.

QUESTIONS SUBMITTED BY SENATOR WALTER D. HUDDLESTON

Fish Hatchery Facilities in Kentucky

Question: How much has been expended to date for the Wolf Creek Fish Hatchery?

Answer: To date, $873,900 has been expended for construction at the Wolf Creek Hatchery.

Question: What has been accomplished with the funds provided to date?

Answer: Through FY 1973, $873,900 was appropriated for development of the hatchery. Funds were used for feasibility and water studies, planning, design and start construction of site preparation, well drilling, construction of a multi-level intake and main water supply lines, completion of well development and the construction of the hatchery building. In FY 1976, $400,000 was provided for the construction of raceways, water supply and drain lines. A contract was awarded in January 1977 to complete this work in about 6 months.

Question: Have all funds appropriated to date been used?

Answer: A total of $1,273,900 has been appropriated to date. Of these funds, $1,223,900 has been obligated for the development of the hatchery. The balance of funds are maintained in a reserve for engineering and construction contingencies.

Question: How much is required to complete the hatchery?

Answer: An estimated $2,188,000 is needed to complete the hatchery.

Question: What is the next logical phase of construction and how much would that cost?

Answer: The next phase of development would continue construction of additional raceways and hatchery water supply system. With these raceways completed, the hatchery will be able to produce approximately 265,000 trout, weighing 75,000 pounds annually. This increased production will require several full-time personnel and therefore residences should be available. A distribution truck and other fish cultural equipment will be required to meet our stocking schedule. An estimated total of $638,000 will be required to complete this development.

Question: Are you prepared to move ahead once additional funding is provided?

Answer: Yes, bids for the next phase of construction could be solicited and a contract for this work awarded expeditiously.

Question: What is involved in cyclical maintenance and repair of fishery resource facilities?

Answer: This is primarily a preventative-type of facility upkeep which helps to preclude eventual need for more extensive and costlier repair of facilities further deteriorated through prolonged neglect. Such upkeep which includes ordinary repair and minor improvements, usually recurs on a fairly regular basis and is designed to keep facilities in an optimum state of productivity throughout their intended useful life cycle.

Question: What would the funds requested under this program for Wolf Creek be used for?

Answer: At Wolf Creek, funds requested will be used to effect residential repairs and for interior painting of the production building.

Question: For Frankfort?

Answer: The requested funds will be used for re-graveling station roads and also for repairing blacktop road surfaces.

Section 404 Permits

Question: Has the uncertainty of the Corps retaining the present levels of authority in the 404 program been taken into consideration in the $200,000 increase you have requested for the permits and licenses program?

Answer: This uncertainty was known and taken into account in our request for a $200,000 increase. The increase is to enable the Service to participate effectively in the Corps of Engineers general permit program for activities requiring authorization under Section 10 and Section 404. Even if the Corps' authority and the geographic reach of the program are curtailed, a substantial general permit program is expected to continue, in view of the effectiveness and wide acceptance of the program to date. The Service, in its FY 1978 budget proposal, anticipated that at the proposed levels of staffing and funding it would be necessary to forego the review of some major individual permit applications in order to develop and implement an adequate program for the review of general permits. If the scope of the general permit program is reduced because of statutory amendments to Section 404, the Service should be able to review proportionately more (and possibly all) of such applications, while participating effectively in the general permit program as well.

Field Station Funding

Question. How would the $71,000 requested for Louisville Law Enforcement Office be used?

Answer. The entire amount will be used to support one Senior Resident Agent, GS-12, two Special Agents, GS-11, and one part-time clerk typist, GS-4.

Field Station Funding, ADC Program

Question. How would the $45,000 requested for animal damage control in Lexington, Ky. be used?

Answer. The Lexington, Ky. field office funding for animal damage control work will be substantially the same for FY 1978 as in FY 1977. Of the total funding for this office, about $20,000 is related to blackbirds and starling damage control, largely at their winter roost sites. The other funding at this station supports environmental contaminant evaluation, land and water development resource planning, migratory bird and mammal related work also performed by station personnel.

Blackbird Research

Question. Last year, some $600,000 was provided to the Fish and Wildlife Service to accelerate research on blackbird control. Could you tell this committee how these funds are being utilized?

Answer. At this time the following has been accomplished:

1. A contract has been let with the University of Kentucky to investigate histoplasmosis incidence in humans in relation to blackbird roosts.

2. The annual blackbird roost survey field work is complete. Preliminary indications from the blackbird survey show that the southeastern states had 262 roosts with 440 million birds.
3. Six roosts in Kentucky and Tennessee have been treated with PA-14.
4. NASA remote sensing flights have been completed and aerial scans are being processed.
5. Winter wheat damage surveys showed 5 percent or less in overall damage from sprout pulling. Starlings were responsible for most of the damage which ranged from 0 to 100 percent in localized areas. Late planted fields received more damage than early planted fields.
6. Preliminary trials with Starlicide (registered) show it can reduce depredating starling and blackbird populations by 90 percent when one pan of bait is exposed in individual feedlots. Tests also indicate it has potential for selective baiting of starlings in staging areas.
7. A bioenergetics study of a Tennessee roost indicates grackles cause considerable damage to crops in lowland areas that have recently been cleared for agriculture. The birds historically used the low areas and still do, to the detriment of crops now in the area.
8. Starlings, not blackbirds, are the major problem at feedlots.
9. Established roosts can be broken up with scare devices. Preliminary data, using telemetry, indicates the birds then distribute themselves among other existing roosts and do not move as a body to establish a new roost.
10. Methoicarb (Mesurol) is now registered for protecting corn seed.
11. The population modeling for reducing blackbirds is complete. This will enable proper assessment of control activities on national populations.

The following items are underway:

1. A cooperative agreement has been signed with Western Kentucky University to provide space for a 3-4 man research field station in Bowling Green, Kentucky. May 15 is the target date for the project leader to be on hand.
2. The Service has approved establishment of a one man operational field station at Jackson, Tennessee. Departmental approval is pending. A second operational man-year for the Tennessee-Kentucky area will be furnished through temporary duty assignments.
3. A contract with the University of Louisville for determining the ecology of histoplasmosis in blackbird roosts has been submitted to the Division office and Contracting Services for approval.
4. NASA (through contract - $22,000) is determining the feasibility of using aerial photography for locating blackbird roosts.
5. An application has been submitted to EPA for an experimental use permit for a roost treatment chemical. Toxicity tests are underway with cats, dogs, raccoons, and hogs.
6. Winter wheat damage surveys in Kentucky and Tennessee are almost complete. A simulated wheat damage study is underway to correlate percent damage with yield.
7. Extension type activities have been identified as necessary to advise the public of techniques that are now available for handling blackbird problems. A leaflet is now in preparation.

In addition we plan that:

1. Those studies mentioned above will be carried through to completion.
2. Feedlot damage assessment work will be carried out.
3. Population models will be completed for starlings, cowbirds and grackles.
4. An advisory council will be established as a means of contact between Federal, State and other interested parties.
5. A report of activities and accomplishments covering the past six months will be prepared during April 1977.

ENVIRONMENTAL ASPECTS OF COAL EXTRACTION

Question: Under the Biological Services request under habitat preservation, you have requested funds for work related to the

environmental aspects of coal extraction and power plant siting. Would you please explain your involvement in these two areas?

Answer: Our work in coal is aimed at assuring fish and wildlife values are fully protected and that opportunities for enhancing these resources are realized during coal development. Basically this work revolves around three themes:

1. Ecologically characterize the status of fish, wildlife and their habitats in areas under stress from coal development. This involves identification, analysis, and publication of existing base line biological information, obtaining new environmental information in areas where gaps are identified and applying new or improved methods for determining the impacts of these developments on fish and wildlife.

2. Assess, predict and minimize coal related impacts to fish, wildlife and their habitat such as understanding the problems related to coal extraction, conversion and transportation. This activity also includes focused efforts to assist in the reclamation of 500,000 acres of orphan mine lands and reclaiming over 5000 miles of streams damaged by past mining practices.

3. Appropriately involve the FWS in coal development actions to assure that the improved information is brought to bear on decisionmaking. Many of the problems related to large scale coal development can be avoided with balanced regional analysis. This involves cooperative efforts between State, Federal and private group's concern with coal development. Participating in these activities in the early stages of planning assures full consideration of fish and wildlife values and avoids many problems later in the development cycle.

The intent of these activities is to provide a firm foundation of fish and wildlife and related environmental data upon which to base policy and operational decisions during coal development.

With respect to power plants, under a number of statutes the FWS is required to review and comment, and otherwise be involved with the protection and enhancement of fish and wildlife resources during electric power development. To support this objective, we are

- Developing better methods for analyzing and predicting the environmental effects of electric power development. This includes the development of mathematical techniques for predicting the area which will be influenced by withdrawals of large amounts of water for power plant cooling purposes and the endemic organisms which will be effected, the development of strategies for designing proper and effecient impact studies and development of methods to ascertain the effect of electric power development on entire populations.

- Developing better methods for protecting and enhancing fish and wildlife resources effected by electric power development. Specifically, manuals are being developed which will describe methods by which the construction and operation of electric power facilities will minimally effect fish and wildlife resources.

- Synthesizing and otherwise improving the availability and utility of technical information. Up to date technical information is being assembled and packaged in a form which is readily usable to investigators and decision-makers. Examples include the development of an atlas describing fish eggs and larvae which may be destroyed in power plant cooling systems and providing the information necessary for technicians

to readily and accurately differentiate between species; and the publication of a series of "Topical Briefs" which consolidate and interpret information on specific subjects such that it is readily usable by decision-makers inside and outside the service.

This overall approach not only will result in an improved capability to predict environmental degradation, but it will also provide techniques and methods by which electric power may be developed in an environmentally compatible fashion. Furthermore provisions are made for providing this information to the ultimate users.

SUBCOMMITTEE RECESS

Senator STEVENS. We will stand in recess until tomorrow morning when we will hear the Park Service request.

Mr. GREENWALT. Very well, sir. Thank you.

[Whereupon, at 11:44 a.m., Tuesday, March 29, the subcommittee was recessed, to reconvene at 9:30 a.m., Wednesday, March 30.]

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 1978

WEDNESDAY, MARCH 30, 1977

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, D.C.

The subcommittee met at 8:40 a.m., in room S–126, the Capitol, Hon. Patrick J. Leahy presiding.

Present: Senators Leahy and Stevens.

DEPARTMENT OF THE INTERIOR

NATIONAL PARK SERVICE

STATEMENT OF GARY EVERHARDT, DIRECTOR

ACCOMPANIED BY:

LOWELL V. STURGILL, ACTING CHIEF, OFFICE OF PROGRAMING AND BUDGET

FRANCIS M. WILES, DIRECTOR OF BUDGET, OFFICE OF THE SECRETARY

ERNEST A. CONNALLY, ASSOCIATE DIRECTOR, PRESERVATION OF HISTORIC PROPERTIES

MANUS FISH, REGIONAL DIRECTOR, NATIONAL CAPITAL REGION

Senator LEAHY. Good morning.

I apologize for the delay in starting. This is about 45 minutes later than I normally like to start a hearing, but I know how busy all of you are. You would rather get back to your office than spend time up here going through more than what might be necessary.

BUDGET ESTIMATE

We are at this time set to hear the fiscal 1978 budget estimates of the National Park Service. They total more than one-half billion dollars, $525.7 million. And this is obviously a considerable increase of $170 million over appropriations to date.

A good portion of this increase is the $91 million budget amendment submitted by President Carter in the Bicentennial land heritage program. The justification for the January budget estimates has been printed in part 1 of the hearing record. The justification for the budget amendment will be inserted in the record at this point. So

83-107 (Pt. 4) O - 77 - 26

that the record will be clear on this sizable budget request, we will also ask the Park Service to revise page 6 of the justifications so that this budget authority summary will be up to date and include that in the record. Page 9 of the justification, which is a summary of increases and decreases in the operating account, has some erroneous figures in it. This also will be revised and submitted for the record.

[The justification follows:]

AMENDMENT TO FISCAL YEAR 1978 BUDGET REQUEST

DEPARTMENT OF THE INTERIOR

NATIONAL PARK SERVICE

Budget appendix page	Heading	1978 Request pending	1978 Proposed amendments	1978 Revised request
446 - 447	[Planning and] Construction	$52,190,000	$91,000,000	$143,190,000

[PLANNING AND] CONSTRUCTION

Identification code 14-1039-1-1-303	1978 Request Pending	1978 Proposed amendments	1978 1978 Revised Request
Program by activities:			
Direct program:			
1. Buildings, utilities and other facilities	30,668	56,429	87,097
2. Roads, trails, and parkways	21,522	34,571	56,093
Total Direct Program	52,190	91,000	143,190
Reimbursable program:			
a) Sale of utilities to concessioners and other	2,100	--	2,100
b) Miscellaneous	4,900	--	4,900
Total Reimbursable Program	7,000	--	7,000
10.00 Total program costs, funded (obligations)	59,190	91,000	150,190
Financing:			
Offsetting collections from:			
11.00 Federal funds	-5,000	--	-5,000
14.00 Non-Federal sources	-2,000	--	-2,000
40.00 Budget authority (appropriation)	52,190	91,000	143,190
Relation of obligations to outlays:			
71.00 Obligations incurred, net	52,190	91,000	143,190
72.00 Obligated balance, start of period	26,393	32,000	58,393
74.00 Obligated balance, end of period	-26,917	-3,000	-29,917
90.00 Outlays	51,666	120,000	171,666

OBJECT CLASSIFICATION (in thousands of dollars)

Identification code 14-1039-1-1-303	19 78	1978	19 78
Direct obligations:	Request Pending	Proposed amendments	Revised Request
Personnel compensation:			
11.1 Permanent positions	10,496	--	10,496
11.3 Positions other than permanent	2,482	--	2,482
11.5 Other personnel compensation	191	--	191
Total personnel compensation	13,169	--	13,169
Personnel benefits:			
12.1 Civilian	1,382	--	1,382
21.0 Travel and transportation of persons	1,521	3,650	5,171
22.0 Transportation of things	151	730	881
23.2 Rent, communications, and utilities	511	1,460	1,971
Other rent, communications & utilities	449	730	1,179
24.0 Printing and reproduction	10,860	27,740	38,600
25.0 Other services	2,602	6,570	9,172
26.0 Supplies and materials	568	1,460	2,028
31.0 Equipment	11,692	29,200	40,892
32.0 Lands and structures	520	1,460	1,980
41.0 Grants, subsidies, and contributions			
99.0 Total direct obligations	43,425	73,000	116,425

OBJECT CLASSIFICATION (in thousands of dollars)

Identification code 14-1039-1-1-303	19 78	19 78	19 78
Allocation to Federal Highway Admin.	Request Pending	Proposed amendments	Revised Request
Personnel compensation:			
11.1 Permanent positions	1,005	--	1,005
11.3 Positions other than permanent	121	--	121
11.5 Other personnel compensation	79	--	79
Total personnel compensation	1,205	--	1,205
Personnel benefits:			
12.1 Civilian	117	--	117
21.0 Travel and transportation of persons	328	720	1,048
22.0 Transportation of things	65	80	145
23.0 Rent, communications, and utilities Other rent, communications & utilities	23	70	93
24.0 Printing and reproduction	15	70	85
25.0 Other services	636	1,620	2,256
26.0 Supplies and materials	45	70	115
31.0 Equipment	23	70	93
32.0 Lands and structures	6,308	15,300	21,608
Total obligation, allocation accounts	8,765	18,000	26,765
Total reimbursable obligations	7,000	--	7,000
99.0 Total obligations	59,190	91,000	150,190

1. Buildings, Utilities and Other Facilities. Fiscal year 1977, $31,749,000; Fiscal year 1978, $87,097,000; increase of $55,348,000. The increase consists of:

Increase (+) or Decrease (-) Amount	Positions	Total Program	Total Positions	Explanation
(A) --		$2,600,000		Advance Planning
(B) --		1,400,000		Lump Sum
(C)+$55,348,000		83,097,000	217	Line Item Construction
+ 55,348,000		87,097,000	217	

Program Synopsis

Construction funds make it possible to stabilize and restore historic structures, to protect existing Federal investments in recreation facilities, to develop parks for visitor use and enjoyment, and to manage use with as little damage to park resources as possible.

In recent years facilities required at newer areas have been postponed because of the emphasis upon curbing pollution and celebrating the Bicentennial. Nearly 100 areas have been added to the National Park System in the last 15 years. In many of these areas access and circulation roads and trails, visitor use facilities, sewerage and utility systems, etc. are required before the park can be used. Other areas recently added to the System contain former State parks with existing facilities which badly need repairs. The repair and rehabilitation of older roads and structures have also been postponed. A little over 20 years ago the Service embarked on a comprehensive building program called "Mission 66." These facilities have aged to the point where major repairs are required. It is less expensive to repair and upgrade these structually sound older facilities than it is to build new ones.

In addition to visitor use and support facilities, the System contains many historic structures. While a few of these structures are well-maintained, many others are in bad repair.

Other factors which influence the need for construction in the parks include: legislation and Executive Orders, such as the Federal Water Pollution Control Act, and the Occupational Safety and Health Act; and increasing visitor use demand.

A. Advance Planning

Fiscal year 1977, $2,600,000; Fiscal year 1978, $2,600,000; no change.

Major Program Changes
NONE

Total $2,600,000

Proposal. No increase is requested.

Justification. No increase is requested.

Cost Factors. No increase is requested.

Program Description. The Service plans construction in three steps: (1) advance planning is completed; (2) working drawings are prepared; and (3) construction takes place. In the advance planning step, topographic and aerial surveys are obtained, comprehensive designs, utility negotiations, soil tests and archeological research are done and preliminary drawings are prepared.

Also during this step accurate cost estimates are prepared thereby avoiding later cost overruns. Enough information about the environment is collected so that the buildings may be built in the most environmentally acceptable location. Finally, advance planning permits orderly scheduling of projects. Wasteful and expensive delays, usually caused by a lack of information, are held to a minimum.

Moreover, advance planning is important because park resources must be protected. The topographic surveys, soil tests, etc. help assure that constructed projects are in the most environmentally acceptable location..

B. Lump Sum

Fiscal year 1977, $1,400,000; Fiscal year 1978, $1,400,000; no change.

Major Program Changes
NONE Total $1,400,000

Proposal. No increase is requested.

Justification. No increase is requested.

Cost Factors. No increase is requested.

Program Description. Each year, throughout the National Park System, unanticipated emergencies occur. Pipes leak; air-conditioning or heating systems fail; violent storms cause damage; and historic structures need to be stabilized on an emergency basis. Lump sum funding is the most effective method of correcting these conditions because the repairs can be made quickly without asking Congress to approve numerous small and routine reprogramming requests. A detailed listing of how the lump sum money was spent is provided to Congress at the end of the fiscal year. This program provides needed administrative flexibility. This "lump sum" amount is an effective way to respond to emergency conditions by repairing facilities as soon as possible.

C. Line Item

Fiscal year 1977, $27,749,000; Fiscal year 1978, $83,097,000; increase of $55,348,000.

Major Program Changes
(1) Line Item Construction +$55,348,000; total $83,097,000
Total 217 positions.

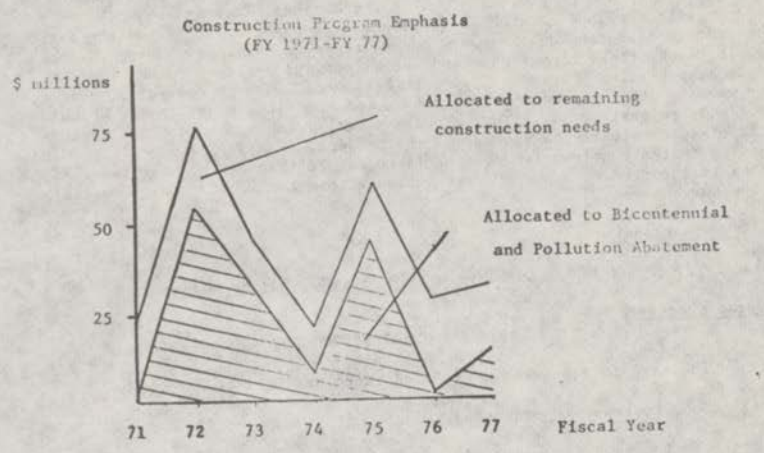
Proposal. Provide funding for rehabilitation, reconstruction and construction in park areas to: (a) prevent loss of resources; (b) perform rehabilitation work on park facilities; (c) provide facilities in newer areas; and (d) construct facilities to meet visitor needs.

Justification. Funds are required to upgrade existing facilities, construct new facilities and perform rehabilitation on existing facilities. Construction program funding needed to protect and preserve resources and provide for increased visitor use of park areas.

Cost Factors. Funds requested will provide for the following: (a)$22.5 million for historic stabilization and preservation; (b) $47.7 million for visitor use and support facilities; and (c) $12.9 million for water and sewerage systems.

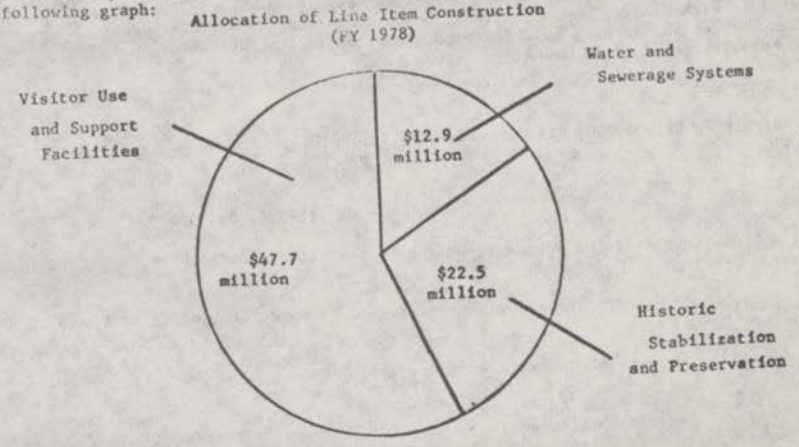
Program Description. Construction or reconstruction of facilities makes it possible for the visitor to use and enjoy the parks, helps the Service channel the use so as to preserve the resource, and maintains a sizeable Government investment.

For the past several years, the Service has emphasized pollution abatement and the Bicentennial celebration in its construction program. This is illustrated in the following graph:



The emphasis on these two programs has meant the postponement of visitor facilities needed in newer areas and repairs on older facilities.

For fiscal year 1978 construction funds will be allocated as shown on the following graph:



2. Roads, Trails, and Parkways. Fiscal year 1977, $16,618,000; Fiscal year 1978, $56,093,000; increase of $39,475,000. The increase consists of:

Increase (+) or Decrease (-) Amount	Positions	Total Program	Total Positions	Explanation
(A) --	--	$2,400,000	--	Advance Planning
(B)- 1,000,000	--	1,600,000	--	Lump Sum
(C)+$40,475,000	--	52,093,000	123	Line Item
+ 39,475,000	--	56,093,000	123	

Program Synopsis

Roads, trails and parkways planning and construction funds are used to rehabilitate, reconstruct and construct visitor access, recreation use and operational support roads, trails and parkways throughout the National Park System. The program is organized around a three phase planning, design, construction concept to insure orderly execution of the development program. The first phase, advance planning, is to undertake topographic and aerial surveys and prepare development concept plans, preliminary drawings and cost estimates. The second phase, design, calls for working drawings and specifications, and the final phase is for actual construction or reconstruction. This process normally takes 2 to 4 years depending on the size, complexity, and scope of the project. The intent of this sequential planning-design-construction concept is to assure that the highest level of obligations is incurred through contract awards within the funding level available for the current year.

A. Advance Planning

Fiscal year 1977, $2,400,000; Fiscal year 1978, $2,400,000; no change.

Major Program Changes
NONE

Total $2,400,000

Proposal. No increase is requested. Workload increases will be absorbed.

Justification. No increase is requested.

Cost Factors. No increase is requested.

Program Description. This program provides for necessary investigations and plans prior to road, trail, or parkway construction or reconstruction. Roads must be carefully planned. Without such planning, road construction can cause damage to resources and thus detract from the visitor's appreciation of the park. This money is used to obtain topographic and aerial surveys, comprehensive designs, research into archeological remains likely to be disturbed, and accurate cost estimates. Thus, the Service is able to construct or reconstruct roads in an environmentally responsibile manner.

B. Lump Sum

Fiscal year 1977, $2,600,000; Fiscal year 1978, $1,600,000; decrease of $1,000,000.

Major Program Changes
(1) Lump Sum -$1,000,000; total $1,600,000

Proposal. Transfer portion of lump sum funding to line item construction projects.

Justification. Lump sum program experience justifies transfer of funding to line item construction needs.

Cost Factors. Decrease based on program experience.

Program Description. Lump sum funds are spent as the need arises. This provides needed administrative flexibility so that small problems may be corrected before they become larger ones. These funds are used to repair small potholes, pavement breaks, etc., that occur throughout the year. Because of severe climatic conditions and terrain in many areas, these repairs are needed regularly. The average cost of each project is approximately $25,000. Thus, about 60 to 70 projects are undertaken each year.

A list of projects is supplied to Congress at the end of the year.

C. Line Item

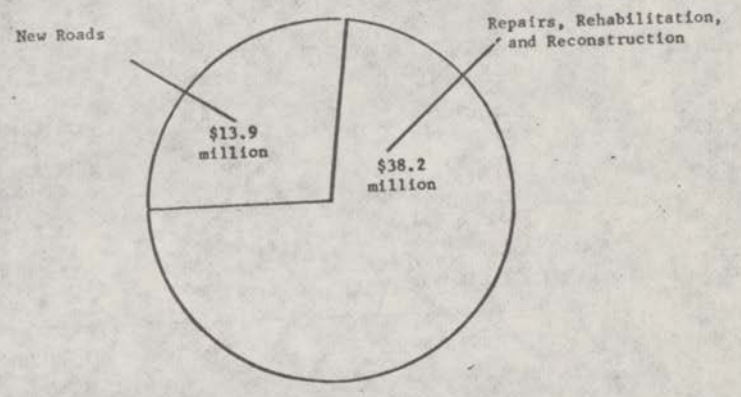
Fiscal year 1977, $11,618,000; Fiscal year 1978, $52,093,000; increase of $40,475,000.

Major Program Changes
(1) Line Item Construction +$40,475,000; total $52,093,000
Total 123 positions.

Proposal. This increase will expand the program for construction and major repair of roads both at newer areas and at older areas.

The following graph illustrates the allocation of road construction funds proposed for fiscal year 1978:

Allocation of Line Item Construction



Justification. There are about 7,500 miles of visitor use roads in the National Park System. In addition, new areas often require access and circulation roads or trails. Examples of major work to be done in fiscal year 1978 are:

Park	Project	Amount
Fort Sumter NM	Construct dock, parking area	$4,043,000
Blue Ridge Parkway	Construct 1.6 mile of main-line parkway	7,930,000
Big Bend NP	Reconstruct 10 miles of Route 1	3,272,000
Glacier NP	Resurface Chief Mountain Road	2,924,000
Gulf Islands NS	Construct .5 miles of access road	1,087,000

Cost Factors. Major cost factors include the length and width of the road and the terrain to be crossed. Most Service roads are two-lane to prevent resource damage.

Program Description. Roads, trails, and parkways provide a ready means of access to parks and an effective means of circulation within parks. For fiscal year 1978, 60 percent of the line item request will be for new capacity, and the remaining 40 percent will be used for major repair or reconstruction.

UNITED STATES
DEPARTMENT OF THE INTERIOR
NATIONAL PARK SERVICE
WASHINGTON, D.C. 20240

SUMMARY OF FISCAL 1978 CONSTRUCTION PROGRAM BY REGION

Line Item Projects

REGION	CONSTRUCTION		
Projects:	Buildings and Utilities, etc.	Roads, Trails and Parkways	Total
Rocky Mountain	$13,070,000	$ 7,111,000	$20,181,000
North Atlantic	10,060,000	3,317,000	13,377,000
National Capital	11,738,000	1,548,000	13,286,000
Mid-Atlantic	3,169,000	234,000	3,403,000
Southeast	18,436,000	20,359,000	38,795,000
Midwest	5,428,000	275,000	5,703,000
Southwest	7,062,000	10,002,000	17,064,000
Western	9,495,000	7,784,000	17,279,000
Pacific Northwest	4,639,000	1,463,000	6,102,000
Subtotals	83,097,000	52,093,000	135,190,000
Lump Sum Items:			
Major Alterations and Improvements	1,300,000	--	1,300,000
Roads and Trails Improvements, Betterments, Resurfacing and Reconstruction	--	1,400,000	1,400,000
Facilities to Serve Concessions Developments	100,000	200,000	300,000
Advance Planning	2,600,000	2,400,000	5,000,000
TOTALS	87,097,000	56,093,000	143,190,000

Region, Park and Project Description	CONSTRUCTION Buildings and Utilities, Etc.	Roads, Trails, and Parkways
ROCKY MOUNTAIN REGION		
Arches NP (Utah) $61,000		
Headquarters		
Planning for Reconstruction of Water and Sewer Systems (109)	$ 61,000	$ --
Subtotal	61,000	--
Badlands NM (South Dakota) $121,000		
Park General		
Planning for Construction of Fee Collection Stations and Appurtenances (143)	17,000	--

Region, Park and Project Description	CONSTRUCTION	
	Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Fossil Exhibit		
Planning for Construction of Sun Shelter and Revision of Wayside Exhibit (159)	$ 4,000	$ --
Sage Creek Basin		
Planning for Paving 15 Miles of Sage Creek Rim Road (118)	--	100,000
Subtotal	21,000	100,000
Black Canyon of the Gunnison NM (Colorado) $230,000		
Headquarters-South Rim		
Planning for Construction of Maintenance Building with Vehicular, Equipment and Material Storage (104)	3,000	--
North Rim		
Planning for Construction of Visitor and Resource Protection Facilities (123)	32,000	--
South Rim		
Planning for Construction of Visitor Center with Administrative Offices and Concession Wings (102)	12,000	--
Extend Commercial Power and Telephone to Park (115)	183,000	--
Subtotal	230,000	
Bryce Canyon NP (Utah) $278,000		
Park General		
Planning for Reconstruction of 17.97 Miles of Route #1, Rim Drive (106)	--	95,000
Planning for Widening and Resurfacing 1.9 Mile Road, Surfacing and Stripe Parking (114)	--	4,000
Headquarters		
Planning for Reconstruction of Comfort Station - Sunset Point (102)	20,000	--
Planning for Construction of Ranger Station with Quarters, Office, and Collection Facilities (103)	2,000	--
Reconstruct 6 Mile Water Line, Chlorinator House with Equipment (118)	149,000	--
Rainbow Point		
Planning for Expansion/ Rehabilitation of Visitor Facilities (108)	8,000	--
Subtotal	179,000	99,000
Canyonlands NP (Utah) $290,000		
Park General		
Planning for Construction of Road-Oil-Storage Facility (173)	9,000	--
Planning for Final Surfacing of Dugout Ranch-Squaw Flat Road (183)	--	25,000
Hans Flat (In GLCA NRA)		
Planning for Rehabilitation of Water System to Meet U.S. Public Health Service Standards (195)	22,000	--

Region, Park and Project Description	CONSTRUCTION	
	Buildings and Utilities, Etc.	Roads, Trails, and Parkways
ROCKY MOUNTAIN REGION (Continued)		
Island-in-the-Sky District		
Planning to Redo 9 Miles, to Obliterate 5 Miles and to Construct 1 Mile of Roads; 100-car Parking (106)	$ --	$ 76,000
Planning for Construction of 4-three Bedroom Residences, 2-four Unit Apartments, Air, Gas Heat (110)	7,000	--
Needles District		
Planning for Construction of Water, Sewer and Power Systems (149)	100,000	--
Squaw Flat		
Planning for Construction of 3 Miles of Utility and Residential Roads, Parking and Drives (103)	--	17,000
Planning for Construction of 6-three Bedroom Residences, 2-four Unit Apartment Buildings (104)	15,000	--
Planning for Construction of Visitor Center with Information Desk, Restrooms, Walks, Parking, and Landscaping (113)	19,000	--
Subtotal	172,000	118,000
Capitol Reef NP (Utah) $72,000		
Headquarters		
Planning for Construction of Sewage Lagoon System and Sewage Dump Station (125)	49,000	--
Planning for Construction of New Water Reservoir, Settling Ponds (150)	23,000	--
Subtotal	72,000	--
Custer Battlefield NM (Montana) $288,000		
Park General		
Convert Existing Water Source to Irrigation Use (145)	288,000	--
Subtotal	288,000	--
Dinosaur NM (Colorado-Utah) $1,606,000		
Quarry Area (Utah)		
Reconstruct Entrance Road, Parking Area and Contact Station (114)	366,000	1,240,000
Subtotal	366,000	1,240,000
Fort Laramie NHS (Wyoming) $122,000		
Fort Area		
Planning for Rehabilitation-Restoration of 1874 Cavalry Barracks-Building #5 (109)	57,000	--
Headquarters		
Planning for Construction of Walkway-Bridge, Visitor Center-Fort Grounds-1,000 Linear Feet (140)	41,000	24,000
Subtotal	98,000	24,000

Region, Park and Project Description	CONSTRUCTION	
	Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Fossil Butte NM (Wyoming) $40,000		
Park General		
Planning for Construction of Visitor Center/Administration Building (110)	$ 40,000	$ --
Subtotal	40,000	--
Glacier NP (Montana) $6,786,000		
Park General		
Planning for Reconstruction of Back-country Facilities (2nd of 2 Pkg) (106)	30,000	--
Planning for Reconstruction of Back-country Facilities (1st of 2 Pkg) (108)	11,000	--
Planning for Building of Going-to-the-Sun Road Transit and Interpretation System (113)	86,000	--
Reconstruct Sewage System (141)	2,211,000	--
Planning for Construction of Glass-Enclosed Interpretive Structure, Comfort Station, and Walks (166)	3,000	--
Planning to Provide 20-car Parking Extension; 100 Yard Boardwalk (175)	8,000	--
Planning for Construction of 2-Horse Barns, Roads, Utilities; Apgar-Many Glacier (178)	1,000	--
Construct 35 Miles Trespass Drift Fence (233)	69,000	--
Install Chlorinators on 10 Water Systems (255)	26,000	--
Planning for Drilling Wells and Installing Chlorinators - 6 Sites (257)	56,000	--
Chief Mountain		
Resurface Chief Mountain Road (124)	--	2,924,000
Logan Pass		
Planning for Reparation of Guard-rail, Restoration of Slope and Site (121)	$ 70,000	$ --
Planning for Replacement of Comfort Station and Sewage-Disposal System (243)	13,000	--
Many Glacier		
Reconstruct Water System Reservoir (131)	477,000	--
Planning for Administrative Complex Completion (146)	75,000	15,000
Saint Marys		
Replace Divide Creek Bridge (240)	--	586,000
Two Medicine		
Planning for Construction of Sewage Treatment Plant (165)	125,000	--
Subtotal	3,261,000	3,525,000
Glen Canyon NRA (Utah-Arizona) $940,000		
Park General (Arizona-Utah)		
Construct Aircraft Hangar and Fuel Facilities (Page) (238)	88,000	--

Region, Park and Project Description	CONSTRUCTION	
	Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Bullfrog Basin (Utah)		
Planning for 350-Car Parking Areas; Stripe (121)	$ --	$ 20,000
Construct 2-three Bedroom Duplex with Garages; Utilities; Landscaping (124)	79,000	3,000
Planning for Construction of Campsites, 2 Comfort Stations, Landscaping, Walks & Parking (127)	3,000	--
Install Modular Duplex with Utilities (245)	167,000	--
Planning for Installation of Chlorinators and Pumps (287)	15,000	--
Halls Crossing (Utah)		
Planning for Construction of Campsites, 2 Comfort Stations, Utilities and Walks (116)	3,000	--
Construct Surfaced Ferry Loading Ramp (242)	--	51,000
Expand Electric Generating System, Lift Station (271)	111,000	--
Planning for Expansion of Water System (288)	20,000	--
Hite (Utah)		
Planning for Reconstruction of 4 Miles Marina Access Road, Boat Ramp-500' x 120' (120)	--	75,000
Planning for Improving Water System (289)	52,000	--
Lees Ferry (Arizona)		
Construct Comfort Station with Electrical Hand Dryers and Utilities (148)	37,000	--
Wahweap (Arizona)		
Construct 4-Unit-Furnished Apartment with Walks, Parking and Utilities (171)	141,000	12,000
Rehabilitate 15 Floating Breakwaters (229)	20,000	13,000
Planning for Construction of Launch Ramp and Parking Area (276)	--	12,000
Planning for Upgrading Chlorination System (286)	18,000	--
Subtotal	754,000	186,000
Grand Teton NP (Wyoming) $186,000		
Park General		
Planning to Provide Modern Comfort Station and Utilities - String Lake Picnic Area (114)	4,000	--
Leeks Lodge		
Planning for Construction of Concession Ramp, Dock, Roads and Utilities (104)	85,000	45,000
Restore Lodge Building (243)	52,000	--
Subtotal	141,000	45,000

Region, Park and Project Description	CONSTRUCTION	
	Buildings and Utilities, Etc.	Roads, Trails. and Parkways
Grant-Kohrs Ranch NHS (Montana) $275,000		
Park General		
Planning for Restoration of Ranchhouse and Outbuildings, Bury Power (113)	$ 245,000	$ --
Planning for Furnishings Study, Plan and Acquisition (130)	30,000	--
Subtotal	275,000	--
Great Sand Dunes NM (Colorado) $133,000		
Headquarters		
Rebuild Sewer System; New Comfort Station (108)	133,000	--
Subtotal	133,000	--
Jewel Cave NM (South Dakota) $156,000		
Park General		
Construct 2 Residences for Permanent Employees (103)	156,000	--
Subtotal	156,000	--
Knife River Indian Villages NHS (North Dakota) $275,000		
Park General		
Knife River Bank Stabilization (103)	213,000	--
Planning for Construction of Initial Visitor and Park Support Facilities (104)	57,000	5,000
Subtotal	270,000	5,000
Mesa Verde NP (Colorado) $175,000		
Park General		
Planning for Reconstruction and Alignment of 12.5 Miles - Wetherill Mesa Road (225)	--	150,000
Morfield Campground		
Planning to Provide 1,500 Linear Feet of Vehicular Tunnel Lighting (157)	15,000	--
Spruce Tree Point		
Planning for Construction of Comfort Station with Heat, Light, Landscaping; 1,000 Square Feet (116)	10,000	--
Subtotal	25,000	150,000
Mount Rushmore NMem (South Dakota) $471,000		
Headquarters		
Construct 500,000 Gallon Water Reservoir, Replace 2,590' Water Line (113)	471,000	--
Subtotal	471,000	--

Region, Park and Project Description	CONSTRUCTION Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Natural Bridges NM (Utah) $50,000		
Headquarters		
Planning for Rehabilitation of Water System to Meet Environmental Protection Agency Standards (132)	$ 50,000	$ --
Subtotal	50,000	--
Rocky Mountain NP (Colorado) $994,000		
Park General		
Construct Water Supply System and Underground Reservoir (001)	122,000	--
Planning for Reconstruction of 10.7 Miles of Trail Ridge Road, Westside (106)	--	325,000
Planning for Reconstruction of Trail Ridge Road (Portion) (113)	--	25,000
Planning for Reconstruction of 11.9 Miles of Trail Ridge Road (Portion) (115)	--	10,000
Reconstruct East Long's Peak Trail (132)	--	50,000
Aspenglen Campground		
Planning for Reconstruction and Utilization of 70-Site Campground, with Kiosk (202)	11,000	--
Endo Valley Campground		
Replace Water Storage System (140)	96,000	--
Fall River Entrance		
Purchase and Install Two 100-KV Diesel Electrical Generators (234)	175,000	--
Grand Lake Entrance		
Planning for Construction of Seasonal Housing-Fee Collection Personnel (123)	37,000	--
Headquarters		
Planning for Construction of Seasonal Housing and Obliterate Existing Houses (130)	20,000	--
Kawuneeche Valley		
Planning for Restoration-Reconstruction of 9 Buildings-Holzwarth Ranch, Roads, Trails (211)	65,000	--
Longs Peak		
Planning for Construction Combination Ranger Stations-Quarters (131)	33,000	--
Moraine Park		
Planning for Rehabilitation of Visitor Center, Structures, Utilities, Exhibits and Comfort Station (152)	25,000	--
Subtotal	584,000	410,000
Shadow Mountain NRA (Colorado) $124,000		
Park General		
Planning for Construction of 3 Campground Water Systems (144)	26,000	--
Green Ridge Campground		
Planning for Resurfacing 1 Mile of Entrance Road and Reconstruction of 200 Seat Campfire Circle (105)	31,000	67,000
Subtotal	57,000	67,000

Region, Park and Project Description	CONSTRUCTION	
	Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Theodore Roosevelt NMemP (North Dakota) $904,000		
Park General		
Planning to Improve Existing Water Systems (183)	$ 28,000	$ --
South Unit (General)		
Planning for Reconstruction of 2 Bridges on Loop Road (121)	--	22,000
Resurface and Restripe 10 Miles of Route D (164)	--	92,000
Planning for Replacement of Water Reservoir Tank (172)	3,000	--
Emergency Correction - Buck Hill Slide (185)	--	366,000
North Unit		
Resurface 6 Miles of Access Road (148)	--	393,000
Subtotal	31,000	873,000
Timpanogos Cave NM (Utah) $208,000		
Park General		
Replace 1,644 Feet of 4-inch Water Lines with Hydrants and Valves (102)	103,000	--
Replace Cave Lighting System (106)	105,000	--
Subtotal	208,000	--
Wind Cave NP (South Dakota) $1,266,000		
Park General		
Rehabilitate Cave Lighting (101)	180,000	--
Rehabilitate and Expand Visitor Center (109)	998,000	88,000
Subtotal	1,178,000	88,000
Yellowstone NP (Wyoming-Montana-Idaho) $4,082,000		
Park General (Idaho-Montana)		
Planning for Construction of Potable Water Supply-Slough Creek Campground (228)	37,000	--
Provide Chlorination and Minor Improvements - Water Systems (229)	452,000	--
Bridge Bay (Wyoming)		
Resurface Arnica-Bridge Bay Road, 14 Miles, Route 1E (478)	--	173,000
Canyon (Wyoming)		
Planning for Construction of Water Treatment Facilities, Reconstruction of Intake System (141)	115,000	--
Grant Village (Wyoming)		
Construct 5,880 Square Feet Maintenance-Storage Building (120)	276,000	--
Planning for Construction of Water Treatment System (142)	85,000	--
Lake (Wyoming)		
Planning for Construction of Additional Water Storage and Treatment (138)	93,000	--
Lewis Lake (Wyoming)		
Planning for Reconstruction of Lewis Lake Campground, Picnic Area and Boat Ramp (234)	32,000	--

Region, Park and Project Description	CONSTRUCTION	
	Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Madison Junction (Wyoming)		
Planning to Improve Water System, Add Control System and Fence (427)	$ 18,000	$ --
Mammoth (Wyoming)		
Reconstruct Water System to Meet Quality Standards (113)	1,560,000	--
Rehabilitate 38 Fort Yellowstone Buildings (361)	654,000	--
Norris (Wyoming)		
Planning to Improve Water System (429)	33,000	--
Old Faithful (Wyoming)		
Build Water Treatment-Storage System (140)	395,000	--
Tower Junction-Roosevelt		
Planning for Reconstruction of Tower Falls-Tower Junction Water Systems (488)	119,000	--
West Thumb (Wyoming)		
Planning for Building Interpretive Facilities and Trail Improvements (186)	40,000	--
Subtotal	3,909,000	173,000
Zion NP (Utah) $48,000		
Park General		
Planning for Reconstruction of 0.7-Mile Springdale Waterline (154)	25,000	--
Planning for Consolidation of Campground Entrance (155)	--	8,000
Planning for Construction of Employee Housing (178)	15,000	--
Subtotal	40,000	8,000
Totals, Rocky Mountain Region	$13,070,000	$7,111,000
NORTH ATLANTIC REGION		
Acadia NP (Maine) $1,455,000		
Blackwoods Campgrounds		
Rehabilitate Projection Booth and Construct Comfort Station (103)	145,000	--
Ocean Drive		
Resurface Ocean Drive Road, 6.5 Miles (117)	--	1,310,000
Subtotal	145,000	1,310,000
Boston NHP (Massachusetts) $787,000		
Park General		
Planning for Rehabilitation of Bulkheads and Pier (111)	347,000	--
Planning for Rehabilitation of Railroad Tracks and Restoration of Anchors Park (112)	28,000	--
Planning for Exterior Rehabilitation of Building 265 (117)	12,000	--
Planning for Rehabilitation of Building 4 and 5 (119)	18,000	--

Region, Park and Project Description	CONSTRUCTION	
	Buildings and Utilities, Etc.	Roads, Trails, and Parkway
Planning for Restoration of Entrance Gatehouse #1 (121)	$ 78,000	$ --
Planning for Rehabilitation of the I Building (Mam B) (122)	12,000	--
Old South Meeting House		
Rehabilitate Old South Meeting House (109)	292,000	--
Subtotal	787,000	--
Cape Cod NS (Massachusetts) $1,257,000		
Park General		
Planning for Dune Stabilization (106)	10,000	--
Construct 25 Miles of Bicycle Path (110)	200,000	638,000
Provincetown		
Resurface Primary Road, 2.3 Miles (114)	--	409,000
Subtotal	210,000	1,047,000
Edison NHS (New Jersey) $566,000		
Park General		
Install Fire and Intrusion Detection Systems (112)	473,000	--
Laboratory Unit		
Replace Electrical Systems - 12 Buildings (101)	93,000	--
Subtotal	566,000	--
Federal Hall NMem (New York) $3,000		
Park General		
Planning for the Cleaning of Exterior of Building (103)	3,000	--
Subtotal	3,000	--
Fire Island NS (New York) $44,000		
William Floyd Estate		
Planning for Preservation of William Floyd Estate (174)	44,000	--
Subtotal	44,000	--
Gateway NRA (New York-New Jersey) $5,730,000		
Park General		
Resurface Roads and Parking, Rehabilitate Buildings and Grounds (109)	2,665,000	918,000
Breezy Point		
Central Promenade-Obliteration and Site Restoration (112)	1,000,000	--
Sandy Hook		
Planning for Development of Visitor Facilities (110)	107,000	40,000
South Beach Stabilization (142)	1,000,000	--
Subtotal	4,772,000	958,000
General Grant NMem (New York) $118,000		
Park General		
Construct Restrooms and Storage Space in Memorial (105)	118,000	--
Subtotal	118,000	--

Region, Park and Project Description	CONSTRUCTION Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Hamilton Grange NMem (New York) $377,000		
Park General		
Restore Hamilton Grange (102)	$ 377,000	$ --
Subtotal	377,000	--
Longfellow NHS (Massachusetts) $341,000		
Park General		
Rehabilitate Longfellow House and Remodel Shed (113)	341,000	--
Subtotal	341,000	--
Martin Van Buren NHS (New York) $238,000		
Park General		
Planning for Rehabilitation of Structure (102)	238,000	--
Subtotal	238,000	--
Minute Man NHP (Massachusetts) $34,000		
Park General		
Planning for Archeological Interpretive Markers and Site Stabilization (131)	34,000	--
Subtotal	34,000	--
Morristown NHP (New Jersey) $31,000		
Jockey Hollow		
Demolish Non-Historic Buildings and Restore Site (132)	31,000	--
Subtotal	31,000	--
Sagamore Hill NHS (New York) $52,000		
Park General		
Replace Heat and Air-Conditioning in Theodore Roosevelt Home (103)	52,000	--
Subtotal	52,000	--
Saint-Gaudens NHS (New Hampshire $344,000		
Park General		
Rehabilitate "Aspet" House (102)	344,000	--
Subtotal	344,000	--
Salem Maritime NHS (Massachusetts) $78,000		
Park General		
Planning for Restoration-West India Goods Store (128)	78,000	--
Subtotal	78,000	--
Saratoga NHP (New York) $13,000		
Park General		
Planning for the Construction of Emergency Equipment Building (136)	11,000	2,000
Subtotal	11,000	2,000

Region, Park and Project Description	CONSTRUCTION Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Springfield Armory NHS (Massachusetts) $514,000		
Park General		
Planning for Rehabilitation of Structures (103)	514,000	--
Subtotal	514,000	--
Statue of Liberty NM (New York) $1,309,000		
Ellis Island		
Planning for Rehabilitation of Main Building - Old Processing Center (107)	172,000	--
Rehabilitate Tower Roofs on the Main Building (Portion) (107)	250,000	--
Liberty Island		
Reparation and Pointing of Fort Wood (122)	175,000	--
Repair Passenger Dock (128)	712,000	--
Subtotal	1,309,000	--
Theodore Roosevelt Birthplace NHS (New York) $4,000		
Park General		
Planning for Rehabilitation of Museum (108)	4,000	--
Subtotal	4,000	--
Vanderbilt Mansion NHS (New York) $82,000		
Park General		
Planning for the Rebuilding of Bridge and Stone Wall (109)	82,000	--
Subtotal	82,000	--
Totals, North Atlantic Region	$10,060,000	$3,317,000
NATIONAL CAPITAL REGION		
Antietam NBS (Maryland) $48,000		
Battlefield		
Planning for Replacement of Fences (103)	$ 20,000	$ --
Planning for Installation of Exhibits and Audiovisual and Security System in Museum (202)	28,000	--
Subtotal	48,000	--
Catoctin Mountain Park (Maryland) $353,000		
Park General		
Replace Dormitory Building at Camp Round Meadow and Construct Sewage Treatment Facility (125)	353,000	--
Subtotal	353,000	--

Region, Park and Project Description	CONSTRUCTION Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Chesapeake and Ohio Canal NHP (District of Columbia-Maryland-Virginia) $1,862,000		
Park General		
Project Planning for Stabilizing and Repairing Five Historic Lockhouses (107)	$ 26,000	$ --
Project Planning for Repairing Culvert 126 (108)	13,000	--
Renovate Perry Hill Administrative Offices (206)	52,000	--
Allegheny District		
Project Planning for Repairing Culvert (105)	9,000	--
Stabilize Paw Paw Tunnel (153)	327,000	--
Rehabilitate Four Historic Bridges (196)	131,000	--
Palisades District		
Project Planning for Repairing Culvert (103)	11,000	--
Restore Towpath Embankment (222)	655,000	--
Stabilize and Repair Masonary Walls and Locks, Georgetown Section (246)	197,000	--
Piedmont District		
Project Planning for 3.6 Miles of Towpath Repair Level 27; Stabilizing Broadrim Trunk and Lockhouse No. 75; Repairing Culverts (101, 102, 104, 106)	91,000	--
Planning for Restoration of Historic Structure (176)	200,000	--
Planning for Restoration of Historic Structure (177)	150,000	--
Subtotal	1,862,000	--
George Washington Memorial Parkway (Maryland-Virginia-District of Columbia) $746,000		
Park General		
Planning for Construction of Comfort Station Iwo Jima and Netherland Carillon (138)	34,000	--
Fort Hunt		
Replace Maintenance Facility and Install Solar Energy (114)	430,000	--
Great Falls Park		
Potowmac Canal Stabilization (300)	200,000	--
Theodore Roosevelt Island		
Project Planning for the Construction of Pedestrian and Light Vehicular Bridge to Theodore Roosevelt Island and Construction of Pedestrian/Bicycle Overpass Across Parkway (170)	--	82,000
Subtotal	664,000	82,000
Greenbelt Park (Maryland) $20,000		
Park General		
Planning for Underground Electric Service (102)	20,000	--
Subtotal	20,000	--

Region, Park and Project Description	CONSTRUCTION	
	Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Harpers Ferry NHP (Maryland-West Virginia) $1,055,000		
Park General		
Rehabilitate Buildings 8, 9, 10, 11, 12, 12A, and 15 (110)	$1,003,000	$ --
Planning for Rehabilitation of Buildings 3, 37, 38, 40, and 43 (115)	52,000	--
Subtotal	1,055,000	--
Manassas NBP (Virginia) $24,000		
Park General		
Planning for Rehabilitation of Visitor Center (120)	24,000	--
Subtotal	24,000	--
National Mall (District of Columbia) $2,040,000		
West Potomac Park		
Rehabilitate Reflecting Pool and Walks (179)	1,041,000	262,000
East Potomac Park		
Expand and Rehabilitate Maintenance Facility (265)	102,000	20,000
Washington Monument		
Planning for Installation of Sprinkler System-Washington Monument (284)	615,000	--
Subtotal	1,758,000	282,000
National Capital Region--East (Maryland) $1,802,000		
Anacostia Park		
Planning for Construction of Kenilworth Environmental Study Area and Recreational Developments (153)	105,000	--
Fort Washington		
Planning for General Park Development (103)	31,000	10,000
Restore and Stabilize Historic Fort (106)	927,000	--
Frederick Douglass		
Reconstruct Historic Structures (159)	164,000	--
Construct Visitor Contact Facility Center (244)	400,000	--
Oxon Cove		
Planning for Construction of Oxon Cove Golf Clubhouse and Related Facilities (242)	165,000	--
Subtotal	1,792,000	10,000
President's Park (District of Columbia) $917,000		
White House-Executive Residence		
Reconstruct Electrical System (247)	917,000	--
Subtotal	917,000	--

Region, Park and Project Description	CONSTRUCTION	
	Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Prince William Forest Park (Virginia) $471,000		
Park General		
Planning for Rehabilitation of Cabins at Camp No. 2 (136)	$ 372,000	$ --
Planning for Rehabilitation of Cabins at Camp No. 3 (137)	88,000	--
Planning for Construction of 2 Picnic Pavilions (140)	11,000	--
Subtotal	471,000	--
Rock Creek Park (District of Columbia) $1,270,000		
Park General		
Reconstruct and Realign L. Street Bridge (105)	--	1,048,000
Planning for Construction of Bike Trail (108)	--	100,000
Planning for Retaining of Walls and Pollution Control (206)	110,000	--
Planning for Installation of Increased Sewer Line Capacity (226)	2,000	--
Planning for Construction of Guard Rails, Bike Trail Along Parkway (238)	--	10,000
Subtotal	112,000	1,158,000
Wolf Trap Farm Park (Virginia) $2,678,000		
Park General		
Construct Maintenance Facility to House Equipment and Materials for the Maintenance Crew on a Year-Round Operation (103)	584,000	16,000
Planning for Providing Weather Protection, Filene Center (110)	68,000	--
Construct Visitor Orientation Complex (119)	2,000,000	--
Planning for Construction of Orchestra Shell for Filene Center Stage (120)	10,000	--
Subtotal	2,662,000	16,000
Total National Capital Region	11,738,000	1,548,000
MID-ATLANTIC REGION		
Allegheny Portage Railroad NHS (Pennsylvania) $76,000		
Park General		
Planning for Incline 10 Developed Roads, Trails, Picnic, and Comfort Station (116)	12,000	--
Planning for Development of Auto Tour Route of Former Railroad Right-of-way (129)	--	32,000
Incline 8		
Planning for Construction of Access Road, Parking, Water System and Toilet (105)	2,000	4,000

Region, Park and Project Descriptions	CONSTRUCTION	
	Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Summit Level		
Planning for the Rehabilitation of Lemon House for Visitor Center and Administrative Office (102)	$ 26,000	$ --
Subtotal	40,000	36,000
Appomattox Court House NHP (Virginia) $55,000		
Park General		
Planning for Replacement of Sewer Line and Chlorinator (001)	12,000	--
Planning for Restoration of Historic Roads in Park (3 Miles) (142)	6,000	--
Village Area		
Planning for Adaptive Restoration - Marian Wright House (103)	37,000	--
Subtotal	55,000	--
Booker T. Washington NM (Virginia) $29,000		
Park General		
Planning for Construction of Employee Residence and Utility Systems (101)	29,000	--
Subtotal	29,000	--
Colonial NHP (Virginia) $192,000		
Park General		
Planning for Rehabilitation of Existing Park Quarters (18) (116)	10,000	--
Pavement Repair - Yorktown to Jamestown (228)	--	166,000
Jamestown Island		
Planning for Shoreline Protection Along James River-1,500 Linear Feet (177)	9,000	--
Yorktown Maintenance Area		
Planning for Removing and Renovating 6 Houses for Employee Quarters (103)	7,000	--
Subtotal	26,000	166,000
Delaware Water Gap NRA (New Jersey-Pennsylvania) $23,000		
Kittatinny Subdistrict		
Planning for Rehabilitation of School House-Grounds and Old Mine Road-Exhibit (121)	23,000	--
Subtotal	23,000	--
George Washington Birthplace NM (Virginia) $3,000		
Park General		
Planning for Construction of Ranger Station and Quarters (103)	3,000	--
Subtotal	3,000	--

Region, Park and Project Description	CONSTRUCTION	
	Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Gettysburg NMP (Pennsylvania) $201,000		
Park General		
Planning for Rehabilitation of Interim Visitor Center-Roads-Walks-Utilities-Grounds (136)	$ 73,000	$ 32,000
Emergency Repair of McPherson Barn (147)	79,000	--
National Cemetery		
Planning for Construction of Parking Area-Water System-Grounds Improvement (137)	17,000	--
Subtotal	169,000	32,000
Gloria Dei (Old Swedes') Church NHS (Pennsylvania) $576,000		
Park General		
Landscaping Grounds-Completion (102)	576,000	--
Subtotal	576,000	--
Hampton NHS (Maryland) $45,000		
Park General		
Planning for Restuccoing Mansion Exterior Walls and Restoring Stone Steps of Entrances (102)	45,000	--
Subtotal	45,000	--
Hopewell Village NHS (Pennsylvania) $161,000		
Park General		
Planning for the Preservation and Rehabilitation of Ironmaster's House (102)	75,000	--
Planning for Remodeling of Visitor Center Maintenance Annex Grounds (123)	29,000	--
Install Underground Electrical and Telephone Lines - Entrance Road (134)	57,000	--
Subtotal	161,000	--
Independence NHP (Pennsylvania) $1,600,000		
Park General		
Construct Maintenance Building Facility (111)	1,089,000	--
Area F		
Rehabilitation of Historic Fulton House and Site Improvements, Phase I-Demolition of Non-Historic Buildings (126)	511,000	--
Subtotal	1,600,000	--
Shenandoah NP (Virginia) $352,000		
Big Meadows		
Planning for Construction of Amphitheater (103)	15,000	--
Planning for Relocation of Stables and Pastures (271)	72,000	--
Central District		
Planning for Reconstruction of Skyline Drive - Central Section (118 & 138)	78,000	--

Region, Park and Project Descriptions	CONSTRUCTION	
	Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Planning for Reconstruction of Walls - Central Section (120)	$ 32,000	$ --
North District		
Planning for Reconstruction of Skyline Drive - North District (111 & 112)	58,000	--
Planning for Reconstruction of Wall - North District (128)	6,000	--
South District		
Planning for Reconstruction of Skyline Drive (125)	49,000	--
Planning for Reconstruction of Wall - South District (141)	42,000	--
Subtotal	352,000	--
Valley Forge NHP (Pennsylvania) $90,000		
Park General		
Planning for Park Development Plan (101)	90,000	--
Subtotal	90,000	--
Totals, Mid-Atlantic Region	3,169,000	234,000
SOUTHEAST REGION		
Andersonville NHS (Georgia) $217,000		
Park General		
Planning for Improvement of Highway and Relocate Utilities (101)	7,000	23,000
Headquarters		
Planning for Construction of Information Center, Utilities, Roads and Parking Area (109)	108,000	79,000
Subtotal	115,000	102,000
Biscayne NM (Florida) $1,449,000		
Adams Key		
Planning for Development of Water, Sanitation and Utility System (108)	104,000	--
Elliott Key		
Rehabilitate Marina and Construct Visitor Facilities (105)	1,037,000	--
Convoy Point		
Planning for Construction of Administrative Office, Warehouse, Marina, Maintenance Facilities and Residence (103)	175,000	125,000
Planning for Construction of Maintenance Facilities (106)	8,000	--
Subtotal	1,324,000	125,000
Blue Ridge Parkway (North Carolina-Virginia-Georgia) $13,734,000		
Parkway General		
Planning for Construction of 2-Mile Tunnel Linings and Portals Parkway (132)	33,000	--
Repave 18-Miles of Parkway (347)	--	1,415,000

Region, Park and Project Description	CONSTRUCTION Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Repave 35-Miles (351)	$ --	$ 2,751,000
Repave 20-Miles of Parkway (352)	--	1,572,000
Marby Mill		
Planning for Construction of Information Station and Comfort Stations (239)	33,000	--
Section H		
Construct 1.6 Miles of Mainline Parkway (Grandfather Mountain) (105)	--	7,930,000
Subtotal	66,000	13,668,000
Cape Hatteras NS (North Carolina) $128,000		
Buxton Light		
Planning for Lighthouse Stabilization (175)	10,000	--
Frisco		
Planning for Construction of Visitor Day Use Facility (143)	39,000	--
Ocracoke Central		
Planning for Construction of Visitor Center (148)	25,000	4,000
Whalebone Junction		
Planning for Construction of Information Station and Roadsand Parking (140)	39,000	11,000
Subtotal	113,000	15,000
Cape Lookout NS (North Carolina) $309,000		
Cape Lookout		
Planning for Construction of Dock and Finger Piers (111)	20,000	--
Headquarters		
Planning for Construction of Utilities, Docks, Parking and Restore Site-Harpers Island (110)	241,000	48,000
Subtotal	261,000	48,000
Carl Sandburg Home NHS (North Carolina) $41,000		
Park General		
Planning for Lakes and Dams Restoration (126)	41,000	--
Subtotal	41,000	--
Castillo De San Marcos NM (Florida) $98,000		
Park General		
Planning for Stabilization of Fort, Moat and Wall-American Period (116)	98,000	--
Subtotal	98,000	--
Cumberland Gap NHP (Kentucky-Virginia-Tennessee) $44,000		
Wilderness Road Campground		
Construct Trailer Sanitary Disposal Unit (115)	22,000	22,000
Subtotal	22,000	22,000

Region, Park and Project Description	CONSTRUCTION	
	Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Cumberland Island NS (Georgia) $781,000		
Park General		
Planning for Construction of Ferry Terminal (105)	$ 52,000	$ --
Visitor Contact Dock-Utility Building Rehabilitation (108)	485,000	72,000
Planning for Construction of Utility Service (138)	96,000	--
Planning for Rehabilitation of Building for Visitor Center-Construct Dock Comfort Station (151)	30,000	8,000
Planning for Construction of Campground, Bath House and Boardwalk (152)	30,000	8,000
Subtotal	693,000	88,000
Everglades NP (Florida) $494,000		
Flamingo		
Planning for Construction of Buttonwood Canal Parking, Comfort Station and Boat Ramp (177)	66,000	10,000
Royal Palm		
Rehabilitate Visitor Center and Construct Comfort Station (102)	418,000	--
Subtotal	484,000	10,000
Fort Jefferson NM (Florida) $1,518,000		
Garden Key		
Rehabilitate Dock and Construct Comfort Station (101)	563,000	17,000
Stabilize Fort (103)	938,000	--
Subtotal	1,501,000	17,000
Fort Matanzas NM (Florida) $54,000		
Park General		
Planning for Stabilization of Fort and Shoreline (104)	54,000	--
Subtotal	54,000	--
Fort Raleigh NHS (North Carolina) $655,000		
Park General		
Construct Groins for Shore Protection (101)	655,000	--
Subtotal	655,000	--
Fort Sumter NM (South Carolina) $5,611,000		
Park General		
Construct Broad Street Dock, 160-Car Parking Area, Visitor Contact/Comfort Station, Utilities (105)	1,538,000	4,043,000
Planning for Stabilization and Protection of Structure (101)	30,000	--
Subtotal	1,568,000	4,043,000

Region, Park and Project Descriptions	CONSTRUCTION	
	Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Great Smoky Mountains NP (North Carolina-Tennessee) $259,000		
Park General		
Planning for Construction of Surface Slope and Road Stabilization (147)	$ 200,000	$ --
Sugarlands		
Planning for Construction to Connect Sugarlands Sewage to City System (257)	59,000	--
Subtotal	259,000	--
Gulf Islands NS (Florida-Mississippi) $5,205,000		
Davis Bayou		
Construct Visitor/Administrative Facility, Boat Docks, Camping Area, Roads and Parking (120)	1,696,000	646,000
Naval Live Oaks		
Construct .5 Miles of Access Road and Parking and Utilities (112)	450,000	1,087,000
Pensacola Forts		
Preserve San Antonio and Barrancas (101)	1,000,000	--
Planning for Construction of Comfort/Contact Station, Parking and Trails (123)	176,000	150,000
Subtotal	3,322,000	1,883,000
San Juan NHS (Puerto Rico) $6,274,000		
Park General		
Rehabilitate Walls & Pavements-All Structures-Phase I (127)	6,274,000	--
Subtotal	6,274,000	--
Shiloh NMP, (Tennessee) $25,000		
Park General		
Planning for Construction of Bypass Road (120)	3,000	22,000
Subtotal	3,000	22,000
Tuskegee Institute NHS (Alabama) $230,000		
Park General		
Rehabilitate Grey Columns, Interpretive Development and Parking (101)	164,000	66,000
Subtotal	164,000	66,000
Vicksburg NMP (Mississippi) $970,000		
Cairo Development Site		
Construct Shelter to House and Display the Gunboat Cairo and Parking Area (101)	770,000	200,000
Subtotal	770,000	200,000

Region, Park and Project Description	CONSTRUCTION Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Virgin Islands NP (Virgin Islands)		
$387,000		
Cruz Bay, St. John		
Construct Maintenance Area (101)	$ 337,000	$ 50,000
Subtotal	337,000	50,000
Wright Brothers NMem (North Carolina)		
$312,000		
Park General		
Construct Visitor Center Auditorium for 75th Anniversary (115)	312,000	--
Subtotal	312,000	--
Total Southeast Region	18,436,000	20,359,000
MIDWEST REGION		
Agate Fossil Beds NM (Nebraska)		
$265,000		
Headquarters Area		
Planning for Visitor Center and Administration Building (115)	251,000	14,000
Subtotal	251,000	14,000
Apostle Islands NL (Wisconsin) $248,000		
Little Sand Bay		
Planning for Construction of Breakwater, Dock Maintenance Building, Concession (143)	40,000	--
Planning for Construction of Employee Quarters (145)	62,000	--
Planning for Construction of Administrative Offices and Visitor Center (148)	56,000	--
Planning for Rehabilitation of Fish Dock and Buildings (150)	90,000	--
Subtotal	248,000	--
Fort Larned NHS (Kansas) $725,000		
Park General		
Planning for Restoration of Historic Shops Building HS-3 (125)	51,000	--
Planning for Restoration of Commanding Officers Quarters HS-8 (127)	30,000	--
Stabilize Historic Structures (157)	644,000	--
Subtotal	725,000	--
Grand Portage NM (Minnesota) $35,000		
Fort Charlotte		
Delineate and Interpret Fort Charlotte (103)	35,000	--
Subtotal	35,000	--

Region, Park and Project Descriptions	CONSTRUCTION	
	Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Herbert Hoover NHS (Iowa) $411,000		
Park General		
Adaptive Restoration of Period Houses (110)	$ 411,000	$ --
Subtotal	411,000	--
Indiana Dunes NL (Indiana) $236,000		
Bailly Homestead Unit		
Planning for Restoration of Chellberg Farm with Trails (219)	80,000	--
Mount Baldy Unit		
Planning for Visitor Facilities (225)	34,000	--
West Beach Unit		
Planning for Construction of Long Lake Overlooks, Fishing Piers and Trails (214)	40,000	--
Planning for Construction of Group Day Use Shelters and Comfort Stations (222)	73,000	9,000
Subtotal	227,000	9,000
Isle Royals NP (Michigan) $862,000		
Houghton Headquarters		
Replace Vehicle Storage Facility (180)	180,000	--
Mott Island		
Replace Telephone Switchboard (120)	15,000	--
Install Backup Generator and Synchronizing Switch Gear (178)	79,000	--
Replace and Relocate Fuel Storage Tanks (179)	165,000	--
Rock Harbor		
Install Boat Sewage Discharge Station (103)	32,000	--
Replace Water Storage Tank and Intake Pumps (135)	96,000	--
Install Pumping Station and Underground Fuel Storage Tanks (177)	155,000	--
Windigo		
Construct Comfort Stations (132)	140,000	--
Subtotal	862,000	--
Jefferson National Expansion Memorial NHS (Missouri) $1,679,000		
Park General		
Repair and Rehabilitate Roof of Old Courthouse Building to Prevent Water Intrusions (201)	406,000	--
Landscape, Grounds, Grading, Seeding, and Sprinkler System (202)	1,109,000	164,000
Subtotal	1,515,000	164,000
Lincoln Boyhood NMem (Indiana) $30,000		
Park General		
Planning for Stabilization of Memorial Visitor Center (112)	30,000	--
Subtotal	30,000	--
Lincoln Home NHS (Illinois) $102,000		
Park General		
Planning for Relocation of Corneau House to Original Site (167)	25,000	--

Region, Park and Project Description	CONSTRUCTION	
	Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Planning for Restoration of Robinson House and Reconstruction of Carriage House (186)	10,000	--
Planning for Rehabilitation of Existing Building for Park Headquarters (191)	18,000	--
Planning for Atmospheric Control System (195)	14,000	--
Planning for Restoration of Lincoln Home (196)	35,000	--
Subtotal	102,000	--
Lower Saint Croix NSR (Minn.-Wisc.) $32,000		
Park General		
Planning for Construction of High Bridge Information Center (151)	32,000	--
Subtotal	32,000	--
Mound City Group NM (Ohio) $18,000		
Park General		
Planning for Visitor Center Expansion (103)	18,000	--
Subtotal	18,000	--
Ozark NSR (Missouri) $79,000		
Big Spring		
Planning for Roads Parking and Site Development (209)	55,000	--
Owls Bend-North River		
Planning for Utilities and Roads (235)	24,000	--
Subtotal	79,000	--
Perry's Victory and International Peace Memorial NM (Ohio) $103,000		
Park General		
Planning for Construction of Visitor Center and Administration Office (104)	34,000	--
Planning for Construction of Employee Housing and Parking (105)	13,000	3,000
Planning for Sewage Treatment Facility (109)	45,000	--
Planning for Approach Mall (114)	8,000	--
Subtotal	100,000	3,000
Pictured Rocks NL (Michigan) $283,000		
Au Sable Point		
Planning for Restoration of Lighthouse Facility and Seawall (107)	151,000	73,000
Grand Sable Lake		
Planning for Au Sable Falls Trail and Parking Area (134)	27,000	--
Miners Basin		
Planning for Construction of Miners Beach Day Use Facilities (118)	32,000	--
Subtotal	210,000	73,000

Region, Park and Project Description	CONSTRUCTION Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Saint Croix NSR (Wisconsin-Minnesota) $330,000		
Park General		
Design and Install Radio System for the Riverway (121)	$ 330,000	$ --
Subtotal	330,000	--
Scotts Bluff NM (Nebraska) $34,000		
Park General		
Planning for Construction of Water Line and Pump Station (111)	15,000	--
Headquarters		
Planning for Visitor Center Remodeling (101)	19,000	--
Subtotal	34,000	--
Sleeping Bear Dunes NL (Michigan) $175,000		
Park General		
Planning for Rehabilitation of Platte River Campground (180)	70,000	--
Planning for Rehabilitation of J.H. Day Campground (181)	50,000	--
Sleeping Bear Bay		
Planning for Rehabilitation of Old Coast Station for Adaptive Use as Museum and Visitor Contact Services (124)	43,000	12,000
Subtotal	163,000	12,000
Wilson's Creek NB (Missouri) $56,000		
Park General		
Planning for Tour Road and Historic Site Restoration (Phase I) (105)	56,000	--
Subtotal	56,000	--
Totals, Midwest Region	5,428,000	275,000
SOUTHWEST REGION		
Amistad NRA (Texas) $63,000		
Pecos Canyon		
Planning for Utility System, Power, Water and Sewage (124)	42,000	--
Rio Grande		
Planning for 1.5 Mile of Road Improvement (162)	--	21,000
Subtotal	42,000	21,000
Bandelier NM (New Mexico) $36,000		
Park General		
Planning for Reconstruction of Rio Grande Trail (171)	--	36,000
Subtotal	--	36,000

Region, Park and Project Descriptions	CONSTRUCTION	
	Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Big Bend NP (Texas) $4,515,000		
Park General		
Reconstruct 10 Miles of Route 1 (109)	$ --	$ 3,272,000
Construct Culverts and Realign Route 1 (170)	--	468,000
Castolon		
Planning for Construction of Employee Quarters (165)	25,000	4,000
Planning for Expansion of Cottonwood Campground (166)	39,000	39,000
Planning for Reconstruction of Water System (183)	20,000	--
Panther Junction		
Complete Construction of Sewage Treatment System (133)	244,000	--
Construct Entrance Road, Parking, Walks and Utility Connections for Concession Quarters (149)	134,000	250,000
Rio Grande Village		
Planning for Construction of Visitor Contact Station (117)	9,000	4,000
Planning for Construction of Amphitheater (118)	7,000	--
Subtotal	478,000	4,037,000
Big Thicket Nat'l Pres. (Texas) $261,000		
Park General		
Construct Water Accesses, Trails and Trailheads (111)	--	141,000
Planning for Road Rehabilitation and Stabilization (113)	--	120,000
Subtotal	--	261,000
Buffalo NR (Arkansas) $378,000		
Buffalo Point		
Planning for Construction of Utility Compound Maintenance Area (132)	15,000	--
Ponca - Lost Valley		
Planning for Construction of Road, Ranger Information Station, Utilities, Picnic Area, and Residential Parking (111)	138,000	42,000
Pruitt		
Planning for Construction of Ranger Visitor Contact Station, Utilities, Parking and Picnic Area (113)	--	14,000
Tyler Bend		
Planning for Construction of Ranger Visitor Contact Station, Roads, Utilities, and Parking (110)	136,000	33,000
Subtotal	289,000	89,000
Canyon De Chelly NM (Arizona) $179,000		
Tsalle District		

Region, Park and Project Description	CONSTRUCTION	
	Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Planning for Visitor Contact Station and Utility Area (111)	$ 76,000	$ 103,000
Subtotal	76,000	103,000
Carlsbad Caverns NP (New Mexico) $461,000		
Park General		
Planning for Construction of Boundary Fence - Phase 1 (103)	18,000	--
Planning for Construction of Walnut Canyon Loop Road (122)	--	270,000
Caverns Vicinity		
Planning for Enlargement of Amphitheater and Construction of Comfort Station (104)	32,000	--
Planning for Construction of Auditorium for Visitor Center (111)	113,000	--
Planning for Modernizing of Headquarters Water System (124)	28,000	--
Subtotal	191,000	270,000
Chaco Canyon NM (New Mexico) $2,778,000		
Park General		
Construct One Duplex (Two 3-Bedroom Units) Residence (106)	106,000	--
Construct Office-Workroom-Laboratory and Parking for Chaco Center (111)	428,000	22,000
Construct One 10-Unit Dormitory for New Mexico Archeological Center (112)	675,000	21,000
Reconstruct Gallo Entrance Road (114)	--	1,140,000
Planning for Reconstruction and Paving of 7.2 Mile of Tour Road (139)	--	89,000
Planning for Reconstruction of Circulation Road and Improvement of Visitor Parking (140)	--	269,000
Install Liquified Petroleum Gas System to Serve Falada Headquarters (154)	28,000	--
Subtotal	1,237,000	1,541,000
Fort Davis NHS (Texas) $321,000		
Park General		
Restore Commanding Officers Quarters (101)	321,000	--
Subtotal	321,000	--
Gila Cliff Dwellings NM (New Mexico) $23,000		
Park General		
Planning for Construction of Visitor Contact Station-Cliff Dwellings (102)	23,000	--
Subtotal	23,000	--
Guadalupe Mountains NP (Texas) $7,933,000		
Park General		
Construct Horse and Foot Trail 10-Miles-Phase I (109)	--	605,000

Region, Park and Project Description	CONSTRUCTION	
	Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Planning for Construction of Trail System-Phase III (118)	$ --	$ 92,000
Dog Canyon		
Construct Ranger Station, Corral and Camping Area (119)	354,000	84,000
Pine Spring		
Construct Three 3-Bedroom Residences, Utilities, Sewage Treatment and Road (101)	228,000	147,000
Construct Nine 3-Bedroom Quarters, Utilities Building, Apartment Building, and Utilities (103)	1,855,000	173,000
Construct Visitor Contact Station and Parking Area (111)	1,367,000	1,006,000
Construct 5-Mile Entrance Road to McKittrick Canyon, Parking, Comfort and Contact Station (114)	502,000	1,520,000
Subtotal	4,306,000	3,627,000
Lake Meredith NRA (Texas) $20,000		
Park General		
Planning for Construction of Five Fishing Piers (131)	12,000	8,000
Subtotal	12,000	8,000
Navajo NM (Arizona) $65,000		
Park General		
Improve Water System (101)	65,000	--
Subtotal	65,000	--
Padre Island NS (Texas) $11,000		
Malaquite Beach		
Planning for Construction of Four Employee Residences (103)	11,000	--
Subtotal	11,000	--
Pea Ridge NMP (Arkansas) $16,000		
Park General		
Planning for Expansion of Parking Area for an Additional 20 Spaces (125)	--	9,000
Planning for Visitor Center Expansion (129)	6,000	--
Planning for Construction of Elkhorn Tavern Comfort Station (130)	1,000	--
Subtotal	7,000	9,000
White Sands NM (New Mexico) $4,000		
Park General		
Planning for Construction of Comfort Station, and Picnic Area (127)	4,000	--
Subtotal	4,000	--
Totals, Southwest Region	7,062,000	10,002,000

Region, Park and Project Description	CONSTRUCTION	
	Buildings and Utilities, Etc.	Roads, Trails, and Parkways
WESTERN REGION		
Cabrillo NM (California) $78,000		
Park General		
Rehabilitate Lighthouse (123)	$ 60,000	--
Planning for Illumination of Parking Area (103)	18,000	--
Subtotal	78,000	--
Channel Islands NM (California) $1,236,000		
Park General		
Construction of Administration Headquarters and Visitor Center (107)	1,052,000	184,000
Subtotal	1,052,000	184,000
Chiricahua NM (Arizona) $123,000		
Park General		
Planning for Reconstruction of Route 1 - 8 Miles (103)	--	123,000
Subtotal	--	123,000
Coronado NMem (Arizona) $187,000		
Park General		
Construct Water System (106)	187,000	--
Subtotal	187,000	--
Death Valley NM (California-Nevada) $872,000		
Park General		
Planning for Reconstruction of Route 8 (18 Miles) Emigrant District (105)	--	235,000
Cow Creek		
Rehabilitate Nevares Spring Water System (104)	301,000	--
Furnace Creek		
Planning for Expansion of Campground Complex (113)	79,000	145,000
Restoration of Harmony Borax (183)	43,000	--
Stovepipe Wells		
Planning for Rehabilitation of Campground (123)	54,000	15,000
Subtotal	477,000	395,000
Fort Bowie NHS (Arizona) $664,000		
Fort Area		
Ruins Stabilization (105)	664,000	--
Subtotal	664,000	--
Golden Gate NRA (California) $500,000		
Fort Mason		
Renovate Headquarters Building and Grounds (118)	500,000	--
Subtotal	500,000	--

Region, Park and Project Description	CONSTRUCTION	
	Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Grand Canyon NP (Arizona) $3,714,000		
Desert View		
Planning for Construction of East Boundary Fence (160)	$ 3,000	$ --
Grand Canyon Village		
Planning for Construction of Employee Residences (143)	115,000	4,000
Planning for Reconstruction of Employee Trailer Village (152)	150,000	23,000
North Rim		
Reconstruct North Entrance Road (107)	--	2,882,000
Phantom Ranch Area		
Construct Comfort Station (102)	537,000	--
Subtotal	805,000	2,909,000
Haleakala NP (Hawaii) $183,000		
Park General		
Planning for Construction of Water System (130)	161,000	--
Kipahula		
Planning for Construction of Campground at Seven Pools (109)	17,000	5,000
Subtotal	178,000	5,000
Hawaii Volcanoes NP (Hawaii) $607,000		
Kilauea		
Develop Headquarters Water System (111)	437,000	--
Install Water Filter and Chlorinator (148)	170,000	--
Subtotal	607,000	--
Joshua Tree NM (California) $268,000		
Park General		
Planning for Reconstruction of Route 1 - 12 Miles	--	136,000
Construct Concrete-Steel Covers for 10 Mine Shafts for Visitor Protection (219)	132,000	--
Subtotal	132,000	136,000
Lake Mead NRA (Arizona-Nevada) $ 1,575,000		
Park General		
Rehabilitate Sewage Lagoons (289)	197,000	--
Boulder Beach		
Expand Electrical Power System (140)	987,000	--
Planning for Construction of Dive Locker (247)	12,000	--
Katherine		
Expand Sewage System (121)	223,000	--
Planning for Construction of Utility Building (246)	9,000	--
Develop New Water Source (288)	107,000	--
Overton Beach		
Planning for Construction of Sewer System (118)	20,000	--

Region, Park and Project Description	CONSTRUCTION	
	Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Planning for Construction of Water System (202)	$ 20,000	$ --
Subtotal	1,575,000	--
Lehman Caves NM (Nevada) $120,000		
Park General		
Construct Sewage Lagoon and Trailer Dump Station (106)	120,000	--
Subtotal	120,000	--
Montezuma Castle NM (Arizona) $96,000		
Park General		
Replace Comfort Station (104)	96,000	--
Subtotal	96,000	--
Petrified Forest NP (Arizona) $2,417,000		
Park General		
Reconstruct Mainline Road Route 1 (128)	--	1,986,000
Rainbow Forest		
Reconstruct Blue Mesa Spur Road and Overlook (107)	--	431,000
Subtotal	--	2,417,000
Point Reyes NS (California) $204,000		
Park General		
Planning for Construction of Entrance Road Extension - 3.7 Miles (101)	50,000	--
Planning for Reconstruction of Limantour Road (105)	52,000	--
Drakes Beach		
Planning for Point Reyes Lighthouse Conversion (173)	--	6,000
Estero		
Rehabilitate Water Storage Facilities (191)	96,000	--
Subtotal	198,000	6,000
Sequoia NP (California) $1,582,000		
Park General		
Construct Employee Apartments (132)	459,000	66,000
Rehabilitate 4 Cedar Grove Campgrounds (137)	13,000	262,000
Giant Forest		
Reconstruct Water, Sewer and Electric System (103)	782,000	--
Subtotal	1,254,000	328,000
Tonto NM (Arizona) $164,000		
Park General		
Construct Utility Building and Pave and Fence Utility Area (104)	109,000	18,000
Stabilize Mudstone Bedrock (114)	37,000	--
Subtotal	146,000	18,000

Region, Park and Project Description	CONSTRUCTION	
	Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Tumacacori NM (Arizona) $393,000		
Park General		
Stabilize Mission Church (122)	$ 393,000	$ --
Subtotal	393,000	--
Whiskeytown NRA (California) $247,000		
Oak Bottom		
Expand Water System (122)	202,000	--
Tower House		
Construct Water System (117)	45,000	--
Subtotal	247,000	--
Yosemite NP (California) $2,049,000		
Park General		
Level and Resurface 9.7 Miles - Big Oak Flat Road (153)	--	1,263,000
Yosemite Valley		
Sewer Repairs Completion (220)	786,000	--
Subtotal	786,000	1,263,000
Totals, Western Region	9,495,000	7,784,900
PACIFIC NORTHWEST REGION		
Coulee Dam NRA (Washington) $730,000		
Park General		
Replace Gangways-Docks-Finger Floats (108)	$ 730,000	$ --
Subtotal	730,000	--
Craters of the Moon NM (Idaho) $52,000		
Park General		
Construct Maintenance Garage Extension (118)	52,000	--
Subtotal	52,000	--
Fort Clatsop NMem (Oregon) $16,000		
Park General		
Planning for Visitor Center Improvement (104)	16,000	--
Subtotal	16,000	--
Fort Vancouver NHS (Washington) $29,000		
Park General		
Expand Roof Shelter - Maintenance Area (127)	29,000	--
Subtotal	29,000	--
Glacier Bay NM (Alaska) $546,000		
Park General		
Rehabilitate Runway Gustavus Airport (Completion) (132)	--	511,000
Bartlett Cove		
Planning for Expansion of Bartlett Cove Dock (106)	35,000	--
Subtotal	35,000	511,000

Region, Park and Project Description	CONSTRUCTION	
	Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Katmai NM (Alaska) $84,000		
Brooks Camp		
Construct 3-One Room Pan-Abode Quarters Units (120)	$ 84,000	$ --
Subtotal	84,000	--
Mount McKinley NP (Alaska) $1,693,000		
Park General		
Electrical Wiring and Rehabilitate Buildings (128)	333,000	--
Planning for Construction of New Bridge at Savage River Bridge (Replacement) (163)	--	150,000
Installation of Commercial Power (164)	885,000	--
Headquarters		
Install Fuel Pumping Station and Underground Storage (116)	325,000	--
Subtotal	1,543,000	150,000
Mount Rainier NP (Washington) $100,000		
Paradise		
Planning for Rehabilitation of Paradise Inn Building (176)	100,000	--
Subtotal	100,000	--
North Cascades NP (Washington) $1,385,000		
Newhalem		
Construct 100 Campsites, 4 Comfort Stations and Utility Systems (124)	1,300,000	--
Colonial Creek		
Construct Visitor Contact Station (240)	85,000	--
Subtotal	1,385,000	--
Olympic NP (Washington) $802,000		
Park General		
Replace Dickey River Bridge (140)	--	261,000
Queets		
Replace Salmon River Bridge (106)	--	541,000
Subtotal	--	802,000
San Juan Island NHP (Washington) $109,000		
American Camp		
Relocate and Stabilize ("Pickett House") (122)	109,000	--
Subtotal	109,000	--
Sitka NHP (Alaska) $556,000		
Park General		
Planning for Expansion of Sewage at Visitor Center (102)	2,000	--

Region, Park and Project Description	CONSTRUCTION	
	Buildings and Utilities, Etc.	Roads, Trails, and Parkways
Construct Multi-Use Utility Building to Provide Shelter and Display of Totem Poles and Equipment Storage (108)	$ 554,000	$ --
Subtotal	556,000	--
Totals, Pacific Northwest Region	4,639,000	1,463,000

REVISED EXHIBIT

DEPARTMENT OF THE INTERIOR

National Park Service

Budget Authority
(in thousands of dollars)

Account & Functional Code		1976 Enacted	1977 Estimate	1978 Estimate
Federal Funds				
General & Special Funds:				
Operation of the National Park System	303	255,203	285,493[a/]	323,147
Park Police Supplemental			730[b/]	
Land Heritage Act Supplemental.....			13,000	
Construction	303	27,457	40,097	143,190
Land Heritage Supplemental			96,000[b/]	
Road Construction Contract Authority Permanent Liquidation of Contract Authority	303	--	-133,995	--
Preservation of Historic Properties	303	24,666	21,630[a/]	6,589
Tax Reform Act Supplemental.....			1,500[b/]	
Historic Preservation Fund	303	--	--	35,000
Planning, Development and Operation of Recreation Facilities (Indefinite)	303	14,000	14,000	14,000
John F. Kennedy Center for the Performing Arts	303	2,645	3,100	3,783
Miscellaneous Permanent Appropriation (Permanent, Indefinite Special Fund)	303	419	320	500
Total Federal Funds, NPS		324,390	341,875	526,209
Trust Funds				
National Park Service Trust Funds (Permanent Indef.)	303	1,406	3,000	3,000
Total Federal and Trust Funds		325,796	344,875	529,209

a/ Adjusted for appropriation transfer.
b/ Supplemental, existing legislation.

REVISED SUMMARY

NATIONAL PARK SERVICE

Operation of the National Park System

Appropriation, 1976	$243,588,000	
Supplemental appropriation, 1976	11,615,000	
Total appropriation, 1976		$255,203,000
Appropriation, 1977	276,485,000	
Proposed supplemental, Civilian pay raises	4,920,000	
Proposed supplemental, Wage Board pay raises	4,228,000	
Transfer of activities from Construction appropriation	8,348,000	
Transferred to "Advisory Council on Historic Preservation"	-140,000	
Total available, 1977		293,841,000

SUMMARY OF INCREASES AND DECREASES, 1978

	Base for 1978	Increase 1978	
Park management:			
Management of park areas	$32,912,000	$3,422,400	
Interpretive services	31,511,000	2,649,300	
Visitor protection and safety	34,637,000	3,877,300	
Maintenance	130,888,000	11,701,400	
Resource management	40,022,000	5,266,600	
GSA Space costs	4,914,000	283,000	
Employees compensation fund	974,000	560,000	27,760,000
Executive direction			
Annualization of classified pay	5,937,000	2,000	
Park, recreation and wilderness planning	3,469,000	257,000	
Cooperative programs	2,925,000	1,253,000	
Statutory and contractual aid	1,954,000	34,000	1,546,000
Total, net increase, 1978			29,306,000
Budget Estimate, 1978			323,147,000

PREPARED STATEMENT

Senator LEAHY. Mr. Everhardt, I want to welcome you to the committee. This certainly is not your first time here.

Your agency is enjoying perhaps its biggest budget expansion in history, not only with the 1978 request but with the pending supplemental for 1977. We hope you will speak to the need for this budget buildup in highlighting your opening statement.

Please introduce your associate. I recommend that you put your statement in the record and feel free to add anything further that you would like to it.

[The statement follows:]

STATEMENT OF GARY EVERHARDT

MR. CHAIRMAN:

Last year, when I appeared before this subcommittee, I expressed my concern for the state of the national parks. I reported that the message we were receiving was loud and clear - from thousands of letters, from citizens increasingly involved in our planning process, from the extensive newspaper and television coverage of threats to the integrity of the parks. The American people wanted assurance that their natural and cultural heritage would be maintained at a responsible level.

We made a step toward this goal in the 1977 budget. The fiscal 1977 appropriations provided an increase of 555 permanent employees and $24.6 million in funding for improvements in park management and operations. Additionally, the pending fiscal 1977 supplemental request for the Bicentennial Land Heritage Program if approved will provide (1) $13 million and 1,000 new permanent positions for park operations and support, (2) $96 million for construction, and (3) $127.5 million for acquisition of land to be added to the National Park System.

Past public anxiety for the welfare of the national parks will, I believe, be greatly alleviated by the fiscal 1978 budget which has been submitted to you. It contains requests for increases totalling more than $173 million, which will surely help the National Park Service fulfill its responsibility to preserve the priceless heritage entrusted to its care.

When Secretary Andrus appeared before this subcommittee a few weeks ago, he declared that the challenge facing all officers of the Department of the Interior "is the duty to be good stewards of the land and the resources we have inherited - and to pass this heritage to future generations."

I am grateful to Secretary Andrus and to President Carter for the magnificent support of this Administration, as exemplified in the 1978 budget figures for it will enable us to meet the challenge and to fulfill the Secretary's goal. I am also mindful of the consistent and generous support this subcommittee has given to the National Park Service during past difficult years.

It is most rewarding for a Director of the National Park Service to be able to testify on a budget which, for the first time in many years, provides a level of funding and manpower consistent with the needs of the parks.

Our budget priorities have not changed. They are:

Park Preservation. This is our first priority, to preserve and safeguard the natural and cultural resources of the parks and to protect park facilities by providing proper care and maintenance.

Visitor Services. People expect, and deserve, a quality park experience. We will seek to improve interpretive and all visitor services programs in order to enrich the visitor experience.

Operation of Newly Authorized Parks. Many of these parks lack facilities and staffs necessary to provide for visitor use and enjoyment.

Historic Preservation. Through the National Register, Grants-in-Aid, Archeological Salvage, National Landmarks and related programs, the National Park Service contributes to the nationwide effort of preserving the historical sites and properties of national, State, and local significance.

Summary of Fiscal 1978 Budget Increases

Appropriations requested for fiscal 1978 total $555.9 million, an increase of $173.4 million over fiscal 1977. The major increases are distributed as follows:

(1) Park management, operation and maintenance (+$29.3 million). These are the fundamental park activities, resource protection, maintenance of roads, trails, campgrounds, buildings and utilities, visitor services and safety, and the inauguration of services in newly established parks.

(2) Construction of park facilities (+$94.8 million). This considerable increase will be used primarily for rehabilitation, reconstruction, and upgrading of facilities and roads; stabilization and preservation of historic structures; construction of water and sewage treatment systems; construction and reconstruction of roads and trails; development of visitor services and support facilities.

(3) National Historic Preservation (+$20 million). The increase will double the level at which matching grants are made available to the States - the primary source of funding for carrying out historic preservation activities at the State and local level.

(4) For liquidation of contract authority for road construction (+$30.2 million). This funding liquidates obligations for road construction approved in prior fiscal years.

Conclusion

Mr. Chairman, I am reminded that during World War II, Prime Minister Churchill made a historic plea to President Roosevelt: "Give us the tools and we will finish the job." The resources requested in the 1978 budget will, with the support of this subcommittee, provide the tools we need to manage and preserve the national parklands at a proper standard, and deliver to the States matching grants to revitalize the national historic preservation movement.

It is true that the job of managing the national parks is never finished, and never perhaps done at as high a standard as park administrators would like. But I pledge to you the commitment of the National Park Service to make the most effective use of these resources in order that the parks will continue to be maintained unimpaired for the continuing benefit and enjoyment of the people.

Mr. Chairman, and members of this subcommittee, I would be pleased to answer any questions you may have on the details of this budget.

SUMMARY STATEMENT

Mr. EVERHARDT. Thank you, Mr. Chairman. I would like to introduce on my right Mr. Lowell Sturgill who is the Acting Chief of the Office of Programing and Budget for the National Park Service.

It is a pleasure to appear before this committee in support of the National Park Service's budget request for the 1978 fiscal year. As always, we do appreciate the interest of the chairman and members of the subcommittee and their assistance to the National Park Service in carrying out its objective goals for the national parks of this country.

I will submit for the record, Mr. Chairman, a statement. I would like to just highlight a couple of items in the National Park Service 1978 budget request by saying first that when we appeared before this subcommittee last year I expressed my concern about the state of the national parks. And I reported that the message we were receiving was loud and clear from thousands of letters and from citizens across the country who were interested in the programs and goals of the National Park Service in maintaining the National Park System on a high, responsible level.

I think we certainly made a giant step in the 1977 budget towards keeping this trust and integrity with the people of America. We had an increase of 555 permanent positions and $24.6 million in funding for improvements in park management operations.

Additionally, Mr. Chairman, our 1977 supplemental request for the Bicentennial land heritage program, if approved, will provide $13 million and 1,000 new permanent positions for park operations, will provide $96 million for construction and $127.5 million for acquisition of land to be added to the National Park System.

Looking at the 1978 budget, it contains a request for increases totaling $173 million which will certainly be a great help to the National Park Service to fulfill its responsibilities and preserve the priceless heritage entrusted to our care of some 291 areas of the National Park Service throughout this country.

Our 1978 request totals $555.9 million, which is certainly one of the biggest budgets in the history of the National Park Service and would be distributed as follows: No. 1, park management operations and maintenance, $29.3 million. This account, Mr. Chairman, is for fundamental park activities, resource protection, maintenance of roads and trails, campgrounds, buildings and utilities, visitor services, and safety, interpretive services that are carried out in the National Park Service.

The second major item of increase is the construction of park facilities, $94.8 million. This considerable increase will be used primarily for rehabilitation and reconstruction and upgrading of facilities and roads. It will also be used for the stabilization and preservation of historic structures, construction of utilities, water and sewer treatment systems and the construction and reconstruction of roads and trails, development of visitor services and support facilities.

Another major item, No. 3, is for national historic preservation, plus $20 million in that area. This increase will double the level at which matching grants are made available to the States—the primary source of funding for carrying out historic preservation activities at the State and local level.

The fourth item is for liquidation of contract authority for road construction, some $30.2 million. This funding liquidates obligations for road construction approved in prior fiscal years by this committee.

Mr. Chairman, we would certainly at this time be pleased to answer any questions and we do have some additional staff people here with us from the National Park Service. At this time we would be pleased to respond to your questions and comments.

HISTORIC PRESERVATION GRANTS TO STATES

Senator LEAHY. Thank you very much.

Taking your third item you just mentioned, historic preservation grants to States, I am pleased to hear your request for additional funding for historic preservation. That should provide increased assistance to the States supporting your historic structures.

The grants-in-aid program has been used extensively in my own home State of Vermont. In fact, I am told that there is a backlog of $7 to $8 million in Vermont alone. That is the current amount of applications in hand. If the funding were available, the Vermont preservation office says it could identify $20 million worth of projects. That is an incredible demand from a State as small as ours.

Do you know what the identified demand is nationally?

Mr. EVERHARDT. Mr. Chairman, I think the warrants that are outstanding would represent the immediate demand for historic preservation in this country for all States, and certainly the State of Vermont does need to be lauded for its efforts in historic preservation.

We have been most pleased to participate with them and cooperate with them in this effort, the outstanding warrants at the beginning of this year totaled about $340 million. This means that the States have that amount on their books from people who have promised money at that level to match the historic preservation grants.

NEED FOR FULL FUNDING

Senator LEAHY. Do you support full funding of the National Historic Preservation Fund?

Mr. EVERHARDT. Yes, sir, I do, Mr. Chairman. That was our request to OMB.

Senator LEAHY. As I understand, the House Interior Committee recommended full funding at $100 million on March 15, just a couple of weeks ago. But the administration requests only $35 million.

Mr. EVERHARDT. Yes, sir. The request in the budget is for $35 million.

Senator LEAHY. If $100 million were appropriated, if it were appropriated to the extent authorized, would you be able to use it?

Mr. EVERHARDT. Based on the warrants that are outstanding, Mr. Chairman, there would be the ability to use a $100 million funding level.

NATIONAL TRUST FOR HISTORIC PRESERVATION

Senator LEAHY. Of the $35 million requested in the grant-in-aid program, how much would be allocated to the National Trust for Historic Preservation?

Mr. EVERHARDT. I would like to ask Dr. Connally to join us. He is the Associate Director for Preservation of Historic Properties, Mr. Chairman.

Senator LEAHY. Good. I have a few questions along this line.

Mr. EVERHARDT. Dr. Connally, what is our proposed allocation to the National Trust?

Dr. CONNALLY. The grant to the National Trust at the $35 million level would be $4.5 million, Mr. Chairman.

Senator LEAHY. How do you get that $4.5 million? Just keeping in mind that I am a new boy in town, just for my own edification, how do you get that $4.5 million?

Mr. EVERHARDT. It is based primarily, Mr. Chairman, on the proposals which are presented to us on what the Trust can utilize efficiently and effectively in its area of responsibility. Dr. Connally may be able to elaborate on that, but it is based primarily on a program presented by the National Trust.

Dr. CONNALLY. That is correct, Mr. Chairman. The National Historic Preservation Act of 1966 authorizes Federal assistance to the National Trust for several purposes which are different from the purposes authorized for financial assistance to the States.

For example, the National Trust was created in 1949 by a congressional charter primarily to supplement the work that the Federal Government was doing in historic preservation. The Trust owns and maintains historic properties.

We are authorized to provide assistance for the maintenance of historic properties owned by the National Trust. We don't do that for the States, only for acquisition and development of properties and for statewide plans and surveys.

We can also, of course, assist the Trust in acquisition and development, but the most important thing the Trust does now is to act as a national catalyst for the private interest in historic preservation throughout the country.

The Trust's membership has risen to 116,000 this past year. It has 2,000 organizational members, local historical societies and groups of that kind, which have a membership of about half a million. So the Trust's informational, technical, and educational programs, which are put on all around the country, are highly useful. The number of properties it maintains is actually very small.

The National Trust puts out a bimonthly historic preservation journal, a monthly newspaper. It conducts seminars and programs across the country. It gives people at the local level the kind of information they need to work up good programs to come through the States for properties that would be eligible for grants assistance.

ALLOCATIONS TO THE NATIONAL TRUST FOR HISTORIC PRESERVATION

Senator LEAHY. The House Committee on Interior and Insular Affairs, in its report on the bill to establish the National Historic Preservation Fund, requested that the Secretary of the Interior advise the House and Senate Interior Committees as to his recommendations for allotment to the National Trust. This was due on March 28.

Has the report been sent forward to the Congress by the Secretary?

Dr. CONNALLY. It is in process. I am not sure that it has left the Department yet.

Senator LEAHY. Did the Park Service transmit its advice to the Secretary?

Mr. EVERHARDT. Yes, we have.

Senator LEAHY. What did you recommend?

Mr. EVERHARDT. On the allocation to the Trust?

Senator LEAHY. Yes.

Dr. CONNALLY. At the $100 million level, which would be the current authorization, $6.5 million, Mr. Chairman.

Mr. EVERHARDT. And $4.5 million at the $35 million level.

Senator LEAHY. $4.5 at the $35 million level?

Dr. CONNALLY. I beg your pardon. The question we had to answer to the Congress was how much money we intended to make available to the Trust under the authorization. That figure at the current authorization level is $6.5 million. At $150 million authorization it would go up to about $9.5 million.

Senator LEAHY. Under the allocation process, do you get the situation in the National Trust where it ends up being pitted against the States and territories for available grant-in-aid funds?

Dr. CONNALLY. There was some feeling for a while, Mr. Chairman, on the part of the States that the Trust was receiving favored treatment. That was in the early years of the program; back in 1967, the first year, there was $300,000 available and all of that went to the National Trust.

The States had to get their own programs organized at that time. An erroneous idea got abroad that the National Trust was entitled to a certain percentage of the grant funds. It is not in the law, and it has not been so. But there was an interpretation put on the procedures that the Trust got 17½ percent. They did once or twice earlier in the program, but the average is about 11 percent.

Now as the appropriation levels go higher the percentage will be less because the Trust can't match as much.

Senator LEAHY. Would this be subsequent grant-in-aid programs?

Dr. CONNALLY. Yes, sir.

Senator LEAHY. Why haven't you separated grants to the Trust from grants to the States?

Dr. CONNALLY. They were combined in the beginning, Mr. Chairman, simply because the dollar amounts were so small for the first several years. We initially expected to spend about $10 million a year, but we were only spending several hundred thousand dollars, so they were put together. But the act of 1966 makes it clear that it envisions a program of grants-in-aid to the States and a program of grants-in-aid to the National Trust.

Senator LEAHY. Would it be helpful for Congress to earmark the money for the Trust and the States?

Dr. CONNALLY. I think so.

GRANT-IN-AID ALLOCATIONS

Senator LEAHY. To clarify the situation of planning—you see, one of the things that I am concerned about is making plans, making ongoing plans here. Many times you may be dealing with groups that are not accustomed to working within the Federal bureaucracy. A defense contractor or a large public works contractor may have

gone through this dozens of times before. A lot of times we are dealing with people who for the first time are involved in this sort of thing. The complaint that I hear on this program now, along with a number of other programs, is that there is an inability to plan ahead. The States can't plan ahead. The groups can't plan ahead, or something like that.

I was thinking of earmarking portions of grants-in-aid for the Trust and a portion to the States.

Dr. CONNALLY. I would agree with that.

Mr. Chairman, I would like to add that the feeling of competition which existed earlier in the program has certainly abated. The National Trust participates with the State representatives in the national conference, and the advice they both give in discussing the program gives us a much better understanding of the nature of needs between the States and the Trust.

Combining the grants is a problem, because when we discuss the money, so much of it goes to the States that there is a tendency to talk of it exclusively in State terms. We have to make sure that the record shows that the grants go to the States and to the Trust. If they were separated, it would be clearer.

Senator LEAHY. I have just been advised that the justification doesn't say how much is going to the Trust. Do we know at this point?

Mr. EVERHARDT. Out of the $35 million, $4.5 million would be our recommendation to go to the Trust. I think the important thing here again, Mr. Chairman, is that the Trust does not get a set percentage each year. If the fund would increase to something less than the total amount authorized, the important thing is the ability of the Trust, how much money it could handle and handle effectively, how much matching capability it would have. The funds that it gets are based on a program that it submits annually to be reviewed by the National Park Service, showing how the money would be utilized in the many areas and efforts explained by Dr. Connally.

IMPACT OF FULL HISTORIC PRESERVATION FUNDING

Senator LEAHY. Let me just ask for the moment—I think the use of these funds could be resolved in extremely intensive use of the money. Let me give you a hypothetical situation. If the Congress appropriated the full $100 million to accelerate the historic preservation program, to cut out this backlog we have of apparently valid projects, put people to work and so forth, how soon after October 1 could you put those funds to work?

Mr. EVERHARDT. I think that there is a lot of planning that has been done. Certainly one of the major efforts that has to be done is to accelerate the planning activity that is carried out by the State historic preservation officers. At the levels the grants program has been funded, they have not been able to do the job that they need to be doing with full fledged planning, investigation, analysis, et cetera.

There would be a time lag to get the planning up to the point that the State historic preservation officers would feel was necessary. But I think that sufficient work has been accomplished that maximum utilization could be made of this program under the hypothetical case, if it were funded at that level and if the planning could be accelerated at the same time.

Senator LEAHY. Just so I understand, what is normally the delay factor between receiving the appropriation for grant assistance and disbursement of funds?

Mr. EVERHARDT. We apportion our funds to the States very early after the appropriation acts have been passed.

What kind of time would you estimate, Ernest, they have this allocated out to projects or to planning efforts?

Dr. CONNALLY. One of the problems has been, Mr. Chairman, when the funds have been so low, that the States have had to do their planning with their project grants. We propose to separate the planning and accelerate it so that when the project money is ready to go, the planning is already done.

Now, there is a lot of planning that has already been done in the States because we have been handling many projects on a piecemeal basis with the project money. So, a good deal of the actual construction money could be assigned within a couple of months or so after the apportionments are made to the States. The program is reimbursable. The Federal money doesn't flow until the States make certain expenditures, then they are reimbursed.

Senator LEAHY. The outlay, as I see it here, the $35 million outlay is $15 million. So there is a delay.

Dr. CONNALLY. There has been delay and we are consciously attempting to correct it. The formula that the States have agreed to with us, which we should recommend to the Secretary, has in it a factor to encourage the ready handling of the money. States that have a good record of expenditures will get some advantage in the apportionment.

HISTORIC PRESERVATION EMPLOYMENT BENEFITS

Senator LEAHY. I am not suggesting any program goes through the Congress solely for its "getting people back to work" aspect. The goals of the program should survive solely on their own merits, but at a time of high unemployment naturally it is one thing that we do consider.

If we are going to reach the same end result, whether it is historic preservation or transportation matters or anything else, I think we could do it in such a way to get the funds in there now, particularly when there is high unemployment and since this is heavily labor intensive. It is an additional bonus and I suspect something that ought to encourage that much more support from others in the Congress.

Dr. CONNALLY. Mr. Chairman, may I respond to that by saying we meet regularly with the State historic preservation officers named by the Governors. Their executive committee meets several times a year and we meet in plenary session with all of them once a year. They are all quite aware of that. We have discussed this very problem with them.

There is another aspect to it, too. That is the labor intensity of work on existing buildings as compared to new construction. We have gathered some figures from a number of States based on their experience, so what we can say with certainty is that construction money spent for the restoration of old buildings is more labor intensive than new construction.

In Rhode Island, the ratio of cost of labor to materials in new construction is 38 percent. In Rhode Island on restoration of historic buildings it is 65 percent. Sixty-five percent of the cost is for labor. The figure we have from Vermont is 78 percent, based on experience.

We have some other figures, too, to show——

Senator LEAHY. You just happened to have that Vermont figure right there. I am impressed.

Dr. CONNALLY. It came in a letter just recently from the chairman of the national conference, who is the State historic preservation officer in Rhode Island. He was citing the figure of Rhode Island and he said for his neighbor, the State of Vermont, it is 78 percent.

We have some other figures that the advisory council has put together—$1 million spent for new construction normally creates 69 jobs. One million dollars spent for restoration of historic buildings will typically produce 109 jobs. So it is about 50 percent more.

Senator LEAHY. I understand.

Dr. CONNALLY. Or even two-thirds more in some cases.

Mr. EVERHARDT. I would like to make one other point, Mr. Chairman, if I could, about the $20 million.

I think Dr. Connally touched on the delay in getting that money spent. The money is obligated at the time the contracts are entered into, but it is not liquidated until the work has been completed. So there is that time difference between the time that the contract is made and work concludes. It has already been discussed here. The labor-intensity and restoration of historic properties are big factors in the time of liquidating the obligation.

GRANTS FOR STATE SURVEY AND PLANNING PROJECTS

Senator LEAHY. The 1976 historic preservation fund allowed the Secretary of Interior to waive the requirement of 50–50 matching funds and allow 70–30 from the State match to conduct statewide preservation plans, surveys, and projects. That would be very important.

Has the Secretary approved such a matching ratio?

Mr. EVERHARDT. No, sir. Not this time, Mr. Chairman. But he has that item under consideration and we will be advised on it at an early date.

Senator LEAHY. How do you feel about it?

Mr. EVERHARDT. We feel that the 70–30 match that Congress has made available would help accelerate the planning which is desperately needed if we are going to move into a bigger grant fund.

Senator LEAHY. Have you made the Secretary aware of that?

Mr. EVERHARDT. Yes, sir.

Senator LEAHY. My own notes tell me that surveys in ecological and cultural resources have been few and far between. That in itself would cause delays; at least the memos that I have looked at seem to make it fairly clear that the 70–30 split may be one of the ways to speed up this type of survey.

Mr. EVERHARDT. Absolutely. The States need more help if they are going to accomplish that objective.

IMPLEMENTATION OF 1976 TAX REFORM ACT

Senator LEAHY. The Tax Reform Act of 1976 created certain tax incentives for rehabilitating properties either certified as historic or as being in an historic district. The Secretary of the Interior must also certify each rehabilitation before it can use rapid amortization of depreciation for tax purposes.

How much has been requested to conduct this program under the Tax Reform Act?

Mr. EVERHARDT. We have a supplemental request in, Mr. Chairman, for $1.5 million. I think the House reported out on $1 million. In our 1978 budget there is an item of $1.5 million to carry forward the provisions of the Tax Reform Act of 1976.

Senator LEAHY. How are you spending the funds?

Mr. EVERHARDT. Primarily, I think most of it would be spent in making contracts through the State historic preservation officers. They may be increasing their staffs also to do much of the work that would be necessary under the Tax Reform Act.

Our feeling would be that with a limited staff we would not be able to do all of the necessary work in the field areas to certify the authenticity of almost 100,000 buildings in these districts.

Senator LEAHY. How long of a delay are we talking about in the certification?

Mr. EVERHARDT. The Secretary does not have the authority to redelegate that responsibility to certify. So the Park Service, being his instrument, would have to certify. So there would have to be some effort on the part of the National Park Service.

Do we have a figure on what kind of a delay? We would hope that the thing would operate very quickly. There would be a minimum amount of delay.

We are now publishing in the Federal Register the standards and criteria under which the Tax Reform Act would be operating. As these requests come through to the State historic preservation officers to us, we would hope that there would be a minimal delay taking advantage of the Tax Reform Act.

Senator LEAHY. Does a year seem like——

Mr. EVERHARDT. That seems like too much time to me.

Dr. CONNALLY. Yes, it is.

Senator LEAHY. I am not encouraging that.

Dr. CONNALLY. We would not either. The initiative rests with the owner of the property. It is his responsibility to get the certificate if he wishes to take advantage of the provision in the Tax Reform Act. We already have a lot of mail coming in. Our regulations have been published.

If a property is on the National Register, listed individually, there is no question about its authenticity. Issuing a certificate is not much of a problem.

FEES FOR CERTIFICATION OF ELIGIBILITY

Senator LEAHY. Are you going to say something about the fees? Apparently the House is suggesting a fee system. For the certification you would pay a fee; is that right?

Mr. EVERHARDT. I am not aware of that. Are you aware of that?

Dr. CONNALLY. I am not aware of that. Since we didn't have any money to implement the Secretary's responsibility, we considered that one way to do it might be to charge a fee. But that presents a lot of administrative problems in collecting money for the United States Treasury. There is considerable administrative overhead connected with handling money like that.

If the law intends that the taxpayer is entitled to a tax benefit to put historic preservation on an equal footing with new construction for the first time, he is entitled to it and certainly should not have to pay for it. If we don't have enough money to do it, the fee is an alternative that has occurred to us. I suppose such receipts would go into general funds at the Treasury and would not give us any relief unless there is some provision of law that indicates they are to be credited back to this program.

PARK VISITATION AND REVENUES FROM FEES

Senator LEAHY. Back in some other areas I notice the history of appropriations, revenues, and park visitation shown in the justification develops certain patterns. We see the revenues and visitations increased between 116 and 134 percent. Appropriations have jumped by 358 percent, which is more than quadrupled.

Why shouldn't visitation and particularly fee revenue rise in closer proportion to spending? Are policy changes needed? Or are we overlooking something? Why the big difference in the two sets of figures?

Mr. EVERHARDT. Most of the Land and Water Conservation Fund receipts, Mr. Chairman, come through entrance fees and user fees. We are presently making a review of our fee structure and our fee system in the National Park Service and we will be making some recommendations with regard to existing structures.

Also, I would point out to you that there is a great deal of feeling that people should not pay to get into their national parks. They have been funded by Congress. They have been purchased by Congress with funds appropriated by Congress. There is some sentiment about the fee system. Certainly the user fees are much more easily accepted by the visitors to the park areas; for example, a camper paying camp-ground fees. But I think we have to look very carefully at this fee system and look at the entrance fees.

Senator LEAHY. But even those revenues seem to be declining somewhat, aren't they?

Mr. EVERHARDT. In 1976 we collected a total of $15.7 million, which was about an 11-percent increase over 1975. Nine million of the $15.7 was through entrance fees. The remainder came through full user fees or with a portion of it coming through the Golden Eagle passport sales.

The number of areas that collect fees is certainly not the total number of parks in the System. There are areas that even by land transfer are prohibited from charging fees. As I say, this feeling that prevails against fees is one that we are concerned about.

APPROPRIATION EXPANSION

Senator LEAHY. Do you anticipate another big jump in appropriations, like the one of 358 percent?

Mr. EVERHARDT. I don't think so. There is one thing that has to be pointed out about the jump in appropriations.

A number of areas have been added to the System in the last 10 years. Since about 1965, for example, over 100 parks have been added to the National Park System. So you can see that this has created a new tremendous workload for the System.

Also, these other programs, like the historic grants program, has increased the funding. I don't think that the National Park System is going to grow at that kind of a rapid pace in the future, nor are the responsibilities that are mandated to us going to increase at that level. It would not show that kind of a percentage increase in funds.

I think, also, looking back into the fifties the National Park System no doubt was grossly underfunded. Through the Mission 66 program, which was a 10-year program of upgrading facilities, there was a real shot in the arm given through appropriations to bring up that level of deterioration that had taken place over a number of years.

So these kinds of things—the added responsibilities, the new areas, these kinds of programs to fix up parks to bring them up to standard, to provide facilities in these new, recently authorized areas has made that percentage much larger than it would have been in the normal kind of growth pattern or time frame.

USER FEES

Senator LEAHY. If you were going to raise more revenues, where would you seek to do it? You talk about user fees. Have you worked out a program or is this something that is still being studied?

Mr. EVERHARDT. I think it is something still very much in the study phase, Mr. Chairman, and something we would certainly want to discuss with Congress before we would begin an enlarged fee system. I think the only places that you have possibilities——

Senator LEAHY. I enjoy the national parks. And I enjoy being able to go into a national park without paying at each place along the way, unless I am going to use a particular facility. That might be unique to a small percentage of the people going in there.

I have to look at the increases in appropriations. I really would be curious in what area we cannot have a user fee without closing off our national parks.

Mr. EVERHARDT. I think it would primarily be in those two areas of a user fee, which we classify as campground fees, boat dock and launching fees, and also through the area of entrance fees.

Certainly the Golden Eagle passport for those people who visit a number of areas in the System is a very good buy in my opinion. It is a $10 annual passport. If you are going to use parks that have fees, the entrance fees, that is certainly a good purchase.

I think that we are sensitive to the feeling that these are areas created with Federal dollars and why have fees. Also, on the option end of it, Mr. Chairman, I think that a lot of people feel that the price is not all that difficult for them to meet. It is a way they can help the National Park System.

In recent years the revenues from user fees and entrance fees have been returned to the Park Service, to the recreational fee account

which is in our budget justification, and we are able to take that money and to do rehabilitation of park facilities. So there is that offsetting advantage there that has been very helpful to the Park Service and the American people.

NEW AREAS—NORTHEASTERN STATES

Senator LEAHY. If you will forgive a bit of a parochial view here—parochial questions have never deterred any members of our committee up here—to the best of my knowledge, the Northeast has only one national park which is in Maine. It occurs to me when you are talking about expansion, are there any plans to acquire land in the Northeast for enlarging the National Park System?

Mr. EVERHARDT. I don't know of any areas on line at the moment, Mr. Chairman. We certainly have in recent years made some substantial increases in New York City in the Gateway which has brought a significant opportunity to millions of people.

Last year almost 10 million people visited Gateway for its recreational opportunities as well as historic values, and its scenic and natural features. The Boston Navy Yard has come into being in the last couple of years certainly a little further back—Cape Cod, the first national seashore, was created in the Northeast.

I would suspect I would have to answer your question in that we do not have any plans for any substantial increases for new parks in the Northeast. Lower Massachusetts is being looked at and there have been some studies made.

There was a commission formed and they did some work up there. I doubt the Congress or the Department or anyone has responded to that proposal, but I suspect that it will be one that would be coming forth one of these days in the future.

APPALACHIAN TRAIL

Senator LEAHY. Do you have jurisdiction over the Appalachian Trail?

Mr. EVERHARDT. Yes, we do.

Senator LEAHY. The whole thing?

Mr. EVERHARDT. We have a responsibility that was given to us a few years ago for the Appalachian Trail. We do have the Appalachian Trial coordinator who is located in our regional office in Boston. We are certainly assisting the trail and its executive officers in bringing about an education about the trail, trying to see the trail completed. We do have some land acquisition responsibilities of providing funds for fee acquisition work to assist the States so that they can move through the grant programs to acquire more of the trail system.

Senator LEAHY. The trail really needs repairs, as I understand.

Mr. EVERHARDT. Yes. We don't have any maintenance responsibility on the trail.

Senator LEAHY. I see. I notice that you only requested $32,800. That is one reason that I asked the question. I didn't realize that you did not have maintenance responsibilities.

Mr. EVERHARDT. The trail has many million—I don't know how many hundreds of thousands of Appalachian Trail members. I guess it goes into the millions. But through their volunteer work or their

own programs, they do a lot of the work on areas that are outside of Federal areas.

Now if the trail goes through the Great Smokey Mountains National Park, which it does, we would probably do maintenance work on that, and the Forest Service would maintain the trail through those national forest areas that it passes through. But in the areas outside of Federal lands, it is the Appalachian Trail volunteers and the clubs and the subchapters that do the work on the trail.

They do, I think, a very commendable job of taking care of it. They have a great deal of pride and interest in it. There are millions of people, I guess, who use the trail annually. Most of the people that I run into are quite proud to display their record of how many miles of the trail they have hiked.

NATIONAL PARK SERVICE OBJECTIVES

Senator LEAHY. Again, you will excuse a couple of questions that are probably very basic, but I am a new member to the committee. I am trying to get some idea of what goes on in the Park Service.

What are your biggest problems? What are the areas where you—if you weren't restrained by money or personnel, what are the areas that bother you the most? Is it maintenance? Is it acquisition? Is it personnel? What is it?

Mr. EVERHARDT. I think that there are several things, Mr. Chairman. Certainly one of the things—and I think our budget reflects this—is to begin to grasp some of these problems that we have talked about for the past few years.

One of the things that I feel we certainly should be doing is taking care of what we have already in the parks. This is one of the emphases of our request for 1978. Congress has in the past authorized funds. We have built visitor centers. We have built roads. For a number of reasons, because of changes in top priorities and thrust, some things were not completed. So I think that one of the things that we have an obligation not only to the Congress and to the people of this country but to the visitors of the parks is just taking care of what we have. Fix up the roads that have an inferior base. So this comes into the area of maintenance.

I think that another thing that is important is—I will put into that area also, Mr. Chairman, your interest in historic preservation. The National Park Services does have within its own parks much of this country's historic fabric. So we would put into that, fix up, maintain, rehabilitate, reconstruct, whatever, not only the existing facilities, but the historic facilities also which are existing.

I think also we would like to see our land acquisition move ahead at a rapid rate. This is costing the Congress. It is costing the American public—land acquisition costs are increasing each year. I see through the Land and Water Conservation Fund and through our own budgetary process the real interest in rounding out and buying the lands that have already been authorized by the Congress for the National Park Service. I think that this is important not only that it preserves and protects and cares for the property, it is going to save us a lot of money in the long run because these lands are escalating at a tremendous rate of increase each year.

Senator LEAHY. But this is expansion and maintenance and repair. How much do you see in the future budgets being put in for expansion beyond the borders of our present national parks?

In other words, what kind of a policy do you have for future priorities of expansion?

Mr. EVERHARDT. Certainly we do have work ongoing to look at threats in or adjacent to a park. I think that this would be a continuing dialog that we would have with the Congress with respect to boundary changes in existing areas to protect against that.

In the last Congress, Mr. Chairman, there was a general authorities bill where it was required that the National Park Service would come to Congress on October 1 or the beginning of each fiscal year and present its list of potential additions to the National Park System. This list would have to be not less than 12 each year. It doesn't say that there couldn't be more or couldn't be the same list being supplied time and again.

Our feeling is that, through this requirement of Congress to report on potential additions to the System, we are putting into place a mechanism to do our landmarks program, and our natural area landmarks studies. And through our historical sites register properties—that these properties that have already been identified as having national significance from a natural or historic standpoint, would be the basis for the development of the list that may become the 12 properties that have already been identified as being absent from the System or properties that may be endangered through some kind of threats.

These two things would come together to begin to develop the list of potential new additions to the System. I think, however, that there is another possibility and this is one that we have always worked with. That is the Congress desires about the areas of the System.

Some of the ongoing studies that they have asked the National Park Service to do, we would have to be responsive through—because Congress is the one body that can establish a national park and it alone can. So it would also be a part of the mechanism of bringing in to the new areas in the System.

Senator LEAHY. Let me give you three questions that perhaps you can submit the answers for the record.

What new park proposals do you think are likely to be enacted in the next few years, and what is the estimated cost of these additions including land acquisition, development and operation?

Also, what is the present policy of the Park Service in urban parks? What do you think your role is and where is that policy taking us?

Third, feel free to double check back with the staff and please submit for the record the costs to date of all recently established urban parks and estimated remaining acquisition and development needs.

Mr. EVERHARDT. We would be glad to submit that for the record, Mr. Chairman.

[The information follows:]

Potential Additions to National Park System

Attached are the land acquisition costs for potential new areas of the National Park System as well as the cost of proposed additions to existing areas. The costs for development and operation of these areas cannot be determined until after Congress has concluded its consideration of the areas and a general management plan has been completed.

Potential new areas:	
Chattahoochee River NRA	$72,900,000
San Antonio Missions	15,849,000
Jean Lafitte	(1)
Zuni-Cibola	(2)
City of Rocks	1,275,000
Additions to existing areas:	
John Day Fossil Beds	2,600,000
Oregon Caves	106,500
Grant-Khors Ranch	100,000
George Washington Birthplace	3,820,000
Cowpens National Battlefield	552,000
Grand Canyon	1,800,000
Moores Creek NMP	442,000
Harpers Ferry	1,400,000
Cumberland Island NS	18,000,000
Manassas NBP	13,960,000
Redwoods	360,000,000
Mineral King	5,350,000

[1] No cost data available.
[2] No land cost.

Urban Park Policy

The long term role of the National Park Service in urban recreation is presently the object of a major Congressionally mandated study by the Park Service and the Bureau of Outdoor Recreation. The purpose of the study is to examine site specific opportunities in a representative sample of the major urban areas and to suggest a range of alternative strategies by which the areas might be preserved and managed to serve the urban community. The results of that study will be available in late September 1977.

Urban units of the National Park System now managed by the Service are guided by the same general operating policies as all units of the System, except that many special problems of scale and emphasis have required new planning and programming mechanisms to meet urban needs. More systematic and intensive public involvement in park planning is an example.

The National Park Service does not see the urban units of the Park System as separate or distinct from the System as a whole, but rather an extension of the ecological and recreational diversity that already characterizes these important representations of the national patrimony. The System has been made richer and more relevant to modern society by addition of Gateway NRA, Golden Gate NRA, Cuyahoga Valley NRA, and others.

The future is somewhat harder to predict. The so-called 28 City Study done by the Department in 1976 did not suggest a long list of new urban National Park Units. Given requirements for a clear national significance and interest, it seems unlikely the present study (covering 17 major metropolitan regions) will identify large numbers of areas suitable for addition to the National Park System. Some will likely emerge. The study, however, will focus on other roles and means for urban parks and recreation delivery systems, involving new institutional mechanisms, new financing devices, and new forms of intergovernmental coordination. It seems clear the older and more traditional formats have not in the past, and probably cannot in the future, do the needed job, and innovative more cost-effective alternatives must be found.

ALASKA PARK PROPOSALS

Mr. EVERHARDT. I would just like to mention one area we think that is very important with respect to your first question. That is Alaska.

Alaska certainly is coming before the Congress in the very near future with regard to the D-2 lands up there. This is—we feel a certain opportunity to set some parks aside. Set them aside the first time around in the right manner. So that is going to be a very important part of the new areas that are coming into the System.

URBAN PARKS

With respect to urban parks, the last Congress under the Land and Water Conservation Fund Act did require or mandate an urban park study.

Presently, we are cooperating with the Bureau of Outdoor Recreation in assessing urban needs in this country. I think the Congress in establishing three urban parks in New York and San Francisco and Cuyahoga, which is in Ohio, certainly sees the need to have some answers or have some studies made. So we are at this present time participating cooperatively through the BOR with the States and with the local areas that have been identified in trying to find some guidance about urban parks in the future.

I think I would also say that the new administration has certainly said some things about urban parks, about their interest in seeing parks brought to people in urban environments. I guess the question would be just what are the mechanics, the procedures that would be followed. What is the role of the State and local governments and the Federal Government in meeting this mandate?

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

Senator LEAHY. On my way to work in the morning and going home in the evening I see two places. One is the Kennedy Center and one is Union Station. Let me just chat a little bit about them.

This committee is recommending a $4.5 million appropriation to the Park Service for emergency roof reconstruction at the Kennedy Center subject to authorization. If authorized and funded, do you anticipate any difficulty in getting that work accomplished?

Mr. EVERHARDT. No. Sir, we have already begun to proceed. The preliminary engineering work has been done; the engineering analysis. And we have contracted with an architectural/engineering firm to proceed with the preparation of working drawings anticipating this appropriation. So our feeling would be that very quickly or very soon after the appropriation, we would be able to go to contract on the Kennedy Center roof repairs. It is very desparately needed.

Senator LEAHY. I would hope so. The problems continue there. I would hope that would end it. I know that every so often I get notices from people at home who love Washington and love the Kennedy Center, but they say, my gosh, for $4.5 million, just what is being done?

Well, I have personally seen some of the damage that resulted from it. I would just hope if that is what it takes, that is what will end it. We are not going to be coming back again next year and saying that didn't do it and start all over again.

Mr. EVERHARDT. Sir, we would be happy to submit for the record, Mr. Chairman, a cost estimate, our breakdown on the $4.524 million. Some of this is certainly as a result of our engineering analysis of the roof structure itself. It has now led us to do an additional analysis of some of the interior ceilings and plaster.

In revising this estimate and bringing it before Congress just recently, we feel that once the roof repairs are completed that we have got to go back inside and do some interior repairs to the Great Hall. So there are a number of items included in that estimate of that type of work that needs to be done along with the roof repairs.

[The information follows:]

NPS COST ESTIMATE FOR REPAIR OF LEAKS IN JFK CENTER FOR THE PERFORMING ARTS

Detailed Cost Breakdown	OEC	NPS
A. Built-up Roofing		
Symphony (41,000 SF)	$ 104,000	$ 104,000
Opera (49,700 SF)	159,000	159,000
Theater (41,000 SF)	113,000	113,000
Drains, joints, etc.	50,000	50,000
Special hoists and scaffolds	24,000	24,000
	$ 450,000	$ 450,000
Roof canopies - cant strip	$ 24,000	$ 30,000
Membrane and drain work	--	12,000
	$ 24,000	$ 42,000
B. Roof Terrace		
Terrazzo and membrane	$ 740,000	$ 853,000
Terrace lights	95,000	105,000
Drains	6,000	9,000
	$ 841,000	$ 967,000
C. Marble Terrace		
Marble	$ 53,500	$ 68,000
Terrace lights	117,500	120,000
Drains	11,000	16,000
	$ 182,000	$ 204,000
D. Expansion Joints	$ 18,000	$ 18,000
E. Kitchen Floor	$ 93,000	$ 98,000
F. Flagpoles	$ 4,000	$ 6,000
G. Entrance Plaza Drive	$ 470,000	$ 508,000
H. Generator Room	$ 4,000	$ 6,000
I. Grounds Maintenance Room	$ 1,000	$ 2,000
	$2,087,000	$2,300,000

OEC = Olympic Engineering Corporation
NPS = National Park Service

Explanation: The differences between the OEC and NPS estimates are relatively minor and certainly less than might be expected say between two bidders on a project of this nature. National Park Service experience indicates that in some cases slightly higher unit prices may be expected. In other cases NPS contemplates that the scope of the work may have to be increased. For example, experience indicates that all marble removed will have to be replaced because of breakage rather than 50 percent; at the entrance plaza drive it may be necessary to strengthen the steel structural frame to reduce deflection due to moving traffic.

Olympic Engineering Corporation was not asked to evaluate the extent of repairs needed to finishes and equipment inside the building. The National Park Service estimates this work as follows:

Repairs to steel frame and fireproofing concrete	$ 70,000
Electrical gear and interior lights	46,000
Mechanical and plumbing systems	20,000
Marble fascia	50,000
Concert Hall finishes	200,000
Opera House finishes	30,000
Theater finishes	2,000
Grand Foyer finishes	94,000
Hall of Nations finishes	35,000
Hall of States finishes	35,000
Escalator lobbies	52,000
	$634,000

The total NPS construction estimate is:

Correction of basic problems	$2,300,000
Repair of consequential damage	634,000
Construction Total	$2,934,000

To this must be added the cost to the Government to accomplish the work, and an allowance for necessary changes in the work (those conditions which cannot be specifically identified at this time but are normal to this type of work). The allowance for preparation of drawings and specifications, construction supervision, and contingencies and initial studies totals $1,374,640.

The Kennedy Center Trustees had initially estimated that the cost of fiscal control would be $78,000. This amount has now been deleted from the estimate.

We now have the following cost elements:

Construction	$2,934,000
Project planning, project supervision, and contingencies	1,374,640
	$4,308,640

Since we are dealing with a sizeable amount in an area and a period of volatile costs, a 5 percent factor was added for inflation. This gives us a total program budget of $4,524,072. At a House Subcommittee Hearing on Public Buildings and Grounds, Committee on Public Works and Transportation members expressed concern that the estimate was not high enough given the type of work and they did not want the Center to have to return for additional authorization. The estimate was therefore set at $4.7 million.

NATIONAL VISITOR CENTER

Senator LEAHY. I understand. We are recommending in this committee, anyway. It is amazing how sometimes the public will not focus on the $1 billion, but they quickly focus on $5 million.

But there is one area that they focused on, and I think properly so. That is an area where there have been all kinds of finger pointing, anywhere from Congress to contractors to the Interior Department, and so forth. And that is Union Station.

I think that it is a beautiful building. I agree that every effort should be made to save it, especially when I look around the city, and I see some of these buildings that are torn down and some of the stuff that is put up in replacement. It is outrageous. It ranges from the J. Edgar Hoover mausoleum on Pennsylvania Avenue to some of these buildings that look like rejected armories. They probably are.

Not that we have done such a great job here on Capitol Hill. I recall when I was in law school and they were just working—they had just completed the Rayburn Building and I recall a comment being made that it looked like they had taken the plans of the ten ugliest mausoleums in the world and shuffled them all together and built accordingly. I couldn't imagine any mausoleum being that ugly.

But in the National Visitor Center at Union Station, tell me what is going on. Where does current construction stand? What will we have when it is finished? Will it ever be finished? I will be 37 tomorrow and I really would like to see it in my lifetime. Is that going to be possible?

Mr. EVERHARDT. I would certainly hope so, Mr. Chairman.

The National Visitor Center has certainly a long history of strikes and being affected by the rising cost of supplies and materials and certainly an increase in construction activity.

Senator LEAHY. At one point I thought it had been contracted out by the Defense Department.

Mr. EVERHARDT. We think that the National Visitors Center idea is still a very viable one. The construction has halted and there is nothing going on with regard to the northeast ramp. There is no activity that has not been buttoned up. We are doing no further work on the completion of the 1,200-car parking garage.

I would certainly heartily endorse, Mr. Chairman, that no matter what would happen to the National Park Service presence or the Department of Transportation presence at the National Visitor Center, that you should go ahead and complete these two unfinished projects.

PARKING AND TRANSPORTATION FACILITIES—NATIONAL VISITOR CENTER

Senator LEAHY. The Park Service has no additional construction authority, is that right?

Mr. EVERHARDT. That is right. We are out of authority. This is being looked at by the Committee on Public Works and Transportation at this time. I suspect that there will be some hearings in the near future on increasing that authority. Our estimate is somewhere in the neighborhood of $25 million that is going to be needed to complete the parking garage.

Senator LEAHY. $75 million?

Mr. EVERHARDT. $25 million to complete the parking garage and complete the southeast ramp. I think this should be done and then we should take time to see how the idea that was first conceived works out when all of this activity of transportation to the National Visitor Center such as District parking, the tourmobiles, and the buses, becomes the focal point for the visitor to Washington.

After that has been assessed, maybe some of these other concerns that have been expressed by the Department of Transportation concerning the adequacy of planning terminal facilities to meet requirements of a multimodal terminal following. Completion of the northeast railroad corridor improvement project would be clearer and the question of adequacy of space at the rear of the National Visitor Center could be solved at that time.

Senator LEAHY. Let me see if I understand this. You are talking about the parking garage and the ramp. You are talking about $25 million. How much has gone into that ramp and parking garage now?

I recall reading some newspaper articles and I have walked down around there to get some kind of feel for it.

Mr. STURGILL. Sir, our authorization totals $21.6 million of Government appropriations. We have used almost all of that, including the cost of buttoning down, as the Director mentioned.

Senator LEAHY. So it is going to be, to do the ramp and the parking garage, about $50 million.

Mr. STURGILL. That would be the Government's portion. Yes, sir.

This has been a cooperative venture and there have been private moneys involved, too.

Senator LEAHY. What are those figures?

Mr. STURGILL. I would have to provide that for the record.

[The information follows:]

NATIONAL VISITOR CENTER CONSTRUCTION COSTS

The National Visitor Center Facilities Act of 1968, Public Law 90–264, approved March 12, 1968, designated and authorized the use of Union Station as a National Visitor Center and provided that the owners would make alterations to the building and construct a parking facility at a total cost not to exceed $16,000,000.

Construction did not commence until 1973 and this, and further delays, strikes, and inflation, increased the estimated cost to about $73,000,000, or about $25,000,000, over available funds. The original $16,000,000 has been further supplemented by $21,580,000 of congressional authorizations, $9,755,700 of grant funds and additional private funds of $648,000. Overruns related largely to the parking structure and ramps. Visitor facilities within Union Station building has been substantially completed and were opened to the public July 4, 1976.

Senator LEAHY. That is equivalent to the national debts of some countries.

Mr. EVERHARDT. I understand, Mr. Chairman, about an additional $16 million has been spent through the Department of Transportation. The Washington Terminal Authority and other activities that were all worked to mesh in with bringing the National Visitor Center to the point that it is today.

Senator LEAHY. I am just a smalltown boy, but that amounts to real money back home.

Mr. EVERHARDT. Anytime you get over $100, Mr. Chairman, that is a lot of money to me.

FUTURE PLANS—NATIONAL VISITOR CENTER

Senator LEAHY. That is just that part. What about the Visitor Center concept itself? Will the Park Service continue the existing operation? Are the railroads going to move back in? What is going on? What are your plans?

Mr. EVERHARDT. Certainly, Mr. Chairman, there are a lot of people talking on those various points. Our feeling, as I mentioned earlier, is that what the National Park Service would like to see the parking garage completed, the northeast ramp completed, so that the concept of the National Visitor Center would be allowed to function so that people would have access to the terminal. It would be located behind the Visitor Center, much more accessible to the tracks for rail transportation and passenger service would be certainly functional.

Senator LEAHY. How much more would still have to be done, though? I am not debating the need for a parking garage or the need for a ramp. What will we do once we have that? We talked about the Visitor Center concept. You don't mean the Visitor Center just as it presently stands right now?

Mr. EVERHARDT. Yes, sir. I think as it presently stands. This is what I would say. If we can complete those two projects, the ramp and the National Visitor Center, which could be considered as one—we talked about the other—if it works and functions properly. But complete that—then we could assess and see how the visitor uses this facility, how the visitors to Washington use the National Visitor Center. We have never had a very good test of that to this date because without the parking, without the accessibility of public transportations, of the buses and tourmobiles, and we have not seen that concept work yet.

This would be my recommendation, that we complete those two items and see the National Visitor Center work for maybe a year or two and then we would resolve this dilemma or this question that exists between the Department of Transportation and the National Park Service about who is going to have the role? Is the turmoil going to come back into the National Visitor Center? Or is part of the National Visitor Center going to be turned over and operated? Is there any opportunity to do something with some of the other space?

But I think until we have that opportunity to see, according to the design concept, how that operates, I am not sure that we can assess that very well at this time.

Senator LEAHY. But will the Park Service be operating that?

Mr. EVERHARDT. Yes, sir. We feel that the Park Service is there and they can continue that presence until we have assessed this activity.

Senator LEAHY. What would be the conditions—the Department's position?

Mr. EVERHARDT. I am not sure the Department has a position on that, Mr. Chairman. I know there is some discussion of legislation being introduced, but I am not sure that has ever been introduced before the Public Works Committee—either the House or the Senate.

I would suspect that until something like that happens, there would not be a departmental position on it at this time.

Senator LEAHY. But your budgeting is $4.6 million for the Visitors Center in 1978, or rather $6.4 million Do you feel that you need that funding as it is presently working?

Mr. EVERHARDT. Yes, sir. We feel that it would be the necessary budget to take care of our rental obligations on the building, which is about $3.5 million a year—to meet our 25-year lease agreement on the rental of the building.

Certainly to operate the facilities, the kiosk or information, all of the activities of the National Park Service has in the building—that is a minimal facility, a minimal request for budget authority.

VISITOR FACILITIES AND INTERPRETATION

I would like to go back to one question, Mr. Chairman, if I might, just to amplify it a little bit. Your earlier question about if you had this utopia scene, what are some other things that you might do and what might be your emphasis in parks.

I think we talked about taking care of the facilities and we talked about already existing facilities and we discussed historic preservation within the park fabric itself. I think there are a couple of other items that I would just like to emphasize and share with you. That is in land acquisition that we discussed, but it is also with regard to providing facilities, minimal contact, visitor facilities in new and recently authorized parks.

I think that this is necessary, Mr. Chairman, because pressure of visitors to the more popular parks—this last year we had over 265 million recorded visitors to 291 areas in the National Park System.

In many of these new areas we have no facilities. There has been nothing provided since Congress created these parks in the last 10 to 15 years. I think that we do need to begin to relieve some of the pressure.

We can do this by providing minimal facilities so that people can go—close to home in a lot of instances—within an easy day's drive to visit some of these parks, have a rewarding and informative experience. And this would be the last item that I would bring up under that question: that we do need to upgrade our visitor services for the visitors to park areas.

The keyword here is interpretation in our language. We feel that people have got to understand and know about parks. And through interpretation, through contact stations, through exhibits, interpretive devices and so forth, this kind of an awareness is stimulating.

I think that we are making some significant steps and strides with the help of this committee and the Congress in our budget for 1978 to accommodate and correct or improve some of these problems that we have discussed here.

RESOURCE MANAGEMENT

Senator LEAHY. I want to encourage that. My wife and I, and our children—we use the national parks, and have all of the time we have been married and have enjoyed them very much.

You mentioned several different programs in your budget justification. I wish you could tell me about these. The first is the historic resources preservation program of $1.5 million. Then there is the

prototype research and resources management project at the Everglades which is $1.9 million. And then the student conservation program. I want to know how much is budgeted and how would it function? How is the matching support provided? How cost-effective is it?

And then, there is the campsite reservation system. Tell us how this will function and how you will avoid the pitfalls of the previous attempt at campsite reservations. Why do you need 17 man-years and $242,000 for the campsite reservation program since it will be operated by a private firm on a self-sustaining fee basis? What parks are to be served by this reservation system?

If you would like to go down through those questions, one by one, I would appreciate it.

HISTORIC RESOURCES

Mr. EVERHARDT. I would be happy to, Mr. Chairman.

The historic resources preservation program for $1.5 million, Mr. Chairman, follows a trend that we have discussed with this committee in the past. We have been very delighted with the help and the appropriation subcommittee's understanding about this. This is what we classify as sort of a cyclic program, a cyclic maintenance program.

It has been most successful in the past. It is a regionally controlled fund that does not go into the park base of any one individual park, but has the flexibility based on the need to be used in a park this year and then the next year it may serve other park needs within that region.

We have—and I mentioned it to you earlier—a tremendous amount of this country's historic fabric is located within the National Park Service. We have just completed a list of classified structures, which is a very intense investigation and analysis of all of the historic structures of the National Park Service and from this list we are beginning to develop a program of what our needs are to restore these, to stabilize them, to repair them, fix them up so that that historic fabric is not lost.

That is really the meaning of this historic preservation program of $1.5 million. It is in a cyclic historic preservation program. Here again, rather than putting it into the base of a park area, we allow the control to go to the regional areas so that many parks can benefit and take care of some of the historic preservation stabilization needs.

I think the final thing to say about this one point is that these cyclic programs are not recurring kinds of programs that you would want to work into the base and do every year. You would do them under a cyclic maintenance program and maybe reseal a road, but you would not have to do that again maybe for 7 to 10 years, depending on the area.

The same thing, I think, is true of historic preservation or stabilization. Once you stabilize a building through a lesser degree of maintenance, you could maintain that, but you would not have to come back and put bigger dollars into the stabilization.

EVERGLADES NATIONAL PARK

The research program at Everglades is $1.9 million. Everglades, Mr. Chairman, is a unique park in south Florida, probably the life of that park and the life of the wildlife and the life of all of the vegetative patterns that occur in the Everglades stem from the availability of water.

Because of the things that are going on around the park that are influencing things within the park, such as farming, channel openings, and cutting of natural ground water flow patterns, we feel that it is very important to have a research effort at Everglades that we have not been able to duplicate in the past.

We have started this program last year because of the help of the Appropriations Committees at a level and we would like to accelerate that this year at Everglades and to begin to bring into that park scientific research background to begin to collect the basic data to begin to research these projects.

A lot of this would be done with cooperative agreements with universities. The University of Miami is a great school and has a good department of underwater marine life. We would try to set a model in the Everglades for park research because research really gives much of the basis as to what the manager's decisions are going to be on the operations of the park.

I think that Everglades could be a prototype for much other activity that needs to be done in many, many other areas of the National Park System.

STUDENT CONSERVATION CORPS

Now, the Student Conservation Corps—Mr. Chairman, we would like to certainly increase our effort in the student conservation program. We have found that this has been a very popular and a very worthwhile program for not only the National Park Service, but many young people throughout the country.

I think that the ratio of grant or distribution of private funds, as well as public funds, is 75 and 25 percent.

Senator LEAHY. Which is 75 percent?

Mr. EVERHARDT. The public funds—no. I think it is 50–50. I would have to correct that.

Senator LEAHY. Please double check that.

Mr. EVERHARDT. I would like to correct that for the record.

The National Park Service shared one-half of the cost of the Student Conservation Corps. The other one-half is provided by public donations to this program. These are young people, 16 or 18 years old, who come in the parks where we have provided for this activity, they spend about 8 weeks in the summer under a counseling guidance program.

They carry out a lot of conservation work in park areas rehabilitating campgrounds. Rehabilitating land that has been grazed over or taking down fences, doing backcountry rehabilitation-type work where maybe overuse by certain kinds of activities have scarred the countryside. I think that it is a program that is very worthwhile and a very substantive contribution to the National Park Service.

We were hopeful during 1978 to increase the effort to allow more people to participate in this program and by increasing our contribution to the Student Conservation Corps, they are able to receive an additional donation to put somewhere in the neighborhood of 210 students in 25 parks throughout the System for the summer of fiscal year of 1978.

We will be happy to give you a listing of those parks for the record, Mr. Chairman, and the specific funding for each one.

Senator LEAHY. Please do that.

[The information follows:]

RATIO OF PRIVATE FUNDS OR GRANTS TO PUBLIC FUNDS

In 1977, National Park Service changed its matching ratio from the existing one NPS dollar for one SCA dollar to a new ratio of two NPS dollars for one SCA dollar.

1977 total NPS dollars	$230,000
1977 total SCA dollars	115,000
1977 total program	$345,000

By increasing our contribution to the SCA, they are able to receive an additional donation to place approximately 500 students in 34 parks throughout the system for the summer of fiscal year 1977.

By increasing our dollar contribution to $300,000 and SCA increasing their dollars to $150,000, they will be able to receive some 675 students in 44 parks throughout the system in fiscal year 1978.

PARKS PRESENTLY INVOLVED IN SCA PROGRAM

Listed below are park areas that now have a program this fiscal year and will continue with a program in fiscal year 1978:

Great Smoky Mountains NP, Tennessee
Acadia NP, Maine
Arches NP, Utah
Assateague Island NS, Maryland/Virginia
Badlands NM, South Dakota
C. & O. Canal NHP, Maryland
Canyonlands NP, Utah
Cape Cod NS, Massachusetts
Catoctin Mountain Park, Maryland
Cedar Breaks NM, Utah
Chaco Canyon NM, New Mexico
Colonial NHP, Virginia
Glacier NP, Montana
Glen Canyon NRA, Arizona
Grand Canyon NP, Arizona
Hopewell Village NHS, Pennsylvania
Isle Royale NP, Michigan
Manassas NBP, Virginia
Mount Rainier NP, Washington
Natural Bridges NM, Utah
North Cascades NP, Washington
Olympic NP, Washington
Prince William Forest Park, Virginia
Rocky Mountain NP, Colorado
Sawtooth NRA, Idaho
Shenandoah NP, Virginia
Theodore Roosevelt NMP, North Dakota
Tumacacori NM, Arizona
Western Pennsylvania Group, Pennsylvania
Wupatki/Sunset Crater NM, Arizona
Yellowstone NP, Wyoming
Yosemite NP, California
Zion NP, Utah
Bryce Canyon NP, Utah

National Capital Region, D.C.
The above camps will also be funded in fiscal year 1978. The 10 additional camps for fiscal year 1978 have not been selected at this date.
Specific funding for individual camps is not available at this date.

CAMPSITE RESERVATION PROGRAM

Mr. EVERHARDT. The other new program is the campsite reservation system.

Mr. Chairman, I would be less than candid if I did not tell you that we did have problems with the system a couple of years ago. We discontinued the nationwide campground reservation system because of problems.

Our position—and I might add that this is backed by my findings as a superintendent of a park, as assistant superintendent in Yellowstone and a superintendent in the Grand Teton—is that I think the campground reservation idea has acceptance on the part of the park visitor. A visitor who is leaving Washington, for example, in his camper or his vehicle and going to camp in the national parks certainly feels a great deal of satisfaction and has a great deal of fear somewhat removed by knowing that if he gets to Grand Teton on a certain night, he has a campsite waiting there.

So based on our own personal feelings about this and our own personal experience with many thousands of park visitors, we think that the campground reservation system is a good idea. It is not any different than a person leaving here and going to San Francisco and not having a motel reservation.

So our intentions are to move ahead with a campground reservation system for the summer of 1978. This would involve a listing of about 15 to 16 or 17 areas of the system. I am not too certain how many campsites would be involved because we have not come down to that point, Mr. Chairman.

We are presently developing a prospectus to go out and invite bids from the people who have the experience to be able to carry out this kind of a system.

Senator LEAHY. If it is going to be done by a private firm subsequently, what is the quarter of a million dollars needed for?

Mr. STURGILL. The Service would have some small costs in operating the reservation system.

Senator LEAHY. But the rest is going to be on a sustaining fee basis which goes to this private group?

Mr. EVERHARDT. Which would go to the contractor, yes sir.

Through the collection of a user fee for the campground reservation system, he would receive an amount to cover his cost, Mr. Chairman.

Senator LEAHY. Could we have a breakdown as we go along or will you be getting breakdowns from him as to how much he is making with what rate of profit and so forth?

Mr. EVERHARDT. Certainly. We would be most happy to share with you. It is our intention to work very closely with the Congress, because we know of their great interest in this area, before anything is done in this respect.

[The information follows:]

STATUS REPORTS ON CAMPSITE RESERVATION SYSTEM

The National Park Service intends to provide the concerned Congressional committees with periodic reports as to the progress being made during the development and initial operating phases of the campsite reservation system. Until a contractor is selected and has begun operations, there will be no data available as to the profitability of the contractor's reservation services.

Mr. EVERHARDT. We are now, as I say, developing a bid invitation with all of the specifications and the areas listed and how it is going to operate. We will be over the next several months receiving proposals from contractors and will be analyzing those and at the same time discussing them with the appropriate committees here who have an interest in this area.

Senator LEAHY. You may want to supply us, for the record, the names of the campgrounds that will be involved.

Mr. EVERHARDT. We would be happy to do that, sir.

[The information follows:]

Campsite Reservation System

Tentative List of Campgrounds to be Involved in 1978

State	Name of Park	Name of Campground
Arizona	Grand Canyon National Park	Mather
California	Sequoia National Park	Dorst Lodgepole
	Yosemite National Park	Crane Flat Lower Pines Lower River North Pines Upper Pines Upper River Wawona
Colorado	Rocky Mountain National Park	Moraine Park Timber Creek
Florida	Gulf Islands National Seashore	Fort Pickens
Kentucky	Mammoth Cave National Park	Headquarters
Maine	Acadia National Park	Blackwoods
Maryland	Assateague Island National Seashore	North Beach Greenbelt
North Carolina	Cape Hatteras National Seashore	Cape Point Frisco Oregon Inlet Salvo
Oklahoma	Chickasaw National Recreation Area	Buckhorn Rock Point Cold Springs Rock Creek
Tennessee (and North Carolina)	Great Smoky Mountains National Park	Cades Cove Elkmont Smokemont
Virginia	Shenandoah National Park	Big Meadows
Wyoming	Grand Teton National Park	Colter Bay Jenny Lake Signal Mountain
	Yellowstone National Park	Fishing Bridge Grant Village Madison Mammoth

These 36 campgrounds contain close to 7,000 campsites, approximately one-fourth of the total number of campsites managed by the National Park Service

BRIEF RECESS

Senator LEAHY. We will recess briefly. I understand Senator Stevens is going to be coming in. We will just take a break until that time.

[A brief recess was taken.]

NEW POSITIONS

Senator STEVENS [presiding]. My apologies. We will continue the hearing.

I understand that Senator Leahy has gone over a portion of this, Mr. Everhardt.

Mr. EVERHARDT. Yes, sir.

Senator STEVENS. I have come in about the same place I was yesterday with Fish and Wildlife Service. We have pending appropriations to give you 1,000 new positions. Will you be able to fill those during this fiscal year?

Mr. EVERHARDT. Certainly, Mr. Chairman. Every effort will be made to do that.

I would have to share with you, depending on the timeframe of when the supplemental is approved—it is going to take some time to fill these positions. We have to go through the civil service requirements of announcing intake programs. I would not want to lead the committee to believe that we would be 100 percent successful in filling those 1,000 positions between now and October 1. There would certainly be every effort made in that direction.

I would hope that we would be able to report back to you from time to time on what our progress is in trying to meet that requirement.

Senator STEVENS. Are those positions cleared with OMB?

Mr. STURGILL. Sir, we have OMB's approval in President Carter's amended budget to fill those positions. If the supplemental is approved, which we testified on before the committee recently, we have the money and the authority from OMB to fill those positions in fiscal 1977 and the money in fiscal 1978 to fund them in fiscal 1978.

Senator STEVENS. How does the new policy with regard to filling vacancies fit in with your need for 1,000 positions?

Mr. STURGILL. In addition to the controls that are maintained on authorized positions, the Office of Management and Budget issues each year to the departments and bureaus an end-of-year employment ceiling. They are in agreement that we can, during the year, fill any position that Congress has authorized, but they recognize that there is a normal lapse. They calculate a normal lapse and then assign us an employment ceiling that would be in effect for fiscal 1977, on September 30. And they expect us to be at that number on September 30.

So the National Park Service has found that we are able to operate within the authorized positions provided by the Congress and we can live with the employment ceilings that are authorized by the administration because it does—the main thing that it does is that it reflects a normal lapse of about 8 percent.

OMB LIMITATIONS ON HIRING

Senator STEVENS. Is there an exemption for the Park Service from the vacancy order?

Mr. EVERHARDT. Not at this time, Mr. Chairman.

Senator STEVENS. What good is it going to do to give you 1,000 new positions if you can't fill your old ones?

Mr. EVERHARDT. We have an appeal, Mr. Chairman, hoping that there will be a release from that requirement to the National Park Service.

Senator STEVENS. I am told here that your park management operating account shows only 789 new positions. We have received a paper as a result of questions that were asked during the supplemental hearing from you and we will put it in the record at this point.

[The information follows:]

SUMMARY OF NPS
PERMANENT POSITIONS

		FY 77	Increase	FY 78
1. Ford				
Auth. Positions:	L&WCF	277	35	312
	Other	8,743	789	9,532
	Total NPS	9,020	824	9,844
End-year employment:	L&WCF	254	32	286
	Other	7,990	781	8,771
	Total NPS	8,244	813	9,057
2. Carter Amendment				
Auth. Positions:	L&WCF	312	-0-	312
	Other	9,532	-0-	9,532
	Total NPS	9,844	-0-	9,844
End-year employment:	L&WCF	286	-0-	286
	Other	8,771	-0-	8,771
	Total NPS	9,057	-0-	9,057

The above amounts for permanent positions (9,844) and year-end employment (9,057) for NPS are shown for FY 1978 on page NP 174 of the NPS Budget Justifications. The Carter amendment would allow for employment in FY 1977 of all of the new positions in the Land Heritage Program, and would result in no increased positions in FY 1978 for the National Park Service.

If the Congress disapproves the FY 1977 Supplemental Request, the NPS increases for FY 1978 are as presently shown in the Budget Justifications, as follows:

Permanent Positions:	
ONPS	789
L&WCF	35
Total	824
Lapse	-11
	813

Year-end employment

Advance hiring authority granted for FY 1977	+187
TOTAL Land Heritage Program	1,000

There are 277 positions authorized for FY 1977 under the Land and Water Conservation Fund Program for the National Park Service. An additional 35 positions are requested in the supplemental budget request for FY 1977. Personnel Costs and related expenses are paid out of funds appropriated to the National Park Service from the Land and Water Conservation Fund. None of these costs are paid from ONPS. These positions are chargeable against National Park Service Ceilings.

RECONCILIATION BETWEEN FY 77 and 78

The NPS Fiscal 1978 Budget Justifications for ONPS funds, page NP 76, list the number of permanent positions in the 1977 column at 7,767 in the 1978 column at 8,713. This indicates an increase of 946 permanent positions in ONPS. The actual increase requested for ONPS is 789 as reflected on page 13. The difference (157) in the two figures is a result of appropriation changes effective in Fiscal 1978, as follows:

Fiscal 1977 permanent positions		7,767
Add from P&C appropriation activities transferred to ONPS in Fiscal 1978:		
Park, Recreation and Wilderness Planning	98	
Cooperative Programs	59	157
Increase requested		789
Fiscal 1978 Permanent Positions		8,713

BREAKOUT BY FUNCTION OF ONPS FUNDING
IN FY 1978 FOR BICENTENNIAL LAND HERITAGE PROGRAM

	BLHP Increase	Other Increase	Total Increase
Management of Park Areas (NP 14)	$2,600,000	822,400	$3,422,400
Interpretive Services (NP 17)	1,820,000	829,300	2,649,300
Visitor Protection and Safety (NP 19)	2,470,000	1,407,300	3,877,300
Maintenance (NP 20)	4,940,000	6,761,400	11,701,400
Resources Management (NP 22)	1,170,000	4,096,600	5,266,600
Employee Compensation (NP 25)	-0-	560,000	560,000
GSA Space Rental (NP 25)	-0-	283,000	283,000
TOTAL	$13,000,000	14,760,000	$27,760,000

83-107 (Pt. 4) O - 77 - 31

POSITIONS ADVANCED BY OMB

Senator STEVENS. The paper says that the Park Service was given an advance hiring authority for 1977. What does that mean?

Mr. EVERHARDT. OMB advanced to us, Mr. Chairman, in 1977—what was that figure?

Mr. STURGILL. 187.

Mr. EVERHARDT. 187 positions. These figures take into consideration the lapse that we were discussing earlier. It is well within the authorized full-time, permanent positions as given by the Congress in the 1977 fiscal year.

Senator STEVENS. How did you fund those? They weren't budgeted.

Mr. EVERHARDT. I am not sure that they have even been filled yet.

Mr. STURGILL. Sir, could I answer that question? The 187 positions would be financed from funds that are already available to the National Park Service, but I would like to remind the committee that we are still operating within the total permanent positions that they authorized us. The 187 represents an increase in this employment ceiling that I referred to previously.

So the 187 is an increase in the employment ceiling. It is not an increase over and above the permanent positions that have been previously authorized by the committee. We believe that we will have the funds. We have authorized our parks to fill those positions. Certainly we believe that we will have the money to pay them.

OBJECT CLASSIFICATION BREAKOUT

Senator STEVENS. Well, you hired 187 more people than Congress approved funding for.

Mr. STURGILL. No, sir. This is still within the funding that has been appropriated and positions approved by the Congress.

Senator STEVENS. But not for personnel compensation.

As I understand it, you are taking $18.5 million out of other services.

Mr. STURGILL. That $18 million is the difference in the breakout of the object classification in the fiscal 1978 budget. That represents, in the main, a point-in-time problem that we had because the object classification estimates for the fiscal 1977 original budget were made in September 1975.

The object classification breakout for the fiscal 1977 column of the 1978 budget was made in September 1976. At the time that we did that object classification breakout we had not received the increased employment authorization from the Office of Management and Budget. So we calculated that object classification estimate based on a lower employment ceiling, but still operating within the total permanent positions authorized by the Congress.

So we are talking about there——

Senator STEVENS. There is a question about what is authorized and what is funded. Last year we funded 187 less people than you are going to have onboard. OMB in its benevolence gave you 187 positions. So you are really reprograming money without asking us.

Mr. EVERHARDT. It seems to me, Mr. Chairman, that the Congress has authorized and funded 9,021 positions. At the end of this year

we will have 8,245 permanent, full-time positions onboard, counting the 187. So you have authorized and funded 9,000 and because of the end-of-the year ceilings that are imposed, we are not able to come up to that number of authorized full-time funded positions.

So I don't see that we are in conflict with any terms that the Congress has authorized because of limitations on the end-of-the-year employment. We were never able to reach that number anyway.

Senator STEVENS. The question is whether we can rely on the budget that is before us now. If you are going to be able to take $18.5 million out of object classification 25 and move it up to 11, because OMB gives you more positions, then why should we put $40 million into other services, which is your request for 1978, in that area? You just dipped into that pot we felt was going to be for contracts and you paid permanent people from it.

Mr. STURGILL. Mr. Chairman, I would like to discuss the procedure for the object class versus the line items. The object classification breakdown is mainly done—calculations are made on the basis of past experience, plus our best estimate of what our future needs will be by object classification.

But our bureau, and I believe the other bureaus in Interior and other Government bureaus, prepared their budget estimates on line items and on a program basis, rather than the object classification breakouts. So that we have not felt constrained by object class as long as it is within reason and as long as we were making our best estimates.

We haven't felt that the object classifications represented a constraint on bureaus. For instance, we are discussing contractual services versus personal services. We have found that in parks if we have the employees, the permanent employees or seasonal, it often is less expensive for us to do the services in-house.

REPROGRAMING

Senator STEVENS. I don't disagree with that. The problem is that we ought to be consulted. Let me tell you how sensitive other agencies are about this.

The Army came in the other day with a reprograming in the same object classification. The difference was they wanted to spend some of the money that we had provided for personnel on permanent basis in the National Guard. It was exactly the same item, but they brought a reprograming into our committee.

What you have done is you have taken money from one object classification, contracting, and moved it into personnel without any consultation with us. If you do that, you are going to find that the object classifications are areas where we are going to control in the future.

My colleagues in the Congress will say to me, what do you mean they need more money; look what they did. They took $18.5 million out of the $40 million. Why do they need that $40 million this year?

If you can make those object classifications just tentative, then why should we worry about it as we go to conference? And we have worried about them in the past. We have sweated over them

for you under travel accounts and other things. Why didn't you take it out of travel rather than contracting out?

Mr. STURGILL. The travel amount was extremely lean. We have been pressuring on travel savings in the National Park Service for the past 2 or 3 years, so we have that level, that estimate, at a very minimal level. Travel is something that we believe we should keep a careful watch over. So we did not have the flexibility to reduce travel any more than we have.

I would like to say this: that my office has been responsible for reprograming and I have been personally involved in this in the past 7 years. We certainly appreciate the fine help and cooperation we have received from the committee, and the National Park Service wants to keep faith with the committee in every possible way. We have been submitting reprograming proposals in accordance with our understanding of the reprograming procedures. I have not understood that we have needed to clear object class transfers with the committee, but I do understand that any redirection of a program which this committee has approved, any significant and substantial redirection of funds provided for a program or a line item in this budget should not be redirected for some new program or new line item without first clearing it with this committee.

So we felt that this money that we are using under the object classes 11 and 12 for personnel services is consistent with the direction by this committee for the programs to be carried out by the National Park Service.

BUDGETED EMPLOYMENT LEVELS

Senator STEVENS. You show an increase of $16.3 million in personnel compensation for 755 positions. What period is that budgeted for?

Mr. STURGILL. The $20 million is the 1977 column of the 1978 budget? Yes, sir. That is the 1977 column so that represents our best estimate now of what our expenditures will be in fiscal 1977 in these various object classifications.

Senator STEVENS. Yes. But we funded 555 last year, not 755.

Mr. STURGILL. The 755 refers to employment ceilings, rather than authorized positions. In other words, in this repricing out of the object classification schedule, we will be allowed to employ this many more people.

Senator STEVENS. How can you employ that many more people and we only funded 555 new positions? Can OMB rewrite the appropriations bill?

Mr. STURGILL. No, sir.

Senator STEVENS. Why didn't you come back to us and ask us if that was agreeable?

Mr. STURGILL. We thought we were operating within the parameters of the program you authorized us to carry out and within the parameters of the reprograming procedures that we are following.

Senator STEVENS. The new level was a conference item that we argued for. We got you 500 new positions and suddenly we find out that you have decided, or OMB has decided, we gave you 755.

Mr. STURGILL. As I mentioned, the 755 represents a higher level of employment. We should think of it in terms of man-years rather than positions. A position is a slot that we authorize to the parks. The number of people to be employed in those positions is what comes into account here.

So this priceout of this object classification represents a higher level of individuals to be employed.

Senator STEVENS. What you are doing is confusing compensation and positions. We approved a funding level for compensation; right?

Mr. STURGILL. We understand that you approved a funding level for programs. We haven't understood that you approved a program level for any one of these object classifications that represented a ceiling to us.

Senator STEVENS. We identified additional compensation for 500 new positions.

Mr. STURGILL. That 555 new positions are reflected in this increase because OMB authorized us an increased employment ceiling consistent with your increased authorization of positions. This partially accounts for the increased level in this object class.

Your action is reflected in this. It is a part of it.

Senator STEVENS. Why don't you give us a statement, assuming that 1,000 requested positions have been approved in the supplemental on how much of the funding is budgeted for annualizing the positions in 1978 and tell us how that figure was developed.

It looks as though you have calculated 789 new positions for 1978 on the basis that there is an 11-position hiring lapse and that you are reducing your permanent positions on the basis of the hiring lapse. I think we will have to discuss with the other committee what we are doing. I don't see any reason to go into conference to argue about whether you get 500 or 700 or 1,000 new positions and suddenly find out that you have really hired 755 when we compromised on 500.

Mr. STURGILL. We will be happy to provide that for the record.

[The information follows:]

ANNUALIZATION OF 1,000 PERMANENT POSITIONS

The fiscal 1977 Budget Supplemental includes 1,000 permanent positions and $13 million for funding them. The 1977 column of our 1978 Budget Justification does not include the $13 million for these positions. However, it is reflected as an increase for 1978 to annualize the cost. The $13 million figure was developed based on salary costs for each position.

CHANGES IN OBJECT CLASSIFICATION

Senator STEVENS. What did you drop in order to move some $19 million—other services, contracting equipment or what?

Mr. STURGILL. Primarily, sir, the main change is in other services.

Senator STEVENS. What have you deleted that we thought we were giving you money to buy?

Mr. STURGILL. The best I can determine—we are accomplishing the very same programs. It is just that since we have been able to authorize the increased employment level in the parks, rather than do work contractually, they will be able to use Government employees and do this work less expensively than it would have been required to do it by contract.

That will be the major explanation. So we really haven't dropped programs. We are just doing them in-house rather than contractually.

Senator STEVENS. Then have you annualized your reduction in that object classification in your 1978 budget?

Mr. STURGILL. The fiscal 1978 budget does reflect the best, newest estimate based on our most recent experience. As I mentioned, our budgets are not put together——

Senator STEVENS. What is it going to be for object class 25 in 1978?

Mr. STURGILL. Sir, in fiscal 1978 the National Park Service estimate for object class 25 is $36,264,000.

Senator STEVENS. Last year it was estimated at $40 million; but you reduced that to $22 million; is that right?

Mr. STURGILL. Yes, sir. The Service has a lot of new programs in fiscal 1978 that would account for some substantial increase in other services.

Senator STEVENS. When you need money for personnel compensation you move it out of that one. Now you are saying you need more money in 1978, although you hit that one hard when you needed it for other purposes. You knocked $19 million off it. Now you want to put it back up to $36 million again.

Mr. STURGILL. I think that the confusion, sir, concerns the use and meaningfulness of the object classification breakout in the Park Service. As far as I know, the other bureaus of Interior and elsewhere in the Government, we don't really manage by object class. This is a breakout of the type of expenditure. It is not a program breakout.

We are not managing by this. We are reporting costs by the object classification breakout and we use this experience to make our best estimate of what the object classification breakdown is in the budget year. But we have not felt constrained nor otherwise directed to manage within these object classification breakdowns.

FUNDING FOR AUTHORIZED POSITIONS

Senator STEVENS. Then why do we argue about the positions? Why do we even talk about the new positions of your program budgeting—why would we have any conference committee or committee consideration of position levels?

Mr. STURGILL. Because—positions, that is something that has been historically of concern to the committee and the number of positions is a specific authorization by the Congress for the bureau. This bureau maintains a specific control system in my office that assures that we do not exceed the positions authorized by this committee.

Senator STEVENS. We give you a funding level for compensation based upon your estimate of how many positions you can hire for that amount. As of this time you have a request, for instance, for compensation of $201 million.

Mr. STURGILL. We believe that that $201 million is adequate to cover full funding of the 1,000 new positions that would be provided in the land heritage program supplemental. Incidentally, part of the reason——

Senator STEVENS. There are only 789 now because you have already hired——

Mr. STURGILL. We are in the process of hiring the——

Senator STEVENS. What you have really done is anticipated 1,000 positions and OMB has said, go ahead and hire them and find the money somewhere. But you didn't let us know. What are we going to do if we fund 1,000 and you decide you need 2,000?

Mr. STURGILL. Sir, we will not go over and above the positions authorized by this committee. We will not have an employment level that exceeds the positions authorized by this committee. The authorized positions are reflected in our budget.

Senator STEVENS. Why don't you stay within the level of spending for compensation that is authorized by this committee?

Mr. STURGILL. We haven't understood that this was a constraint. If we do work out——

TRAVEL CONTROLS

Senator STEVENS. What about travel? Is that a constraint when we put a limit on it? You did, as a matter of fact, spend a quarter of a million dollars more than we gave you for travel.

I don't know what good it does us. Frank, you ought to be in on this. What good does it do us?

Mr. WILES. Mr. Chairman, I guess that from the standpoint of reprograming this started back in 1952 when we consolidated appropriations. We took a whole lot of appropriations and put them into one. The understanding that we had at that time was that if we would move between activities, like from education to welfare, then we come into programing. I don't think we ever understood that the committee expected a reprograming if we changed object class. There may be a misunderstanding or we didn't ever understand that, Mr. Chairman.

Senator STEVENS. After the fight we had last year in trying to get you a little bit more money for travel, it appears that you reprogramed over a quarter of a million dollars for travel on your own notion.

Where did you get that money from, by the way?

Mr. STURGILL. Sir, I will need to research that. This has been a difficult year on keeping numbers straight in the Park Service for two reasons.

One is the land heritage program and the way that it has been handled. The other thing is we have an appropriation transfer in our budget for fiscal 1978 where there are a number of line items that were programed and funded out of "Construction" in fiscal 1977 that are reflected in "Operation of the National Park System" in fiscal 1978.

It is possible that this increase you see is merely an appropriation transfer. I will have to check that.

Senator STEVENS. I think we are going to have to have a meeting with the committee on the other side. I don't see any reason to spend the time arguing over details of whether you should have a little bit more money for travel or a little bit less or whether your personnel compensation should go up to reflect the possibility of hiring 500, or 800, or 750, whatever it is. We argue about that at the funding level and it turns out that it doesn't mean a thing.

Mr. STURGILL. No, sir. We appreciate your efforts in our behalf for that increased employment level.

Senator STEVENS. You get a lot more money by internal reprograming than I was able to get you by arguing for 2 hours with my colleagues in the House. What does the ceiling mean to you in terms of travel? Don't you find some way to tell the bureaus that they have got a spending limitation? Your office has a spending limitation on travel.

Mr. STURGILL. On travel we have understood this—this has been our mode of operations, that it is not a ceiling. It is a target. The new target for travel of $5,644,000 in my opinion is reasonably close to the adjusted figure of $5,350,000.

As I mentioned previously, the Park Service——

Senator STEVENS. Don't tell me. I have been down there. You have got to be a little bit more precise than that.

What do you think that this committee would have done during the election last year when we put a limit on secretarial travel, if they just said, transfer to us some of your personnel compensation money. We want to go out and campaign a little bit more. We put limitations on this for a reason.

Mr. STURGILL. When we do get a specific limitation from the committee, we establish—my office establishes a control ceiling. We issue that. We break that down by parks and regions and we live within that ceiling.

In other words, when we get a ceiling assigned where there is a specific limitation directed by Congress, we live within that. We are not operating under such a specific limitation in fiscal 1977. We are scrutinizing our travel carefully. We are holding it to the minimum. But we are not operating under a specific legislative ceiling.

Senator STEVENS. What work did you drop under contracting and equipment, specifically?

Mr. EVERHARDT. No specific items of contracting or equipment acquisitions will be dropped as a result of changes in the object classification for 1977. Object classification figures represent our best estimates based on experience levels rather than being based on specific work programs. Therefore, these figures must be adjusted at the various stages of the budget cycle. For example, the 1977 estimates as shown in the 1978 budget were revised based on actual experience figures for 1977 plus adjustments for other factors where an impact on object classification could be projected.

BICENTENNIAL LAND HERITAGE

Senator STEVENS. All right. Let's talk about programs then.

Page 3 of the justification breaks down the increases for operations between the "Bicentennial land heritage program" and "Other". How do you make that distinction since it is all the program increase? What is the distinction between Bicentennial programing and other?

Mr. EVERHARDT. Is that on page 3, Mr. Chairman?

Mr. STURGILL. That, I think is a special paper that you asked should be provided that was not part of the original justification.

Senator STEVENS. What does that "other" increase mean? That is what we want to know.

Mr. STURGILL. In terms of the program—the Bicentennial land heritage program—we were authorized a supplemental in fiscal 1977

and in fiscal 1978, an increase of $13 million. What we did for the convenience of the committee was just to break out separately the Bicentennial increases from the other increases requested in 1978.

Senator STEVENS. That is all other programing increases compared to the Bicentennial program?

Mr. STURGILL. Yes, sir.

MAINTENANCE INCREASE

Senator STEVENS. Your biggest single increase under operations—$11.7 million—is for maintenance, and I expect the committee would agree with that emphasis. You have identified the new areas that will benefit from the $2.2 million of the increase. Please tell us where the balance will go, by park unit.

Mr. EVERHARDT. Yes, sir. We are directing some $4 million for cyclic maintenance of roads, buildings, and historic structures. The new area amount will also increase some since maintenance is included in the $13 million for Bicentennial land heritage which had not been distributed when the budget justifications were prepared. We now have the information and will be happy to provide a park-by-park listing for the record.

[The information follows:]

MID-ATLANTIC REGION

Appomatox Court House NHP	$ 14,100
Assateague Island NS	14,000
Colonial NHP	78,200
Delaware Water Gap NRA	61,400
Fort McHenry NM	51,200
Fort Necessity NB	27,300
Fredericksburg Spotsylvania NMP	19,900
Gettysburg NMP	143,300
Hopewell Village NHS	23,800
Independence NHP	95,200
Johnstown Flood NMem.	13,600
Petersburg NB	12,700
Richmond NB	12,000
Shenandoah NP	135,800
Valley Forge NHP	1,197,000
Subtotal, Mid-Atlantic Region	$ 1,899,500

MIDWEST REGION

Agate Fossil Beds NM	$ 12,600
Apostle Island NL	59,000
Cuyahoga Valley NRA	195,000
Fort Larned NHS	15,800
George Rogers Clark NHP	13,900
Indiana Dunes NL	59,900
Lincoln Home NHS	16,500
Ozark NSR	40,500
Perry's Victory NMem.	6,300
Picture Rocks NL	14,000
Saint Croix NSR	20,000
Sleeping Bear Dunes NL	107,500
Voyageurs NP	15,000
Subtotal, Midwest Region	$ 576,000

NORTH ATLANTIC REGION

Adams NHS	$ 9,500
Boston NHP	361,700
Edison NHS	37,400
Federal Hall NMem.	24,300
Gateway NRA	217,900
Hamilton Grange NMem.	12,200
Minute Man NHP	7,800
Morristown NHP	28,800
Roger Williams NMem.	11,100
Statue of Liberty NM	15,500
Subtotal, North Atlantic Region	$ 726,200

PACIFIC NORTHWEST REGION

Crater Lake NP	$ 16,700
Klondike Gold Rush NHP	146,000
Mount Rainier NP	17,200
North Cascades NP	73,400
Olympic NP	83,100
Subtotal, Pacific Northwest Region	$ 336,400

ROCKY MOUNTAIN REGION

Badlands NM	$ 2,100
Bent's Old Fort NHS	14,800
Canyonlands NP	23,300
Capitol Reef NP	17,700
Colorado NM	14,800
Curecanti RA	34,800
Dinosaur NM	32,200
Glacier NP	50,600
Golden Spike NHS	16,600
Grant-Kohrs Ranch NHS	12,300
John D. Rockefeller Parkway	16,000
Mesa Verde NP	48,000
Rocky Mountain NP	26,600
Shadow Mountain RA	16,000
Yellowstone NP	86,100
Subtotal, Rocky Mountain Region	$ 411,900

SOUTHEAST REGION

Big Cypress NPres.	$ 36,000
Blue Ridge Parkway	51,600
Canaveral NS	158,400
Cape Hatteras NS	21,200
Cape Lookout NS	14,500
Castillo de San Marcos	22,800
Christiansted NHS	21,300
Cowpens NB	45,200
Cumberland Island NS	65,500
Everglades NP	11,000
Fort Caroline NMem.	15,200
Great Smoky Mountains NP	15,000
Gulf Island NS	43,500
Natchez Trace Parkway	29,600
Ninety Six NHS	54,000
San Juan NHS	83,000
Tuskegee Institute NHS	12,000
Virgin Islands NP	13,000
Subtotal, Southeast Region	$ 712,800

SOUTHWEST REGION

Bandelier NM	$ 32,700
Big Bend NP	16,000
Big Thicket NPres	112,000
Chaco Canyon NM	14,000
Chamizal NMem.	27,300
Gran Quivira NM	5,300
Guadalupe Mountains NP	42,300
Hot Springs NP	15,500
Lyndon B. Johnson NHS	53,000
Subtotal, Southwest Region	$ 318,100

WESTERN REGION

Cabrillo NM	$ 24,800
Casa Grande NM	2,200
Channel Islands NM	31,400
Chiricahua NM	29,600
City of Refuge NHP	20,500
Death Valley NM	86,000
Golden Gate NRA	1,094,300
Grand Canyon NP	32,900
Hawaii Volcanoes NP	13,200
John Muir NM	2,800
Joshua Tree NP	123,400
Lake Mead NRA	16,000
Lassen Volcanic NP	40,900
Lehman Caves NM	11,200
Petrified Forest NP	25,000
Pinnacles NM	36,100
Point Reyes NS	83,800
Sequoia NP	15,700
Tonto NM	13,800
Tumacacori NM	15,000
Walnut Canyon NM	15,000
Western Archeological Center	12,700
Whiskeytown NRA	17,400
Yosemite NP	84,500
Subtotal, Western Region	$ 1,848,200

NATIONAL CAPITAL REGION

Antietam NBS	$ 45,500
C&O Canal NHP	166,700
Catoctin Mountain Park	16,900
Clara Barton NHS	17,100
George Washington Memorial Parkway	123,800
Greenbelt Park	24,900
National Visitor Center	34,100
NCP-East	224,100
Prince William Forest Park	51,900
Wolf Trap Park	34,400
Subtotal, National Capital Region	$ 739,400
Total, Parks	$ 7,568,500

CYCLIC MAINTENANCE

Rocky Mountain Region	$ 888,900
Mid-Atlantic Region	500,000
Midwest Region	201,100
Southeast Region	1,429,500
Southwest Region	335,600
Pacific Northwest Region	777,800
Total, Cyclic Maintenance	$ 4,132,900
GRAND TOTAL	$11,701,400

MAINTENANCE PERSONNEL

Senator STEVENS. Since you are budgeting 300 new positions into maintenance, are you reducing the amount of contracted services?

Mr. EVERHARDT. We are requesting new positions—and these are part of the Bicentennial land heritage program—to perform maintenance that is not now being accomplished or being accomplished at below acceptable standards.

NEW UNIT COSTS

Senator STEVENS. OK. Now, we are funding in the supplemental startup costs for Valley Forge, Golden Gate and Klondike units, as well as $800,000 for fire suppression. If that goes through, will it reduce your 1978 requirements?

Mr. EVERHARDT. No, sir. The 1978 requirements were based on a full year funding. The supplemental would only carry us to October 1 of this year.

Senator STEVENS. We anticipated 1978. We put them in in 1977.

What we need to know is what happens in 1978 when we start these up a year in advance. Have you calculated that?

Mr. STURGILL. If I understand your question, sir, you are referring to the money to pay people that is reflected in the fiscal 1977 supplemental for Valley Forge and other new park areas. It is in 1977 in the repricing area where we now have included the money to pay people—we then carry forward our request for an increase in fiscal 1978 for these areas.

My problem is that we have not had an opportunity to fully price out the other costs and I couldn't say now that fiscal 1978 estimate includes enough money for the full operation of Valley Forge, Golden Gate expansion, and other areas, so that we may be short.

Senator STEVENS. We funded those and we funded the fire suppression on the basis of need which came out in the supplemental appropriation hearing record.

So before we go to conference, we would like to have the justification, particularly the fire suppression funding. And we would like you to give us a statement on what impact the startup costs for Valley Forge, Golden Gate, and Klondike will have with regard to the 1978 budget before us.

In the 1978 programing increases, you have $27.7 million for new areas. How much of the $27.7 is for new areas in the Park System?

Mr. EVERHARDT. The $27.7 million, Mr. Chairman, is an increase in what we call operations of the National Park Service—park management. And we have included in the 1978 budget, Valley Forge, Klondike, Ninety Six, and Congaree——

Senator STEVENS. Just for the record.

Mr. EVERHARDT. Only those areas that have already been established.

Senator STEVENS. For the record will you break out the increases for new areas in terms of dollars and personnel so that we can see if any part of that is reduced and what impact it would have on the new areas?

Mr. EVERHARDT. We will be happy to do that, Mr. Chairman.

[The information follows:]

FISCAL 1978 NEW AREA INCREASES

The Operation of the National Park System appropriation includes a $27,760,000 increase for the Park Management activity. Of this amount, $2,606,000 is earmarked for the following new areas which will be adequate except for the Golden Gate expansion. We now estimate that a further increase of $3,109,100 will be needed for Golden Gate because of the expansion which occurred after the budget was submitted.

Park	Amount	Positions
Congaree Swamp NM	$144,000	7
Klondike Gold Rush NHP	406,000	8
Ninety Six NHS	100,000	3
Valley Forge NHP	1,956,000	63
Total	2,606,000	81

The amount indicated in the Supplemental for fire suppression represents only the deficit estimated to accrue in fiscal 1977. The estimate is based on a comparison of availability versus expenditures through January and anticipated costs based on a 4-year average for the remaining months.

NEW NATIONAL PARKS IN ALASKA

Senator STEVENS. Last year I talked about the 5-year plan for national parks in Alaska. Has that been developed yet?

Mr. EVERHARDT. Yes, sir, Mr. Chairman. We have our people working on some requirements as to how, when Congress moves on creation of parks in Alaska, we can begin to move into an operational posture in Alaska with respect to each of these park proposals. Our people have been working in the Alaska area office and we do have a 5-year projection depending on the actions of Congress with respect to the new areas.

Senator STEVENS. I think some of their reaction, at least from the Alaska delegation, depends to a certain extent on what the plans are for making them true parks. Will we have access to the development plans in these areas?

Mr. EVERHARDT. I certainly would think so, Mr. Chairman. Our policy is to develop a general management plan for an area when it is authorized by the Congress of the United States for full public involvement and the full involvement of the people who are surrounding the park with the State and any others who are interested to involve themselves. So I see when the time comes for us to move from a planning new area concept in Alaska to an operational mode that we would be ready to move with full public involvement in that area.

Senator STEVENS. When we deal with things like the seashores or other areas you come before Congress with a proposal for a new area showing the development plan, where the roads are going to be, and where the visitor accommodations are going to be. I have not seen that for these areas for Alaska.

Mr. EVERHARDT. What the trend has been, Mr. Chairman, in recent years, with the authorizing committees, is to not go into that in great detail at the new area stage. In the recent authorizations, we are to come back within a given time frame, maybe 1 year, maybe 2 years, and to have the details of those kinds of plans developed at that time.

PLANNING ALASKA PARKS

Senator STEVENS. We had in testimony in Alaska that the new park areas proposed in the 17(d)(2) recommendations were just wilderness and in a holding pattern. There was no plan at all for the development of visitor accommodations, or roads, or airports, or trails, or anything of that nature that you would find in the parks in the south 48.

How do we get the information to determine whether that is true unless you show us the plan for development of these national parks?

Mr. EVERHARDT. We have some ideas, Mr. Chairman, but we have not reduced those kinds of things to drawings or detailed design drawings. We would be happy to submit with you, or provide you with the best estimate of our people with respect to operations and development and land acquisition and man-years of employment by year for each one of these proposed areas in Alaska.

Senator STEVENS. I would like to be assured that they are going to be national parks that people can go to and will not be wilderness areas. We have supported a portion of these requests for this year.

Mr. EVERHARDT. We are certainly aware of that, Mr. Chairman, and we appreciate that. As I say, it has not been our modus operandi of developing those kinds of details at this particular stage of all of the developments of each individual use. The concept of where trails would go, what people would do and how they would do it, our basic effort up to this time has been to assess each of the properties to try to collect certain basic resource data to learn more about the vegetation patterns, the wildlife, climatic conditions, to study the socioeconomic effects in a surrounding community and within the park, this kind of thing, leading up to a designation. And then from that—I think it would be somewhat presumptuous on our part as to what Congress might do as to how under different categories of use that these parks would be developed. All the development concept plans and general management plans would be developed from the standpoint after the park has been created.

VISITOR ACCESS AND SERVICE FACILITIES—ALASKA

Senator STEVENS. If you plan to acquire even 100,000 acres in any other State for a park we would know where there is going to be a visitors center and how you are going to get into it, if there is going to be an airport and if there are going to be any accommodations allowed in the park. I just can't conceive in any other State that you would be able to do this without telling the congressional delegation those details. But you want 40 million acres of my State. Forty million acres—and we have yet to see a plan for the location of one visitors center.

Mr. EVERHARDT. I think in recent years, Mr. Chairman, that has not been the case. We have developed new area studies, that kind of detail. We would be happy to share some recent ones with you.

The Congress, in setting aside Congaree last year, said, Park Service go back; in 2 years come back to us and give us the development area concept plans. Give us the final boundary adjustments that you want. We are going to give you 3 years to go down there and do this, and do this with full public involvement, with the public involving

themselves and participating in the development of what is going to be the use, what are the patterns you use, where are the visitor centers going to be located, how are the trails going to be constructed, what is going to be the interpretive prospectus.

Senator STEVENS. But we don't have the commitment even to do that. We don't have any commitment from the Park Service in this proposal that I see.

Mr. EVERHARDT. I would think it would be based on how Congress acts with respect to the D–2 properties in Alaska. That would be the way we would begin to employ and take people into Alaska to do that kind of work. We have not signed in most of our new area plans if there is going to be a specific location of a visitor center, how it is going to look, and what is going to be the esthetic conditions, how the people are going to use it, what are going to be the interpretive scheme.

ACCESS TO GATES OF THE ARCTIC

Senator STEVENS. Do you know in the Gates of the Arctic you have to have a twin engine floatplane to get in?

Mr. EVERHARDT. Yes, I was there a couple of summers ago.

Senator STEVENS. How do you expect the public to rent a twin-engine floatplane to see a national park? Haven't you given some consideration to access if you are going to call it a park?

Mr. EVERHARDT. We are going to have to use the access that is available to us to get these people into the parks.

Senator STEVENS. There is no access. That is what we are saying. There is no access to that area. We can't expect John Q. Citizen to go in there by floatplane. You are going to have to tell us what kind of access there will be if it is going to be a park. If it is going to be a wilderness area, why don't you just say so?

Mr. EVERHARDT. I don't think we have said that, Mr. Chairman.

Senator STEVENS. No, but that is what your detractors are saying, that it is a wilderness area. We have supported the Gates of the Arctic. The Alaskan delegation supported the Gates of the Arctic, but on the condition that it is a park, and it is going to be treated like a park. John Q. Citizen can come to Alaska as a tourist and is going to have some way to get to the Gates of the Arctic. I don't know, unless you build an airstrip, how you are going to get visitors in.

I urge you to give us the information we need in order to demonstrate that those areas are truly going to be parks.

PARK DEVELOPMENT IN ALASKA

Under this Bicentennial land heritage program are any of those funds going to be used to pave the road into Mount McKinley?

Mr. EVERHARDT. No, sir.

Senator STEVENS. You have $52,983,000 for roads and trails, park buildings. Of that 1.2 percent is going into Alaska. Do you know how much area you have in Alaska as compared with the rest of the United States?

Mr. EVERHARDT. Probably close to 8 or 9 million acres in Alaska.

Senator STEVENS. You have more than 20 percent, I would say.

Mr. EVERHARDT. 31 million acres in the National Park Service. About 20 percent would be close, yes.

Senator STEVENS. Is there any reason why we can't get around to doing some of the things that need to be done in those Alaska parks? That is another thing I mentioned last year: the commitment to the existing parks has been lacking. Why should we give you 40 million acres more in parks in Alaska alone if you can't keep the commitment to the existing parks?

Mr. EVERHARDT. We have been trying to develop a general management plan for Alaska. I think the public ought to have the opportunity to involve themselves in the future of their parks and we should not make these kinds of decisions without asking them about it.

The problem we have had is our development plan money has not kept up to the standard that we can do all of the plans. We have only about one-half—less than half of the national parks in the System today. Parks that have been in the System for over 100 years. We have general management plans for those parks and these very critical decisions that you are certainly interested in, we appreciate that. We are interested in them, also. What is going to be the solution, or what is going to be the use in Mount McKinley? Certainly there is another factor that is involved, the expansion or the proposed expansion of Mount McKinley. Once these decisions are made we would like very much to move into the preparation of general management plans with the public in Alaska involved so that we can make these determinations and make some decisions about future use of these properties.

MOUNT McKINLEY NATIONAL PARK

Senator STEVENS. I don't know about anything in the plans of expansion for Mount McKinley that called for a different access. There is only one road in there. You have a $39.4 million increase in the construction area. I can't quite understand why Alaska can't be included somehow.

What would it cost to pave the road at Mount McKinley?

Mr. EVERHARDT. About $50 million I would think was the last cost, Mr. Chairman. That has probably increased a lot since then. You know much better than I do about Alaska, but our estimates for road building are anywhere from $175,000 to $450,000 a mile for a standard park road. As I recall that road is 88 miles long into the inner parts of Mount McKinley.

Senator STEVENS. Wonder Lake is what we are talking about.

Mr. EVERHARDT. If you take off 13 miles of it, it is already paved out to Savage River, that would give us somewhere in the neighborhood of 75 miles of road. At these prices that is somewhere in excess of $30 million not including planning, bid documents, and supervision. I suspect paving in Alaska is much more expensive than it is here.

Senator STEVENS. That is true. But you are paving a two-lane highway as opposed to the ones I have seen in the parks down here, many of which are superhighways. We are not asking for that much. I think I can get support for whatever money you ask for, because, as I told you, we had one-third of the Appropriations Committee

standing there in that dust. They indicated when they got back in the bus that all you had to do was ask for the money and they would support it. That is the point of what the tourists feels out there. They can't get out and enjoy the wildlife. It is a great wildlife park, but you get out of that bus and you are going to die of dust inhalation if you are within range of that road.

Mr. EVERHARDT. I don't know what year that was, Mr. Chairman.

Senator STEVENS. How about giving us the estimate on what it would take to get a study on the cost? At least we could do that. We could earmark some money to update the study on paving that highway on Mount McKinley.

Mr. EVERHARDT. We would be happy to provide that for the record.

[The information follows:]

ESTIMATE OF COST FOR A STUDY OF MAIN PARK ROAD IMPROVEMENTS, MOUNT MCKINLEY NATIONAL PARK

A reconnaissance study to determine basic engineering needs is estimated to cost $125,000. Such a study would include materials investigation, bridge reconnaissance, and preliminary reconnaissance design. A full advance planning study would include the above plus field control surveys, aerial photography, and topographic mapping at an estimated cost of $175,000.

ARCHEOLOGICAL AND HISTORIC STUDIES

Senator STEVENS. The Fish and Wildlife Service told me yesterday that they have an obligation under the Alaska Native Claims Settlement Act to study historical sites and that the Park Service would not perform this service. Therefore, they are asking for a specific amount of funding—I forget—it is a little over $200,000 to fund or to study the historical sites in the refuge areas contemplated by the Fish and Wildlife Service. Is that right? Did the Park Service tell them they were too busy to do that?

Mr. EVERHARDT. I am not certain of that, Mr. Chairman. I would have to check that. We are doing archeological work on the park proposals and we do have pending a request built into the 1978 budget request for archeological investigations under section 14(h) of the Alaska Native Claims Settlement Act. This involves cooperating with the Native corporations, over much of the Native lands in studying archeologic historic site.

We have a contract with the University of Alaska going on to identify historic sites on Native lands that will lead to the request being made to enter these on the register of historic sites. I don't know the exact number but there are thousands of applications expected for the National Park Service to follow up on that work.

Senator STEVENS. I understand that, but I would urge you to look at this. As I told them, I don't see any reason why they should be building up a park service within the Fish and Wildlife Service when you have the role.

DUPLICATION OF HISTORIC SURVEYS

These are historical sites. The Secretary has the duty to exclude from the conveyances, or from the actions taken by an agency such as Fish and Wildlife, those historic sites. They ask for us specifically to give them money to do this. And they indicated that your people

said they were too busy to do this. It has to be done within a time frame and I can understand where you might not have the funds to do it. But I would prefer to see that money put in your budget rather than have the Fish and Wildlife Service develop into a new historic sites bureau.

Mr. EVERHARDT. We would certainly be happy to meet with them, Mr. Chairman, and see if there is some resolution. We do have a restricted number of people in Alaska to carry out the interagency archeological work and to carry out and meet our mandate for Pet 4 and to work with the Native corporations in identifying their historic sites. There is certainly a limit as to what amount of work these few people can do in history and archeology.

POSITIONS ASSIGNED TO ALASKA

Senator STEVENS. That gets me to my next question. We gave you 500 new people. You ended up with 755 new people last year. I understand only one of those was allocated to Alaska. Is that right?

Mr. EVERHARDT. Only one was allocated under the archeological work. One new person is going up to help coordinate the consultant contract work with the universities up there for the archeological work. I was under the impression that about 17 new people are going to Alaska under the 1,000 new positions.

Senator STEVENS. Can you give us some statement on that? How many of those 1,000 people will go? Have you got them earmarked yet?

Mr. EVERHARDT. We have five going to the Alaska office, a historian, an archeologist, some people in property management and a mail and file clerk. One to Glacier Bay—two to Glacier Bay. Klondike, we have a total of eight people going to Klondike Gold Rush National Park. That would be 15 positions.

Another thing we are trying to do up there, Mr. Chairman, is we have had these planning people onboard in Alaska, in our Alaska office in Anchorage. As this planning for these new parks is starting to be complete, we are taking a number of these positions and converting those to operating-type people in Alaska.

So instead of returning the position and the money back to the States where these people—the lower 48—where these people came from, we want to convert these into some of the administrative and management operational-type people to do that kind of work in Alaska.

I think we will find more of the middle-grade people being recruited and put on in permanent positions in Alaska.

SUPPORT FOR NATIONAL PARK AREAS IN ALASKA

Senator STEVENS. Again, you have 8 million acres in Alaskan parks and you are asking for 32 million acres more in Alaska alone, which would mean that out of 64 million acres in the Park Service, over 40 million acres would be in Alaska alone if those requests were granted.

Mr. EVERHARDT. Yes, sir.

Senator STEVENS. We are prepared to support about 11 of those tracts in this year. I said last year and I will say again I think we

have support in the Senate. I just cannot see increasing park areas at such a rapid rate until your commitment to the existing park areas in Alaska is demonstrated, and I don't see it yet. I had to write in the money for the paving of that airport at Glacier Bay, Gary, and you know it. You just did not request it. The thing was a hazard to your own employees.

The access to Mount McKinley is atrocious. The Mount McKinley Hotel burned down 5 years ago and we are still in the temporary hotel. I haven't seen the plan for relocating those visitor accommodations but I understand there is one. It has never been unveiled to us.

I really think that you owe us some outline of the program for out-years if we are going to support this rapid expansion of the National Park Service in my State. I think anybody else for their State would require the same thing, something to demonstrate a commitment to the area.

I appreciate the fact that you are sending those people up there, but I would be a lot happier if I saw some engineers and architects on that list. Someone to be planning for those new facilities that you are going to require.

If the country goes the way we think it is going to go with the vast interest in Alaska, you are going to have people pouring into those areas. They will have spent thousands of dollars to get to Alaska to see the new park areas and they are not going to find any place to stay. They are not going to find any place even to land if they rent an airplane. You are going to do the Park Service a great disservice to label these areas as national parks if people can't get to them.

I know a family who pride themselves on the fact they have been in every one of your national parks at least once. They are retired and that is one of their goals. There are a lot of people who do that. As soon as the areas are created, they are going to be on their way to go see them, and they won't be able to see them. Then they are going to write letters to me and to you and ask us what we are doing, and accuse us of all kinds of things.

So I urge you to develop some kind of plan which indicates what you are going to do, even though you don't locate the visitors services, you don't locate the airport. But do discuss how people are going to use these new areas.

Mr. EVERHARDT. I think that is going to be discussed in the general text, Mr. Chairman, in these new area proposals, environmental impact statements that accompany those and the full assessments and so forth. I think probably the little dialog we are having this morning, the details of, like you say, where that visitors center is going to be will not be reflected. The detail of where that trail is going to be will not be reflected. That is normally the next step that we move into once an area has been authorized by Congress. You could see what would happen if we tried to anticipate Congress and develop and spend large sums of money developing those kinds of details and then maybe something might prohibit it from becoming a part of the Park System.

Senator STEVENS. I understand that.

Mr. EVERHARDT. We do have a very well-defined kind of approach to these. And I think if we could lay that out for you I think you would see and appreciate the kind of problems we try to resolve through that kind of an action plan.

PARK OPERATION IN ALASKA

Senator STEVENS. But look at the trouble you had in Glacier Bay in keeping a concession there. You finally had to buy it.

Mr. EVERHARDT. That is right.

Senator STEVENS. You are going to have the same problem in any one of these park areas. They are 3-month operations. Nobody is going to be able to afford to run it except the Park Service. There has to be some consideration given to that.

Mr. EVERHARDT. I think—this is a good point that you make, an excellent one, one that we are very much concerned about, and one that has been around for the last 2 or 3 years. It has been an item of large controversy and debate. Is free enterprise going to serve the interests of these parks?

Senator STEVENS. It can't. Not unless you are going to allow in them some uses that are not carried out in other areas such as winter activities on a commercial scale.

Mr. EVERHARDT. So is the Federal Government going to purchase and build these and turn them over? These are the kinds of concerns that we have. And you know, without the help of the Congress on some of these mandates that we follow today, we have pinpointed a very real problem in Alaska.

Senator STEVENS. Again, I have supported the Park Service for over 25 years in my lifetime. I have been involved with the Park Service, but you are going to do a great disservice to the Park Service if you put in a national park sign on the Gates of the Arctic and it is, in fact, a wilderness area to which no one can go. If it is going to be a wilderness area, we have to face that and we should call it a wilderness area instead of a park. We ought to face it directly, because if it is going to be a park, it is going to have to have access.

Well, I have belabored the question, but I do think you are going to have to have those answers by the time we get to the authorization.

COOPERATIVE PROGRAMS

You have $4.1 million for cooperative programs. This is for assistance to other agencies, Federal, State, and private. It looks like you are going to duplicate the Bureau of Outdoor Recreation.

Why should you be involved in planning and recreation planning assistance for the State, local, and private agencies when BOR already has a program that has been budgeted for that?

Mr. EVERHARDT. Under that general heading of cooperative activities, Mr. Chairman, we do work with a number of other Federal, State, and private liaison to carry out mandates for the National Park Service. For example, although the BOR has the responsibility for wild and scenic river studies, there are cooperative activities that the National Park Service becomes involved in. So we do have to have some assistance rendered to them, and we do have to have personnel to carry out this kind of thing.

There is also the Indian assistance program which is a continuing, ongoing program that comes under this cooperative activity. And this increase of $1.2 million——

INDIAN ASSISTANCE

Senator STEVENS. We have money earmarked in the BOR for Indian assistance, but why should you be giving planning assistance to the same entities that BOR gives planning assistance to?

Mr. EVERHARDT. Because the Indians have come to us, the Natives in Alaska have come to us, as you are well aware, and asked us because of the purposes and things that the National Park Service does, that long history that you referred to, over 25 years in association. They have come and asked us to be helpful to them.

For example, in our Indian assistance program we carry out programs of helping them to design campgrounds, helping to train their people to operate campgrounds on some of the western reservations so that they can develop an economic base as an economic factor and they can bring people into their reservations and show them the culture of the Navajos for example, as one.

We also work with them in bringing them to our training centers. Lots of times they pay for this but sometimes we have to be helpful to them in meeting the expenses so that they can bring some of their interpretive personnel. The National Park Service is one of the few agencies that does the job of training these people so that they can go back and interpret their culture at their tribal headquarters outside of Gallup, N.Mex.

Senator STEVENS. Do you coordinate that with the BOR when we give them money for exactly the same thing? How do we know that you are not going to be trading off one entity against the other as far as these outside interests are concerned?

Mr. EVERHARDT. I am not sure of what the BOR is asking for in Indian assistance programs. We certainly do have coordination and cooperative activities with BOR. I am just unaware of what their responsibilities are. Maybe they are studying Indian lands for possible park designations by the tribes themselves.

Senator STEVENS. But these are recreation plans aren't they?

Mr. EVERHARDT. Not always. This Indian assistance program and the idea that I mentioned about campground design, we have people go out and design a campground for them.

Senator STEVENS. All I am asking is how do you know they are not getting money from BOR to do the same thing?

Mr. EVERHARDT. They are actually not getting any money from us. We are not giving the Indians any money. This money is in here to take care of people who work for the National Park Service. It is to take care of personnel, support costs, travel costs. There is no money going to the Indians themselves, no, sir.

NEW AREA STUDIES

Senator STEVENS. In your own planning you have $105,000 for new area studies.

Mr. EVERHARDT. Yes, sir.

Senator STEVENS. Where are those areas?

Mr. EVERHARDT. These are—for example, last session of Congress we were mandated to study five of six new areas. Those six include. Mount Mitchell in western North Carolina. The other areas were Kalaupapa Settlement in Hawaii, the Frederick Law Olmsted Home in Massachusetts, and St. Paul's Church in New York, and the Afro-American Museum in Ohio. That is what this money goes for. The sixth area was Shawnee Hills in Illinois, to be studied by the Forest Service.

Senator STEVENS. All right.

Mr. EVERHARDT. What we would say to you, Mr. Chairman, is that to carry out the studies and to meet the mandate that this new authorization of the last session of Congress—to provide a listing of 12 potential additions each year—we certainly feel that this $105,000 is not enough money to carry out the request being made to study new area possibilities. This fund was at one time $500,000 and has been cut for the last few years down to this level of $105,000.

Senator STEVENS. Have you any inventory on the number of areas already authorized that you have not acquired?

Mr. EVERHARDT. Yes, sir. We have that list. We will be happy to submit that for the record.

[The information follows:]

AUTHORIZED AREAS STILL REQUIRING LAND ACQUISITION

Antietam NBS
Appalachian NS Trail
Appomattox Court House NMP
Arches NP
Assateague Island NS
Badlands NM
Bandelier NM
Big Bend NP
Big Cypress N. Pres.
Big Thicket N. Pres.
Black Canyon NM
Blue Ridge Parkway
Bryce Canyon NP
Buffalo National River
Canaveral NS
Capitol Reef NP
Chaco Canyon NM
Chiricahua NM
Colonial NHP
Colorado NM
Congaree Swamp NM
Cuyahoga Valley NRA
Death Valley NM
Delaware Water Gap NRA
Dinosaur NM
Edison NHS
El Morro NM
Fire Island NS
Fort Smith NHS
Fredericksburg-Spotsylvania NMP
Gateway NRA
Gettysburg NMP
Glacier NP
Glacier Bay NM
Grand Teton NP
Great Sand Dunes NM
Great Smoky Mountains NP
Gulf Islands NS
Haleakala NP
Hot Springs NP
Indiana Dunes NL
Joshua Tree NM
Katmai NM
Kings Canyon NP
Klondike Gold Rush NHP
Lake Mead NRA
Lassen Volcanic NP
Lincoln Home NHS
Lower St. Croix NSR
Manassas NBP
Mesa Verde NP
Monocacy NB
Montezuma Castle NM
Mount Rainier NP
Natchez Trace Parkway
Ninety Six NHS
North Cascades NP
Obed Wild & Scenic River
Olympic NP
Organ Pipe Cactus NM
Ozark NSR
Padre Island NS
Petersburg NB
Pinnacles NM
Rocky Mountain NP
Saguaro NM
St. Croix Island NM
Saint-Gaudens NHS
Scotts Bluff NM
Sequoia NP
Sleeping Bear Dunes NL
Theodore Roosevelt NMP
Valley Forge NHP
Virgin Islands NP
Voyageurs NP
Walnut Canyon NM
Yosemite NP
Zion NP

LAND ACQUISITION BACKLOG

Senator STEVENS. What kind of backlog do you estimate there is dollarwise?

Mr. EVERHARDT. After this fiscal year there will be a backlog of $172 million, after the 1977 supplemental and the 1978 budget have passed. If those two pass, our backlog of land acquisition in already authorized areas will be about $172 million. I would also say that there is an additional factor on this because of areas where we do have monetary limitations on land acquisition. In developing this backlog figure of $172 million, we have only used areas where a monetary ceiling has been imposed by Congress. So there could be additional lands that would have to be purchased. Under those circumstances, we would come back and get the monetary ceiling lifted on those areas.

REALINEMENT OF APPROPRIATION ACTIVITIES

Senator STEVENS. Now, this year you are proposing to move three activities out of your construction and into your operating account. Can you tell us the rationale behind this proposal?

Mr. EVERHARDT. These activities do not involve any development or development funding for park areas. For example, the park, recreation and wilderness planning activity includes such functions as general management planning, water resources studies, land-use studies, et cetera, all functions important to the management of park areas. The other two activities—cooperative activities and statutory or contractual aid for other activities—are primarily planning, studies, and operating functions.

Senator STEVENS. You identify $8.3 million as the 1977 amount of funding that shifts with these activities, but your program and financing statement under construction shows $12.2 million. What accounts for the difference?

Mr. EVERHARDT. The $12.2 million in 1977 includes a $3.9 million carryover that was not obligated in 1976. This means that the 1977 amount, excluding the 1976 carryover, was $8.3 million.

GENERAL MANAGEMENT PLANS

Senator STEVENS. You have $2.2 million budgeted for general management plans, including a $220,000 increase to cover public participation costs. Tell us why that increase is needed.

Mr. EVERHARDT. The increase is required to facilitate full public involvement in 55 general management plans which will be completed or will be in progress in fiscal year 1978. The funds will be used to provide for preparation, printing, and distribution of a wide variety of materials to elicit public participation, and data analysis and interpretation of the large quantities of information which must be collected.

Senator STEVENS. With a management planning budget of this size, why can't you absorb the public costs?

Mr. EVERHARDT. We cannot absorb the increased costs of public involvement without delaying the completion of vitally needed general management plans for parks.

Funding of the general management plan program, which provides the basic framework for managing the units of the National Park System, currently respresents only about .09 percent of the fiscal year 1977 operating budget, substantially less than for most other land management agencies that prepare plans at this level. This amount of funding is not adequate to cover the increased costs associated with development and execution of expanded public involvement programs, which have become increasingly necessary as public demands for use of the park have diversified.

PARK POLICE PAY INCREASE

Senator STEVENS. What is the $903,000 increase for Park Police. Is that the pay raise?

Mr. EVERHARDT. Most of it—$730,000—is for the pay raise that was effective in October 1975. The balance is to cover increases in the U.S. Park Police pension fund.

SOUTHEAST REGION—CYCLIC MAINTENANCE

Senator STEVENS. More than $1.2 million of your cyclic maintenance increase goes to the southeast region, which already has one of the biggest budgets for this work. Why the concentration in this region?

Mr. EVERHARDT. The Natchez Trace and Blue Ridge Parkways include extensive mileage of major roads which require considerable maintenance on a cyclic basis. Also, the largest concentration of historic fabric is located in the southeast region. These, too, must be included in the cyclic maintenance program.

DISTRIBUTION OF BICENTENNIAL LAND HERITAGE FUNDS

Senator STEVENS. The $13 million you identify as Bicentennial land heritage funding apparently is not distributed in your operating breakdown by park areas. Why not?

Mr. EVERHARDT. At the time the 1978 budget justifications were being prepared we had not yet determined the exact distribution of the positions associated with the $13 million. The decision has been made on the allocation of the positions, and we would be pleased to submit the list for the record.

[The information follows:]

Increases in Operation of the National Park System

The Fiscal 1978 increase in the Operation of the National Park System appropriation for Park Management includes $13 million to provide funding for the ONPS portion of the 1,000 positions included in the 1977 supplemental. It should be noted that an increase of 789 permanent positions is shown in the 1978 budget. However, this position increase is appropriate for Congressional consideration only in the event that Congress fails to approve the Service's supplemental request. The balance of the increase, $14,760,000 is for the management, operation and maintenance of parks and resources. The breakdown of the increases by park area follows:

Park	Not Yet Fully Operational	Older Area	BLH Increase Positions	BLH Increase Dollars	Other Increases	Total
Acadia NP		x	1	$ 15,000		$ 15,000
Adams NHS		x			$ 9,500	9,500
Agate Fossil Beds NM	x		1	10,600		10,600
Alaska Area Office			5	91,300		91,300
Allegheny Portage RR NHS	x		1	12,800		12,800
Andersonville NHS	x		2	21,900		21,900
Antietam NBS		x	5	30,500		30,500
Apostle Islands NL	x		1	18,700	95,500	114,200
Appalachian NST		x	2	24,900		24,900
Appomattox Court House NHP		x	3	31,700		31,700
Assateague Island NS		x	2	21,200		21,200
Assoc. Regional Director Administration	NAR		17	215,000		215,000
Badlands NM		x			2,100	2,100
Bandlier NM		x	3	47,700		47,700
Bent's Old Fort NHS	x		3	26,800	17,600	44,400
Big Bend NP		x	4	48,200		48,200
Big Cypress Nat. Pres.	x		6	91,200	173,600	264,800
Big South Fork NR & RA	x		5	90,700		90,700
Big Thicket Nat. Pres.	x		11	156,500	282,500	439,000
Bighorn Canyon NRA		x	2	23,000		23,000
Biscayne NM	x		7	59,000		59,000
Blue Ridge Parkway		x	9	65,600		65,600

Park	Not Yet Fully Operational	Older Area	BLH Increase Positions	BLH Increase Dollars	Other Increases	Total
Boston NHP	x		57	633,100	197,300	830,400
Buffalo NR	x		2	29,300		29,300
C&O Canal NHP	x		12	157,600		157,600
Cabrillo NM		x	4	39,100		39,100
Canaveral NS	x		5	70,000	109,700	179,700
Canyonlands NP	x		2	20,500		20,500
Cape Cod NS		x	1	16,100		16,100
Cape Hatteras NS		x	3	39,900		39,900
Cape Lookout NS	x		3	40,000	83,500	123,500
Capitol Reef NP		x	1	15,500		15,500
Carl Sandburg Home NHS	x		1	21,400		21,400
Carlsbad Caverns NP		x	2	26,000		26,000
Casa Grande NM		x	1	12,000	2,200	14,200
Castillo De San Marcos NM		x	2	17,000		17,000
Catoctin Mountain Park		x	3	33,300	8,000	41,300
Chaco Canyon NM		x	1	12,000		12,000
Chamizal NMem.		x	2	23,600		23,600
Channel Islands NM		x	5	62,300	16,100	78,400
Chickasaw NRA		x	3	27,400		27,400
Chiricahua NM		x	2	26,000		26,000
Christiansted NHS		x	2	18,700		18,700
City of Refuge NHP		x	1	18,000		18,000
Clara Barton NHS	x		1	15,000		15,000
Colonial NHP		x	12	127,000		127,000
Colorado NM		x	2	22,000		22,000
Congaree Swamp NM	x		7	104,700	143,800	248,500
Coronado NM		x			2,100	2,100
Cowpens NR		x	4	56,100	18,900	75,000
Crater Lake NP		x	2	27,700		27,700
Cumberland Gap NHP		x	1	10,700		10,700
Cumberland Island NS	x		2	21,700	40,800	62,500

Park	Not Yet Fully Operational	Older Area	BLH Increase		Other Increases	Total
			Positions	Dollars		
Curecanti RA		x	2	30,600		30,600
Cuyahoga Valley NRA	x		11	153,500	224,300	377,800
Death Valley NM		x	10	152,900		152,900
Delaware Water Gap NRA	x		4	54,000		54,000
Dinosaur NM		x	4	52,000		52,000
Edison NHS		x	3	31,500		31,500
Effigy Mounds NM		x	1	12,800		12,800
Everglades NP		x	9	106,200	1,929,000	2,035,200
Federal Hall NMem.		x	2	19,600		19,600
Fire Island NS		x	3	36,000		36,000
Fort Bowie NHS	x		1	10,000		10,000
Fort Caroline NMem.		x	1	13,200		13,200
Fort Donelson NMP		x	2	22,400		22,400
Fort Jefferson NM		x	1	11,300		11,300
Fort Larned NHS		x	2	20,800	3,300	24,100
Fort McHenry NM & HS		x	5	53,300		53,300
Fort Necessity NB		x	2	24,000		24,000
Fort Union NM		x	1	10,200		10,200
Fredericksburg Spotsylvania NMP		x	6	76,000		76,000
Gateway NRA	x		37	484,100	125,500	609,600
George Washington Birthplace NM		x	1	9,300		9,300
George Washington Carver NM		x	1	12,800		12,800
George Washington Memorial Parkway		x	11	124,100		124,100
George Rogers Clark NHP		x	2	21,200		21,200
Gettysburg NMP		x	11	134,300		134,300
Glacier Bay NM		x	1	11,200		11,200
Glacier NP		x	5	63,400		63,500
Glen Canyon NRA		x	2	19,000		19,000
Golden Gate NRA	x		124	1,825,700		1,825,700
Golden Spike NHS		x	3	36,600		36,300
Gran Quivira NM		x			5,300	5,300
Grand Canyon NP		x	3	40,200		40,200

Park	Not Yet Fully Operational	Older Area	BLH Increase		Other Increases	Total
			Positions	Dollars		
Grand Teton NP		x	1	10,600		10,600
Grant-Kohrs Ranch NHS	x		2	21,800		21,800
Great Smoky Mountains NP		x	3	45,300		45,300
Greenbelt Park		x	1	24,000		24,000
Guadalupe Mountains NP	x		5	57,400		57,400
Guliford Courthouse NMP		x	1	13,500		13,500
Gulf Islands NS	x		9	92,500		92,500
Haleakala NP		x	2	21,900		21,900
Hamilton Grange NMem.	x		1	9,800		9,800
Harpers Ferry NHP		x	4	41,300		41,300
Hawaii Volcanoes NP		x	3	32,500		32,500
Herbert Hoover NHS	x		1	10,300		10,300
Home of FDR NHS		x	1	8,200		8,200
Hopewell Village NHS		x	3	30,900		30,900
Hot Springs NP		x	2	23,700		23,700
Hubbell Trading Post NHS		x	1	10,300		10,300
Independence NHP		x	28	161,400		161,400
Indiana Dunes NL	x		8	116,500		116,500
Isle Royale NP		x	3	40,800		40,800
Jefferson NEM NHS		x	4	43,700		43,700
John D. Rockefeller, Jr. Mem.Pky.		x	1	14,000		14,000
John Muir NHS		x			3,900	3,900
Johnstown Flood NMem.		x	2	20,200		20,200
Joshua Tree NM		x	3	23,800	176,000	199,800
Kennesaw Mountain NBP		x	2	19,600		19,600
Klondike Gold Rush NHP	x		8	148,300	406,000	554,300
Knife River Indian Villages NHS	x				11,000	11,000
Lake Mead NRA		x	1	15,200		15,200
Lassen Volcanic NP		x	2	36,000	16,600	52,600
Lehman Caves NM		x	1	9,200		9,200
Lincoln Home NHS	x		6	63,600		63,600
Lyndon B. Johnson NHS		x	13	93,300		93,300

Park	Not Yet Fully Operational	Older Area	BLH Increase Positions	BLH Increase Dollars	Other Increases	Total
Mammoth Cave NP		x	2	16,400		16,400
Manhattan Sites HQ			1	15,000		15,000
Martin Van Buren NHS	x		3	32,900		32,900
Mesa Verde NP		x	6	69,000		69,000
Midwest Archeological Center			2	41,700		41,700
Minute Man NHP		x			25,700	25,700
Montezuma Castle		x	1	10,000		10,000
Morristown NHP		x	3	40,800		40,800
Mound City Group		x	1	9,700		9,700
Mount Rainier NP		x	1	15,000		15,000
Natchez Trace Parkway		x	4	46,600		46,600
National Mall		x	5	51,200		51,200
National Visitor Center		x	2	36,000		36,000
Natural Bridges NM		x	1	14,200		14,200
Navajo Lands Group			1	15,000		15,000
NCP-East		x	15	233,700		233,700
Ninety Six NHS	x		3	42,300	100,000	142,300
North Cascades NP	x		6	80,500		80,500
OBed River	x		4	54,900		54,900
Ocmulgee NM		x	1	9,000		9,000
Olympic NP		x	10	144,800		144,800
Organ Pipe Cactus NM		x	1	15,200	5,000	20,200
Ozark NSR		x	6	85,700		85,700
Padre Island NS		x	1	11,400		11,400
Perry's Victory & International Peace Memorial NM		x			6,600	6,600
Petersburg NB		x	3	34,000		34,000
Petrified Forest NP		x	2	26,000		26,000
Pictured Rocks N:	x		1	12,000		12,000
Pinnacles NM		x	4	44,300	15,200	59,500
Pipestone NM		x	1	8,200		8,200
Point Reyes NS		x	7	99,200		99,200

Park	Not Yet Fully Operational	Older Area	BLH Increase Positions	BLH Increase Dollars	Other Increases	Total
Prince William Forest Park		x	5	56,900		56,900
Redwood NP	x		1	12,600	63,800	76,400
Richmond NBP		x	3	30,600		30,600
Rock Creek Park		x	1	10,900		10,900
Rocky Mountain NP		x	1	18,600		18,600
Roger Williams NMem.	x		1	14,100	11,100	25,200
Saguaro NM		x			5,100	5,100
Saint Croix NSR	x		3	41,300		41,300
San Juan NHS		x	9	81,000		81,000
Saratoga NHP		x	1	9,200		9,200
Saugus Iron Works NHS		x	1	9,500		9,500
Southeast Archeological Center			1	12,800		12,800
Sequoia NP		x	3	34,300		34,000
Shadow Mountain RA		x	1	15,500		15,500
Shenandoah NP		x	13	214,900		214,900
Sleeping Bear Dunes NL	x		13	168,800		168,800
Springfield Armory NHS	x		4	35,600		35,600
Statue of Liberty NM		x	3	13,500		13,500
Theodore Roosevelt NMP		x	2	24,400		24,400
Tonto NM		x	1	10,400	2,500	12,900
Tumacacori NM		x	1	10,400		10,400
Tuskegee Institute NHS	x		2	19,300		19,300
U.S. Park Police		x			903,300	903,300
Valley Forge NHP	x		63	788,300	1,956,400	2,744,700
Virgin Islands NP		x	2	21,300		21,300
Voyageurs NP	x		2	21,200		21,200
Walnut Canyon NM		x	1	10,400		10,400
Western Archeological Center			1	16,000	26,000	42,000
Western Pennsylvania Group			2	17,600		17,600
Whiskeytown NRA		x	5	60,200		60,200
Wilson's Creek NB		x	2	30,400		30,400

Park	Not Yet Fully Operational	Older Area	BLH Increase Positions	BLH Increase Dollars	Other Increases	Total
Wolf Trap Farm Park		x	3	30,200		30,200
Yellowstone NP		x	7	117,000		117,000
Yosemite NP		x	7	69,600		69,600
Zion NP		x	1	17,800		17,800
Subtotal	46	129	893	11,137,700	7,224,800	18,362,500
Park Planning, Engineers and Support			72	1,862,300		1,862,300
Land and Water Conservation Fund			35	-0- 1/		-0-
Subtotal			107	1,862,300		1,862,300
Regionwide Programs:						
Mid Atlantic Region						
Cyclic Maintenance of Historic Resources					500,000	500,000
Historic Resources Preservation					164,200	164,200
Midwest Region						
Cyclic Maintenance of Facilities					201,100	201,100
Historic Resources Preservation					222,000	222,000
North Atlantic Region						
Historic Resources Preservation					210,000	210,000

Park	Not Yet Fully Operational	Older Area	BLH Increase Positions	BLH Increase Dollars	Other Increases	Total
National Capitol Region						
Historic Resources Preservation					146,000	146,000
Pacific Northwest Region						
Cyclic Maintenance of Facilities					777,800	777,800
Historic Resources Preservation					189,000	189,000
Rocky Mountain Region						
Natural Science Program					194,400	194,400
Park Professional Services					108,700	108,700
Cyclic Maintenance of Facilities					888,900	888,900
Historic Resources Preservation					162,000	162,000
Southeast Region						
Cyclic Maintenance of Facilities					1,226,600	1,226,600
Cyclic Maintenance of Historic Resources					202,900	202,900
Historic Resources Preservation					155,000	155,000
Southwest Region						
Natural Science Program					8,900	8,900
Cyclic Maintenance of Facilities					280,000	280,000
Cyclic Maintenance of Historic Resources					55,600	55,600
Historic Resources Preservation					153,000	153,000
Western Region						
Historic Resources Preservation					111,000	111,000
Subtotal					5,957,100	5,957,100

Park	Not Yet Fully Operational	Older Area	BLH Increase Positions	BLH Increase Dollars	Other Increases	Total
Servicewide Programs						
Employees Compensation Fund Payment					560,000	560,000
GSA Space Reimbursement					283,000	283,000
Public Information Program					66,700	66,700
Park Support Operations					54,400	54,400
Student Conservation Program					205,000	205,000
Classified Pay Increase					409,000	409,000
Subtotal					1,578,100	1,578,100
Total	46	129	1,000	13,000,000	14,760,000	27,760,000

1/ Positions funded from Land and Water Conservation for Land Acquisition.

PERSONNEL MANAGEMENT

Senator STEVENS. The Civil Service Commission last year reported serious weaknesses in the Park Service's personnel practices, at least in the western region. Among other things, position classifications were inaccurate and overgraded. What has been done to correct these problems?

Mr. EVERHARDT. Action has been taken by the western region personnel staff to correct the misclassifications that were identified by the Civil Service Commission. In addition, the headquarters personnel division has undertaken a nationwide alinement study to assure correct classification in Key Park Service occupations. In order to achieve regionwide classification accuracy the personnel staff is launching an evaluation effort in the parks and has scheduled four major parks for review during the next fiscal year. The scheduled parks are Point Reyes National Seashore, Golden Gate National Recreation Area, Grand Canyon National Park, and Lake Mead National Recreation Area.

Senator STEVENS. Do those kinds of problems exist elsewhere in the Park Service?

Mr. EVERHARDT. Yes, as indicated by my reference to the headquarters doing a nationwide alinement study; we have recognized this problem and are meeting it head on. We also have all of the regions doing their own personnel management evaluations in park areas, the headquarters is scheduling two regional reviews during the next fiscal year, and our top personnel people are working very closely with the headquarters of the Civil Service Commission to achieve the broadest possible coverage.

CONSTRUCTION PROGRAM

Senator STEVENS. On the construction request, this now includes roads as well as buildings. You have requested $143.2 million as compared to $52.2 million in 1977. You assume that all of that $143.2 million will be obligated by the end of 1978. Is that right? Can you obligate that all in 1 year?

Mr. STURGILL. Sir, our estimate, the best estimate is that we will obligate that. Our history has been that things happen that we don't plan on, environmental impact statements or unforeseen delays. But we do hope to obligate all of that money.

Senator STEVENS. If these funds are all going to be obligated within the year of appropriation, why do you need to make them available until expended?

Mr. EVERHARDT. While it is the goal of the Park Service to obligate the construction program to the greatest extent possible within the year of the appropriation, conditions inevitably occur which require the accessibility of carryover funds to fulfill program commitments.

The Service's construction program is necessarily complex and involved. Most projects require extensive studies in history, archeology, environmental impact, as well as architectural design and other work. In some instances during the planning phase, project design must be approved by the public or modified to meet special regulations or standards. Completion of these involved, long-range plans cannot always occur on schedule. Carryover funding is required to complete

plans, which, due to unforeseen delays, are sometimes carried forward into the next fiscal year.

With regard to the project construction phase, contingency funding must be retained for obligation during the entire construction period, often extending into the next fiscal year, to cover change orders, overruns, and possible claims. Similarly, project supervision funds are needed both for obligated projects for the duration of the construction period, and for projects not yet obligated. In addition, carryover funds are required for numerous day labor and exhibit projects performed by Service employees for extended periods. These projects cannot be teminated simply for the reason that the fiscal year has ended; they must be continued until the work has been completed.

In summary, it is essential that funding for the construction program be available until expended. The accessibility of carryover funds allows the flexibility to fulfill program commitments in a timely manner, and to adjust to unforeseen complications and delays in the construction process.

Sentaor STEVENS. How much did you carry over from 1976? This is no-year construction money, isn't it?

Mr. EVERHARDT. Yes, it is. I think it would be safe to point out in putting the 1978 package together we worked very closely with our Denver Service Center and have identified projects that are sort of already on the shelf. And these things are going to have to be brought out and certainly dusted off a little and some changes made. There are going to have to be some contract revisions probably made but we feel that the way we had to identify these projects, there are sort of shelf items that we could pull off and obligate in a short period of time.

CONSTRUCTION IN THE PACIFIC NORTHWEST

Senator STEVENS. I am a little concerned about this because my staff has been looking at the allocation of your construction. They tell me that only 5.5 percent of the $83 million for buildings and utilities will go to the whole Pacific Northwest.

Can you tell me why, with this fantastic increase and with the sizable number of areas that you have in the Pacific Northwest, you have this very small allocation to that region?

Mr. EVERHARDT. Mr. Chairman, that would just reflect those figures in the 1978 budget?

Senator STEVENS. Yes.

Mr. EVERHARDT. Looking at the Bicentennial land heritage program it will be a 5-year program. We would be happy to submit for the record and for your staff's review in putting this package together we first looked at 10 years. Then we compressed that down to a 5-year program. I can't say what the figures are the percentage would be beyond 1978 but there are a significant number of projects in 1979, 1980, and 1981.

Senator STEVENS. What does your region in Seattle encompass?

Mr. EVERHARDT. It encompasses Washington, Oregon, Idaho, and Alaska.

Senator STEVENS. That has to be over 50 percent of the area that you have in the whole Park Service. The area as a whole is getting

less than 5 percent of this money. In roads and trails it is getting less than 3 percent of this money. It seems that the emphasis doesn't reflect some of the needs in the total area.

Mr. EVERHARDT. I think it would only be fair, Mr. Chairman recognizing that we had to go in the first year or two with projects that we were ready to go with. And if we look at the other 3 years of the program, or 4 years, a lot of those areas could be covered in there. I know that we may not be ready with the project at Mount Rainier because we've got to do some planning and the planning has got to come before we can go out and put a contract out.

So I think to make that kind of an analysis would require a full review of the five-year program.

PLANNING FOR CONSTRUCTION

Senator STEVENS. Have you requested an increase in the planning funds to meet this?

Mr. EVERHARDT. All of that will be coming along next year.

Senator STEVENS. But you don't have any increase in the planning here. You have a whopping increase in construction and pulling the projects off the shelf.

Mr. EVERHARDT. There is quite a bit of planning in those projects, Mr. Chairman, that is reflected in that $143 million for 1978.

Senator STEVENS. You have projects for the balance of the 5 years?

Mr. EVERHARDT. We have project planning. Then following that there is construction. We have to go with the planning, the advanced planning, the project planning before we can move into the construction phase.

CONSTRUCTION IN THE SOUTHEAST REGION

Senator STEVENS. We note that almost $40 million of that is for the Southeast region. Why is that?

Mr. EVERHARDT. One of the reasons, Mr. Chairman, is looking at the priorities and how you put this package together. We would certainly look at doing something for uncompleted or incomplete projects, and most of that is going down on the Natchez Trace Parkway which has been a parkway—sort of a brother or sister to the Blue Ridge. I think you are familiar with it. The parkway has been in existence in the National Park Service since 1935 and there is still a great amount of the Natches Trace Parkway to be completed. We think that this Bicentennial land heritage program is going to give us an opportunity to complete some of these facilities in parks that we have been living with for a long, long time.

We have been talking year after year to try to get enough money to do them.

Senator STEVENS. Will you give us an estimate of how much money you will carry over in 1977 and 1978 so we can see how realistic the increase is for this fiscal year?

Mr. EVERHARDT. Yes, sir.

[The information follows:]

CONSTRUCTION OBLIGATIONS

Park Service hopes to obligate all of the available construction funding. To be realistic, however, the Service may carry over as much as $10 million in Planning

and Construction and $10 million in Road Construction as a result of unforeseen delays, e.g., environmental impact statement problems, planning delays, completion of construction supervision, completion of projects being accomplished by NPS using day labor forces, etc.

CONSTRUCTION IN THE ROCKY MOUNTAIN REGION

Senator STEVENS. The Rocky Mountain region, I understand, gets the second largest allocation, $20.1 million. I don't have any objection, but it seems to me if we are going to have a nationwide program, we have two areas that have about 50 percent of this money but they don't have 50 percent of the area in the Park Service.

Mr. EVERHARDT. I suspect, Mr. Chairman, it comes up that they have 50 percent of the problems. A lot of old line parks, a lot of this money would go into, the Rocky Mountain region—I would have to look to get the details of the thing, but it goes into old line parks like Yellowstone, Glacier, and Rocky Mountain National Park.

One of the emphases of this program is to try to take care, rehabilitate, fix up some of the things that you have given us money to build over the years.

Going back to the Mission 66 program, the former director, Connie Wirth, started in 1956. A lot of those facilities, today, are 20 years old and rather than to lose that investment we would like to see those kinds of things fixed up and rehabilitated and brought back up to standard. That is why a lot of this money in the Rocky Mountain region is going for that effort. That is where a lot of the old parks are and a lot of the old problems.

Senator STEVENS. I helped draw up the Mission 66 program, I am sure you recall.

Mr. EVERHARDT. Yes, sir. We are very happy about that.

Senator STEVENS. Those are relatively new parks compared to the ones in the Pacific Northwest for instance.

Mr. EVERHARDT. Yellowstone is 105 years old. Grand Teton was created in 1935. The Rocky Mountain National Park goes back to the earlier days. A lot of those old monuments out in the Rocky Mountain region are some of the first. The Devils Tower, for instance, in Wyoming is one of the first national monuments created.

GATEWAY NATIONAL RECREATION AREA ESTIMATES

Senator STEVENS. All right. But how much money did you estimate you would use for Gateway, for instance, when that area was authorized? Do you remember?

Mr. EVERHARDT. I am not sure we had a figure when it was authorized under the authorizing committee, Mr. Chairman.

Senator STEVENS. Do you have any idea of how much you have spent to date on Gateway?

Mr. EVERHARDT. How much we have spent to date?

Senator STEVENS. You are requesting $5.7 million more for Gateway for development costs.

Mr. EVERHARDT. We are spending for operation, Mr. Chairman, about $6.5 million a year. Last year we had over 10 million visitors to Gateway. So that probably works out to be one of the cheapest visitor ratios as far as operations of a park that there is. We had

just completed and put out on the street a general development plan or a general management plan for Gateway. That area was created in 1974. This will give you some idea of how this process works on a general management plan.

It has gone out to public review, public comment. It has taken us since 1974 to get that completed. Now our estimate of development costs at Gateway, as I recall, under the general management plan was somewhere in the neighborhood of $300 million over the next 30 years. A lot of the work that we are anticipating under this proposal is to certainly clean up and remove a lot of obsolete buildings; tear down the unfinished hotels out on Breezy Point where just skeletons of buildings are left; and to do some historic preservation in taking care of those buildings at Fort Hancock on Sandy Point.

This is the kind of effort that we are trying to make through that program. We need to do some rehabilitation before we find a way for the visitor out there to use them.

ELLIS ISLAND

I think another item—while it is not in the Gateway budget, but it is at Ellis Island. It is in the New York area budget. It is probably reflected in the comparison of these various regions.

There is another area of Ellis Island with which 150 million of today's Americans are associated. Those are Americans whose forebearers came through Ellis Island. Ellis Island was turned over to us in 1965. Unfortunately since then we have done nothing but watch the whole place deteriorate.

One of the efforts is to try to go back in and do something with Ellis Island, a place that means so much to so many million Americans and people who have come into this country.

Senator STEVENS. For planning development, can you give us an estimated total cost for Gateway?

Mr. EVERHARDT. In the next 30 years it will be $282 million.

SOLAR ENERGY FACILITIES

Senator STEVENS. On the Washington Memorial Parkway you have a solar energy installation at Fort Hunt. Is that an experimental facility?

Mr. EVERHARDT. Fort Hunt is an existing facility.

Senator STEVENS. I mean the solar energy unit.

Mr. EVERHARDT. Jack Fish is here. He is the regional director of the National Capital region. I don't think it is an experimental facility. I am very proud of what the Park Service has done in the use of solar energy.

Senator STEVENS. We are all interested in that, but I want to make sure you are not using Park Service funds for energy experimentation. Is this going to be a commercial facility?

Mr. EVERHARDT. This would be a system to convert some of our facilities out at Fort Hunt to solar energy; is that correct? It is going to be a roof structure.

Mr. FISH. It is a maintenance area out there at Fort Hunt. This is a replacement for that maintenance area. We intend to use a commercial installation for the solar energy.

Senator STEVENS. Thank you very much.

I think you ought to take solar energy up but you should not get involved in the research or experimentation on it. I don't think you should use the Park Service for experimentation.

Mr. EVERHARDT. I appreciate that. We are very proud that the visitor center dedicated out at Bighorn Canyon in September, Mr. Chairman, is a solar installation. It is 85 percent efficient.

BIKE TRAIL CONSTRUCTION—ROCK CREEK PARK

Senator STEVENS. You have money for bike trail construction. What is this $100,000 just to plan a trail in Rock Creek Park? Why would it take $100,000 just to plan a bike trail?

Mr. EVERHARDT. Jack, do you want to talk about the difficulties there?

Mr. FISH. That trail, Mr. Chairman, would run from Broad Branch on up just about to the Maryland line. Where we would like to put it is basically along the creek. There needs to be a lot of survey work in there and a lot of planning, frankly, to make sure that we put it in the right places that we don't disturb the resource. But it is about 4 miles of trail going up through there.

Senator STEVENS. I was under the impression that there is a bike trail there already.

Mr. FISH. We have some bike trails on up about to Broad Branch. There are some areas in the park where it is necessary to drive out onto the road. But this particular bike trail, we do have one over on the Oregon Avenue side, it would go on up through the park, as I mentioned, along the creek.

Senator STEVENS. Can't you just use the money to construct it? Do you have to have $25,000 a mile just to plan it?

Mr. FISH. There will be crossings of the creek required, Mr. Chairman.

Mr. EVERHARDT. This will be, Mr. Chairman, full working drawings. Planning and developing the plans so that a contractor could take that and turn it into a bike path.

As Jack says, there are some difficult creek crossings that would have to be planned into these concrete structures.

Senator STEVENS. The House cut this type of item out of the supplemental because of the lack of justification of the high costs of these trails. I personally will do everything I can to support that. I think it is a good idea. But I think you ought to give us some better justifications of the cost for the record. Not just the justification for the trails but the justification for the high cost of planning.

Mr. FISH. We went back and looked at that after the House hearings, Mr. Chairman. We did check out the estimates and we would be delighted to supply that.

[The information follows:]

ROCK CREEK PARK BIKE TRAIL COSTS

It is proposed to plan and construct four miles of blacktop bike trail in two separate sections of Rock Creek Park: (1) from Bingham Drive to the Maryland Boundary, (2) from Joyce Road to Broad Branch Road. Relatively level routes are needed to encourage visitor use. Utilization of a floodplain route will necessitate the construction of two raised boardwalk causeways of 200 feet and 500 feet lengths. These will keep the bike path above the flood level and prevent extensive cutting and filling that

would materially degrade the natural scene. It would also require the construction of eight bridges across Rock Creek. Each bridge will be of a different length and have different footing requirements. They will have to be designed to withstand floods. Because of these difficult structural engineering problems, the planning and construction costs are high. A trail of 9 feet wide is desired.

The present bike trail through the Rock Creek Valley is disconstinuous, and for bikers commuting to work, it is unacceptable. Section Number 1 above is critically needed to replace an underutilized trail that passes through excessively steep and hazardous terrain. It will also provide a presently absent but vital ink to an 11 mile trail system extending down the valley in Maryland from Lake Needwood. Section Number 2 above will provide a connection where trail discontinuity persists due to hills and a narrow floodplain. Construction of both sections will eliminate risky and unsafe mixing of cyclists and motor vehicles that now exists intensively on four miles of parallel, narrow, and curving park roads.

It is estimated that 225,000 persons use the Rock Creek bike trails each year for hiking, biking, and jogging. These include approximately 150 commuters who bicycle to work each day.

WOLF TRAP PARK

Senator STEVENS. What about the Wolf Trap money? That was deleted from the supplemental also, and you have $2.6 million in this budget for that. Can you give us better justification for that money so we can see what might be done with that?

Mr. EVERHARDT. We would be happy to submit something for the record, Mr. Chairman, on that. It is certainly important to move ahead with planning and what we feel is meeting the mandate that the donor of Wolf Trap made with the National Park Service a long time ago.

[See submitted questions and answers at close of hearing.]

CUMBERLAND GAP NHP

Senator STEVENS. Why did you drop the Cumberland Gap projects from your construction program?

Mr. EVERHARDT. Why did we drop them?

Senator STEVENS. Yes. Your revised justifications leave the Cumberland Gap projects out. You have added Cumberland Island National Seashore in Georgia in your revision of $781,000, and the Gulf Islands National Seashore.

Mr. EVERHARDT. Apparently there is just an error in the printing there, Mr. Chairman. We had all those in at Cumberland Gap. We had to separate them out because they were Cumberland Island National Seashore. So apparently that was just in the initial justification. There was a melting of those two areas under one and then we picked up and corrected that.

GULF ISLANDS NATIONAL SEASHORE

Senator STEVENS. What about this extensive development in Gulf Islands? Why so much money in that area?

Mr. EVERHARDT. We are going to construct the visitor administrative facility there. Davis Bayou in Mississippi, is very close to Pascagoula, with a large visitation. A lot of people have influx into that area. That population down there has increased tremendously.

When we took over Davis Bayou there was nothing there but sort of a little—I hate to use the word "rundown," but it was. It was a deteriorated facility. We feel to take care of the needs, if this

is the jumping off place to go out among the islands, that we need an administrative facility. We need a visitors' center, contact station. We need boat docks. There is a need for some camping in that area. A lot of people come down and that is sort of the story of Mississippi.

Over in Pensacola we have probably the remnants of some of the greatest forts in the world like Fort San Antonio and Fort Barrancas. This money would be to do more work in the preservation, fixing walls and the ironwork and the drawbridges. I guess similar is another great fort, Fort Jefferson.

FORT JEFFERSON NATIONAL MONUMENT

Senator STEVENS. I was going to ask you about Fort Jefferson. Who has the responsibility for marking the areas there that have the coral reefs?

As you know, I go down there about once a year. There has been an increasing invasion in that area by people who have anchored without knowing it in the coral area.

Mr. EVERHARDT. Probably needs ports to tie up to.

Senator STEVENS. You need some additional permanent tieup places there. In bad weather that is one of the few places where you can get away from the tides and the winds. But at times they drift into the coral reef area and drag their anchor through that coral, it does irreparable damage. But there is no marking of the area. There is nothing to indicate that people should stay out. It is marked on the charts but it is hard to locate in terms of those charts. I discussed that with the Coast Guard people, too. There are quite a few scientists from the University of Michigan and Florida who are working on that, and they are very disturbed about the number of anchors that have been dragged through there.

I would urge you to take a look at that, unless you do have some money to stabilize the fort.

Mr. EVERHARDT. At Fort Jefferson?

Senator STEVENS. Yes.

Mr. EVERHARDT. I will certainly look into that. I appreciate those comments on that anchoring. I am certainly aware of what kind of damage that could cause there, Mr. Chairman. I don't know whose responsibility it is.

Senator STEVENS. You ought to delineate that coral reef area so that it will go on the maps and the new addition of the charts, so it will be designated as the marine sanctuary, so it will be shown as off limits to private boats and commercial boats.

Mr. EVERHARDT. We will certainly look into that and report back to you. I think we can probably take care of that.

VISITOR TRANSPORTATION SYSTEMS

Senator STEVENS. All right.

How is this visitor transportation thing working out? The costs are up considerably in visitor transportation systems. This primarily is a contracting activity isn't it? Why would the support costs go up by $843,000 if it is a contract activity?

Mr. EVERHARDT. I think that primarily refers, Mr. Chairman, to some new systems that we would like to bring onboard in 1978. One of the four new transportation systems is at Kennesaw, one at Colonial, one at Gateway, and one at Sunset Crater out in Arizona. That would also provide for increased cost. These are systems that the Park Service pays a contractor to operate. These are nonfee transportation systems.

We looked at this because of the savings it had made on the resource. It has enhanced the visitor experience. I know that you have probably visited Everglades and seen that Shark River Valley and how that system operates. Without the transportation system, we would have to go in there and take an automobile access road in the Shark River Valley and spend a tremendous amount of money to build a widened road.

By using this transportation system, we think that this experience is greatly enhanced and the environment is greatly enhanced there.

Senator STEVENS. Your justification says that this will provide increased contract costs, maintenance and support costs for existing transportation systems at a cost of $843,000.

Mr. EVERHARDT. That is probably more——

Senator STEVENS. What are the support costs for the additional transportation systems?

Mr. EVERHARDT. This would be from the standpoint of maintenance, providing the fuels to operate with, to amortize off the vehicles. In some cases we do.

TRANSPORTATION SYSTEM—MOUNT McKINLEY NATIONAL PARK

Senator STEVENS. The cost at Mount McKinley is pretty high.

Mr. EVERHARDT. Yes, sir.

Senator STEVENS. That is a long road, I understand that. Is that a contract, too?

Mr. EVERHARDT. That is handled by the concessionaire up there, Mr. Chairman. We reimburse him for his costs, the handling of that system and its free service to the visitor.

Senator STEVENS. That is the bus system?

Mr. EVERHARDT. Yes, sir. He rents the buses. I don't think I was aware of this when I was there. They are schoolbuses.

Senator STEVENS. Yes, I know. They are from the local school districts. My friend here thinks that is high. In order to get those buses down there they have to bring them down on the railroad and take them back on the railroad. I am surprised you can get by with that cost. That is an amortized item of visitor use.

Mr. EVERHARDT. We have looked into that, Mr. Chairman, buying the buses and owning them and letting the concessionaire operate those. I think that more study needs to be done on this before we would make the final recommendations. Certainly the unit cost seems high.

Senator STEVENS. I wanted to talk to you about that study. Have you thought at all about getting our good friend, Alan Bible, to come in as a consultant? I haven't even talked with him, but someone like that, to take a look at some of these programs—someone who has the background in terms of congressional reaction, particularly

in some of these areas where you are getting criticized for high costs from the other side. How long was he chairman of this committee, 14 years? I think he was on the committee 18 years.

Mr. EVERHARDT. As you know, Mr. Chairman, Chairman Bible is a member of the National Park Advisory Committee.

Senator STEVENS. I understand that, but I am talking about getting him involved where he might do some work and bring the word back to his former colleagues that things are going along all right.

Mr. EVERHARDT. The committee will be meeting here in April. I hope you will have a chance to see him. I understand Senator Bible is coming back for the meeting. He is feeling much better, I am glad to report that to you. But we do, with the advisory committee, discuss these kinds of things.

Senator STEVENS. Do you send them out to take a look at things like the transportation system?

Mr. EVERHARDT. Yes, sir. I would be happy to submit to you their reports to us.

Senator STEVENS. Wolf Trap and that sort of thing?

Mr. EVERHARDT. I don't know whether we have asked them to go to Wolf Trap specifically, but we have asked them about cultural parks, we have asked them about transportation systems. As you know, twice a year they have a field inspection trip where they are called upon quite often individually as a smaller subcommittee under the general advisory committee to advise the Park Service. They go into new areas that are being proposed to take a look at. They were in Alaska last summer and visited all of these potential new parks.

So I think they are a very hard working group. They are very helpful to the purposes of the National Park Service.

Senator STEVENS. I hate to tell you—how long have I been on this committee, 5 years? Or 6 years. I don't think anyone has ever talked to me about that. Are they giving advice and then going on, or are they going to pass along some of that advice to the people who have to make some of these decisions? Back in the days when I was there, we had to send them up to the Hill and tell them to talk to the Senators and Congressmen and tell them what they were doing.

Mr. EVERHARDT. I will hold that one for counsel, Mr. Chairman.

SAN JUAN NATIONAL HISTORIC SITE

Senator STEVENS. What is the total estimated cost of the San Juan National Historic Site rehabilitation, for which you are budgeting $6.2 million for phase 1?

Mr. EVERHARDT. A preliminary estimate of $20 million has been provided by the Corps of Engineers.

GUADALUPE MOUNTAINS NATIONAL PARK

Senator STEVENS. Nearly $8 million is budgeted for Guadalupe Mountains National Park on top of $700,000 in the supplemental. Why so much, and what is the total development estimate for this park?

Mr. EVERHARDT. The funds provided in the fiscal year 1977 supplemental were for project planning of facilities. This park which was

authorized in 1966 and established in 1972 does not presently have any visitor or maintenance facilities. It encompasses over 76,000 acres and its visitor use areas are great distances from each other. These projects will provide facilities for the administration of the park and serve its visitors. An estimated $4.5 million of additional funds will be needed to complete the most urgently needed work.

WATER AND SEWAGE FACILITIES CONSTRUCTION

Senator STEVENS. A big part of your construction program is for water and sewage facilities. Are all these required by water pollution standards?

Mr. EVERHARDT. Not all of them are, Mr. Chairman. Most of the projects are primarily for rehabilitiation of existing systems that are overloaded or severely deterioriated to such a condition that they threaten public health. We will also install chlorination systems, construct new or extended sewage lagoons, and replace corroded water lines.

REPLACEMENT AIRCRAFT

Senator STEVENS. What is this aircraft you are going to replace?

Mr. EVERHARDT. That is the amphib down in the Everglades, Mr. Chairman.

Senator STEVENS. Good. I wanted to talk to you about that. I haven't flown it but I saw it a couple of times. It doesn't look to me like it has the range that it ought to have to make the trip from the Everglades out to Fort Jefferson and around that whole Florida area. What are you going to replace it with?

Mr. EVERHARDT. What we presently have, as you are well aware, Mr. Chairman, is an amphibian single engine four-place unit with sort of a boat-type hull. I have not seen the specifications but I certainly think our people are cognizant of the very problem that you are pointing out.

Senator STEVENS. It doesn't have the range it should have for that trip. As I said, I haven't flown on it myself but I have seen it often enough. I get a little worried about that.

Would you tell us what you are going to buy? Have you any plans of what you are going to buy?

Mr. EVERHARDT. I don't have the details, Mr. Chairman.

Senator STEVENS. How about giving us a list of the aircraft you have and where they are operating from?

Mr. EVERHARDT. I would be happy to, sir.

Senator STEVENS. Don't forget to tell us what you are going to get.

[The information follows:]

National Park Service aircraft

Area	Number	Type	Make
Cape Hatteras NS	1	Fixed wing	Cessna.
Denver Service Center	1	Fixed wing	Beechcraft.
Everglades NP	1	Fixed wing	Grumman.
Everglades NP	2	Fixed wing	Lake.
Glen Canyon NRA	1	Fixed wing	Cessna.
Lake Mead NRA	1	Fixed wing	Cessna.
Southeast region	1	Fixed wing	Aero Commander.
Subtotal	8		
U.S. Park Police	2	Helicopter	Bell.
Subtotal	2		
Total	10		

A replacement aircraft is required in fiscal 1978 at Everglades National Park to replace a Lake LA4 amphibian. The replacement will be a single-engine, 4 place aircraft with a boat-type hull.

Senator STEVENS. Someone needs to build a new Goose, a new twin-engine airplane, I think. I haven't seen any, but I don't see how you are going to deal with that weather down there. It comes up very fast and you can't get back off the lake in time. You can't move fast enough.

Mr. EVERHARDT. I guess we relied an awful long time on that good pilot we have down there. I flew with him once over the Everglades. He does a fantastic job with that airplane. I agree with you that certainly a replacement of that vehicle or that aircraft—we should certainly take those comments and I am sure our people are cognizant of those problems and will try to resolve that in the replacement aircraft.

BOAT REPLACEMENT

Senator STEVENS. That raises the question about boats, too. You have that boat down there that was a surplus boat. Do you have any plans to replace it?

Mr. EVERHARDT. I don't think that is in the budget justification. We normally have not submitted those kinds of requests or those kind of programing actions through the budget.

We do have an amoritization program in the National Park Service and most of these kinds of purchases are amoritized and then replaced on a scheduled basis. Boats are one of them up to a certain amount.

Senator STEVENS. All right.

Mr. EVERHARDT. I think the only boat we have ever brought before this committee was the one that went out to—which was quite an expensive big boat.

TOUR BOAT—GLACIER BAY NATIONAL MONUMENT

Senator STEVENS. Did someone tell me you had a proposal for another boat system going into Glacier Bay? Are you proposing to do that?

Mr. EVERHARDT. No, sir. Not that I am aware of.

Senator STEVENS. That was one of the reasons we hoped to be able to buy out the concessionaire, so he could buy a bigger boat.

Mr. EVERHARDT. I understand his boat was not to provide service back to Juneau, but was to give a better tour service. He needed a boat because he was using an inordinate amount of time for that 1-day tour. He wanted to speed that up and try to tie in a little bit better with the schedules of the airline service from out in Juneau. That has been accomplished.

But I can certainly appreciate what you are saying. That there is a need for some kind of access up to Glacier Bay other than just the airplane and tour boats and private boats that come out.

ADDITIONAL QUESTIONS

Senator STEVENS. All right. We will submit the balance of the questions. We also have written questions that have been submitted by several Senators. Some are from subcommittee members who could not be here this morning. Please answer all these questions for the record, if you will.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

ADDITIONAL COMMITTEE QUESTIONS

Preservation of Historic Properties

For Preservation of Historic Properties your request is $6.6 million, a decrease of $16 million when compared with appropriations to date. This decrease is offset by the establishment of the Historic Preservation Fund, which we will look at in a moment.

Object class changes

Question. Your object class breakdown for FY 1977 changes from your original presentation as a result of $1.7 million unobligated balance carryover from FY 1976. First of all, why such a large carryover? Why wasn't it obligated?

Answer. Mr. Chairman, we stress that this relatively large unobligated balance does not come from monies allocated to the States and National Trust for grants-in-aid program activities. The largest amount of carryover, $937,845, resulted from unforeseen program revisions or plans by the responsible Federal agencies-Corps of Engineers, Soil Conservation Service, TVA, EPA and others. These funds, administered by Interagency Archeological Services field offices, have now been, or are being, obligated. Additional IAS carryover totalled about $85,000, of which $73,000 was reserved for possible penalty payments resulting from project delays, but was not needed for this purpose. These amounts have now been obligated for additional archeological and salvage projects. Of the approximately $683,000 in individual operating accounts, almost $224,000 had been programmed for Historical Sites Survey technical publications and survey contracts. $50,000 had been budgeted to develop a much needed ADP system, which is presently being implemented. $50,000 had been allocated for dissemination of National Register technical information. The bulk of the remaining carryover, approximately $124,000, was budgeted for salary and travel expenses which was unused because of hiring constraints. We can assure you that the carryover resulted from our attempts to use these monies soundly, in keeping with our responsibilities to allocate our scarce resources prudently and effectively.

Question. Along that same line you show no carryover for FY 1977 or 1978. How accurate an estimate is this?

Answer. Any fiscal year 1977 carryover should be insignificant, as close to zero as it is practical to estimate. We have made several improvements in program administration to better manage our limited funds. Also we have implemented several projects, such as the ADP system, which had been delayed for a variety of reasons and we have now reached authorized staffing levels in the PHP item. Our intention is to use the money not to stockpile it.

Question. Why don't you provide information for the record on anticipated carryover for FY 1977 and FY 1978?

Answer. Mr. Chairman, we estimate no significant carryover at the end of fiscal year 1977. We cannot predict and do not expect a fiscal year 1978 carryover. Relatively small carryovers, such as the $124,000 that had been intended for salaries and travel but could not be spent because of hiring difficulties could occur at any time, but our plan is always to end the fiscal year with a balance as close to zero as possible. The expenditure of publication funds depends

upon schedules arranged by the Government Printing Office and beyond our control, but carryovers of this type almost never extend beyond the next fiscal year.

Question. Turning back for a moment to the FY 1977 changes, could you explain why $100,000 of the carryover was allocated to travel? This is one-third increase.

Answer. In the 1977 budget we estimated our 1977 travel costs at $200,000. This was based on 1975 actual costs.

In the 1978 budget, the 1976 actual cost amounted to $273,000. We therefore revised the 1977 estimate to a more realistic figure of $300,000.

The entire appropriation carryover from 1976 into 1977 amounted to $1,722,000. There was no intent to suggest that $100,000 of this figure was for travel, because at that point in time none of it had been obligated.

Also, in administering hundreds of preservation projects activities across the nation in cooperation with the 56 States and Territories, travel is one of the best investments one can make. It is the only real substitute for more manpower, more salaries, and, especially more paperwork.

Archeological Investigations and Salvage

Question. For archeological investigations and salvage you are requesting an increase of $813,000 for a total program of $2.7 million. What is the authorized level for this effort?

Answer. We are authorized $4.5 million.

Question. You are well below the authorized level-what is the current identified need?

Answer. In fiscal year 1978, Mr. Chairman, we have identified projects amounting to $5,125,000 over and above the requested $2.8 million and the amounts that will be transferred to us by other agencies. These projects, for which funding is not now in sight, could rescue important archeological and historic materials and information that will otherwise be destroyed by the construction of dams or other Federal public works. We would be pleased to provide a listing of these projects and our estimated dollar needs for data recovery in the 1978 fiscal year.

HISTORIC PRESERVATION FUND

Administrative Costs

Question . Does the authorization provide any limit on administrative costs for this program? We note that you do not include it in the proposed language.

Answer. No, it doesn't. Neither the National Historic Preservation Act of 1966 nor its Amendment specify a percentage or other means to defray administrative costs of the grants-in-aid program. Therefore the only source of administrative expenses is the Historic Preservation Fund. We want to point out that the percentage for

administration is low and it is our intention to keep it as low as possible. We estimate less than four percent for administration, based on the $35 million requested.

Question. What is your assessment of what the limit should be? We realize that you are well below the authorized ceiling, so perhaps you could provide us with a percentage.

Answer. We do not anticipate that administrative costs will raise substantially with increased funding partially because we anticipate requests for more comprehensive, higher cost projects. It does not cost more to administer one $50,000 dollar project than 10 $5,000 projects.

At the authorized $100 million funding level administrative costs would rise, but we believe we can stay within a limit of five percent at the authorized ceiling. We have budgeted less than four percent for administration at $35 million.

National Park Service - Historic Preservation Role

Question. Some of the items you mention under administrative costs appear to be similar to the functions of the Advisory Council - for example, technical assistance to states and review of grant applications. I thought that the Council was going to review work and comment on the merit of historical project plans. Isn't this duplication of their work?

Answer. No, sir, these are completely separate functions. Under the National Historic Preservation Act of 1966, the Secretary of the Interior is authorized to develop a program of grants-in-aid for historic preservation to the States and the National Trust for Historic Preservation. This program requires project-by-project review of historic and architectural project documentation, including plans and specifications, submitted by the States and National Trust. This review by professionally trained persons insures that each individual preservation project meets the standards and criteria developed by the Secretary of the Interior.

On the other hand, under Section 106 of the National Historic Preservation Act of 1966, as amended, the Advisory Council on Historic Preservation comments on all Federal undertakings which affect properties listed in or eligible for the National Register as a part of the Council's responsibility to monitor government-wide policy concerning historic resources.

Question. Why don't you give us a statement which clearly explains how your administrative program differs from the work of the advisory council.

Answer. The National Park Service administration of grants-in-aid has four principal components:

1. Professional review of individual grant projects to asure conformance to the Secretary of the Interior's professional and legal standards;

2. Technical guidance and assistance to States, Territories, and the National Trust for Historic Preservation to aid their historic preservation planning, development, and maintenance efforts;

3. Financial and program audits to insure that grants are being used in an appropriate manner for approved historic preservation projects, and that technical historic preservation standards established by the Secretary of the Interior have been met;

4. Program management to plan, direct, administer, and control activities funded under the Historic Preservation Fund.

Advisory Council on Historic Preservation

The Council's program, on the other hand, has quite different activities. The Council:

1. Advises the President and Congress on matters relating to historic preservation and recommends measures to coordinate activities of Federal, State and local agencies, and private institutions and individuals relating to historic preservation. This includes all compliance activities for all Federal undertakings as mandated in Section 106 of the 1966 National Historic Preservation Act;

2. Encourages public interest and participation in historic preservation activities;

3. Recommends appropriate studies and establishes guidelines concerning legislative and administrative statutes and regulations pertaining to historic preservation activities and the effects of tax policies on all levels of government on historic preservation.

4. Encourages training and education in the field of historic preservation.

In summation, the National Park Service is responsible for setting professional standards for preservation in general and for direct management of historic preservation programs in cooperation with the States and the National Trust. We help to identify historic resources; we advocate the preservation of such resources wherever possible, and we provide various types of assistance in preservation. Although the Council has begun to acquire certain programmatic responsibilities that duplicate those of the National Park Service, notably the responsibility to identify historic buildings suitable for public use under the Public Buildings Cooperative Use Act of 1976, the Council's principal duty is still to monitor government-wide policy and to render an independent judgment of the public interest when historic resources are threatened by Federal undertakings.

Question. Besides the grant money, you have transferred funding for the Advisory Council on Historic Preservation. When we heard the request of that newly established independent agency, they indicated a transfer of $70,000 was made, yet you only indicate $54,000 in your justification. We asked them to clarify this discrepancy and we would ask you to do the same. Did you transfer $54,000 or $70,000?

Answer. The Fiscal 1977 Appropriation included a total of $564,000 for the Advisory Council on Historic Preservation. An additional $16,000 of Fiscal 1976 unobligated carryover was available. Subsequent to the appropriation, P.L. 94-422 established the Advisory Council as an independent agency. The National Park Service transferred to the Advisory Council all the available funds less obligations incurred through the effective date of the transfer. Obligations were $70,000, therefore, $510,000 was the amount transferred.

The Fiscal 1978 Budget Justification action does not transfer funding to the Advisory Council, but deletes the program from National Park Service responsibility. Accordingly, our FY 1978 Budget reflects a decrease of $54,000 which is the difference between the previous FY 1977 base of $564,000 less $510,000 base transfer which occurred in FY 1977.

Questions Submitted by Senator Robert C. Byrd

Harpers Ferry National Historic Park

Question. There have been suggestions that the National Park Service reconstruct the water powered mill ruins on Virginius Island at Harpers Ferry National Historic Park. Are there any plans for the development and interpretation of the textile mill and related historic structures?

Answer. Virginius Island was formed by the construction of the old Potowmack Canal and a portion of the floodplain along the western bank of the Shenandoah River. In the 19th century it was the major industrial site in Harpers Ferry. Frequent flooding of the Shenandoah destroyed many of the buildings and caused the remainder to be abandoned.

The island now contains the ruins of a textile mill, structures pertinent to the use of waterpower, and other historic structures. The Service needs $74,000 in FY 78 for a Historic Structures Report, archeology and resource preservation. An additional $101,000 will be needed in FY 79 to complete the Historic Structures Report, begin phase 1 of the project planning, do archeology in advance of construction, and begin some high priority ruins stabilization. The following years will require additional funds for archeology in advance of construction, project planning, and ruins stabilization funds in the following amounts: FY 80, $285,000; FY 81, $252,000; and FY 82, $485,000.

Question. Increased visitor use of the historic lower town in Harpers Ferry NHP is creating traffic congestion problems. What is being done to improve transportation patterns to relieve this congestion?

Answer. To relieve the traffic congestion and parking problem in the congested historic lower town, it is proposed to construct a new parking area, roadway, transportation systems, and visitor contact facility. Public Law 93-466 authorized $1.3 million for land acquisition at the proposed site for the parking and visitor facility has been completed.

There is likely to become controversy over the proposed development. Because of this, the planning process must be thorough and must include extensive public involvement. The National Park Service is currently doing a Historic Structures Report on approximately 35 structures in the lower town. This will provide the basis for a Development Concept Plan that is scheduled for completion by September 1977. The Interpretive Prospectus for Harpers Ferry National Historical Park is scheduled for completion by December 1.

During that planning process, full consideration will be given to all alternatives of accomplishing the objective of reducing congestion in the lower town. Estimated costs are as follows:

Surveys and Construction Drawings	$ 514,000
Construction	4,578,000
Total	$5,092,000

Question. Could the Park Service effectively use additional funds towards elimination of traffic problems in FY 1978?

Answer. The Service is currently doing some development concept and interpretive planning in the lower town area. Some traffic studies will also be accomplished. The work is being accomplished within the 1977 availability and will continue in Fiscal 1978 within appropriation amounts requested.

Harpers Ferry Center Space

Question. There has been some discussion relative to adequate space needs for the Harpers Ferry Center. What are present plans to provide this additional space?

Answer. The Harpers Ferry Center is located at Harpers Ferry, West Virginia, within the boundaries of the Harpers Ferry National Park. However, it is not a part of the park, but a separate entity responsible for producing or providing the interpretive devices used throughout the National Park Service.

The Harpers Ferry Center presently occupies space on the site of the old Storer College. Additionally, the Center is leasing 48,000 square feet of non-Federal space at other locations. These are two schoolhouses in the town of Harpers Ferry, a garage at Brunswick, Maryland, and a warehouse in Springfield, Virginia. These arrangements are not satisfactory. This new space will accommodate existing functions and personnel that are presently housed in wholly inadequate leased or government owned buildings in the various locations mentioned above. This currently occupied space and these separate locations are grossly inefficient. The inadequate space does not provide security for the irreplaceable artifacts stored there, and serious structural hazards exist. Many of the operations required for scientific preservation of museum specimens involve the use of flammable, toxic or corrosive chemicals. Fabrication of exhibits and graphics is presently housed in the lower floor of the Interpretive Design Center in space never intended for a construction type function. Fumes, noise and dust from this operation are an actual health hazard and overcrowded to the point that it is unsafe for workmen to operate.

This proposal will provide a building to house a laboratory, shops, warehouse and offices, parking area, lawn and landscaped area and outside storage at a total estimated cost of $12,048,200 as follows:

Advance Planning	$ 407,500
Project Planning	922,300
Construction	10,718,400
Total	$12,048,200

Building location has not yet been determined. Sites being considered are all within the Harpers Ferry NHS boundaries as follows:

1. The Cavalier Heights area recently authorized as part of the park.

2. A site near the park's maintenance area.

3. A site on Bakerton Road.

Site location will be determined during the advance planning stage of this project.

QUESTIONS SUBMITTED BY SENATOR WALTER D. HUDDLESTON

Funding for Park Areas in Kentucky

Question. You have three Kentucky areas -- Cumberland Gap, Mammoth Cave, and Abraham Lincoln Birthplace. Could you briefly describe your current activities at those places and what the funds requested for fiscal 1978 would be used for?

Answer. The National Park Service conducts resource management, visitor protection, maintenance and visitor services programs required to meet the Service's responsibility to protect, preserve the natural and historic resources and to provide for the enjoyment of the areas. Abraham Lincoln Birthplace, the smallest of the three had visitation of 368,000 in Fiscal 1976. Cumberland encompassing 20,265 acres has visitation of 437,000 and Mammoth Cave with its 51,304 acres was visited by 1,839,000.

The Fiscal 1978 fund request will provide for the following needs:

Purpose	Abraham Lincoln	Cumberland Gap	Mammoth Cave
General Management	$210,900	$ 92,800	$ 245,200
Interpretation	--	149,400	432,900
Visitor Protection	--	50,500	126,700
Resource Management	--	54,200	108,700
Maintenance	--	341,800	677,800
Fee Collection Activities	--	13,400	115,300
Construction	--	22,000	--
Total	210,900	724,100	1,706,600

Cumberland Gap Tunnel

Question. Are you familiar with a proposal known as Cumberland Gap Tunnel and would you care to comment?

Answer. The 1973 Federal Aid Highway Act authorized the relocation of U.S. Route 25E from its present location through the gap to another alignment which involves a tunnel and new approaches within the park. Highway Trust Funds for the full cost of construction were authorized. The Act also provided that the new road would be turned over to the National Park Service for management as part of the park when completed.

The estimated cost of the project is $50 to $70 million. Following completion, the cost of operation and maintenance, including power for blowers, ventilation, etc., is estimated to be at least $310,000 annually.

Funds have not been requested in the 1978 FY budget for the following reasons:

1. Since funding, as authorized by the 1973 Act, would be for parkways, it is questionable that the Service could undertake a parkway project without specific authorization. No parkway was in fact authorized, only a source of funding.

2. All unprogrammed contract authority totaling $118,995,000 provided in the 1973 Act was rescinded by Congress, October 1, 1976, as provided in the Interior and Related Agencies Appropriations Act, 1977, PL 94-373, approved July 31, 1976.

3. Portions of the approaches to the tunnel lie outside the boundary of Cumberland Gap National Historical Park. The National Park Service is not authorized to expend appropriated funds for capital improvements on lands not in Federal ownership.

Employment Programs

Question. I believe you have utilized the Job Corps very successfully at the Mammoth Cave area in Kentucky. Could you tell the committee about their activities?

Answer. The Great Onyx Job Corps Civilian Conservation Center is situated in the Mammoth Cave National Park. The program began there in 1965. The goal of the Job Corps program is to produce responsible citizens by making them employable. We do so by implementing a social skills, academic, and vocational skills training program. The vocational skills program requires construction projects which provide meaningful training opportunities. The Mammoth Cave National Park has fully taken advantage of the aforementioned. As a result, it is most difficult finding good projects for a significantly long period of time in the future.

Question. Are you using Youth Conservation Corps participants in many of your parks?

Answer. During the summer of 1976, we employed 2,400 Youth Conservation Corps participants in YCC camps in 77 areas of the National Park System. Present planning for summer, 1977 is almost identical. However, we have been asked to plan an expansion of this program due to an increase in the overall program, which is contemplated to be legislated in the next few days. This expansion, if implemented, will increase our 1977 program by at least 40 more parks.

Question. What types of work do they usually perform?

Answer. The work program of the YCC differs from the Job Corps program in that construction projects are not required. The YCC program is for gainful employment of school age youngsters, not "training for specific" trade skills. YCC enrollees construct and rehabilitate camp sites, trail construction, erosion control, terracing, environmental and field research, VISTA clearing projects, etc.

Question. How would you characterize your experience with the YCC program?

Answer. It has been one of our most impressive efforts with young Americans. In 1976, we were budgeted $3,400,000 to implement our YCC program in the National Park Service. Appraisal of work projects accomplished amounted to approximately $3,600,000.

Question. I have sponsored legislation to extend the YCC to a year-long program. Would such a program be helpful to the National Park Service?

Answer. A more specific explanation most be made concerning this legislation. For example, at the present time, YCC enrollees are 15-18 years age youth. A year-round program which would be in competition with the public school system is not what we want. A year-round program which would be in cooperation with the public school system would be beneficial. Some schools now operate year-round and have vacation periods other than during the usual summer. Legislation which further expands the YCC by identifying the program as "YACC" for the Youth Conservation Corps needs to be accomplished, that age should be extended to at least 24 years of age. This would allow us to implement a program which would, (1) gainful employ our young Americans, (2) accomplish needed conservation projects in our agency, and (3) help our efforts in explaining our conservation and preservation responsilibities to the public. We see this program as a benefit both to our young people and to our agency.

Operation and Construction Needs

As you noted in your justification, the overall condition of the National Park System has become a matter of public concern.

Question. What would you say NPS's most pressing needs are?

Answer. Our most urgent needs are: (1) preservation and protection of existing park resources which includes natural, historical and cultural resources and the care and maintenance of existing facilities; (2) provision of visitor support services at levels required by visitor use of park resources. This includes such services as visitor protection, safety, interpretation and operation and maintenance of visitor use facilities; (3) activation and operation of new and recently authorized areas to make these areas responsive to public needs; and (4) expansion of the historic preservation and grants-in-aid programs to encourage the preservation of historic properties which are not a part of the National Park System.

Question. Do you have a backlog of deferred maintenance?

Answer. In construction, we have a five-year maintenance backlog amounting to $171 million. This backlog includes rehabilitation and repair of historic and other facilities.

Question. Do you have a backlog of rehabilitation and construction projects?

Answer. Servicewide, we have a total rehabilitation and construction backlog of $2.5 to $3 billion. Approximately $700 million of this backlog is in the planned five-year Bicentennial Land Heritage Program. $91 million of the latter amount is included in our fiscal 1978 construction program.

Wolf Trap Farm Park Construction Program

Question. You have requested $2.6 million for construction at Wolf Trap. As a new member of this subcommittee, I would like to know the extent of NPS responsibilities at Wolf Trap.

Answer. Wolf Trap Farm Park for the Performing Arts is responsible for the total operation of the park on a year-round basis similar to all other parks within the National Park Service. This includes total responsibility for planning, administration, interpretation, maintenance, protection, safety and preservation of all park land, property, facilities and equipment. Included in this responsibility is the operation of the Filene Center as a major theatre with provision of theatrical equipment, supplies, and materials.

Of particular importance is the interpretive aspects of the overall Wolf Trap Program. Visitation is approaching 600,000 annually, almost equally divided between non-paid and paid performances and programs, with special services and programs designed to meet the needs of the handicapped, senior citizens and underprivileged. Some of the events of major significance are parkwide activities, i.e., all day July 4 celebration, 3-day International Children's Festival, 3-day National Folk Festival, Anacostia Day, in addition to other special programs.

The programing in the Filene Center is an example of a joint venture between the public and private sectors. The Wolf Trap Foundation, a private non-profit organization, provides the contractual services for performers and productions, publicity, advertisement, and box office operations. The park provides technical and operation services, i.e, technical direction, stage-hands, production management, ushering, theatre management, as well as coordinating the overall related activities of performances.

As a fully operational National Park Service area, the park fulfills its role with the surrounding communities and coordinates activities and cooperates with Federal, State, and Local Agencies.

Question. Why do we need a visitor orientation complex there?

Answer. Wolf Trap Farm Park, as stated in the enabling legislation, was established for the "performing arts and related educational programs." Since the purpose of the park is to provide a performing arts center where all people can gain, through active participation, a deeper understanding of past and present performing arts as a vital part of everyday life in an informal natural setting, it is essential that facilities be made available to accomplish this purpose.

Wolf Trap Farm Park officially opened to the public July 1, 1971, with the completion of the Filene Center. The center, named in memory of the parents of Mrs. Jouett Shouse, is located on land donated to the Federal Government by Mrs. Shouse. Funds for the construction of the theatre were also donated by Mrs. Shouse. Included in the original planning was the later construction of administrative and visitor facilities.

Currently, administrative offices are located in the old farmhouse with Visitor Services, Box Office, and U.S. Park Police personnel housed in trailers. Other operational elements are located in Federally leased space not on park premises. Dining services seating 200 are provided in a seasonally erected tent. A large segment of the interpretive program is also located in another seasonally erected tent.

The proposed permanent facilities include space to house the park headquarters staff as well as all other operational units in one structure, resulting in far greater operating efficiency and overall economy. Leased space would no longer be required and visitor facilities would be provided in a central location where visitors could prepare and plan their visit to the park.

Wolf Trap brings together artists and visitors with diverse backgrounds from all parts of the United States as well as foreign lands. This facility would provide the opportunity for the visitor to observe, learn about, participate in, and appreciate performing arts in the widest possible range and also to better understand the motivations and skills of the artists. To achieve this an operational stage setting and museum is required enabling the visitor to go "behind the scenes" to learn the how and why of the origin and growth of the performances, and the training and efforts demanded of the artists. Even in the best of performing arts centers, there is little opportunity for the audience to become directly involved in the total operation of the theatre. The proposed center will provide an opportunity to learn through exhibits and other educational media about American cultural development and creative ability.

The restaurant portion would provide dining facilities replacing the seasonally erected tent as well as food service for the park. Presently, the nearest food service is located approximately four miles from the park boundary.

A visitor orientation complex is needed since Wolf Trap is the only park dedicated to the performing arts and has achieved national and international acclaim.

Mrs. Shouse has indicated that private funds in the amount of $1,000,000 would be available for the theatre portion of the complex which would reduce the Federal portion by that amount.

Question. Why should NPS be financing the planning for providing weather protection and for an orchestra shell -- and I assume later on financing of construction of the weather protection and shell?

Answer. Weather protection for the backstage areas and the stage orchestra shell are integral elements within the sphere of responsibility of the National Park Service in the operation of the Filene Center. The weather protection is required to provide shelter for valuable stage lighting equipment, expensive scenery, and other production materials currently protected by canvas.

The temporary orchestra shell, hastily designed and constructed to meet the opening deadline of the Filene Center, requires extensive annual repairs. Planned replacement of this shell is necessary due to the magnitude and scope of its present use. The intended life expectancy of this structure has already been exceeded.

Question. Can't these be financed by receipts from performances?

Answer. The National Park Service does not receive the receipts from ticket sales. The Wolf Trap Foundation, a non-profit organization, is responsible for receipts from performances which are used for the partial payment of expenses incurred for the contracting of performers and productions, advertisements, box office operation,

etc. The receipts from ticket sales are augmented by private donations and subscriptions.

Question. What is the total cost of currently anticipated construction projects at Wolf Trap?

Answer. The total anticipated construction for Wolf Trap is as follows:

PROJECT	PLANNING	CONSTRUCTION
Park General Planning	$ 65,000	$ --
Replace Existing Temporary Maintenance Building	125,000	511,000
Picnic Areas and Trails	42,000	372,000
Fire Protection System, Filene Center	23,000	197,000
Weather Protection, Filene Center	68,000	393,000
Miscellaneous Surface Parking	40,000	270,000
Trail System	25,000	119,000
Grounds Improvement	80,000	499,000
Visitor Orientation Complex	703,000	5,659,000*
Orchestra Shell	10,000	125,000
Correct Theatre Leakage	15,000	98,000
	$1,196,000	$8,243,000*

GRAND TOTAL: $9,439,000*

*Of this amount it is anticipated that $1 million or more will be available from private funds for the theatre portion of the visitor orientation complex. This would reduce the total construction requirements to $8,439,000.

National Visitor Center Operating Costs

Question. What are current costs of operating the National Visitor Center?

Answer. The current operating budget is $6.5 million. Of this amount, $3.5 million is for rental payment. Some of the other significant costs are heating, $200,000; electricity, $340,000; janitorial contract, $325,000, and maintenance repair contracts on mechnaical equipment, $211,000.

Historic Preservation

I would like to pursue for a moment the request for historic preservation funding. The authorization, as you know, is $100 million, but the budget request for fiscal 1978 is $35 million.

Question. Could you give us some idea of the need for this funding?

Answer. Three years ago, the National Conference of State Historic Preservation Officers estimated the amount of Federal assistance required to overcome the backlog of unmet preservation need at 400

million dollars per annum for a 10 year period. The preliminary estimate for fiscal year 1978 was 412 million dollars. Each year preliminary estimates have later been exceeded by the amount actually requested. Also, the State warrants, that is, the listing of projects for which Federal funding is requested and for which matching funds are available, have increased each year. Some of the increase is due to inflation and much is due to the fact that deteriorating historic buildings grow worse and the costs of restoration become more expensive with the passage of time. Mostly, however, the increase reflects a growing awareness by the public that historic resources are important parts of their lives. Specifically the fiscal year 1977 State and National Trust requests listed 4,152 projects totalling $341,207,495. This was matched by $16,468,100 or 4.8 percent of the amount needed.

Question. How many years would it take to meet the need at the $35 million level?

Answer. It would take approximately 10 years just to meet the actual need shown in the fiscal year 1977 warrants, which totalled $341,207,495. It would take almost 12 years to meet the fiscal year 1978 estimate of need. These estimates can only be approximate since in these periods historical properties will continue to deteriorate, the amount of restoration work needed will increase, and costs per unit will increase proportionately. Inflation will also affect final costs.

Question. What kind of a backlog do you have?

Answer. The fiscal year 1977 appropriation of $17.5 million was applied to over $341 million of legitimate requests for which applicants have matching funds in hand right now. In terms of the 4,152 projects ready for funding, we estimate 500 projects will be funded in fiscal year 1977, leaving a present backlog of 3,652 unfunded projects. At $35 million dollars, we estimate, based on prior experience, an additional 1100 projects would be funded. This leaves 2,552 unfunded projects remaining to be funded in future years based on projects ready for funding right now. Of course the actual backlog will be much greater because the FY 1978 applications will include many projects not included in these figures.

Question. Does NPS have the capability for additional funding?

Answer. Yes. We can handle the increase to $35 million with present staffing, at least for a while. We say this because at the increased level, we would expect States to be more efficient and request more complete projects rather than increasing numbers of smaller projects that have to be phased over several years. And it would not require more staff to review, monitor, or administer one $50,000 project than 10 $5,000 projects. In addition, we expect the States to devote more of their Federal grant to the expansion and improvement of their efforts to identify and to protect historic properties--the activity which we, the States, and the Advisory Council on Historic Preservation agree has the highest priority of all.

Question. In your opinion, do the States have a capability to use additional funding?

Answer. Yes, most definitely. Additional funding is needed and the States are ready to use funding effectively and efficiently.

Question. Could you explain what the difference will be in terms of program activity if the $35 million, rather than the $100 million is provided?

Answer. The fiscal year 1978 apportionment formula, which has been recommended by the National Conference of State Historic Preservation Officers and which has been submitted by the Park Service for Secretarial approval, would allocate $28 million to the States and $4.5 million to the National Trust under the requested $35 million. Were $100 million appropriated, $85 million would be allocated to the States and $6.5 million to the National Trust.

Fewer individual projects will be assisted with $35 million than with $100 million. We estimate that 1100 projects would be assisted with $35 million. With $100 million, approximately 3,000 projects of a similar magnitude could be funded. However, with $100 million funding, individual preservation projects of a significantly greater magnitude might be undertaken by the States.

Question. What would you be able to do above the budget request, if, for example, an additional $15 million were provided for a total of $50 million?

Answer. We can project that approximately 500 additional projects of the magnitude of these currently funded in fiscal year 1977 would be assisted with an additional $15 million.

Historic Properties Certification Process

Question. There are two certifications involved for historic properties: first, a building must be certified as being in an historic district, second, the restoration proposed must be acceptable. What amount of work is involved in such certification process?

Answer. Sir, the question does not describe completely the Secretary's certification responsibilities under the Tax Reform Act of 1976. The Secretary must certify whether structures contribute to the significance of historic districts, not just that they are located in such districts. The rehabilitation of "certified historic structures" must also be certified by the Secretary as being consistent with the historic character of such property or the district in which it is located.

The Department of the Interior published its interim procedures for certification of buildings in National Register districts and for certification of rehabilitations on March 15, 1977. To obtain certification that a structure is of historic significance to a district, the owner must make written application to the appropriate State Historic Preservation Officer and supply documentation about the property. The State Historic Preservation Officer will review the documentation and forward it with his recommendation to the National Park Service within 45 days. The National Park Service will also review the "Application for Evaluation of Significance" and provide the owner a written notification within 45 days of receipt of the "Application for Evaluation of Significance."

The certification of rehabilitation procedures may be in two steps. An owner submits an "Application for Certified Rehabilitation" to the State Historic Preservation Officer. If the work described in the project has not commenced, the State Historic Preservation Officer reviews the proposed work and forwards the application to the National Park Service with his recommendation about whether the proposed project is consistent with the "Standards for Rehabilitation" in the procedures. The application is also reviewed by the National Park Service and the owner is advised in writing within 45 days. The owner will be advised

of any revisions necessary to meet the standards in order to assure owners that their proposed rehabilitation will be eligible for the tax benefits. Upon completion of the rehabilitation project, the owner submits a "Request for Inspection of Certified Rehabilitation" either directly to us or through the State Historic Preservation Officer. Onsite inspections will be made by an authorized representative of the Secretary of the Interior, normally within 30 days of the request, and the owner will be notified in writing as to certification within 45 days of the inspection.

As this process indicates, the responsible review of certification requests will impose a significant new burden on State Historic Preservation Officers and on the National Park Service. These new functions require the hiring of additional professional and clerical staff by all State historic preservation offices and by the National Park Service. The processing of certification requests demands a careful review by experienced architects, architectural historians, and historians, and timely notification will require additional technical and clerical support.

Survey and Planning - Matching Ratio

Question. Under the recently passed authorization, States can be reimbursed on a 70/30 basis for survey and planning activities as opposed to the current 50/50 basis. Reimbursement is, however, continuing at the 50/50 rate. Has a final decision been made to continue the 50/50 rate? If so, why was that decision made?

Answer. An increase in Federal share percentage from 50-50 to 70-30 has been recommended by the National Park Service and has been forwarded to the Office of the Secretary for decision. The Secretary is considering the matter; no final decision has been made.

Question. In determining the fiscal year 1978 apportionment for historic preservation, a performance-based allocation system will be used. Would you explain that system and how it will operate?

Answer. The formula, submitted for consideration by Secretary of the Interior, was adopted by the National Conference of State Historic Preservation Officers at its annual meeting in February, 1977. The National Conference recommended this formula for use in fiscal year 1978 at whatever appropriation level is authorized.

1. Thirty percent of the funds available for apportionment to the States will be divided equally among all the States.

2. Fifty percent of the funds available for apportionment to the States will be divided on the basis of past expenditures of historic preservation grant funds. Each State's share will be computed on the basis of the ratio of its expenditures for survey and planning and acquisition and development in the second, third, and fourth fiscal years prior to the year of the apportionment (for FY 1978: fiscal year 1974, 1975, and 1976) to the total of all States' expenditures in those years.

3. Twenty percent of the funds available for apportionment to the States will be divided on the basis of population. Each State's share will be computed on the basis of the ratio of its population (as reported in July 1975 U.S. Census) to the total of all States' populations.

4. If 70 percent Federal funding for survey and planning is authorized, at least $100,000 of each State's apportionment may only be spent for survey and planning and may not be used for acquisition and development. If 70 percent Federal funding for survey and planning is not authorized and the maximum Federal share of survey and planning remains at 50 percent, at least $42,000 of each State's apportionment may only be spent for survey and planning and may not be used for acquisition and development.

5. Each State's survey and planning program for fiscal year 1978 must be justified in the State's annual preservation plan for fiscal year 1978 in terms of detailed national preservation objectives for survey and planning.

6. At least half of each State's expenditures for acquisition and development must go to projects that meet detailed national preservation objectives for acquisition and development.

7. Survey and planning funds must be expended by the end of the fiscal year following the year of the apportionment (for FY 1978: by September 30, 1979), or the funds will revert for reapportionment.

8. Acquisition and development funds must be expended by the end of the second fiscal year following the year of the apportionment (for FY 1978: by September 30, 1980), or the funds will revert for reapportionment.

9. If the application of this formula results in a State's receiving a lower apportionment than in fiscal year 1977, an amount sufficient to make the State's FY 1978 apportionment equal to its FY 1977 apportionment will be taken from the Secretary's Discretionary Fund and added to the amount that the State would receive under the formula.

Questions Submitted by Senator Mark O. Hatfield

Funding for FDR Memorial

Question. What is the funding level for the FDR Memorial in the budget for FY 78? If the $336,000 added to the FY 77 Supplemental is approved and available, do you anticipate additional needs for FY 78? Would you provide the Committee with a specific justification for these additional funding needs?

Answer. The National Park Service does not anticipate the need for additional funds in its budget for FY 78 for the design of the FDR Memorial. The current request for $336,000 in the FY 77 supplemental appropriation will bring the design effort to the point at which the FDR Memorial Commission can submit it to Congress for authorization. Additional funds will be required for working drawings and contract specifications, but this would be part of the appropriations resulting from authorization of the Memorial.

To date, a sculptor for the Memorial has not been selected by the FDR Memorial Commission. It is our understanding from Commission Chairman Eugene Keogh that they plan to select a sculptor during the next 2 months and the Commission will be contracting directly with the sculptor. We further understand that the Commission will request, in their FY 78 budget, adequate funds to retain the sculptor to work with Lawrence Halprin and Associates, who is currently under

contract with the National Park Service for the design of the Memorial, during this final phase of design. Although the cost of the sculptor is entirely dependent on the individual selected, it is estimated that approximately $250,000 would be adequate during this phase of the design process.

Questions Submitted by Senator Charles McC. Mathias, Jr.

National Park Service Facilities Restoration Priorities

Question. What is the priority of restoration of federal facilities within the National Park System?

Answer. The National Park Service has set three goals for Fiscal 1978 which will direct management efforts in such a way that the most urgent basic problems will be addressed. These goals for Fiscal 1978 are:

Protection, preservation, and stabilization of primary park resources, with emphasis upon preventing degradation or loss of historical and natural resources, and repair of those additional facilities comprising Federal capital investment.

Provision for quality visitor services through protection, interpretation, visitor use programs, concessions management, and operational maintenance.

Provision for initial and rapidly increasing requirements in areas not yet fully operational, where preservation needs and potential recreation use are high.

The following major program thrusts are identified for higher priority consideration:

-- Historical and natural resource preservation programs to prevent substantial ongoing degradation or loss of resources.

-- Programs reducing within-park energy use.

-- Curatorial maintenance programs that will halt the rapid deterioration of museum collections and exhibits, or that will provide adequate protection for museum collections and facilities.

--Backcountry resource management programs where substantial and rapidly accelerating use threatens park ecosystems or features.

-- Development or maintenance required to repair existing government facilities.

-- Programs that improve monitoring of potential health and safety hazards in parks.

-- Interpretive programs with an emphasis on those that promote understanding of energy conservation by setting an example for the public.

-- Programs required for historical and natural resource preservation and control of visitor use within areas not yet fully operational.

-- Programs that provide essential basic visitor services, including information and interpretation, within areas not yet fully operational.

-- Services that address already present high demand for park use within areas not yet fully operational.

Glen Echo Park Operation

Question. I have recently received numerous letters inquiring as to the operational status of Glen Echo Park in Glen Echo, Maryland, and in your professional opinion, I am interested to know how successful you feel these programs have been?

Answer. We feel that the programs at Glen Echo Park have been highly successful on two distinct levels. First, cultural events and educational workshops stressing participation and family involvement have grown steadily over the past four years to the point of operating continually throughout the year. Almost all of the 600 or more yearly programs are organized and presented by local artists, teachers, and community groups. In 1976, over 131,000 participants and visitors made use of the park and its programs. A significant measure of the park's success is the steady growth in programs and attendance since 1972. On another level also, the park and its programs have been highly successful. The park has proven to be an invaluable experiment and model for the National Park Service in urban park and recreation programing. Glen Echo's programs are certainly a successful demonstration of the degree to which community resources and involvement can develop quality cultural and recreation programs when coupled with the resources and values of the national parks.

Question. How much money has the National Park Service proposed for the operation of Glen Echo Park during FY 1978?

Answer. Included in the FY 1978 appropriations request under "Operation of the National Park System" is funding which would provide $239,500 for the operation of Glen Echo Park. An additional $35,300 would be provided for the operation of the adjoining Clara Barton House. These are equivalent to FY 1977 funding levels. The Glen Echo operating funds are broken down as follows:

For Management	$ 55,800
For Visitor Programs and Community Programs Support	75,700
For Operation and Maintenance of Facilities and Grounds	108,000

In addition to appropriated funds, it is expected that over $276,000 will be contributed to support the operation of the Glen Echo programs. These funds are estimated to be generated from the following activities:

a. Approximately $150,000 in tuition fees for courses and workshops paid directly to an average of 53 cooperating artists and instructors.

b. Approximately $36,000 in admission fees paid directly to a non-profit community children's theater groups, "Adventure Theatre."

c. Approximately $35,000 in grants for programs made directly to the National Park Service and cooperating groups at the park.

d. Approximately $35,000 from the Montgomery County Public School System to operate a cooperative program in alternative education, the Chautauqua School.

e. Approximately $10,000 in sales of art produced at the park, literature pertaining to the site, and rides on the site's carrousel.

f. Approximately $10,000 in registration fees collected to support the cost of publicizing the educational and cultural program.

These figures are indicative of the extent of community support in reflecting that the National Park Service appropriated funds spent at Glen Echo are only 43 percent of the total used to operate the park and its programs for a year.

Question. Have you made an assessment of the annual usage of the facilities at Glen Echo Park?

Answer. Sixteen facilities at Glen Echo are in use on a year-round basis for park offices, a U.S. Park Police substation and stable, a gallery and information center, a children's theater, 11 cooperating resident arts programs, several multi-use classroom areas, a county alternative school program, and a comfort station.

Twelve facilities are in use on a seasonal basis and include outdoor pavilions, seasonal class areas, seasonal ballroom and performance areas, a carrousel, and picnic facilities.

Two facilities are not in use at this time.

The year-round programs are used predominately by residents of northern Fairfax County, Virginia, Montgomery County, Maryland, and western District of Columbia; however, some participants do travel from as far as Annapolis and Baltimore, Maryland, and Alexandria, Virginia.

Festival and seasonal events generally draw visitors and participants from the entire Washington regional area.

Glen Echo Park Development

Question. Did the President not recommend construction money for the FY 78 budget to stabilize and restore existing federal facilities within the Park Service? and if so, how much of this money will be going to Glen Echo?

Answer. The National Park Service anticipates an appropriation of $143.2 million for construction in FY 1978, including $96 million for the Land Heritage Program. No Glen Echo projects are included in this appropriation. Though the National Park Service has administered programs at Glen Echo since 1971, clear title to the property was only vested with the Service in March of 1976. Formalization of management planning for the site did not occur

until December 1976, well after the FY 1978 budget request and President's Bicentennial Land Heritage Program had been finalized.

Question. Do you have an accurate estimate of the amount of construction monies which would be needed to restore the facilities at Glen Echo Park?

Answer. It is estimated that $451,300 in construction monies are needed immediately to stabilize safety, structural, and winterizing problems which threaten closure of facilities currently in use at Glen Echo. An additional $83,200 in yearly operating funding is required to provide adequate cyclic and operational maintenance for the 30 structures at the site which contain approximately 180,000 square feet of space. Full restoration of the facilities is currently estimated to require an additional investment of $200,000 per year for a period of ten years, and would include professional support as well as construction costs.

Question. Has the Park Service made an evaluation of the "Management and Development Plan" which was made on the Glen Echo Park?

Answer. Since 1971, the National Park Service has met with the public in the communities surrounding Glen Echo once or twice a year. In 1974 and 1975 we initiated a formal planning effort to develop a General Management and Development Plan for the site in accordance with the National Park Service policy. As a result, we have developed a data base on the park, finalized a Statement for Management, which addresses the purpose of the park and our management objectives for it, and developed a series of development alternatives for consideration. Each of these elements was developed with community involvement. As a result, we feel that continuation of cultural and recreational programs in cooperation with local individuals and community groups is an appropriate use of this park. In this light, we also feel that stabilization and use of approximately 95 percent of the existing facilities at the park is warranted immediately. Full restoration of facilities and grounds is also warranted but will require further design, coordination and public input.

Questions Submitted by Senator John C. Stennis

Natchez Trace Parkway

Question. In what year was construction of the Natchez Trace Parkway started?

Answer. Construction was started in 1937 with funds allocated from the Emergency Relief Appropriations Act of 1935 and, in the succeeding 4 years, work on 105 miles was accomplished.

Question. Please state how many miles have been built, how many remain to be built, and the percentage of completion.

Answer. There have been 329 miles of mainline parkway constructed and 114 miles remaining to be constructed to complete the 443 mile roadway. The parkway mainline mileage is approximately 74 percent complete.

Question. Is it true that neither end of the parkway, near Natchez and near Nashville has been completed, and that the intervening completed stretches are discontinuous so that travelers must leave the parkway and use other roads?

Answer. Excluding the two terminus sections near Natchez and Nashville which are also unfinished, there are five uncompleted sections where parkway visitors must leave the roadway and travel on existing state or county roads to the next completed section.

Question. During the past eight years, excluding the recent revised budget request of the new administration, how much money has been included for new construction in the annual budget requests?

Answer. The total amount in the National Park Service budget request to Congress for new construction for the past eight years is $3,624,000.

Question. Does this not indicate that the Department of the Interior, so far as annual requests for appropriations are concerned, abandoned the intent to complete the Natchez Trace Parkway?

Answer. The fact that greater amounts were not in the budget for the past eight years does not mean that the Department of the Interior has abandoned their intent to complete the Parkway. Several factors have had an influence on appropriation requests over the past several years. The Department has been faced with tight budgetary allowances and pressing priority needs. For example, in the early 1970's it was necessary for NPS to undertake a large Pollution Abatement program to meet EPA standards. This was followed by significant requirements for Bicentennial projects in many park areas.

Question. The States of Mississippi, Alabama and Tennessee have made a very significant envestment in the lands and rights of way for the Parkway. Were they officially advised that the Department had a new policy of no longer requesting money to continue new construction?

Answer. First, there has never been a policy in the Department of the Interior not to request money for new construction for the Natchez Trace Parkway. The Department has not had sufficient budgetary allowances to provide for completion of the Parkway. Second, we have responded on many occasions to letters and resolutions sent to the Department by Federal and State legislators and by concerned community groups expressing our support for completion of the Parkway, and explaining our fiscal predicament to each of them. We have never indicated that we did not intend to complete the Parkway.

Question. In effect then, did not the Department of the Interior, beginning eight years ago, unilaterally abandon an endeavor that had been undertaken mutually with the three States?

Answer. We have not abandoned our plan to complete the Natchez Trace Parkway. We have repeatedly expressed concern over the slowness of funding for this National Park Service area. We hope that the fiscal climate of the Federal Budget will improve so that adequate construction amounts will be appropriated for completion of the Parkway.

Question. The public in the area had a right to be informed of any policy change that would have a substantial effect on the progress of a project to which they had looked forward for so long. Was this done?

Answer. The park Superintendent has kept the public informed of plans for the parkway. As stated previously, no policy change has occurred.

Question. In view of the public uncertainty for the last 8 years about the plans of the Federal Government to complete the Natchez Trace, would it not be desirable, and even essential, that the new Administration make it clear what is planned about completing the remainder of the parkway?

Answer. The National Park Service expects to complete Section 2-D (12 miles) and 3-B (10.8 miles) through FY 1981, providing all the funds requested in the Land Heritage Program are appropriated. The remainder of the parkway will be completed in future years. Parkway funds are from the general funds of the Treasury, as opposed to the Highway Trust Funds available for Federal-aid Highways. The National Park Service budget, as part of the total budget of the Federal Government, will be prepared in accordance with the fiscal policies of this Administration.

Question. I am informed that the National Park Service has a 5-year plan to complete the Natchez Trace, setting forth the sequence of construction and the annual funding requirements. Will you please provide this plan for the record at this point?

Answer. The National Park Service has prepared schedules indicating the amounts of funding needed annually to complete the Natchez Trace Parkway in 5, 7, and 10 years. The schedules, which are enclosed, were prepared for the purpose of staff analysis.

Question. The revised budget request of the new administration for fiscal 1977, under the Bicentennial Land Heritage Program, has a substantial amount for work on the Natchez Trace. The revised request for fiscal 1978 does not contain any money for continued construction of the Parkway. Is that correct?

Answer. That is correct. The Bicentennial Land Heritage Program includes two sections for new construction on the Natchez Trace. Section 2-D is programmed for $5 million in FY 1977, $7 million in FY 1979 and $6.6 million in FY 1981. Section 3-B is programmed for $9.1 million in FY 1977, $10 million in FY 1979 and $3.1 million in FY 1981. The specific projects were scheduled according to an orderly construction rate and to help minimize problems of large carry over of unobligated balances.

Question. For a construction program with continuity is it not desirable to provide an additional sum each year so that planning, design, and construction can proceed in an orderly fashion toward a planned completion date?

Answer. It is desirable to program planning and construction funds on an annual basis according to a schedule so that work can proceed on an efficient, orderly basis. However, this is not always possible because of fiscal and budgetary restraints and other problems such as lack of environmental review, lack of sufficient lands, and coordination problems with related projects being carried out by others.

Question. In view of the fact that no construction money is requested for fiscal 1978, does this mean that we are back on an on-again-off-again policy for proceeding with construction?

Answer. We expect to continue construction of the parkway if funds are appropriated as indicated in the Land Heritage Program.

Question. This situation could be remedied by a supplemental budget request for fiscal 1978, could it not, since the actual construction season would be in the summer of 1978?

Answer. If project planning funds were provided in 1978, these could be used to plan sections of the parkway not previously planned.

Question. Have the States done their part by providing rights-of-way, so that an accelerated construction program is feasible?

Answer. Sections 1-A and 1-B are the only sections for which lands have not been transferred to the Federal Government. Acquisition by the State of Tennessee is underway.

Question. With the good start that is provided by the revised fiscal 1977 request of the new Administration, and the ability to revise the 1978 request with a supplemental, is this not the best opportunity in many, many years to embark on a definite 5-year plan to complete the Natchez Trace?

Answer. A substantial amount of work is proposed to be accomplished under the Land Heritage Program. A plan to complete the Natchez Trace Parkway in 5 years has not been adopted.

Question. What would be the completion date for the Natchez Trace Parkway under such a 5-year plan?

Answer. If a plan to complete the remaining 114 miles of mainline parkway in 5 years were authorized in the 1978 Fiscal Year, construction on all uncompleted sections would be started by 1982.

Question. How many years would that be after construction of the parkway first started?

Answer. Construction started on the parkway in 1937 and 46 years will have passed if finished in 1982.

September 13, 1976
SERO/AB/DSC

NATCHEZ TRACE PARKWAY - MISSISSIPPI, ALABAMA, TENNESSEE

Proposed Priority Development of Mainline Parkway, including Grading, Drainage, Base, Structures and Surfacing 1/

PRI. 3/	STATE	SUBDISTRICT	SECTION	MILEAGE	P.P. 2/	ESTIMATED CONST. COST	TOTAL
1	Mississippi	Tupelo	3-B	10.8	$1,000,000	$ 21,000,000	$ 22,000,000
2	Mississippi	Cherokee	3-A	10.2	400,000	10,600,000	11,000,000
3	Alabama	Cherokee/Merriweather	2-D	12.0	100,000	16,900,000	17,000,000
4	Mississippi	Port Gibson	3-U	1.8	--	2,000,000	2,000,000
5	Mississippi	Natchez	3-V	10.8	500,000	17,500,000	18,000,000
6	Tennessee	Lewis	1-D	9.5	200,000	12,800,000	13,000,000
7	Tennessee	Leipers Fork	1-C	12.5	400,000	15,600,000	16,000,000
8	Tennessee	Leipers Fork	1-B	10.7	1,000,000	14,000,000	15,000,000
9	Mississippi	Natchez	3-X	8.9	1,000,000	16,000,000	17,000,000
10	Mississippi	Ridgeland	3-P	15.0	1,000,000	17,000,000	18,000,000
11	Tennessee	Leipers Fork	1-A	12.5	1,000,000	15,000,000	16,000,000
		TOTALS		114.7	$6,600,000	$158,400,000	$165,000,000

1537

1/ A draft environmental impact statement for the entire parkway is underway; the final statement is scheduled for completion the latter part of FY 77. Obligation of construction funds for above section must await this statement.

2/ To properly schedule the prerequisite plan for actual construction, project planning (PP) funds should be appropriated one year prior to the programming of construction funds.

3/ Any proposed schedule for completion of the parkway will be dependent upon the annual budgetary processes and no commitment for such funding has been made by the Department or the Office of Management and Budget.

4/ The Federal Highway Administration has assured the National Park Service that the planning can be completed and the projects obligated in the same fiscal year, provided that appropriations are made according to the requirements of each fiscal year (FY) as sequenced in this column.

October 20, 1976
SERO/024/DSC

NATCHEZ TRACE PARKWAY - MISSISSIPPI, ALABAMA, TENNESSEE

Proposed Priority Development of Mainline Parkway, including Grading, Drainage, Base, Structures and Surfacing 1/

7-YEAR PROGRAM

FY 4/	PRI. 3/	STATE	SUBDISTRICT	SECTION	MILEAGE	P.P. 2/	ESTIMATED CONST. COST	TOTAL
1	1	Mississippi	Tupelo	3-B	10.8	$1,000,000	$ 21,000,000	$ 22,000,000
2	2	Mississippi	Cherokee	3-A	10.2	400,000	10,600,000	11,000,000
2	3	Alabama	Cherokee/Merriweather	2-D	12.0	100,000	16,900,000	17,000,000
3	4	Mississippi	Port Gibson	3-U	1.8	--	2,000,000	2,000,000
3	5	Mississippi	Natchez	3-V	10.8	500,000	17,500,000	18,000,000
4	6	Tennessee	Lewis	1-D	9.5	200,000	12,800,000	13,000,000
4	7	Tennessee	Leipers Fork	1-C	6.5	400,000	7,600,000	8,000,000
5	8	Tennessee	Leipers Fork	1-C completion	6.0	--	8,000,000	8,000,000
5	9	Tennessee	Leipers Fork	1-B	10.7	1,000,000	14,000,000	15,000,000
6	10	Mississippi	Natchez	3-X	8.9	1,000,000	16,000,000	17,000,000
6	11	Mississippi	Ridgeland	3-P	7.5	1,000,000	8,000,000	9,000,000
7	12	Mississippi	Ridgeland	3-P completion	7.5	--	9,000,000	9,000,000
7	13	Tennessee	Leipers Fork	1-A	12.5	1,000,000	15,000,000	16,000,000
			TOTALS		114.7	$6,600,000	$158,400,000	$165,000,000

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4/ The Federal Highway Administration has assured the National Park Service that the planning can be completed and the projects obligated in the same fiscal year, provided that appropriations are made according to the requirements of each fiscal year (FY) as sequenced in this column.

October 20, 1976
SERO/024/DSC

NATCHEZ TRACE PARKWAY - MISSISSIPPI, ALABAMA, TENNESSEE

Proposed Priority Development of Mainline Parkway, including Grading, Drainage, Base, Structures and Surfacing[1]

10-YEAR PROGRAM

FY[4]	PRI.[3]	STATE	SUBDISTRICT	SECTION	MILEAGE	P.P.[2]	ESTIMATED CONST. COST	TOTAL
1	1	Mississippi	Tupelo	3-B	10.8	$1,000,000	$ 21,000,000	$ 22,000,000
2	2	Mississippi	Cherokee	3-A	10.2	400,000	10,600,000	11,000,000
2	3	Mississippi	Port Gibson	3-U	1.8	--	2,000,000	2,000,000
3	4	Alabama	Cherokee/Merriweather	2-D	12.0	100,000	16,900,000	17,000,000
4	5	Mississippi	Natchez	3-V	10.8	500,000	17,500,000	18,000,000
5	6	Tennessee	Lewis	1-D	9.5	200,000	12,800,000	13,000,000
6	7	Tennessee	Leipers Fork	1-C	12.5	400,000	15,600,000	16,000,000
7	8	Tennessee	Leipers Fork	1-B	10.7	1,000,000	14,000,000	15,000,000
8	9	Mississippi	Natchez	3-X	8.9	1,000,000	16,000,000	17,000,000
9	10	Mississippi	Ridgeland	3-P	15.0	1,000,000	17,000,000	18,000,000
10	11	Tennessee	Leipers Fork	1-A	12.5	1,000,000	15,000,000	16,000,000
			TOTALS		114.7	$6,600,000	$158,400,000	$165,000,000

1/ A draft environmental impact statement for the entire parkway is underway; the final statement is scheduled for completion the latter part of FY 77. Obligation of construction funds for above sections must await this statement.

2/ To properly schedule the prerequisite plan for actual construction, project planning (PP) funds should be appropriated one year prior to the programming of construction funds.

3/ Any proposed schedule for completion of the parkway will be dependent upon the annual budgetary processes and no commitment for such funding has been made by the Department or the Office of Management and Budget.

4/ The Federal Highway Administration has assured the National Park Service that the planning can be completed and the projects obligated in the same fiscal year, provided that appropriations are made according to the requirements of each fiscal year (FY) as sequenced in this column.

SUBCOMMITTEE RECESS

Senator STEVENS. We appreciate your courtesy.

Mr. EVERHARDT. Thank you very much, Mr. Chairman.

Senator STEVENS. We will recess now until 9:30 tomorrow morning when we will hear the budget estimates for the Bureau of Outdoor Recreation and the Land and Water Conservation Fund.

[Whereupon, at 12:15 p.m., Wednesday, March 30, the subcommittee was recessed, to reconvene at 9:30 a.m. Thursday, March 31.]

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES, APPROPRIATIONS FOR FISCAL YEAR 1978

THURSDAY, MARCH 31, 1977

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, D.C.

The subcommittee met at 9:30 a.m. in room 1318, Everett McKinley Dirksen Office Building, Hon. Ted Stevens presiding.
Present: Senators Stevens and Huddleston.

DEPARTMENT OF THE INTERIOR

BUREAU OF OUTDOOR RECREATION

STATEMENT OF MARY LOU GRIER, ACTING DIRECTOR

ACCOMPANIED BY:

EDWARD J. CURVEY, ASSISTANT DIRECTOR FOR ADMINISTRATION
A. HEATON UNDERHILL, ASSISTANT DIRECTOR FOR STATE PROGRAMS AND STUDIES
FRED L. JONES, ASSISTANT DIRECTOR FOR FEDERAL PROGRAMS AND PLANNING
WILLIAM C. DENT, CHIEF, DIVISION OF BUDGET AND FINANCE

OPENING REMARKS OF SENATOR STEVENS

Senator STEVENS. This morning we are scheduled to hear the request of the Bureau of Outdoor Recreation. To avoid confusion, we will first hear the request for BOR salaries and expenses. When we move on to the Land and Water Conservation Fund, we will first consider BOR's administrative portion and then continue with State assistance, Park Service, Forest Service and Fish and Wildlife Service. We will place the opening statement of these agencies in the record as we consider their sections of the budget.

SALARIES AND EXPENSES

The BOR's request for Salaries and Expenses totals $6.8 million, an increase of roughly $900,000 over appropriations to date. The justification has been included in part one of the record.

PREPARED STATEMENT

Mrs. Grier, good morning. We have your prepared statement which will be placed in the record at this point.

I would appreciate it if you would identify your associates who are with you and highlight the statement in any way that you wish.

[The statement follows:]

STATEMENT OF MARY LOU GRIER

Mr. Chairman,

I appreciate the opportunity to appear before you and your Subcommittee to discuss the Bureau's FY 1978 budget request. With me today are my three Assistant Directors--Fred Jones, Assistant Director for Federal Programs and Planning; Heaton Underhill, Assistant Director for State Programs and Studies; and Edward Curvey, Assistant Director for Administration.

Salaries and Expenses

The Bureau's FY 1977 request for the Salaries and Expenses appropriation is $6,857,000. This is an increase of $668,000 over FY 1977. Of this increase $124,000, or just under twenty percent is for uncontrollable items of GSA space costs and employee compensation payments, and $544,000 is for program increases.

Of the total Salaries and Expenses request, $3,738,000 is for Planning and Research activities. This is an increase of $524,000 over FY 1977 and includes an uncontrollable cost of $80,000 for GSA space costs and employee compensation payments. Included in the increase is $100,000 for our Nationwide Planning subactivity.

As you know, the initial Plan was submitted to the President and Congress in November, 1973. A revision of the initial Plan must be transmitted to the Congress by January 1, 1979, as required by Public Law 88-29. The Plan being prepared is to meet four specific and interrelated objectives--(1) It will assess the trends in participation of outdoor recreation and the satisfaction of the American people with their outdoor recreation opportunities; (2) It will assess the status and provide an inventory of America's land and water resources which provide or have the potential of providing outdoor recreation opportunities; (3) It will assess the effectiveness of Federal, State and local governments and the private sector in creating satisfying outdoor recreation opportunities; and (4) It will assess policy options under which Federal resources can be allocated to manage the Federal recreation estate, to assist State and local governments in the provision of outdoor recreation opportunities, and to enhance the immense private contribution to outdoor recreation opportunities. In addition, the Plan will address in depth options for meeting urban recreation needs and will provide an analysis of the Nation's free flowing rivers to identify a minimum national system. We wish the options provided in this Plan to serve as a framework for specific programs of action within the context of the Nation's overall priorities and budget allocations.

The 1978 National Outdoor Recreation Plan can be an effective instrument by which to emphasize the Federal role in providing outdoor recreation opportunities. It will concentrate on future improvements in the role of the Federal Government in (1) managing the Federal recreation estate; (2) assisting the outdoor recreation program of State and local government agencies; and (3) assisting and regulating the provision of recreation opportunities by the private sector.

A major aspect of the Planning and Research Activity is the conduct of wild and scenic river studies. Section 5(a) of P.L. 90-542 designated 27 rivers for study and completion by October 2, 1978. Responsibility for 18 of these was delegated to the Bureau. Of these, nine have been completed. P.L. 93-621 increased the authorized studies by 29. Responsibility for 13 of these has been delegated to the Bureau and three jointly to the Bureau and the Forest Service. Completion of these studies is required by October 2, 1979. Of these latter studies,

one is completed. P.L. 94-199 authorized the study of the Snake River, Washington, Oregon and Idaho and P.L. 94-486 authorized the Housatonic River in Connecticut for study and completion by September 30, 1979, and September 30, 1980, respectively.

An increase in the amount of $244,000 is requested for manpower needed to accelerate these studies in order to meet the deadlines established by the Congress. These funds will also be used to expedite the completion of the Bureau's efforts to identify the components which should comprise the National Wild and Scenic Rivers system so that the results may be presented as one of the major thematic studies in the forthcoming Nationwide Outdoor Recreation Plan; and to facilitate the Bureau's participation in Departmental activities associated with the Naval Petroleum Reserve Production Act and the Alaska Native Claims Settlement Act.

Funds in the amount of $100,000 are requested under the Planning and Research activity for water resource studies to permit Bureau participation in the revisions of State water quality standards, in areawide waste treatment management planning under Section 208 of the Federal Water Pollution Control Act Amendments of 1972 and in the Corps of Engineers Metro studies program. The improvement of water quality can provide for significant new recreation use and substantially improve associated environmental values. The Bureau will coordinate Federal, State and local agency recreation actions in conjunction with pollution control programs. With judicious planning, many recreational and open space sites can be acquired and developed by local initiatives prior to the escalation of real estate prices that are expected to accompany the cleaning up of polluted rivers, lakes and estuaries.

The FY 1978 budget request for the Federal Coordination activity is $1,688,000. This is an increase of $127,000 over FY 1977, including an uncontrollable cost of $27,000 for GSA space. Of this increase, $75,000 is for the implementation of the agreement between the Department of Defense and the Department of the Interior under which the Bureau of Outdoor Recreation provides assistance in the development of outdoor recreation resources on Defense installations. The Bureau would work with individual military installations to determine if outdoor recreation opportunities can be made available to the public in a manner consistent with the mission, security and resource limitations of the installation.

A second funding request for $25,000 under the Federal Coordination activity would be used for the publication of a Federal outdoor recreation program booklet, Federal Outdoor Recreation Programs. The revision of this previously issued document is underway and the funds requested would cover final editing preparation of camera ready copy and publications costs.

The FY 1978 budget request for Technical Assistance is $1,431,000 including an uncontrollable increase of $17,000 for GSA space costs. During the fiscal year, the Bureau will continue its priority emphasis on a highly successful program -- the transfer of surplus Federal properties to States and their political subdivisions for park, recreation and historic monument purposes. By the end of FY 1976, 639 surplus Federal real properties totalling over 82,000 acres and nearly $240 million in value were announced by the White House for transfer to States and their political subdivisions. Through January 1977, 21 additional properties totalling over 900 acres and over $18 million in value have been approved. It is anticipated that an additional 80 properties will have been transferred during the balance of the fiscal year. Approximately 100 properties will be applied for during FY 1978. This will increase the Bureau's responsibility for compliance inspections to over 1,200 properties.

The Bureau will continue to give emphasis to its efforts to realize the relatively untapped potential of substantial resources of the private sector through donations of privately owned land or funds for public outdoor recreation purposes. Bureau funds and manpower are not used to assist private recreation interests in profit-making enterprises. Rather, the Bureau's experience in FY 1976 and 1977 to date illustrates that private interests are willing to make substantial contributions to increasing public outdoor recreation opportunities as a part of their public service program, if such opportunities are brought to their attention.

For example, during FY 1976, the Bureau's technical assistance efforts with private interests added over 137,000 acres and 75 miles of trails, valued at over $25 million to the public recreation estate. Of this, over 62,000 acres and all of the trails, valued at over $13.5 million, were acquired at little or no cost to the recipient public agency.

This concludes my statement on the Salaries and Expenses portion of the Bureau's FY 1978 fund request. We will be pleased to respond to any questions the Committee may have.

INTRODUCTION OF ASSOCIATES

Mrs. GRIER. Thank you, Mr. Chairman.

I have with me on my left Fred Jones, our Assistant Director for Federal Programs and Planning; Heaton Underhill, Assistant Director for State Programs and Studies; on my far right, Ed Curvey, Assistant Director for Administration and on my immediate right, Mr. William Dent, our budget officer.

Since our statement is on the Salaries and Expenses portion of our request and is in the record, I will briefly summarize.

I would like to open, however, by saying that I have had the pleasure of being with the Bureau since the end of July and for the past 2 months have been serving as Acting Director. It has been a distinct pleasure for me. I feel that we have a very small and lean and highly professional group of people who are trying to tackle a great increase in workload in the past few years and are doing it in a highly professional manner.

In our request for fiscal year 1977 the Salaries and Expenses activity is increased by $668,000, for a total of $6.8 million. This increase is for the completion of the acquisition of the data base needed for the 1978 revision of the Nationwide Outdoor Recreation Plan, acceleration of wild and scenic river studies now underway to meet the congressionally specified time periods, additional water resource studies, expanded cooperation with the Department of Defense for development and management of underutilized lands by State and local governments, the publication of "Outdoor Recreation Programs" and increased GSA space cost and employee compensation payments.

We would be happy, Mr. Chairman, to go into any detail that you may wish with regard to these various areas.

PUBLIC PARTICIPATION AND CONTRACTING

Senator STEVENS. You indicated that public participation is one of your new goals and yet all of your increase, it seems, is in contracting out. How do you contract out an increase in public participation and programing?

Mrs. GRIER. We are doing a great deal of contracting in many areas, not necessarily just in public participation. For example, in the current urban study now underway we are considering contracting with experts in the various recreation fields to assist us in meeting the September 28 deadline, getting their input on urban inner city core needs, for example, as they see them. We are conducting a great many meetings in that regard.

Senator STEVENS. In reference to your 5-year plan and the $100,000 associated there, how can you increase public participation in your plan, in the revision of your 5-year plan, with contracting out?

Mrs. GRIER. We have a series of meetings scheduled with various experts in various fields of endeavor that we hope to utilize in the nationwide plan. Actually——

Senator STEVENS. Will these contractors then hold a public meeting?

Mrs. GRIER. No. They don't have public meetings themselves, but they are doing papers for us on various aspects of it.

Mr. UNDERHILL. The $100,000 is for contracting, but not for public meetings. We do plan a number of public meetings to discuss the

areas that the plan will cover, but these will be handled as part of our regional offices public contact programs.

Senator STEVENS. How much have you spent on that plan so far?

Mrs. GRIER. The total cost of the plan is very difficult to pinpoint because so many of our ongoing programs will form a part of the plan. We are doing a good many studies; for example, the urban study.

A good amount of the work being done in the urban study will be incorporated in the nationwide plan. So it is difficult to say that this is the amount that is attributable to that particular effort because of our ongoing programs that are being utilized.

I would like to say, though, that public participation is not really a new thing with the Bureau. We have always done that, particularly in river studies. We have public meetings at various stages during our study of a river, for example.

I would like to say basically that the Bureau is in an unusual situation where, in trying to plan for our needs and getting the funding that we felt was needed and the personnel to go with it, we were granted the funding, but not the personnel.

NATIONWIDE PLANNING

Senator STEVENS. You only have one person for that plan, yet you have $100,000 for contracting out. Why is that? One position assigned to the nationwide plan?

Mrs. GRIER. That is correct as far as the budget requests are concerned, but, as I say, there are overlapping areas in ongoing programs. Would you like to expand on that, Heaton?

Senator STEVENS. Why don't you give us a statement for the record that shows how you intend to make the revisions to that plan and how much you have spent to date and what your anticipated future costs of the plan will be?

It doesn't seem to us that it would be a Bureau of Outdoor Recreation Plan if you had one person assigned to it and you are contracting out the rest. The money is going to be expended by outside or non-Government agencies.

[The information follows:]

NATIONWIDE OUTDOOR RECREATION PLAN

Our plans for accomplishing the 1978 Nationwide Plan involve the establishment of a task force under the leadership of one employee who will spend full-time with Plan responsibility. The remainder of the task force will be composed of a small cadre of permanent employees who have responsibility for current areas of on-going Bureau studies that will be incorporated in the Plan. Examples include development of a basic river system now underway in the eastern half of the United States and development of a uniform data system for adoption by States in their comprehensive outdoor recreation plans, to permit an accurate inventory of their recreation resources.

Analysis regarding the delivery of Federal recreation services will be done utilizing existing data furnished by Federal land managing agencies plus surveys designed to measure user preference, participation and satisfaction. The latter will be accomplished by contract and by short-term temporary employees on-site.

Most of the costs for the development of the Nationwide Outdoor Recreation Plan will be of an indirect nature, that is, information and analytical materials which contribute to the Nationwide Plan but which have been developed as an output of an agency's ongoing program and mission. For example, the Bureau of Outdoor Recreation has been funded under its Resource Area Studies subactivity to complete a program to identify those wild and scenic river areas needed to round out the Federal recreation

estate. This program would identify for the Administration and the Congress the scope of the basic system to be established. This product would form the basis for possible additional Bureau studies of wild and scenic rivers as well as contributing to the Nationwide Outdoor Recreation Plan.

The cost of the Nationwide Outdoor Recreation Plan from fiscal year 1974 through fiscal year 1978 is projected to be $1,180,000. Of this amount, $230,000 has been appropriated by the Congress and $950,000 represents the estimated indirect cost for information and analytical materials contributed to the Plan from ongoing programs.

WILD AND SCENIC RIVER STUDIES

Senator STEVENS. Under your resource area studies activity you have an increase of $244,000 and seven positions for Wild and Scenic River studies. In particular, reference is made to the National Petroleum Reserve in my State. BLM has the responsibility for the study on land use on the reserve, and they have money in their budget for BOR input.

Why do you also ask for funding when they are asking for funding for that study?

Mrs. GRIER. I think we have a slightly different responsibility there.

Mr. UNDERHILL. I didn't hear the area you mentioned, Senator.

Senator STEVENS. In Pet 4, the BLM has the responsibility under the new law and has money in its budget for these studies. Why is there money in your budget also for these studies?

Mr. UNDERHILL. The task force which BLM is leading on the Pet 4 study includes representatives from the Bureau of Outdoor Recreation and we have the lead for the study of the Wild and Scenic Rivers portion of the Pet 4 study.

I think that there are seven rivers involved in that Pet 4 study that we will be studying—I have a little trouble with some of the Eskimo names—but the Awuna, Nigu, the Colville, the Meade, Utukok, the Ikpikpuk, and Kuk-ketik Rivers, all in the Pet 4 Reserve are being investigated for their possible inclusion in the system.

Senator STEVENS. Why don't you get your money from BLM? We are giving it to them for that study. Why are you budgeting, too? That is the question.

Mr. UNDERHILL. The BLM has not indicated that they are transferring to us the money for our participation in this Wild and Scenic River study.

ALLOCATION FOR STUDY IN ALASKA

Senator STEVENS. How much is allocated for the Alaska portion of the study?

Mr. UNDERHILL. I will have to give you that for the record, Senator.

[The information follows:]

The proposed Departmental study of Pet 4 was developed too late for inclusion in fiscal year 1978 agency budgets. Therefore, the Department sought a single supplemental request for fiscal year 1977 and amendment for fiscal year 1978. At the Secretary's direction, the Bureau will have lead responsibility for one of the task groups. The costs associated with the task group are included in BLM's request. We recognized that we would have a role in the Department's Pet 4 effort and programed 1½ man-years of effort ($45,000) for that purpose. This would involve input into other agency studies and review and comment on their reports. This is not duplicated in BLM's request.

SETBACK DISTANCE OF RIVER CORRIDORS

Senator STEVENS. What is the setback from the river on a wild and scenic river in what we call the South 48? How far back do you go from the river?

Mr. UNDERHILL. It is 100 acres to the mile which constitutes about 440 yards setback but it is an average of 100 acres to the mile. So basically what we try to do is protect the visual corridor. In some places it is wider and in some places it would be less.

Senator STEVENS. Why do you seek 2 miles for setback on rivers in my State?

Mr. UNDERHILL. I wasn't sure that we had, sir.

Senator STEVENS. That is the proposal, and I would urge you to take a look at it again. I don't see any reason why rivers in Alaska should be treated differently from any other wild and scenic river.

Mrs. GRIER. We would be glad to check on that, Mr. Chairman.

[The information follows:]

In the Department's d–2 studies an attempt was made to preserve entire ecological areas. However, in the case of rivers this was not feasible. Neither was there sufficient time to do the field surveys necessary to establish detailed boundaries of the river proposals. Thus, each proposal provides that the final boundary would be established by the managing agency within a specified period of time after congressional designation. The proposals contain factors to be taken into account in establishing the lateral boundary, the average width on either side of the river, and an acreage limitation.

For those river proposals outside of the boundaries of other areas, the following boundaries and acreages are proposed:

River	Lateral boundary on either side of river would average no more than—	Not to exceed more than— (acres)
Forty-mile	1 mile	320,000
Beaver Creek	2 miles	200,000
Birch Creek	2 miles	200,000
Unalakleet	2 miles	104,000

WATER RESOURCE STUDIES

Senator STEVENS. You also have an increase of $100,000 for new water resource studies, and you say that this will allow you to participate in the Corps of Engineers metro studies program. What is that?

If you are working for the Corps, why don't they reimburse you for what you are doing for them? What is the metro studies program?

Mrs. GRIER. This is a study program, as I understand it, that was mandated by Congress some years ago to the Corps whereby they study urban water resource problems.

Senator STEVENS. It is a nationwide program?

Mrs. GRIER. That is my understanding. They have done some studies already that we have participated in. They do reimburse us for some of the studies. I am not sure exactly what percentage of the costs are covered by that.

Senator STEVENS. We don't mean to be nagging at you, but there just seems to be a lot of duplication. The Hell's Canyon recreation area, we just put money in the supplemental for the Forest Service wilderness study there.

Why do you need the money if we have just given money to the Forest Service for that?

Mr. UNDERHILL. The Hell's Canyon recreation area or the wild and scenic river? I don't believe that we have any money budgeted for Hell's Canyon.

Mrs. GRIER. We do for the national recreation area.

Senator STEVENS. You are budgeting for studies in the Hell's Canyon Recreation Area, I am informed.

Mr. UNDERHILL. Our role on Hell's Canyon recreation area is primarily coordination to make certain that the basic principles for national recreation areas are carried out. Our participation is relatively slight once the land management agency, in this case the Forest Service, has been named.

Senator STEVENS. Can't you get money from them if they are calling on you to do recreation studies? Is that what the purpose of that is, for recreation studies?

Mr. UNDERHILL. Yes, sir. But in general we have never been reimbursed by the Forest Service for any projects and we do not reimburse, for instance, the Fish and Wildlife Service on wild and scenic river studies. Our agreement with them has been to carry out participation in our own budgets. The Corps, I think, and the Water Resources Council are the only Federal agencies that reimburse us for our participation in their studies.

RECREATION PLANNING ASSISTANCE

Senator STEVENS. I talked to Mr. Everhardt about this yesterday. He has recreation planning assistance for non-Federal agencies in his budget and we note that you have recreation planning assistance here, too.

Is there any reason why you should have that planning assistance money also?

Mr. JONES. We have a different technical assistance function, Senator. To the best of our knowledge there is no overlap with what the National Park Service does.

Senator STEVENS. Do you deal particularly with State or non-Federal groups in terms of recreation planning assistance?

Mr. JONES. Yes. Primarily with the private sector and also with State and local governments.

Senator STEVENS. Any Indian agencies?

Mr. JONES. Yes. We have considerable amount of involvement with some of the Indian tribes.

Senator STEVENS. In planning recreation programs, do you deal with tourism and that sort of thing?

Mr. JONES. Yes. Basically we tie in with the Economic Development Administration. There has been a lot of that kind of work in your State.

Senator STEVENS. We are not opposed to it, but why shouldn't it be in some central agency? It seems to me if you are the Bureau of Outdoor Recreation, that recreation planning system ought to be centralized in your Bureau. Have you ever discussed that on a departmental level?

Mr. JONES. We have discussed a number of possible improvements in the Federal delivery systems. We have some 19 agencies and about 290 Federal programs that impinge on recreation to some degree or another. In many cases the recreation aspect is minor, for instance the Small Business Administration which serves all sorts of businesses, not just those that relate to recreation.

We try to coordinate with those programs, Senator, so that the Federal efforts are purposeful and nonconflicting. But it does require involvement by a number of agencies to get the overall job done.

Senator STEVENS. Do you review applications for assistance filed with the Park Service for recreation planning assistance?

Mr. JONES. No. The sort of thing they do is within the area of expertise that the Park Service has. As I understand it—I don't wish to try to speak for them—but they do some design planning on a reimbursement basis. They do some other assistance work on how to manage parks, which is not our area. We are not experienced in managing parks because BOR does not manage any lands.

Senator STEVENS. I questioned Mr. Everhardt about that yesterday on the other side of the coin. We want to make sure that we don't have people duplicating one another and passing plans back and forth.

Will you give us a statement on your work in this area and tell us how much you are estimating for the Corps study, the Hell's Canyon study, and National Petroleum Reserve? We would like to have a justification of why you should be in that form of effort when other agencies are involved.

Mr. JONES. Yes, sir. We will provide that.

[The information follows:]

HELL'S CANYON AND WATER RESOURCES STUDIES

The Hell's Canyon National Recreation Area Act is referred to in our Legislative Authorities because it amended Section 5(a) of the Wild and Scenic Rivers Act by designating a segment of the Snake River for study as a component of the National System. Since the study segment is outside of the National Forest and the new NRA and involves a considerable amount of BLM and private lands, we have agreed with the Forest Service to take the lead in the study. We are programming $55,000 for fiscal year 1978 for that study.

As referenced earlier, we have $45,000 in our request for Pet 4 which is not duplicative of other agency requests for activities in that area.

Our request for $100,000 is to participate in the revisions of State water quality standards, in areawide waste treatment management planning under section 208 of the Federal Water Pollution Control Act Amendments of 1972, as well as in the Corps of Engineers Metro Studies Program. We are doing some of this work now but requests from EPA and the Corps have exceeded our capability. Thus, we are seeking additional funding.

About one fourth of the requested funds would be for Corps studies. This would not duplicate their work. The studies are undertaken at the District Engineer level and he is authorized to use consultants to augment in-house expertise, to provide expertise unavailable in the District, or to gain added familiarity with the study area. The District Engineer usually funds our participation in the Metro Studies. The requested funds, however, will provide flexibility for us to participate in selected studies having significant recreation potential for which transfer funds are not available.

ASSISTANCE TO THE DEPARTMENT OF DEFENSE

Senator STEVENS. You want to increase by $75,000 your assistance to the Department of Defense for recreational development on their land. What is the total for that?

Is there more than just a $75,000 increase?

Mr. JONES. We are spending some now. Offhand, I don't know what the amount is. Could we give that for the record?

Senator STEVENS. Is that all that is in this budget, $75,000 for DOD recreational assistance?

Mr. JONES. That is the increase. There is a small amount in our base. I don't know what that figure is offhand.

Senator STEVENS. Will you give us that for the record?

Mr. JONES. Yes, sir.

[The information follows:]

AMOUNT BUDGETED FOR DEPARTMENT OF DEFENSE COOPERATIVE MANAGEMENT PROGRAM

The base amount budgeted for the Department of Defense Cooperative Management Program is $214,000. This plus the $75,000 increase requested for FY 1978 totals $289,000.

Senator STEVENS. You are going to give us the total that you are budgeting for DOD assistance; right?

Mr. JONES. Yes.

Senator STEVENS. Why don't you get reimbursed by them?

Mr. JONES. They have no funds budgeted for this purpose. It is a function that Congressman Sikes in a series of legislative bills——

Senator STEVENS. I worked on that bill. I understand that bill. Why would they not budget for recreation planning on their own lands?

Mr. JONES. I believe they have tried and the Sikes Act does authorize appropriations by DOD and the Department of the Interior, but neither agency, under that authority, has successfully pursued an appropriation. The work we do with them is really a rather technical Federal coordination function in order to get some public recreation benefits at very low cost. That is possible to do on some bases and we have found some opportunity for the public, without expense of acquisition or development by using these existing lands.

Senator STEVENS. Is this an item that was in the Defense budget and denied?

Mr. JONES. No. Not the assistance we are giving them. They have tried to get money to provide more development and staffing, without success.

Mrs. GRIER. It is a very successful program.

Senator STEVENS. I am familiar with the program and I think that it is very successful, but I don't know why it shouldn't come out of the Defense budget.

Mrs. GRIER. It is basically to cover our costs involved, various costs such as traveling to the various places to assist them in setting up the program.

ASSISTANCE FOR CONVERSION OF ABANDONED RAILWAYS

Senator STEVENS. In the supplemental we have before us, $5 million is proposed for conversion of abandoned railroad rights-of-way. There is nothing in the 1977 budget and nothing in the 1978 budget for that program.

Did you seek any money for that program?

Mrs. GRIER. Yes, sir. We did.

Senator STEVENS. How much money did you seek?

Mrs. GRIER. I believe in the first year which was fiscal year 1976 there was authorized to be, according to the law, $6 million appropriated for that, and $7 million in each of fiscal years 1977 and 1978. It was not funded in 1976. It was too late to get in. We requested funding for fiscal year 1977.

Senator STEVENS. Full funding?

Mrs. GRIER. Full funding of the $7 million. Right. With a legislative proposal that the continuance be granted for an additional year to take advantage of the full $20 million that was initially authorized.

Senator STEVENS. If we keep this money in the supplemental, will you seek an amendment to your 1978 budget to continue funding at least at that level?

Mrs. GRIER. I would imagine so.

Senator STEVENS. Have you sought 1978 funding yet?

Mrs. GRIER. Yes, we did.

Senator STEVENS. At the same level?

Mrs. GRIER. At the $7 million level, but it was denied.

Senator STEVENS. Where was it denied, at the departmental level or at OMB?

Mrs. GRIER. Not by the Department. At OMB.

Senator STEVENS. Can you use $5 million effectively this year?

Mrs. GRIER. Probably. We have had numerous inquiries from interested States.

ADEQUACY OF RECREATION FEES

Senator STEVENS. Are you doing anything with regard to recreational fees in terms of reviewing their adequacy?

Mr. JONES. Yes, sir; we are. We work closely with all of the land management agencies that have a fee structure. The Bureau has conducted field examinations in the summertime talking to users of Federal areas to determine to their satisfaction and where improvements might be made. I think we have a very successful and productive coordination effort with Federal agencies on continually reviewing the fee structure and comparability between agencies.

Senator STEVENS. Is there a departmental group working on fees for all the agencies?

Mr. JONES. Yes, the Bureau chairs a group of people from each of the agencies that meets periodically.

Senator STEVENS. Is it specifically reviewing the adequacy of fees associated with the use of programs in that department?

Mr. JONES. Yes. That is a matter of continual review. We have to report to the Congress by law, each spring.

Senator STEVENS. When is that report due?

Mr. JONES. I believe it is the end of March.

OBJECT CLASS CHANGES

Senator STEVENS. I would like to ask a few questions about the changes reported in you fiscal year 1977 object class schedule. Changes involve reducing your estimates for contracting, printing, and equipment, and increasing personnel compensation and rent. The explanation simply states that this "Reflects fiscal year 1976 experience." I wonder if you could elaborate on that explanation?

Mr. DENT. Mr. Chairman, at the time the Bureau prepared its object class schedules for submission as part of the President's fiscal year 1977 budget request in December 1975, our estimates were based upon our operational experience during fiscal year 1975 as to the manner in which the Bureau would utilize its funds. In December 1976, the Bureau adjusted the fiscal year 1977 column of the President's fiscal year 1978 budget request. These adjustments reflected our operational experience during fiscal year 1976. For some object classes we found our costs were less than anticipated and others were exceeded because of such factors as higher temporary position ceilings or for higher costs for goods and services purchased. The Bureau endeavors to hold these adjustments to the minimum consistent with the operational flexibility to adjust to changing circumstances and demands in order to carry out congressionally mandated porgrams.

Senator STEVENS. What did you do with the $151,000 increase in personnel compensation? Did you fund any additional permanent positions with that adjustment?

Mr. DENT. We didn't fund any additional permanent positions with the $151,000, Mr. Chairman, but we are using $98,000 to fund 10 temporary or part-time work-years allowed us by an increase to the ceiling on non-full-time-permanents. The other $53,000 updates our estimate based on fiscal year 1976 actual data.

CONTRACTUAL SERVICES

Senator STEVENS. Although you are asking for nine new positions, we note your contracting jumps from $109,000 to $574,000. Why do you need that kind of a contracting increase?

Mr. DENT. Mr. Chairman, the increase of $384,000 for contractual services is to carry out the following program activities: $100,000 for the preparation of the Nationwide Outdoor Recreation Plan; $100,000 for Bureau participation in revisions of State water quality standards, in areawide waste treatment management planning under section 208 of the Federal Water pollution Control Act amendments of 1972 and in the Corps of Engineers Metro Studies Program; $61,000 for the development of recreation resource information to be obtained in the field for use in the preparation of reports to the Congress on Wild and Scenic River studies; $18,000 for contractual services to assist the Bureau in the implementation of the Department of the Interior/Department of Defense agreement whereby the Bureau provides assistance in the development of outdoor recreation resources on Defense installations; $25,000 for the publication of an update of Federal outdoor recreation program booklet, "Federal Outdoor Recreation Programs"; $80,000 for other services such as data processing machine time use costs, departmental assessments for shared, common facilities and services, and equipment repair and rental costs.

Land and Water Conservation Fund

PREPARED STATEMENT

Senator Stevens. Let's go to the Land and Water Conservation Fund. Your request is for $600 million, an increase of $203 million over appropriations to date.

We are going to put the portion of your statement regarding this request in the record at this point.

[The statement follows:]

STATEMENT OF MARY LOU GRIER

Land and Water Conservation Fund

Mr. Chairman,

The Bureau's FY 1978 fund request for the Land and Water Conservation Fund reflects the enactment of Public Law 94-422 which provides for an authorized level of $600 million this year. As you know, this Act also authorizes further increases to $750 million in FY 1979 and $900 million in FY 1980 and for the remaining life of the Fund.

The Fund has had a substantial impact nationwide upon the recreation programs of the States and their political subdivisions over its 12 year life. About $1.3 billion has been obligated for State grant projects. These dollars, equally matched with non-Federal monies, have provided impetus to State and local efforts to raise additional billions of dollars for recreation areas and facilities. The Fund has shared in the acquisition of over 1.5 million acres of State and locally managed recreation lands and in over 11,000 projects to develop recreation facilities on these lands.

The Federal side of the Fund during this period is no less impressive. During the life of the program through September 1976, nearly $961 million has been obligated by the Federal land managing agencies drawing from the Fund to acquire nearly 1.7 million acres. These funds together with the funds appropriated for development through the agencies' regular appropriations have provided substantial outdoor recreation opportunities.

If we are able to sustain the Fund accomplishments at a level at least commensurate with the tripled funding authorized, future generations will have a substantial legacy of quality resources available for leisure time use and enjoyment. This is particularly important if working hours are rearranged through flexitime or shortened, freeing hours for more leisure time pursuits.

Recreation pursuits can occur almost anywhere in the Nation, whether in Yellowstone Park or urban areas, hopefully in a pleasant, quality setting. The Fund is now scheduled to terminate in 1989, but we fully expect that recreation will continue to be a national priority.

Our request for FY 1978 is as follows:

Assistance to States	$351,635,000
Federal Programs	239,136,000
Administrative Expenses	9,229,000
Total	$600,000,000

Assistance to States

The FY 1978 request of $351,635,000 to fund matching grants to the States and their political subdivisions is essential to continue the acquisition of needed outdoor recreation land and the development of facilities for public recreation use.

This request is an increase of $176.3 million over FY 1977. As examples of how the allocations to the States would increase, the State of Illinois would rise from $6.7 million to $14 million and the State of West Virginia would rise from $2 million to about $3.9 million.

The States have demonstrated the ability to match and to obligate funds

in order to continue an orderly and efficient program. The States certainly have large identified needs toward which the increased funding levels will make a significant contribution in meeting.

Federal Programs

Funds in the amount of $239,136,000 are requested for land purchases for the Federal agencies to be allocated as follows:

National Park Service	$142,995,000
Forest Service	67,063,000
Fish & Wildlife Service	26,978,000
Bur. of Land Management	2,100,000
Total	$239,136,000

This request is an increase of $24.3 million over FY 1977. The funds requested are for the acquisition of land and water recreation areas of national or regional significance. Such purchase will provide the base for outdoor recreation opportunities within reasonable access of major population concentrations, as well as for the preservation of outstanding resources and certain rare and endangered species. These programs are necessary to meet the increasingly heavy visitor demand for Federal recreation areas and to preserve key properties for public recreation use before they are converted to incompatible uses. The four Federal land-managing agencies have identified a backlog of about $2.6 billion of authorized areas to be acquired with Fund monies.

With me are representatives of the National Park Service, Forest Service, Fish and Wildlife Service and Bureau of Land Management who can give you the details of their respective agency's requests.

Administrative Expenses

Funds in the amount of $9,229,000 are requested for the Bureau of Outdoor Recreation for administration of the Land and Water Conservation Fund. The request represents an increase of $2,305,000, over FY 1977, and includes an uncontrollable amount of $165,000 for GSA space costs.

Increased funds are needed to administer the higher fund level and for handling the increased workload covering: (1) the review and approval of project proposals; (2) strengthening of Statewide Comprehensive Outdoor Recreation Plans as guides for the allocation of State funds to meet priority needs; (3) coordination of SCORPs with other Federal planning and financial assistance programs; (4) ensuring compliance with a number of Federal statutory requirements ranging from the Civil Rights Act of 1964 to the Joint Funding Simplification Act of 1974; (5) processing of environmental assessments and preparation of project EIS; (6) processing of payments to States; (7) providing a variety of planning and technical assistance services to the States and their political subdivisions; and (8) further development and implementation of a Federal priority acquisition system focusing on efficient investment through uniform comparisons of annual acquisition programs.

During the time that the annual Fund level has been $300 million, the Bureau has experienced increased program administrative responsibilities but our permanent employment level has dropped. Employment reductions have been accomplished largely through delegation of certain aspects of program administration to the States, rigorous reduction in the paperwork required to make grants, and similar economies of administration. While the program, we believe, has remained successful and responsive to State and local outdoor recreation needs, recent audit of the Bureau's administration of the program has revealed a need to strengthen program management. Much

stronger emphasis needs to be given to post approval administration and post completion project compliance. The objective is to ensure that the use of Federal funds and the availability of fund assisted lands and facilities to the public continue to be in accord with the Act and the intent of Congress. The added employment being requested will be applied to strengthen program administration and to cope with the added workload as well.

We will be pleased to answer questions on this aspect of the Bureau's FY 1978 request.

UNOBLIGATED CARRYOVERS

Senator STEVENS. Is there any particular item in that that you think you ought to call to our attention?

Mrs. GRIER. Mr. Chairman, we are all gratified that full funding has been sought for the Land and Water Conservation Fund and we an have an increase in administrative expenses for that to enable us to administer the enlarged program.

Senator STEVENS. We have some problems with the carryovers in your portion of this budget. You show $58.5 for carryover in the State program and no carryover in the Federal program. Why is that?

Mrs. GRIER. The States are given 3 years in which to obligate the funds provided in their apportionments. They rely on having that period of time. Number one, they never know in advance what their apportionment is going to be. Then they start getting their projects in and it normally takes them that 3-year period to complete the financing cycle.

I think in past years the carryover has been fairly low in comparison to the funding level.

Senator STEVENS. Was there a carryover in the Federal program in 1976?

Mrs. GRIER. In the Federal program?

Senator STEVENS. You don't show any in the 1977 or anticipate any in the 1978. We want to know if that is realistic.

Mr. JONES. There always is a small amount, sir.

Mrs. GRIER. I would think, sir, yes.

Mr. JONES. The agencies always expect to get it down to as close to zero as they practically can, but because of negotiations under way and uncertainty in some prices, it is never possible to get absolutely to zero because you might run under.

Senator STEVENS. Realistically, we are adding $141 million in the supplemental and that is the reason for the request, and there is $203 million additional here.

Are you confident that you are going to obligate that kind of money in 1 year?

Mr. JONES. The agencies feel that they can.

STATE ASSISTANCE INCREASE

Senator STEVENS. You have asked for a doubling of the State program to $352 million. If you have these increasing carryovers in the State program, why increase that program so heavily?

Mr. UNDERHILL. Senator, the law provides that if a State does not obligate its money in 3 years, the year in which appropriated and 2 more years, that that money would revert to the Secretary to be reapportioned to States that can use it.

Now in a little better than the 11-year history of the fund, no State has ever failed to obligate the money that has been apportioned. Most States, because they share that money with local governments, counties and communities, set it up so that when they get their apportionment, they decide how much will be used for State programs and how much would be apportioned to county and local governments and then those governments in turn submit projects against that balance.

Once the State has approved a project, the local government may seek a bond issue or some other type of budgeting to come up with their share. It often takes as much as 2 years for the machinery at the State level to operate and really obligate the money.

But to date they have never lost any money within that 3-year period. This means that at any one time there is a carryover and a carryover of $50 million out of an appropriation that has been running close to $180 million is not an unreasonable carryover in any 1 year.

We have no reason to believe that the States are not in a position to fully obligate this expanded Land and Water Conservation Fund.

GRANT FUNDS BALANCES BY STATE

Senator STEVENS. Submit a statement for the record, please, that gives us the amount of State assistance currently unobligated by State. If there are any large unobligated amounts for any State, will you indicate what the problem is with regard to that State?

Mr. UNDERHILL. We will be happy to.

[The information follows:]

Land and water conservation fund assistance to States—Unobligated apportionment balances as of Sept. 30, 1976

Alabama	$750,591	New Jersey	$5,555,850
Alaska	590,699	New Mexico	489,629
Arizona	559,182	New York	250,226
Arkansas	1,369,754	North Carolina	1,466,976
California	2,771,626	North Dakota	225,070
Colorado	339,938	Ohio	1,039,787
Connecticut	551,085	Oklahoma	571,547
Delaware	1,170,117	Oregon	506,942
Florida	1,372,264	Pennsylvania	84,042
Georgia	816,556	Rhode Island	1,350,663
Hawaii	494,049	South Carolina	517,777
Idaho	246,043	South Dakota	807,967
Illinois	5,259,064	Tennessee	166,331
Indiana	109,627	Texas	1,322,025
Iowa	1,728,536	Utah	29,068
Kansas	70,618	Vermont	949,277
Kentucky	396,513	Virginia	714,808
Louisiana	516,148	Washington	1,999,074
Maine	2,132,247	West Virginia	117,341
Maryland	1,957,561	Wisconsin	989,000
Massachusetts	385,702	Wyoming	1,510
Michigan	4,040,672	District of Columbia	12,843
Minnesota	435,486	Puerto Rico	2,333,198
Mississippi	1,777,411	Virgin Islands	50,000
Missouri	447,177	Guam	133,243
Montana	24,614	American Samoa	108,144
Nebraska	23,090		
Nevada	836,651	Total	54,078,469
New Hampshire	1,113,110		

NOTE: This low year-end carryover balance is considered excellent in view of the fact that the fiscal year 1976 apportionment was not made to the States until the third quarter of the fiscal year. These remaining unobligated balances are expected to be obligated this fiscal year, even though the Land and Water Conservation Fund Act provides the States shall have the year in which the funds are appropriated, and 2 fiscal years thereafter, to obligate the apportioned funds.

DEMAND FOR STATE ASSISTANCE

Senator STEVENS. You say almost without exception States report projects far exceeding the funding available.

Mrs. GRIER. That is true.

Senator STEVENS. Are there any exceptions? Are there any that don't need this money?

Mr. UNDERHILL. That have failed to obligate money in the past or don't need it now?

Senator STEVENS. Failed to indicate that they need an increase in the program level.

Mr. UNDERHILL. There have been a couple of smaller States that have indicated that they may have trouble coming up with the match under the expanded fund, but none of them have said, "Don't give us the money."

Mrs. GRIER. Several States have made some changes either by Executive order or by their legislature to change their own internal State formula for allocating money to local units of government. In some States, for example, they would automatically keep 50 percent for State use. They are changing that now, enabling local communities to participate on a greater basis to accomodate the increased funds.

ADMINISTRATIVE EXPENSES FOR GRANT FUNDS

Senator STEVENS. With regard to administrative expenses, you have asked for a $2 million increase and 42 positions to administer the increased State assistance program. There are not many details in your justification.

Would you give us a breakdown of those 42 positions indicating their grade, position and title and what aspect of the State program that they will administer?

[The information follows:]

83-107 (Pt. 4) O - 77 - 37

Land and water conservation fund (State)—Allocation of new positions

The 42 new positions requested to administer an expanded land and water conservation fund program will be utilized as outlined below. It is anticipated that 6 positions will be allocated to the Washington office with the balance allocated to the regional offices.

	Position title	Grade	Number of positions
Monitor State planning programs; review and approve SCORPS; request State actions to improve plan quality; coordinate State and Federal recreation planning to reflect in SCORPS Federal plans and resources contributing to citizen's needs.	ORP [2]	GS–13	1
	ORP	GS–12	2
Review and approve 2,500 additional project agreements and 1,500 additional project amendments; check for compliance with historic, handicapped, relocation, NEPA and other Federal acts; conduct 400 preapproval site inspections.	SORP [1]	GS–13	1
	ORP	GS–12	1
	ORP	GS–11	3
	ORP	GS–9	3
	ORP	GS–7	2
	Clerk-stenographer	GS–6	1
Monitor 6,200 active projects for compliance with various Federal requirements; conduct 500 additional on the ground compliance inspections; conduct 200 additional land appraisal spot checks.	ORP	GS–12	1
	ORP	GS–11	1
	ORP	GS–9	1
	ORP	GS–7	2
	ORP	GS–5	1
	Clerk-stenographer	GS–4	1
Process 10,000 additional financial transactions including obligating funds for project contracts, and amendment changes, relocation payments, and payments for work in place.	Acct. Tech.	GS–6	1
	Acct. Tech.	GS–5	1
Review and revise as necessary 300 additional environmental assessments for new project proposals; prepare EIS for projects as required.	ORP	GS–12	1
	ORP	GS–12	1
	ORP	GS–9	1
	Clerk-typist	GS–4	1
Monitor and adjust as necessary agreements with other Federal supplemental financial assistance programs in connection with grant program.	ORP	GS–11	1
	ORP	GS–9	1
Conduct field inspections and process 60 additional State requests for conversion of land and facilities to other public purposes. Provide manpower for handling increased workload in construction contract compliance and land acquisition procedure overview.	ORP	GS–12	1
	ORP	GS–11	1
	ORP	GS–7	1
	ORP	GS–9	1
Provide increased technical assistance to States and other governmental entities requesting funds under the increased land and water conservation fund program for the first time.	ORP	GS–12	1
	ORP	GS–11	1
	ORP	GS–9	1
	ORP	GS–7	1
Conduct more frequent program reviews.	Clerk-typist	GS–5	1
Handling increased volume of congressional and public inquiries about the enlarged program, anticipate at least 2,000 additional inquiries for information about a variety of aspects of the program.	ORP	GS–12	1
	ORP	GS–9	1
	ORP	GS–7	1
Staff to provide a variety of personnel management, and records management services to the Bureau.	Personnel Mgmt. Spec.	GS–12	1

[1] Supervisory Outdoor Recreation Planner.
[2] Outdoor Recreation Planner.

CONTRACTING AND POSITIONS

Senator STEVENS. With regard to this, you mentioned $951,000 will be for contracting. In view of the 42 positions, why do you need so much money for contracting in administering the State program?

Mrs. GRIER. We had initially requested some 24 additional positions with the funding based on that request. We were given the funding, but we were not given the 24 positions.

We prefer to do the bulk of our work in-house, so to speak. When we are unable to do that as a result of ceilings, then we must find another way of doing it.

Senator STEVENS. How many people do you have now administering the State program?

Mrs. GRIER. We will give you that in just a moment, Mr. Chairman.

Mr. DENT. Mr. Chairman, in our total request we have 251 authorized positions on the State portion of the fund, and 26 on the Federal portion of the fund, giving us a total of 277 authorized positions.

Senator STEVENS. How much money do you have for contracting on the base program?

Mr. DENT. Our base program runs around $500,000 for contracting and other services.

Senator STEVENS. On the State program?

Mr. DENT. No. This is for the program as a whole. I would like to furnish that for the record, if I may, between the two, Federal and State portion.

[The information follows:]

BASE PROGRAM FOR CONTRACTUAL AND OTHER SERVICES UNDER ADMINISTRATIVE EXPENSES FOR THE LAND AND WATER CONSERVATION FUND

Fiscal year 1977 estimated obligations for object class "Other Services" is $960,000. Of this amount, $1,000 is estimated for the administration of the Federal land acquisition program by the Bureau and $663,000 for administration of the State grant portion of the Fund. Of this latter amount, $44,000 is estimated for services provided from outside of the Federal Government, such as equipment repair and maintenance services and the balance is for services provided by other Federal agencies, such as for computer use time, for transfer to the Departmental Audit and Investigations function to cover auditing of the State and local accounting records in support of Federal grants under the Fund, prorated share of centralized payroll costs, and Departmental assessments for common use facilities such as health services, centralized handling of office supplies and shipping services and library services.

The remainder of $296,000 is being held for future administrative expenses of the Bureau in connection with reaching full settlement and agreement with the timber companies for lands acquired by legislative taking for the creation of the Redwoods National Park. Funds for this purpose were appropriated in fiscal year 1969 and remain available until expended. Some of these funds have been used each year since 1969 and will continue to be used each year until settlement is reached. The $296,000 is the amount which the Bureau anticipates will be used after the current year, but which is shown as estimated in the current year in accordance with estimating no carryover of Federal land acquisition funds as a whole. The $296,000 is included all in object class 25 in order to not distort the other object class estimates.

CONTRACTING COSTS

Senator STEVENS. Give us a breakdown of the $951,000 for contracting, indicating the cost and need for each contract.

Mr. UNDERHILL. Mr. Chairman, these funds will be utilized in five different areas. First, $130,000 is budgeted to continue and expand collection of State and local financial data to determine trends useful to both Federal and State Outdoor Recreation Planning programs.

Second, associated with this effort, $311,000 is budgeted to develop a program for sampling visitation at State and local recreation areas to determine trends in use. This data is also important to State and Federal planning efforts associated with the expenditure of Land and Water Conservation funds.

Third, $225,000 is budgeted to step up the number and comprehensiveness of State financial audits and program audits conducted by the Office of Audit and Investigation. As the program expands, these additional services are needed to insure accountability and control over funds expended.

Fourth, $60,000 is budgeted to obtain services to assist the Bureau in developing and publishing a comprehensive list of all approved Land and Water Conservation Fund projects. This list is necessary to insure that a published historical record of the program is maintained and updated so grant recipients and the general public are aware of those areas protected by the 6(f) provisions of the Fund Act.

Fifth, $225,000 is budgeted for regional offices to obtain additional appraisal review services to expand the Bureau's program of spot checking appraisals prepared by State and local governments utilizing Fund moneys to acquire land and to review all donation appraisals. These spot checks are necessary to insure that States are complying with Federal appraisal standards.

POSITIONS VERSUS CONTRACTING

Senator STEVENS. How many positions would you need to do this job yourself and not contract so much of it out?

Mrs. GRIER. I would say about 35 additional positions.

Senator STEVENS. Is there any money for additional travel or equipment in this increase in administrative cost?

Mr. DENT. Mr. Chairman, there is an increase of $55,000 for travel. For other things there are minor increases related to people.

Senator STEVENS. On page 45 you refer to 42 new positions and on page 46 you indicate your funding is for 39 positions.

Mr. DENT. Mr. Chairman, the 42 are authorized positions; the 39 is the ceiling. We do not have funds in our request for these three positions. When we make up the budget we show authorized positions as requested, but our ceiling is always under that by 8 percent or so.

ADMINISTRATIVE EXPENSES FOR FEDERAL LAND ACQUISITION

Senator STEVENS. There is an item that indicates you want $150,000 and two new positions to evaluate Federal acquisition programs. Haven't you been doing that already?

Mr. JONES. Yes, sir; we have. This would be an increase in the level of that effort. For the last couple of years we have been developing with the agencies that use the Land and Water Conservation Fund a system of criteria that we can all apply uniformly to develop and aid the budget.

Senator STEVENS. But $96,000 of $150,000 is for contracting. Why?

Mr. JONES. Because the positions are not available to match up with the dollars that were approved in the budget. We must find other ways of getting work done rather than by Federal employment.

FEDERAL LAND ACQUISITION ALLOCATION ACCOUNTS

Senator STEVENS. The allocation account apparently deals with all four agencies. Are you responsible for that allocation account?

Mr. DENT. Mr. Chairman, the allocation relates to the money that is made available, of course, by the Congress to each Federal agency. What we do is consolidate the requests from the four Federal agencies and that is shown on the schedule as part of our schedule under the allocation account.

Senator STEVENS. There is confusion. We understood the Park Service was adding 35 new positions to its land acquisition program, yet the allocation account reflects nine less positions.

It would be easier for us if this allocation account were broken down by agency and object classification. Give us separate object classifications and personnel summaries by agency for the allocation account.

Mr. DENT. We will furnish that for the record, sir.

[The information follows:]

BUREAU OF OUTDOOR RECREATION
LAND AND WATER CONSERVATION FUND

Object Classification-Allocation Accounts by Agency
(in thousands of dollars)

Object Class	National Park Service	Corps of Eng.	Fish and Wildlife Service	B. of Land Management	Forest Service	Total
			FY 1977 Estimate			
11.1	3,923	590	570	288	4,715	10,086
11.3	340	--	30	22	550	942
11.5	10	--	3	--	15	28
11	4,273	590	603	310	5,280	11,056
12.1	503	59	63	29	522	1,176
21	710	100	100	27	220	1,157
22	225	125	5	5	100	460
23.1	651	--	--	--	120	771
23.2	149	65	5	3	90	312
24	200	20	5	--	20	245
25	2,750	600	854	190	1,500	5,894
26	460	50	10	3	126	649
31	175	10	24	--	25	234
32	99,249	30,606	20,170	2,221	59,215	211,461
41	2,700	1,000	--	--	--	3,700
Subtotal	112,045	33,225	21,839	2,788	67,218	237,115
95.0	--	--	--	--	-5	-5
Total	112,045	33,225	21,839	2,788	67,213	237,110
			FY 1978 Estimate			
11.1	4,181	--	571	288	4,772	9,812
11.3	340	--	283	22	550	1,195
11.5	10	--	3	--	15	28
11	4,531	--	857	310	5,337	11,035
12.1	536	--	90	29	525	1,180
21	576	--	130	29	220	955
22	216	--	10	5	100	331
23.1	733	--	--	--	120	853
23.2	167	--	10	4	90	271
24	192	--	5	--	20	217
25	4,959	--	900	150	1,500	7,509
26	442	--	12	3	126	583
31	168	--	20	--	25	213
32	127,675	--	24,944	1,570	59,005	213,194
41	2,800	--	--	--	--	2,800
Subtotal	142,995	--	26,978	2,100	67,068	239,141
95.0	--	--	--	--	-5	-5
Total	142,995	--	26,978	2,100	67,063	239,136

BUREAU OF OUTDOOR RECREATION
LAND AND WATER CONSERVATION FUND

Personnel Summary-Allocation Accounts by Agency

	NPS	C of E	F&WS	BLM	FS	TOTAL
			FY 1977 Estimate			
Permanent positions	277	44	31	15	200	567
FT equiv. of other pos.	40	4	3	2	56	105
Avg. paid employment	293	43	34	17	275	662
Average GS grade	8.78	8.55	9.68	9.33	8.64	8.78
Average GS salary	$15,738	$14,888	$18,402	$15,021	$16,745	$16,154
			FY 1978 Estimate			
Permanent positions	312	0	31	15	200	558
FT equiv. of other pos.	40	0	27	2	56	125
Avg. paid employment	337	0	58	17	275	687
Average GS grade	8.60	--	9.74	9.27	8.64	8.69
Average GS salary	$14,888	--	$18,412	$14,894	$16,745	$15,750

CHANGES IN ALLOCATION ACCOUNTS

Mr. DENT. Each agency, of course, can testify to their share of this. We do consolidate it for the budget as a whole.

Senator STEVENS. There are some sharp changes here. Contracting goes up by $1.6 million while grants, subsidies and contributions decline. Why is that? Do you have some program policy change that we don't know about?

Mr. DENT. Mr. Chairman, we consolidate this and each agency that contributes to this has the contracts or increases.

Senator STEVENS. When you break it down perhaps we will have some specific questions then.

We thank you very much. We will now go to the Park Service witnesses. We appreciate your cooperation. There may be some questions from other members. We are in session today and they may submit them to us. We will deliver them to you, if they do.

Mrs. GRIER. We will be happy to respond. Thank you.

National Park Service

Land and Water Conservation Fund

STATEMENT BY GARY EVERHARDT, DIRECTOR

ACCOMPANIED BY:

LOWELL STURGILL, ACTING CHIEF, OFFICE OF PROGRAMMING AND BUDGET

CHARLES RINALDI, CHIEF, LAND ACQUISITION DIVISION

PREPARED STATEMENT

Senator Stevens. Let's go to the Federal programs beginning with the Park Service.

Mr. Everhardt, we are happy to go over your part of this again. Let's put your statement in the record. Would you identify the people with you, please?

[The statement follows:]

STATEMENT OF GARY EVERHARDT

MR. CHAIRMAN:

I am pleased to be here today to present our land acquisition program for 1978 fiscal year. I would like to thank you for the support which we have received during the past years in significantly preserving many areas of our Country for the enjoyment of present and future generations.

Since inception of the Land and Water Conservation Fund in 1965 we in the National Park Service have made great strides in preserving our Nation's natural, historical, and recreational lands for ourselves and our children. We are especially pleased with our progress to date and have great optimism for the future. With the recent increase to the Land and Water Conservation Fund raising the annual funding level, we feel very confident that the park areas we are entrusted to preserve will be greatly enhanced by the increased funding availability. To this end, using positions provided in the budget, we have expanded this program by 90 additional personnel, bringing its current strength to 277 authorized positions as of December 31, 1976. This increase in staffing and funding will aid now in moving more swiftly to acquire private lands before the escalation crunch hits and when adverse development or threat of irreparable damage is imminent which would destroy park resources.

Your support of our opportunity inholding program is continuing to reap great benefits in the consummation of this program. Through the transition quarter following fiscal year 1976, we had obligated all of the $85.2 million which has been appropriated since inception of the Opportunity Inholding Program in fiscal year 1969. We are very pleased with this record and take this opportunity to thank you for your support of the program.

Briefly, I would like to highlight our budget request for 1978 fiscal year.

Our request is broken into four major categories. First, $2,500,000 is requested to pay court awards on condemnation cases which exceed estimated values. Many of these cases have been filed since 1972, and we expect them to come to trial in the near future.

Second, $17,000,000 is requested for the acquisition of inholdings on an opportunity basis. This program has been in existence since fiscal year 1969 and allows for acquisition of lands in the older areas of the System on an opportunity basis. This concept has proven to be invaluable in acquiring lands in these older areas, and especially since authority was granted to allow for immediate acceptance of offers under $150,000 without prior congressional approval. This streamlined procedure has permitted more direct negotiations with landowners and further strengthened our credibility when negotiations are in progress.

Third, $500,000 is requested for the payment of relocation claims at areas authorized prior to enactment of the Uniform Relocation and Real Property Acquisition Policies Act of 1970, enacted January 1, 1971. These costs were not included in our original estimates for these areas since the actions by the Interior Committees authorizing these areas preceded the passage of the Uniform Relocation Act.

Lastly, $122,995,000 is requested to continue acquisition programs at specific Recently Authorized Areas and to pursue the acquisition

programs at areas where amendatory legislation was recently enacted. These areas are Appalachian Trail, Appomattox Court House National Historical Park, Assateague Island National Seashore, Big Cypress National Preserve, Buffalo River, Capitol Reef National Park, Colonial National Historical Park, Colorado National Monument, Congaree Swamp National Monument, Edison National Historic Site, Fire Island National Seashore, Fort Smith National Historic Site, Gulf Islands National Seashore, Haleakala National Park, Indiana Dunes National Lakeshore, Lincoln Home National Historic Site, Lower St. Croix National Scenic River, Mesa Verde National Park, Monocacy National Battlefield, Ninety Six National Historic Site, North Cascades National Park, Obed River, Olympic National Park, Ozark National Scenic Riverway, Padre Island National Seashore, Pinnacles National Monument, Saint-Gaudens National Historic Site, Scotts Bluff National Monument, Sleeping Bear Dunes National Lakeshore, Virgin Islands National Park, and Voyageurs National Park.

The act creating Big Cypress National Preserve requires that the acquisition program be substantially completed within six years. The funds requested herein will aid in fulfilling this congressional mandate.

I will be pleased at this time to respond to any questions or comments that you or Members may have with respect to the National Park Service land acquisition program.

INTRODUCTION OF WITNESSES

Mr. EVERHARDT. I would like to highlight the National Park Service land acquisition program for 1978 and I would also like to thank you and this committee for the support which we have received during the past years through our land acquisition program and the effort that has been made to significantly preserve areas of this country in the National Park System.

I have with me this morning on my left Mr. Charles Rinaldi who is Chief of the Division of Land Acquisition of the National Park Service, and on my right, Mr. Lowell Sturgill who is Acting Chief of the Office of Budget and Programing.

BUDGET REQUEST

Briefly, in highlighting our statement, Mr. Chairman, and our request for fiscal year 1978 in the amount of $143 million, our request is broken down into four major categories.

First, $2.5 million is requested to pay court awards on condemnation cases which exceed their estimated value. Many of these cases have been filed since 1972 and we expect them to come to trial in the near future and, therefore, the justification for this request of $2½ million.

Second, $17 million is requested for the acquisition of inholdings on an opportunity basis. This program has been in existence since fiscal year 1969 and allows for acquisition of lands in the older areas of the system on an opportunity basis.

Third, $500,000 is requested for the payment of relocation claims at areas authorized prior to enactment of the Uniform Relocation and Real Property Acquisition Policies Act of 1970.

These costs, Mr. Chairman, were not included in our original estimates for these areas since the actions by the Interior Committees authorizing these areas preceded the passage of the Uniform Relocation Act.

Lastly, Mr. Chairman, we are requesting $122,995,000 to continue acquisition programs at specific recently authorized areas and to pursue the acquisition programs at areas where amendatory legislation was recently enacted. These areas total in our program request, Mr. Chairman, some 31 individual areas.

The act creating Big Cypress National Preserve requires that the acquisition program be substantially completed within 6 years. The funds requested in fiscal year 1978 will aid in fulfilling this Congressional mandate.

I am pleased at this time, Mr. Chairman to respond to any questions that you might have with respect to the National Park Service budget request for fiscal year 1978.

SUPPLEMENTAL ADJUSTMENTS

Senator STEVENS. The Subcommittee has recommended that there be adjustments in the supplemental appropriation request for land acquisition since more than $50 million of the Park Service request was not scheduled for obligation until 1978. We advanced some of your funding for Fire Island and Fort Smith which was in the 1978 program.

We have also recommended an advance of $18.8 million to the Forest Service which for some reason was left out of the Bicentennial Land Heritage Program. Whatever the Congress finally does in this regard, we want to ask you to keep in touch on any modifications that might be required in the 1978 and 1977 obligation program.

Do you have comments on the outline I have just made of the proposed changes in our supplemental? Are you familiar with them?

Mr. EVERHARDT. Yes, sir. Mr. Chairman, we understand that these funds would be added to the National Park Service budget request for 1978. We do have an adjusted program on how that additional $18.8 million would be allocated to site specific areas in the National Park Service and we would be happy to submit that for the Subcommittee's consideration and for the record.

[The information follows:]

LAND AND WATER CONSERVATION FUND
NATIONAL PARK SERVICE
F.Y. 1978 PROPOSED PROGRAM

Area or Unit	Budget Request	Adjusted Program (S.R. 95-64)
Deficiencies	$ 2,500,000	$ 2,500,000
Inholdings	17,000,000	17,000,000
Relocation	500,000	500,000
Appalachian Trail	500,000	627,000
Appomattox Courthouse	1,290,000	1,290,000
Assateague Island	1,329,000	1,329,000
Big Cypress NPres.	16,000,000	22,000,000
Big Thicket NPres.		9,034,101
Buffalo River	6,955,914	6,955,914
Capitol Reef	1,827,600	1,827,600
Colonial	1,000,000	1,000,000
Colorado	440,000	440,000
Congaree Swamp	18,000,000	18,000,000
Cuyahoga Valley		4,000,000
Delaware Water Gap		1,695,000
Edison	75,000	75,000
Fire Island	2,000,000	
Fort Smith	1,416,101	
Gulf Islands	12,700,000	12,700,000
Haleakala	920,000	920,000
Indiana Dunes	12,000,000	12,500,000
Lincoln Home	1,046,000	1,046,000
Lower St. Croix	3,640,000	4,500,000
Mesa Verde	110,200	110,200
Monocacy	3,515,000	3,515,000
Ninety Six	300,000	300,000
North Cascades	980,000	980,000
Obed River	1,000,000	1,000,000
Olympic	7,300,000	7,300,000
Ozark	500,000	500,000
Padre Island	350,000	350,000
Pinnacles	945,000	945,000
Saint-Gaudens	80,000	80,000
Scotts Bluff	125,000	125,000
Sleeping Bear Dunes	16,722,685	16,722,685
Virgin Islands	2,150,000	2,150,000
Voyageurs	7,777,500	7,777,500
Total	$ 142,995,000	$ 161,795,000

March 29, 1977

LAND AND WATER CONSERVATION FUND
NATIONAL PARK SERVICE
F.Y. 1977 SUPPLEMENTAL REQUEST

Area or Unit	Obligation Program Fiscal Year 1977	Obligation Program Fiscal Year 1978	Program (Budget Authority)	Adjusted Program (SR-95-64)
Appalachian Trail	$ 500,000	$ 127,000	$ 627,000	$ 500,000
Big Cypress NPres.	30,000,000	14,000,000	44,000,000	38,000,000
Big Thicket NPres.	12,500,000	24,891,000	37,391,000	28,356,899
Buffalo River	3,493,000	-	3,493,000	3,493,000
Canaveral NS	1,500,000	-	1,500,000	1,500,000
Cuyahoga Valley NRA	6,500,000	12,200,000	18,700,000	14,700,000
Delaware Water Gap NRA	800,000	1,695,000	2,495,000	800,000
Fire Island NS	-	-	-	2,000,000
Fort Smith NHS	-	-	-	1,416,101
Indiana Dunes NL	1,000,000	-	1,000,000	1,000,000
Inholdings	3,280,000	1,720,000	5,000,000	5,000,000
Klondike NHP	2,565,000	-	2,565,000	2,565,000
Lake Mead NRA	500,000	-	500,000	
Lower St. Croix NSR	1,500,000	860,000	2,360,000	1,500,000
Saguaro NM	1,640,000	-	1,640,000	1,640,000
Valley Forge NHP	6,222,000	-	6,222,000	6,222,000
TOTAL	$72,000,000	$ 55,493,000	$127,493,000	$108,693,000

OBLIGATIONS OF FUNDS

Senator STEVENS. Do you anticipate any difficulty in obligating these additional amounts?

Mr. EVERHARDT. No, sir, Mr. Chairman. I think the past history and record of the National Park Service is excellent on its obligation rate.

For example, during 1976 and the transition quarter, we obligated over $114 million and had a carryover balance of only $600,000 approximately. I foresee no problems in meeting and carrying out the acquisition program that we are prepared to outline to you.

Senator STEVENS. Will you submit for the record the status of the obligations for land acquisition by park unit for midyear 1977?

Mr. EVERHARDT. Yes, sir.

[The information follows:]

NATIONAL PARK SERVICE
LAND AND WATER CONSERVATION FUND
FY 1977 OBLIGATION STATUS AS OF FEBRUARY 28, 1977 1/

Area	Funds Available	Obligations 2/28/77	Balance
Deficiencies	2,622,570	150,284	2,472,286
Inholdings	22,407,186	5,507,283	16,899,903
Relocation	1,431,401	138,653	1,292,748
Andersonville NHS	259	0	259
Apostle Islands NL	156,373	143,348	13,025
Appalachian Trail	500,000	11,580	488,420
Appomattox Court House NHP	45,000	0	45,000
Arches NP	150,000	0	150,000
Arkansas Post NM	14,239	11,418	2,821
Assateague Island NS	9,930	525	9,405
Bandelier NM	1,357,500	1,357,000	500
Bighorn Canyon NRA	450,122	200,930	249,192
Big Cypress NPres.	22,724,417	10,709,782	12,014,635
Big Thicket NPres.	18,204,869	2,952,520	15,252,349
Biscayne NM	6,352	3,809	2,543
Boston NHP	2,434,950	2,147,591	287,359
Buffalo NR	411,532	37,466	374,066
Canaveral NS	5,331,779	1,767,067	3,564,712
Cape Cod NS	2,005,490	1,793,707	211,783
Cape Lookout NS	6,552,463	1,162,877	5,389,586
Capitol Reef NP	13,431	4,000	9,431
Channel Islands NM	5	0	5
C&O Canal NHP	412,095	337,495	74,600
Clara Barton	413	0	413
Colonial NHP	2,234,600	701,164	1,533,436
Colorado NM	20,000	0	20,000
Congaree Swamp NM	5,000	940	4,060
Cumberland Gap NHP	110	110	0
Cumberland Island NS	2,692,650	850,738	1,841,912
Cuyahoga Valley NRA	10,749,307	2,374,575	8,374,732
Delaware Water Gap NRA	3,437,426	740,808	2,696,618
Everglades NP	1,011,621	992,692	18,929
Fire Island NS	269,163	655	268,508
Fort Bowie NHS	250	0	250
Fort Donelson NMP	22,420	Re 2,616	25,036
Fort Smith NHS	56,500	0	56,500
Fort Union Trading Post NHS	20,914	Re 54	20,968
Fossil Butte NM	5,466	0	5,466
Gateway NRA	10,536	0	10,536
Glen Canyon NRA	1,811	0	1,811
Golden Gate NRA	1,943,622	900,139	1,043,483
Grand Canyon NP	920,000	855,949	64,051
Grant Kohrs NHS	24,386	Re 100	24,486
Gulf Islands NS	80,449	171	80,278
Harpers Ferry NHP	281,200	10,145	271,055
Herbert Hoover NHS	364	0	364
Hohokam Pima NM	83,204	0	83,204
Independence NHP	1,557	0	1,557
Indiana Dunes NL	912,566	312,784	599,782
John Day Fossil Beds NM	16,084	0	16,084
Johnstown Flood NMem.	419	0	419
Lake Mead NRA	1,352,760	531,030	821,730
Lincoln Boyhood NMem.	3,652	470	3,182
Lincoln Home NHS	10,000	4,933	5,067

1/ As of the time of submission, the mid-year obligation results were not available.

Area	Funds Available	Obligations 2/28/77	Balance
Lower St. Croix NSR	7,063,131	1,032,204	6,030,927
Martin Van Buren NHS	98,541	3,148	95,393
Minute Man NHP	621,500	33,961	587,539
Monocacy NB	10,000	0	10,000
Moores Creek NMP	173,225	Re 200	173,425
Morristown NHP	411,842	410,674	1,168
Muir Woods NM	1,258	180	1,078
Ninety Six NHS	20,000	0	20,000
North Cascades NP	29,708	0	29,708
Obed W&SR	72,400	0	72,400
Olympic NP	117,000	8,444	108,556
Ozark NSR	53,239	17,527	35,712
Pinnacles NM	10,000	0	10,000
Point Reyes NS	801,009	678,844	122,165
Puukohola Heiau NHS	6,306	0	6,306
Redwood NP	8,888	175	8,713
Rocky Mountain NP	261,410	675	260,735
Saguaro NM	60,000	0	60,000
St. Croix NSR	8,707	7,384	1,323
Scotts Bluff NM	5,000	0	5,000
Sleeping Bear Dunes NL	12,635,281	3,783,268	8,852,013
Valley Forge NHP	2,400,000	1,044,737	1,355,263
Virgin Islands NP	2,132,464	105,004	2,027,460
Voyageurs NP	4,874,435	1,146,207	3,728,228
Whiskeytown NRA	1,175	0	1,175
TOTAL	$145,286,932	$44,984,100	$100,302,832

BIG THICKET, BIG CYPRESS, AND CUYAHOGA VALLEY

Senator STEVENS. You mentioned Big Thicket, Big Cypress, and Cuyahoga Valley. Are the acquisitions going to be completed in 1978?

Mr. EVERHARDT. The original authorization for Cuyahoga will be. The balance of funds for Big Thicket have been requested in the supplemental. For Big Cypress, the estimated balance to complete after the 1978 fiscal year will be some $20 million. This will represent in acreage about 38,000 acres. We feel with 1979 and 1980 that we will easily meet the mandate of purchasing those areas in a 6-year time frame.

Senator STEVENS. How much of your 1978 request for acquisition is directed at newly authorized or expanded areas in last year's Omnibus Park bill?

Mr. EVERHARDT. You are talking about the areas that were added to the system during the last session of Congress.

I would have to submit the exact figure for the record, Mr. Chairman, but we would proceed with Klondike and Valley Forge—those two areas I am sure of.

[The information follows:]

NATIONAL PARK SERVICE
AREAS AUTHORIZED OR AMENDATORY LEGISLATION ENACTED DURING THE 94TH SESSION OF CONGRESS AFFECTING LAND ACQUISITION
LAND AND WATER CONSERVATION FUND

AREA	DATE OF AUTHORIZATION	MONETARY LIMITATION	APPROPRIATED THROUGH FY 1977	PENDING FY 1977 SUPPLEMENTAL	PROPOSED 1978 FY PROGRAM	BALANCE AFTER FY 1978
Appomattox Cthse. NHP	10/21/76	$ 1,335,000	$ 45,000	$ -0-	$ 1,290,000	$ -0-
Arches NP	10/21/76	150,000	150,000	-0-	-0-	-0-
Assateague Isl. NS	10/21/76	1,350,000	21,000	-0-	1,329,000	-0-
Bandelier NM	10/21/76	1,463,000	1,357,500	-0-	-0-	105,500
Buffalo River	10/21/76	13,956,500	-0-	3,493,000	6,955,914	3,507,586
Canyonlands NP	10/21/76	88,500	88,500	-0-	-0-	-0-
Capitol Reef NP	10/21/76	1,750,000	10,000	-0-	1,740,000	-0-
Chickasaw NRA	03/17/76	1,600,000	1,600,000	-0-	-0-	-0-
Colorado NM	10/21/76	460,000	20,000	-0-	440,000	-0-
Congaree Swamp NM	10/18/76	35,500,000	5,000	-0-	18,000,000	17,495,000 1/
Cuyahoga Valley NRA	10/21/76	6,600,000	-0-	-0-	-0-	6,600,000
Edison NHS	10/21/76	75,000	-0-	-0-	75,000	-0-
Fire Island NS	10/21/76	2,000,000	-0-	-0-	2,000,000	-0-
Fort Smith NHS	10/21/76	1,472,601	56,500	-0-	1,416,101	-0-
Gulf Islands NS	10/21/76	18,700,000	50,000	-0-	12,700,000	5,950,000
Haleakala NP	10/21/76	920,000	-0-	-0-	920,000	-0-
Indiana Dunes NL	10/18/76	25,286,100	-0-	-0-	12,000,000	13,286,100
Klondike Gold Rush NHP	06/30/76	2,655,000	90,000	2,565,000	-0-	-0-
Lincoln Home NHS	10/21/76	1,056,000	10,000	-0-	1,046,000	-0-
Mesa Verde NP	10/21/76	68,233	-0-	-0-	68,233	-0-
Monocacy NB	10/21/76	3,525,000	10,000	-0-	3,515,000	-0-
Ninety Six NHS	08/19/76	320,000	20,000	-0-	300,000	-0-
North Cascades NP	10/21/76	1,000,000	20,000	-0-	980,000	-0-
Obed W&SR	10/12/76	2,000,000	25,000	-0-	1,000,000	975,000
Olympic NP	10/21/76	13,000,000	25,000	-0-	7,300,000	5,675,000
Padre Island NS	10/21/76	350,000	-0-	-0-	350,000	-0-
Pinnacles NM	10/20/76	955,000	10,000	-0-	945,000	-0-
Saguaro NM	10/21/76	1,700,000	60,000	1,640,000	-0-	-0-
St. Gaudens NHS	10/21/76	80,000	-0-	-0-	80,000	-0-
Scotts Bluff NM	10/21/76	130,000	5,000	-0-	125,000	-0-
Valley Forge NHP	07/04/76	8,622,000	2,400,000	6,222,000	-0-	-0-
		$148,167,934	$ 6,078,500	$13,920,000	$ 74,575,248	$ 53,594,186

1/ If pending reprogramming of $800,000 is approved, this amount will be reduced accordingly.

CONGAREE SWAMP, NEW MEXICO

Senator STEVENS. We discussed Congaree Swamp with Secretary Andrus when he was before the committee. Would you bring us up to date on that? What is happening down there?

Mr. EVERHARDT. Nothing has changed, Mr. Chairman, from our previous discussions of Congaree with you.

Senator STEVENS. Was any timber cutting going on?

Mr. EVERHARDT. No cutting is going on at the moment. We are negotiating with the three timber companies involved and negotiating with the land owner, Mr. Beider. We have a request to the Appropriations Committee for a reprograming action to provide funds so that we may proceed to condemnation if negotiations fail and it looks like a threat to the park by the timber companies.

Senator STEVENS. This $18 million for Congaree acquisition, is that sufficient in view of the problems down there?

Mr. EVERHARDT. There would still be some additional acquisition beyond 1978, Mr. Chairman, a balance of $17,000,000 and 7,451 acres after the 1978 budget year. Our estimate in the initial hearings on Congaree was somewhere in the neighborhood of $35 million. And I think that figure is up to date as to the estimated cost of acquiring Congaree.

REDWOOD NATIONAL PARK

Senator STEVENS. What about the Redwood National Park problem in California; are you involved in that?

Mr. EVERHARDT. The proposed boundary change, park expansion?

Senator STEVENS. I noticed a comment in the paper that I was reading in the last couple of days that the Secretary asked some timber companies not to cut and to negotiate further with regard to some Redwood territory. Is that the Park Service?

Mr. EVERHARDT. Yes, sir. Redwood National Park is part of the Park Service. The Secretary has promised the Congress a report and recommendation with respect to Redwood by April 15. He has restated just recently that he will have a report to Congress at that time.

Senator STEVENS. Will that involve any money?

Mr. EVERHARDT. I am sure if there is a park expansion at Redwood it would involve money. Yes, sir.

Senator STEVENS. Would you keep us informed on that?

Mr. EVERHARDT. Yes, sir. We would be pleased to keep you informed.

ACQUISITION BACKLOG

Senator STEVENS. I mentioned yesterday the acquisition backlog. Do you have it today? What is the acquisition dollar value of the backlog?

Mr. EVERHARDT. $184 million, Mr. Chairman.

I correct that to $172 million as our estimated backlog. There is also an additional $50 million, approximately, where we have reached area monetary ceiling and additional lands remain to be purchased within the authorized boundaries.

This would give us an estimated total backlog of about $220 million approximately.

NEW AREAS

Senator STEVENS. Do you have any figures on the areas pending before Congress that may be authorized in the near future?

Mr. EVERHARDT. There is some legislation pending, Mr. Chairman, in several areas. There is Chattahoochee in Atlanta, Georgia, which I think we estimated at about $70 million. Also San Antonio Mission in Texas has been introduced. I do not have an estimated land acquisition value there. Those are probably the two most outstanding areas at this particular time, Mr. Chairman.

Senator STEVENS. Do you have any parkway land that has to be acquired?

Mr. EVERHARDT. Blue Ridge or Natchez Trace?

Senator STEVENS. Natchez Trace.

Mr. EVERHARDT. Yes, sir, it is one of the inholding areas.

Senator STEVENS. Please supply an area breakdown of the acquisition backlog, not only those authorized, but those that you think will be authorized, so that we can get some idea of what the future funding requirements will be after this budget is over.

Mr. EVERHARDT. We would be most pleased to give you a detailed listing of that $220 million and any potential new areas that we see coming into the system, Mr. Chairman.

[The information follows:]

National Park Service Land and Water Conservation Fund backlog after fiscal year 1978 budget request[1]

Area	*Dollars*
Authorized areas:	$13,820,000
Deficiencies	50,042,000
Inholdings	10,081,750
Relocation	2,683,000
Appalachian Trail	105,500
Bandelier NM	20,000,000
Big Cypress NPre	3,507,586
Buffalo NR	2,183,964
Colonial NHP	16,695,000
Congaree Swamp NM	6,600,000
Cuyahoga Valley NRA	700,000
Delaware Water Gap NRA	11,963,000
Gateway NRA	5,950,000
Gulf Islands NS	14,249,351
Indiana Dunes NL	3,300,000
Lower St. Croix NSR	100,000
Minute Man NHP	975,000
Obed River	5,675,000
Olympic NP	3,275,000
Virgin Islands NP	
Subtotal—authorized areas	172,006,151
Monetary ceiling increases required:	
Apostle Islands NL	[2]1,000,000
Cape Cod NS	[2]10,000,000
Chesapeake & Ohio Canal NHP	[2]7,900,000
Cowpens NB	552,000
Cumberland Island NS	18,000,000
Glacier NP	20,000
Grand Canyon NP	800,000
Harpers Ferry NHP	1,400,000
Moores Creek NMP	442,000
Muir Woods NM	[2]200,000
North Cascades NP	[2]3,000,000
St. Croix NSR	10,000,000
Subtotal—monetary ceiling increases required	53,314,000

[1] Assumes passage of Fiscal Year 1977 Supplemental of $127,493,000.
[2] Preliminary figures, cost estimates have not been prepared.

AREAS ON WHICH THE ADMINISTRATION HAS REPORTED FAVORABLY

Chattahoochee River NRA.
Legislation has been introduced for authorization of San Antonio Missions NHP and boundary expansion on Redwood National Park and Sequoia National Park. There is presently no administration position on these.

GULF ISLAND NATIONAL SEASHORE

Senator STEVENS. You have $12.7 million budgeted for Gulf Islands, which is a large part of the $18.7 million authorization last year. Assuming you can obligate all of that, how much would you seek in 1979?

Mr. EVERHARDT. We would seek after fiscal year 1978, Mr. Chairman, about $6 million. That is the present day estimate.

Senator STEVENS. How much did you say?

Mr. EVERHARDT. About $6 million to purchase the remaining balance of 746 acres.

INDIANA DUNES NATIONAL LAKESHORE

Senator STEVENS. How about Indiana Dunes? How much more would go for that? There is $2 million in this budget.

Mr. EVERHARDT. There is $12 million in the 1978 budget request, Mr. Chairman, and remaining after fiscal year 1978 is approximately $14 million, almost 2,000 acres of land to be purchased.

Senator STEVENS. Will that round off Indiana Dunes acquisition?

Mr. EVERHARDT. Yes, sir. That would complete the acquisition within the authorized boundary. Yes, sir.

Senator STEVENS. Do you contemplate expanding that boundary?

Mr. EVERHARDT. I don't think at this time, Mr. Chairman. Just recently in the last session of Congress there was an expansion to Indiana Dunes. Our feeling at this time is that that has included the prime resources and those that were threatened in park protection status.

SLEEPING BEAR DUNES NATIONAL LAKESHORE AND VOYAGEURS NATIONAL PARK

Senator STEVENS. How about Sleeping Bear Dunes? We gave you $12.3 million last year and you want $16.7 million now. How much more will that take?

Mr. EVERHARDT. This will round out the Sleeping Bear Dunes purchase, Mr. Chairman, in the 1978 fiscal year.

Senator STEVENS. And Voyageurs, we thought that we rounded out Voyageurs last year with $9.8 million and you are now asking for $7.7 million more this year.

Mr. EVERHARDT. That would complete Voyageurs National Park as authorized, Mr. Chairman, this year's appropriation.

Senator STEVENS. Will you give us a breakdown, area by area, of what you see as future demands on the fund?

Mr. EVERHARDT. Yes, sir, that will be provided per your previous request

Senator STEVENS. I would appreciate that.

We made a proposal to take a portion of the future revenues from Alaska lands and put it into a fund to help you with acquisition. I guess that I mentioned that to you.

Mr. EVERHARDT. No, sir. I was not aware of it. I don't recall it.

Senator STEVENS. There is a little problem about where the lands are. They might be in areas that you want to make parks out of. So we have to have a little balance in that regard.

Thank you very much.

Mr. EVERHARDT. Thank you, Mr. Chairman.

Senator STEVENS. Do you have any questions, Senator Huddleston?

Senator HUDDLESTON. Mr. Chairman, I am sorry I could not be here earlier. I had some questions for the National Park Service that were submitted yesterday. We are, of course, concerned with our parks in Kentucky.

We are also interested in the historic preservation in Kentucky. As I understand it, the figure that has been suggested here would

give substantial increase for BOR and also, some increase for historic preservation. We appreciate that fact. We think that you are doing a good job in Kentucky and we hope that you will continue.

Mr. EVERHARDT. It is a great State. We are proud of our involvement out there, Senator Huddleston. Thank you.

Senator STEVENS. Thank you, Mr. Everhardt.

Mr. EVERHARDT. Thank you, Mr. Chairman.

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

LAND AND WATER CONSERVATION FUND K

STATEMENT OF JOHN McGUIRE, CHIEF

ACCOMPANIED BY:

GERALD VAN GILST, DIRECTOR OF LANDS
WILLIAM TOBIN, STAFF ASSISTANT, LANDS STAFF UNIT
ORRIN WITTIG, ASSISTANT DIRECTOR, PROGRAM DEVELOPMENT AND BUDGET

STATEMENT OF JOHN R. McGUIRE

Senator STEVENS. We will go to the Forest Service portion of the Land and Water Conservation Fund now. The request is $67 million of which $14.5 million is over appropriations to date.

Chief McGuire, we will put your statement in the record and ask you to highlight it for us.

[The statement follows:]

STATEMENT OF JOHN R. MCGUIRE

Mr. Chairman and Members of the Committee, we certainly appreciate the opportunity to again appear before this Committee and share with you our views on the purchase program proposed by the Forest Service for fiscal year 1978.

Public recreation plays an important role in the multiple-use management of the National Forests. The Forest Service ranks number one among Federal agencies in terms of annual visitor day's use. Public use of the forests also covers a wider variety of outdoor recreation pursuits than any other Federal agency. Uses include such activities as hunting, fishing, boating, canoeing, swimming, hiking, wilderness experience, and simply the enjoyment of the natural beauty of the great outdoors. This use amounted to nearly 200 million visitor days, an increase of nearly 22 million visitor days over the past five years.

The Land and Water Conservation Fund Act has provided the means of acquiring additional land needed for the Forest Service to meet the growing public recreation demands. Although the Forest Service has received only about 25 percent of the total dollars appropriated the past 13 years, we have purchased nearly 60 percent of the Federal acreage acquired. Acres acquired or contracted to acquire through December 31, 1977, by the Forest Service approximate 950,000 acres.

We estimate that with the total dollars appropriated through fiscal year 1977, acquisitions will total about 1.1 million acres. This accomplishment represents about 28 percent of the total 4 million acres needed that was identified by the Forest Service at the beginning of the program in 1965.

The Forest Service and the Bureau of Outdoor Recreation have worked closely in developing recreation land acquisition programs for National Forest purchases. The program before you contains a total of $67,063,000 for Forest Service acquisitions. This consists of $44,563,000 for purchases within areas specially designated by the Congress, $5,000,000 for payments of anticipated court awards and settlements in condemnations, and $17,500,000 for purchase of key recreation lands within areas of the National Forests specially designated as possessing quality public use recreation attributes. The program includes an estimated 481 individual properties containing nearly 72,800 acres.

Mr. Chairman, this concludes my opening remarks. I would be pleased to answer any questions you might have or furnish whatever additional information you desire.

GENERAL REMARKS

Senator STEVENS. Will you identify those with you for the record?

Mr. MCGUIRE. I will be glad to do that. On my left is Mr. Van Gilst, Director of our Lands Staff and Mr. Tobin of that staff. On my right, Mr. Wittig of our Program Development and Budget Office.

My statement contains a request, as you mentioned, for a total of $67,063,000 for Forest Service acquisition. This consists of about $45 million for purchases within areas specifically designated by the Congress; $5 million for payments of anticipated court awards and settlements in condemnations and $17.5 million for purchase of key recreation lands within areas of the National Forests that are especially designated as possessing quality recreation attributes.

The program includes an estimated 481 individual properties containing nearly 73 thousand acres. I believe those are the key points in the testimony, sir.

FY 1977 SUPPLEMENTAL FUNDS

Senator STEVENS. If we are successful in getting you the $18.8 million in the 1977 supplemental, have you determined how it would change your 1978 request?

Mr. MCGUIRE. We won't have to change our 1978 request if you are successful in that respect, Senator.

Senator STEVENS. Would you give us a breakdown of how you would allocate the supplemental funding, if it is approved, and recommend how you would change the committee's allocation of that money?

Mr. MCGUIRE. Yes, sir.

[The information follows:]

The Forest Service recommends allocation of the $18.8 million fiscal year 1977 supplemental funding as follows:

Appalachian Trail (Tract purchases)	$2,100,000
Pacific Crest Trail (Tract purchases)	400,000
Inholding Purchases	5,000,000
National Forest Composites:	
Arkansas:	
Little Missouri	65,000
Ouachita River	45,000
Mulberry River	520,000
Sylamore	200,000
Colorado:	
Pierson Mountain	1,200,000
Rollins Pass	15,000
Lake Isabel	160,000
Chimney Rock	400,000
Florida:	
St. John's River	350,000
Georgia:	
Lake Blue Ridge	120,000
Tullulah River	500,000
Wallace Lake	30,000
Louisiana:	
Evangeline	90,000
Michigan:	
White River	175,000
Manistee River	1,100,000
Pere Marquette River	400,000
Sturgeon River	50,000
Minnesota:	
Leech Lake	420,000
Cass Lake	90,000
Marcell Lake	50,000
Missouri:	
Council Bluff	70,000
Big Piney	80,000
New Mexico:	
Sandia	800,000
North Carolina:	
Nantahala Lake	3,000,000
Virginia:	
Massanutten	115,000
Rich Hole	300,000
Saint Marys	85,000
West Virginia:	
Sinks of Gandy	315,000
Wisconsin:	
Lake	180,000
South Fork Flambeau	50,000
Big Lakes	325,000
Subtotal, Composites	11,300,000
Total, Forest Service	18,800,000

LAND ACQUISITION BACKLOG

Senator STEVENS. You were left out of the Bicentennial Land Heritage Program in the budget. How much is your land acquisition backlog? Do you have any detail on that?

Mr. MCGUIRE. We estimated that when this program started some 13 years ago that we ought to acquire about 4 million acres. Thus far we have acquired about a million. So we have roughly a 3-million acre backlog.

Senator STEVENS. Have you identified those areas?

Mr. MCGUIRE. We have identified most of those areas in considerable detail. Some of them are Congressionally designated. We have identified 170 so-called recreation composite areas, but there is still a residual where we have not made up our minds which would have the highest priority.

Senator STEVENS. Do you have a price tag on it?

Mr. MCGUIRE. Roughly about a billion and a half dollars.

Senator STEVENS. You are really getting into the recreation business in a big way. You have 200 million visitor-days; is that right?

Mr. MCGUIRE. That is correct, Mr. Chairman. In fact, it is not often recognized that the National Forests, by BOR count, using BOR statistics, provide roughly half of all the Federal outdoor recreation use in the country. About a quarter is provided by the Corps of Engineers and the remainder by the Department of the Interior.

This has long been the case.

AUTHORIZING LEGISLATION LIMITATIONS

Senator STEVENS. Do you have any ceilings in your authorization legislation? You have $11.6 million requested for 1978 for national recreation areas. Are there any ceilings that exist with regard to specific authorization? We would like to know of any request that exceeds existing ceilings and the status of any corrective legislation. But are there ceilings in this authorizing legislation?

Mr. MCGUIRE. Yes, sir, there are. We could provide a table of the situation with regard to authorized ceilings and where we stand. The principal problem area right now is the Sawtooth National Recreation Area in Idaho for which we require additional authorization.

Senator STEVENS. Is there pending legislation?

Mr. MCGUIRE. Yes, sir.

Senator STEVENS. We would like a statement on that, if you would, please.

[The information follows:]

STATUS OF LIMITATIONS

NATIONAL RECREATION AREAS (FOREST SERVICE)

NRA	Appropriation Ceiling Authorized	Appropriated Through FY 1977	Appropriation Request FY 1978	Additional Authorization Needed
Sawtooth, Idaho	$19,802,000	$19,802,000	- -	$28,000,000
Oregon Dunes, Oregon	5,750,000	2,403,500	$1,600,000	- -
Flaming Gorge, Utah and Wyoming	No limit	876,000	1,500,000	- -
Whiskeytown-Shasta-Trinity, California	8,444,500	7,168,950	- -	- -
Hells Canyon, Idaho and Oregon	10,000,000	1,000,000	3,000,000	- -
Mount Rogers, Virginia	No limit	10,668,045	3,000,000	- -
Spruce Knob-Seneca Rocks, West Virginia	No limit	6,704,140	2,500,000	- -
Cascade Head Scenic Research Area, Oregon	No limit	1,736,000	2,000,000	- -

NATIONAL WILD AND SCENIC RIVERS (FOREST SERVICE)

Rivers				
Feather, California ..	$3,935,700	$1,536,700	$2,399,000	- -
Middle Fork Clearwater, Idaho	2,909,800	2,909,800	- -	$1,000,000
Middle Fork Salmon, Idaho	1,237,100	847,100	390,000	1,500,000
Eleven Point, Missouri	4,906,500	4,906,500	- -	5,500,000
Chattooga, Georgia and North and South Carolina	2,000,000	2,000,000	- -	3,200,000
Flathead, Montana	6,719,000	- -	1,000,000	- -
Rogue, Oregon	4,847,850	4,037,220	810,630	303,000

ALPINE LAKES AREA

Senator STEVENS. You ask for $20 million for Alpine Lakes acquisition. Will that complete the program?

Mr. VAN GILST. No, it will not, Mr. Chairman. There is authorization for $57 million in the enabling legislation.

RECREATION COMPOSITES

Senator STEVENS. You have $17.5 million for recreation composites in the National Forest. How many acres can you buy with that kind of money? First, exactly what are recreational composites?

Mr. MCGUIRE. Recreational composites, Mr. Chairman, are areas of the National Forest that offer a variety of recreation opportunities and include some development. For example, they might include a camp ground, a swimming beach, boat launch and ramp and that sort of thing beside a body of water.

But they have not been specifically designated by law and this is the term used for administratively designated recreation areas. With the money that we are requesting we would anticipate acquiring about 31,000 acres.

Senator STEVENS. What is the difference between those areas and the national recreation areas, per se?

Mr. MCGUIRE. National recreation areas are established by Congress, some law specifically designates them, sets the rules for their management, sometimes sets an authorization on acquisition and that sort of thing. A recreation composite is an area within a National Forest that, according to the forest plan, has high value for recreation and is managed primarily for its recreational values.

LAKE TAHOE

Senator STEVENS. The committee has had queries from Senators about acquisition at Lake Tahoe. What are your needs in the Lake Tahoe basin?

Mr. MCGUIRE. In the Lake Tahoe basin there are now in public ownership, including Bureau of Reclamation, State, county and municipal, about 137,000 acres and about 68,000 acres of the basin are still in private ownership. Our plans call for eventual acquisition of about 32,000 acres of that private land.

Senator STEVENS. Will you give us a statement on that and what your best estimates are for an opportunity to purchase lands from both Nevada and California?

Mr. MCGUIRE. We would be glad to do that.

[The information follows:]

Additional parcels have been identified in the Lake Tahoe area which offer important public recreation values and should be acquired by the Forest Service. The parcels total about 32,000 acres with an estimated value of $50.0 million. The breakdown by State is 17,000 acres at $34 million in California and 15,000 acres at $16.0 million in Nevada.

WISCONSIN STATE SCHOOL LANDS

Senator STEVENS. Senator Nelson submitted a letter to the committee yesterday. I have not had time to study it. But it may be that we could put that in the record at this point and ask you to respond to this inquiry concerning Wisconsin Forest Service lands.

Mr. McGUIRE. We would be glad to do that.
[The information follows:]

United States Senate
COMMITTEE ON HUMAN RESOURCES
WASHINGTON, D.C. 20510

March 30, 1977

SUBCOMMITTEE ON
RECEIVED
MAR 30 1977
INTERIOR APPROPRIATIONS

The Honorable Robert C. Byrd
Chairman
Interior Appropriations Subcommittee
1116 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Mr. Chairman:

I understand that John McGire, Chief of the Forest Service, will testify before your Subcommittee tomorrow regarding the Forest Service's portion of the FY'78 appropriation for the Land and Water Conservation Fund Act.

I would greatly appreciate if you would explore in a general nature the issue of acquiring the intermingled State of Wisconsin school trust lands located in the Chequamegon and Nicolet National Forests in Wisconsin. It is my understanding that Mr. McGire is prepared to discuss with the Subcommittee the desire of the Forest Service to acquire approximately 29,097 acres of school trust lands in Wisconsin.

The Forest Service has determined that 3,002 acres of the school trust lands (1,187 acres in the Chequamegon National Forest and 1,815 acres in the Nicolet National Forest) would qualify for purchase, pursuant to the Land and Water Conservation Fund Act. These lands are prime recreational property that will be sold by the State of Wisconsin. This acreage poses several management problems for the National Forests and, in my judgement, this land should be acquired by the Forest Service for inclusion within the two National Forests. I have enclosed, for your information, a background memorandum prepared by the Forest Service on the issue of acquiring the school trust lands in Wisconsin.

The Board of Commissioners of Public Lands in Wisconsin has adopted a policy to sell the lands within the National Forests to the Federal Government. However, in several recent cases, this policy has not been followed and significant recreational parcels have been sold to private owners. According to the information provided by the Forest Service (reference question 4 on the memorandum), the cost to the Federal Government for managing these intermingled properties with the Federal trust lands over the next ten-year period will approach $3 million. The total cost of acquiring the 29,097 acres in Wisconsin is estimated by the Forest Service to be approximately $4.2 million. It seems to me that we have a genuine opportunity to immediately begin acquisition of prime recreational lands and by acquiring a substantial portion of the school lands, save the Federal Government long-term management costs. The Congress, in my view, should adopt a policy of encouraging the Forest Service to acquire these school lands. Therefore, I would respectfully request the Committee to adopt appropriate report language directing the Forest Service to consider acquisition of these school trust lands, a high priority item for the funding made available to the Service in FY'78 from the Land and Water Conservation Fund Act.

Thank you in advance for your cooperation in this matter. If you have any other questions or require further information, please do not hesitate to contact me.

Sincerely,

Gaylord Nelson

GAYLORD NELSON
U.S. Senator

GN/cc

Enclosure

STATE OF WISCONSIN SCHOOL TRUST LANDS

1. Total acreage by Forest of School Trust Lands within the boundaries of the National Forests in Wisconsin.

Chequamegon N.F.	9,997
Nicolet N.F.	19,100
Total	29,097 Acres

2. The total acreage by Forest of School Trust Lands which would qualify for Land and Water Conservation Fund Act purchases:

Chequamegon N.F.	1,187
Nicolet N.F.	1,815
Total	3,002 Acres

3. By Forest, the total State School Trust Lands acreage which would qualify under the Weeks Law authority for purchase:

Chequamegon N.F.	8,810
Nicolet N. F.	17,285
Total	26,095 *

* In addition, these lands that qualify for funding under the L&WCF Act would be purchased under the acquisition authority granted in the Weeks Law.

4. Problems associated with current intermingled State School Trust Lands and anticipated administrative problems if these lands pass into private ownership:

A - Problems presently associated with the intermingled Trust Lands.

(1) Property lines and corners:

Chequamegon N.F.
230 miles of property lines and 659 corners - Ten year estimated cost $1,833,000

Nicolet N.F.
215 miles of property lines and 850 corners - Ten year estimated cost $1,115,000

Total Ten Year Cadastral Cost = $2,948,000

(2) Timber management of "stands" cannot be extended to the Trust Lands. Current management of the National Forest lands stops with the property line.

(3) Forest Service must acquire access across the Trust Lands for roads and trails.

B - Problems anticipated if Trust Lands pass into private ownership:

(1) The above cadastral cost of $2,948,000.

(2) Intermingled private and National Forest lands create a demand for access and utility special uses across public land. An undetermined number of special use permits to private owners would be required if the lands pass into private ownership. Each permit would require administration and annual inspections, resulting in additional administrative costs.

(3) Trespass or unauthorized use of National Forest ownership is proportionate to the number of scattered private lands. Transfer of ownership of the 29,097 acres of Trust Lands would most likely result in a commensurate increase in unauthorized use. Settlement of this unauthorized use would increase annual administrative costs.

(4) Access across the private lands would be needed to manage adjoining National Forest land.

(5) Dispersed recreation use, hunting and fishing would in all probability be denied the public.

5. Past history of State Trust School Land acquisition on the Wisconsin National Forests:

The Board of Commissioners of Public Lands have had, in the past, a policy to sell lands within the National Forests to the Forest Service. However, in a few instances this policy has not been followed. Several tracts have been sold through bid procedure to private individuals. Six forties on the Medford and Park Falls Districts (Chequamegon N. F.) that would have blocked in well with National Forest land are known to have been sold. Three of the four private parcels within the Flynn Lake Wilderness Study Area were formerly State Trust Lands and were sold six years ago. Two of these were waterfront tracts that are now or will be improved.

Wisconsin State School Lands Acquired

	Last 5 Years	Total
Chequamegon N. F.	40 acres	3500 acres (since 1969)
Nicolet N. F.	782 acres	3000 acres
Total	822 acres	6500 acres

6. Total acres purchased under the Weeks Act in Wisconsin during the past five years:

   Approximately 1700 acres.

7. Total acres purchased under the Weeks Act in Eastern Region of the United States during the past five years:

   30,440 acres.

8. Total acres in the United States purchased under the Weeks Act in the past five years:

   70,820 acres.

9. Weeks Act appropriations for the past five fiscal years:

Fiscal Year	Appropriation
1973	$1,300,000
1974	1,300,000
1975	1,576,000
1976 (including transition quarter)	2,025,000
1977	1,480,000
TOTAL	$7,681,000

STATE OF WISCONSIN SCHOOL TRUST LANDS

The School Trust Lands were granted to the State by the Federal government to assist in financing the development and maintenance of the school system in the State of Wisconsin. They cannot be given away. Income from the sale of the land, products taken from the land or use of the land must be deposited in a school trust fund.

The Public Land Commission has requested that the lands be sold to provide liquid assets that provide greater flexibility for investment that will produce a more uniform income at higher rates.

The lands are located inside the boundaries of the Nicolet and Chequamegon National Forests. In most cases they are completely surrounded by National Forest lands and are forest covered. Purchase of these properties would permit the Forest Service to manage the lands for multiple use purposes and more efficiently manage adjoining National Forest lands. The lands would also remain available for public use.

If these lands were acquired it would eliminate the need of maintaining 445 miles of property lines. To establish the corners and run these property lines it is estimated it would cost $2,948,000.

There are approximately 29,100 acres with an estimated total acquisition cost of $5,750,000 that have been offered for sale by the State. Of this, approximately 3,000 acres with an estimated total cost of $1,200,000 would qualify for purchase with Land and Water Conservation Funds. The remainder of the lands qualify for purchase under the Weeks Law and would require an appropriation of Weeks Law dollars.

MINERAL RIGHTS

Senator STEVENS. Senator Huddleston.

Senator HUDDLESTON. Just one question.

The Forest Service is experiencing some difficulty over the taking of minerals. In my State, of course, coal taken from Forest Service land cannot be prevented because of the nature of the deeds that left mineral rights with the previous owner. Probably the only way you could acquire the land at the time was under the broad form deed.

Has the mineral situation caused you to change your acquisition procedures? And, if so, is that increasing the cost of acquiring these properties?

Mr. MCGUIRE. I think that it causes us to take a closer look at these outstanding reserved mineral rights when we acquire the surface. In the past, as you know, we acquired the surface lands at very reasonable prices.

Senator HUDDLESTON. There would have been a tremendous increase in cost otherwise.

Mr. MCGUIRE. It looked like a good idea at the time and it helped the local economy to some extent. This was back in depression days. But now it is beginning to cause difficulties. It still is not entirely clear as to the exact definition of the various rights of the surface and subsurface owner because many of these deeds were written in the days before strip mining. I think eventually we are going to have to settle some of these disputes in the courts.

Senator HUDDLESTON. There is the broad form deed which has been upheld in Kentucky time and time again. The new surface mining act that we considered in Congress deals with that. I guess there is still some question as to how that would come out in Kentucky.

Mr. MCGUIRE. That is right. We are not sure ourselves just how prohibitions on strip mining are going to work.

Senator HUDDLESTON. If you were now to make an acquisition, for instance, in Kentucky and oil producing areas in other States—coal or other minerals might be involved—would that cause you to consider whether or not you ought to attempt to buy?

Mr. MCGUIRE. Yes, it would. And the thing we are stumbling over, frankly, is the tremendous cost of acquiring these outstanding rights.

Nevertheless, there may be some areas where the Government should make that investment.

MINERAL LANDS ACQUISITION POLICY

Senator HUDDLESTON. It is a question, I am sure, of trying to balance it off. It might be better to acquire them and leave the mineral rights than not to get them at all.

Mr. MCGUIRE. That is exactly right.

Senator HUDDLESTON. On the other hand, once you get land under those conditions, difficulties often develop when people see their National Forest being strip mined.

Mr. MCGUIRE. On the other hand, if we attempt to go too far in stopping the use of the mineral, we might end up with a taking situation, finding we have acquired the property willy-nilly.

Senator HUDDLESTON. I think that you are doing a good job in Kentucky. We appreciate it.

Mr. McGUIRE. Thank you, sir.

ADDITIONAL QUESTIONS

Senator HUDDLESTON. Senators McIntyre and Durkin have submitted several questions concerning the White Mountain National Forest, and Senator Hatfield has prepared a series of questions dealing with the Deschutes National Forest. We will furnish copies of these questions and ask that they be answered in writing for the record.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR McINTYRE AND SENATOR DURKIN

WHITE MOUNTAIN NATIONAL FOREST

Question. We understand that there are three important potential land acquisitions of some urgency in the White Mountain National Forest in New Hampshire. Does the 1978 Forest Service program provide funds for these acquisitions, that is the so-called Bretton Woods, Sandwich Notch, and Waumbek parcels?

Answer. The 1978 program does not include a funding request for acquisition of the three parcels.

Question. Can you explain to the Committee how these parcels might be purchased in fiscal year 1978?

Answer. First of all, moneys would have to be appropriated by the Congress to purchase the tracts. Although appraisals have not been made, it is estimated the total cost to acquire, which includes agency administrative salary and expense items necessary to do the acquisition job, will approximate $3,920,000 for the 19,000 acres that are now for sale. Secondly, purchases would be made on a willing-buyer-willing-seller basis. In other words, the landowners would sell at the estimated market value as determined by appraisal. In addition, the acquisitions would have to be accommodated by a concomitant purchase unit extension since the properties are within, and adjacent to, the boundaries of the White Mountain National Forest.

Question. In the event full funding for the purchase of all three parcels is not available in fiscal year 1978, what priorities would be established by the Forest Service to determine which properties would be initially purchased?

Answer. Although we have not completely analyzed the situation on the White Mountain National Forest, in our opinion the three parcels rank equally in propensity to provide for public outdoor recreation use. If partial funding is made available, it is conceivable that negotiations could be started for purchase of parts of all three tracts. Hopefully, purchases would be negotiated with the three owners but if agreement on price could not be reached we would attempt to purchase other alternate properties.

QUESTIONS SUBMITTED BY SENATOR MARK O. HATFIELD

DESCHUTES NATIONAL FOREST

Question. Chief McGuire, you are familiar with the Sunriver property in the state of Oregon. In your view, would it be appropriate for some portions of this development to set aside from development and, instead, added to the Deschutes National Forest? What steps have you taken to reach this objective?

Answer. Yes sir. I am generally familiar with that development on the Deschutes River south of Bend, Oregon. Sunriver Properties, Inc. owns about 5,400 ares at the old Camp Abbott site. About half this area has been developed for recreation homesites, condominiums, convention center, golf course, marina, and a shopping center. It would be more appropriate for some of the undeveloped land to be added to the Deschutes for National Forest purposes. Recognizing this, the Forest Service has negotiated with the owners for a land exchange. We have not been successful in these negotiations.

Question. Since your exchange proposal has not materialized, you have entered into talks with Sunriver management concerning acquisition of the remaining undeveloped land. What is the status of these negotiations?

Answer. In the fall of 1976, representatives of Sunriver Properties approached the Forest Service for the purpose of disposing of about 3,400 acres of their undeveloped property in this area. There have been continuing discussions on their proposal to sell this property to the United States.

Deschutes County has agreed to the change in the proposed development plans for Sunriver. Forest Service and company representatives have discussed the procedures that must be followed to permit the purchase of this property by the United States. It has been agreed that each party will hire a private property appraiser to provide an estimate of value of the lands under consideration.

Question. Do you anticipate successful completion of these negotiations? I understand that there are no funds in your budget for this acquisition, why not?

Answer. Yes, sir, we feel the negotiations will be successful but the offer to sell the property came too late to include it in our 1978 budget request.

Question. Would it be feasible to re-program any of your currently proposed acquisitions for use in obtaining this land at Sunriver?

Answer. No, sir. We believe that the areas proposed for funding in the current budget request are at least equal or higher in priority for acquisition by the United States for recreation purposes.

Question. What are the Forest Service plans for the management of this property in the future? Along with your report on management plans for the area, could you submit for the record a summary of your justifications for this acquisition?

Answer. The lands will be managed as part of the Deschutes National Forest with emphasis on public outdoor recreation use. Purchase of this property will provide additional lands needed for public recreation use along the Deschutes River. In addition, the outstanding scenic qualities in the immediate area will be protected.

Question. What is your estimate for the cost of these undeveloped lands at Sunriver?

Answer. We estimate the total cost of acquisition of the 3,400 acres will fall roughly between 5 and 7 million dollars.

Question. Have State and Federal fish and wildlife management agencies had opportunities to review this planned acquisition? What are their comments?

Answer. Yes, sir, they have. In general, they feel that long-range planning for the area is the only way that orderly development can be assured. Revision of the comprehensive plan will address itself to how the area should be planned. At that time concern should involve establishment of migration corridors for deer, retention of land between developments for escape cover and methods of development that will meet the needs of all users of the land.

Question. Deer migrations are becoming an increasing worry to many residents of central Oregon. Will this acquisition have a positive effect on deer herds and their migration routes?

Answer. Yes, sir. The remaining migration routes across the property will be protected through purchase and management of the land.

Question. Has there been any opposition to this acquisition plan at the local level? If so, what reasons are cited?

Answer. There have been a few expressions against Forest Service acquisition of this property at the local level. The objections center mainly on loss of local tax base that will result if this private land is purchased by the United States.

DEPARTMENT OF THE INTERIOR

FISH AND WILDLIFE SERVICE

LAND AND WATER CONSERVATION FUND

STATEMENT OF LYNN GREENWALT, DIRECTOR

ACCOMPANIED BY:

KEITH SCHREINER, ASSOCIATE DIRECTOR, FEDERAL ASSISTANCE

WALTER McALLESTER, CHIEF, DIVISION OF REALTY

INTRODUCTION OF ASSOCIATES

Senator HUDDLESTON [presiding]. The next panel is the U.S. Fish and Wildlife Service. Director Lynn Greenwalt is the principal witness.

Mr. GREENWALT. Good morning, Mr. Chairman.

I have with me to my left Mr. Walter McAllester, who is our Chief of the Division of Realty and to my right, Mr. Keith Schreiner, Associate Director for Federal Assistance Programs.

PREPARED STATEMENT

Mr. Chairman, my statement, as has been indicated, is available for the record and with your permission I will highlight it very briefly.

Senator HUDDLESTON. Very good.

[The statement follows:]

STATEMENT OF LYNN A. GREENWALT

Mr. Chairman, the President's fiscal year 1978 Land and Water Conservation Fund budget request for the Fish and Wildlife Service total $26,978,000.

A little over a third of the request, $8.6 million, is to be used to acquire habitat critical to the survival of endangered species under the Endangered Species Act of 1973 (P.L. 93–205). Specifically, acquisition of habitat for areas partially funded with previous appropriations will be continued for the light-footed clapper rail, least tern and Santa Cruz salamander in California, the dusky seaside sparrow in Florida, the endangered waterbirds in Hawaii, the Indiana and grey bat in Alabama, Illinois, Indiana and Missouri, and the Attwater greater prairie chicken in Texas. This request will also initiate acquisition of habitat for the California clapper rail in the California coastal estuaries. All of these species are completely dependent on specific limited habitat which is threatened with destruction from residential, agricultural, or commercial usage.

Public Law 94–466, October 8, 1976, authorized the establishment of the 9,500-acre Minnesota River Valley National Wildlife Refuge. This initial appropriation request of $7.8 million would nearly fund a of the acquisition, leaving $0.5 million for subsequent completion of the refuge. T is same Act established a State recreation area, estimated to total 8,000 acres, adj cent to the refuge. Combined, the Federal and State units will create a 17,500 ac e national recreation area in the midst of the Twin Cities metropolitan area of some two million people.

The Tinicum National Environmental Center, partially within the City of Philadelphia, was authorized by P.L. 92–326. The 1976 appropriation utilized the remaining funding authorization. P.L. 94–548, October 18, 1976, authorized an additional $1.6 million to be appropriated beginning with fiscal year 1978 and increased the Center by approxi-

mately 45 acres. This request is for the extended boundary and the newly authorized appropriation.

Public Law 93–402 authorized the establishment of the Great Dismal Swamp National Wildlife Refuge in North Carolina and Virginia. Appropriation authorization for this Act expired with the fiscal year 1977 appropriation, with $4.25 million of the estimated $20 million needed to acquire the lands being appropriated. The $4.8 million being requested is dependent upon extension of the authorization. Legislation for this purpose is being considered by the Congress.

Under the authority of the 1962 Refuge Recreation Act, $3.2 million is requested to acquire lands adjacent to Bombay Hook National Wildlife Refuge, Delaware; Great White Heron National Wildlife Refuge, Florida; Great Swamp National Wildlife Refuge, New Jersey; and San Bernard and Santa Ana National Wildlife Refuges, Texas. The acquisitions will enhance the public use opportunities for wildlife-oriented recreation and preserve the natural resources at these refuges.

Also included within this request is $978,000 for condemnation deficiencies on court awards and stipulations negotiated by the Department of Justice.

I should be pleased to answer any questions the Committee might have.

Mr. GREENWALT. Our request for fiscal year 1978 totals $26,978,000 in four areas, one related to the acquisition of habitats necessary for endangered species protection totaling $8,600,000; additions to existing national wildlife refuge areas for a total of $3,200,000; the funding of areas established by special congressional legislation totaling 14,200,000 acres and an amount of $978,000 for anticipated deficiencies resulting from court cases, settlements and condemnation proceedings.

Mr. Chairman, I would be delighted to answer any more specific questions you may have.

REVISIONS TO JUSTIFICATIONS

Senator HUDDLESTON. We have some questions.

The Fish and Wildlife Service justifications were revised recently and we will ask you to include those revised pages in the record at this point.

[The justification follows:]

REVISED JUSTIFICATION

National Wild and Scenic Rivers	
Feather	2,399,000
Flathead	1,000,000
Rogue	810,630
Salmon	390,000
Cascade Head Scenic Research Area:	2,000,000
National Forest Recreation Composite:	17,500,000
Deficiencies:	5,000,000
Total	$67,063,000

3. Fish and Wildlife Service. +$11,235,000; total $26,978,000.

The $26,978,000 requested will be used to acquire land for the protection of essential habitat of endangered species and at existing National Wildlife Refuges for wildlife related recreation activities.

Funds are requested to acquire habitat for endangered species, including Attwater's Prairie Chicken, the Hawaiian Water Birds, the Light Footed Clapper Rail/California Least Tern, the Dusky Seaside Sparrow, the California Clapper Rail/Salt Marsh Harvest Mouse, the Indiana Bat/Grey Bat, and the Santa Cruz Salamander. Acquisition of specific habitat for these species has been identified as necessary for their recovery.

Funds are needed for the acquisition of wildlife related recreation lands at five National Wildlife Refuges including Great Swamp, San Bernard, and Santa Ana.

The request includes money for deficiency awards in court cases and specially legislated areas including Minnesota Valley, Great Dismal Swamp and Tinicum.

Fiscal Year 1978 Program

Endangered Species Habitats	
Texas Coastal Grasslands	$1,800,000
Hawaiian Coastal Wetlands	1,000,000
Southern California Coastal Wetlands	1,725,000
Florida Cordgrass Savannahs	1,100,000
Central California Salt Marshes	2,250,000
Bat Hibernation Habitat	525,000
Monteray Bay Salamander Breeding Ponds	200,000
Recreation Additions to Existing Areas	
Bombay Hook	250,000
Great Swamp	750,000
Great White Heron	500,000
San Bernard	1,100,000
Santa Ana	600,000
Special Legislation	
Great Dismal Swamp	4,800,000
Minnesota Valley	7,800,000
Tinicum	1,600,000
Deficiencies	978,000
Total	$26,978,000

Senator HUDDLESTON. We are having some difficulty in determining what these revisions did to your request. The allowances are the same for endangered species habitat but you have changed the description to make them less specific. What is involved there?

Mr. GREENWALT. This description change is in terms of the names of the areas involved so that we established place names that related to these units which will become a part of the National Wildlife Refuge System and at the same time have attempted in our justification to indicate the purpose for which the land is to be established.

For example, the San Diego National Wildlife Refuge in California is to be named that, the San Diego National Wildlife Refuge. But its purpose is to provide habitats for the light-footed clapper rail and the least tern, for example. But I think that this is the change to which the Chairman refers.

ACREAGE PROPOSED TO BE ACQUIRED

Senator HUDDLESTON. Can you supply for the committee a detailed rundown of the acreage you propose to acquire and specifically where it is?

Mr. GREENWALT. Yes, sir. Very easily.

[The information follows:]

LAND AND WATER CONSERVATION FUND
PROPOSED FY 1978

State	Unit	Acres	Cost
ENDANGERED SPECIES			
IL/IN/MD	Bat Hibernation Habitat (Indiana/ Grey Bat)	245	$ 525,000
CA	San Pablo Bay NWR (Calif. Clapper Rail/Salt Marsh Harvest Mouse)	3,050	2,250,000
CA	Struve Pond NWR (Santa Cruz Salamander)	52	200,000
CA	San Diego NWR (Light-footed Clapper Rail/Least Tern)	456	1,725,000
FL	St. Johns NWR (Dusky Seaside Sparrow)	540	1,100,000
HI	Hawaiian Waterbirds	120	1,000,000
TX	Eagle Lake NWR (Attwater Prairie Chicken)	1,746	1,800,000
	Total Endangered Species	6,209	$ 8,600,000
ADDITIONS TO EXISTING AREAS			
DE	Bombay Hook	150	$ 250,000
FL	Great White Heron	200	500,000
NJ	Great Swamp	175	750,000
TX	San Bernard	1,100	1,100,000
TX	Santa Ana	518	600,000
	Total Additions	2,143	$ 3,200,000
SPECIAL LEGISLATION			
MN	Minnesota Valley	8,900	$ 7,800,000
NC/VA	Great Dismal Swamp	17,470	4,800,000
PA	Tinicum	45	1,600,000
	Total Special Legislation	26,415	$14,200,000
DEFICIENCIES		--	$ 978,000
TOTAL PROPOSED PROGRAM		34,767	$26,978,000

STATUS OF AUTHORIZATIONS

Senator HUDDLESTON. Do any of your acquisition proposals exceed any legislative ceilings?

Mr. GREENWALT. At this point there is but one and that relates to the Great Dismal Swamp in North Carolina and Virginia, the authorization for that area, which was specially legislated by the Congress, expires at the end of fiscal year 1977.

We have legislation presently before the Congress to extend that authorization to encompass the fiscal year 1978 proposal and to provide for the complete acquisition of that area.

Senator HUDDLESTON. What is the status of that legislation at the present time? Is it in committee?

Mr. GREENWALT. It is out of the House committee. It has been reported out and it is ready for action on the House side.

Senator HUDDLESTON. If that legislation is not enacted by the time of the enactment of this bill—a situation that may occur—what do you recommend that we do with the $4.8 million?

Mr. GREENWALT. In that event we could, working with the Bureau of Outdoor Recreation, shift this to endangered species acquisition and go to the next level of priority in that program.

BACKLOG

Senator HUDDLESTON. We have been talking about backlogs. What is your situation with relation to your backlogs?

Mr. GREENWALT. Our backlog after fiscal year 1978 is about $436 million and this would represent the potential purchase of about 851,000 acres, Mr. Chairman.

PROPOSED AUTHORIZATION LEGISLATION

Senator HUDDLESTON. I think you indicated to us the special legislation that you are interested in, for the Great Dismal Swamp and Tinicum.

Mr. GREENWALT. Tinicum, and Minnesota Valley, in Minnesota.

Senator HUDDLESTON. Is there special legislation pending on those?

Mr. GREENWALT. At Tinicum in Pennsylvania there is a proposal presently before the Congress to increase the authorization. The Minnesota Valley is a new authorization.

Senator HUDDLESTON. That is all that we need at this point, I think, Mr. Greenwalt.

Mr. GREENWALT. Thank you very much, Mr. Chairman.

Senator HUDDLESTON. Thank you.

Bureau of Land Management

Land and Water Conservation Fund

STATEMENT OF LARRY MIRKES, ACTING CHIEF, DIVISION OF RECREATION

ACCOMPANIED BY DAN FURLONG, BUDGET ANALYST

BUDGET ESTIMATE

Senator Huddleston. The request for the Bureau of Land Management is $2.1 million, an increase of $100,000.

Mr. Mirkes. My name is Larry Mirkes. I am Acting Chief, Division of Recreation, for the Bureau of Land Management and with me this morning is Dan Furlong, a budget analyst from the Bureau.

Senator Huddleston. I understand that you do not have a statement. So do you want to make a comment before we ask you a question or two?

Mr. Mirkes. I really believe we could just proceed with questions.

ROGUE RIVER

Senator Huddleston. All right. You indicate that the $2 million earmarked for the Rogue River will appropriate the remaining amount authorized. Will that allow you to complete the acquisition program?

Mr. Mirkes. No, sir. That will not permit us to complete the acquisition. We will need to come back to the Congress at some future time to request an increase in our authorization.

Senator Huddleston. How much will that be?

Mr. Mirkes. We would estimate that to be an additional $2 million for fiscal year 1980 and an additional $400,000 in 1981.

UPPER MISSOURI RIVER

Senator Huddleston. On the Upper Missouri River program, you have $100,000. What is the total authorized for this area?

Mr. Mirkes. The total authorization for the Upper Missouri is $1,800,000.

Senator Huddleston. This $100,000 is for what, specifically?

Mr. Mirkes. There are three parcels that it appears we will be able to acquire within the next fiscal year. I think, as you recognize, that we are just getting started on the Upper Missouri River. We would be in a planning process during much of this year.

Senator Huddleston. What are your plans for fiscal year 1979? If Rogue River is complete, I would assume that you would be working solely on the Missouri. Do you have an idea of what you might be requesting in 1979?

Mr. Mirkes. Yes. In 1979 we would be concentrating on the Upper Missouri.

Senator HUDDLESTON. Mr. Mirkes, I think that completes our questions. Thank you very much.

Mr. MIRKES. Thank you, Mr. Chairman.

ADDITIONAL QUESTIONS

Senator HUDDLESTON. I had prepared several questions for the Bureau of Outdoor Recreation concerning State assistance under the Land and Water Conservation Fund. Rather than bring back the BOR witnesses, I will submit these questions and ask that they be answered for the record at this point.

[The following questions were not asked at the hearing, but were submitted to the Bureau for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR WALTER D. HUDDLESTON

Assistance to States

Question. While officials in my state are quite pleased with the prospect of additional funding for the state assistance program, some have expressed concern over the ability of localities to maintain parks and other areas after they have been acquired. I recognize that maintenance funds are not available, but I would be interested in knowing whether or not other States have encountered this problem and whether or not you consider it a serious one.

Answer. The problem of adequate maintenance funds has come to our attention more frequently in recent years. Although most States indicate they annually receive more acquisition and development requests than they are able to support with Fund assistance, this does not obviate the fact that smaller, less affluent communities may not be coming forward for assistance due to the lack of maintenance moneys. The Bureau is interested in this emerging problem and intends to monitor this situation closely.

Question. Do you know what the backlog of projects awaiting state assistance is?

Answer. While we do not have comprehensive statistics covering the backlog of projects at the State and local level, we can cite several representative examples. Illinois in FY 1976 had project requests over $20 million from local units of government alone, not to mention requests for State projects. The State's FY 1976 apportionment was only $6.9 million. Nevada has a backlog of $6.4 million with approximately $2.4 million available from FY 1977 and prior year funds. As of March 1977, Texas had on hand 58 projects totaling $6.9 million and had only $3.2 million remaining available from its 1977 apportionment. The State of New York has committed all its available funds and still has local unit projects totaling $10 million which will utilize FY 1978 funds.

Question. Officials in my state have been interested in the establishment of equipment rate schedules for the entire U.S. Apparently, they must now prove on a case-by-case basis what the cost of equipment is. Are you familiar with this problem?

Answer. Yes. The Office of Management and Budget (OMB) has continually emphasized that State and local equipment use rates for Federal and federally assisted grants and contracts must be based on actual costs in accordance with Federal Management Circular (FMC) 74-4. The principles provided for in the Circular were designed to provide the basis for a uniform approach to the problem of determining cost. No provision for profit or other increment above cost is intended. Currently, project sponsors must develop their own equipment use rates. The Bureau has provided simplified guidelines to the State for this purpose. Where the State will certify that a local government does not have the accounting procedures to develop its own rate, OMB will allow the community to use an adjusted State highway rate.

The foregoing measures provide the maximum flexibility available to us under the provisions of FMC 74-4. However, we still share the States' concerns that the costs associated with the development of local rates are prohibitive and that many small communities do not have adequate accounting systems. We are therefore working closely with our Department's Office of Audit and Investigation and OMB to determine if a modification of the State developed equipment

use rate cannot be made applicable to local projects as an alternative to developing their own rate. If an adjusted Statewide rate can be developed, we hope to have the guidelines set forth in FMC 74-4 modified to offer this option for all Federal assistance programs.

208

Question. Several places in your justification, you refer to proposed participation in the Section 208 planning programs. What would your role in the process be? Would there be any reimbursement from the states or EPA?

Answer. The Bureau's role in the Environmental Protection Agency's Section 208 program is to assure that recreation opportunities are given adequate consideration in the planning, development, and implementation of State and local water quality management programs. In cooperation with State recreation agencies, we provide information on the recreation use potential of water areas and encourage acquisition of access areas prior to the escalation of real estate prices that accompany the cleaning up of polluted waters. We attempt to influence planning to provide for adequate stream flows for recreation use, increased recreation opportunities in urban areas and recreation use of flood plains.

The Bureau has entered into a Memorandum of Understanding with EPA which establishes guidelines for coordinating our respective programs, but it does not provide for reimbursement for Bureau work. State designated 208 planning agencies could reimburse the Bureau for planning assistance but this is not anticipated. The requested funds will provide us the opportunity to participate in selected studies having significant recreation potential.

Daniel Boone Trail

Question. The Daniel Boone Trail was one of eight routes listed for study in P.L. 94-527. Is funding for this study available?

Answer. We do not have general investigation funds available to us. Therefore, we are unable to initiate studies until we receive specific funding. The timing of the passage of P.L. 94-527 was such that funds for the study of the Daniel Boone and the other seven proposed trails could not be included in the Bureau's FY 1977 work program.

Sheltered Facilities

Question. Public Law 94-422 permitted states to use up to 10 percent of their annual fund allocation for sheltered recreation facilities (swimming pools, skating rinks, etc.) if the states were in areas with severe climates (based on temperature and snowfall). I have been told that the maps indicating the severe climates are very difficult to follow -- that portions of states may be included in the severe climate area, with the result that nearby areas are excluded. Could you explain the determinations of severe climate?

Answer. In developing the cold climatic criteria for the sheltered facilities provisions of section 6(e)(2) of the amended Act, it was necessary to select specific climatic standards which would provide a clear basis for determining project eligibility with regard to geographic area. The normal daily average temperature for the coldest winter month and the mean annual total snowfall were selected as measurements to define eligible areas. It is felt that the standards selected for snowfall and temperature provide the

most reasonable interpretation of Congressional intent to limit eligibility to geographic areas of the country with cold climatic conditions similar to northern tier areas (See Conference Report accompanying S. 327). A community can determine if it falls within the snowfall (more than 24'), or the temperature (less than 30°) criteria by consulting with the National Climatic Center, Asheville, North Carolina. The Center can provide data which will indicate whether a community falls within an eligible area. Maps were provided with the draft Manual release only to give a rough geographic indication of eligible areas.

SUBCOMMITTEE RECESS

Senator HUDDLESTON. The subcommittee will be in recess until April 6 when we will be hearing from the congressional witnesses. Thank you.

[Whereupon, at 10:55 a.m., Thursday, March 31, the subcommittee was recessed, to reconvene at the call of the Chair.]

83-107 (Pt. 4) O - 77 - 40

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 1978

WEDNESDAY, APRIL 6, 1977

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, D.C.

The subcommittee met at 10:10 a.m., in room S–126, the Capitol, Hon. Ted Stevens presiding.

Present: Senator Stevens.

CONGRESSIONAL WITNESSES

STATEMENT OF HON. EDWARD W. BROOKE, U.S. SENATOR FROM MASSACHUSETTS

MUSEUM SERVICES ACT

Senator STEVENS. I will call the hearing to order.

We are happy to have you here, Senator Brooke, to present your statement on the Museum Services Act.

Senator BROOKE. Thank you, Mr. Chairman.

I testify today in favor of the full authorization of $25 million for the new Museum Services Act enacted last year. I am proud that I was one of the early cosponsors of this act, for public support of our museums, great and small, is not only badly needed but richly deserved.

There are now more than 5,000 museums in our country. It is estimated that there are more than 700 million visits to museums each year. And the demand is rising in this current renaissance of the arts in America. New museums are springing up; in Texas alone, for example, 140 museums are either planned or under construction, often, as in other sections of the country, in areas never graced by a museum.

And existing museums are trying to enlarge and expand services in order to meet growing public demand, not only for their traditional exhibits but also for more educational services for students and the population as a whole.

In addition, museums continue to extend their services and delights beyond the traditional museum goer to the community as a whole, with a new emphasis on the elderly, the inner city resident, and schoolchildren. Where museums once interested primarily the rich, these institutions are increasingly assuming the central role in their communities that public libraries did in the late 19th century.

The overwhelmingly massive attendance figures and the long, patient lines at the recent King Tutankhamen exhibit at the National Gallery here in Washington are vivid evidence of the growing interest our citizens feel for making the arts a part of their lives.

President Carter during the last Presidential campaign expressed the role of the arts well when he said, "Arts in America are not simply a luxury; they are a vital part of the fiber of American life and deserve strong support from the Federal Government. If I am elected President, they will receive that support."

Heartened by this strong commitment, all of us who appreciate the vital role of museums in our national life were severely disappointed when the President requested only $3 million for fiscal year 1978 out of an authorization of $25 million for the new Museum Services Institute.

This is a token, almost meaningless amount in view of the great and well documented need of museums all across the country. One survey alone has indicated that its museum sample recorded a need of approximately $100 million. Thus by any reasonable standard $25 million authorized is a reasonable and justified figure.

When questioned about their needs, a broad and representative group of all kinds of museums in all locations replied that their first and overwhelming priority is for assistance in meeting their basic operating costs. Their second priority is conservation of their irreplacable treasures. And their third priority is assistance with their exhibition costs and the expenses of educational programs.

Thus the assistance provided by the National Endowment for the Arts—grants for special projects and exhibitions only—is no longer adequate as museums struggle for funds simply to keep open and not raise admission costs beyond the means of too many of their present and hoped for constituents.

The present precarious and curtailed position of museums is not due to irresponsible management on their part. It stems first of all from the recent escalating attendance at museums.

In 1939 attendance was approximately 50 million visits per year. In the mid-1950's there were over 100 million visits per year. By 1962, there were 200 million visits. As I noted earlier, museum attendance is now estimated at 700 million visits per year.

This growing demand for museum services raised costs as did spiralling inflation. The result of this dual pressure on museum budgets is shown by a 1976 survey by the Council on Foundations which reported that museum expenditures had risen 45 percent over the 5-year survey period.

In my own State of Massachusetts the operating expenses of five of our principal museums rose 36 percent from 1972 through 1976. The costs of energy alone, a big budget item, quadrupled during this period.

Museums have made a sustained effort to cope with these greatly increased costs. Special exhibits have been cut. The development of new programs demanded by the public have been deferred. Days and hours during which museums are open to the public have been reduced, thus making it more difficult for working people to attend. Staff has been reduced. Needed salary increases have been drastically reduced or eliminated. Physical plant repairs have been postponed.

Many museums, hithertofore free to the public, have been forced to institute admission charges. And many museums have been forced to substantially increase these charges.

In my home State of Massachusetts five of the principal museums had to increase their admission charges by 25 percent between 1972 and 1976. However, despite these cost-cutting efforts the financial position of too many museums remains strained.

Despite the fact that their earned income is projected by the Council on Foundations to have grown 40 percent over the past 5 years, reflecting the institution of and increase in admission charges, the earnings gap of museums will have grown 48 percent during that same period.

Those legally required by law have balanced their budgets by limiting services and hours. For others, deficits are ever an immediate crisis. More significantly, museum deficits rose drastically: an increase of 160 percent over the survey period of the past 5 years.

To cite but two examples which I am well acquainted with: in large part due to its attendance increase from 528,000 to 820,000 in the past 10 years, the Boston Museum of Science deficits now amount to $500,000 to $700,000 per year. And another world renowned museum, the Boston Museum of Fine Arts, is operating at a deficit of more than a half million dollars per year.

Private philanthropy and endowments until recently the mainstay of museums, can no longer subsidize museum programs and deficits alone. State and municipal aid is sporadic and therefore not able to reduce these deficits alone. And recorded increases in corporation, foundation, and individual gifts—90 percent of museums in a recent survey report gains in private memberships—are also inadequate to answer the needs of American museums without help from the Federal budget.

It was to cope with the needs of museums beyond that for special projects that the Museum Services Act was passed last year. This landmark act provides: assistance to aid museums in developing and maintaining competent staffs; assistance to provide education programs and conservation of art objects; assistance to help carry out specialized programs for such underserved segments of the public as inner city neighborhoods, rural areas, and Indian reservations; assistance to develop and finance traveling exhibitions; assistance to the full range of museums, some of which like science and technology museums do not receive aid from the National Endowment on the Arts.

But foremost and most important, the Museum Services Act provides grants to all museums for operating expenses and ongoing programs, where the funds are most urgently needed.

Thus, if adequately funded, the Museum Services Act can be instrumental in answering the concerns and priorities of our museums, and may I add that it will not only answer the concerns of those famous established giants whose names immediately come to mind, that 5 percent of museums with annual budgets of $1 million or more.

It will also concern itself with those more modest, if often equally excellent, often new, often struggling museums which add so much to their communities. For we must remember that almost half of our museums have annual budgets under $50,000.

At this time when museums should be working to fulfill their full education potential, they too often are struggling simply to maintain their present programs. At this time when museums should be available to all, they are being forced to raise admission charges.

It is estimated that an admission charge of $3 to $4 would be necessary if museums were to support themselves from this source.

Such a charge would price museums beyond the means of many, many families. We cannot make enjoyment of our museums an elitist recreation, a byproduct of wealth. We must instead make it possible for those who would appreciate museums, who want the joy and fulfillment they bring—of any and all incomes—to participate in American museum activities.

A recent poll indicated that 64 percent of adults in the United States would be willing to contribute $5 over the amount of their taxes to the arts; 47 percent would contribute $25 and 36 percent would be willing to contribute $50 or more.

Thus the American people in overwhelming numbers acknowledge what a great difference the arts can make in their lives. It was in deference to this support and in recognition of the central role which museums play in the cultural life of our nation, that the Congress last year enacted the Museum Services Act.

It is now time to fulfill the promise we made when we voted for that law. And despite the many demands on our Federal budget, of which I as a member of the Appropriations Committee am also too well aware, I believe that a $25 million appropriation for the Museum Services Institute is a wise and widely supported investment.

The Federal Government subsidizes many areas of our national life at far greater cost with far less benefit and far less justification. Mr. Chairman, I ask for favorable consideration of the full authorization of $25 million for the Museum Services Institute.

I might add, Mr. Chairman, that your State happens to be the first per capita in the Nation in State funding for the arts. I don't know whether you are aware of that, but they spend more money per capita for the arts than any other State in the Nation. New York is second. New York spends $1.96 per person.

My State is eighth. It spends 23 cents per person. Now if my State is eighth, you can imagine what some of the other States are spending. I know there are some spending like 4 cents, maybe 3 cents, or 2 cents per person.

I don't have your figure, but obviously if New York is second with $1.96, then you must be $2 or more per capita.

Obviously, this is a great need and I do hope that your committee will seriously vote for full funding of the authorization that had been voted by the Senate because if you take this out of peoples' lives, if you make it so that it is priced out of the market, so that young people and poor people can't even get into a museum, I just think that it has a sociological impact and effect upon this Nation.

Senator STEVENS. Senator, I am sure that you know that the Chairman and I are both very interested in this and we are trying our best to maintain the total area of humanities on a par with this increase in demand from the arts area. This is one of those.

I am sure that we will keep your request, particularly as a member of the committee, that we increase the funding for the museums.

We will be in touch with you concerning the level. I am not certain that we can go the full $25 million, but we will do our best.

Senator BROOKE. Thank you, Mr. Chairman.

STATEMENT OF HON. PETE V. DOMENICI, U.S. SENATOR FROM NEW MEXICO

PREPARED STATEMENT

Senator STEVENS. The Senator from New Mexico.

Senator DOMENICI. Thank you very much, Mr. Chairman.

I have a very brief statement on four issues. I would first ask that it be made part of the record. I don't think as short as it is, I will read it all, but I want to talk with you about a few of these matters.

Senator STEVENS. We will print it in full in the record.

[The statement follows:]

STATEMENT OF SENATOR PETE V. DOMENICI

Mr. Chairman, thank you for the opportunity to appear before this Subcommittee today to express my concern about several specific matters within the jurisdiction of the Subcommittee and to request specific appropriations levels related to those concerns. I will make only a very short statement and submit additional material for the record since I am participating this morning in what is hopefully the Budget Committee's final day of mark-up on the 1st Concurrent Resolution for Fiscal Year 1978.

The four issues I want to address quickly are Indian Health, Indian Education, the Navajo Indian Irrigation Project, and Indian Reservation Roads and Bridges. Of course, these are not the only matters within your jurisdiction about which I am concerned, and I will communicate additional concerns to the Subcommittee in a timely fashion as the appropriations process for FY 78 continues to develop.

INDIAN HEALTH CARE IMPROVEMENT ACT

First, I urge the Subcommittee to recommend full funding in FY 78 for the Indian Health Care Improvement Act, Public Law 94–437. The President's Revised Budget Request contains $442,491,000 to fund this Act, but that is $144,717,000 below the amount required to meet all the costs associated with full funding. Of particular importance to the Indian people in my State is $3,935,000 presently unfunded for opening new facilities.

Indian health installations in New Mexico which will be affected are the new facilities at Ramah, Acomita and Santa Fe. It makes very little sense and does very little good go build new facilities and fail to provide staff funding sufficient to operate those facilities. So, I urge the Appropriations Committee to fully fund the Indian Health Care Improvement Act for FY 78. I will be happy to provide such further information as the Subcommittee or staff may desire on this specific matter.

INDIAN EDUCATION ACT

My concerns about the inadequate funding levels for the Indian Education Act, Public Law 92–318 are expressed in some detail in a statement I now submit for the record. Basically, I am convinced that we have been and are still underfunding programs established by the Indian Education Act because in the last two fiscal years the trend of spending for Indian education has been down while costs have been going up. I urge this Subcommittee to reverse that trend for 1978 as the House Interior Affairs Committee has already done, thereby providing greater educational opportunities for over 350,000 Indian children who badly need and deserve a decent education.

INDIAN RESERVATION ROADS AND BRIDGES

Again, Mr. Chairman, I am submitting a more lengthy statement explaining my concern about inadequate funding for specific highway construction activities authorized under that section of the Federal-Aid Highway Act, as amended, relating to Indian Reservation Roads and Bridges.

Briefly, I strongly urge the Subcommittee to provide the full amount requested by the Administration and even increase that request by whatever amount is necessary to make up for funding shortages for Indian highway construction over the past several years.

One such deficiency has adversely affected the level of funds available for highway construction benefitting Indian people in the Four Corners Area of the Nation. I refer to the failure to fund the full amount of $25 million authorized in the extended version of the Indian Reservation Roads and Bridges Section of the Federal Aid Highway Act amendments of 1974, Public Law 93–643. The extension of the traditional definition of Indian Reservation Roads and Bridges accomplished in P.L. 93–643 provided that funds authorized under that section could be applied to projects on highways off the reservation which provide access to the reservation and which are critical to the development and well-being of the reservation. Three highways in New Mexico were specifically identified in the Senate Report as the intended objective of the increased level of funding authorized to accompany the extension of eligible highways. Many people were skeptical that any funds appropriated would ever be used because of the complicated interaction between Federal agencies, State agencies and Indian Tribes required to reach agreement on a plan for allocation of the funds. That may be one reason that to date, only $10 of this $25 authorization has been funded, preventing the realization of the road improvement program envisioned by the Congress when it passed P.L. 93–643.

I am extremely pleased to report that the $10 million previously appropriated has already been obligated in accordance with an elaborate agreement between the Bureau of Indian Affairs, the Federal Highway Administration, the New Mexico State Highway Department and affected Indian Tribes, primarily the Navajo Tribe and the Jicarilla Apache Tribe. These parties have worked together to produce a mutually agreeable plan for the utilization of the full $25 million as intended by Congress in P.L. 93–643. That plan can only go forward if the Congress increases the Administration's Budget Request for Indian Reservation Roads and Bridges by at least $15 million and that is what I urge this Subcommittee to do. This is extremely important to the energy and agricultural development of Indian Reservations in the Four Corners Area and another Congressional obligation will go unfulfilled if the remaining $15 is not appropriated.

I want to submit now my detailed statement which more fully explains this request and provides documentation of the extraordinary cooperative efforts I have briefly described.

NAVAJO INDIAN IRRIGATION PROJECT

I hope the Subcommittee will be able to approve the Bureau of Indian Affairs Fiscal Year 1978 budget in the amount of $4,200,000 for the On-Farm Development of Block III of the Navajo Indian Irrigation Project.

The approval of this budget in its full amount is critical to the consistent and orderly development of this federally approved Indian irrigation project.

Since the Bureau of Indian Affairs Fiscal Year 1976 budget in the amount of $2,900,000 was approved for the On-Farm Development of Block I, costs have been constantly increasing. The Bureau of Indian Affairs budget request for Block II for Fiscal Year 1977 was $1,000,000 less than needed for the same work on Block II that was performed on Block I.

Because sufficient funds were not budgeted in Fiscal Year 1977, and a supplemental request was not approved, a financial burden has been placed on the Navajo Tribe for the development of Block II that could only be met through a long term loan.

The approval of the budget request from the Bureau of Indian Affairs for Fiscal Year 1978 for Block III in the amount of $4,200,000 will permit the total development of Block III with $1,000,000 committed by the Navajo Tribe. The President's Budget Request included $2,400,000 for Block III development and it is my understanding that BIA has initiated a budget amendment for the additional $1,800,000 required to fully develop Block III and bring it into production on time.

Failure to approve will mean a delay in the project development, loss of income from the project, and a set-back in the on-going economic development of the Navajo Tribe's natural resources so essential to improve the employment and economic growth of the Navajo Nation.

I should point out that the Tribe recognizes this fact and contributes its own money toward these developments costs. For example, for each of the first five blocks, the Tribe has or will put up at least $500,000 per block for on-farm development. In addition, the Tribe made up the $1 million shortfall for this Fiscal Year when the supplemental appropriations request was denied.

I urge you to support this budget request for the full amount of $4,200,000 to fulfill the commitment of the Federal Government for the Navajo Tribe in the development of the Navajo Indian Irrigation Project. I submit for the Record information prepared by the Navajo Tribe to support this request.

INDIAN HEALTH CARE

Senator DOMENICI. May I first talk with you about the Indian Health Care Improvement Act. As you recall, you and I have had a rather significant interest in trying to find better ways to construct hospitals. You developed a hospital financing approach that I joined. It is now being implemented.

What I am really saying in this request to you, Mr. Chairman, is that we are going to find ourselves, if we don't increase the level of funding for health care, and if we use the administration's figures for supply and operations to hospitals, we will have, for instance, in New Mexico brand new hospitals, Ramah, Acomita, and Santa Fe which are scheduled for opening in June or July of next year, somewhere in that area—we will find that it is funded for only five staff personnel.

That is simply not going to work. I think when you and your staff look into it we have a lot of problems and a lot of demands, but there will be nothing more ludicrous than to build hospitals at Acomita, Ramah, and Santa Fe and have it ready to open and have our Indian people, along with all the other problems we have, tell us "here is a nice white elephant, you gave us a building and there isn't any staff to operate it."

I think testimony from the health professionals, including Dr. Emory Johnson will sustain and support what I have just told you, the present level will not provide adequate staffing for the hospitals.

INDIAN EDUCATION

Let me just quickly move to Indian education. I have a more detailed statement on that, Mr. Chairman. I request that it be made part of the record.

Senator STEVENS. All right.

[The statement follows:]

INDIAN EDUCATION AND ITS NECESSITY

Mr. Chairman, we are all concerned with our children's welfare, and their education is a crucial part of their total well-being. Our system of public education, long a foundation and tradition of our society, will hopefully arm our children with what they should know to carry on and be successful in their own lives.

Even though our system of public education has been moving toward providing quality education for all our children, be they handicapped or culturally deprived, there is still a sizable contingent of youngsters we have not reached—our Indian youth. Because an Indian child comes from a different ethnic background, all too often the child is alienated by the conventional educational system. If he begins to develop doubts and uncertainties about his learning abilities, and, all too often he does, that child has seriously impaired his ability to learn and grow.

The failure of our conventional education systems to reach the Indian children in a positive way is not a fantasy of a few bleeding-heart liberals; it is tragically real. The proof lies in the inescapable fact that most of the Indian children are underachievers in our educational system, be they government or public schools:

Dropout rate among Indian youth is the highest in the country;

Delinquency among Indian youth is the worst among all other youth groups;

Suicide rate is among the highest of any group in our society; and

Alcoholism, mental illness and poverty are debilitating influences that are rampant on the reservation—where are the children's role models?

We have begun to target programs to provide our Indian children with educational opportunities. Indian education is an educational process that is designed to fill the gap between Indian culture and the non-Indian culture. The Indian Education Act (Public Law 92–318, Title IV, as amended), is the principal Office of Education legislation targeting financial assistance specifically to Indian education activities—primarily at the elementary and secondary level. In FY 1976, the Indian Education Act received a total appropriation of $57 million with $44.9 million appropriated thus far in FY 77. But because of the impoundment of the first year's appropriation (FY 1973) for this legislation until late in the fiscal year, the Indian Education Act has been *de facto* forward funded since its inception. As a result, the appropriation for each fiscal year through FY 1976 has usually been obligated among eligible-recipients during the fourth quarter of the next fiscal year.

I realize there are other programs that contribute additional funds to support educational programs where Indians are schooled, such as ESEA Title I funds or Impact Aid. Even the Office of Education, however, has noted that ESEA Title I dollars which are drawn to a school district due to the presence of Indians will not necessarily benefit those Indian children. Likewise, P.L. 874 Impact Aid funds which are attracted to a school district due to the presence of Indian land are for general maintenance and operations purposes and are usually placed into general accounts benefiting the entire school district, whether Indian or non-Indian.

In fiscal 1976, the Indian Education Act received a total appropriation of $57,055,000; yet in 1977 the total is $44,933,000. Part A funds (grants to local educational agencies) were reduced a full $10,000,000 to $25,000,000 for FY 1977, and Part B funds (special programs and projects for Indian children) were reduced almost $2 million to $14,080,000 for FY 1977

I am concerned that when inflation is eating up any increases we might have provided, the funds were actually decreased. All of the combined sources of Federal funding for the education of Indian children and adults are still insufficient to meet the education needs of the Indian population and provide a quality education. Moreover, no other Federal Indian education legislation besides the Indian Education Act targets educational assistance to as large and diverse a segment of the total American population—including hundreds of thousands of Indian people who are not eligible for any special education assistance from the Bureau of Indian Affairs.

The House Interior Affairs Committee has already considered this legislation and added $12 million to Part A and $200,000 to Part C of the Indian Education Act in addition to the proposed budget for fiscal 1978. I am hoping that the Senate will be even more compassionate. We are talking about over 350,000 children who have *not* been offered the advantages of an affluent suburb or a care-free life. They have lived their young lives watching their parents and families downtrodden by discrimination and desperation, barely surviving in a world that never seems to get better. If we don't offer programs to aid these Indian youngsters, all they will have to look forward to is a life of the same hopelessness and emptiness. The least we can do is to offer these children a way to make their own lives better, a way to lift themselves out of the circumstances not of their own making.

This is not a pretty picture, but we're not talking about pretty things. These children deserve just as much of a chance as anyone else, and compassionately funding the Indian Education Appropriations Act is a real way to help them. I hope my colleagues feel the same way.

Senator DOMENICI. I think the very brief statement that I have there would indicate that we are greatly underfunding this program and I have the facts and figures in a more detailed statement.

ROADS AND BRIDGES

I know the committee and the chairman will read that, so I will pass on to the third item. Indian reservation roads and bridges.

Mr. Chairman, this is a very important issue for me and I believe a very important issue for the Indian people. As you get into this, I am sure that you are going to find that we have never funded Indian reservation roads and bridges anywhere close to the authorized level. We have never used the budget authority figure that is allowed.

I submit that the status of Indian roads and bridges instead of getting better, is getting worse, and while we talk about many of

the more sophisticated relationships that are yet to be determined in the field of sovereignty and the like, in the field of economic development and what are Indian people going to end up doing, I don't think that anyone can argue that basic to anyone's perception is some degree of adequate roads and bridges to and from Indian lands.

Now, particularly from my standpoint, I am interested in an increased funding of about $25 million in this particular area. I have a genuine interest. I will explain it briefly to the Chairman.

The year before last we modified the Indian Roads and Bridges Act in the Congress to provide for a very sensible add-on of roads that were not totally on a reservation, Mr. Chairman, but which served reservation land. Under the modification, those roads could now come under the funding provisions of the Indian Roads and Bridges Act.

In the adoption of that law, the U.S. Senate specified a project that they thought was very deserving and typical. It is in the Four Corners Area.

As the Chairman remembers, living up to a 100-year-old treaty commitment, the United States last year opened a Navajo irrigation project. When we signed our last treaty with the Navajos we committed to supply them with family farm water. It took us 100 years, but we finally substituted for the definition of family farm, a Navajo irrigation project and we are delivering water to 110,000 acres for irrigation at about the rate of 10,000 acres per year.

Now, it made little sense to the Public Works Committee to have that project built, having Indian coal subject to develop and yet have no roads. There are three roads that will serve the irrigation project and the development and production of Indian coal.

What this law did was to say that under certain conditions, improvement to these roads can be funded at under the Indian Roads and Bridges Act. In an attempt to fulfill the rigid requirements set out in that Senate report, two Indian tribes, the State of New Mexico and the Federal Government have entered into an agreement for joint funding that I think no one ever thought could be accomplished.

I want to submit the memoranda of agreement between the BIA and the State, the Jicarilla Apache resolution approving it, the memoranda between the Jicarillas and the State and the Federal Highway administration because I think that it is a marvel and when coupled with the agreement between the Navajo nation and the state of New Mexico and the Federal Highway Administration, which is part of what I will submit, what we are implementing up there is a major project where the state of New Mexico is going to match in an inordinate manner Indian road funds. The State is coming up with its share. We came up with a small amount the first year and we are not going to be able to fulfill the agreement unless we have at least $25 million appropriated in this particular area.

Senator STEVENS. What is the authorization for that act for this fiscal year, 1978?

Senator DOMENICI. For 1978 it is $25 million.

Senator STEVENS. Is that what you are seeking?

Senator DOMENICI. No. The original authorization is $25 million. We have only appropriated $10 millon

Senator STEVENS. So the amount of the authorization is underfunded is $15 million?

Senator DOMENICI. That is correct. What we are saying is that unless we get about $25 million in this item, there will not be sufficient funds to live up to the 1978 commitment as contemplated by these joint agreements that I believe was contemplated by the Senate adoption of the amendment to the highway—the Indian Highway and Bridges Act.

Senator STEVENS. We will study these documents.

[The information follows:]

MEMORANDUM OF AGREEMENT
BETWEEN
BUREAU OF INDIAN AFFAIRS
AND
STATE OF NEW MEXICO
CONCERNING
DESIGN AND CONSTRUCTION AND RECONSTRUCTION
OF STATE ROADS 371 AND 44 AND U. S. 666

THIS MEMORANDUM OF AGREEMENT made and entered into this 7th day of July, 1976, pursuant to Public Law 93-643, between the Bureau of Indian Affairs, acting through its area directors, and the State of New Mexico, acting through the New Mexico State Highway Department by its State Highway Engineer.

WITNESSETH THAT:

WHEREAS, an urgent need exists for the construction or improvement of three major New Mexico highways, State Routes 44 and 371 and U. S. 666, due to the increasing development activities upon Indian land situated in the Four Corners area.

WHEREAS, Congress has authorized expenditure of $10,000,000 of a total of $25,000,000 which is to be spent on the three major New Mexico highways.

WHEREAS, the parties desire to establish basic agreement and guidelines prior to such funds being made available under Public Law 93-643.

NOW, THEREFORE, the State of New Mexico agrees to match the allocated federal funds in the following manner:

(1) The State of New Mexico will match the federal funds on a 50-50 ratio for the total program; however, there will be no specific ratio on individual projects in order to allow flexibility except for federal-aid projects for which a fixed participation ratio has been established. It is understood that Bureau of Indian Affairs' funds cannot be used to match federal-aid highway funds on any individual project.

(2) The Legislature of the State of New Mexico in contem-

plation of the release of federal funds for the improvement of the three highways has provided that revenue from the "Electrical Energy Tax Act" (Laws of 1975, Ch. 263) will be used to match federal funds designated for State Roads 44 and 371 and U. S. 666 (Laws of 1975, Ch. 145). It is estimated that 1.4 million dollars per year will be available to spend on the roads from the collection of in-state taxes. It is estimated that 2.6 million dollars per year will be available from out-of-state taxes; however, the out-of-state taxes are in litigation at this time.

(3) The State of New Mexico has made applications for public lands highway funds citing specifically U. S. 666. The sum of 1.5 million dollars has been released for fiscal year 1976. In fiscal year 1977, 1.750 million dollars has been released. Future applications for public lands highway funds will cite specifically U. S. 666.

(4) The State of New Mexico has expended approximately $474,000 of state funds for preliminary engineering, preparation of environmental impact statements, and surveys. These funds, and additional sums that continue to be expended by the State of New Mexico for preliminary engineering preparation of environmental impact statements and surveys are considered as matching funds expended by the State of New Mexico.

(5) As matching funds on behalf of the Navajo Nation, the Navajo Nation has pledged to contribute wherever possible right of way owned by the tribe and material consisting of borrow and surfacing as needed for the construction of projects on Navajo land.

(6) The State of New Mexico agrees to spend at completion of all three roads 50% of total funds on State Road 371, 35% on State Road 44, and 15% on U. S. 666. These percentages are not binding on a year-by-year basis. The State of New Mexico has the following plan which is illustrated by the attached map (the project numbers are old numbers which will be changed).

(7) The following are the accomplishments to date and the proposed schedule of projects in the Four Corners area on State Road 371, U. S. 666 and State Road 44:

STATE ROAD 371

First year:

(a) Complete design, acquire right of way and let to contract a project on S. R. 371, 8 Mi. North of Jct. of S. R. 57-North for a length of 4.5 miles. Surveyed and designed under rural-secondary project RS-1336(12).

(b) Complete design, acquire right of way and let to contract a project on S. R. 371, 12.5 Mi. North of Jct. of S. R. 57-North for a length of 9.3 miles. Surveyed and designed under rural-secondary project RS-1336(18).

(c) Complete design, two bridges.

Second year:

Commence preliminary design during the first year on a project on S. R. 371, 17.2 Mi. North of Bisti-North for 8.3 miles in order to complete final designs and acquire right of way necessary to let this project surveyed under RS-1336(22), the third year. Commence preliminary design during the first year on two bridges at Bisti in order to complete final design.

Concurrently:

Commence preliminary engineering studies and design on three additional projects on S. R. 371 from the San Juan/McKinley County line north to 17.2 miles north of Bisti for 43.3 miles. These projects were surveyed under RS-1336(19), RS-1336(20) and RS-1336(21).

U. S. 666:

First year:

Complete preliminary studies and commence the final design plans and right of way maps necessary to acquire the right of way to let to contract a project on U. S. 666, 3 Miles North of Shiprock

to 5 Miles S. of Colorado-Line for a length of 6.9 miles surveyed under SP-F-031-1(400).

Second year:

Complete preliminary studies and commence the final design plans and right of way maps necessary to acquire the right of way to let to contract a project on U. S. 666, 8 Miles South of San Juan River at Shiprock North for a length of 6.5 Miles surveyed under RF-031-1(23).

Third year:

Concurrently with the first two years' survey and design a project on U. S. 666, 4 Mi. N. of Gallup at Gamerco-North to Jct. S. R. 264 for approximately 4 miles originally identified as F-031-1(21).

Concurrently:

(1) Resurfacing projects on U. S. 666 from the Jct. of U. S. 264-N. to Buffalo Springs for a length of 27.2 miles have been recommended to correct excessive cracking and settlement of the existing lanes. Exact corrective work required and length of projects will be determined by additional studies and funding availability and priorities.

(2) Additional projects on U. S. 666 from 6.5 Miles North of Sheep Springs to 4.5 Miles S. of Shiprock for a length of 35.2 miles; will continue to be constructed under the federal lands highway projects as funding is released. These projects have been identified and surveyed as FLH 12(14). Present funding releases are approximately 1.5 million dollars annually which allows projects of approximately three to four miles a year to be constructed.

STATE ROAD 44

First year:

Commence final design plans to let to contract a project on existing State Road 44 from the South Boundary of the Jicarilla Indian Reservation Boundary - North for 7.8 miles to the Jct. of S. R. 537. This project was surveyed under RF-033-1(16).

Second and third years:

Develop several projects on S. R. 44 from Jct. of S. R. 537, northwest to Bloomfield for 65.9 miles. These projects were surveyed under SP-F-033-1(400).

NOW, THEREFORE, the parties, the State of New Mexico, acting through the New Mexico State Highway Department by its State Highway Engineer and the Bureau of Indian Affairs, acting through its area directors, do hereby mutually agree to the following guidelines and program:

A. A committee for the establishment of priorities will be established consisting of a member from each of the following identities: Navajo Nation, Jicarilla Apache Tribe (for projects on State Road 44 only), Bureau of Indian Affairs, New Mexico State Highway Department, Four Corners Transportation Committee, and Federal Highway Administration.

B. The State of New Mexico through the New Mexico State Highway Department, will submit a quarterly report on the expenditure of funds to Federal Highway Administration and the Bureau of Indian Affairs.

C. All projects will be developed according to the normal procedures of the New Mexico State Highway Department as outlined in its Action Plan in coordination with the Bureau of Indian Affairs and the Indian Tribes involved, regardless of the source of funding. When federal-aid highway funds are requested, all normal federal-aid procedures relating to design and construction will be followed. The State Highway Department will award the contracts and supervise the design and construction with approval from the Federal Highway Administration. All projects will be designed in accordance with current AASHTO standards on federal-aid primary systems. After the establishment of priorities, as mentioned above, individual agreements on each project will be entered into with the Indian tribes involved and the Federal Highway Administration.

D. Environmental impact assessments have been completed for all projects anticipated on State Road 371 and U. S. 666. The Federal Highway Administration will act as "lead agency" and assume supervisory responsibility for preparation of a joint statement, in accordance with paragraph 7 of the Federal Highway Program Manual, Volume 7, Chapter 7, Section 2, of environmental assessments on State Road 44 from San Ysidro to Bloomfield. The Bureau of Indian Affairs will assist the Federal Highway Administration and the New Mexico State Highway Department in any manner possible to expedite the preparation and the clearance of the environmental assessments. The Bureau of Indian Affairs will also assist the New Mexico State Highway Department in conducting the necessary public hearings.

E. The State Highway Department will perform the right of way acquisition including right of way mapping, title searches, descriptions, appraisals, archeological clearances, and utility relocation. The Bureau of Indian Affairs will assist the State Highway Department in all aspects of right of way acquisition where Indian land or Indian-controlled land is involved.

F. The State Highway Department will encourage the use of minority contractors where feasible. The Bureau of Indian Affairs will furnish the State Highway Department a list of Indian minority contractors and consultants. The following clause will be included in all invitations for bids on all projects:

> "The State Highway Department hereby notifies all bidders that it will affirmatively insure that in any contract entered into pursuant to this advertisement, minority business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award."

G. On all projects on, or partially on, Indian Reservations, all prospective bidders will be put on notice by "Notice to Contractors," as follows:

"II. Equal Opportunity.

"Preference Employment of Indian Tribes.

"Preference shall be given to members of the Indian Tribe in every aspect of employment including, without limitation of the foregoing, initial hiring, promotion, and in situations of termination and reductions in force.

"This contract requirement is an expansion of the special provisions pertaining to the specific equal employment opportunity responsibilities for contractors contained elsewhere in this contract and the provisions contained under PR-1273. It is the intent that preferential treatment will be given to Indians. The contractor will be required to coordinate with local and tribal employment offices."

NEW MEXICO STATE HIGHWAY DEPARTMENT

By: James A Bird
State Highway Engineer

On: 7/7/76

APPROVED BY THE LEGAL DIVISION OF THE STATE HIGHWAY DEPARTMENT

By: Richard L Powell
Chief Counsel

On: July 6, 1976

BUREAU OF INDIAN AFFAIRS:

By: [illegible]
Area Director - Navajo Area Office

On: JUL 8 1976

By: Ronald E Esquerra
Area Director - Albuquerque Area Office

On: July 12, 1976

CONCURRED IN:

FEDERAL HIGHWAY ADMINISTRATION

By: John L Rice Acting
Division Administrator

On: July 7, 1976

JICARILLA APACHE TRIBE
RESOLUTION OF THE
TRIBAL COUNCIL

CONSENT TO THE EXPENDITURE OF FUNDS
FOR NMSHD PROJECT BIA-RF-033-2(10)

RESOLUTION NO. 77-59

WHEREAS, the Tribe is very concerned about the improvement of State Road 44 crossing the Jicarilla Apache reservation and has been working for several years to accomplish this improvement; and

WHEREAS, the United States Congress has authorized expenditure of ten million dollars for New Mexico State Highways 44 and 371 and U.S. 666 which will be matched by state funds, if available; and

WHEREAS, Section 102(d) of PL 93-643 states:

> No funds appropriated under the expanded definition of this section shall be expended without the formal consent of the governing body of the Tribe band or group of Indians or Alaskan Natives for whose use the Indian reservation roads and bridges are intended; and

WHEREAS, NMSHD Project BIA-RF-033-20(10) above will improve State Highway 44 from the south reservation boundary to the junction of State Highway 537, which project has been given a first year priority; and

WHEREAS, the money appropriated by congress and the matching funds of the state cannot be utilized without formal consent of the Jicarilla Apache Tribe for the project numbered above;

NOW, THEREFORE, BE IT RESOLVED by the Tribal Council of the Jicarilla Apache Tribe that the formal consent for expenditure of funds as required by Public Law 93-643 is hereby given.

BE IT FURTHER RESOLVED that the Memorandum of Agreement between the Jicarilla Apache Tribe and the State of New Mexico and the Federal Highway Administration concerning design and construction of NMSHD Project BIA-RF-033-2(10) is approved and the President of the Tribe is hereby authorized to sign said agreement on behalf of the Tribe.

Dated this 28th day of September, 1976.

CERTIFICATION

The foregoing resolution was enacted upon by the Tribal Council of the Jicarilla Apache Tribe, on the 8th day of September, 1976 by a vote of 7 for, 0 against and 0 abstaining, at a duly called meeting at which a quorum of the Tribal Council members were present.

Vice President

ATTESTED:

Secretary

MEMORANDUM OF AGREEMENT
BETWEEN
JICARILLA APACHE TRIBE
THE
STATE OF NEW MEXICO
AND
FEDERAL HIGHWAY ADMINISTRATION
CONCERNING
DESIGN AND CONSTRUCTION OF
N.M.S.H.D. PROJECT BIA-RF-033-2(10)

THIS MEMORANDUM OF AGREEMENT made and entered into this 29th day of September, 1976, pursuant to Public Law 93-643, between the Jicarilla Apache Tribe, acting through its President, the State of New Mexico, acting through the New Mexico State Highway Department by its State Highway Engineer, and the Federal Highway Administration, acting through its Division Administrator.

WITNESSETH THAT:

WHEREAS, an urgent need exists for the construction or improvement of three major New Mexico highways, State Routes 44 and 371 and U. S. 666, due to the increasing development activities upon Indian land situated in the Four Corners area.

WHEREAS, Congress has authorized expenditure of $10,000,000 of a total of $25,000,000, which is to be spent on the three major New Mexico highways.

WHEREAS, the parties have established a basic agreement and guidelines prior to such funds being made available under Public Law 93-643.

WHEREAS, the committee for the establishment of priorities, pursuant to the basic Memorandum of Agreement dated July 7, 1976, has met and established priorities.

NOW, THEREFORE, the parties enter into the following agreements for N.M.S.H.D. Project designated BIA-RF-033-2(10):

1. This project will be developed according to the normal procedures of the New Mexico State Highway Department as outlined in its Action Plan in coordination with the Bureau of Indian Affairs and the Jicarilla Apache Tribe, regardless of the source of funding. All design and construction of the project will be done according to the current normal standards and procedures of the New Mexico State Highway Department and Federal Highway Administration for federal-aid primary roads. All projects will be designed in accordance with current AASHTO standards on federal-aid primary systems.

2. Environmental impact assessments are in the final stages of completion for this project. Further, the Jicarilla Apache Tribe will assist the New Mexico State Highway Department in conducting all necessary public hearings.

3. As matching funds on behalf of the Jicarilla Apache Tribe, the Jicarilla Apache Tribe has pledged to contribute wherever possible right of way owned by the tribe for drainage easements and construction agreements and material consisting of borrow as needed for the construction of projects on Jicarilla Apache Tribal land. The New Mexico State Highway Department will perform the right of way acquisition including right of way mapping, title searches, descriptions, appraisals, archeological clearances, and utility relocation. The Jicarilla Apache Tribe will assist the New Mexico State Highway Department in all

aspects of right of way acquisition where Jicarilla Apache Tribal land or Jicarilla Apache Tribal controlled land is involved.

4. The New Mexico State Highway Department will encourage the use of minority contractors where feasible. The Bureau of Indian Affairs will furnish the New Mexico State Highway Department a list of Indian minority contractors and consultants. The following clause will be included in all invitations for bids on this project:

> "The State Highway Department hereby notifies all bidders that it will affirmatively insure that in any contract entered into pursuant to this advertisement, minority business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award."

5. On this project on, or partially on, the Jicarilla Apache Reservation, all prospective bidders will be put on notice by "Notice to Contractors," as follows:

> "II. Equal Opportunity.
>
> "Preference Employment of Indian Tribes.
>
> "Preference shall be given to members of the Indian Tribe in every aspect of employment including, without limitation of the foregoing, initial hiring, promotion, and in situations of termination and reductions in force.
>
> "This contract requirement is an expansion of the special provisions pertaining to the specific equal employment opportunity responsibilities for contractors contained elsewhere in this contract and the provisions contained under PR-1273. It is the intent that preferential treatment will be given to Indians. The contractor will be required to coordinate with local and tribal employment offices."

6. Pursuant to Public Law 93-643 Section 102(d) and Laws of New Mexico 1975, Chapter 145, the Jicarilla Apache Tribe hereby gives its formal consent to the expenditure of all funds necessary for the completion of this project.

7. The State of New Mexico through the New Mexico State Highway Department, will submit a quarterly report on the expenditure of funds to the Federal Highway Administration and the Bureau of Indian Affairs.

8. The foregoing constitutes the total agreement and understanding of the parties.

JICARILLA APACHE TRIBE

By: Dale Vigil
Vice PRESIDENT

On: 9/29/76

CONCURRED IN

By: [signature]
Jicarilla Agency
Superintendent,
Bureau of Indian
Affairs

On: 9/29/76

FEDERAL HIGHWAY ADMINISTRATION

By: [signature]
DIVISION ADMINISTRATOR

On: September 9, 1976

NEW MEXICO STATE HIGHWAY DEPARTMENT

By: [signature]
STATE HIGHWAY ENGINEER

On: Sept. 10 1976

APPROVED by the Legal Division
of the New Mexico State
Highway Department

By: Richard Powell
CHIEF COUNSEL

On: Sept. 9, 1976

CO-60-76

Class "C" Resolution
No BIA Action Required.

RESOLUTION OF THE
NAVAJO TRIBAL COUNCIL

Approving the Memorandum of Agreement Between the Navajo Nation, the State of New Mexico, and the Federal Highway Administration Concerning Design and Construction of N.M.H.D. Projects BIA-RF-037-1(2), BIA-RF-037-1(1), BIA-F-031-1( )

WHEREAS:

1. Due to the increasing development anticipated in the Northeast portion of the Navajo Reservation, there is an urgent need for the construction or improvement of three major New Mexico highways, State Routes 44 and 371, and U. S. 666; and

2. The U. S. Congress, pursuant to Public Law 93-643, has authorized the expenditure of $10,000,000.00 for use on the mentioned highways; and

3. The parties involved have established a basic agreement and guidelines to be utilized when such funds are made available; and

4. P.L. 93-643 requires that the "formal consent of the governing body of the Tribe, band or group of Indians...for whose use the Indian Reservation roads and bridges are intended" must be obtained prior to any monies being expended.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Navajo Tribal Council hereby authorizes and consents to the expenditure of all funds necessary for the completion of N.M.H.D. Projects BIA-RF-037-1(2), BIA-RF-037-1(1), and BIA-F-031-1( ), pursuant to the attached Memorandum of Agreement.

2. The Chairman of the Navajo Tribal Council is hereby authorized to execute the attached Memorandum of Agreement on behalf of the Navajo Nation.

CERTIFICATION

I hereby certify that the foregoing resolution was duly considered by the Navajo Tribal Council at a duly called meeting at Window Rock, Navajo Nation (Arizona), at which a quorum was present and that same was passed by a vote of 48 in favor and 0 opposed, this 20th day of October, 1976.

Wilson C. Skeet
Vice Chairman
Navajo Tribal Council

S.H.D. NO. C00993

VENDOR NO. 50390

MEMORANDUM OF AGREEMENT
BETWEEN
THE NAVAJO NATION
THE
STATE OF NEW MEXICO
AND
FEDERAL HIGHWAY ADMINISTRATION
CONCERNING
DESIGN AND CONSTRUCTION OF
N.M.S.H.D. PROJECTS BIA-RF-037-1(2),
BIA-RF-037-1(1), BIA-F-031-1( )

THIS MEMORANDUM OF AGREEMENT made and entered into this 11 day of NOVEMBER, 19 76, pursuant to Public Law 93-643, between the Navajo Nation, acting through its Chairman, the State of New Mexico, acting through the New Mexico State Highway Department by its State Highway Engineer, and the Federal Highway Administration, acting through its Division Administrator.

WITNESSETH THAT:

WHEREAS, an urgent need exists for the construction or improvement of three major New Mexico highways, State Routes 44 and 371 and U. S. 666, due to the increasing development activities upon Indian land situated in the Four Corners area.

WHEREAS, Congress has authorized expenditure of $10,000,000 of a total of $25,000,000 which is to be spent on the three major New Mexico highways.

WHEREAS, the parties have established a basic agreement and guidelines prior to such funds being made available under Public Law 93-643.

WHEREAS, the committee for the establishment of priorities, pursuant to the basic Memorandum of Agreement dated July 7, 1976, has met and established priorities.

NOW, THEREFORE, the parties enter into the following agreements for N.M.S.H.D. Projects designated BIA-RF-037-1(2), BIA-RF-037-1(1), BIA-F-031-1( ):

1. Each project will be developed according to the normal procedures of the New Mexico State Highway Department as outlined in its Action Plan in coordination with the Bureau of Indian Affairs and the Navajo Nation, regardless of the source of funding. The New Mexico State Highway Department will do all design and construction of the projects. However, at the discretion of the New Mexico State Highway Department, any or all of the construction of the projects may be let to contract. In such cases any contracts so let will be with the approval of the Federal Highway Administration. All projects will be designed in accordance with current AASHTO standards on federal-aid primary systems.

2. Environmental impact assessments have been completed for these projects. Further, the Navajo Nation will assist the New Mexico State Highway Department in conducting all necessary public hearings.

3. As matching funds on behalf of the Navajo Nation, the Navajo Nation has pledged to contribute wherever possible right of way owned by the tribe and material consisting of borrow and surfacing as needed for the construction of projects on Navajo land. The New Mexico State Highway Department will perform the right of way acquisition including right of way mapping, title searches, descriptions, appraisals, archeological clearances, and utility relocation. The Navajo Nation will assist the New Mexico State Highway Department in all aspects of right of way acquisition where Navajo land or Navajo controlled land is involved.

4. The New Mexico State Highway Department will encourage the use of minority contractors where feasible. The Bureau of Indian Affairs will furnish the New Mexico State Highway Department a list of Indian minority contractors and consultants. The

following clause will be included in all invitations for bids on these projects:

> "The State Highway Department hereby notifies all bidders that it will affirmatively insure that in any contract entered into pursuant to this advertisement, minority business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award."

5. On these projects on, or partially on, the Navajo Reservation, all prospective bidders will be put on notice by "Notice to Contractors," as follows:

> "II. Equal Opportunity.
>
> "Preference Employment of Indian Tribes.
>
> "Preference shall be given to members of the Indian Tribe in every aspect of employment including, without limitation of the foregoing, initial hiring, promotion, and in situations of termination and reductions in force.
>
> "This contract requirement is an expansion of the special provisions pertaining to the specific equal employment opportunity responsibilities for contractors contained elsewhere in this contract and the provisions contained under PR-1273. It is the intent that preferential treatment will be given to Indians. The contractor will be required to coordinate with local and tribal employment offices."

6. Pursuant to Public Law 93-643 Section 102(d) and Laws of New Mexico 1975, Chapter 145, the Navajo Nation hereby gives its formal consent to the expenditure of all funds necessary for the completion of these projects.

7. The State of New Mexico through the New Mexico State Highway Department, will submit a quarterly report on the expenditure of funds to the Federal Highway Administration and the Bureau of Indian Affairs.

8. The foregoing constitutes the total agreement and understanding of the parties.

NAVAJO NATION

By: _____
Chairman, Navajo Tribal Counsel

On: NOV 11 1976

FEDERAL HIGHWAY ADMINISTRATION

By: _____
Division Administrator

On: 8/20/76

NEW MEXICO STATE HIGHWAY DEPARTMENT

By: _____
State Highway Engineer

On: 8/20/76

APPROVED by the Legal Division
of the New Mexico State
Highway Department

By: _____
Deputy Chief Counsel

On: August 20, 1976

TOTAL PROJECT EXPENDITURE

Senator STEVENS. As I understand, there is $10 million available now. Do you know whether it has been committed to this contract?

Senator DOMENICI. Yes, indeed.

Senator STEVENS. And full funding would require $25 million?

Senator DOMENICI. From the Federal end. I want the chairman to know that the project would be about what size—about $83 million?

Senator STEVENS. When does the authorization expire?

Mr. GENTRY, The 1976 authorization expires 2 years after that.

Senator STEVENS. So fiscal 1978 is the last year you could use that current authorization?

Senator DOMENICI. That is correct.

Senator STEVENS. As I understand, one agreement would use up the full $25 million; is that right?

Senator DOMENICI. That is correct.

But, Mr. Chairman, the authorization that you are asking about was particularly put in at the time that we added to the definition so that it would cover these kinds of projects. We are not talking about using all of the Indian roads and bridges authorization. Merely that $25 million which accompanied the amendment to the act to broaden its scope so as to cover this kind of project which was mentioned specifically by the Senate.

Senator STEVENS. You increased the authorization under this Federal Highway Act amendment for systems located on Indian lands by $25 million.

Senator DOMENICI. That is correct.

Senator STEVENS. And it was the intention at the time that it would cover this Four Corners agreement?

Senator DOMENICI. That is correct.

Senator STEVENS. Are there any other States involved beyond New Mexico as far as this Navajo Nation project? How do you pronouce that?

Senator DOMENICI. Jicarilla.

Mr. Chairman, the land itself under the three roads that we are talking about is in the State of New Mexico, but it is very difficult to say that it involves only of New Mexico interests because the Navajo irrigation project is probably the most significant add-on to the Indian nation in its history.

Of course, you know that the Navajo Reservation covers some of Arizona, New Mexico, and Utah. It just happens that the real estate that we are going to irrigate the 110,000 acres is located in the State of New Mexico. So that I think that it has an interest that is far greater than merely New Mexico's.

I might say to the chairman the reason that we did not pursue it last year in 1977 was that we were pursuing the agreement which is not of little difficulty to accomplish and they were accomplished in 1977.

So we are here now to try to make sure that it can be properly phased in with the various State and Indian funds that are going to be put in for Indian contributions.

Senator STEVENS. This was signed last July.

Senator DOMENICI. That is correct.

Senator STEVENS. What is the total obligation of the Federal Government under this? Has that been determined? I see it is signed by the Bureau of Indian Affairs and the Federal Highway Administration.

Senator DOMENICI. $25 million, Mr. Chairman. It is a little bit different than some of the highway programs, Mr. Chairman, because although it is authorized, it must be appropriated.

INDIAN RESERVATION BRIDGES AND ROADS

Senaor STEVENS. Do you wish to add this statement on Indian Reservation bridges and roads into the record, also? You gave it to us along with your statement.

Senator DOMENICI. Yes, I do. I do not want to burden you with reading it, but I would like to have it in.

Senator STEVENS. It will be printed in the record in full then.

[The information follows:]

INDIAN RESERVATION ROADS AND BRIDGES

During my campaign for the Senate in 1972, I traveled extensively over the entire State of New Mexico. When it was possible, I went by air, not only to save time due to the great distance involved, but because the highways leading to some areas of the State were not very good. This was particularly true of the highways leading to the two major Indian Reservations, the Navajo and Jicarilla Apache Reservations in the Four Corners Area.

After my election, as I became increasingly aware of the tremendous energy development and agricultural expansion planned for those Reservations, and indeed, the entire Four Corners Area, I became concerned that the surface transportation system, already in deplorable condition, would be incapable of meeting the transportation needs to be generated by the planned developments. After several hearings and meetings in the Four Corners Area, my concern was elevated to genuine alarm as my worst fears proved to be valid--no one was planning nor were funds being provided for upgrading the highway network to meet expanded traffic demands to and from these Indian Reservations.

My staff and I quickly determined that there was not an existing Federal assistance program that was directly and specifically applicable since the upgrading was necessary primarily because of activity on the Reservations but the highways were off the Reservations. We concluded that the most applicable Federal assistance program was the Indian Reservation Roads and Bridges Section of the Federal Aid Highway Act and I decided to try to amend that Act.

Amendment was ultimately achieved in Public Law 93-643, the Federal Aid Highway Act Amendments of 1974, Section 102. In that Section, the term "Indian reservation roads and bridges" was extended beyond the previous meaning to include roads and bridges on the Federal-Aid systems located on Indian lands or providing access to Indian reservations. That amended section also increased the authorization level by $25,000,000 to provide funding for the extended version of Indian reservation roads and bridges.

The Senate Report, No. 93-1111, to S. 3650, the bill that became P.L. 93-643, explained in detail the reasons for extending the definition and increasing the authorization. See pages 4 and 5 of Senate Report No. 93-1111.

In fiscal year 1976, $10 million of the $25 million authorization was appropriated and the process of obligation initiated. This process, the first of its kind that I am aware of, required a formal agreement between the Federal Highway Administration, the Bureau of Indian Affairs, the New Mexico State Highway Department and the Navajo Nation and the Jicarilla Apache Indian Tribe. Only after such an agreement was reached on how to allocate the money to various highway construction projects could the transfer of appropriated funds from BIA to FHWA to the State Highway Department be undertaken.

There were many who said we'd never get that long, involved and complicated process completed and, frankly, I wasn't sure it could be done. That is one reason I did not pursue appropriation of the remaining $15 million for FY 77.

I am pleased to report that the process just described has been successfully completed in an air of cooperation that is extremely gratifying and illustrative of what can be accomplished by diverse interests with a common objective. Based on that success, I am now requesting and strongly urging the appropriation of the remaining $15 million and its ear-marking for the purpose I have described.

I know full well, as does this Subcommittee, that Indian roads needs have exceeded appropriations in recent years and that there is a tremendous back-log of needs to be addressed by the Budget Request submitted by the Administration. That request, by the way, does not provide an additional amount to meet the $15 to fulfill the original authorization I urge the Subcommittee to appropriate, although $15 could be used for that purpose. But, as I said, I do not expect the amount I request to be taken from the Administrations request, rather added to it. As I understand it, there is plenty of authorization due to the underfunding of recent years previously mentioned.

I am sure there will be sufficient room in Function 400 of the Budget Resolution for the increase I urge and I think it will accommodate as well a moderate increase of $20 to $25 million in regular Indian road programs to help catch up past unfulfilled needs. I, therefore, urge the Subcommittee to consider such an addition. In closing, I urge that all appropriations be made under the authority of Title 23 since there are unreasonable complications in Title 25.

Senator STEVENS. Well, you make a very valid case. I will discuss it with our chairman. Again, it is one of those commitments that apparently has been made in the Indian area and the agreement is already signed. I don't understand why it is not funded, particularly since it has to be funded separately.

Senator DOMENICI. That is correct.

NAVAJO IRRIGATION PROJECT

Senator STEVENS. You also have a comment about the Navajo irrigation project.

Senator DOMENICI. I think, Mr. Chairman, in light of the amount of time I have taken, I will just add to the statement that you have already put in the record a detailed explanation on the funding request for 1978 for the Navajo irrigation project. I will just ask that it be made a part of the record.

Senator STEVENS. All right, Senator. Thank you very much.

[The information follows:]

Navajo Indian Irrigation Project

On-Farm Development

Background

Block II was partially funded in FY 1976 in an amount of $500,000. This money was used for the initial purchase of pipe and irrigation supplies, to begin the development of Block II. Subsequent to the initial funding of Block II, $400,000 in transitional quarter funds were made available for the continued on-farm development of Block II. This allowed the Navajo Tribe to continue the development schedule that had been previously set with the Bureau of Indian Affairs.

Upon approval of the FY 1977 Budget, by Congress, an additional $2,000,000 was made available to the Navajo Tribe for on-farm development, making the total contribution by the Federal Government for on-Farm development for Block II $2,900,000.

The amount approved for Block I on-farm development was also $2,900,000 and that amount provided sufficient funds for the following categories of work on Block I:

1. Sprinkler Irrigation System	$1,868,695.64
2. Land Smoothing, Oil and Gas Facility Relocation & Road Const.	84,244.03
3. Seed	287,576.29
4. Fertilizer, Herbicides & Pesticides	542,839.04
5. Initial Heavy Tillage on 8575 acres (insufficient funds)	39,445.00
6. Drilling Initial Crop on 8000 acres (insufficient funds)	27,200.00
7. General & Administration Overhead	50,000.00
TOTAL	$2,900,000.00

These were actual costs under a BIA-NAPI reimbursable contaact.

Early in planning for Blcok II it was noted by Navajo Agricultural Products Industry (NAPI) management and subsequently confirmed by the Bureau of Indian Affairs Project Engineer that on-farm development costs, in the same categories as funded for Block I, for Block II would exceed the $2,900,000 proposed by the Bureau of Indian Affairs, by $1,000,000; thus making the total on-farm development needs for Block II $3,900,000.

This additional $1,000,000 was justified as follows:

$ 505,000	due to inflation in costs for similar work work performed on Block I.
$ 495,000	for additional work peculiar to Block II in same categories as per formed on Block II.
$1,000,000	

A letter and cost figures from the Bureau of Indian Affairs as well as Navajo Agricultural Products Industry (NAPI) explained these increases in costs. (Shown as Exhibit I and II respectively).

This request for an additional $1,000,000 was taken to the Office of Management and Budget in September of 1976. No word was received from the Office of Management and Budget until late November when it was discovered that the request for additional funding for on-farm development before OMB had been denied. Thereafter, work was initiated with the new administration at OMB and the New Mexico Congressional delegation to assist in obtaining a budget increase in the FY 1977 budget by $1,000,000 for the on-farm development of Block II.

It was learned Friday, March 25, 1977 that the Appropriations Committee of the Senate had acted unfavorably on the request by the Navajo Tribe to obtain the increase in the

FY 1977 Budget to include this $1,000,000 request for on-farm development costs on Block II.

This unfavorable action on the request will result in the original schedule of crops to be planted, necessarily being changed; also the labor requirements will be greatly reduced. The Navajo Tribe will have to increase further contributions, or other sources of funds will need to be arranged for, to complete those items of work necessary, but not funded.

As long range projections and plans for the development and operation of the Navajo Indian Irrigation Project were being made by Navajo Agricultural Products Industry (NAPI) management, it became evident that the capital requirements to develop and operate an enterprise of this size could require several sources of funds. The burden on the Navajo Tribe's depleating resources could not be overtaxed. Likewise, the support of the Federal Government could not be imposed on for an indetermined amount of time. Accordingly, supplemental long range financial development and operation fund needs were set forth, and a long term loan was suggested as a support to the contributions by the Federal Government and the Navajo Tribe. These projections were endorsed by resolutions from the Navajo Tribal Council marked as Exhibits III and IV, and have also received support by the Bureau of Indian Affairs.

Block III On-Farm Development Costs in FY 1978

Presently, the Bureau of Indian Affairs has budgeted for the on-farm development of Block III $2,400,000. Current projections for the on-farm development costs for Block III approximate $4,200,000. Accordingly, the Bureau of Indian Affairs is requesting the Office of Management and Budget to increase the amount in the FY 1978 budget for the on-farm development by $1,800,000 making a total of $4,200,000.

The relationship of on-farm development costs of Blocks 1, 2 and 3 can be seen in the chart.

The increase from $2,400,000 to $4,200,000 will allow a timely and complete schedule of development for Block III. This funding, if approved, will allow Navajo Agricultural Products Industry to proceed without delay in the design of the sprinkler irrigation system, procurement of materials and supplies, and the scheduling of all other development functions.

Without the assurance of approval for the $4,200,000, the Navajo Tribe will again be forced to limit the development of Block III so as not to exceed the available capital for on-farm development. This could result in a loss of several million dollars in potential revenue for the Navajo Tribe.

The Navajo Indian Irrigation Project is a reality. The first 10,000 acres are in production. Block II, the second 10,000 acres, will be in production in 1977-78.

Adequate funds for on-farm development must be provided. We are asking for no more assistance than that which was provided on Block I.

The importance of this assistance cannot be underestimated as it will effect the lives of many Navajos. The reality of and hope for a better way of life through the Navajo Indian Irrigation Project is something all Navajos look forward to. Your support on behalf of this request is greatly appreciated.

ON-FARM DEVELOPMENT COSTS
BLOCKS NO. 1 and 2, and 3

NAVAJO INDIAN IRRIGATION PROJECT

ITEM	*BLOCK NO. I CONTRACT	**BLOCK NO. 2 ESTIMATE	***BLOCK NO. 3 ESTIMATE
1. Sprinkler Irrigation System	$1,868,695.64	$2,675,000.00	$2,875,000.00
2. Land Smoothing, Oil and Gas Facility Relocation, Road Construction	84,244.03	200,000.00	215,000.00
3. Seed	287,576.29	300,000.00	323,000.00
4. Fertilizer, Herbicide Pestidide	542,839.04	600,000.00	645,000.00
5. Initial Heavy Tillage (Block No. 1 on only 8,575 acres, lack of funds)	39,445.00	45,280.00	49,000.00
6. Drilling Initial Crop (Block No. 1 on only 8,000 acres, lack funds)	27,200,00	33,470.00	36,000.00
7. General and Administrative Overhead	50,000.00	96,344.00	103,000.00
	$2,900,000.00	$3,950,094.00	$4,246,000.00

* Actual costs based on BIA-NAPI cost reimbursable contract.

** June 1, 1976 best estimate based on completed sprinkler system design, field inspection and preliminary laboratory soil analysis.

*** April 1, 1977 best estimate available: Block No. 2 costs increased by 7 1/2 %.

1647

NAVAJO IRRIGATION

Senator DOMENICI. I would just say in passing on the Navao irrigation, I think that the chairman is aware of the way that the U.S. Government is helping the Indians, is to bring onboard about 10,000 acres per year in what they call blocks. With each year, therefore, we have a specific commitment—they have a specific commitment and basically my information concerns itself with the needs for this year, which I think BIA agrees that there was an underfunding last year through a mistake, an actual miscalculation.

They have borrowed that money to make up for last year's on-farm-site's improvements. They will be here to testify on that, as I understand it, on April 19 and 20.

I thank you, Mr. Chairman.

Senator STEVENS. Thank you very much, Senator. All of the documents that you have given us will be placed in the record.

STATEMENT OF HON. DALE BUMPERS, U.S. SENATOR FROM ARKANSAS

PREPARED STATEMENT

Senator STEVENS. Now we have the Senator from Arkansas.

Senator BUMPERS. I want to congratulate you for inviting me. You have struck a real blow for liberty here.

Senator STEVENS. What can we help my good friend on today?

Senator BUMPERS. First of all, I would just like to offer this testimony for the record and then summarize just briefly.

Senator STEVENS. It will be placed in full in the record.

[The statement follows:]

STATEMENT OF SENATOR DALE BUMPERS

Mr. Chairman, I appreciate the opportunity to address the Interior Subcommittee and would like to direct my comments to the budget request of the U.S. Forest Service for fiscal year 1978. My primary reason for appearing before the Subcommittee is to speak in support of the $450,000 grant to revitalize the Crossett Experimental Forest for the purpose of uneven-aged management research.

Our nation has vast natural resource holdings, but past years have witnessed a less than efficient use of this wealth. Too often we have rushed into situations with immediate benefits, but we have failed to anticipate limitations and long-range results. Congress has been forced to establish reforms—such as the Toxic Substances Act and the National Forest Management Act—which alter present practices and correct past mistakes. But the present economic situation has compounded the problems, and our nation is finding it difficult to absorb the costs.

Our most valuable renewable resource—the forests—provides our nation with a rare opportunity. Because our supply of timber can be replenished in time, we can correct the problems before they multiply with increased demand. Past experience has shown that certain forest practices must be curbed to ensure an ecological balance. During the 94th Congress we expressed our concern with existing timber-harvesting techniques by placing limitations upon them. Uneven-aged management, if developed, presents a viable alternative to clear-cutting.

It has been estimated that by the year 2000 the demand for roundwood from southern forests will have doubled over that of 1970. In our eagerness to meet the increased demand, we must be cautious that we do not continue unsound methods. We must develop alternatives.

Seventy-three per cent of commercial forestland in the South is fragmented among more than one-million private, non-industrial holdings. It is from these holdings that future demands must be met. But over half of these owners display little or no interest in forest practices—probably because present even-aged management practices do not suit their objectives. If private holdings do not meet this need, we may be forced

to resort to opening additional government lands. A successful research program coupled with a strong effort to disseminate the information to small landowners throughout the South could have a major impact on timber supplies and regional economy in just five years.

The Crossett proposal is most attractive. The Experimental Forest already belongs to the Forest Service, and the timber on this and on industrial and private lands in the area have been managed as uneven-aged forests over the years—the only area in the Mid-South with such a history. The University of Arkansas Forestry School at the Monticello campus offers the Forest Service access to supporting scientists and a stimulating environment for creative work. Furthermore, it would provide for well-coordinated research programs with excellent opportunities for co-operative studies.

By supporting this project, Mr. Chairman, we have a unique opportunity to develop a program which will ensure the most efficient and soundly based forest practices in the future. I urge the members of the Interior Subcommittee to consider this proposal, and thank you for this chance to speak.

UNEVEN-AGED FORESTRY MANAGEMENT

Senator BUMPERS. Back in 1934 the national forest service accepted by deed a tract of over 1,600 acres of land of the Crossett Lumber Co. The Crossett is in the heart of our timber country in south Arkansas. We accepted it as a research station to study uneven-aged forestry management. The forest service kept it until 1969 when, because of fiscal restraints and, frankly, because clearcutting became such a widespread practice, it was disbanded there, and they abandoned their interest on uneven-aged management research.

This year the forest service has asked for $450,000 to reestablish this uneven-aged management research forest. The land is still there. One of the finest forestry schools in the United States, certainly in Arkansas, is at the University of Arkansas at Monticello, which is just a few miles from this forest.

Of course, the University of Arkansas has supported the formal request for this money, although it doesn't go to them. It goes to the forest service, but it would enhance the studies at the forestry school at Monticello immeasurably.

So, No. 1, Mr. Chairman, I am sure you know from last year's debate on the National Forest Management Act that I am not very euphoric about the practice of clearcutting. I am willing to accept some, however, on a limited basis under the strict guidelines we set out.

But I think that we need research on uneven-aged management to be carried on over a long period of time. It ought to be considered continually as an alternative to clearcutting.

Second, of course, I am just parochial enough to be deeply concerned over the fact that Arkansas is fourth in the production of lumber and plywood in the United States and first in the South, while the forest service spends only 3½ percent of the research money from the Southern Regional Experiment Station in my State. Mississippi and Louisiana, for example, who don't produce nearly as much timber as we do, have 10 times as much research in their respective States. I think that is an outrage considering the fact that we have one of the finest forestry schools in the United States adjacent to this forest.

So I am vitally interested in getting this $450,000 appropriated to reestablish that experimental forest.

Senator STEVENS. Will that be operating cost for the experimental forest?

Senator BUMPERS. Yes. I might point out that the State of Arkansas and the University of Arkansas will get nothing out of this. It is just to reestablish the research forest and some personnel there.

Senator STEVENS. It sounds like a very reasonable proposal. I don't think that you need to worry about that.

Senator BUMPERS. Those are gratifying words to hear, Mr. Chairman. With that assurance I will leave and let you go on with your business.

Senator STEVENS. Thank you very much. I appreciate your taking the time, Senator.

Senator BUMPERS. Thank you, sir.

STATEMENT OF HON. JOHN MELCHER, U.S. SENATOR FROM MONTANA

MAGNETOHYDRODYNAMICS

Senator MELCHER. Mr. Chairman, I have a statement on MHD, but I want to capsulize it for you.

You know magnetohydrodynamics is a process where we burn a fossil fuel in an electromagnetic field and by burning it you generate electricity. It uses technology and engineering that have not been perfected in this country. Russia is using oil and natural gas and other countries are using oil and natural gas and they are much further ahead in technology then we are.

I am advised that Russia will have a plant in operation in the early 1980's. Our thing in the United States is coal. So our efforts in MHD has been for the use of coal.

The best step we have taken in this in the last 15 years—well, last year when we were successful here in the Congress in passing the legislation and setting up the CDIF in Butte, Mont., the Component Development Integration Facility. The Ford budget, insofar as has been modified by President Carter, said we will put $50 million into that for this coming fiscal year. That is adequate to build the building and some of the parts, some of the components, but not all. We are talking about components that are being developed at universities and research centers across the country. We have to appropriate more in order to go forward with developing the components so that they will be ready to put in this CDIF plan when the facility is built.

To have the shell without the components doesn't make much sense. MHD will give us 50 percent more electricity out of every ton of coal that is used than we are getting through the conventional method of steam-generated plants. It is the biggest, single forward step we can take in conservation of a fossil fuel that is available to mankind. It is absolutely essential that we proceed with this as rapidly as we can.

I told the authorizing subcommittee earlier this week in response to the chairman's questions, that we should set priorities and determine which way we are going to spend our money to overcome this energy problem; I said we should set priorities and MHD should be, as far as fossil fuel is concerned, our highest priority.

It should have greater precedence than the intense development we put into, say, synthetic natural gas. This is much more important. This is closer at hand. It is more practical.

I can't emphasize how important it is in generating electricity that we swing away from the old method and get with MHD. If we have a crash program on MHD by mid-1980's we could have all the engineering problems solved. From that time forward all the generating plants for electricity that are going to use coal would use the MHD process.

MHD doesn't use much water and that is important in the West where there is a lack of water anyway. They have to guard their water. There isn't much in the way of air pollution using MHD process. It is burned at such high temperatures that there is no fly ash problem. We would be well below the EPA standard. We will just be a fraction of EPA standards on sulfur dioxide, and nitrous oxide. It will not be a problem.

It is the answer. It is, perhaps, the largest single most important research effort that is now going on with fossil fuel.

I am encouraging this committee, Mr. Chairman, to just step forward and provide leadership. We hope that the Carter administration will revise their budget on this. We have been working with the Vice President who stood on the courthouse steps last October and assured the people there that the Administration would have full funding of MHD. We are working with the Vice President's people to gain input to the various areas of the administration to come up with a budget request on this, but we don't have to wait for that.

We could take the leadership role right here in Congress and this subcommittee, I hope, will take that leadership role and fully fund MHD for the next year. It isn't just something that could be called pork barrel. It is true that the CDIF plant is being built in Butte but the component parts are being built, are being developed and engineered all over the country in a dozen different establishments.

Once we have it going and once we have all of those component parts, the facility built and the component parts in there and working, and we make certain that we solve these engineering problems, the next step after that will be to build a bigger plant very close to commercial size and when that is successful—we have the blueprints for all future electrical generating plants that are going to burn coal in the United States—the need is so great and it fits in with our energy needs so well now to both conserve the fossil fuels we have and also to comply with all the other laws we have on air pollution control, that it has to be given this high priority.

In the Federal budget it is difficult to find $125 million but it has such significance for the future of this country that I urge you to take the leadership role and pass it in the Senate and retain it in conference to help develop this technique.

Senator STEVENS. Does private enterprise get involved in MHD activity, Senator? I know your predecessor spent many hours with Senator Byrd and I over this problem.

Senator MELCHER. To the credit of private enterprise, the vast bulk of the money that was spent in MHD research in the sixties and the very early seventies was all private money. It was all private money. It was only, I think, in 1969 or 1970, taking note of that how much private people were putting into it that government began to come in.

They put $5 or $6 or $7 million in, in 1970, and gradually it has been growing since then. But private enterprise continues to cooperate, continues to expend some of their own funds.

Senator STEVENS. Do you know what the authorization level is going to be?

Senator MELCHER. We are asking for $125 million authorization level.

Senator STEVENS. Have you approached the budget committee?

Senator MELCHER. We have not yet.

Senator STEVENS. We are very interested in it. I don't think we have ever seen a program funding budget on this. I know that Senator Mansfield did discuss it with us, as I said. Do you have any projections of the outyears implication of the $125 million this year?

Mr. WHITSITT. The ERDA plan does have a general breakdown for what they requested and it is based on this year's request of $86 million, but I don't have a breakdown that projects $125 million and subsequent funding at that level.

Senator MELCHER. Yes. Beyond that year after year.

Senator STEVENS. This is, in effect, a demonstration program now. Is that right?

Senator MELCHER. We know MHD works. This takes the next step forward.

Senator STEVENS. It is like the saline water program with the outyear funding. What will be the sustaining level for that program and how many years?

Senator MELCHER. We can get that for you. We can get that from the MHD community and ERDA.

Senator STEVENS. ERDA wasn't exactly overwhelming in their support of this last year, as I recall. They are willing to do it, but they are not in any rush.

Senator MELCHER. That is our problem with ERDA on it. They have not given it as high a priority as we think it deserves.

Senator STEVENS. As you know, we have 100 years' supply of coal up our way and it is all strippable bituminous coal. We are very interested in this system, but I think that we have to be able to convince the committee as a whole that we should do what you suggest. It will require reordering ERDA's priorities.

Those priorities are in coal liquifaction and coal gasification areas. We would be glad to work with you, Senator. I am sure, as I said, this is something that we have had specific requests for. We will be happy to try again.

Senator MELCHER. We will provide you with some programing money.

Senator STEVENS. Good.

Senator MELCHER. I just have one other subject—a separate statement about the Busby Indian School in the Northern Cheyenne Reservation in Montana. It is a question of getting enough funds to complete the necessary repairs for that school. It was $200,000 that was not in the budget.

Senator STEVENS. I understand the reprograming of some of the money from the BIA has been held up in the House side. But I do know that there is some money being reprogramed in this area. We, too, had some problems with that.

Senator MELCHER. We are trying to pursue that. Of course, if it can be reprogramed, that would be good.

PREPARED STATEMENT

Senator STEVENS. Yes. We will print your statement concerning the budget of the Northern Cheyenne Reservation School in the record in full, along with your statement on MHD.

[The statements follow:]

STATEMENTS OF SENATOR JOHN MELCHER

Mr. Chairman, I appreciate the opportunity to appear today to urge approval of FY 1978 funding for the Busby school construction project at the Northern Cheyenne Reservation in Busby, Montana, at a figure of $200,000.

I urgently request this appropriation for the repair of the Busby Indian School, operated under contract with the Bureau of Indian Affairs by the Northern Cheyenne Tribe of Busby, Montana.

When the education contract between BIA and the Northern Cheyenne Tribe was negotiated in 1972, the Tribe was assured that the physical plant of the institution would receive badly needed repair and restoration. This promise has not been kept.

Each year the Tribe is assured that BIA will carry out its pledge to provide funds for the repair of the school facilities, and each year the funding is not there. Meanwhile, the physical plant continues to deteriorate further, and the health and safety of the children, to say nothing of the education program, suffer further deterioration.

Last year I understand that BIA actually had repair of the Busby building scheduled, but because of fire damage to a reservation school in another state, the funds were taken away from Busby School. Once again, in January of this year I received notification from the Department of the Interior that a line item for $200,000 for Busby School was included in their budget. I felt at long last the necessary repairs would be made, and I so notified the Busby School Board. However, a few

weeks later BIA contacted my office to say there had been a mistake and the $200,000 was not in the budget!

Mr. Chairman and members of the Committee, this farce has gone on long enough. Each year's delay further compounds the problem; the buildings continue to deteriorate; and the costs of repair continue to escalate. The Northern Cheyenne people have been remarkably patient. It is imperative that funding be provided in the FY 1978 General Appropriations or parts of the physical plant will be beyond repair.

A further potential pressure on the Busby School Board arises from the fact that the state legislature of Montana is currently considering legislation to extend state aid to the Indian tribal and contract schools in the state, provided such schools meet the education, health and safety standards of the state education agency. The educational program at Busby would qualify, but the state, I feel, would not approve the plant as being safe and healthy for children. Thus, if the state legislature approves this proposal Busby may well lose state aid through no fault of their own. The fault lies totally in the broken promises of BIA.

Mr. Chairman, $200,000 is a comparatively small sum, but it is the difference between success and failure, between good faith and broken promises to the Northern Cheyenne Tribal School at Busby.

Mr. Chairman, I appreciate the opportunity to appear today to urge approval of FY 1978 funding for the National Magneto-hydrodynamics (MHD) Program at a figure of $125,000,000.

MHD is a technology whose time has come -- and which at the present research and development pace will pass us by without fulfilling its potential of being a true cornerstone of our energy policy.

The basic MHD process itself is simple. An extremely hot gas derived from burning coal (or other fuel) is turned into an electrical conductor by "seeding" it with another material such as potassium or cesium. The gas moves at very high speed through a channel enclosed by a magnet. Electricity is produced and tapped by electrodes in the wall of the channel.

I ask you today to consider these points:

--MHD promises 50% greater electrical generation efficiency for every ton of coal burned than is possible in conventional power plants;

--MHD vastly reduces air pollutant emmissions, in the case of sulphur dioxide to as little as 4% of the present EPA standards, nitrogen oxides to less than 30%, and in the case of particulates, half of EPA standards;

--MHD results in substantially less water use and almost no thermal water pollution;

--MHD program level of effort is being designed to fail, with a loss of its near and long-term benefits, unless Congress acts to fund ERDA's efforts in this area at a realistic level.

We could have MHD commercially available to utilities in the mid-1990's. The basic scientific and technical information on the process was developed by private industry in the early 1960's, but a lack of government funding assistance for a pilot plant (now called an Engineering Test Facility or ETF) prevented the program from going ahead as it might have.

But the Russians have gone forward and have a pilot plant which has achieved 20 megawatts of production. The Soviet Union plans to have a 500 megawatt commercial demonstration plant operating in the early 1980's.

Our own efforts have been delayed intolerably by a lack of funding and support. The pending request made by ERDA for $86-million for FY 1978 represented the bare minimum for continuation of the national MHD program. The Ford Administration budget request of $50-million, acquiesced in by President Carter, allows ERDA to build a Component Development and Integration Facility in Butte, Montana. But it does not allow the development of components to meet the published ERDA schedule for integrated coal combustor channel operation. Work must be accelerated in areas such as combustors, magnets and other components crucial to MHD development and to allow engineering test of this technology. This means bringing together and combining efforts of General Electric at Valley Forge, Fluidyne Engineering Corporation in Minneapolis, AVCO, Rodketdyne, TRW, Pittsburg Energy Research Center, Westinghouse, University of Tennessee, MIT, Stanford, Mississippi State University and several other universities across the country.

This effort to move the national MHD program forward in FY 1978 requires $125-million. I have attached a chart showing how the MHD community believes the money should be allocated and comparing it with the ERDA $86-million request and the Ford-Carter budget request. I am now working with the White House on this matter and I believe we will see an increased budget request for MHD forthcoming very soon. This makes adequate appropriation even more crucial.

For Montana and the nation, this program promises better use of our most abundant fossil fuel -- coal -- as the Administration, and I believe Congress, desire. It has system efficiencies far above any existing technology or program effort now underway within the Fossil Energy Division of ERDA. It is environmentally sound in terms of air and water pollution and water use.

83-107 (Pt. 4) O - 77 - 43

As you can well understand, the promise of this technology is most meaningful to those of us in the West where most of the nation's strippable coal reserves are found, where water is scarce, and where maintaining our environment is of paramount concern. Development of this technology in the West also allows our young people to find employment in their states whose taxpayers paid for their educations but where commensurate employment possibilities have rarely existed. This is a reasonable fallout of the nation's desires to use our coal to help provide necessary energy supplies.

Mr. Chairman, I strongly urge you and your Subcommittee to recommend an appropriation of $125-million to allow us to capture the potential MHD has to offer to help solve our energy problems.

Thank you Mr. Chairman.

MHD PROGRAM AREA	BUDGET REQUEST ($50 m)	BUDGET REQUEST ($86 m)	BUDGET REQUEST ($125 m)	DESCRIPTION OF NEED
Component development	$23 m	$45 m	$65 m	highest priority - as ERDA's Dr. White stated in 2/23/77 House S & T subcommittee hearing on ERDA FY 1978 authorization "$50 m allows us to build a facility but does not allow for the components to make it run". funds must be directed at the engineering development of core MHD components. program should call for parallel development of MHD flow trains (combustors and generator channels) to prevent "designed to fail" CDIF testing. also must broaden the scope of development on air pre-heaters, superconducting magnets, seed recovery/recycling, gas cleanup, and slag management. $50 m provides planning monies for second flow train but no hardware. additional electrode work also needed.
Preliminary engineering and systems design analysis	$19 m	$24 m	$24 m	covers design analysis and limited experimentation. program should include MHD power plant cycle analysis. program should also include specialized materials investigation and more advanced materials and component development so as to continually expand the MHD technology base. should also include work in closed cycle MHD and MHD disc generators.
Supporting science and technology research	$3 m	$4 m	$7 m	basic and applied research to be done largely at universities to generate data needed for future developments and to train students who are critically needed to expand personnel base. Also should include work on closed cycle MHD, plasma instrumentation and diagnostics, and additional fundamental materials research.
ETF	$.8 m	$3 m	$9 m	needed in order to immediately proceed from conceptual design to engineering design and construction of Engineering Test Facility. must be ready to follow current CDIF phase to prevent further delay in program development.
CDIF CONSTRUCTION	$4.2 m	$10 m	$20 m	CDIF is presently barebones facility and not designed to operat at most cost effective level. must proceed immediately with ERDA Phase II of program to achieve and improve test economics and efficiency of plant operation thereby expanding test hours available. funds needed to accelerate construction completion of CDIF in Butte as well as construction and delivery of MHD components for testing in CDIF facility to prevent further program delay

Senator STEVENS. Thank you very much.
Senator Melcher. Thank you very much, Mr. Chairman.

ADDITIONAL STATEMENTS

Senator STEVENS. We have received several statements from Members of the Senate who could not be here this morning. We will print those statements in the record at this point.
[The statements follow:]

STATEMENT OF SENATOR JOHN C. STENNIS

Mr. Chairman, and members of the Subcommittee, our increasing reliance upon foreign oil imports is becoming alarming. Even more distressing is that during this critical time we are not aggressively pursuing with a sense of urgency the development of technologies whereby we can become energy self-sufficient. We must act quickly to eliminate the economic and political weapons which the oil-importing foreign countries are using against us.

This we can do with coal, our Nation's most abundant fossil fuel. Through direct coal-fired Magnetohydrodynamic (MHD) electrical power generation we can utilize our vast coal resources to generate electricity in an environmentally acceptable manner and at efficiencies higher than those of any other advanced coal-fired system presently known. We must accelerate the MHD development program because it is a major energy technology which can sharply reduce our Nation's drastic dependence on imported oil.

During 1976 the United States paid $34.2 billion to foreign countries for imported petroleum products--$9.4 billion more than in 1975.

The MHD Division of the Energy Research and Development Administration (ERDA) requested $86 million for FY 1978. However, OMB authorized only $50.5 million. It is inconceivable to me that we would pay $34.2 billion to the OPEC cartel and other foreign countries and yet not fund our Nation's energy-development programs at a level whereby the United States can become energy self-sufficient in the shortest possible time.

The full $86 million is essential for MHD engineering development, which requires both large-scale performance evaluation of MHD components and laboratory-scale determination of engineering design data for MHD components yet to be developed. Without this level of funding, important large-scale MHD programs such as air-preheater tests in the MHD Component Development and Integration Facility at Butte, Montana, will be postponed; pilot-plant scale MHD channel high performance demonstration experiments at Arnold Engineering Development Center will be delayed; and the ERDA MHD facility at the University of Tennessee Space Institute will not be completed on schedule, nor will a required superconducting magnet for that facility be obtained. If the $86 million is not appropriated, basic MHD engineering design data, such as that which is being obtained by labo-

ratory-scale testing and evaluation of MHD materials and substructures at Mississippi State University, cannot be developed as rapidly as is possible.

The operational characteristics of the direct coal-fired MHD electrical power system downstream steam plant components, particularly the radiant boiler, the superheater and the reheater, have not been experimentally investigated under the adverse high temperature, seed/slag laden MHD gas stream environment.

Mississippi State University has constructed, under ERDA contract, a mini-computer controlled and monitored Metallic Materials/Component Test Stand (MM/CTS) for simulation of the MHD slag-seed-gas conditions to allow evaluation of such MHD subsystems. That facility provides a versatile test stand for evaluation of MHD materials and subsystems over a wide range of conditions. The MM/CTS allows low-cost, precision-controlled, and rapid-performance evaluation of MHD materials and components on a laboratory scale under the various dynamic conditions of the baseline MHD plant. The operational environments and conditions to be expected at various locations in the MHD system can be determined with this ERDA MHD laboratory-scale facility. Experimental results obtained with the ERDA MHD facility at Mississippi State University will provide critical information required for the engineering design for full-scale MHD subsystems.

In my judgment it is imperative that, because of their tremendous potential toward National energy independence, both the large-scale MHD engineering testing programs and the associated laboratory-scale development programs, such as that being conducted at Mississippi State University, proceed at the rate demanded by this Nation's paramount energy requirements. I therefore believe it in the National interest, and do strongly urge that the subcommittee recommend appropriation of the full $86 million to expedite the rapid development of MHD.

STATEMENT OF SENATOR MIKE GRAVEL

I appreciate the opportunity to present to the Senate Appropriations Interior Subcommittee the concerns of the Alaska Native people. The budget of the Indian Health Service directly effects the maintenance of health care and, most important, provides the Alaska Natives with the tools to upgrade their health care services and increase their ability to become self-sufficient.

In October, I cosponsored a Statewide health symposium, which included representatives from all segments of our fragmented health care delivery system. During the course of the meeting the Native representatives expressed their concerns and needs to me. They requested assistance to help their friends and relatives experience the health care we take for granted in the Lower-48 -- water and sewer facilities, primary medical care, surgery, and hospital beds.

I think it is crucial that the needs of the Alaskan Natives be articulated again and again. While most Americans will never have an opportunity to see the unbelievable conditions in many Alaskan villages, they do exist and we have the wherewithal to help them. So often the problems in Alaska appear overwhelming; they are, in fact, quite resolvable. Solutions do exist. Great strides have been made by the Alaska Natives in cooperation with the Indian Health Service. The unmet needs have been catalogued and await Congressional action. We should support and encourage these efforts -- not with words, but with dollars -- otherwise, we jeopardize the well-being of our first citizens.

It is important to keep in mind in deliberating the Indian Health Service budget, the promises Congress has made to the Indian and Alaska Native populations. Through PL 93-638, the Indian Self-Determination Act, and PL 94-437, the Indian Health Care Improvement Act, we have affirmed our commitment to them.

> The Congress finds that Federal health services to maintain and improve the health of Indians are consonant with and required by the Federal Government's historical and unique legal relationship with, and resulting responsibility to, the American Indian people.
> (PL 93-638)

COMMUNITY HEALTH AIDES

Rural Alaska is faced with a major problem in providing health services. There are an insufficient number of physicians to visit the villages on a regular basis. The natural isolation of the villages is aggravated by geography and weather conditions, unreliable communication methods, language and cultural differences, and the seasonal economic activity in the villages.

To meet the unique needs of the Alaska villages, the Community Health Aides Program (CHA) was developed. The health aide, who is appointed by the village council, has made a significant impact on the quality of health care in the rural areas. This is reflected in the decline in the number of hospitalizations, earlier diagnoses and referrals, and decreases in the infant and material mortality rates.

There are 205 Community Health Aides providing services to 171 Alaskan communities. During FY77 the aides performed 200,000 patient services, many of a life or dea th nature. These aides cannot meet the demand for services in the 198 Native communities. The need to expand the program to all the villages vies with the continuing need to upgrade the expertise of the present health aides though education programs.

The Administration's FY78 budget maintains the FY77 funding level for the Community Health Aide Program at $3,000,000. This means each CHA position will be alloted approximately $15,800 to pay salary, travel for training and evaluation, and indirect

costs. Many of the health aides currently receive only $660 a month -- in a State with rapid inflation and constant high cost levels. I think this is unjust compensation for experienced para-professionals who have proven their effectiveness in alleviating the enormous health needs of rural Alaska. If we lose our health aides the cost of replacement with traditional health professionals will greatly increase costs.

With a view to the increasing recognition of the need to support non-physician health care professionals, I respectfully request that the Subcommittee increase the CHA budget $800,000 for salaries and $600,000 for training requested by the Indian Health Service. This is a modest amount, and will by no means satisfy the financial requirements of the program. It will, however, demonstrate to the Community Health Aides the support of Congress for the health services provided to Alaskan Natives, and will assure the stability of the program.

CONTRACT MEDICAL CARE

The contract health portion of the Indian Health Service (IHS) program augments the health services provided to Native Americans by IHS personnel in IHS facilitites. The purpose of the program is to assure the quality and availability o services in areas with concentrations of Native people, who live some distance from the IHS hospitals.

In Alaska, four service unit areas, Anchorage, Mt. Edgecube, Norton Sound, and Tanana, use more than 95% of the contract health care budget. The Anchorage Service Unit was budgeted at $1.7 million in FY76 and $1.65 million in FY77. This included payments to private specialists and speciality clinics. Mt. Edgecumbe, which services southeast Alaska, was alloted $1.3 million for FY76 contracting and $1.5 million in FY77. The Anchorage program is responsible for 60% of the referrals outside Alaska, while Mt. Edgecumbe is responsible for 40% of the out-of-state referrals. In 1976, $900,000 was allocated to the Maynard McDougall Memorial Hospital in Nome servicing the Norton Sound region. The Indian Health Service contracts for 80% of the inpatient care at Maynard McDougall.

The Alaska Contract Health Care Program breaksdown the available funds to 45% for hospital services, including emergency, inpatient and outpatient care, 35% tor physician services, and 20% to cover pharmacy, patient travel, Native health corporation contracts and advance student support. During FY76 the Contract Health Care Program absorbed a 26% increase in costs contrasted with a 21% increase in available funds. Thus, the number of services purchased were reduced by 5% and this reduction would have doubled had Congress not appropriated an additional $350,000 in supplemental funds. The situation is no better this fiscal year. The funding inadequacies for this program are being compounded each year. Rather than reduce the deficiencies in the Contract Health Care Program, Congress is stripping the program of all effectiveness.

It is important to remember what budget cuts mean to the delivery of services. In most cases only emergency services can be provided, thus, increasing the backlog of services which must be met the following fiscal year. With funds insufficient to meet the normal service demand, it is anticipated by IHS that contracting will have to be restricted to emergency services in FY78. How can we expect the Contract Health Care Program to come-out-from-under when their appropriation never comes close to actual costs?

An example of the rigidity of the contract health care budget is reflected by the Maynard McDougall Memorial Hospital. contract. In FY 77 the Indian Health Service contracted for approximately 80% of the inpatient services at a cost of $460,000. Realizing that this amount will not cover actual costs, IHS has

arranged to transfer additional funds up to $750,000 to cover the insufficient contract. Even with the transfer there is expected to be a shortfall of approximately $388,000. If the shortfall is not met this fiscal year, it will increase to $470,000 next year.

With the blessing and financial assistance of the IHS, Maynard McDougall is being renovated and a new facility is under construction. The Norton Sound Health Corporation will assume full management of the new facility in June, 1978. This is in keeping with the Indian Self-Determination Act. Every effort has been expended by the IHS to assist Norton Sound in this endeavor. Based on the above cost projections, however, the new facility will be empty unless we increase the contract health service budget.

The rise in costs has nothing to do with health cost escalation. It does reflect the every day living costs which impose a burden in the Lower-48, but are almost impossible to absorb in Alaska. For instance, the city of Nome will increase utility rates 50% in May, 1977. Utilities for the hospital currently run $8000 a month -- a 50% increase will cause a substantial impact and should be included in the new budget. Hospital staff salaries are 20% below that of the Norton Sound Health Corporation salaries. The availability of low-cost housing has somewhat compensated for the discrepancy in salaries.

Unfortunately, this housing will no longer be available, and staff will be required to seek housing in the Nome housing market. This situation, plus the increased utility rates will necessitate an increase in salary levels. There are also budget considerations for new staff positions, depreciation, and insurance expense. As stated above, Indian Health Service estimates that the existing contract will not be sufficient to meet the increased costs, in fact, it will be short approximately $470,000. I want to point-out that the Norton Sound experience with direct delivery of health services is a model for all rural areas. Is it acceptable to continually strap these efforts? I recommend that the Sub-committee fund the Contract Health Care Program at least at the level requested by Indian Health Service, $68,057,000.

INDIAN HEALTH CARE IMPROVEMENT ACT

The Indian Health Care Improvement Act (PL 94-437) states that "Congress finds that

> (f) further improvement in Indian health is imperiled by -- (1) inadequate, outdated, inefficient, and undermanned facilities."

This law has clearly announced to the Indian and Native American communities Congressional recognition of specific unmet health needs. It presents a seven year plan for meeting these needs. The first year of the three-year authorization is FY78. The Administration has requested $6 million to fund Title I, the Indian scholarship program. This is not enough. We have made a commitment and I think we must deliver. The need is enormous -- there are hundreds of examples in Alaska which illustrate the critical need for funding PL 94-437.

In Fairbanks, the PHS Alaska Native Health Center is attached to the Fairbanks Memorial Hospital. This location allows the clinic to take advantage of many of the hospital's facilities and, thus, provide better, low-cost services for the Fairbanks-area Natives. Unfortunately, the physical capacity of the hospital has been exhausted.

When the hospital opened in 1972, there were approximately 7,500 visits to the Health Center. Outpatient visits increased in FY72 to 9,794, in FY74 to 14, 166 visits, and in FY75 to 16,313 visits. This represents an increase of 218% in three years.

The clinic has been expanded to meet the increased need. I understand the Indian Health Service is aware of the increasing service demand in Fairbanks. They have notified Tanana, however, that staffing requirements

and other indirect costs cannot be met within the existing IHS budget. Funding PL 94-437, which augments the IHS budget, would provide the needed dollars to assist the Tanana Service Unit.

The new staffing would include 3 dental personnel at a cost of $48,122, 1 Public Health nurse at $24,049, and 11 ambulatory care personnel to bring the personnel total to $247,967. The additional costs of travel, equipment, supplies, and leased space bring the total to $546,792.

Currently, dental services are provided by three dentists and a support staff of 4. In FY75, this dental team performed 8,385 services at the Fairbanks Dental Clinic, 6,180 services at village clinics, and contracted private dentists for 1,739 services. The Health Clinic has only 1 Public Health nurse who has been responsible for coordination of services. The number of services provided by the PHS nurse are an invaluable improvement in the quality of health care, but the burden this imposes on one individual cannot be overestimated. These services include will child care, family planning instructions, home visits to high-risk patients, prenatal patient interviews and follow-up, liaison with State Health Department and work with Child Neglect Task Force.

I think, and I believe IHS would concur, that the present work load in the Fairbanks Health Center justifies additional staff. One additional physician and one physician assistant or nurse practitioner would not only improve the present staff burden but it would allow greater services to the outlying villages.

The situation at the Fairbanks Health Center is only one of many that were rationales for the passage of the Indian Health Care Improvement Act. We have conceded the need for substantial funding to upgrade Indian health services, and I would like to see progress made in FY78. Therefore, I recommend that the Subcommittee increase the budget $20,765,000 for Title II to augment the services budget, and $103,944,000 for Title III, the facilities budget. We know the need because we passed the bill only last year, now its time to follow-through.

STATEMENT OF SENATOR JAMES ABOUREZK

Mr. Chairman, I want to thank you for allowing me this opportunity to appear before the Subcommittee today. The distinguished Chairman and members of this Subcommittee are to be commended for their exemplary work in attempting to balance the needs of this country with a responsible level of federal spending. With this in mind, I would like to address myself to a number of important matters which deserve your attention.

Indian Health Care

I am sure you are aware that Indian people have extreme needs in the health area. The health status of the Indian residents of South Dakota is far below that of its non-Indian citizens. There are a few major projects within the state which I believe are in dire need of funds if we are to ensure equity, availability and accessibility of comprehensive health care to all citizens.

The availability of adequate facilities will go a long way toward meeting South Dakota's health needs. The present 41 bed hospital on the Rosebud Reservation is non-accredited and for acute care only. Its physical plan has been judged inadequate by the IHS. The nearest facility offering speciality referral care is a 185 mile distance, in Rapid City. The present facility does not meet the code and the standards established to provide acceptable medical care. Even with remodeling, the existing facility would provide only 23% of the total space needed. The cost of remodeling would be $14,580,000, but the proposed new 70 bed complex would only cost $15,000,000.

I am, therefore, requesting the addition of funds to design and plan the construction of a new hospital. The amount needed for this initial step is $700,000. The Rosebud Hospital is the first priority of the Rosebud Tribe and a South Dakota priority to be funded under the Indian Health Care Improvement Act, if the Act receives full funding. This facility would provide primary benefits to the 8,000 people on the reservation and some 2,000 Indian people living adjacent to it.

Similarly, the facility on the Sisseton Reservation was constructed in 1936 and has only 36 beds for the whole reservation. It is non-accredited. The ventilation system for the hospital is a $20 dollar fan. The building does not meet the fire codes and the water and sewage systems are not adequate. One can not even buy the fixtures to repair the systems anymore because they are obsolete and are no longer made. Repairs would cost $8,827,632, but the proposed new facility is estimated to cost only $8,310,965. I would, therefore, urge the Subcommittee to approve the initial cost of $400,000 for planning and design. The hospital at Sisseton is the third highest priority of the Sisseton-Wahpeton Tribe and is a South Dakota priority for funding under the Indian Health Care Improvement Act, if the Act receives full funding, for which it was authorized.

Secondly, the Yankton Sioux Tribe has shown great initiative in solving their health care problems. The tribe is prepared to use its own scarce tribal resources to build a hospital on the Yankton Reservation if they can be assured that IHS has adequate funds thereafter to lease the hospital from the tribe. The authority for such a lease arrangement is found in PL 94-437 §704. The total amount required for IHS to lease a hospital at Yankton over a period of years, which is the first priority of the Yankton people, is $3,200,000. I urge the Subcommittee's favorable inclusion of this sum because it would provide a health facility for the Yankton Tribe, increase their chances for self-determination, and reduce the total federal expenditures in this area.

Last year, I came before the Subcommittee to discuss the crisis in contract health care. Because of the present inadequacies of IHS facilities, Indian people are often forced to go to non-IHS hospitals and contract for their health care needs. Unfortunately, their needs are greater than the funds available for contract care. Indian people on their first visit are being turned away from non-Indian hospitals in South Dakota because the IHS has failed to pay its bills on past cases. There is a backlog of patients waiting to have operations because of insufficient contract care funds. These patients have gall bladder infections or diseases which can lead to deaf-

ness or blindness if not corrected in time. This growing backlog can be controlled with the full funding of the Indian Health Care Improvement Act. Failing that, the need of the Crow Creek Sioux Tribe alone is for $10,000,000 in additional monies to cover their contract care needs. This is a critical area, and I urge the Subcommittee to approve the needed funds.

Fourth, I am requesting the inclusion of $2,400,000 in the FY 78 budget for the Lower Brule Sioux Tribe. This money would be used to construct a health clinic for out-patient services, at a cost of $2,330,000. The sum also includes the money needed to purchase a tribal ambulance and provides funds for its maintenance, at a cost of $70,000.

Finally, in the health area, the Cheyenne River Sioux Tribe's present health facility is antiquated and functionally inadequate. Large cracks in the walls caused by faulty construction contribute to its dilapidated state. I am requesting an additional $500,000 to the FY 78 budget to provide funds for cost planning and architectural design for a new facility on the Cheyenne River Reservation.

Accelerated Research Program for the Black Hills and Associated High Plains

This proposed research program is vital to the South Dakota Black Hills and surrounding high plains. This expansion of Forest Service research is an integral part of the Forest and Rangeland Renewable Resources Planning Act of 1974.

The Black Hills offers unusual management challenges and research opportunities because of its unique geographic location, isolated from the main chain of the Rocky Mountains. Renewable resource products from the Hills are important to the social and economic life of the immediate area and also to communities and rural areas far out on the High Plains. Water originating in the Hills is the life-blood of industries, municipalities and agriculture.

One outstanding reason for beginning research immediately is the expected rapid increase in population as a result of energy development.

This will greatly affect demands for renewable resource products and recreation opportunities as well as affecting the impact on socio-economic conditions in the surrounding areas.

The first priority need in the program is an additional $100,000 annually to accelerate work on intensified timber culture. Research is also necessary to address the problems of timber production and marketing, wildlife habitat including endangered species, the mountain pine beetle, and watershed production. This research is necessary to define the many interactions and to develop predictive models to guide management to the optimum mix of multiple resources.

Mr. Chairman, immediate implementation of this research program will require additional funding of $600,000 for FY 78. Approximately $290,000 of this amount would be used for cooperative research with universities and other institutions in the area. Three greenhouse units would be constructed at a total cost of $60,000. In addition, five scientists and an adequate support staff will be employed.

The need exists, and I urge your approval of this requested increase for this most important program.

Indian Education

Indian children start school with a different culture and often a different language. Yet, education offers one of the few opportunities for future self-sufficiency on the reservation. Congressional legislation in the area of Indian Education has often been well directed, but just as often underfunded. Many of the programmatic efforts have been undercut for lack of an adequate facility in which to operate.

Three schools in South Dakota, which eduate both Indians and non-Indians, are on the verge of closing their doors because of the reduction of basic support monies from Johnson-O'Malley (J.O.M.). The education component of the BIA is stopping all JOM basic support monies nationally. Although as a national policy the decision has great merit, in the area of

northeast South Dakota the result may be tragic. This part of the country has been the worst hit by the drought. Being a poor agricultural region to begin with, the areas around the Sisseton-Wahpeton Reservation have been unable to convert to a tax base or find alternate funding sources. Wakpala, Waubay and Sisseton Schools may have to close due to lack of funds for operating the schools. This will critically effect the 1,689 students at the Sisseton School, of which 617 are Indian children, the 530 students at Waubay School with 144 Indians, and the 169 students at Wakpala, of which a full 159 are Indian students. The combined costs of continuing JOM basic support monies to these three schools to enable them to stay open is $618,000, which I urge the Subcommittee to approve.

One facility, which is included in the President's FY 78 budget request, is money for a high school for the Lower Brule Reservation. The Lower Brule Sioux are in desperate need of such a facility to educate its high school age young people. This facility is the second tribal priority of the Lower Brule people. The amount in the President's budget is $3,500,000, which is for the actual construction of the high school, and is the end result of the money which you have appropriated in the past for planning.

The position of the Little Wound School Board is unique. In the past, money was appropriated through the BIA for the planning of a high school at Kyle, South Dakota. But, the Oglala Sioux Tribe at Pine Ridge, through a locally elected school board, decided that, given the past performance of the BIA, the tribe would contract under the Indian Self-Determination Act, P.L. 93-638, to build the school themselves. They have been hindered at every turn in their efforts at self-determination and deserve the full support of Congress on this project. The amount needed is $6,500,000 to update the plans and to construct Little Wound High School, whose program for 200 students (expected enrollment - 325) is now jammed into makeshift facilities shared with a 300 student elementary school. Money for construction was included in the BIA's FY 78 request but was removed from the President's budget by OMB -- because the design had not yet been completed, even though design monies of $200,000 were first appropriated in FY 75!

Indian communities must not be made to pay this kind of price simply for trying to exercise self-determination rights. I urge the Subcommittee to give this very important project every consideration.

The Crow Creek Sioux have a decent high school; but they have contracted with the BIA under the Indian Self-Determination Act to run their own school and they have not been afforded adequate operating costs. To bring the present sub-standard classes up to an effective educational program, they need an additional $439,000 above what they are presently receiving (total of $800,000). The successful operation of their high school is the second highest priority of the Crow Creek Tribe. I believe that the Subcommittee has a chance in this instance to approve a small sum and still demonstrate that with a little cultural sensititivy and self-determination, the educational potential of Indian children is great.

Indian educational problems are compounded when the child comes from a bad homelife or has a specific handicap, such as a criminal record or a drug or alcoholism problem. Despite the seriousness of these difficulties, the BIA budget for FY 78 does not provide funds to cover the educational costs of handling these children. I am requesting $729,874 for the Pierre Learning Center, which is the only school for "special children" of this type in South Dakota. This school is supported by all the tribes in the state and serves children from all reservations. This money is needed to provide a summer home and program for those students who have no other place to go. It also provides adequate operational funds to keep the school open.

It is hard to make a living as an Indian in South Dakota even with a B.A. degree. A higher degree substantially increases earning potential and the ability to survive, as well as the possible contribution to the reservation. It is vital that Congress not cut off the opportunity for Indians to pursue an advanced degree while staying on the reservation with their own tribe. The Sinte Gleska is an Indian-run college on the Rosebud Reservation. I am requesting an additional $25,000 to the budget to provide Indians with scholarships to enable them to obtain their Master's degree. I

urge the Subcommittee's favorable consideration of this amount. Also, I urge the recognition that this is only a small college but nationally the estimated need for scholarship funds to Indians pursuing advanced degrees is 1 1/2 million.

EROS

No one could be more appreciative than I for the support shown by this Committee for the EROS program. I want to underscore the immense importance of the need for the EROS program again this year.

The agency needs an additional $1 million to supplement the Administration request, if they are to function in the way in which Congress and the American people expect. This $1 million increase will be used for incorporation and augmentation of Landsat reception processing and dissemination capabilities at Sioux Falls, South Dakota, and for augmentation of research and training activities of the program.

Mr. Chairman, in order to continue the significant progress in the program, I sincerely hope you will appropriate an additional $1 million.

Parks in South Dakota

Like many other states in the West, a major economic activity in South Dakota is tourism. Each year, especially during the summer months, thousands of visitors enter the State to enjoy its varied recreational attractions. The Black Hills region, in particular, is an important tourist area, with a number of National Park Service areas in the vicinity. It is important to both the people of South Dakota and to the thousands of tourists that visit South Dakota each year that the facilities in the National Parks provide adequate recreational activities. I would like to briefly address myself to four items of either the Park Service or the Forest Service.

1. Wind Cave

Wind Cave National Park is anticipating over 150,000 visitors this year. The visitor center at Wind Cave is not up to the standards that people have come to expect from the National Park Service. It is in need of rehabilitation and expansion. The estimated cost of this project is $1,076,000 for construction, with an additional $99,000 for associated road construction work. This project is very

much needed since the current building dates back to the 1930's and is clearly inadequate for present, much less future, needs.

In addition to the needed improvement of the Visitor Center at Wind Cave, a new lighting system within the cave itself is badly needed. The present system has been in use for more than twenty years, and is becoming increasingly difficult to repair. The new system could be similar to the indirect lighting system that is used at Jewel Cave. The estimated cost is $183,000, which I feel is a small price to pay for the safety and well-being of the thousands of visitors that Wind Cave attracts each year.

2. Jewel Cave Housing

The second item I wish to call to your attention to is the housing situation at Jewel Cave National Monument. Jewel Cave is in need of (15) fifteen additional housing units for permanent and seasonal employees. At the present time, the only available housing for the permanent employees at Jewel Cave is in trailers and "transa-houses." Not only is this unfair to the permanent employees, but it makes it difficult to recruit the necessary seasonal employees that must be employed each summer. Preliminary planning for this project was done two years ago with an estimated cost of $719,000.

3. Pactola Visitor Center

Another subject of interest to South Dakota is the Pactola Visitor Center. The Visitor Center in the Black Hills National Forest has been under construction for a number of years, and is finally approaching the final stages before completion. To finish this project, $199,000 is needed for sewer systems and for exhibit construction, installation and related equipment.

4. Black Hills National Forest Supervisors Office (Custer)

The final construction project I wish to address is the Supervisors Office at the Black Hills National Forest. This Supervisors

Office is very much in need of a new building. At present, the Supervisory Offices of the National Forest Service are divided among a number of office buildings in Custer, South Dakota, some of which are more than a mile apart.

More than 78 employees are affected by this mile separation of facilities. The cost in lost efficiency and travel is estimated at $20,000 per year. In addition, the cost of leasing office space from a commercial realtor is $45,000. The total cost to the taxpayer for the lack of proper office facilities is $65,000 annually. In addition, visitors must often travel back and forth from one building to another in order to transact their business with the Supervisors Office.

Land was purchased a number of years ago on the north side of Custer for use as a site for Forest Service offices. An estimated $2,750,000 is required to completely fund the construction of these facilities. It seems apparent that the construction of permanent offices is in the best interest of both the Forest Service and the taxpayer.

Indian Law and Order

The safety and security of Indian people depends on adequate law enforcement. Yet, the present system has had only haphazard delivery and has left vacuums which attract violence and increased tribal tensions.

Two tribes, the Oglala at Pine Ridge and the Sisseton-Wahpeton, have taken steps to remedy the situation. They have both begun the process of contracting for law and order services under the Indian Self-Determination Act. That will mean a tribal police force rather than a BIA police force, and more sensitivity to the needs of its members.

Pine Ridge is the second largest reservation in the United States. It has been the site of great conflict since the Wounded Knee takeover. It also has one of the highest murder rates in the country. To elevate the situation, they have developed an excellent plan after full consultation

from experts, the FBI and other law officials. I strongly recommend that they not be forced to accept the ineffective work of the Bureau. The additional funds required for their contract are $1,000,000.

Sisseton, a smaller reservation, needs $267,478. I urge your favorable inclusion of these two sums.

Finally, the Crow Creek Tribe needs funds to enable them to establish law and order regulations. The present tribal ordinances are outdated; yet, there is no money in the BIA budget to provide this essential service. Independent experts have determined the needed amount is $300,000. I urge the Subcommittee's favorable consideration of this amount.

Indian Irrigation

As you know, this is the third year South Dakota has been hard hit by the drought. Indian farmers had just begun to get on their feet before the drought and as a consequence, sustained the worst damage. The drought has increased the urgency of proceeding with the previously planned water development on the reservations.

Two tribes are ready to proceed. The irrigation system on the Sisseton Reservation will cost $564,225. Following the update of plans by the Bureau of Reclamation in June, the Lower Brule, a larger reservation, will need $5,000,000 for the construction of their irrigation system. This irrigation project is the first priority of the Lower Brule Tribe. I hope that the Subcommittee will act favorably on these two projects and afford the Indian farmers in South Dakota the opportunity to be self-sufficient.

Miscellaneous Indian Projects

The Standing Rock Sioux Tribe is located in both North and South Dakota. They have been extremely concerned about the quality of education for its elementary age children. As a result, the tribe hired an architect to plan two elementary schools, with sites in South Dakota. I am requesting $2,500,000 for the Little Eagle School and the same amount for the Bull Head

School. This money will be used for the actual construction of both schools as well as for operating equipment, like desks, to enable both schools to start classes after the receipt and use of funds.

One of the primary concerns of the Sisseton Tribe is the deterioration of their roads. To maintain and repair only two of their roads, they require $1,350,000. I urge the Subcommittee's favorable consideration of this amount.

Finally, the most critical problem the Pine Ridge Reservation faces is unemployment. The largest source of employment on the reservation is agriculture. Despite these facts, the BIA has no full-time staff to provide technical assistance in making farming and grazing a viable job. I am, therefore, requesting $161,000 to provide for technical assistance specialists in land management to assist Pine Ridge. I urge the Subcommittee's approval on this request.

Mr. Chairman, I would like to thank you and the members of the Subcommittee for allowing me to present these requests and once again, may I commend the Subcommittee for its fine work in handling these difficult funding problems.

SOUTH DAKOTA PROGRAMS AND PROJECTS

Project Name/Tribe	Agency	Amount	Purpose
Rosebud	IHS-HEW	$700,000 *	To provide the funds for the planning of a hospital.
Sisseton	IHS-HEW	$400,000 *	To provide the funds for the planning of a hospital.
Yankton	IHS-HEW	$3,200,000 *	To provide funds for a hospital to be built with tribal funds and leased by IHS under PL 94-437.
Crow Creek	IHS-HEW	$10,000,000 *	Funds to allow IHS in the Crow Creek area to make headway in the contract care backlog.
Lower Brule	IHS-HEW	$2,400,000 *	To construct a clinic and provide an ambulance service.
Cheyenne River	IHS-HEW	$500,000 *	To plan a new hospital. The present one id old and dilapitated.
Accelerated Research Program for the Black Hills and Associated High Plains.	Forest Service	$1,001,000 total (600,000*) (401,000**)	Forest research re: Pine Beetle Endangered Species, Water Recreation. ect...all in accord with the Resource Planning Act of 1974.
Sisseton-Wahpeton	BIA	$413,000 *	J.O.M. funds to provide basic operating costs needs for the school to stay open.

Project Name/Tribe	Agency	Amount		Purpose
Naubay School District	BIA	$137,000	*	J.O.M. funds to provide basic operation costs needed for the school to stay open.
Enee Independent District	BIA	$68,000	*	J.O.M. funds to provide money to cover the current deficit of Wakpala School.
Lower Brule	BIA	$3,500,000	**	For construction of a high school.
Little Wound School	BIA	$6,500,000	*	To provide funds for the tribe to construct its own high school under PL 94-638. This request is in addition to the planning money already approved.
Crow Creek	BIA	$800,000	*	To provide the necessary funds to operate the school, under local Indian control.
Pierre Learning Center	BIA	$729,874	*	To provide for the deficit in operation costs and provide for a summer program for students who can not return home for the summer.
Eros	Geological Survey	$1,000,000 (9.545 mil**)	*	Installation of reception capability equipment.
Pactola Visitor Center Black Hills National Forest	Forest Service	$199,000	*	Funds to complete construction.
Visitor Center Windcave National Park	National Park Service	$1,175,000	*	Rehabilitation and expansion of the visitors center.

Project Name/Tribe	Agency	Amount		Purpose
Lighting at Wind Cave	National Park Service	$183,000	*	Install new lighting system in the cave.
Supervisors Office Black Hills National Forest	Forest Service	$2,750,000	*	Construct permanent office facilities.
Housing- Jewel Cave National Monument	National Park Service	$719,000	*	To construct housing for employees.
Pine Ridge	BIA	$1,000,000	*	Money to allow tribe to contract its own law and order force under PL 93-638.
Sisseton	BIA	$267,478	*	Money to allow tribe to contract its own law and order force under PL 93-638.
Crow Creek	BIA	$335,000	*	Funds to enable tribe to establish law and order regulations.
Sisseton	BIA	$564,225	*	Funds to construct an irrigation system on the reservation.
Lower Brule	BIA	$5,000,000	*	After Bureau of Reclamation update in June, funds to construct an irrigation system.
Little Eagle	BIA	$2,500,000	*	Funds to construct and equip an elementary school.
Bull Head	BIA	$2,500,000	*	Funds to construct and equip an elementary school.

SOUTH DAKOTA PROGRAMS AND PROJECTS

Project Name/Tribe	Agency	Amount		Purpose
Sisseton	BIA	$1,350,000	*	For the repair and maintance of two roads.
Pine Ridge	BIA	$161,000	*	To provide for technical assistance specialists in land management to assist Pine Ridge directly.

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* In addition to the President's FY'78 appropriation requests.

** In the President's FY'78 appropriation requests.

STATEMENT OF SENATOR JAMES ABOUREZK

THANK YOU, MR. CHAIRMAN, FOR ALLOWING ME TO APPEAR BEFORE THIS COMMITTEE TODAY. WHILE I WILL KEEP MY REMARKS BRIEF, I WANT TO EMPHASIZE AS STRONGLY AS POSSIBLE THE NEED FOR COMMITTEE SUPPORT FOR THE APPROPRIATION OF FUNDS FOR PROGRAMS AND PROJECTS THAT I HAVE IDENTIFIED IN MY TESTIMONY.

I HAVE CONDUCTED A CLOSE REVIEW AND ANALYSIS OF THE REQUESTS SUBMITTED TO THE ADMINISTRATION FOR INDIAN AND NON-INDIAN PROGRAMS AND PROJECTS. AFTER A CLOSE REVIEW AND ANALYSIS OF THE PRESIDENT'S BUDGET REQUEST FOR FISCAL YEAR 1978, I FIND THAT THERE ARE SEVERAL AREAS OF ADDITIONAL NEED.

I HAVE TWO TYPES OF TESTIMONY. ONE IS AIMED AT LEVELS OF EXPENDITURE ON NATIONAL PROGRAMS, AND THE OTHER IS DIRECTED TO SPECIFIC PROJECTS. IT IS IMPORTANT TO NOTE THAT THE MONIES I HAVE IDENTIFIED ARE IN MAJOR IMPACT AREAS ONLY AND DO NOT COVER ALL AREAS OF THE BUDGET REQUEST FOR INDIAN PROGRAMS. THE SPECIFIC PROJECTS WHICH I IDENTIFY ARE PROJECTS THAT NEED FUNDING IN MY STATE OF SOUTH DAKOTA.

MY WRITTEN TESTIMONY IS QUITE EXTENSIVE, SO IN THE INTEREST OF TIME, I WILL SIMPLY SUBMIT IT TO YOU AND ASK THAT YOU GIVE IT EVERY POSSIBLE CONSIDERATION. TO MAKE IT EASIER FOR YOU TO IDENTIFY MY REQUESTS, I HAVE WITH THE WRITTEN TESTIMONY, TABLES THAT SHOW EXACTLY WHERE I BELIEVE THE APPROPRIATED MONIES SHOULD BE DIRECTED.

I CERTAINLY HOPE THAT YOU, MR. CHAIRMAN, AND THE COMMITTEE WILL AGREE WITH ME AND SUPPORT THOSE AREAS OF ADDITIONAL NEED THAT I HAVE IDENTIFIED IN MY TESTIMONY.

I WISH TO THANK YOU AGAIN FOR ALLOWING ME TO APPEAR BEFORE YOU TODAY.

The BIA's budget request for programs and areas of responsibility for FY '78 contains few increases, proposes reductions in several key areas of responsibility and programs. Although the total BIA budget request if $1,247,952,000, which reflects an increase of $146,035,000, approximately $100 million of the increase consists of appropriation of trust funds which belong to Indian tribes and doesn't represent program funding. The fact of the matter is that a total of $405,630,000 is represented by trust funds (1/3 of the BIA budget). This tends to present an inflated view of the size of the BIA budget.

A close review of the BIA budget request for funding of the multitude of programs operating under the remaining $842,322,000 reveals that a greater portion of the $54,360,000 increase will be primarily used to meet increased operating expenses in most program categories. A review and analysis of the total funding requests by tribes when compared with a review and analysis of the total BIA budget request reveals that the FY '78 request for funding is deficient in several major impact areas. With the requests for minimal increases, we can only expect that there will be reductions in several program levels of operation. With this in mind, I feel it my duty to point out the need for increases in appropriations in several major impact areas of the BIA and HEW-OIE/ONAP and IHS budget.

GENERAL GOVERNMENT

Office of Indian Services

One of the primary functions of the BIA is to assist tribal governments in developing their capabilities to fully exercise their rights of self-government and self-determination and to effectively deliver or direct the delivery of services needed by Indian communities and individuals and families residing therein. Indian services actively provide programs which serve as a focal point for much of the BIA's effort in carrying out the function. Tribes are assisted in developing local government services as well as improving their capabilities for self-government and contracting of federal programs. The President's proposed budget for this very im-

portant function in FY '78 is $178,935,000. It fails to take into account that there is an increasing need for greater funding, particularly for tribal courts, law enforcement grants, self-determination grants, training and technical assistance, and contract support. The budget for these areas should be increased by $18,616,000 for a total of $192,551,000.

Office of Trust Responsibility

The BIA Office of Trust Responsibility and Rights Protection has the primary responsibility for fulfillment of the Federal government's fiduciary obligations toward Indian rights and resources. If there is a breach in the carrying out of its trust responsibilities, the recourse for the tribes is through the courts. There have been many successful suits brought for loss of land for mismanagement of timber, water and mineral resources. Notwithstanding this obligation and legal responsibility, the BIA's budget request for the Trust Responsibilities Office was only 9.56 percent of the total BIA budget request for FY '78; in FY '77, the funding level was 8.76 percent; in FY '76, it was only 7.98 percent; in FY '75, it was only 7.13 percent; in FY '74, it was only 7.46 percent. In my opinion, the Office of Trust Responsibility's budget should be commensurate with its obligations. One of the obligations of this office is to pay attorney fees for tribes when they must retain private counsel in cases where conflicts of interest preclude the Federal government from prosecuting the case for the tribe. Now, there is a continuing and increasing problem of a lack of knowledge on how many cases the tribes will pursue in any given fiscal year. In my opinion, there should be a new procedure used whereby the BIA would come to Congress and ask for reimbursement for attorney fees paid out over and above what was appropriate, during the past fiscal year. There should not be a cutback in program monies in other areas, but rather an increase in budget level for this office.

In the area of Rights Protection within Trust Responsibility, the BIA requested $11,666,000. An increase of $20,840,000 for rights pro-

tection is required. Based on a review and analysis of tribal requests to the BIA to date and review and analysis of the BIA budget request, it is my opinion that of this increase, there should be a line item amount of $9 million to be used for attorney fees. In the area of natural resources development, there is a deficiency of $47,858,300 for forestry, agriculture, minerals, mining and power resources.

Management of Indian Forest Land

There are three major factors that limit the effectiveness of the BIA's intensive management work. One factor is that there is insufficient inventory data on the location, size, and condition of areas that need intensive management work. The size of the BIA's thinning and reforestation backlog is not based on forest land inventory data, but rather on rough estimates of how many acres need this type of work. Even the backlog estimates are not regularly updated to include new areas that have become overstocked or understocked. Another factor is that the BIA has not established annual and long-range goals for performing intensive management work, nor are there plans on how to eliminate the work backlog. BIA officials say that plans have not been developed because they don't have sufficient money to devote to that kind of effort and at the same time, maintain even current levels of harvest. The third factor that limits effective management is inadequate amount of forestry staff. For example, when the size of the forestry staff was compared with the allowable harvest volume in one national forest, the national forest had a considerably larger staff. For a million board feet, the national forest had about twice the staff available to the tribal forest lands in the same area.

Development of Mineral Resources

The development of Indian mineral resources for the benefit of Indians

has been hindered by a lack of inventories on the resources, lack of management plans, and a lack of expertise within the BIA. There has been a failure to establish a coal lease royalty rate based on the current selling price of coal. To illustrate this point, a review of 15 Indian coal leases showed that 12 had fixed royalty rates, and only 3 had royalty rates based on the current selling price of coal. The result of these kinds of leases is the Indian people lose tremendous amounts of revenue. The BIA/USGS does an inadequate job of monitoring for compliance with lease term agreements after issuance of a lease. There are no means of determining whether Indian preference in hiring lease provisions are effective. There are significant opportunities to improve the development of Indian mineral resources, increase Indian income and employment opportunities through improvements in the BIA management of Indian coal, oil and gas resources. There has been insufficient emphasis placed on developing these resources which causes the aforementioned limitations.

Croplands Management

The BIA must provide irrigation management services to encourage efficient use of irrigation waters. Agricultural leasing procedures need strengthening to insure that Indian landowners don't forego rental income for land improvements made by the rentee and financed with federal grants. Approximately 10,500 Indian families obtained all or part of their livelihood from farming their land. Along with this, much needed employment, Indian croplands produced about $259 million worth of agricultural products in 1973. Although the BIA's programs have provided assistance to Indians in management, there are needed additional efforts to improve Indian cropland management.

Range Management

There is a lack of good range management on some reservations because of overgrazing of rangeland, improper use and maintenance of improvements,

and inadequate use of BIA training and education programs. The result of these inadequacies is that the quality of Indian rangeland has deteriorated. This is particularly true on those reservations where serious overgrazing exists. The quality and quantity of cattle that range can produce has been directly affected by the condition and effective use of the land and its improvements.

Indians have significant rangeland resources which, if properly managed, could provide additional employment, income and economic development for Indian people and provide additional food to help meet the Nation's needs.

It is my opinion that if monies were made available to the BIA, they should be used to develop long-term range management plans that would provide cooperation between the tribes and the BIA in: Range and soil inventories to determine current range capacity; setting timetables for adjusting herd size to capacity; establishing grazing permit systems; development and prudent use of improvements to increase range capacity; determining the amount of federal and tribal funding needed to develop the improvement; and the establishment of education programs to promote good range management practices.

These deficiencies in management lead to substantial losses in revenues that could be received by tribes which further cuts into their efforts at self-determination and self-government. The BIA's budget in these areas should be increased by $47,858,300 to halt those losses in revenues to Indian tribes. Parenthetically, more money in this area not only would help in the short term, but could cut expenses substantially in the future.

Irrigation Construction

A recent report from the Department of Interior to the former Senate Interior Subcommittee on Indian Affairs revealed that all Indian irrigation

projects were incomplete, in obsolescent design, or in a seriously deteriorated condition. If the BIA's present level of funding of irrigation projects is maintained, further deterioration and obsolescence can be expected.

A crucial factor in establishing and protecting Indian water rights is the beneficial use of it. Water is essential to the economic and social survival of our first Americans. Without water, there can be no development of economic independence or self-determination of a very large percent of the American Indian population. The BIA's budget only funds irrigation at a level of $44 million when there is a specifically identified need of over $535 million for construction of presently planned projects, rehabilitation of existing facilities, improvements such as linings, etc., farm development, supplemental water supply such as wells, pumps and/or storage facilities.

Construction of Reservation-Based Service Facilities

The President requested $42,870,000 for new construction and improvements of existing facilities. The GAO and House Appropriations investigations staffs have recently identified a backlog of $750 million in construction. Under the President's current budget request, this backlog will continue to grow because existing facilities are deteriorating more rapidly than they can be replaced or upgraded, and escalating construction costs. The largest percent (75%) of need is in conjunction with educational facilities. The demand for classroom buildings and other educational buildings is on an increase. States and local jurisdictions have not been capable of providing the space necessary for Indian children. For this reason, there is a continuing responsibility on the Federal government to provide education to Indian children in many areas of the country. If we are to expect Indian children to have available the type of education required in today's world, we need to provide adequate, functional and safe facilities.

Land Consolidation

A severe and ever-increasing problem of Indian tribes is the dissipation of the tribal land base. Having a sufficient land base is the heart of Indian self-determination and self-sufficiency. This problem is the result of a misguided policy of forced assimilation of Indians into the American mainstream through allotment of Indian lands. However, the effects of allotment are still being felt by the tribes, even after Congress recognized its error and established the land consolidation program in 1934. The problem has become more severe recently because of an insufficient effort to combat it. This problem is further exacerbated by individual Indian allottee's desire to sell land (often brought about by individual poverty) at a time when tribes don't have the money to purchase the lands. The BIA has an unfunded authorization under the Indian Reorganization Act of 1934 for land consolidation. This continuing authorization should be funded at a level of at least $3 million. This does not meet the total tribal needs of land consolidation. Tribes will be coming to the Congress and the Administration with their own land consolidation proposals tailored to their specific needs; however, a continuing appropriation at the $3 million level is vitally needed by tribes that have severe problems with dissipation of their land base.

Office of Native American Programs - HEW

For the past three fiscal years and again in fiscal year 1978, the President has requested only $33 million to be used by the Office of Native American Programs, an agency within the Department of Health, Education and Welfare. The President's budget fails to take account of several key factors, such as: The popularity of the program with the Indian people; the flexibility of the program which allows the Indian community to use the funds for a variety of needs that are not met by other federal programs; the increased service population of over one-half million people (composed of Native Hawaiians, Oklahoma Indians and Indians in the eastern United States); increased need for training and technical

assistance; and need for additional staff. The ONAP budget should be increased by $13,220,000 to a total of $46,220,000.

Education

Education for Indians is a large and integral part of the federal program for Indians. The President proposed a budget authority level of $290,554.000 (BIA - $245,467,000; OIE - $45,087,000). It is my view, based on an investigation of the budget request for education, that there is a deficiency of $124,913,000. A report by the General Accounting Office identifies a very large unmet need in education of the handicapped. There are many additional educational needs within the BIA jurisdiction which the budget request does not address. These are: Early childhood education; special graduate programs; public school basic support; direct student aid; vocational education; adult education; BIA-run post-secondary education; Johnson O'Malley supplemental support; bilingual-bicultural education. Education monies are channeled through the BIA and HEW-OIE. The deficiencies are shared by both agencies. The deficiency within HEW-OIE is in Title IV, Part A, Part B, and Part C.

It is my opinion that there should be an increase of $57,000,000 in the BIA's budget request to be used in those areas identified above and an increase of $67,913,000 in the HEW-OIE's budget to be used in the categories identified above. It is also my opinion that these additional monies should be used solely for program services and not for expenditures on administrative costs.

Training and Employment

The Bureau's budget request for training and employment development for FY 78 is $45,887,000. This is a decrease of $5,163,000 from the amount made available in FY 77, which was $51,050.200. This cut back in request is carried entirely by the Indian Action program. There seems to be no rational reason for this cutback. The Indian Action Program has proven

very popular and successful with tribes because it develops the capabilities of the tribes to construct, operate, maintain, and manage reservation development. This facilitates the Congress' policy of having the BIA turn over the operation and management of programs to the Indian people. The program is an important mechanism in providing necessary job skills and management capabilities to allow participating tribes to make sound decisions about taking over programs operated in the Indian community.

In addition to the sixty existing Indian Action teams, there are requests for funding of an additional thirty Indian Action teams. To maintain the present level of operations of the existing Indian Action teams and to fund the additional thirty requested teams, there has to be added to the budget an additional $16,463,000. This should be used entirely for the Indian Action teams and not administrative costs.

The President's economic stimulus package speaks of putting a substantial amount of money into the economy. It is my view that to get the greatest return for those dollars, we should direct substantially more of it toward training and employment programs of this type.

Health

Congress authorized the Secretary of HEW to provide an across-the-board improvement in health services to Indian people when it overwhelmingly passed the Indian Health Care Improvement Act of 1976 (P.L. 94-437). That Act would, if fully implemented, encourage Indians to enter medical professions by making scholarships, remedial education programs, and IHS intern programs available (Title I); -- work toward eliminating the tremendous backlog of unmet health needs identified during the hearing process (Title II); -- improve existing IHS facilities - over 60 percent of IHS facilities fail to meet standards of accreditation due to poor physical plants (Title III); bring medicare and medicaid funds to IHS hospitals as reimbursement for services (Title IV) -- and provide contract monies for urban Indian clinics, presently an entirely unfunded area with approximately 50 percent of the Indian population living in urban areas, and

meet specific needs for sanitation and other environmental problems which contribute to poor health (Title III). The Act authorized $208,797,000 for FY 78; the IHS budget request was only $80,325,000. It is my opinion that we should fully fund all titles of the Indian Health Care Improvement Act.

BIA HOUSING PROGRAM

The BIA housing effort is designed to furnish funds and assistance to renovate existing housing and provide new housing for Indians in Indian communities. Indian families should receive the benefit of improved and new housing which is sanitary, safe and decent. The result of this would be reduced health and social costs, which are brought about by the prevalent conditions of unsafe and unsanitary environment. It is my opinion that the BIA housing effort should be increased from $16.8 million to $34 million. Again, these additions should not be expended on administrative costs.

	FY 78 Request	Identified Additional Need
GENERAL GOVERNMENT		
Services	$173,935,000	$18,616,000
Rights Protection	$11,666,000	$20,840,000
Resources Development	$49,788,000	$47,858,300
CONSTRUCTION		
Irrigation	$44,377,000	$491,000,000
Facilities	$42,870,000	$707,130,000
LAND CONSOLIDATION		$ 3,000,000
OFFICE OF NATIVE AMERICAN PROGRAMS (HEW)	$33,000,000	$13,220,000
EDUCATION		
BIA Office of Education	$245,467,000	$57,000,000
HEW Office of Indian Education	$45,087,000	$67,913,000
TRAINING AND EMPLOYMENT		
Indian Action Teams	$13,537,000	$16,463,000
HEALTH		
Indian Health Care Improvement Act	$80,325,000	$128,472,000
HOUSING PROGRAM	$16,827,000	$17,200,000

United States Senate
WASHINGTON, D.C. 20510

May 9, 1977

Honorable Robert C. Byrd
Chairman
Subcommittee on Interior
Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Chairman Byrd:

I am pleased to present testimony to the Subcommittee on Interior Appropriations concerning funding for Magneto-hydrodynamics (MHD).

In addition, I have attached testimony from Dr. John B. Dicks of the University of Tennessee Space Institute which I would also appreciate being included in the hearing record.

Mr. Chairman, I believe that MHD can become an important element in future electric power generation. As you know, MHD holds the potential of generating electricity at high efficiency and almost pollution free from high sulfur coal.

This process is being demonstrated successfully at the University of Tennessee and other locations. However, the UT Space Institute in Tullahoma, Tennessee, is the only place in the world where such work is being accomplished entirely with coal. All other generator programs operate largely with scarce distillate fuel or natural gas.

The Tennessee facility is a complete project, containing pollution control equipment, sulfur removal and downstream boilers, all designed for Eastern coal.

This program has substantial support in Tennessee. The State Legislature created the Energy Institute and appro-priated $5 million to utilize as matching money to encourage the project. We support the work Dr. Dicks is carrying on as we believe it is an important project for the energy security of this country.

Specifically, I urge your committee to approve a total of $86 million for MHD research so development can proceed in Tennessee and all other locations.

Thank you for your assistance in this matter.

Sincerely,

Jim Sasser
United States Senator

United States Senate
WASHINGTON, D.C. 20510

May 6, 1977

Honorable Robert C. Byrd
Chairman, Interior Subcommittee
Appropriations Committee
United States Senate
Washington, D. C. 20510

Dear Bob:

I am writing to request that you give your full consideration to requests by Dr. John B. Dicks, Director of the Energy Conversion Division of the Space Institute at The University of Tennessee, to provide sufficient funding for the Institute's research into magnetohydrodynamics (MHD) technology. As I am sure you are aware, MHD is a promising technology for the clean burning of coal to produce electricity. The efficiencies of MHD conversion of coal into electricity can be 60% or higher. This extraordinarily high efficiency would mean a significant reduction of thermal pollution, as well as a more efficient use of our coal resources. Coal is our most abundant fossil fuel, and it is important that we learn to burn it without polluting our atmosphere. The University of Tennessee has made significant advances toward inexpensive techniques to clean sulphur dioxide pollutants from the exhaust gases that result from coal burning. Other technical breakthroughs have allowed the Tullahoma MHD facility to demonstrate the technology at the high flow rate of two tons of coal per hour. No other facility has operated at such a high rate. The Tullahoma MHD project is developing techniques for burning high sulphur Eastern coal; and, therefore, it is the complement of ERDA's Montana MHD project that burns low sulphur Western coal.

Recognizing the challenge of transferring a technology to the private sector, The University of Tennessee planned its program of MHD development so as to involve industry in the project while it is still under University management. Through such a team composed of industry and University personnel working side by side, the technology will be optimally transferred from the laboratory to the plant.

The technical expertise and management of The University of Tennessee's MHD project has been exemplary. Many technical breakthroughs have been accomplished with rather modest funding. In view of the urgency of our energy crisis, the need for rapid development of MHD technology is evident. I feel that funding of The University of Tennessee project, in addition to ERDA's Montana project, is fully justified.

I request that this letter be made part of the hearing testimony on The University of Tennessee's MHD project.

Sincerely,

Howard H. Baker, Jr.

HHBJr:gh

STATEMENT OF JOHN B. DICKS

Thank you for this opportunity to present my position concerning ERDA's magnetohydrodynamic (MHD) program requests for fiscal year 1978.

ERDA's massive study "Comparing New Technologies for the Electric Utilities" just issued, finds that four coal technologies show promise: fuel cell with gasifier, magnetohydrodynamics (MHD), atmospheric fluidized bed, and combined cycle turbine gasifier. ERDA's "Energy Conversion Alternatives Study (ECAS)" reports similar results and Business Week, December 6, 1976 quotes the General Electric Company section of ECAS showing MHD/coal plants as being the least expensive source of electrical power. Although such studies require much hardware testing for confirmation, they all project an important place for MHD in the Nation's future power system. This place is earned by its potential for inexpensive sulfur removal from high sulfur Eastern coal and by projected efficiencies of 55 percent even in early versions of the plant. Thus, as one of the vital energy programs in the country, MHD deserves sufficient funding to be carried in development. I thus ask that ERDA's request for $50 million in FY 1978 be increased by $15 million. I make this request because demand for funding by the CDIF in Montana ($28 million) and for the cooperative program with the Soviet Union so deplete the requested funding that the programs actually producing data on MHD coal power production will be severely curtailed.

Testimony before the Congress clearly shows that the only MHD power conversion from coal anywhere is at the University of Tennessee's Tullahoma existing installation. Here not only is power production accomplished from coal at flow rates of 2 tons per hour, but also a model of most of the critical hot gas portion of an MHD power plant is being demonstrated successfully. The aspects of high temperature coal combustion at 5000°F have been shown, power generation with coal combustion gas at 4300°F and with full slag content has been demonstrated, slag separation beginning at 3800°F proved and boiler tube construction beginning at 3900°F with very high gas velocities is being experimentally developed.

All of these particular technical areas must be developed in order to achieve success in MHD. Many of the parameters are greatly in excess of those that have been used anywhere before. In the case of MHD, vital components of what will constitute a half billion to billion dollar power plant, depending on size, must all be developed. If any of these components cannot be developed in economically competitive form then the MHD plant for practical application will not be built.

In addition to the work on components, various chemical processes must be developed in MHD. An example of this is the addition and removal of potassium from the flow in such a way as to allow the MHD generator to work and at the same time remove all the sulfur from the flow to control sulfur pollution. Chemical recovery and regeneration of the potassium affects the economic status of the MHD process to such an extent that failure to develop economical recovery would make the MHD process too expensive to use in practical power plants. The Tullahoma installation, at the University of Tennessee is the only place that this work is being accomplished and demonstrated on a sizable scale (2 tons of coal per hour). The results of these demonstrations to date are exceedingly satisfactory (large scale sulfur removal and 90% potassium recovery have been accomplished) and optimistic, but much work lies ahead before the plant can be a reality and here is the only place it is being performed or can be performed in the next several years.

In energy research and development the entire process must be carefully planned through all of its stages leading to application. If this process is delayed or breaks down in any stage, then the American people do not get the benefits of the development. Past experience has shown that the majority of inventions reaching large commercial application do not arise in either governmental or industrial laboratories and only reach such organizations after a consider-

able amount of work has been done elsewhere. These facts are documented in books such as "Sources of Invention", Jewkes et al. and in reports prepared by ERDA's public distribution during their public meeting on Patent Licensing. This may well occur because smaller organizations such as universities can move at great speed and are not hampered by any of the commercial and economic decisions that must be made by industry. Thus, such fast-moving organizations do the beginning work in a new technology and we usually have left-to-chance the transfer of the technology from the organization that begins the work to the industrial organization that later does large scale demonstration and manufacture.

ERDA handles the problem of technology transfer by issuing a series of RFQ's which often results in awards to organizations with little or no prior experience in a given field, or the technology might be taken up by a government laboratory with a similar lack of experience. An example of this procedure is the CDIF in Montana where responsibility is divided among some seven organizations, none of which has successfully operated MHD systems and particularly none have ever operated MHD systems involving coal. As a result, this standard procedure is expensive to the taxpayers and causes great delay in the energy program during the technology transfer period.

Recognizing the technology transfer problem, the University of Tennessee planned its program of MHD development so as to involve industry in the project while it is still under University management. Thus, in the beginning control rests with the people who have the greatest familiarity with the program and industry will not have to pursue a program in a technology that is initially unknown to it. By such a team composed of industrial and university personnel working side by side, the technology is optimally transferred from the University people directly into industry. We would envision that industry would take on a larger and larger role as familiarity increases during the MHD program's progress.

The University of Tennessee's program is exceedingly cost-effective in that the University has designed, largely procured or is procuring a facility designed to run on Eastern coal which has higher flow rate capability than the CDIF, represents a complete system rather than just a test facility for it which includes combustors, boilers, slag separators, seed recovery, pollution control, which models the eventual MHD plant. The cost of these in Montana is included in the test budget rather than in the facility budget. The capital cost of the plant that the University of Tennessee is constructing is $6 million in contrast to the incomplete plant in Montana at $37 million. For example, the MHD channel alone for the Montana facility has been contracted to AVCO, Incorporated, for $19 million. Other pieces of equipment are likely to be as costly.

The University of Tennessee has carefully chosen leaders in the commercial field of electrical power equipment. Its subcontractors are Babcock and Wilcox, one of the four largest suppliers of coal power equipment in the United States, and Burns and Roe, Incorporated, architect/engineers who have one of the largest involvements in the United States in energy development work as well as in the commercial construction of power plants.

Work at the University of Tennessee was not started on an RFQ, but by an unsolicited proposal which grew out of ten years of technical experience and the first successful demonstration of coal-fired MHD in the world. It was recommended by the Congress after several years of hearings on the subject was finally funded by the government. This unsolicited proposal was made with cost-saving in mind using creative imagination to reduce the cost of MHD development. For example, it pointed out to the government that for this facility size (three to ten tons of coal per hour) separately fired preheaters which would have cost on the order of $15 million could be eliminated, and a device called vitiation heater ($100 thousand) could be substituted. This creative idea has been adopted by ERDA and the cost savings passed on to the Montana facility. Also, the University of Tennessee, as shown in Figure 1, has located much of its equipment

on the outside taking advantage of the mild climate to avoid expensive protective structures. Figure 2 shows ERDA's Eastern coal facility that is being built in Tennessee is designed with most of the equipment on the outside. This results in great reduction in cost for objects such as the 10-story high coal feed towers. The existing University of Tennessee facility was operated unhampered by recent severe weather conditions this past winter.

Such cost-savings in general would not be possible in ERDA's standard RFP approach where the government specifies the facility and does not have the internal experience to save cost through creative design.

The Congress thus has before it two programs, one being managed in the conventional way on Western coal, and the other one on Eastern coal being carried forward by two well-known industrial organizations with the University of Tennessee in the lead. It is worth following the progress of these two programs which are directed towards different, but technically comparable objectives. We already know from experimental operation of simulated Western coal at the University of Tennessee facility that the ultimate design of the two power plants will be considerably different, with sulfur removal being emphasized in Tennessee and the problems of handling the spontaneously combustible Western coal with its corrosive slag being the primary objective in Montana.

We, therefore, ask that the Congress lend its support and protection to both programs; Montana in its need for adequate funding through ERDA's conventional development process and in Tennessee to protect its cost-effective program by supplying the relatively small funding to ERDA's budget required for its continuation.

For the future the State of Tennessee has shown its faith in MHD technology and in a continuation of cost-effective energy development here by creating the Energy Institute and by providing $5 million in matching funds towards the organization for an MHD power plant effort on Eastern coal in Tennessee. Because of our rapid advances in the development of coal firing, the added emphasis on coal in the National energy picture, and continuation of the work in Tennessee into the pilot plant stage is vitally needed. We have preliminary discussions with industry underway with the intent of raising some $20 million more in funds and resources to provide the matching funds as laid down by the governmental requirement for power plant construction programs. We concur in the policy of the Government for requiring matching funds in these cases as this is the way of assuring that groups seeking to carry out such pilot programs have sufficient confidence in success to place their resources along with those of the Federal Government in joint energy projects.

STATEMENT OF SENATOR FRANK CHURCH

Mr. Chairman, I appreciate this opportunity to testify before your subcommittee in conjunction with the Idaho Fish and Game Department in support of additional appropriations for fish and wildlife management under the Sikes Act.

Attached is the testimony of Joe Greenley, Director of the Idaho Fish and Game Department. It clearly indicates that additional monies in the FY 1978 budget for wildlife management purposes can be well spent in Idaho. I hope the Committee will support this request for increased funding for Sikes Act implementation. It totals $8 million for the Bureau of Land Management and $26 million for the Forest Service.

Two-thirds of the State of Idaho is under Federal jurisdiction; 20.3 million acres are managed by the Forest Service , and 12.0 million acres by the Bureau of Land Management. It is important for these agencies to begin necessary work to reverse the shrinking wildlife habitat which is forcing sharp reductions in game herds in Idaho and throughout the West. Unless we start to improve the food and cover on which wildlife populations depend, we may see the extinction of certain important herds. There is widespread agreement among all interested parties that Idaho's deer, elk, moose, antelope, bighorn sheep, and mountain goat populations can be greatly aided by habitat improvement and rejuvenation.

For example, in the early 1900's large forest fires in northern Idaho burned millions of acres of land. The brush which grew up to replace the burned materials provided magnificant elk forage. The indigenous elk herd increased dramatically from a small group to one of the largest herds in North America by the 1950's. However, today according to Fish and Game Department figures, the elk population declined to about one-half its size during that peak period. It appears that this decline is most closely related to the shortage of suitable forage on low level slopes which serve as winter range for the elk. Probably our best chance for restoring some of this lost forage is through the cooperative plan developed by the Fish and Game Department and the Forest Service. This plan would be funded by the Sikes Act appropriation.

Another important part of this plan relates to anadromous fish. Since the construction of many hydroelectric dams on the Snake and Columbia Rivers, Idaho's annual salmon and steelhead runs have suffered drastic reductions. Through a broad-based effort, which has my full support, a variety of agencies are working to bring fish runs back to their traditional levels. Programs which would be initiated under this budget request would provide much needed help, by removing migration barriers and hazards, improving spawning areas, and developing rearing ponds on the headwater drainages.

In addition to the two portions of this plan which I have discussed, the Fish and Game Department would cooperate with both the Forest Service and the Bureau of Land Management to improve gamebird habitat to increase pheasant, chukar partridge, and grouse populations.

Mr. Chairman, in summary I would simply note that a very large portion of Idaho's population hunt or fish on our public domain lands. These two activities provide a big share of the State's economic income. It is critical to provide these long overdue funds to assure adequate fish and wildlife habitat. I hope you can support this request.

STATEMENT OF JOSEPH C. GREENLEY

Mr. Chairman, Members of the Committee, we appreciate this opportunity to testify in support of the Bureau of Land Management and Forest Service appropriations of $8,000,000 and $26,000,000 respectively for wildlife management purposes under PL93-452, commonly known as the Sikes Act Amendment.

As one of the "public land" states of the west, our specific interest is for those portions of the appropriations designated for programs in Idaho which are approximately $600,000 for the Bureau of Land Management and $2.5 million for the Forest Service.

Our state has been endowed with a rich variety and abundance of fish and wildlife. Based on the number of licenses sold plus the senior citizens and youngsters who hunt or fish with no cost, we estimate that nearly one-half of our population plus sizable numbers of nonresidents utilize the lakes, streams, forests and foothills of Idaho for hunting and fishing. Our responsibility to these citizens rests under that section of our State Code which states that all wildlife is the property of the State and shall be managed so as to provide continued supplies of such wildlife for hunting and fishing.

As the agency responsible, we long ago came to the realization that the "continued supplies of such wildlife" were dependent not so much on the hunting and fishing regulations we might establish but upon the land. Lands which provide wildlife's food, water and shelter requirements produce good wildlife populations and lands that do not have suitable conditions for wildlife do not produce wildlife.

About two-thirds of Idaho is public land under Forest Service and Bureau of Land Management administration and this two-thirds of our land produces most of the deer and elk and practically all of the scarcer big game species such as moose, antelope, bighorn sheep and mountain goat. These public lands are also important to the production and hunting for the bulk of Idaho's chukar partridge, forest grouse and sage grouse. Public lands along water courses provide access to areas for waterfowl hunting, and the remaining tracts in and adjacent to privately owned farming areas are extremely important to our pheasant populations.

The proportion of our water area on public lands is also approximately two-thirds of the total surface acreage of water in Idaho. Of further significance is the fact that these lands form the headwater drainage for most of our streams and these watershed values extend their effect beyond the boundaries of the public lands to almost all Idaho waters.

Thus, with half of our people concerned and two-thirds of our total land area and two-thirds of our water involved, the effect of public lands on our wildlife resources and to our citizens is of extreme importance. As the agency in charge of managing wildlife, our concern with the management of these public lands is obvious.

In common with other state fish and game agencies in the west, we have an understanding with both the Bureau of Land Management and the Forest Service that we are responsible for managing the wildlife and they are responsible for the habitat. Both of these federal agencies also have a charge under their multiple use directives to provide for wildlife in their programs. However, the funding for wildlife in their budgets has been so small as to have been virtually meaningless in terms of on-the-ground accomplishments compared to their other programs such as timber and livestock management.

The possibilities under the Sikes Act Amendment to provide funds specifically for wildlife programs is the best opportunity we have yet seen to correct this chronic short-coming in Bureau of Land Management and Forest Service multiple use management.

Under terms of this act, both agencies have developed in cooperation with the Idaho Department of Fish and Game, a broad cooperative agreement and plans for

specific habitat improvement projects for which funds are now being requested. In Idaho the top priority program under the Bureau of Land Management is to improve the food and cover and manage the extremely critical isolated tracts of public land which remain scattered throughout the irrigated farm lands of southern Idaho. These small tracts are the last remaining islands of native vegetation surrounded by highly developed agricultural lands. Habitat on these tracts, although attractive to wildlife, is generally far below its potential. Improvement in management under the requested funds could multiply the effectiveness of these lands by supplying the missing ingredients that wildlife, and pheasants in particular, lack on the surrounding farmlands.

Another Bureau of Land Management program is for the nationally renown Birds of Prey Natural Area along the Snake River to provide better protection for the various species of raptors including potential transplants of the endangered peregrine falcon.

The top priority Forest Service program in Idaho is to restore badly deteriorated habitat for the northern elk herds. This situation relates to the wildfires which burned millions of acres of conifer forests in the early 1900's. The shrubs which replaced the trees provided optimum forage and the elk expanded from a small nucleus to one of the largest herds in North America by the 1950's. Today, the elk population has declined to about one-half of its peak numbers.

The causes of the decline appear to be most strongly related to declines in the forage especially on low elevation slopes which serve as winter range. The brush fields which replaced the trees that were burned by wildfires now produce less than one-third the elk food they did twenty years ago because under natural succession, unpalatable plant species have reseeded on many areas and have crowded out forage plants. In some cases, shrubs have grown so tall that elk cannot reach the palatable terminal portions. Very few acres of winter range have been improved by naturally occurring wildfires since a large burn in 1934.

In an attempt to reverse the downward trend in food production, our Department, the University of Idaho and the Forest Service began experimenting with controlled burning to improve these elk ranges in the mid-1960's. Studies documented an increase in forage and elk use on areas that were burned during the spring and fall months, two seasons when fires could be effectively controlled. As a result of the beneficial effects obtained by this method, our Department and the Forest Service have financed burning of 41,000 acres to date. Since about 300,000 acres (5 percent of the total national forest land in the area) are in need of rejuvenation, the acreage burned has not even kept pace with the continuing decline of forage that is occurring on nonburned ranges.

It appears that the best hope for restoring northern Idaho winter ranges to their potential for supporting elk lies with funding under the Sikes Act Amendment.

Another major program under the Forest Service request, is for anadromous fish. Idaho runs of salmon and steelhead have suffered drastic reductions for various reasons related to their long migrations through the Salmon, Clearwater, Snake and Columbia Rivers. Many agencies and programs are attacking this problem on the lower rivers. Programs under this budget request would remove migration barriers and hazards, improve spawning areas, and develop rearing ponds on the headwater drainages.

Additional Forest Service programs are for: inventory, planning and habitat improvements to benefit endangered or threatened species; planting and seeding on key ranges for various species of big game and upland birds; closure of un-needed roads to provide sanctuary areas; and evaluating the impact of phosphate mining on wildlife habitats. Other programs involve improvement of stream and reservoir habitats for resident species of fish, and inventory, planning and habitat management for upland birds, furbearers, waterfowl and nongame species.

The Idaho Department of Fish and Game has assisted in the planning of these projects and we view these requested appropriations as an essential beginning toward correcting the long-standing inequity in funding programs of the Bureau of Land Management and Forest Service, and vital to the restoration and future well-being of important wildlife populations.

With half of our citizens using our wildlife and two-thirds of our State in public lands, stronger wildlife programs by the federal land management agencies is of extreme importance.

Thank you for the opportunity to testify. We respectfully urge your favorable consideration of the requested appropriations.

SUBCOMMITTEE RECESS

Senator STEVENS. There appears to be no further witnesses. The subcommittee will stand in recess until April 18 at 9:30 a.m. when we will hear the fiscal 1978 budget estimate of the Smithsonian Institution.

[Whereupon, at 11:20 a.m., Wednesday, April 6, the subcommittee was recessed, to reconvene at the call of the Chair.]

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 1978

MONDAY, APRIL 18, 1977

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, D.C.

The subcommittee met at 9:30 a.m., in room 1114, Everett McKinley Dirksen Office Building, Hon. Ted Stevens presiding.

Present: Senator Stevens.

SMITHSONIAN INSTITUTION

STATEMENT OF S. DILLON RIPLEY, SECRETARY

ACCOMPANIED BY:

JOHN F. JAMESON, ASSISTANT SECRETARY FOR ADMINISTRATION
CHARLES BLITZER, ASSISTANT SECRETARY FOR HISTORY AND ART
DAVID CHALLINOR, ASSISTANT SECRETARY FOR SCIENCE
JULIAN T. EUELL, ASSISTANT SECRETARY FOR PUBLIC SERVICE
PAUL N. PERROT, ASSISTANT SECRETARY FOR MUSEUM PROGRAMS
T. AMES WHEELER, TREASURER
RICHARD L. AULT, DIRECTOR OF SUPPORT ACTIVITIES
BROOKE HINDLE, DIRECTOR, NATIONAL MUSEUM OF HISTORY AND TECHNOLOGY
PETER G. POWERS, GENERAL COUNSEL
THEODORE H. REED, DIRECTOR, NATIONAL ZOOLOGICAL PARK
JON YELLIN, DIRECTOR, OFFICE OF PROGRAMING AND BUDGET

Senator STEVENS. Good morning.

This is the time scheduled to hear the fiscal 1978 budget estimates of the Smithsonian Institution and to inquire further into the questions the committee has raised on fiscal practices of the Institution.

The budget request is for $106.5 million, which is an increase of $9.5 million over appropriations to date for this fiscal year.

PREPARED STATEMENT

Dr. Ripley, we welcome you again before the committee. Your prepared opening statement is quite detailed and it will be printed in full in the record. Would you please introduce those who are with you at the table for the record. We would appreciate it if you would highlight your statement.

[The statement follows:]

STATEMENT OF S. DILLON RIPLEY

Mr. Chairman and Members of the Subcommittee:

It is a privilege to appear once again before you on behalf of the Smithsonian Institution. We come before you today especially proud of the Smithsonian's accomplishments last year, the Bicentennial, a success made possible by the support and encouragement of this Committee. With the budget which I am presenting today, we hope to maintain this record of progress and cooperation.

Major emphasis this year--as in the past--has been devoted to evaluating the Institution's priorities and objectives and identifying the most prudent manner of attaining them. "The Smithsonian...cannot escape the need...to subject its activities to the most searching review and to reappraise its objectives in the light of the more rigorous expectations of the day." These words, quoted from my statement prefacing Smithsonian Year 1969, apply equally well today.

The variety of opportunities that the Institution will have to contribute to the knowledge of Mankind make it incumbent upon us to continue to appraise the direction in which we are moving. I believe that our Fiscal Year 1978 budget request reflects such a careful assessment.

Analyses of our programs have followed and are continuing to follow certain rigorous techniques. Since 1969, we have undertaken annually a form of base review specifically tailored to Smithsonian needs. Only after this thorough review of how we are expending our existing resources and an assessment of future needs, do we propose budgetary increases. The Smithsonian budget request for Fiscal Year 1978 similarly represents the product of our managers' thorough review of our programs and their collective thinking about our needs--both immediate and long-term.

Before highlighting the key themes in our budget, I would like to outline some of the Institution's more noteworthy accomplishments since I appeared before this Committee last year.

Accomplishments in the Bicentennial Year

This past year, 1976, marked the culmination of ten years' preparation for the Bicentennial celebration. The many events of the Bicentennial year, including the opening of special exhibitions in Washington, a number of traveling exhibitions viewed by millions of people throughout the country, two new museums, scholarly publications, and the Folk Festival, have contributed to the reawakening of a sense of faith in the cultural spirit of America. The unparalleled success of the occasion was due in large measure to the foresight and generosity of this Committee and the Congress which appropriated some $13 million for the American Revolution Bicentennial Program. For this support, the Smithsonian and the Nation owe the Congress a debt of gratitude.

The impact of our Bicentennial programs will continue long beyond 1976. Among the Bicentennial activities that are still to be enjoyed are two significant exhibitions, "A Nation of Nations" and "1876--A Centennial Exhibition." These exhibitions serve as documentaries of our country's past. The "Nation of Nations" exhibit depicts the richness of our culture against the historical background of immigration. The "1876--A Centennial Exhibition" tells us what we were most proud of a century ago. It opened in the newly renovated and restored Arts and Industries Building 100 years to the day from the Philadelphia Centennial opening in Fairmount Park. Outside the building lie the outlines of the partially completed Victorian Garden, a living exhibition of the style and grace of a century ago.

Other Bicentennial exhibitions still open to the visiting public include "Ecology 200--Our Changing Land" in the National Museum of Natural History and "The Anacostia Story" in the Anacostia Neighborhood Museum. The latter tells of the evolution of a black community, an exhibit closely intertwined with the history of the Nation's Capital and its development. Through this exhibit and its related oral history project, the museum has been instrumental in preserving the lifestyles and cultural heritage of the community. In fact, the creation of the Anacostia Historical Society in 1974 was stimulated by the presence of our Anacostia Neighborhood Museum. Also in Anacostia is the new Exhibits

Design and Production Laboratory, started with Bicentennial and grant funds and now training minority people in techniques of exhibit making.

The new National Air and Space Museum--the most successful in the world today with about three-quarters of a million visitors a month--was constructed during this period of Bicentennial preparation. I want to emphasize that this museum opened up ahead of schedule and under the estimated budget. In 1965, the cost of the building was estimated to be $40 million. By the early 1970's when it appeared the project might be permitted to proceed, it was estimated that inflation had increased the cost of the structure from the original estimate of $40 million to between $60-70 million. Knowing that the inflationary rates of the late Sixties could be fatal to the project, we redesigned the building to conform to the 1965 estimate.

I also would like to mention that on October 7, the Cooper-Hewitt Museum of Decorative Arts and Design in New York City was opened to the public. Authorized by the Regents in 1968, this small museum is one of the Nation's primary showcases of decorative arts and design. To date, approximately 100 thousand people have visited the Cooper-Hewitt Museum.

Among our Bicentennial year publications and scholarly endeavors which will prove valuable as research tools for generations of students and scholars and permanent records of the period is the "Inventory of American Paintings Before 1914." This project elicited the participation of hundreds of willing volunteers all searching for American paintings throughout the country. The Inventory became available to the interested public and scholars last July with the publication of its first Directory and now lists more than 170,000 works of art.

Other particularly noteworthy accomplishments of this past year include the completion of a new three-level facility for public service in the West Court of the Natural History Building. Constructed almost entirely with trust funds, it houses restaurant and classroom facilities for the visiting public, school groups, our Associate members, and staff as well as a new Naturalist Center where professionals and hobbyists alike can study and handle specimens of every variety.

Finally, with a look toward knowledge in the future, the LAGEOS satellite, designed by scientists at the Smithsonian Astrophysical Observatory, was successfully launched by NASA on May 4th. It is now providing information on earth crustal movements, polar motion, and variations in the earth's rotation.

Budget Profile

We are requesting appropriations totaling $106.5 million for FY 1978 for the Institution's six appropriations. This represents a $6.1 million increase over our FY 1977 estimates. Of the total amount requested, $89.0 million is sought for our Salaries and Expenses appropriation, $2.0 million for the Science Information Exchange, $4.5 million for the Special Foreign Currency Program, $1.0 million for repairs and improvements to facilities of the National Zoological Park, $9.7 million for restoration and renovation of buildings, and $325 thousand for planning a much needed Museum Support Center in Silver Hill, Maryland.

In developing this budget, we have struck two basic kinds of balances: 1) between program and support needs, and 2) between the urgent, present requirement to repair our valuable buildings and our responsibility to plan and build for the future. The increase proposed in our FY 1978 budget, we believe, is truly limited given the diversity and the vitality of our programs. I would now like to summarize the main themes in our request by appropriation.

Salaries and Expenses

For our Salaries and Expenses appropriation, we are requesting $89.0 million in Fiscal Year 1978. This represents a net increase of $3.6 million over our estimated FY 1977 base of $85.4 million. Program increases totaling approximately $3.6 million and unavoidable cost increases of $960 thousand are offset by a reduction of $954 thousand for certain expenses which will not continue in Fiscal Year 1978. The largest of these nonrecurring expenses is the remaining $412 thousand in our base for phasing out the Institution's Bicentennial Program. We are thus fully honoring our original commitment of 1970 to phase out our Bicentennial budget.

Program Functions

For program functions, we are requesting an increase of 24 positions and $1,485 thousand in FY 1978. These additional resources are sought for research (3 positions and $515 thousand), exhibitions and performances (7 positions and $415 thousand), collections management (13 positions and $334 thousand), collections acquistion (1 position and $171 thousand), and education and public orientation ($50 thousand).

Research

Speaking of research first, this key function continues to serve as the focal point for program results in many other areas. For example, new exhibits and educational offerings are grounded in a firm base of scientific, historical, and curatorial research. The National Collections are given meaning through the application of research. The process of collecting is made selective and rational by current research. And scholarly and popular publications are largely based on research.

Research done at the Smithsonian, historically, has not been merely academic, but rather has presaged some of the most important potential practical studies for the future. In 1939, some 38 years ago, the late Secretary of the Smithsonian Institution C.G. Abbot wrote a prophetic treatise entitled "Utilizing Heat from the Sun." As Dr. Abbot noted: "The quantity of energy available from solar radiation...is immense. As I shall show in what follows, we may count on the possibility of converting 15 percent of the energy of such solar rays as are intercepted by our devices into mechanical work." He went on to describe various devices for converting solar energy into heat, further considered the storage of solar heat or power, and concluded by speculating on the commercial use and cost of solar heating. Dr. Abbot noted elsewhere in 1942 "...with the present rate of exhaustion of our natural fuel the use of the sun's energy for industrial power and home convenience may not be far in the future." Indeed, C.G. Abbot's own important research was far in advance of its time.

Today's research may have the same useful application for the future. For example, one of our experts in invertebrate zoology has recently shown that he and his colleagues are using amphipods (tiny marine creatures such as beach fleas) in crucial monitoring programs to guard against marine pollution. By understanding the physiological tolerance of amphipods to oil pollution, scientists are able to determine the level at which pollution will disrupt the entire marine ecosystem. Many studies of amphipods have taken place in southern California, and we are now witnessing a heavy demand for monitoring and assessment surveys of the marine fauna in Alaska.

A further instance of timely research--being conducted at the Smithsonian Astrophysical Observatory--is on the relationship between the prolonged lack of solar surface activity and the cold and drought we have experienced this winter. Although dust, pollution, carbon dioxide and sulfur dioxide that climb into the upper atmosphere from the surface of the earth are still believed to be the main ingredients in any changes in the weather, the degree of solar activity is becoming recognized as an important factor. Long periods of low solar activity in the past can be correlated to long periods of cold temperature on earth.

Also of recent note has been the increasing public and scientific interest in the beaching of whales along our oceanic coasts. The Smithsonian has a principal responsibility for conducting research on stranded marine mammals under an agreement with the National Marine Fisheries Service, a branch of the National Oceanic and Atmospheric Administration.

Smithsonian scholars are engaged in studies of natural habitats critical to the preservation of endangered species, the preservation of economically important waterways in the U.S., and the development of alternate sources of energy. At the National Zoological Park's research and conservation center at Front Royal, Virginia, research into the breeding activity of endangered species is being conducted which will ultimately lead to better management of captive animals and provide greater knowledge in the fields of animal behavior and reproduction.

The Smithsonian research activities are not confined to science, but extend to history, art, cultural anthropology, and even studies of immigration. For example, work is going on at the Museum of History and Technology into the techniques of restoring damaged or faded photographic images using neutron

activation. Anthropological film studies of non-Western cultures are revealing patterns of behavior that have implications for the understanding of basic human potential. And multi-disciplinary approaches are being used to gain a more complete understanding of the immigrants who have come to the United States since 1965.

Looking at these examples of research efforts, I am becoming more and more convinced of the lack of validity and usefulness in the oft-stated distinction between basic and applied research. It is said that basic research is commonly thought of as investigation for the advancement of scientific knowledge in general. The goal of applied research is usually described as the discovery of new scientific knowledge with a specific objective in mind. I prefer to think of Smithsonian scientific pursuits as original research--research that provides the baseline data essential for policy planners in mission-oriented agencies.

In fact, the Smithsonian of today might be aptly called the Nation's environmental bureau of standards. Our many bureaus have consistently been involved in the exploration and assembly of basic information and measurements about the earth's environment, including data emanating from observations of the universe. Additionally, our anthropological collections help document man's interaction with the environment. For more than a century and a quarter, we have been looked to by our scientific colleagues as well as laymen to maintain, augment, and improve upon one of the major existing data banks dealing with natural phenomena.

For Fiscal Year 1978, we are requesting an additional 3 positions and $515 thousand which will be applied to a variety of research purposes. Approximately half of this amount will be used to support current and important new programs in such areas as solar research, linguistics, ornithology, and tropical biology. Also included in this requested increase is an amount of $60 thousand for our Research Awards Program which would restore the funding of this very valuable program to the 1976 level.

An additional $118 thousand will support urgent and important cultural documentation efforts of our Anthropological Film Center and the unique and valuable studies of new immigrants from Central America and the Canal Zone being undertaken by the Research Institute on Immigration and Ethnic Studies. Finally, further funds are requested to support continued research and presentation in the field of folklife.

Exhibitions and Performances

A review of the Smithsonian Collection of Classic Jazz in the Washington Star this past December written by Bill Bennett points to the standards we strive to meet in our exhibitions and performances programs. Mr. Bennett wrote, "...as a cultural resource for Washington's residents, the Smithsonian is second to none...." The review went on to describe recordings prepared by the Division of Performing Arts and issued on the Smithsonian Collection label as a series unique in its historical and musicological attention to the growth and development of American music and further noted that the collection is well on its way to becoming a standard reference for critics and an educational tool for the study of modern American music.

Just as Smithsonian recordings and performances are setting standards of excellence, so it is with the variety of exhibits which are on continuous display in our museums, art galleries, and the National Zoological Park and which travel throughout the country. Staff members are continually seeking new techniques to make our exhibits more interesting and educational. Live displays and displays of objects that can be handled (the recently opened Insect Zoo and Naturalist Center at the National Museum of Natural History are examples) are adding new elements to our exhibits programs.

In a word--through exhibits and performances--museums come to life. We are ever mindful of the fact that no activity undertaken by the Smithsonian has more public visibility than our permanent and temporary exhibits and performances. For FY 1978 we are requesting an additional 7 positions and $415 thousand for exhibits activities. These resources will be used to support a major new exhibit on African cultural development at the Anacostia Neighborhood Museum and to enable the continued production and distribution of traveling exhibitions at a cost affordable to smaller museums, galleries, and educational institutions with limited financial resources. Additional funds will be used also to maintain large areas of new exhibits space in museums on the Mall as well as in new exhibit

facilities at the Zoo and to explore alternatives for potential use of the last Mall building site.

Collections Management

A third function for which we are requesting increases in FY 1978 is collections management. Collections are one important aspect that distinguish museums from other institutions of learning. As custodian of the National Collections, the Smithsonian Institution possesses more than 70 million art objects, natural history specimens, and artifacts, as well as the animals of the National Zoological Park, all of which require highly skilled care.

The collections management function encompasses the receipt, accessioning, documentation, and care of animals, specimens and objects, and the maintenance of archives to provide support and background materials to the collections. For FY 1978, we are requesting an increase of 13 positions and $334 thousand under this heading.

The major share, 8 positions and $158 thousand, is designated for animal management at the National Zoological Park. Largely owing to our Zoo construction program, by Fiscal Year 1978, the area under the animal keepers' care will be greatly enlarged at Rock Creek. At Front Royal, the animal collections will have grown considerably.

We are also requesting an additional $67 thousand to support the assembly, accession, and preservation of the film records of the Anthropological Film Center. An amount of $40 thousand is proposed to continue the collections management study and collections organization and installation activities related to the Museum Support Center program. This study is now in progress and a report will be available this fall. The selective but necessary growth of collections coupled with inadequate storage space in the museum buildings necessitates a continuing long-term commitment to principles of sound collections management. It has become ever more urgent for the Smithsonian Institution to be at the vanguard of developing methodologies in the fields of conservation, data recording and retrieval, space use, and storage systems. Three new positions and $30 thousand are proposed to provide additional support personnel for staff scientists at the Museum of Natural History. Finally, 2 new positions and $39 thousand are needed to support the microfilming work of the Archives of American Art and to enable the Smithsonian Archives to preserve valuable historical records of the Institution.

Collections Acquisition

The next programmatic function--for which we are proposing a modest increase of $171 thousand--is collections acquisitions. Nearly all of the Institution's collections are obtained through the generous gifts of benefactors. More and more frequently, however, certain objects, most particularly works of art, are becoming available only through purchase. An increase of $150 thousand to our relatively small but vital Federal funding base for acquisitions is needed to permit our art museums to maintain fully representative collections as is their charge. Accordingly, an additional $150 thousand are requested for three of our art museums to help assure that they will be able to purchase particular paintings, sculptures, and photographs. One position and $21 thousand are also requested for the Archives of American Art. The position will be used for a Washington-based staff member who will search out and seek to collect or microfilm historically significant art history documents in the mid-Atlantic area.

Education and Public Orientation

Finally, we are seeking an increase of $50 thousand for our Office of Academic Studies. Presently, the Office is able to offer only about 40 fellowships a year to promising pre- and postdoctoral scholars. The additional funds would enable us to make six more grants. We believe that our varied and often unique collections offer especially valuable opportunities for significant research at the Smithsonian--opportunities that are not available elsewhere. As an important adjunct to university education, our fellowship program has two principal products, increased knowledge based on sound research and the intellectual enrichment of both our own staff members and the scholars who spend time with us.

Support Functions

For support functions, we are requesting an increase of 48 positions and $2.1 million in FY 1978. These additional resources are designated for buildings

and facilities management (17 positions and $630 thousand), protection services (20 positions and $475 thousand), automatic data processing ($391 thousand), general administration (10 positions and $354 thousand), printing ($125 thousand), libraries (1 position and $105 thousand), and conservation ($30 thousand).

The bolstering of our support functions must proceed hand in hand with the growth of our program activities. By careful, balanced attention to program and support functions, we may be sure that the Institution is making full and proper use of the professional staff, collections, and museums and galleries. Research efforts require computer and library support; our priceless collections and millions of visitors are entitled to adequate protection services; and our buildings and facilities, many of them historical landmarks, merit proper care and attention. A sound administrative structure is integral to all of these areas and the efficient and effective running of the Institution.

Buildings and Facilities Management

The major portion of the proposed support increase, 17 positions and $630 thousand, is for buildings and facilities management. Of this amount, 11 positions and $507 thousand are earmarked for the Zoo. As I will discuss in more detail later on, FY 1978 has been designated as a year of consolidation and evaluation of the rapid progress in renovating Rock Creek facilities and developing the Front Royal animal conservation and research center. Before proceeding with work under the Master Plan, we need to assure ourselves that what we have done is being maintained properly and that plans for the future remain sound.

We are also seeking 4 additional positions and $45 thousand to meet the expanded workload of the Office of Horticulture. In recognition of its important role in the creation of exhibitions throughout the Institution, we have transferred horticultural services from the Office of Plant Services to the direct responsibility of the Assistant Secretary for Museum Programs.

The remaining $78 thousand being requested is needed to pay higher rental fees at L'Enfant Plaza and 1111 North Capitol Street and for miscellaneous purposes.

Protection

We are requesting 20 new guard positions and $475 thousand for protection services. These resources will enable us to provide proper protection for the visiting public and the priceless and irreplaceable objects in the National Collections. The additional positions are associated with the new halls, galleries, and exhibitions which were opened in 1976 as part of the Smithsonian's Bicentennial observance and which we planned to keep open for the public's education and pleasure. Also included in this proposal is an amount of $100 thousand to continue the conversion from a leased to a proprietary alarm system. Under the new system, all fire and burglar alarm devices located in Smithsonian-owned facilities in the Washington, D.C. area (except the National Zoological Park which has its own system) will connect directly to a control system in the Smithsonian Institution Building. The time between the actual alarm and the response will be substantially reduced, thus minimizing potential loss from fire or theft.

Automatic Data Processing

The Smithsonian Institution makes heavy use of computers--as an indispensable tool in the research projects of scientists and in the documentation of collections in virtually all bureaus and for efficient administrative support in such areas as finance, personnel management, and library procurement. An additional $391 thousand is requested in FY 1978 for automatic data processing. Approximately 80 percent ($325 thousand) of the proposed increase is designated for the Smithsonian Astrophysical Observatory in Cambridge, Massachusetts, where a critical lack of adequate computing time has severely limited interpretation of the substantial amount of data on the earth and sun. To remedy this situation, we are proposing to replace the nine-year old computer currently in use with one that will have three times the speed and twice the memory of the existing machine. Additional funds are also requested to enable the Accounting Division to purchase additional computer time for its new automated integrated accounting system and to enhance the computer capability of the Office of Computer Services.

Administration

Recognizing that sound central direction, review, and services are essential to the efficient and effective functioning of the Institution, we are seeking 10

additional positions and $354 thousand for Administration. Six of these positions and $125 thousand are required as part of the final stage in providing an appropriate level of Federal administrative and support personnel at the Smithsonian Astrophysical Observatory. The remaining 4 positions and $229 thousand are requested to fund the newly established position of Assistant Secretary for Administration and to strengthen other administration units including personnel, general counsel, equal opportunity, supply services, management analysis, and facilities planning and engineering. In this year's budget submission, we have consolidated a number of administrative line items into one. This will not, however, detract from our explanation of the work of our administration components, but reflects the fact that Smithsonian administration is truly a closely integrated function.

All Other Support Functions

Rounding out our proposed increases for support are $125 thousand for printing, largely to meet additional publications costs, $105 thousand for acquisition and processing of library materials, and $30 thousand for conservation work.

Construction Accounts

The Institution's total Fiscal Year 1978 request for three construction accounts totals some $11 million: $9.7 million for renovation, restoration, and improvement of buildings; $1 million for construction and improvements at the National Zoological Park; and $325 thousand for the planning of a Museum Support Center. Because we have the responsibility to build and plan for the future and at the same time maintain a diverse and extremely valuable physical plant, the $11 million proposed for construction is essential to deal with our needs. The Fiscal Year 1978 request is based on a prudent balancing of our most urgent, immediate requirements and longer-range plans.

The Institution's Fiscal Year 1978 construction request can be characterized as meeting four purposes or objectives. The first relates to our multi-year program of essential improvements to many of our buildings. These improvements are designed to protect the public and our valuable collections against fire and other hazards, make our facilities accessible to handicapped persons, serve program requirements, and generally maintain our physical plant in a planned manner. Examples of proposed projects under this category include the continued, phased installation of fire protection systems in our museums and renovations in the historic Arts and Industries Building and Renwick Gallery. Moreover with a physical plant as varied, complex, and valuable as the Smithsonian's, there is a substantial need for annual funding to make minor repairs before they become major and to meet emergency situations.

A second purpose served by the construction accounts pertains to major additions to existing facilities occasioned by special circumstances. For Fiscal Year 1978, we are planning to construct a major study center and library addition to the Museum of History and Technology Building, the need for which derives from the organic growth of a living museum. The center, which will consist of a sixth floor adjunct to the museum, will function as a major library resource on American civilization and will contain rare book collections, archival references, seminar space, and study rooms for advanced research.

A third purpose of construction funding is to renovate, repair, and maintain the facilities of the National Zoological Park. Since Fiscal Year 1974, we have been proceeding with the major renovation of the Rock Creek Park Zoo according to a carefully conceived and refined Master Plan. Major construction to convert an essentially archaic facility into a modern urban zoo--healthful to the animals and enjoyable and educational to visitors--is now nearing the half-way mark. To date, we have constructed a striking new Lion and Tiger structure and a beautiful panda house; expanded and modernized the elephant and giraffe house and the bird house; and revamped other facilities to the benefit of hippos, rhinos, monkeys, bears, seals, sea lions, beavers, and otters. At the same time that all of this renovation has taken place at Rock Creek Park, we have been moving ahead with the development of our animal conservation and breeding center at Front Royal, Virginia.

With the experience of four years of development under the Master Plan and funding of some $26 million, we plan to use Fiscal Year 1978 to consolidate progress thus far. First, we wish to complete all major projects previously funded. Next, we plan to reevaluate future Master Plan construction at Rock

Creek Park, especially in relationship to development at Front Royal. Although the amount of money we have spent up until now has been significant, I believe the results have amply demonstrated that a careful, deliberate and planned approach yields substantial results. Finally, we want to ensure that the new facilities are being properly maintained. Toward this end, as mentioned earlier, we are requesting 11 new positions and $507 thousand in Fiscal Year 1978 for our Salaries and Expenses appropriation.

Accordingly, our 1978 Zoo restoration and renovation request is limited to $1 million. We plan to use $700 thousand to accomplish further, essential rehabilitation work at Front Royal and apply the remaining $300 thousand for the renovation of the central gas fired heating plant at Rock Creek Park. This repair is vital to prohibit the possibility of a heat shutdown which could result in the loss of invaluable animals.

The fourth and last purpose to be served by our construction accounts is to plan new facilities when the need for more space becomes urgent. During the past 18 months, members of the Smithsonian staff and outside consultants have analyzed present facilities and future space requirements of the Institution. Their assessment indicates that a Museum Support Center, containing approximately 340 thousand square feet of office, laboratory, and storage space will meet the Institution's most pressing space needs through the 1980's. The Center is envisioned for construction on a site adjacent to the Institution's current preservation and restoration facility at Silver Hill, Maryland, which is now devoted mainly to the collections of the Air and Space Museum.

The fundamental purpose of the Support Center will be collections storage. A major strength of the Smithsonian Institution rests in its unrivaled collections which are now housed in ten museums. While the Institution continues to resist the growth of collections just for the sake of growth, we have accepted our responsibilities for the development and preservation of collections for research, education of the public, and for scientific, cultural, and technological record. The Center will also contain facilities for a strong research and study program associated with the collections to be located there. And the new structure will offer conservation services and provide a major facility for training staff and visiting interns in scientific theory and practical conservation skills.

An additional benefit of the proposed Museum Support Center will result from the fact that it will allow many thousand square feet of Mall exhibit space to be restored to public use. The construction cost of the Center is estimated to be $20.6 million. We are requesting $325 thousand in the Fiscal Year 1978 budget to initiate architectural and engineering planning; the balance of the planning funds, some $575 thousand, will be sought next year.

Special Foreign Currency Program

In FY 1978, we are requesting the equivalent of $4.5 million in excess foreign currencies--an increase of some $1 million over the FY 1977 appropriation. These funds will support field research in archeology, environmental biology, astrophysics, and other disciplines and provide for the last of four annual contributions, each of $1 million equivalent in excess Egyptian pounds, to help preserve the temples on the Island of Philae. The Smithsonian proposes to make this final payment available to the Government of Egypt through a grant to the American Research Center in Egypt, the same method employed this year. The Center is a consortium of United States institutions of higher learning, incorporated in Massachusetts.

The foreign currency grant program makes valuable contributions to basic knowledge and to the furthering of scientific and cultural understanding while creating no additional burden for the taxpayer.

Smithsonian Science Information Exchange

Completing our Fiscal Year 1978 request is a proposed $2 million for the Smithsonian Science Information Exchange--the same level as the Fiscal Year 1977 appropriation. The Exchange acquires, processes, stores, and provides information on research in progress as a service to the research community.

Mr. Chairman, I and my staff will be happy to answer any questions the Committee may have.

INTRODUCTION OF ASSOCIATES

Secretary RIPLEY. Thank you very much, Mr. Chairman.

Once again, we are delighted to be here before the subcommittee on the Interior and Related Agencies of the Committee on Appropriations. And I brought along with me a number of witnesses this morning who will be able to provide the answers to the questions insofar as I cannot.

I want particularly to introduce on my right Mr. Jon Yellin, the new Director of the Office of Programing and Budget at the Institution and to his right, Mr. Ames Wheeler, who you will recall is our Treasurer, and Mr. Charles Blitzer, the Assistant Secretary for History and Art.

On my left, I have asked Peter Powers, our General Counsel who has been with us for a number of years, since I first came here, to sit in this morning. Beyond him you will find John Jameson, the Assistant Secretary for Administration and next to him, David Challinor, Assistant Secretary for Science—both of whom you have met in the past.

We also have with us this morning Mr. Julian Euell, the Assistant Secretary for Public Service and sitting next to him, Mr. Paul Perrot, Assistant Secretary for Museum Programs. Both of these gentlemen may address themselves to particular parts of our budget presentation.

We also have Mr. Brooke Hindle, the Director of the National Museum of History and Technology who would like to speak to our library problems and beyond him, Richard Ault, Director of Support Activities.

We also have here Dr. Theodore Reed, the Director of the National Zoological Park.

HIGHLIGHTS OF BICENTENNIAL EVENTS

I appreciate the opportunity, Mr. Chairman, to present my opening statement for the record and I would like very briefly to highlight it, as you suggest I might.

We find it difficult to come before you this year without referring to the immediate past year, the Bicentennial, which has been an enormously successful year for the Smithsonian and which without the support of this committee would not have been possible.

So I do wish to open my statement by expressing very grateful thanks for the foresight of this committee which enabled us to plan. And without planning we never would have been able to achieve the success that we had for 1976.

Indeed, it marked the culmination of 10 years of preparation for the celebration of events here in Washington. These events, including especially the opening of two new museums, many scholarly publications, and the Folk Festival, have contributed greatly to the reawakening, I believe, of a sense of faith in the cultural spirit of America.

Additionally, we had over 200 traveling exhibitions moving around the country which were viewed by in excess of 8 million people, as I recall. So our outreach into the other parts of the country was enormously successful.

None of this would have been possible without some $13 million which had been appropriated for the American Revolution Bicentenni-

al program of the Smithsonian. The impact of these programs will continue, of course, long beyond 1976.

We have two significant exhibitions continuing now: "A Nation of Nations" in the Museum of History and Technology which depicts the richness of our culture against the historical background of immigration; and the particularly exhilarating "1876—A Centennial Exhibition," the revival of the Philadelphia Centennial in Fairmount Park 100 years ago.

Other Bicentennial exhibitions have been particularly important and I can single out one, "The Anacostia Story," in the Anacostia Neighborhood Museum, which tells of the evolution of a black community and reminds us of the enormous interest which this country feels at the moment in the study of "Roots" and where we have all come from.

This particular small museum has been instrumental in preserving the life style and heritage of that community and, in fact, we are very proud to note that in 1974 the Anacostia Historical Society was started, stimulated by the presence of that museum.

In addition the new National Air and Space Museum, the most successful in the world today with about three-quarters of a million visits within every month, was constructed during this period of Bicentennial preparation. I want to emphasize again that this museum opened up ahead of schedule and under budget.

We thought that when we originally received authorization for this building in 1965 that it was going to be about $40 million. By the early 1970's when it appeared the project might be permitted to proceed, I reopened the subject of trying to have it built in time for the Bicentennial. We found that inflation had incresed the estimated cost from $40 million to between $60 and $70 million.

I was persuaded that the only thing to do would be to prudently redesign the building so as to come in under our original estimate of $40 million. This, indeed, is what we have done.

BUDGET REQUEST FOR FISCAL 1978

We are requesting for fiscal year 1978 appropriations totaling $106.5 million for the Institution's six appropriations. This represents a $6.1 million increase over our fiscal 1977 estimates, an increase of approximately 6 percent.

Of the total, which I will describe very briefly, we are requesting $89 million for our salaries and expenses appropriation, a net increase of $3.6 million over our estimated base of $85.4 million.

Program increases totaling approximately $3.6 million and unavoidable cost increases of $960,000 are offset by a reduction of $954,000 for certain expenses which will not continue in fiscal year 1978.

The largest of these nonrecurring expenses is the remaining money in our base for phasing out our Bicentennial programs, which, as you will recall, we originally promised in 1970 that we would phase out.

For our program functions we are requesting an increase of 24 positions and $1,485,000 in fiscal 1978. These additional resources are sought for research, 3 positions and $515,000; exhibitions and performances, 7 positions and $415,000; collections management, 13

positions and $334,000; collections acquisition, 1 position and $171,000; education and public orientation, $50,000.

CHARACTERIZATION OF SMITHSONIAN RESEARCH

Historically, the research done at the Smithsonian has not been merely academic, but rather has presaged some of the most important potential practical studies for the future. In 1939, some 38 years ago, about the same year that President Franklin Roosevelt was calling for energy reductions, the Secretary of the Smithsonian—at that time, Dr. Charles G. Abbot—famous for his studies of the Sun, wrote a prophetic treatise about utilizing heat from the Sun and urged that it would be possible to convert some 15 percent of the energy of such solar rays into mechanical work.

Dr. Abbot's own important research was very far in advance of its time. Today's research, we think, may have some of the same useful application for the future. For example, Dr. Barnard has been working on amphipods, a tiny marine creature on the beach of California, north to Alaska, which he has discovered are crucial in our monitoring programs to guard against marine pollution. By understanding the physiological tolerance of these animals to oil pollution, scientists are able to determine the level at which pollution will destruct the entire marine ecosystem. We think, in a sense, that this kind of work of ours represents base line data for policy planners in mission-oriented agencies. It is original research, to be sure, but the line between basic and applied research nowadays tends to become rather fuzzy in connection with the environment. In fact, I sometimes think that the Smithsonian is today the Nation's environmental bureau of standards.

REQUESTED INCREASE BY PROGRAM CATEGORY

For fiscal 1978 we are requesting an additional three positions and $515,000 which will be applied to a variety of research purposes which we can delineate for you later.

Of this, $60,000 will be for our research awards program which would restore the funding of this very valuable program to the 1976 level.

An additional $118,000 will support urgent and important cultural documentation efforts of our Anthropological Film Center and the unique and valuable studies of new immigrants from Central America and the Canal Zone.

Our performances and exhibits are crucial to our existence in the museum sense. For fiscal 1978 we are requesting an additional seven positions and $415,000 for exhibit activities. This increase will support production of a major new exhibit on African cultural development at the Anacostia Neighborhood Museum, distribution of traveling exhibitions at a cost affordable to smaller museums with limited financial resources, and development of alternative plans and studies for potential use of the last Mall building site.

In addition for fiscal 1978 we are requesting for collections management an increase of 13 positions and $334,000 under that heading. About half of that is designated for animal management at the National Zoo. Largely owing to the zoo construction program, by fiscal

year 1978 the area under the animal keepers' care will be greatly enlarged at Rock Creek.

We are also requesting an additional $67,000 to support the assembly, accession, and preservation of the film records of the Anthropological Film Center. An amount of $40,000 is proposed to continue the collections management study and collections organization and installation activities related to the museum support center program, which you will hear more of later on.

This study is now in progress and a report will be available this fall. The selective but necessary growth of collections coupled with inadequate storage space in the museum buildings necessitates a continuing long-term commitment to principles of sound collections management. It has become ever more urgent for the Smithsonian Institution to be at the vanguard of developing methodologies in the fields of conservation, data recording and retrieval, space use, and storage systems. Three new positions and $30,000 are proposed to provide additional support personnel for staff scientists at the Museum of Natural History. Finally, two new positions and $39,000 are needed to support the microfilming work of the Archives of American Art and to enable the Smithsonian Archives to preserve valuable historical records of the Institution.

The next programmatic function—for which we are proposing a modest increase of $171,000—is collections acquisitions. Nearly all of the Institution's collections are obtained through the generous gifts of benefactors. More and more frequently, however, certain objects, most particularly works of art, are becoming available only through purchase.

An increase of $150,000 to our relatively small but vital Federal funding base for acquisitions is needed to permit our art museums to maintain fully representative collections as is their charge.

Accordingly, an additional $150,000 are requested for three of our art museums to help assure that they will be able to purchase particular paintings, sculptures, and photographs. One position and $21,000 are also requested for the Archives of American Art. The position will be used for a Washington-based staff member who will search out and seek to collect or microfilm historically significant art history documents in the mid-Atlantic area.

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INCREASED RESOURCES REQUESTED FOR SUPPORT FUNCTIONS

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designated for buildings and facilities management, 17 positions and $630,000; protection services, 20 positions and $475,000; automatic data processing, $391,000; general administration, 10 positions and $354,000; printing, $125,000; libraries, 1 position and $105,000; and conservation, $30,000.

The bolstering of our support functions must proceed hand in hand with the growth of our program activities. By careful, balanced attention to program and support functions, we may be sure that the Institution is making full and proper use of the professional staff, collections, and museums and galleries. Research efforts require computer and library support; our priceless collections and millions of visitors are entitled to adequate protection services; and our buildings and facilities, many of them historical landmarks, merit proper care and attention. A sound administrative structure is integral to all of these areas and the efficient and effective running of the Institution.

The major portion of the proposed support increase is for buildings and facilities management of which approximately 80 percent is earmarked for the zoo.

As I will discuss in more detail later on, fiscal year 1978 has been designated as a year of consolidation and evaluation of the rapid progress in renovating Rock Creek facilities and developing the Front Royal animal conservation and research center. Before proceeding with work under the master plan, we need to assure ourselves that what we have done is being maintained properly and that plans for the future remain sound.

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We are requesting 20 new guard positions and $475,000 for protection services. These resources will enable us to provide proper protection for the visiting public and the priceless and irreplaceable objects in the national collections. The additional positions are associated with the new halls, galleries, and exhibitions which were opened in 1976 as part of the Smithsonian's Bicentennial observance and which we planned to keep open for the public's education and pleasure.

Also included in this proposal is an amount of $100,000 to continue the conversion from a leased to a proprietary alarm system. Under the new system, all fire and burglar alarm devices located in Smithsonian-owned facilities in the Washington, D.C., area—except the National Zoological Park which has its own system—will connect directly to a control system in the Smithsonian Institution Building. The time between the actual alarm and the response will be substantially reduced, thus minimizing the potential loss from fire or theft.

Rounding out our proposed increases for support are $391,000 for automatic data processing, $354,000 for administration, $125,00 for printing, largely to meet additional publication costs, $105,000 for acquisition and processing of library materials, and $30,000 for conservation work.

FISCAL YEAR 1978 REQUEST FOR CONSTRUCTION

The Institution's total fiscal year 1978 request for three construction accounts totals some $11 million: $9.7 million for renovation, restoration, and improvement of buildings; $1 million for construction and improvements at the National Zoological Park; and $325,000 for the planning of a museum support center.

Because we have the responsibility to build and plan for the future and at the same time maintain a diverse and extremely valuable physical plant, the $11 million proposed for construction is essential to deal with our needs. The fiscal year 1978 request is based on a prudent balancing of our most urgent, immediate requirements and longer-range plans.

The Institution's fiscal year 1978 construction request can be characterized as meeting four purposes or objectives. The first relates to our multiyear program of essential improvements to many of our buildings. These improvements are designed to protect the public and our valuable collections against fire and other hazards, make our facilities accessible to handicapped persons, serve program requirements, and generally maintain our physical plant in a planned manner.

Examples of proposed projects under this category include the continued, phased installation of fire protection systems in our museums and renovations in the historic Arts and Industries Building and Renwick Gallery. Moreover with a physical plant as varied, complex, and valuable as the Smithsonian's, there is a substantial need for annual funding to make minor repairs before they become major and to meet emergency situations.

A second purpose served by the construction accounts pertains to major additions to existing facilities occasioned by special circumstances. For fiscal year 1978, we are planning to construct a major study center and library addition to the Museum of History and Technology Building, the need for which derives from the organic growth of a living museum.

The center, which will consist of a sixth floor adjunct to the museum, will function as a major library resource on American civilization and will contain rare book collections, archival references, seminar space, and study rooms for advanced research.

A third purpose of construction funding is to renovate, repair, and maintain the facilities of the National Zoological Park.

With the experience of 4 years of development under the master plan and funding of some $26 million, we plan to use fiscal year 1978 to consolidate progress thus far. First, we wish to complete all major projects previously funded.

Next, we plan to reevaluate future master plan construction at Rock Creek Park, especially in relationship to development at Front Royal. Although the amount of money we have spent up until now has been significant, I believe the results have amply demonstrated that a careful, deliberate and planned approach yields substantial results.

Finally, we want to insure that the new facilities are being properly maintained. Toward this end, as mentioned earlier, we are requesting 11 new positions and $507,000 in fiscal year 1978 for our salaries and expenses appropriation.

Accordingly, our 1978 zoo restoration and renovation request is limited to $1 million. We plan to use $700,000 to accomplish further, essential rehabilitation work at Front Royal and apply the remaining $300,000 for the renovation of the central gas-fired heating plant at Rock Creek Park. This repair is vital to prohibit the possibility of a heat shutdown which could result in the loss of invaluable animals.

MUSEUM SUPPORT CENTER

The fourth and last purpose to be served by our construction accounts is to plan new facilities when the need for more space becomes urgent. During the past 18 months, members of the Smithsonian staff and outside consultants have analyzed present facilities and future space requirements of the Institution.

Their assessment indicates that a museum support center, containing approximately 340,000 square feet of storage, laboratory, and office space will meet the Institution's most pressing space needs through the 1980's.

The center is envisioned for construction on a site adjacent to the Institution's current preservation and restoration facility at Silver Hill, Md., which is now devoted mainly to the collections of the Air and Space Museum.

The fundamental purpose of the support center will be collections storage. A major strength of the Smithsonian Institution rests in its unrivaled collections which are now housed in 10 museums. While the Institution continues to resist the growth of collections just for the sake of growth, we have accepted our responsibilities for the development and preservation of collections for research, education of the public, and for scientific, cultural, and technological record. The center will also contain facilities for a strong research and study program associated with the collections to be located there. And the new structure will offer conservation services and provide a major facility for training staff and visiting interns in scientific theory and practical conservation skills.

An additional benefit of the proposed museum support center will result from the fact that it will allow many thousand square feet of Mall exhibit space to be restored to public use.

The construction cost of the center is estimated to be $20.6 million. We are requesting $325,000 in the fiscal year 1978 budget to initiate architectural and engineering planning; the balance of the planning funds, some $575,000, will be sought next year.

FISCAL YEAR 1978 REQUESTS FOR THE FOREIGN CURRENCY PROGRAM AND THE SCIENCE INFORMATION EXCHANGE

For the Special Foreign Currency program, in fiscal year 1978 we are requesting the equivalent of $4.5 million in excess foreign currencies—an increase of some $1 million over the fiscal year 1977 appropriation.

These funds will support field research in archeology, environmental biology, astrophysics, and other disciplines and provide for the last of four annual contributions, each of $1 million equivalent in excess Egyptian pounds, to help preserve the temples on the island of Philae.

The Smithsonian proposes to make this final payment available to the Government of Egypt through a grant to the American Research Center in Egypt, the same method employed this year.

Completing our fiscal year 1978 request is a proposed $2 million for the Smithsonian Science Information Exchange—the same level as the fiscal year 1977 appropriation.

Mr. Chairman, I and my staff would be happy to answer any questions that you may have.

DIGEST OF GAO STUDY

Senator STEVENS. Thank you, Doctor. Although this is the regular budget hearing time, we think it would be best if we picked up where we left off last year and go directly to the committee's concerns that were addressed in the GAO study of the Smithsonian fiscal practices.

We will put in the record the digest of that report. The full report will be maintained in our files. This is the report dated March 31, No. B–133332, and it responds in part to questions which were raised by the committee.

I note that your statement of the Smithsonian Institution on the report of the Comptroller General, dated today, will be printed in the record also following the GAO summary.

[The information follows:]

REPORT OF THE COMPTROLLER GENERAL

D I G E S T

About 90 percent of the Smithsonian's funds come from the Government; 80 percent in direct appropriations and 10 percent in grants from Federal agencies.

In requesting GAO to review the Smithsonian Institution's fiscal practices and policies, the Chairman and the Ranking Minority Member of the Appropriations Subcommittee expressed concern over the management and accountability of Federal funds. This report covers the results of reviews of selected Smithsonian activities. Work is continuing on other reviews requested by the Subcommittee. The results of that work will be reported on separately. (See app. I and p. 4.)

GAO identified three specific problems that have to be resolved.

DISTRIBUTION OF FEDERAL FUNDS TO PRIVATE NONPROFIT CORPORATIONS TO AVOID FEDERAL RESTRICTIONS

The Smithsonian established the Smithsonian Research Foundation--a private nonprofit corporation--to distribute Federal funds as a means of avoiding restrictions on the use of appropriated funds. Funds channeled through the Foundation are treated as private funds in the hands of recipients, many of whom are Smithsonian employees, to be spent without regard to restrictions, such as civil service laws and fiscal year limitations.

Funds appropriated by the Congress for the following activities are channeled through the Foundation:

--Research Awards Program.

--Academic and Educational Programs.

--Special Foreign Currency Program.

--Woodrow Wilson International Center for Scholars.

About $2.3 million was disbursed by the Foundation during the 15 months ended September 30, 1976. GAO's discussions with Smithsonian officials show that a common reason given for disbursing funds through the Foundation is their desire to avoid the restrictions placed on appropriated funds. In this connection we noted that while both private and Federal funds are expended by the Smithsonian on some of these programs, only Federal money is disbursed through the Foundation. The Foundation--consisting of three employees and fully controlled by the Smithsonian--serves no function of consequence other than as a device that attempts to avoid restrictions relevant to appropriated funds. The Smithsonian should not use funds channeled through the Foundation in a way that it clearly could not if it spent the funds directly.

The Smithsonian Science Information Exchange was not specifi-

83-107 (Pt. 4) O - 77 - 47

cally established as an independent corporation solely to avoid Federal restrictions on the use of appropriated funds. However, its corporate form accomplishes that purpose. GAO believes that there is no need for it to be operated independent of the Smithsonian. (See pp. 15 to 18.)

REPROGRAMING OF FUNDS:
A CONTINUING PROBLEM

For years the Smithsonian established a contingency fund at the beginning of each fiscal year by withholding about 2 percent of the amounts budgeted for certain line items under the Salaries and Expenses appropriation. The contingency fund amounted to about $1 million in fiscal years 1974 through 1976. During the course of each year, the fund was allocated to various programs and projects. Other reprogramings of the Salaries and Expenses appropriation also took place.

The Smithsonian did not inform the Appropriations Committees of Salaries and Expenses reprograming accomplished through the contingency fund or otherwise, although the Committees had expressed their desire to approve reprogramings. Smithsonian officials indicated that they were unsure of what actions required congressional approval, and the matter was never satisfactorily resolved with the Committees.

The contingency fund was abolished in fiscal year 1977 in response to congressional directives. However, the Smithsonian can still, as a matter of law, reprogram funds among programs, projects, and line items covered by its lump sum Salaries and Expenses appropriation. The Appropriations Committees and Smithsonian need to reach an understanding as to which reprogramings require Committee approval. Otherwise the Congress has no assurance that appropriated funds will be spent as it intended.

In fiscal year 1977 the Smithsonian requested the Committees' permission to reprogram a total of $765,000 of its Salaries and Expenses appropriation. As of February 14, 1977, not all requests had been approved. The basic question of which reprograming actions require approval had not been resolved, although the Smithsonian and the Committees were working to develop guidelines governing the types of reprogramings requiring Committee approval.

NEED TO INFORM THE CONGRESS OF
THE PLANNED USE OF PRIVATE FUNDS

Because the Smithsonian receives private as well as Federal financial support, it has a degree of flexibility not enjoyed by Federal departments and agencies. The Smithsonian is able to undertake programs and acquire facilities with private funds without prior congressional approval, even though these may eventually impact on the level of Federal funding required to support the Smithsonian.

The Cooper-Hewitt Museum in New York City is an example of a new undertaking initially planned to be financed solely

with private funds but now requiring continuing Federal support. (See pp. 33 to 39.) The large stake the Government has in the activities of the Smithsonian dictates the need for the Smithsonian to keep the Congress informed of major new programs and directions, even when formal congressional approval is not required.

Private funds are used for the same or similar purposes as funds appropriated by the Congress. The Smithsonian does not provide the Appropriations Committees with information on the planned uses of its private funds and, as a result, the Committees cannot fully assess the impact of their budgetary decisions on Smithsonian programs and activities. A greater recognition of the Congress' need to know by Smithsonian officials would go a long way to dispel congressional concerns over the lack of accountability, and do much to preserve the operating flexibility the Smithsonian desires.

RECOMMENDATIONS

GAO recommends that the Board of Regents, Smithsonian Institution:

--Dissolve the Smithsonian Research Foundation and the Smithsonian Science Information Exchange.

--Provide the Appropriations Committees with information on the planned use of private funds when appropriation requests are submitted.

--Establish, in conjunction with the appropriate congressional committees, clear policies governing the use of Federal and private funds.

GAO also recommends that the Secretary, Smithsonian Institution:

--Propose and justify to the Congress the exemptions from existing legislation that the Smithsonian believes it needs to run effectively, with a minimum of red tape, the programs now funded through the Smithsonian Research Foundation and the Smithsonian Science Information Exchange.

--Continue working with the Appropriations Committees to reach a common understanding as to the types of budget reprograming actions the Committees wish to approve in advance, and, in the interim, continue seeking Committee approval of all reprograming actions.

AGENCY ACTIONS AND UNRESOLVED MATTERS

The Smithsonian does not agree with GAO's position or recommendations to dissolve the Smithsonian Research Foundation and Smithsonian Science Information Exchange. Smithsonian's position is that the Foundation and the Exchange were both created with the approval of the

Regents, the knowledge of the Congress, and meet the requirements of law. Smithsonian officials believe that the programs administered by the Foundation and the Exchange are administered more efficiently and effectively independent of the Smithsonian.

The Smithsonian generally agrees with GAO's conclusions and recommendations concerning the reprograming of funds within the Salaries and Expenses appropriation and with the need to inform the Congress of the planned use of private funds.

STATEMENT OF SMITHSONIAN INSTITUTION

On March 31, 1977, the Comptroller General issued his report entitled "Need to Strengthen Financial Accountability to the Congress--Smithsonian Institution" in response to the request of the Senate Appropriations Subcommittee on the Department of the Interior and Related Agencies. The Institution's comments on an earlier draft of this Report were included as Appendix V to the Report. This statement is intended to summarize and supplement those comments.

As an introduction and background to specific comments on the numerous topics in the Report, an "Outline of the Origin and Development of the Smithsonian Institution" sets forth the statutory history of the Institution as an independent trust establishment which is not part of the three branches of Government but which shares the trust responsibilities with the Congress. The Outline makes it clear that the Report's repeated use of the word "private" to describe the Institution's nongovernmental status and its non-Federal trust funds should not imply any lack of accountability for any of its operations or funds. The Act of 1846 specifically provides that the Institution is entirely accountable to the Congress independent of and in addition to any specific requirements of appropriations. As stated in the Institution's comments on the Report, the Institution is already taking a number of additional steps to expand its reports to give the Congress an even fuller picture of the Institution's operations.

Smithsonian Research Foundation and Smithsonian Science Information Exchange

This section of the Report raises questions about the administration of several special programs, approved by the Congress and operated by contract with the Smithsonian Research Foundation (SRF) and the Smithsonian Science Information Exchange (SSIE). These are legally competent corporate entities organized to continue the operation by contract of several specialized functions formerly funded by contract with the National Science Foundation and the National Academy of Sciences. The research award, fellowship, and technical information programs, which are distinct from normal curatorial and operational functions, have been administered under this contract system, for 11 years in the case of SRF and for 27 years in the case of SSIE.

Although the Report states that it is not questioning the legal standing of the agreements or the corporations, it nevertheless recommends that both corporations be dissolved. The Report does not indicate how its recommendations would enhance the control or accountability of these special programs, but makes the surprising statement that any effect on economy of operation is "not particularly relevant." In addition to economy, however, one of the major effects of separate administration by contract is to provide unified controls and specific financial accountability for each program.

It is essential to note that the principal questions raised in the Report do not, in fact, concern the existence of the corporations, but the contract method of administration of these programs. On page 17 the Report summarizes with regard to SSIE the same criticisms applied to SRF earlier in the Report:

> "Since the Exchange is a private, nonprofit corporation, it does not have to comply with Federal statutes such as

fiscal year limitations and civil service and Federal procurement laws, applicable to the use of appropriated funds."

The applicability of fiscal year limitations, and civil service and procurement laws, is not determined by the corporate status, profit or nonprofit, of the contracting organization, but is entirely a function of the contract itself,* which is governed by the Federal statutes, regulations, and rules applicable to the obligation, administration, and expenditure of appropriated funds by contract.

Under these rules, many contracts, such as research contracts, cover the term of the project, which normally extends over more than one fiscal year. The rules do not contemplate that the employees of the contractor will become civil servants, although the employment practices of the Federal contractor are now subject to many other Federal regulations, as are the contractor's procurements. In short, the rules and regulations for Federal contracts are as comprehensive as those for direct expenditures referred to by the Report.

Since the contracts for these special programs are in compliance with the Federal laws governing the use of appropriated funds by contract, the statement in the Report that the Institution uses the corporate contractor as "a device that attempts to avoid restrictions relevant to appropriated funds . . . in a way that it clearly could not if it spent the funds directly" is somewhat misleading. The present method of administering these various funds by contract arrangements does not free their expenditure from proper Federal controls; rather, a different set of Federal regulations governing the use of appropriated funds applies. The Report's unstated premise that direct expenditure is always preferable to expenditure by contract is not supported by Federal law or Government practice, particularly in the administration of specialized research projects, fellowship programs, and technical information functions.

The Institution's research awards program is now administered under the same type of Federal contract as that deemed appropriate by the National Science Foundation when it originally funded these research projects, and the fellowship program contract is similar to that which is used by many agencies to provide for the administration of visiting scientist programs by the National Academy of Sciences. Likewise, the contract with the SSIE is the same in its basic provisions as that used by the National Science Foundation prior to Fiscal Year 1972, when if funded the operations of the SSIE through the Institution. The Institution, in continuing the administration of these special programs by contract, adopted the method which has long been deemed by the Government to be appropriate, legally authorized, and effective.

The Institution's comments on the Report set forth the long history of the separate operation of SSIE by contract, as agreed upon by the user agencies in the Executive Branch and repeatedly reviewed and approved by numerous committees of the Senate and the House of Representatives. The Report does not take note of the continuing interests of the legislative and executive branches in the present operations of the SSIE, nor indeed of the studies by the GAO itself with regard to SSIE. Moreover, the Report does not address the question whether the Board of Regents could unilaterally dismantle the present operation of the SSIE without prior consideration by

* The references to "contracts" herein are intended to include "grants," which are a form of Federal contracts.

the appropriate committees of Congress, by the public and private user agencies, and by the President's Committee on Science and Technology.

In House Report No. 94-595 on what was enacted as the "National Science and Technology Policy, Organization, and Priorities Act of 1976" consideration was given by the Committee on Science and Technology (pp. 24-26) to the present operation of SSIE and the possibility of merging it with the Commerce Department's National Technical Information Service and the NSF's Office of Science Information Service. It was recommended that the resulting organization be a "Corporation with a single executive head and a governing Board." This proposal was among the subjects referred for further consideration by the President's Committee on Science and Technology created by Title III of the Act.

With regard to the programs administered by contract with SRF, the Report points out two areas which require correction and improvement. In the course of the audit by GAO, which coincided with a review by the Institution's internal auditor, it became apparent from both sources that there had been some uncertainty among the varous program managers as to the appropriate time relationship between the availability of appropriations, the general contract with SRF, and the final commitments to the selected scholars and research projects. The Report is correct that the funds intended for fellowships in the Urgent Anthropology Program should no longer be considered available for specific commitments, and they have been deobligated. The other programs administered by SRF are now current. Contract obligations to SRF and final commitments by SRF are being made within the same fiscal year as the appropriations are available.

In this connection, it should be noted that the Report states: "Our criticism is muted by the fact that there is nothing to suggest that appropriated funds were spent on anything but the programs authorized."

The second area for improvement recommended by the Report does not concern the contracts and administration of SRF, but points to the need for the Institution to inform the Congress fully about the status of SRF and to report its finances in such a way as to demonstrate its financial accountability. Although no specific effort to inform the Congress was recommended when the Board of Regents authorized the incorporation of SRF in 1966, it is apparent in retrospect that such an effort at the outset might well have prevented this recent criticism. No attempt has been made to conceal the SRF: it has been mentioned in a number of the Institution's Annual Reports to Congress; it is shown on the organization chart submitted to the appropriations committees with the budget estimates; and a brief report is filed annually as a public document with the Corporation Division of the D. C. Office of Recorder of Deeds.

In order to improve this situation, the independent auditor's report of the SRF's Financial Statements and Schedules will be included as an appendix to the Institution's Annual Report to the Congress. Similarly, in addition to the information already furnished to the Congress concerning SSIE, the audited statement of SSIE's financial operations and fund balances will also be set forth in the Annual Report.

Information on Smithsonian Finances

In connection with the former reprogramming of appropriated operating funds to establish a contingency fund capability of which

Congress had been advised, the Report concludes that the Institution requires some administrative flexibility in reallocating funds among its numerous budget categories. It recommends that the Smithsonian work with the appropriation subcommittees to arrive at a mutually agreeable understanding as to the size of reprogramming actions which would require advance approval by the committees. The Institution fully concurs in this conclusion and recommendation and is anxious to continue discussions with the subcommittees to develop guidelines.

The Report also discusses the various categories of trust fund income and expenditures, pointing out that annual financial reports are regularly supplied to the Congress. It recommends, however, that information on the planned use of trust funds should be provided to appropriations committees at the time appropriation requests are submitted and that clear policies should be established governing the use of Federal and trust funds.

The Institution is willing at all times to furnish to the Congress all facts about its operations. Budget projections of the Institution's trust funds for two years in advance can be furnished to the Congress with the concurrence of the Smithsonian Board of Regents, which approves all such budgets. Furthermore, the Institution will endeavor to set forth more clearly the policies which affect the budgeting of federally appropriated funds and the limited trust funds available to the Board of Regents, all of which are used for the Institution's statutory trust purposes.

Establishment of New Facilities

This portion of the Report briefly describes four centers of Smithsonian activity: Cooper-Hewitt Museum, Chesapeake Bay Center for Environmental Studies, National Zoological Park's Conservation and Research Center, and the Smithsonian Tropical Research Institute. While these have been administered by the Smithsonian for periods ranging from three years in the case of the Conservation and Research Center to over thirty years in the case of the Tropical Research Institute and thus should not be categorized as newly established, the Institution completely respects the Congressional need to be promptly informed of Smithsonian plans that might involve substantial new Federal expenditures, and will provide comprehensive and timely information to the appropriate Congressional committees.

Other Matters

Of special importance to the future of the Institution is the proposed Museum Support Center. The Report takes note of the benefits that the Center will provide for the management and preservation of the national collections, and for the training of conservators. With regard to the Institution's research installation, the Smithsonian is pleased that the Report, in reviewing the Chesapeake Bay Center's basic research, states that "none of the projects sponsored and paid for by the Smithsonian seemed to duplicate the projects of the other Federal agencies."

Conclusions

In summary, the Smithsonian has cooperated in every way possible to provide the information requested in the course of this extensive inquiry, and hopes it will serve as the basis for productive discussions in our continuing efforts to improve administrative and program practices. A number of practical questions raised by the Report's alternative recommendations concerning the programs of SRF and SSIE require further study. With the improvements and corrections already being made, the Institution believes that its current programs and activities are being administered effectively, with full accountability in compliance with all applicable Federal laws; and a continuing effort is pledged to inform Congress of every aspect of the progress of the Institution and to maintain the accountability required by its statutory charter.

CONGRESSIONAL QUESTIONS PROMPTING GAO REPORT

Senator STEVENS. Let me state in the beginning to you and your colleagues that the chairman and I each have leadership responsibilities. The chairman has much greater responsibilities than I or he would be here. We take very seriously the questions that we raised jointly with the GAO. And we would like to pursue it even further to get complete answers to the questions that were raised by us to the GAO in our request for the study.

Again, as I am sure you know, there has been no allegation of any kind of misuse of funds or any kind of improper activities on the part of you or your colleagues.

We seriously question the fiscal practices of the Smithsonian Institution in some of the management policies that have been adopted by the Smithsonian as far as the Federal funds are concerned. With regard to private funds, one of the GAO's suggestions with which you apparently agree, I understand, was that detailed budgeting of private funds be submitted to Congress in conjunction with the Institution's Federal appropriations request.

Is that correct?

Dr. RIPLEY. That is correct, Mr. Chairman. We are always very happy to submit our budget as we have in the past as approved by the Board of Regents.

Senator STEVENS. We are talking about private funds now.

Dr. RIPLEY. I am agreeing with you. We are very happy to submit our budget for private funds which appears each year as approved by the Regents.

Senator STEVENS. We would like to have that information for 1978 as well as 1976 and 1977; is that available?

Dr. RIPLEY. Yes. It will be available.

[The information follows:]

SMITHSONIAN INSTITUTION FUNDS
COMPARISON OF PROPOSED FY 1978 BUDGET VS.
FY 1977 ESTIMATED & FY 1976 & T.Q. ACTUAL

($1,000s)

	ACTUAL FY 1976 & T.Q.	ESTIMATED FY 1977*	PROPOSED FY 1978*
FUNDS PROVIDED			
Federal Appropriation			
Salaries and Expenses	104,193	85,236	89,033
Science Information Exchange S&E	2,461	1,972	1,977
Total Federal Salaries and Expenses	106,654	87,208	91,010
Federal Agency Grants & Contracts	15,508	11,200	12,400
Trust Funds			
Restricted Purpose /1			
Gifts	4,965	3,000	3,000
Investments	2,137	1,800	1,800
Other	686	500	500
Total Restricted	7,788	5,300	5,300
Special Purpose /2	1,420	1,580	1,430
Unrestricted General Purpose /3			
Investment Income	1,370	1,100	1,350
Gifts	81	50	50
Concessions & Misc.	1,241	1,650	1,650
Auxiliary Activities	4,537	5,735	5,200
Total Unrestricted General	7,229	8,535	8,250
TOTAL FUNDS PROVIDED	138,599	113,823	118,390
FUNDS APPLIED			
Funds Applied			
Federal Appropriation	105,383	87,208	91,010
Federal Grants & Contracts	15,559	11,200	12,400
Restricted Trust Funds	8,357	5,020	4,671
Special Purpose Trust Funds	1,248	1,073	1,200
Unrestricted Trust Funds	795	1,140	1,204
Total Funds Applied	131,342	105,641	110,485
TRANSFERS (In)/Out			
Federal Appropriation	1,271	-	-
Federal Grants & Contracts	(47)	-	-
Restricted Trust Funds	(179)	(100)	(100)
Special Purpose Trust Funds	(1,245)	(1,400)	(2,000)
Unrestricted Trust Funds--To Plant	2,702	765	150
--To Endowment	1,776	4,500	3,900
--To Other	1,649	2,130	2,986
Total Transfers	5,927	5,895	4,936
ENDING FUND BALANCES			
Federal Appropriation	-	-	-
Federal Grants & Contracts	101	101	101
Restricted Trust Funds	3,984	4,364	5,093
Special Purpose Trust Funds	2,488	4,395	6,625
Unrestricted Trust Funds	4,074	4,074	4,084

NOTE: Excludes Special Foreign Currency Program and Construction Appropriations.

/1 Restricted Purpose trust funds are those derived from restricted gifts, bequests, grants, endowment funds and miscellaneous fund raising activities for individual museum programs which must and are used exclusively for the purposes specified.

/2 Special Purpose trust funds are a separate category of unrestricted trust funds which include monies whose use has been restricted to particular bureaus of the Smithsonian either by a donor or by decision of management.

/3 Unrestricted General Purpose trust funds are derived primarily from investment income, concession fees, and auxiliary activities.

* It must be recognized that the estimated expenditures shown in the table for FY 1978, and to a lesser extent for FY 1977, are subject to a great amount of uncertainty, and represent only our best estimates at this time since they depend upon many factors beyond our control.

($1,000) SMITHSONIAN INSTITUTION FUNDS
DETAIL OF FUNDS APPLIED

		ACTUAL FY 1976 & T.Q.	ESTIMATED FY 1977	PROPOSED FY 1978
SCIENCE				
Assistant Secretary	Federal S&E	413	292	297
	Fed Grant & Contract	540	404	495
	Restricted	64	88	96
	Special Purpose	20	-	-
	Unrestricted	7	1	2
Natl Museum of Natural History	Federal S&E	13,277	11,345	11,652
	Fed Grant & Contract	1,189	1,027	1,255
	Restricted	472	120	131
	Special Purpose	145	81	87
	Unrestricted	46	56	60
Astrophysical Observatory	Federal S&E	4,942	3,954	4,487
	Fed Grant & Contract	8,517	7,220	7,942
	Restricted	274	-	-
	Special Purpose	37	2	2
	Unrestricted	36	31	32
Tropical Research Institute	Federal S&E	1,785	1,462	1,563
	Fed Grant & Contract	1	9	12
	Restricted	38	3	3
	Special Purpose	37	26	32
	Unrestricted	5	24	24
Radiation Biology Laboratory	Federal S&E	2,057	1,892	1,926
	Fed Grant & Contract	116	108	131
	Restricted	11	12	14
	Special Purpose	3	1	1
	Unrestricted	-	2	2
International Programs	Federal S&E	344	251	254
	Fed Grant & Contract	31	-	-
	Restricted	-	-	-
	Special Purpose	-	-	-
	Unrestricted	6	1	1
Chesapeake Bay Center	Federal S&E	653	596	607
	Fed Grant & Contract	211	589	720
	Restricted	27	14	15
	Special Purpose	12	-	-
	Unrestricted	45	45	45
Natl Air & Space Museum	Federal S&E	6,933	6,095	5,786
	Fed Grant & Contract	176	353	432
	Restricted	265	5	6
	Special Purpose 1/	252	435	437
	Unrestricted	52	13	13

1/ Primarily for attendants at film theatre and spacearium.

($1,000)

SMITHSONIAN INSTITUTION FUNDS
DETAIL OF FUNDS APPLIED

		ACTUAL FY 1976 & T.Q.	ESTIMATED FY 1977	PROPOSED FY 1978
SCIENCE (Cont'd)				
Natl Zoological Park	Federal S&E	7,802	6,958	7,780
	Fed Grant & Contract	22	77	94
	Restricted	44	29	32
	Special Purpose	96	25	40
	Unrestricted	40	45	48
Center for Study of Man	Federal S&E	500	377	567
	Fed Grant & Contract	301	173	212
	Restricted	48	38	41
	Special Purpose	-	-	-
	Unrestricted	14	70	75
Fort Pierce	Federal S&E	-	-	-
	Fed Grant & Contract	-	-	-
	Restricted 2/	601	550	550
	Special Purpose	-	-	-
	Unrestricted	-	-	-
Internatl Environmental Science Program	Federal S&E	383	373	375
	Fed Grant & Contract	2	-	-
	Restricted	-	-	-
	Special Purpose	-	-	-
	Unrestricted	-	-	-
Science Information Exchange 3/	Federal S&E	2,461	1,972	1,977
	Fed Grant & Contract	-	-	-
	Restricted	-	-	-
	Special Purpose	-	-	-
	Unrestricted	-	-	-
Other Science	Federal S&E	154	390	450
	Fed Grant & Contract	2,044	495	245
	Restricted	124	21	15
	Special Purpose	16	-	-
	Unrestricted	71	79	60
Total Science	Federal S&E	41,704	35,957	37,721
	Fed Grant & Contract	13,150	10,455	11,538
	Restricted	1,968	880	903
	Special Purpose	618	570	599
	Unrestricted	322	367	362
HISTORY & ART				
Assistant Secretary	Federal S&E	299	233	234
	Fed Grant & Contract	65	45	55
	Restricted	(3)	-	-
	Special Purpose	-	-	-
	Unrestricted	64	-	-

2/ Resources provided from endowment fund.

3/ Does not include expenditure of funds received by SSIE of $1,500 in FY 1976 & T.Q., $1,325 estimated in FY 1977, and $1,500 estimated in FY 1978.

($1,000)

SMITHSONIAN INSTITUTION FUNDS
DETAIL OF FUNDS APPLIED

		ACTUAL FY 1976 & T.Q.	ESTIMATED FY 1977	PROPOSED FY 1978
HISTORY & ART				
Museum of History & Technology	Federal S&E	6,939	5,901	6,126
	Fed Grant & Contract	59	5	7
	Restricted	643	410	451
	Special Purpose	135	125	150
	Unrestricted	72	13	14
Natl Collection of Fine Arts	Federal S&E	2,902	2,544	2,693
	Fed Grant & Contract	19	55	67
	Restricted	44	29	32
	Special Purpose	164	175	100
	Unrestricted	17	20	20
Natl Portrait Gallery	Federal S&E	2,190	1,913	2,015
	Fed Grant & Contract	101	77	94
	Restricted	32	10	10
	Special Purpose	32	40	50
	Unrestricted	23	11	13
Hirshhorn Museum	Federal S&E	1,999	1,880	1,958
	Fed Grant & Contract	-	-	-
	Restricted	5	-	-
	Special Purpose	32	40	50
	Unrestricted	16	18	17
Freer Gallery of Art	Federal S&E	573	523	549
	Fed Grant & Contract	47	20	24
	Restricted /4	1,464	1,057	1,107
	Special Purpose	-	-	-
	Unrestricted	-	2	3
Archives of American Art	Federal S&E	411	353	419
	Fed Grant & Contract	-	-	-
	Restricted	316	264	291
	Special Purpose	1	-	-
	Unrestricted	-	-	-
Cooper-Hewitt Museum	Federal S&E	342	366	377
	Fed Grant & Contract	80	-	-
	Restricted	685	1,299	1,017
	Special Purpose	-	-	-
	Unrestricted	-	-	-
American & Folklife Studies	Federal S&E	68	133	233
	Fed Grant & Contract	20	-	-
	Restricted	14	-	-
	Special Purpose	-	-	-
	Unrestricted	-	67	50

/4 Resources provided primarily from Freer endowment fund.

($1,000)

SMITHSONIAN INSTITUTION FUNDS
DETAIL OF FUNDS APPLIED

		ACTUAL FY 1976 & T.Q.	ESTIMATED FY 1977	PROPOSED FY 1978
HISTORY & ART (Cont'd)				
Academic Studies	Federal S&E	605	475	527
	Fed Grant & Contract	-	-	-
	Restricted	13	-	-
	Special Purpose	1	-	-
	Unrestricted	-	-	-
American Revolution Bicentennial Program	Federal S&E	5,800	412	-
	Fed Grant & Contract	-	-	-
	Restricted	-	-	-
	Special Purpose	-	-	-
	Unrestricted	26	-	-
Woodrow Wilson Center	Federal S&E 5/	-	-	-
	Fed Grant & Contract	44	94	114
	Restricted	655	432	476
	Special Purpose	77	32	67
	Unrestricted	4	-	-
Other History & Art	Federal S&E	-	-	-
	Fed Grant & Contract	1	-	-
	Restricted	522	-	-
	Special Purpose	-	2	2
	Unrestricted	4	-	-
Total History & Art	Federal S&E	22,128	14,733	15,131
	Fed Grant & Contract	436	296	361
	Restricted	4,390	3,501	3,384
	Special Purpose	442	414	419
	Unrestricted	226	131	117
PUBLIC SERVICE				
Assistant Secretary	Federal S&E	175	195	197
	Fed Grant & Contract	-	-	-
	Restricted	-	-	-
	Special Purpose	-	-	-
	Unrestricted	-	-	-
Anacostia Neighborhood Museum	Federal S&E	667	542	608
	Fed Grant & Contract	-	-	-
	Restricted	68	154	87
	Special Purpose	10	1	1
	Unrestricted	24	19	20
International Exchange Service	Federal S&E	216	222	224
	Fed Grant & Contract	-	-	-
	Restricted	-	-	-
	Special Purpose	-	-	-
	Unrestricted	-	-	-

5/ Does not include separate federal appropriation to Woodrow Wilson Center.

($1,000)

SMITHSONIAN INSTITUTION FUNDS
DETAIL OF FUNDS APPLIED

		ACTUAL FY 1976 & T.Q.	ESTIMATED FY 1977	PROPOSED FY 1978
PUBLIC SERVICE (Cont'd)				
Division of Performing Arts	Federal S&E	1,143	347	350
	Fed Grant & Contract	1,776	174	165
	Restricted	1,783	262	52
	Special Purpose	22	-	-
	Unrestricted	34	-	-
		1,141*	625*	600*
Office of Public Affairs	Federal S&E	485	394	450
	Fed Grant & Contract	-	-	-
	Restricted	-	-	-
	Special Purpose	1	-	-
	Unrestricted	40	35	6
SI Press	Federal S&E	812	680	689
	Fed Grant & Contract	-	-	-
	Restricted	9	-	-
	Special Purpose	-	-	-
	Unrestricted	2	-	-
		501*	360*	375*
Symposia & Seminars	Federal S&E	67	44	45
	Fed Grant & Contract	1	17	21
	Restricted	43	113	126
	Special Purpose	-	-	-
	Unrestricted	-	-	-
Elementary & Secondary Education	Federal S&E	133	133	135
	Fed Grant & Contract	-	-	-
	Restricted	20	-	-
	Special Purpose	-	-	-
	Unrestricted	-	-	-
Other Public Service	Federal S&E	-	-	-
	Fed Grant & Contract	-	-	-
	Restricted	-	-	-
	Special Purpose	68	-	-
	Unrestricted	1	-	-
Total Public Service	Federal S&E	3,698	2,557	2,698
	Fed Grant & Contract	1,777	191	186
	Restricted	1,923	529	265
	Special Purpose	101	1	1
	Unrestricted	101	54	26

* Funded from auxiliary activities revenue.

($1,000)

SMITHSONIAN INSTITUTION FUNDS
DETAIL OF FUNDS APPLIED

		ACTUAL FY 1976 & T.Q.	ESTIMATED FY 1977	PROPOSED FY 1978
MUSEUM PROGRAMS				
Assistant Secretary	Federal S&E	1,789	1,799	1,843
	Fed Grant & Contract	24	-	-
	Restricted	-	-	-
	Special Purpose	-	-	-
	Unrestricted	-	43	18
Registrar	Federal S&E	220	96	97
	Fed Grant & Contract	-	-	-
	Restricted	-	-	-
	Special Purpose	-	-	-
	Unrestricted	-	-	-
Conservation-Analytical Laboratory	Federal S&E	696	620	629
	Fed Grant & Contract	-	-	-
	Restricted	-	-	-
	Special Purpose	-	-	-
	Unrestricted	-	-	-
SI Libraries	Federal S&E	2,344	2,052	2,190
	Fed Grant & Contract	-	-	-
	Restricted	5	-	-
	Special Purpose	-	-	-
	Unrestricted	-	-	-
Ofc of Exhibits Central	Federal S&E	1,235	1,058	1,072
	Fed Grant & Contract	-	-	-
	Restricted	-	-	-
	Special Purpose	-	10	10
	Unrestricted	-	-	-
Traveling Exhibition Service	Federal S&E	155	104	206
	Fed Grant & Contract	170	243	298
	Restricted	38	-	-
	Special Purpose	-	-	-
	Unrestricted	-	-	-
		500*	425*	400*
Smithsonian Archives	Federal S&E	309	248	272
	Fed Grant & Contract	-	-	-
	Restricted	-	-	-
	Special Purpose	-	-	-
	Unrestricted	-	-	-
National Museum Act	Federal S&E	976	792	792
	Fed Grant & Contract	-	-	-
	Restricted	-	-	-
	Special Purpose	-	-	-
	Unrestricted	-	-	-

*Funded from auxiliary activities revenue.

($1,000)

SMITHSONIAN INSTITUTION FUNDS
DETAIL OF FUNDS APPLIED

		ACTUAL FY 1976 & T.Q.	ESTIMATED FY 1977	PROPOSED FY 1978
MUSEUM PROGRAMS (Cont'd)				
Other Museum Programs	Federal S&E	-	-	-
	Fed Grant & Contract	2	15	17
	Restricted	20	2	-
	Special Purpose	2	-	-
	Unrestricted	10	-	-
Total Museum Programs	Federal S&E	7,724	6,769	7,101
	Fed Grant & Contract	196	258	315
	Restricted	63	2	-
	Special Purpose	2	10	10
	Unrestricted	10	43	18
Buildings Management & Protection Services	Federal S&E	23,526	21,921	22,722
	Fed Grant & Contract	-	-	-
	Restricted	2	-	-
	Special Purpose	45	60	75
	Unrestricted	7	-	-
Administration	Federal S&E	6,603	5,271	5,637
	Fed Grant & Contract	-	-	-
	Restricted	11	108	119
	Special Purpose	40	18	96
	Unrestricted	5,899	5,426	5,881
	Less Overhead Recovery	(5,770)	(4,881)	(5,200)
Transfers (In)/Out	Federal S&E	1,271	-	-
	Fed Grant & Contract	(47)	-	-
	Restricted	(179)	(100)	(100)
	Special Purpose	(1,245)	(1,400)	(2,000)
	Unrestricted	6,127	7,395	7,036
Grand Total Applied	Federal S&E	106,654	87,208	91,010
	Fed Grant & Contract	15,512	11,200	12,400
	Restricted	8,178	4,920	4,571
	Special Purpose	3	(327)	(800)
	Unrestricted	6,922	8,535	8,240
ENDING FUND BALANCES	Federal S&E	-0-	-0-	-0-
	Fed Grant & Contract	101	101	101
	Restricted	3,984	4,364	5,093
	Special Purpose	2,488	4,395	6,625
	Unrestricted	4,074	4,074	4,084

POLICY FOR USE OF TRUST VERSUS FEDERAL FUNDS

Senator STEVENS. What policy does the Smithsonian plan to follow now for the use of private funds as opposed to Federal funds for the support of the Institution and its activities?

I understand the GAO report indicated that there is no formal policy. Have you conferred with the Regents? Is there a policy now?

Dr. RIPLEY. There is a policy. And I would like to ask Mr. Wheeler to speak to that, if I may, Mr. Chairman. Mr. Wheeler.

Mr. WHEELER. Mr. Chairman, there isn't quite the flexibility of choice between Federal funds and private funds or trust funds that might seem to be the case. Actually, to know how we use our Federal and trust funds, you have to look at the history of the Institution somewhat.

Back in 1858 Congress assumed the responsibility for providing for the collections and that included the care, maintenance, protection, research on the collections, and so forth. About 1880, when the Arts and Industries Building was constructed for the Centennial Exhibition artifacts, the Congress increased its support to about 80 percent of our total income. It has been maintained roughly at that same ratio ever since.

So, in brief, Congress, through Federal appropriations, supports the care of the Federal collections and related activities. We also receive income for research by way of grants and contracts from Federal agencies of about 10 percent of our total income.

On the trust fund side, we have traditionally received restricted funds for a great variety of purposes. In addition there has been a very small amount of unrestricted funds. These have been extremely small, less than $1 million up until 1973, so that the amount of flexibility we had with such funds was quite limited. Since that time there has been an increase in those funds through some of the auxiliary activities we have taken on which gives us somewhat more flexibility now than we used to have.

But when it comes down to the use of funds, the Federal appropriations care for the collections and related things. The result is that most of the personnel in our major units are on the Federal roll, except those units supported from their own endowment funds, such as the Freer, or in a major way by grants and contracts, such as SAO. There are some nine major bureaus wherein 93 percent of the employees are on the Federal payroll. Four percent are reimbursed from grants and contracts for research work; and the remaining 3 percent, from Smithsonian trust funds, largely restricted purpose funds, and a very minor amount from unrestricted funds.

Now, on the other hand, we have our Smithsonian trust funds. They are used in our auxiliary activities and for expenses of administration. Although costs of administration are also paid in part from Federal funds all of our auxiliary activities employees are on private rolls—like the magazine, the shops, the associates program.

Then, of course, the Federal grants and contract employees are supported from those funds—which are handled as a part of our private funds at that point. So when it comes right down to it, there has virtually been no discretion possible in the use of funds until the last 2 or 3 years.

There is some room for discretion now as to whether we will charge something to trust funds or Federal funds or put an employee on the Federal roll or trust fund roll. But those decisions are quite limited. The discretion is quite limited and the decision at that point is made based on circumstances at the time which would involve the timing, the availability of funds, the preferences of the employee and under what conditions you can obtain him.

That is the general picture as to the use of our funds.

INITIATION OF ACTIVITIES WITH PRIVATE SUPPORT

Senator STEVENS. With due respect, I don't really think that you have answered my question. You have private activities. They have been initiated with private support and they have been operated at the outset with private funds.

The Cooper-Hewitt Museum and the Chesapeake Bay Center are typical examples of those activities initiated by the Smithsonian with private funds, to my knowledge without any authorization by Congress, but with the approval of your Board of Regents. We are not arguing about that.

What we want to know is whether the Smithsonian is going to develop a clear policy division of private and Federal funding for activities of that sort. Why should you not channel private support money to those facilities that were acquired from private sources without Federal authorization and operate them with private funds, and use the Federal funding for those activities which were authorized by Congress and for which the taxpayers have assumed initial responsibility?

Dr. RIPLEY. I think that the history of the Institution which Mr. Wheeler was referring to shows quite clearly, Mr. Chairman, that with the approval of the Board of Regents we have received collections, gifts of money and bequests over the years continually and that this has been with the understanding of the Congress.

Just to take a rough guess, I would estimate that probably our collections and properties now represent about what the original Smithsonian bequest of some $500,000 would be if it had been accumulated at 6 percent interest all these years, somewhere between $5½ and $6 billion.

If the value of these collections were considered to be a pool of capital, the interest would represent more than four times the present budget of the Smithsonian Institution.

I am not assuming that, but I am trying to point out that the value to the American people of the existence of the Smithsonian in this curious, unique manner, indeed, both authorized to accept gifts, collections and money and to administer them for the benefit of the people, under the direction of Congress, has been extraordinary and we could not have achieved this if we had been starting off in a regular line item way as a Federal enterprise.

AUTHORIZING LEGISLATION FOR SPECIFIC SMITHSONIAN BUREAUS

Senator STEVENS. Dr. Ripley, take the Cooper-Hewitt Museum. Why shouldn't that have been authorized by the appropriate legislative committee if it was to become a federally supported institution, following your acceptance of the gift?

Dr. RIPLEY. Mr. Powers might answer that.

Mr. POWERS. Mr. Chairman, for the House committee several years ago, I tried to analyze the principle on which some units of the Smithsonian had specific authorization and some had not. The Museum of History and Technology, for example, has no specific authorization as such.

The original understanding in 1857 that the Government would pay for the maintenance of the national collection is not embedded in any authorizing legislation. The Natural History Museum has no specific authorization.

The best I can make of this in looking over the history of the Institution is that in recent years those units that require large amounts of construction, such as the Air and Space Museum and the Portrait Gallery and so forth, seem to have been the subject of specific authorizations. But there is no clear rule, except the recognition throughout its history that the Institution not only has authority to try and increase its collections and its activities, but it is encouraged to do so.

The problem is really, I think, in the most recent years one of communication. That is to say this committee and the committee in the House may feel that they were taken by surprise. In other words, rather than a lack of authority, there was a question of whether they had enough information. That is what I perceive in the criticism.

ACQUISITION OF PROPERTY AND COLLECTION

Senator STEVENS. These are substantial pieces of real estate. There are substantial Federal obligations far into the future that apparently Congress has no control over at all. If you decide to acquire another Chesapeake Bay Center on the west coast, is there any policy change now, as far as the Smithsonian is concerned? Will we find the Board of Regents making a decision to acquire property and then coming to the Congress for funding for guards, for preservation, for protection, without any review by Congress?

This basically was the question I raised when Senator Bible was here 5 years ago. It seems to be continuing. I don't know why there is no policy for the Smithsonian before the Board acquires property like that, which it can't support privately, if it is to be acquired privately.

Dr. RIPLEY. I think we could say, Mr. Chairman, that these incidents to which you refer, the Chesapeake Bay Center and the Cooper-Hewitt, are isolated. We constantly turn down equivalent suggested gifts and we have provided, I think, to this committee a list of the major acquisitions which we had refused in the same rubric and under the same terms as any other.

We are not a come-one-come-all kind of organization who takes on things. I feel that the Regents over the years have turned down three or four times as many things as have ever been taken on. For example, last year there was a proposal that we take on a Smithsonian West and we were appropriately delighted about it.

But we definitely spoke to this and the Regents definitely turned it down. It is true that we have definitely changed our policy in trying to achieve more recognition, more communication with these committees.

I am not by speaking off my head, as it were, about things that we have turned down, trying to evade or deflect your question in any way. We certainly are very much in communication with the committees and I think that your staff can testify to this and we are very compliant with this.

As far as the arrangement of the budget provisions for the private budget, the Regents audit committee is now studying this and I am sure will be monitoring and assessing this so that we will have some specific policy to enunciate to this committee in May when we have the next Regent's meeting.

Mr. Blitzer, do you have a comment on this issue?

Mr. BLITZER. I just wanted to say, Senator, I have heard you for 5 years. I think we all have. The cases that are pointed out particularly in the GAO report, the Cooper-Hewitt Museum and the Chesapeake Bay Center, as you know, go back way before we started hearing from you about this.

We have agreed unequivocally with the GAO recommendation that if something comes along that in our judgment may require substantial Federal funding, we will certainly discuss this thoroughly with the committees before we make a decision about it.

NATURE OF SMITHSONIAN PROPERTY

Senator STEVENS. Let me ask Mr. Powers the $64,000 question. Could you sell the Chesapeake Bay Center without approval of Congress?

Mr. POWERS. Yes, I believe so.

Senator STEVENS. And yet we have been spending Federal funds on it since I have been on this committee. How could it be that we could be put in a position whereby an Institution can request through the budget process funding for privately owned facilities that are subject to being sold and the money used for something else should the Regents decide to do it?

Now, I would be more than pleased to introduce the legislation to authorize the Smithsonian to own and operate the Chesapeake Bay Center and to make it a Federal property. But I still raise the question of using Federal taxpayers' money on privately owned facilities even though they are part of the most distinguished institution that we have in the country. And somehow or other, we just don't seem to be able to get the message across.

These must become Federal properties in my opinion, at least, if we are to continue to fund them with Federal taxpayers' dollars.

Dr. RIPLEY. I think that we can speak to this, Mr. Chairman. Mr. Powers.

Mr. POWERS. I just wanted to say I gave you a bare legal answer, Mr. Chairman. I think the same answer would apply in theory to the property on the Mall, but I don't for a moment envisage that the Institution would do what the question suggested. I can't imagine, under the circumstances with the Federal investment in the property, that without consultation of everyone concerned, not just the Regents and the congressional members, but all of the committees, that we would dismantle a major operation of that kind.

Senator STEVENS. Then why would you construct one in the beginning? Why would you take on a gift of that proportion with the Federal obligations ongoing for years without authorization in the first place? It is a simple matter of authorization that is lacking, as far as we are concerned, and if we had it we would then have some definite guidelines as far as the use of private and Federal moneys.

Now the GAO report in appendix II seems to indicate that there is no policy at all in the mix of private and Federal funding. These funds are often used for the same purpose without a policy of the Smithsonian to guide the use of these funds. Should there not be such a policy of the Smithsonian?

Mr. POWERS. I think if you look at it in specific instances, Mr. Wheeler was trying to do that, there are these policies at work. For the initial construction of the Smithsonian Institution's original building, there were no Federal appropriations. It was built entirely with private funds.

Senator STEVENS. Yes. We are familiar with that.

Mr. POWERS. There were no such funds available in 1879 to build the Arts and Industries Building. It was a Federal appropriation and it was part of the understanding that the Institution would manage the national collections if the Government would pay for their upkeep. That was the principle there.

The same thing with the National Zoological Park which was founded in the 1890's. It was founded with Federal funds. The Natural History Museum was built with Federal funds. When it came to the Cooper-Hewitt, with the rescue operation in New York, it was the original understanding that we would do everything we could with New York money and it was on that basis that we even accepted this thing from the "Committee to Save the Cooper Union Museum" in New York.

I think that we did a remarkable job of raising the construction funds there from private sources. However, there was more than could be done for the benefit of the public with private funds alone.

The Chesapeake Bay Center, we raised tremendous sums from the outside in order to acquire and preserve that land. When I first arrived in 1964 there was a bequest of the original 300 acres that were the core of the property. The Regents could perfectly well have sold that 300 acres and devoted the resources to whatever appropriate project was coming along at the time.

Instead, they determined to forego that and to try to create an ecological center and preserve the watershed. We raised all the money for the land acquisition from outside sources and not from Federal sources.

I believe that Federal appropriations for construction have been small. I don't know how much it is. There are, I think, general policies at work as to what funding is appropriate.

Another example would be the Freer Gallery. Mr. Freer gave the collection and the money for the building, but the understanding reflected in the agreement which was supported by the President at the time and all of the appropriate Members of Congress, as far

as I know, was that the upkeep and the maintenance should be paid by the Federal budget.

That is the principle. That is the policy which is at work there. The Freer still receives more than half of its support from the trust endowment for the Freer Gallery.

What I am trying to suggest, Mr. Chairman, is that there is no lack of authority in the Smithsonian and its Board of Regents as presently constituted to act in this way—and there are clear principles at work, its seems to me in most cases—but there is always the risk that if this committee or the House committee is not fully informed as we have promised to keep it informed, that it would be unwilling to fund certain things that would be good for the growth and future of the Institution.

I am sure that this committee always has the duty to turn down expenditures that it does not regard as essential or as necessary to the work of the Institution.

Senator STEVENS. If we did that, then you would use private funds to continue, wouldn't you?

Mr. POWERS. I don't think that that is necessarily the case at all. I think the Regents have to continue to look at each area in their own judgment.

ACQUISITION AND DISPOSITION OF MAJOR SMITHSONIAN PROPERTIES

Mr. BLITZER. One example, Mr. Chairman, recently we acquired the Hillwood estate with the understanding on our part that this would be funded from an endowment that came with the property. Well, it turned out that because of inflation and other reasons, the endowment was inadequate. We neither came to the Congress for funds nor felt that we should spend our trust funds in that manner, but rather simply gave the property back.

Senator STEVENS. Did you approach the committee?

Mr. BLITZER. No.

Senator STEVENS. Did you consult the authorizing committees concerning that property?

Mr. BLITZER. No, sir.

Dr. RIPLEY. This was a bequest to the Institution, similar to the Freer bequest and was acted on by the Regents on the principle that the Regents embody the three branches of the Government and outside citizens in conformance with the charter of the Institution.

Senator STEVENS. If our colleagues on the Board of Regents have as much time to spend on the Board of Regents as we have to spend on these committees, I don't imagine you are getting much guidance from them, or they are getting much guidance from you, as to what they should communicate to us.

Dr. RIPLEY. We would be very glad to transmit any such message. I assure you, Mr. Chairman, that we are in constant communication with them. The audit committee, which includes two Members of Congress, is meeting this week. We would be very happy to arrange an interface or exchange of communication between yourself and any members of the Board or the Board collectively that you would like.

Senator STEVENS. Again, with due respect and referring back to this bequest, that was the bequest to the Smithsonian which is considered to be part of the Federal Government, and yet the decision was not referred to the Congress as to whether it should be funded for the future.

I am not sure whether it should have been or whether it should not have been, but there seems to be a growing feeling in the Congress that we ought to be involved in making the judgments as to acquisition or disposition of major properties under the control of the Smithsonian.

EMPLOYEES ON PRIVATE PAYROLL

The GAO report indicated there were 4,600 full time employees of the Smithsonian, one-fourth of them on private payroll. I understood you to comment that only 4 percent were on private payroll. Is that right?

Mr. WHEELER. What percent, sir?

Senator STEVENS. Four percent did you say?

Mr. WHEELER. No. The 4 percent applied to grant and contract employees in nine of our major bureaus.

Senator STEVENS. Is the GAO report correct? Does the Smithsonian dispute the GAO's conclusion that one-fourth of the employees of the Smithsonian are on private payrolls?

Mr. WHEELER. Mr. Chairman, I am sure that that is correct. I might point out the reason that there are so many on the trust fund or private payroll is largely a result of two things—Federal grant and contract work is carried out by private roll employees. Also, our auxiliary operations—including the shops and the associates which have a great number of employees—make up the bulk of that total.

Senator STEVENS. Would you provide us with the figures for the Federal and private employees in 1977 and 1978 as budgeted, please?

Mr. WHEELER. Yes, sir.

[The information follows:]

SMITHSONIAN INSTITUTION
Listing of Positions by Grade Level
-SUMMARY-

FEDERAL FULL-TIME PERMANENT /1			FY 1977 NON-FEDERAL TRUST FUNDS /3					GRAND TOTAL	
FY 1977	FY 1978	PAY PLAN /2	GRANT & CONTRACT /4	UNRESTRICTED	SPECIAL PURPOSE	RESTRICTED	TOTAL	FY 1977	FY 1978
2	2	Executive Level 4	-	2	-	-	2	4	4
2	2	5	-	1	-	-	1	3	3
4	4	Subtotal	-	3	-	-	3	7	7
5	5	GS - 18	1	1	-	1	3	8	8
8	8	17	-	4	-	-	4	12	12
24	24	16	2	2	-	1	5	29	29
112	112	15	14	13	-	2	29	141	141
130	130	14	13	11	-	5	29	159	159
157	158	13	16	24	-	4	44	201	202
188	191	12	26	30	-	2	58	246	249
218	222	11	31	35	-	3	69	287	291
11	11	10	10	9	-	1	20	31	31
300	304	9	37	52	2	4	95	395	399
42	42	8	11	8	-	2	21	63	63
275	279	7	40	61	1	2	104	379	383
185	186	6	10	45	2	4	61	246	247
343	347	5	43	72	1	10	126	469	473
425	451	4	20	57	1	12	90	515	541
49	49	3	12	49	1	5	67	116	116
9	9	2	1	94	19	6	120	129	129
-	-	1	13	121	22	-	156	156	156
2,481	2,528	Subtotal	300	688	49	64	1,101	3,582	3,629
4	4	Administratively Determined	3	96	1	6	106	110	110
889	912	Ungraded	-	5	5	2	12	901	924
3,378	3,448	TOTAL	303	792	55	72	1,222	4,600	4,670

/1 Includes 6 ungraded positions which are funded from the Tropical Research Institute's Federal Trust account.
/2 Non-Federal Trust positions are shown at comparable Federal grade levels and pay plans. The Tropical Research Institute's Canal Zone pay plan employees are shown at comparable GS pay plan.
/3 FY 1978 positions are estimated at the FY 1977 level and include all categories of employment.
/4 Positions funded from grants and contracts received from Federal agencies.

SMITHSONIAN INSTITUTION
Listing of Positions by Grade Level
-SCIENCE-

FEDERAL FULL-TIME PERMANENT/1		PAY PLAN /2	FY 1977 NON-FEDERAL TRUST FUNDS/3					GRAND TOTAL	
FY 1977	FY 1978		GRANT & CONTRACT/4	UNRESTRICTED	SPECIAL PURPOSE	RESTRICTED	TOTAL	FY 1977	FY 1978
1	1	Executive Level 4	-	-	-	-	-	1	1
1	1	5	-	-	-	-	-	1	1
2	2	Subtotal	-	-	-	-	-	2	2
2	2	GS - 18	1	1	-	-	2	4	4
5	5	17	-	3	-	-	3	8	8
18	18	16	2	-	-	-	2	20	20
69	69	15	14	5	-	-	19	88	88
76	76	14	12	5	-	-	17	93	93
61	62	13	15	5	-	-	20	81	82
73	75	12	26	5	-	1	32	105	107
80	82	11	30	11	-	1	42	122	124
5	5	10	9	-	-	1	10	15	15
110	110	9	32	13	2	-	47	157	157
20	20	8	11	3	-	-	14	34	34
136	140	7	36	13	1	-	50	186	190
41	41	6	10	11	2	-	23	64	64
99	102	5	41	11	1	7	60	159	162
38	38	4	19	5	1	-	25	63	63
26	26	3	10	8	1	-	19	45	45
7	7	2	1	3	19	-	23	30	30
-	-	1	3	3	22	-	28	28	28
866	878	Subtotal	272	105	49	10	436	1,302	1,314
1	1	Administratively Determined	1	1	1	1	4	5	5
406	425	Ungraded		2	5	-	7	413	432
1,275	1,306	TOTAL	273	108	55	11	447	1,722	1,753

/1 Includes 6 ungraded positions which are funded from the Tropical Research Institute's Federal Trust account.
/2 Non-Federal Trust positions are shown at comparable Federal grade levels and pay plans. The Tropical Research Institute's Canal Zone pay plan employees are shown at comparable GS pay plan.
/3 FY 1978 positions are estimated at the FY 1977 level and include all categories of employment.
/4 Positions funded from grants and contracts received from Federal agencies.

SMITHSONIAN INSTITUTION
Listing of Positions by Grade Level
-HISTORY AND ART-

FEDERAL FULL-TIME PERMANENT			FY 1977 NON-FEDERAL TRUST FUNDS/2					GRAND TOTAL	
FY 1977	FY 1978	PAY PLAN/1	GRANT & CONTRACT/3	UNRESTRICTED	SPECIAL PURPOSE	RESTRICTED	TOTAL	FY 1977	FY 1978
1	1	Executive Level 4	-	1	-	-	1	2	2
-	-	5	-	-	-	-	-	-	-
1	1	Subtotal	-	1	-	-	1	2	2
2	2	GS - 18	-	-	-	1	1	3	3
2	2	17	-	-	-	-	-	2	2
2	2	16	-	-	-	1	1	3	3
13	13	15	-	-	-	2	2	15	15
23	23	14	-	-	-	5	5	28	28
31	31	13	1	-	-	2	3	34	34
44	44	12	-	-	-	3	3	47	47
56	56	11	1	-	-	2	3	59	59
-	-	10	-	-	-	-	-	-	-
93	95	9	2	-	-	4	6	99	101
7	7	8	-	-	-	2	2	9	9
52	52	7	2	-	-	2	4	56	56
38	38	6	-	-	-	4	4	42	42
51	51	5	1	-	-	3	4	55	55
38	43	4	1	-	-	12	13	51	56
6	6	3	2	-	-	5	7	13	13
-	-	2	-	-	-	6	6	6	6
-	-	1	-	-	-	-	-	-	-
458	465	Subtotal	10	-	-	54	64	522	529
3	3	Administratively Determined	2	-	-	4	6	9	9
141	142	Ungraded	-	-	-	2	2	143	144
603	611	TOTAL	12	1	-	60	73	676	684

/1 Non-Federal Trust positions are shown at comparable Federal grade levels and pay plans.
/2 FY 1978 positions are estimated at the FY 1977 level and include all categories of employment.
/3 Positions funded from grants and contracts received from Federal agencies.

SMITHSONIAN INSTITUTION
Listing of Positions by Grade Level
-PUBLIC SERVICE-

FEDERAL FULL-TIME PERMANENT		PAY PLAN/1	FY 1977 NON-FEDERAL TRUST FUNDS/2					GRAND TOTAL	
FY 1977	FY 1978		GRANT & CONTRACT/3	UNRESTRICTED	SPECIAL PURPOSE	RESTRICTED	TOTAL	FY 1977	FY 1978
-	-	Executive Level 4	-	-	-	-	-	-	-
-	-	5	-	-	-	-	-	-	-
-	-	Subtotal	-	-	-	-	-	-	-
1	1	GS - 18	-	-	-	-	-	1	1
-	-	17	-	-	-	-	-	-	-
-	-	16	-	-	-	-	-	-	-
4	4	15	-	-	-	-	-	4	4
4	4	14	-	-	-	-	-	4	4
9	9	13	-	-	-	-	-	9	9
11	11	12	-	-	-	-	-	11	11
11	11	11	-	-	-	-	-	11	11
-	-	10	1	-	-	-	1	1	1
12	12	9	2	2	-	-	4	16	16
2	2	8	-	-	-	-	-	2	2
8	8	7	2	2	-	-	4	12	12
6	6	6	-	-	-	-	-	6	6
9	9	5	-	-	-	-	-	9	9
5	5	4	-	1	-	-	1	6	6
3	3	3	-	-	-	-	-	3	3
-	-	2	-	-	-	-	-	-	-
-	-	1	10	-	-	-	10	10	10
85	85	Subtotal	15	5	-	-	20	105	105
-	-	Administratively Determined	-	3	-	-	3	3	3
5	5	Ungraded	-	-	-	-	-	5	5
90	90	TOTAL	15	8	-	-	23	113	113

/1 Non-Federal Trust positions are shown at comparable Federal grade levels and pay plans.
/2 FY 1978 positions are estimated at the FY 1977 level and include all categories of employment.
/3 Positions funded from grants and contracts received from Federal agencies.

SMITHSONIAN INSTITUTION
Listing of Positions by Grade Level
-MUSEUM PROGRAMS-

FEDERAL FULL-TIME PERMANENT			FY 1977 NON-FEDERAL TRUST FUNDS/2					GRAND TOTAL	
FY 1977	FY 1978	PAY PLAN/1	GRANT & CONTRACT/3	UNRESTRICTED	SPECIAL PURPOSE	RESTRICTED	TOTAL	FY 1977	FY 1978
-	-	Executive Level 4	-	-	-	-	-	-	-
1	1	5	-	-	-	-	-	1	1
1	1	Subtotal	-	-	-	-	-	1	1
-	-	GS - 18	-	-	-	-	-	-	-
1	1	17	-	-	-	-	-	1	1
-	-	16	-	-	-	-	-	-	-
5	5	15	-	-	-	-	-	5	5
4	4	14	1	-	-	-	1	5	5
15	15	13	-	-	-	-	-	15	15
28	28	12	-	-	-	-	-	28	28
27	28	11	-	2	-	-	2	29	30
1	1	10	-	-	-	-	-	1	1
22	24	9	1	1	-	-	2	24	26
4	4	8	-	-	-	-	-	4	4
22	22	7	-	1	-	-	1	23	23
11	12	6	-	2	-	-	2	13	14
34	34	5	-	1	-	-	1	35	35
26	27	4	-	2	-	-	2	28	29
8	8	3	-	-	-	-	-	8	8
1	1	2	-	-	-	-	-	1	1
-	-	1	-	-	-	-	-	-	-
209	214	Subtotal	2	9	-	-	11	220	225
-	-	Administratively Determined	-	-	-	-	-	-	-
70	73	Ungraded	-	-	-	-	-	70	73
280	288	TOTAL	2	9	-	-	11	291	299

/1 Non-Federal Trust positions are shown at comparable Federal grade levels and pay plans.
/2 FY 1978 positions are estimated at the FY 1977 level and include all categories of employment.
/3 Positions funded from grants and contracts received from Federal agencies.

SMITHSONIAN INSTITUTION
Listing of Positions by Grade Level
-SUPPORT ACTIVITIES-

FEDERAL FULL-TIME PERMANENT			FY 1977 NON-FEDERAL TRUST FUNDS/2					GRAND TOTAL	
FY 1977	FY 1978	PAY PLAN/1	GRANT & CONTRACT/3	UNRESTRICTED	SPECIAL PURPOSE	RESTRICTED	TOTAL	FY 1977	FY 1978
-	-	Executive Level 4	-	-	-	-	-	-	-
-	-	5	-	-	-	-	-	-	-
-	-	Subtotal	-	-	-	-	-	-	-
-	-	GS - 18	-	-	-	-	-	-	-
-	-	17	-	-	-	-	-	-	-
-	-	16	-	-	-	-	-	-	-
2	2	15	-	-	-	-	-	2	2
4	5	14	-	-	-	-	-	4	5
5	5	13	-	-	-	-	-	5	5
10	10	12	-	-	-	-	-	10	10
19	19	11	-	-	-	-	-	19	19
1	1	10	-	-	-	-	-	1	1
34	34	9	-	1	-	-	1	35	35
3	3	8	-	-	-	-	-	3	3
43	43	7	-	-	-	-	-	43	43
67	67	6	-	-	-	-	-	67	67
130	130	5	1	-	-	-	1	131	131
303	323	4	-	-	-	-	-	303	323
4	4	3	-	-	-	-	-	4	4
1	1	2	-	-	-	-	-	1	1
-	-	1	-	-	-	-	-	-	-
626	647	Subtotal	1	1	-	-	2	628	649
-	-	Administratively Determined	-	-	-	-	-	-	-
267	267	Ungraded	-	3	-	-	3	270	270
893	914	TOTAL	1	4	-	-	5	898	919

/1 Non-Federal Trust positions are shown at comparable Federal grade levels and pay plans.
/2 FY 1978 positions are estimated at the FY 1977 level and include all categories of employment.
/3 Positions funded from grants and contracts received from Federal agencies.

SMITHSONIAN INSTITUTION
Listing of Positions by Grade Level
-ADMINISTRATION-

FEDERAL FULL-TIME PERMANENT			FY 1977 NON-FEDERAL TRUST FUNDS/2					GRAND TOTAL	
FY 1977	FY 1978	PAY PLAN/1	GRANT & CONTRACT/3	UNRESTRICTED	SPECIAL PURPOSE	RESTRICTED	TOTAL	FY 1977	FY 1978
-	-	Executive Level 4	-	1	-	-	1	1	1
-	-	5	-	1	-	-	1	1	1
-	-	Subtotal	-	2	-	-	2	2	2
-	-	GS - 18	-	-	-	-	-	-	-
-	-	17	-	1	-	-	1	1	1
4	4	16	-	2	-	-	2	6	6
18	18	15	-	4	-	-	4	22	22
17	17	14	-	6	-	-	6	23	23
32	32	13	-	14	-	-	14	46	46
21	22	12	-	12	-	-	12	33	34
25	26	11	-	9	-	-	9	34	35
4	4	10	-	-	-	-	-	4	4
27	27	9	-	13	-	-	13	40	40
5	5	8	-	2	-	-	2	7	7
12	13	7	-	15	-	-	15	27	28
19	19	6	-	15	-	-	15	34	34
18	19	5	-	17	-	-	17	35	36
14	14	4	-	13	-	-	13	27	27
1	1	3	-	11	-	-	11	12	12
-	-	2	-	1	-	-	1	1	1
-	-	1	-	-	-	-	-	-	-
217	221	Subtotal	-	135	-	-	135	352	356
-	-	Administratively Determined	-	2	-	1	3	3	3
-	-	Ungraded	-	-	-	-	-	-	-
217	221	TOTAL	-	139	-	1	140	357	361

/1 Non-Federal Trust positions are shown at comparable Federal grade levels and pay plans.
/2 FY 1978 positions are estimated at the FY 1977 level and include all categories of employment.
/3 Positions funded from grants and contracts received from Federal agencies.

SMITHSONIAN INSTITUTION
Listing of Positions by Grade Level
-AUXILIARY ACTIVITIES-

FEDERAL FULL-TIME PERMANENT			FY 1977 NON-FEDERAL TRUST FUNDS/2					GRAND TOTAL	
FY 1977	FY 1978	PAY PLAN/1	GRANT & CONTRACT/3	UNRESTRICTED	SPECIAL PURPOSE	RESTRICTED	TOTAL	FY 1977	FY 1978
-	-	Executive Level 4	-	-	-	-	-	-	-
-	-	5	-	-	-	-	-	-	-
-	-	Subtotal	-	-	-	-	-	-	-
-	-	GS - 18	-	-	-	-	-	-	-
-	-	17	-	-	-	-	-	-	-
-	-	16	-	-	-	-	-	-	-
-	-	15	-	3		-	3	3	3
-	-	14	-	-	-	-	-	-	-
-	-	13	-	5	-	-	5	5	5
-	-	12	-	13	-	-	13	13	13
-	-	11	-	11	-	-	11	11	11
-	-	10	-	9	-	-	9	9	9
-	-	9	-	20	-	-	20	20	20
-	-	8	-	2	-	-	2	2	2
-	-	7	-	29	-	-	29	29	29
-	-	6	-	16	-	-	16	16	16
-	-	5	-	43	-	-	43	43	43
-	-	4	-	35	-	-	35	35	35
-	-	3	-	30	-	-	30	30	30
-	-	2	-	90	-	-	90	90	90
-	-	1	-	118	-	-	118	118	118
-	-	Subtotal	-	424	-	-	424	424	424
-	-	Administratively Determined	-	90	-	-	90	90	90
-	-	Ungraded	-	-	-	-	-	-	-
-	-	TOTAL	-	514	-	-	514	514	514

/1 Non-Federal Trust positions are shown at comparable Federal grade levels and pay plans.
/2 FY 1978 positions are estimated at the FY 1977 level and include all categories of employment.
/3 Positions funded from grants and contracts received from Federal agencies.

83-107 (Pt. 4) O - 77 - 49

SMITHSONIAN INSTITUTION
Listing of Positions by Grade Level
-SPECIAL PROGRAMS-

FEDERAL FULL-TIME PERMANENT			FY 1977 NON-FEDERAL TRUST FUNDS/2					GRAND TOTAL	
FY 1977	FY 1978	PAY PLAN/1	GRANT & CONTRACT/3	UNRESTRICTED	SPECIAL PURPOSE	RESTRICTED	TOTAL	FY 1977	FY 1978
-	-	Executive Level 4	-	-	-	-	-	-	-
-	-	5	-	-	-	-	-	-	-
-	-	Subtotal	-	-	-	-	-	-	-
-	-	GS - 18	-	-	-	-	-	-	-
-	-	17	-	-	-	-	-	-	-
-	-	16	-	-	-	-	-	-	-
1	1	15	-	1	-	-	1	2	2
2	1	14	-	-	-	-	-	2	1
4	4	13	-	-	-	-	-	4	4
1	1	12	-	-	-	-	-	1	1
-	-	11	-	2	-	-	2	2	2
-	-	10	-	-	-	-	-	-	-
2	2	9	-	2	-	-	2	4	4
1	1	8	-	1	-	-	1	2	2
2	1	7	-	1	-	-	1	3	2
3	3	6	-	1	-	-	1	4	4
2	2	5	-	-	-	-	-	2	2
1	1	4	-	1	-	-	1	2	2
1	1	3	-	-	-	-	-	1	1
-	-	2	-	-	-	-	-	-	-
-	-	1	-	-	-	-	-	-	-
20	18	Subtotal	-	9	-	-	9	29	27
-	-	Administratively Determined	-	-	-	-	-	-	-
-	-	Ungraded	-	-	-	-	-	-	-
20	18	TOTAL	-	9	-	-	9	29	27

/1 Non-Federal Trust positions are shown at comparable Federal grade levels and pay plans.
/2 FY 1978 positions are estimated at the FY 1977 level and include all categories of employment.
/3 Positions funded from grants and contracts received from Federal agencies.

RESPONSIBILITIES OF FEDERAL AND PRIVATE EMPLOYEES

Senator STEVENS. The GAO report also indicates that a mixture of private and Federal employees work in the administrative area and engage in activities relating to both Federal and private funds. Is that correct? And, if it is, how does the Smithsonian avoid the problem of Federal employees being involved in private fund raising matters?

Mr. WHEELER. It is true that we use both Federal and trust fund employees in the administration of the Institution. Actually, this is an activity that is audited every year by the Defense Contract Audit Agency in connection with the amount of administrative charges applied to our Federal research grants and contracts.

We have a mixture of employees in these functions and we feel that it is the most efficient way to carry the job out. For example, there are trust fund employees administering both Federal and trust fund functions and vice versa is also true.

Dr. Ripley administers the whole institution. He and I and others are on the trust fund rolls. There are other people on the Federal rolls who administer both trust fund functions and Federal functions.

Senator STEVENS. Are there Federal employees who work directly on private fund raising activities such as the Smithsonian magazine?

Mr. WHEELER. No, sir. There are no Federal roll employees working on any of those activities.

Senator STEVENS. Are there any privately paid employees administering Federal funds?

Dr. RIPLEY. Yes, sir. Myself.

Mr. WHEELER. Administering Federal funds? Yes, sir. I am on the trust fund rolls and so is Dr. Ripley.

Senator STEVENS. How many are like that?

Dr. RIPLEY. In the Secretary's office there are 5 trust fund employees out of 10.

Senator STEVENS. In the remainder of the Institution, are there any?

Dr. RIPLEY. In the remainder of the Institution, depending on the component, there may be or may not be, depending again on the character of the work. If it is private trust fund work, then we would have trust fund employees. If it is Federal work, then we would have civil service employees.

Senator STEVENS. Privately paid employees—personnel paid from private funds outside of your own personal office who are administering Federal funds?

Dr. RIPLEY. Not that I know of. Do you know of any, particularly? Oh, yes. Yes, there are some.

Mr. BLITZER. Certainly, Mr. Chairman, the Director of the Freer Gallery, for example, is funded from Freer trust funds and administers the entire budget of the Freer Gallery part of which is supported from Federal funds, as is the case with the National Gallery of Art. As you know, the top executives are trust fund executives and administer the Federal budget.

DISTRIBUTION OF EMPLOYMENT IN THE ADMINISTRATIVE AREA

Mr. WHEELER. Could I add one more statistic to that, Mr. Chairman?

In the administrative end there are some 220 employees on the Federal roll and about 150 on the trust fund rolls. The split there is 60–40 percent. And the similar split for total operating funds of the Institution is 65–35 percent.

In other words, we try to maintain a balance overall in these administrative functions between the amount of funds administered. This is the basis of our agreement with the Defense Contract Audit Agency.

Dr. RIPLEY. Mr. Yellin.

Mr. YELLIN. The budget office reflects this division. There are five Federal employees who administer Federal funds, and three trust fund employees who primarily handle the trust budget in the Institution. This is indicative of the kind of division that is reflected elsewhere in administration.

Senator STEVENS. Are you talking about the administration of operating expenses or are the privately funded employees handling Federal construction funds in a similar manner?

Dr. RIPLEY. Mr. Jameson, do you know of any?

Mr. JAMESON. In our administrative areas of supply, accounting, and facilities planning there are, as Mr. Wheeler suggested, some levels of trust fund employees working side by side with Federal employees.

From my perspective when I was in the budget office, and I am sure my associates in accounting and elsewhere would agree, work has to be organized so that there is a logical flow. Projects must often flow through a process rather than through a particular pair of hands in terms of how the pair of hands is paid.

I think the budget office that Mr. Yellin mentioned is a good example. We try to be thoughtful about our budgeting practices and there are frequent opportunities, such as on the Freer Gallery, for Federal and trust fund budget people to work together, even though in the budget office the Federal people work predominately on Federal activity and the privately paid people work on private activities. It is necessary to have the two sides relate.

GROWTH IN EMPLOYMENT

Senator STEVENS. Federally funded employment under the salaries and expenses appropriation has roughly doubled in the last 10 years. Have you had a similar situation with regard to private employment?

Mr. WHEELER. I would say, yes, we have. The costs of administration on the private side have risen from $2 million up to around $5 million, roughly, as I recall the figures. So there has been a commensurate increase in private employment.

I might say that it would be highly inefficient to have an accounts payable section, for example, that just dealt with Federal accounts payable and one on the private roll that just dealt with bills from the associates and auxiliary activities. It is much, much more efficient to have one section handling all of the same types of activities.

USE OF TRUST VERSUS FEDERAL FUNDS

Senator STEVENS. I don't think that we could disagree with you there, but who makes the decision whether you use private or Federal funds to pay the bill?

Mr. WHEELER. With respect to administrative costs we strive to maintain a Federal-private roll balance that is roughly in proportion to the expenditures of the activities administered, that is satisfactory with the auditors who review these accounts.

There are individual decisions that have to be made based on the circumstances at the time. It is not always clear which way we should go, but we do maintain a balance and it is satisfactory overall.

Senator STEVENS. On behalf of the committee, Doctor, let me request that you give us a specific statement with regard to the GAO recommendation that clear policies governing the use of Federal and private funds be established by the Smithsonian.

We request that you submit that to the Regents to determine if they intend to follow that recommendation. Could you do that?

Dr. RIPLEY. I am sure that they do, sir. We will be happy to supply it.

[The information follows:]

POLICY ON THE USE OF FUNDS

The Smithsonian's policy on the use of trust versus Federal funds is being prepared and will be forwarded to the committee following review and approval by the Board of Regents.

SMITHSONIAN RESEARCH FOUNDATION

Senator STEVENS. Let's go to the Smithsonian Research Foundation. That was one of the two items in the GAO report.

The GAO found that the foundation was established mainly to avoid restrictions on Federal appropriations. Do you agree with that conclusion?

Dr. RIPLEY. No, Mr. Chairman. I would like to ask Mr. Powers to speak to it, if I may.

Mr. POWERS. Mr. Chairman, I should say perhaps at the outset, I don't fully understand the GAO report in this area. In our own comments we set forth at great length the origins of the research foundation, what functions it was set up to perform and what it does perform. That seemed to have had very little effect on the auditors. They came out with the recommendation that the corporations be dissolved.

Now, in the statement submitted this morning on page 2, I think that it might be helpful if I could read just a portion of that.

Senator STEVENS. I read it just before the hearing. What is the comment you wanted to look up?

Mr. POWERS. The problem that the report seems to be dealing with is not the existence of the corporations themselves, but rather whether certain special programs should be run by contract. They are most specifically concerned about the applicability of the fiscal year limitations, civil service laws and Federal procurement laws.

The Smithsonian's statement points out that those are functions or effects of running any special program by contract. Every contract for a research project has that effect. It obligates the funds for a period related to the project rather than the fiscal year, and the people that are employed under that contract are not civil servants.

This is true of Federal contracting all across the Government.

PURPOSE OF THE FOUNDATION

Senator STEVENS. But the Smithsonian made the decision to create this foundation. Did it, at that time, consult with either the legislative committees or the appropriations committees when it decided to create a private grant processing organization?

Mr. POWERS. No.

Senator STEVENS. That is what it really is; isn't it? It takes Federal funds and puts them into the foundation and then processes the grants through the foundation.

Mr. POWERS. Some of the programs of the foundation could be run with direct contracts with, for instance, some of the fellows, with fellowship agreements. One of the main functions of the foundation is a matter of administrative convenience.

I refer not only to the convenience of the Institution, but the convenience of the individual receiving the support. You may be aware that the granting organizations around the Government are very unwilling to make grants to individuals. The reason is that it imposes a very severe burden on the individual. He has to be bonded individually and personally responsible for the accountability. It is not a very good way to handle the matter in general.

Senator STEVENS. Any other recipient of Federal funds would have to be bonded and would have to comply with the Federal statutes.

Mr. POWERS. That is right. In general what is done, Mr. Chairman, is the grant or contract is made to an organization which has that capability and supplies that for the individual researcher whether it be a university or research lab or organization. These programs are very normally carried out all over the Government by contract with an organization.

Back in 1966 when we wished to continue these research projects in exactly the same contract form as they had been received from NSF prior to that time, I went to the GAO to discuss what would be a proper contracting organization.

There are not two Smithsonians, Federal and private, but we had the concept of a so-called private side and Federal side. My question to the GAO was whether we could properly write a contract between, say, the Federal contracting officer and the private contracting officer.

The informal response that I got at the time was they would have a lot of trouble with that at GAO as a valid obligating document. So, as a consequence, the research foundation was organized in order to provide a valid contractor who would supply this accountability for the benefit of the researchers which would be set up to do the bookkeeping, the accounting and so forth in the same—basically the same form as the grants had been administered by the private side of the Institution when they came in from NSF.

In other words, I think, and the statement says that it is not really fair or correct to say that we are trying to avoid something when the contract method which is used all over the Government is the proper way, a properly controllable way subject to other statutes and regulations, of administering a special research program or, indeed, a fellowship program.

These have been continued in exactly the same form, and in my view with greater accountability, because of this feature of being

able to identify each grant and all of its costs, than if it had been done as a straight line item.

RESTRICTIONS IN FEDERAL LAW

Senator STEVENS. Does the Smithsonian feel that these restrictions in the Federal law are prohibitive or too restrictive as far as handling Federal funds to the Smithsonian itself for this purpose?

Mr. POWERS. It varies. We are studying that alternative recommendation of the GAO report. Just at the outset it would seem that some restrictions are not much of a problem. In the case of the research awards, however, the fiscal year limitation is a problem. If you have a 3-year research project for which to obligate the funds for the full period, under a straight line item approach, you would have to chop it into three pieces. The researcher would have absolutely no guarantee that he was going to be supported for the full 3 years.

Now, that particular feature could be corrected if the moneys for those programs that involved that program could be made no-year moneys. That has been something that has been done in the past for the foreign currency program. It would be very helpful.

With fellowships, I don't think that it matters that much. I think Mr. Jameson, who has done more of a study on this than I have, could answer this better.

Senator STEVENS. I think it would be best if you would give us a report as to the outcome of your study.

[The information follows:]

GAO Recommendations on the Research Foundation and the Science Information Exchange and the Possible Effects of Such Actions

The GAO has recommended that the Smithsonian Research Foundation (SRF) and the Smithsonian Science Information Exchange (SSIE) be dissolved and their operations carried out as part of the Smithsonian's regular organization structure. It is further recommended that the Institution seek those exemptions from existing legislation that would be required to run effectively and efficiently the programs now administered by these corporations.

The effect of the abolition of the SRF and the SSIE is understood by the Smithsonian to mean that the programs carried out by these corporations (both of which are legally independent organizations that are separate from the Smithsonian Institution but contractors to the Institution) would be operated through the Institution's regular administrative procedures that are established to expend federally appropriated funds in accordance with applicable regulations.

Four principal programs are administered by the SRF. These programs are: the pre- and post-doctoral fellowship program of visiting students and scholars, the Woodrow Wilson Center fellowships, Special Foreign Currency Program research grants to Smithsonian employee scientists and scholars, and Research Awards Program grants to the Institution's research staff.

In the limited time available since the issuance of the GAO report, the Smithsonian has not been able to complete its assessment of the effects of implementing the recommendations. Nor has the Board of Regents had an opportunity to complete its review and decide on appropriate courses of action. The following comments on major concerns reflect the early stage of the assessment.

With regard to the two fellowship programs administered by the SRF, the key problem appears to be the frequent need to be able to obligate a portion of the current annual appropriation beyond the close of the fiscal year. For example, no-year funds provide the capability to use the appropriation fully and effectively in a situation where a fellow cancels his appointment too late in the year for a new selection to be made or in the situation where funds must be held beyond the close of the year to be available for a particular scholar.

Concerning the Special Foreign Currency Program and the Research Awards Program, the question has been raised whether research grants could be made directly to Smithsonian employees thus possibly eliminating the need for grants to be administered by the SRF. Section 1-1.302-3 of the Federal Procurement Regulations which prohibits contracts "between the Government and employees of the Government" has been interpreted by the General Accounting Office (in decisions not relating to the Institution) as allowing such contracts only in cases where the employee is uniquely qualified to perform the work. While Smithsonian researchers are well qualified to perform these research projects, it would be difficult to substantiate that no one else could perform them satisfactorily. Each award might require a legal opinion, which would seriously impede the research process.

No-year capability on the obligation of funds appears to be essential for the effectiveness of the Research Awards Program. It is frequently necessary to extend a project (at no additional cost) because of field conditions, other demands on the researcher's time, or for other reasons. Such delays (under an annual appropriation) will cause budgeted funds to lapse at year end. In the following year, when work is resumed, funds would have to be provided from other projects thus jeopardizing their performance.

For both of these research grant programs, severe difficulties would be encountered in the hiring of appropriate personnel as research assistants in the absence of the SRF. The problem would be particularly acute for the Research Awards Program. Civil Service Registers usually are closed for the two categories of individuals more frequently required as assistants, "museum technician" and "biological technician." Even if the registers happen to be open, it often is difficult to qualify under the Civil Service System the particular research assistant having the requisite background, training, or subject matter knowledge. Even if qualifiable, it is likely that much research time would be lost while a particular person was certified. Furthermore, most of the assistants are hired for projects of uncertain duration. Under Civil Service rules, it is extremely difficult to extend a temporary appointment.

The major impact of the implementation of the GAO recommendation concerning the SSIE would be on its personnel. Approximately 100 new federal positions would have to be established, an action in conflict with current efforts to hold down federal employment. Without special legislation or other arrangements with the Civil Service Commission, it appears unlikely that a majority of the current SSIE employees could be converted to Federal Civil Service status. Thus, the dissolution of SSIE as a corporation would disrupt its work force and, at least in the short term, disrupt its capability to function. Consequently, it is likely that user revenue would diminish.

Furthermore, if the Smithsonian were required to fill all the positions within the new organization competitively from the Civil Service Registers, many present SSIE employees may not successfully compete and thus would be involuntarily separated. SSIE could face severance pay claims of several hundred thousand dollars. In the event that approval would be given by the Civil Service Commission for the conversion of all positions to Federal Civil Service status, and even assuming that all employees could be converted, there would be a hardship on those employees who would lose their benefits that result from seniority, such as reduction in force preferences, accumulated sick and annual leave, and higher leave earning rates. Many SSIE employees, especially those with extended service, would be disadvantaged by the forced conversion to the Civil Service Retirement System from the retirement plans now provided by the Teachers Insurance and Annuity Association and College Retirement Equities Fund and the Social Security System. Under all conversion procedures as now contemplated, SSIE employees would have to be paid for accumulated annual leave, which presently totals about $120,000 for all SSIE employees. Depending on the magnitude of the need to recruit and train new employees, such costs might be in excess of $100,000. Funds would have to be provided to SSIE to meet these conversion costs.

Aside from personnel disruptions and additional costs, there would be additional cost increases, ranging between $100,000 and $200,000, attributable to conversion planning by management, including the assignment or novation of existing contracts for the marketing of SSIE's information services. Another cost of converting SSIE to a directly federally-funded activity is the probable reduction in user revenue due to the legal restriction on the copyright of the work product of a federal entity. Such losses of revenue would have to be made up by an increased federal appropriation.

FLEXIBILITY INHERENT IN TRUST FUNDS

Senator STEVENS. I would like to ask you though, Dr. Ripley, are you considering seeking congressional authority to deal with this problem?

Dr. RIPLEY. Well, we have, sir. We have been discussing with the committees how best we can improve what appears to be the nub of the problem. That is, the difficulty of communication right across the board.

Senator STEVENS. Why do only Federal grants get channeled through that?

Mr. POWERS. That was a decision of the treasurer. It involves the very complicated business of overhead administration. I don't know fully the answer.

Mr. WHEELER. Mr. Chairman, there are really two reasons. The flexibility we felt we needed was available with the trust funds——

Senator STEVENS. So there were impediments in the existing Federal statutes that would not apply to the private funds, but did apply to the Federal funds unless you created a device to avoid them?

Mr. WHEELER. I don't like the latter phraseology, but essentially what you are saying is true.

ROLE OF CONGRESSIONAL MEMBERS OF THE BOARD OF REGENTS

Senator STEVENS. I want to pursue this a little bit more because the implication of your response is that the Regents who are Members of Congress have been relied upon by the Smithsonian to convey to the other Members of Congress what the policies of the Board are. Is that, in fact, the Smithsonian's feeling as to the role of the congressional members of the Board?

Mr. POWERS. Mr. Chairman, let me say that this part of the report was a part that is found only in the final report and we were unaware of that comment by the GAO on the role of the Regents. We were unaware of it until it came out.

What we had tried to explain to the auditors was that at the meeting in 1966, when the Board of Regents approved the incorporation of the Smithsonian Research Foundation, the ranking minority member of the House Appropriations Committee, the ranking minority member of the Senate Appropriations Committee and the second ranking majority member of the House Appropriations Committee, were all there.

Senator STEVENS. I am one of those fellows that you just mentioned, but I was not there. Let's figure out who was there.

Mr. POWERS. That was Senator Saltonstall.

Senator STEVENS. Oh, 1966.

Mr. POWERS. Yes. The point we tried to convey to the auditors, and probably failed, was not that Regents' approval or approval by congressional members of the Board of Regents is equivalent of approval by the Congress or transmission to the Congress. But what I was trying to convey was that looking backward, I didn't understand why we didn't make a specific presentation to this committee.

The only reason that seems plausible is that none of those members thought that was necessary. I don't think that that was an excuse. I think that was just an attempt to explain what happened 11 years ago.

I wish the presentation had happened because then we would not have this particular problem right now. That was, of course, what did happen with regard to SIE. The difference between SIE and SRF is that SRF was an internal management function and SIE has been a separate organization involving the executive branch and many different groups.

But I think that the short answer to your guestion is no.

Senator STEVENS. I don't think any one of them would have served if they thought that was their responsibility. Conversely, I don't think we are about ready to delegate to 4 people the power of 535.

Mr. POWERS. Quite right.

ELIGIBILITY OF SMITHSONIAN FEDERAL EMPLOYEES TO RECEIVE FOREIGN CURRENCY GRANTS

Senator STEVENS. Is the foundation necessary in order that the Smithsonian Federal employees—and I mention Federal employees now—be eligible for foreign currency grants?

Mr. POWERS. This is one of the questions that we are studying, Mr. Chairman. It is a strong policy, but it is a policy rather than a statute emanating from GAO opinions that you should not make agreements with Government employees. However, there are circumstances under which that can be waived.

The chief reason, I can see, looking back—as I was informed of it at the time—of putting foreign currency grants through the SRF was to provide the individual researcher with the accounting resources and the accountability which the foundation could provide and which he could not.

I am not sure that it is impossible to run it another way, but that kind of accountability will have to be provided another way, possibly more expensively, if the grants are not made through the research foundation.

Senator STEVENS. Couldn't you just seek amendment to the law? Couldn't you just face up to the question and ask the Congress if the Smithsonian's Federal employees should be eligible for grants of Federal money? It seems that we are going through a lot of indirection to reach a policy decision.

Mr. POWERS. I am not sure—what I am saying we are studying is to be sure such an authority is actually necessary. I was talking about the practical result which is that even if it were not necessary and we could make a grant directly to the Federal employee, the administrative and accounting functions that have been performed by the research foundation would still have to be performed by someone else.

The researcher must be backed up in this.

Senator STEVENS. You are talking about foreign currency grants now to Federal employees.

Mr. POWERS. Yes, sir.

NEED FOR FLEXIBILITY IN HIRING RESEARCH ASSISTANTS

Senator STEVENS. Another research grant restriction that GAO cited was the need to hire research assistants from the Civil Service rolls, which it was said would restrict the operating flexibility of the

Smithsonian. Why should the Smithsonian be exempt from the Civil Service restrictions as far as research is concerned?

Dr. RIPLEY. If I may just outline, Mr. Chairman, for a moment—the very simple way we often receive money is to perform a specific project because we are thought, by someone who is giving us a grant or a contract, to be uniquely qualified to do the work. This may be in competition with other agencies or universities or whatever.

Senator STEVENS. But we are talking about Federal funds now.

Dr. RIPLEY. Federal funds may be given to us to do a specific research task; isn't that right?

Mr. POWERS. Yes.

Dr. RIPLEY. And then placed in such a way that that researcher completes the task. When the task is complete we would hope that we would not be adding to the Federal roll with assistants who would continue to be employed under the Civil Service regulations. In other words, if the task is finished, why should the Government be penalized by having additional personnel whom we feel we cannot justify.

Senator STEVENS. Why should we have a Civil Service register of research assistants if the leading institution of the Federal Government doesn't use it.

Dr. RIPLEY. We do, I think.

Mr. POWERS. When a grant comes from NSF to do a research project and it has a research assistant on it, there is no question but the research assistant is hired simply for the term of that contract. He does not become a civil servant, and the GAO does not accuse the science foundation of avoiding Civil Service requirements.

Senator STEVENS. My memory is that it was specifically established by an act of Congress.

Mr. POWERS. No. The provisions are those governing Federal contracts—this is a natural and specific fact about a Federal contract. If you run a program by contract the contractors are not part of the Federal establishment.

Senator STEVENS. In this case the contractor is a creature of their own institution.

Mr. POWERS. No. The principal investigator, as he is called, who is in charge of the project is a creature of the Institution. He receives nothing. The expenses of the grant involve sometimes a special research assistant who is the creature of the grant and he is generally not a permanent member of the Smithsonian staff, either Federal or private. He is limited to the particular 3-month or 3-year research project; is that correct, David?

Mr. CHALLINOR. Yes, Mr. Chairman. That is correct.

In other words, if you have a grant, say, from NASA to do a specific project in astronomy and you need to hire a GS–5 or a GS–7 research technician, research technicians, as you know, cover a rather broad spectrum. If you need a research assistant who is a specialist in grinding lenses or something like that, you would have to take somebody off the top of that GS–7 list, whether he was a lens-grinding specialist or not. He would simply be an instrument maker. He may be involved in other aspects of instruments.

This does impede the flexibility of carrying out the contract quite apart from the delay that would be necessary to do this. For people who are hired to perform services under a contract, we generally

find the most efficient way to do this is to treat them strictly as contract employees on the open market.

SIMILAR FLEXIBILITY FOR OTHER AGENCIES

Senator STEVENS. I also happen to have been the ranking member of the Post Office and Civil Service Committee. It seems to me that if there is that much flexibility as applies to your activities that it should equally apply to the BLM and their baseline data studies, and to NOAA as they are dealing with their activities of their agency on weather and oceans. But I again say the problem is whether there is proper use of a foundation for the purpose of avoiding the impact of Federal laws which otherwise would bind your agency.

Mr. CHALLINOR. It is not as though we are bypassing the law. There are Federal laws that cover contracts and our relations to the employees that we hire under Federal contract. So I don't feel we are avoiding anything.

Senator STEVENS. If you can do it, why can't NOAA?

Mr. POWERS. I think in their research grants, Mr. Chairman, that they do.

ADMINISTRATION AND CONTROL OF FOUNDATION

Senator STEVENS. No, they grant their money to institutions that are not subject to their control. The GAO report indicates that the foundation board of directors is composed entirely of Smithsonian officials. Dr. Ripley, as the chairman, appoints all directors and officers; is that correct?

Dr. RIPLEY. Yes.

Senator STEVENS. It can hardly be considered to be an independent foundation.

Mr. POWERS. No. That is on the score of accountability. We feel that we should make sure that those operations are fully accountable, fully responsive to the needs of the program as authorized.

GRANTS TO SRF DIRECTORS OR STAFF

Senator STEVENS. Have any members of the foundation board or any members of the Smithsonian been recipients of grants handled by the foundation?

Dr. RIPLEY. Yes.

Senator STEVENS. Who?

Mr. POWERS. I don't know the answer to that.

Dr. RIPLEY. I believe I have. Isn't that right?

Mr. CHALLINOR. Yes. You received a foreign currency grant 2 years ago that was administered through the foundation.

Senator STEVENS. I think, in order to establish a clear record, we should have the detail of all grants handled by the foundation that have been made to any director, officer, or employee of the foundation since its inception.

Dr. RIPLEY. We have that, Mr. Chairman. We would be happy to supply that.

[The information follows:]

Research Grants Handled by the Smithsonian Research Foundation (SRF)
Made to Directors, Officers, or Employees of the Foundation
FY 1966-1977 /1

Fund Source & Fiscal Year	SRF Director, Etc.	Purpose	$ Grant	$ Expended
	Research Awards are made to Smithsonian research scholars only after successful competitive review of formal written proposals by councils of nationally recognized scholars. Four-hundred-twenty-five grants totalling $5,046,011 were made to Smithsonian scholars from FY 1967-1977.			
RESEARCH AWARDS				
1967	S. Dillon Ripley, Chairman of the Board of Directors, Principal Investigator	Project costs for the Handbook of the Birds of India and Pakistan	$10,000	$10,000
1968	S. Dillon Ripley, Principal Investigator	Project costs for the Handbook of the Birds of India and Pakistan	9,000	8,988
	These awards covered expenses for research staff.			
			$ Equivalent	
FOREIGN CURRENCY PROGRAM /2			Grant	Expended
1967	S. Dillon Ripley, Chairman of the Board of Directors, Principal Investigator	Project costs for the Handbook of the Birds of India and Pakistan (clerical and technical aid in preparing manuscript)	$ 3,334	$ 3,334

1767

Fund Source & Fiscal Year	SRF Director, Etc.	Purpose	$ Grant	$ Expended
1969	S. Dillon Ripley, Principal Investigator	Ornithological research in Bhutan and negotiations for an exhibit of the ancient art of Bhutan	13,406	9,099
1969	S. Dillon Ripley, Principal Investigator	Project costs for the Handbook of the Birds of India and Pakistan (clerical and technical aid in preparing manuscript)	3,417	3,417
1971	S. Dillon Ripley, Principal Investigator	Project costs for the Handbook of the Birds of India and Pakistan (clerical and technical aid in preparing manuscript)	3,333	3,333

Fund Source & Fiscal Year	SRF Director, Etc.	Purpose	$ Grant	$ Expended

Foreign Currency Program awards for research are made to United States Institutions, including the Smithsonian, only after successful competitive review of formal written proposals by councils of nationally recognized scholars. Grants for research and museum programs totalling $27,500,000 equivalent have been made to 185 institutions in 30 states and the District of Columbia from FY 1966-1977.

FOREIGN CURRENCY PROGRAM

1971	S. Dillon Ripley, Chairman of the Board of Directors, Principal Investigator	Expenses of Indian Migratory Bird Survey (collecting in field by the Bombay Natural History Society [BNHS] and associated expenses)	$ 8,547 /3	$ 8,547

Fund Source & Fiscal Year	SRF Director, Etc.	Purposes	$ Grant	$ Expended
1971	S. Dillon Ripley, Principal Investigator	Expenses of Indian Migratory Bird Survey (collecting in field by BNHS and associated expenses)	14,800	8,414
1972	S. Dillon Ripley, Principal Investigator	Expenses of Indian Migratory Bird Survey (collecting in field by BNHS and associated expenses)	7,996	10,249
1972	S. Dillon Ripley, Principal Investigator	Expenses of Indian Migratory Bird Survey (cancelled)	19,000	- /4
Transition Quarter	S. Dillon Ripley, Principal Investigator	Publication of the Synopsis of the Birds of India and Pakistan (Revised) (Publication costs in India)	13,500	9,049

/1 Excludes funding for administration of research projects performed by the Foundation director.

/2 This list is limited to grants handled by the Smithsonian Research Foundation. In addition to the grants listed here, Dr. Ripley received Foreign Currency Program support for field research as follows: (expenditures) FY 1967, $6,274 equivalent; FY 1973, $7,312 equivalent; FY 1974, $10,890 equivalent; FY 1975, $4,710 equivalent; and FY 1976, $2,614 equivalent. These funds covered Dr. Ripley's field research expenses as well as those of collaborators and assistants in India.

/3 A grant totalling $34,600 equivalent in Indian rupees originally awarded to Dr. George Watson in FY 1970 ($17,800) and FY 1971 ($16,800) to support the Indian segment of his research on migratory birds and their endo- and ectoparasites. The other segment was supported by a grant in Egyptian pounds for work in that country. Dr. Ripley became director of the Indian project in FY 1971 when Dr. Watson's work had been accomplished, and supervised expenditure of $8,547 equivalent for research assistants in India to work up data acquired under the project.

/4 Deobligated.

GRANTS TO SMITHSONIAN EMPLOYEES

Senator STEVENS. Isn't this the crux of the question, Mr. Powers? I mean if you can create a wholly controlled foundation for the purpose—one of the purposes at least—of avoiding impact of Federal laws, isn't there a conflict of interest involved in handling grants in that way? To make those grants to people who otherwise would be ineligible if the foundation did not exist, particularly when some of the people serving on the board are the recipients?

Mr. POWERS. The selection process is not handled by the board itself.

Senator STEVENS. Yes, we went through that last year. I understand that, but the result is the same, is it not? People who would otherwise be ineligible for grants are receiving grants because there is a foundation which they control 100 percent.

Mr. POWERS. Are you speaking simply of members of the board who receive grants, or are you speaking of all Smithsonian employees?

Senator STEVENS. Well, if it is Federal funds and the GAO objects to making contracts by the Smithsonian directly with its own employees, don't you create the foundation in order to achieve the same result? It seems to me that it is simply a device of administrative convenience to accomplish what the Federal law says you should not accomplish.

Mr. POWERS. I think the way I understand the question that is being posed by the GAO and as a matter of the judgment of this committee is whether these types of projects, which have been going on with Federal funds since before the creation of the foundation, should or should not be run by contract with its applicable laws and its effects of not being subject to Civil Service. I think that is the question rather than using the characterization of a board or whatever that suggests something devious. We have made no secret about the existence of the foundation.

Senator STEVENS. I am not suggesting you are being devious. I am suggesting something very articulate and direct. It has been done for a purpose and we are questioning whether you should do that.

Mr. POWERS. I would urge you to find that it was a valid purpose and it has been a most efficient and appropriate way to manage these programs.

These are very special projects. We are talking about 20 or 30 employees at any one time—research assistants I mean. It is some tiny fraction of the people who are actually around at the Smithsonian.

These programs are very modest. There are 40, approximately 40 research awards each year. There are about 40 fellows. This is not an operation to run the Institution by contract. This is an operation to run some very special programs which seem to us to be appropriately run that way, to run them by contract.

SRF GRANT DISTRIBUTION

Senator STEVENS. I have already asked for the details of the grants made by the foundation. Would you also give us for the record a statement showing how much of the grants channeled through the foundation went to Smithsonian employees and how much to recipients outside the Smithsonian? We would like to have the number

of grants and the total amounts involved and the source of the funding for each grant.

[The information follows:]

SMITHSONIAN RESEARCH FOUNDATION

Income (June 1966-April 1977)

Programs	No. of Grants or Awards	SI Recipients	Non-SI Recipients	Direct Federal Appropriation	Total Other /1
Research Awards	425	425	-	$5,000,890	$45,121
Foreign Currency	146	146	-	9,835,363	-
Woodrow Wilson Center	208	-	208	3,153,072	285,483
SI Fellows	752	-	752	5,033,398	-
Other Programs /2	618	32	586	2,510,535	86,618
Totals /3	2,149	603	1,546	$25,533,258	$417,222

/1 Includes restricted and unrestricted trust funds as well as funds from Federal agencies.

/2 Includes funds for seminars, short-term visits, meetings, overhead for foreign currency, and other miscellaneous projects.

/3 Includes all funds administered by the SRF granted to individuals for fellowships and grants as well as funds made available for miscellaneous projects and administrative expenses.

1772

ACCOUNTS IN LOCAL BANKS

Senator STEVENS. Dr. Ripley, again I want to say some of us have a task to do. I have no personal animosity toward you, as you know, but there have been questions raised by the GAO report. We are to have a report from the GAO, I am told, on the practice of depositing funds in local banks.

Can you tell us where and how these funds are deposited and what interest, if any, they earn in a detailed statement for the record? We are talking about the research foundation here, too.

Dr. RIPLEY. Yes, Mr. Chairman. Funds under the research foundation?

Senator STEVENS. Yes.

[The information follows:]

Smithsonian Bank Accounts

There are two questions involved here, the first dealing with the bank account of the Smithsonian Research Foundation and the second dealing with the bank accounts of the Institution as a whole.

To clarify the matter, as to the Research Foundation account, there was such a separate bank account at the American Security & Trust Company from the time SRF was founded until late in 1976. As funds were required by the Research Foundation to administer and carry out the various individual projects of the programs administered by SRF, the Foundation would request a contract payment to its bank account, from the Smithsonian's federal appropriated funds which were held in the U. S. Treasury or, in the case of the Woodrow Wilson fellowships, from the Woodrow Wilson Center's appropriated funds held in the latter's U. S. Treasury account. That AS&T account was a checking account bearing no interest. In the fall of 1976 it was decided that it would be more efficient for the Smithsonian Institution to manage the fiscal affairs of the Research Foundation, such as its payrolls and payment of vendor invoices under a contract arrangement between the Institution and SRF. Consequently, the bank account at AS&T was no longer needed and it was terminated. The balance in the account at that time was transferred to the Institution's trust funds at the U. S. Treasury as a separate accounting fund.

As to the Smithsonian's own overall bank accounts, the two principal ones concerning which the Congress is, I believe, seeking information are: a payroll account at the Riggs National Bank and a working fund account for payment of our other operating expenses at the American Security & Trust Company. Both of these operating accounts are checking accounts into which the Smithsonian regularly transfers only sufficient funds respectively to cover either the payroll checks or the vendor invoice checks when those checks are issued. Balances in those accounts at any one time therefore represent only the amount of checks outstanding which have not yet been cashed by the recipients. Since these are checking accounts, no interest is received by the Smithsonian on these balances as such, and the balances themselves represent "compensating balances," the use of which serve to reimburse the banks for their very important services furnished in the form of the processing of substantial numbers of checks and the furnishing to us of reports thereon.

There is a further complication concerning these balances on which I believe Congress will receive a more detailed report from the General Accounting Office which has been making a thorough study of our practices with respect to banking. This complication is that the Institution recognizes that the balance made up of uncashed, outstanding checks, particularly in the AS&T account, may at times be higher than actually needed to give adequate compensation to the bank for its services. Thus we have reached agreement with AS&T that by conferring daily with the bank officials we can arrange a transfer on a daily basis of any funds over and above a minimum balance requirement into a savings account and thereby receive interest on a daily basis on these "excess funds." Thus, we maintain at all times as closely as we can the least possible amount of excess cash in the account in order that we may benefit from this type of daily investment of such excess. This is in line with standard practices of major U. S. corporations throughout the country.

RESEARCH FOUNDATION ACCOUNT

Dr. RIPLEY. Mr. Wheeler?

Mr. WHEELER. The research foundation did have an account in the American Security and Trust Company. It no longer has any such account. The Smithsonian now handles their funds for them. We manage their finances for them.

Senator STEVENS. Where are they deposited?

Mr. WHEELER. They are in the U.S. Treasury, normally. The Smithsonian Institution has a number of operating bank accounts. Two principal ones, one in the Riggs Bank for payroll. There is another one in the Riggs Bank which is called a lockbox arrangement for receiving moneys from our museum shops and from our catalog programs.

In the American Security and Trust we have an operating account in which we deposit sufficient monies to pay the checks which we write to our various vendors.

We now also have a savings account at American Security and Trust. We have in addition at American Security and Trust about three other accounts to handle largely working funds of the satellite tracking stations, very small accounts, including one to handle the worldwide work of the satellite tracking program.

We have, all told, about 45 accounts in about 24 different banks, but most of them are very small, for working funds for local operations.

DISPOSITION OF FOUNDATION MONEYS

Senator STEVENS. Are you saying the foundation money is Federal money and stays in the Treasury?

Mr. WHEELER. Sir, I was speaking of the Institution overall when I was describing these bank accounts. As far as the foundation is concerned, the Institution manages the funds for the research foundation in the same way we manage them for the Woodrow Wilson Center, for example.

Senator STEVENS. But where are they deposited?

Mr. WHEELER. In the U.S. Treasury. We have a U.S. Treasury account for trust funds and we have one for Federal funds.

Senator STEVENS. That is appropriated funds.

Mr. WHEELER. Appropriated funds.

Senator STEVENS. You are not moving the funds from the Treasury into special foundation accounts? Mr. Powers is shaking his head. I assume if this device is to work you had better get them into some account somewhere. There are some Federal laws someone should look at.

Mr. POWERS. First of all, since about 1873 the Smithsonian has had what is essentially a trust fund. You might call it private fund, bank account at the Treasury. That arises from the peculiar nature of the Institution, which is a trust of the United States.

Senator STEVENS. I am not worried about that. I know about that. What has happened to the appropriated funds you transferred to the foundation account? Where is that account?

Mr. POWERS. It comes from the appropriations account which is not a bank account. It is an account that issues checks. It is based

on the contract with the research foundation, and a check charging our appropriated funds is delivered to the research foundation. And the research foundation in turn puts it through Mr. Wheeler's office as a service of trust funds management system. That goes back in the first instance to the Treasury, to the so-called private funds or trust funds account. At one point the foundation had a separate bank account. I believe it is now held as a fund, accounted for separately, among other Smithsonian accounts.

It has to be accounted for separately by the treasurer. These are special purpose funds and they are subject to the law governing the accountability of contract funds.

CONFLICT OF INTEREST

Senator STEVENS. I seem to remember reading in the paper, Dr. Ripley, that you were a member of the board of directors of the bank in which the foundation moneys were deposited. Is that incorrect?

Mr. WHEELER. That is correct—at that time. Mr. Ripley is no longer a director of the American Security and Trust Company.

Dr. RIPLEY. I didn't happen to know that foundation moneys were deposited there, but apparently it is correct.

Mr. WHEELER. These funds of the research foundation were at one time in American Security and Trust Company. They are now part of the overall—I would like to say they are comingled in a sense, being part of the trust funds when they become—they are in a separate account for the Smithsonian Research Foundation in the same way the Woodrow Wilson Center funds are a separate account in the Smithsonian Institution.

Senator STEVENS. I will get to that in a minute, but is there a policy of the Smithsonian that deals with the question of employees paid by either Federal or private funds that would prevent those employees from having any financial interest in a business or organization that does business with the Smithsonian or its foundation?

Dr. RIPLEY. It is similar to that of the Civil Service and the Government in general. That is, we file our statements of what resources we may have as individuals—that sort of thing.

Senator STEVENS. Yes. But if they were direct Federal employees conflict of interest statutes would apply. Mr. Powers, do the conflict of interest statutes apply to the employees of the foundation? I don't think they do, if I understood your comment about what the foundation is.

Mr. POWERS. They do not apply as a matter of law. As a matter of policy we try to use the same principles for all employees.

Senator STEVENS. Has the Smithsonian taken any steps to ensure that employees are subject to the conflict of interest guidelines set down by the statutes?

Mr. POWERS. Yes, Mr. Chairman. All employees file a confidential statement of financial interests which is kept in my office and they are advised in the same manner as the other employees.

Senator STEVENS. Would they be able to have an interest in a company that was doing business with a grantee from the foundation?

Mr. POWERS. Normally it is a question of a financial interest. If they own stock in a company with which we do business, the answer is normally no unless that stock is five shares of Xerox. That is considered not material.

We examine their work and what they do. There are areas of potential conflict of interest which are covered by a personal disclosure. In this case, as I understand it, Mr. Ripley felt that there were substantial benefits to the Institution being a member of that Board.

He took this up with the Board of Regents and they felt that was the case. I know for a fact that he did not know what accounts were in American Security. That was a decision made by the treasurer. Sometimes they are there, sometimes they are in Riggs. Sometimes they are in both.

Those decisions as an operational matter are all made by the treasurer. So in that particular instance I assume he didn't feel there was any conflict of interest.

WOODROW WILSON CENTER

Senator STEVENS. Now as to the Woodrow Wilson Center, the GAO says funds go through the foundation as a conduit. Why is that?

Mr. POWERS. It is a matter of convenience for them. They have a very small administrative staff. They are housed in the Castle. I personally think we do a great many things for the Woodrow Wilson Center for which we are not fully reimbursed, but I am glad to do it myself. I think it is a convenience for them.

As I have said before, as in other fellowship programs administered by the foundation staff, they do the bookkeeping. They make sure the stipends are on time. They hold the hand of the fellows to some extent. They give them a small advance if they arrive without funds and so forth and terminate their account at the end and report back to the Federal contracting officer. They handle all of that which would be presumably very difficult for the fellow to do.

If the Woodrow Wilson funds were not run through the foundation, then the Woodrow Wilson Center would have to employ more Federal employees to handle that account. They could do it that way. There is no question about that.

Senator STEVENS. Why couldn't it just be run through your own administrative center? Why through the foundation?

Mr. POWERS. It could be.

Senator STEVENS. That is what I am asking. Why doesn't it do that?

Mr. POWERS. Because I think it is more convenient from their point of view. It is a decision that their board makes.

Senator STEVENS. I am on that board. I don't remember being party to making such a decision. I didn't even know it until I read this report.

Mr. POWERS. What I mean is, it is a decision made by the administration of the Woodrow Wilson Center.

Senator STEVENS. That is my negligence, not theirs, I am sure.

Dr. RIPLEY. Mr. Jameson may know, Mr. Stevens, why they are not run through there.

BENEFITS OF FOUNDATION TO WOODROW WILSON CENTER

Mr. JAMESON. I think as was suggested here we are trying to be responsive to the GAO's recommendations even though we don't agree with their recommendations. We are now working with the Regents to explore what would be appropriate alternative administrative procedures. Obviously in the very short time we have had to look at the GAO report, we have not gone fully through this exercise.

But in considering what these appropriate alternatives might be we drew the Woodrow Wilson Center into the exercise and they made a very strong pitch for the need to have some central administrative unit to handle the fellowship grant program now handled by the SRF.

In the case of the Woodrow Wilson Center and in the case of the pre- and postdoctoral program, these fellows are people who come to the Institution for the first time. I would say 99 percent of them are not familiar with Government operations in terms of how does one get things done, how does one buy something, how does one arrange travel. Many are indeed foreigners as the secretary points out.

The other two programs, the foreign currency and research awards to our staff that you brought up, here again we are dealing on a one-on-one basis with professional research staff members who, to a very large extent, also have not become, if they are going to get any work done in their normal research and curatorial responsibilities, very familiar with administrative chores.

So the foundation has provided a very convenient focal point for getting things done, problem-solving, as Mr. Powers mentioned.

There is the other problem with the Woodrow Wilson Center. That is, as you may recall, a couple of years ago the OMB, I believe, sparked an effort to both consolidate and cut down no year appropriations. Up to that point the Woodrow Wilson Center had a no-year appropriation. We don't need a no-year appropriation on fellowship programs if we have an administrative structure such as the SRF. Otherwise, I think the Woodrow Wilson Center would have problems. For example, they pointed out to me that in formulating a group of people for a particular period at the Center they frequently desire people whose availability is uncertain prior to the close of the fiscal year. So fitting the package of scholars together suggests some requirement to maintain funds available until obligated.

These were two points the Center mentioned to me: the need for central support of scholars, and, second, the need to make sure that moneys remain available for key appointments. These and other points we are working to gather together for each of these SRF programs to discuss with the Regents.

INTERNAL AUDIT OF WWICS FELLOWSHIP AWARDS

Senator STEVENS. We have been furnished with what purports to be a portion of an internal audit report of the Smithsonian. We have a copy of it here. We will give it to you so that you can identify it and summarize it for the record.

[The information follows:]

SUMMARY OF TENTATIVE FINDING—AUDIT OF WWICS

The tentative finding raised the question whether $30,000 of a total fiscal year 1975 appropriation of $954,000 and $180,000 of a total fiscal year 1976 appropriation of $1,217,000 were overobligated. The Assistant Director for Administration, WWICS, did not consider the fellowship grant award letters in question as valid obligating documents, but the internal auditor believed that the award letters were valid obligations. The auditor recommended that the Smithsonian General Counsel review this matter and advise the Director, WWICS, on the appropriate actions required.

OVEROBLIGATION PROBLEM

Senator STEVENS. The report indicates that the Woodrow Wilson Center Federal funds, as I understand it, were passed through the research foundation. They were apparently overobligated substantially in 1975 and 1976. Are you familiar with this report?

Dr. RIPLEY. Mr. Powers, I think, knows about this, Mr. Chairman.

Mr. POWERS. Starting last year, Mr. Chairman, our internal auditor and several of us engaged in a discussion of this problem. We disagreed on the point at which the funds were obligated. There is a document that goes out announcing to the fellow that he has been appointed.

Until I corrected this, or we corrected this some months ago, that document did not specify, in the case where it was to be funded with the coming year's appropriations, that it was subject to the availability of the appropriations. In my opinion it was not a Federal obligating document even though that language did not appear. And it now does appear to make it clear. In other words it was a general obligation of the Woodrow Wilson Center and did not and could not obligate Federal funds that were not yet available.

Senator STEVENS. Is it true that the Smithsonian actually issues the individual grant in letter awards for the Woodrow Wilson Center through the foundation?

Mr. POWERS. The Smithsonian does not. The foundation does on behalf of the Center and pursuant to its contract with the Center.

But prior to a few months ago the award letters were being issued by the Center itself and without this appropriate language noting in some cases that it was subject to the appropriation and the availability of funds.

Senator STEVENS. Was this tentative finding No. 1, that Federal appropriations were overobligated—was this disclosed to the GAO when they made their investigation?

Mr. POWERS. Yes. This was made available to them, the work of the internal auditor.

Senator STEVENS. Are you also the general counsel for the foundation?

Mr. POWERS. In effect I suppose that is so. The associate general counsel serves on that board.

Senator STEVENS. I see.

Mr. POWERS. But among the services supplied to the foundation under its agreement with the Institution are the services of my office. The same is true of the Woodrow Wilson Center.

Senator STEVENS. This indicates a difference between obligations incurred, which in each instance exceeded the appropriation level, and they had commitments outstanding beyond that which again severely raises the apparent obligation far in excess of the appropriation for the Center in each of the fiscal years involved. Can you tell us if there has been a response to this or any statement prepared by the Center or the foundation to indicate what is going to be done to deal with this problem?

Mr. POWERS. I was just indicating, Mr. Chairman, in the first place, I did not agree. The premise of that statement is that the award letters issued by the Center were obligating documents. I do not and did not agree with that. And I believe the internal auditor now agrees with me.

However, to correct the thing in its proper form the grant letters were changed. The award letter was changed and it would now read on behalf of the Woodrow Wilson Center the SRF is pleased to offer a fellowship. And in cases in which the money, the appropriated funds, are not yet available, the letter now contains language which gives the potential fellow notice of that fact. And there is a final award at such time as the appropriations become available and the contract has been made with the SRF.

So I believe now that the problem which was brought to our attention by the internal auditor has been corrected. There was no overobligation of funds in my opinion, in terms of the legal requirements of the Federal obligations. But it was certainly not clear in the past, and I think we have taken the proper steps now to clarify that.

Senator STEVENS. Please give us some details on the grant letters for the record.

[The information follows:]

Woodrow Wilson Center Audits

The Smithsonian Office of Audits' Tentative Finding No. 1 of September 28, 1976, alluded to in the testimony, was only a preliminary document and was superseded by Audits' Tentative Finding No. 4 of November 15, 1976. This latter finding did not indicate that there was any overobligation of funds by the Wilson Center. The final report of the Office of Audits made three technical recommendations for improved grant administration, all of which have been implemented by the Wilson Center. The Office of Audits believes Center action responsive to each of its recommendations has been taken. As a further follow-up to the internal audit, the Center's official grant letter of award now contains a statement conveying the fact that the award is contingent on the subsequent appropriation of funds. A copy of the newly-revised grant letter follows.

SMITHSONIAN RESEARCH FOUNDATION
Washington, D.C. 20560

(Date)

Dear_____:

On behalf of the Woodrow Wilson International Center for Scholars, the Smithsonian Research Foundation is pleased to offer you a fellowship grant for a -month period, beginning , to carry out full-time independent research studies at the Wilson Center's offices in Washington, D.C., in fulfillment of the proposal you have submitted.

The total amount of the fellowship grant award, exclusive of jet economy, round-trip travel fare between , and Washington for yourself and family, which will be arranged separately is . As you may be aware, the source of your fellowship funds is monies appropriated to the Wilson Center by the Congress of the United States. We are obliged, therefore, to follow federal government practices in making firm commitments of these funds. Since the Congress has not as yet voted on our appropriation for Fiscal Year 1978 (October 1, 1977, to September 30, 1978), we cannot at this time confirm that funds are available to fund your fellowship beyond September 30, 1977 (amounting to). However, we have every confidence that the Congress, in keeping with an eight-year practice, will approve our funding requests. We will, of course, inform you as soon as official word is received of Congressional action.

Up to ten percent of the award will be available on request at the time of your official arrival at the Center, and thereafter the balance will be paid on a monthly basis, with the exception of the item for clerical expenses which will be paid out only as expenses are incurred.

The award is intended to cover the estimated expenses and purposes designated below:

(1) Expenses of travel	$100/month x	$
(2) Research expenses	$100/month x	
(3) Clerical expenses		
(4) Net fellowship grant		
Total Fellowship Grant		$

If you agree to accept the fellowship award stated here, including the conditions and understandings set forth in the attached Statement "G" which are an integral part of this grant contract, please indicate your approval by signing in the spaces provided and returning the carbon copy of this letter to me.

Sincerely,

Philip Perkins
Executive Director

Enclosure

_____
Signature of Fellow

Date: _____

APPROPRIATENESS OF ADMINISTERING PROGRAMS BY CONTRACT

Senator STEVENS. If there is a followup to this audit in writing, we would like to have a copy of it. Again it goes back to the question of the foundation. Why should the committee not require the dissolution of this research foundation and let the Smithsonian administer research grants as provided by law, unless you receive special legislation to be relieved of any particular portions of Federal law?

Mr. POWERS. Could I respond to that, Mr. Chairman, in just one way? I think, as I have said before, I think the question that is underlying the GAO comment is whether the contract method is appropriate. And if this committee feels that these programs should not be administered by contract, then I think it will say so and we will have to study and put in effect any and all of the different ways that are appropriate to carry out the program. The problems differ with each program.

Senator STEVENS. You have appeared on the other side?

Mr. POWERS. I am sorry?

Senator STEVENS. Have you appeared before the House committee yet?

Mr. POWERS. No. Not for 10 days. Moreover it seems to me that if that is done, it is not necessary to order the dissolution of a corporation which I feel very strongly was within the jurisdiction of the Board of Regents to form. The committee will deal with these programs in their own terms. Whether there is or is not a corporation really doesn't make any difference. The question is whether this is an appropriate way of administering these programs by contract, and that is certainly a discretionary decision of this committee. Along with it, I would hope the committee would consider if they made such a determination whether they could assist these programs in the one way that is within the power of the committee, which is to make certain of the funds no-year appropriations. And this would be—this would go a long way toward permitting the programs to continue in somewhat the same manner.

Senator STEVENS. This committee would not have the authority to give you no-year money unless you had specific legislative authorization to begin with, which could be done with the appropriate legislative committees. We would not be able to give you no-year money in a 1 year bill.

Mr. POWERS. Mr. Chairman, I am sorry. I made the statement in the belief that you did have such authority.

Senator STEVENS. It would be subject to a point of order in the House and here, too, if we did it. That is what it would be if it went beyond the terms of 1 year. It would be legislation and therefore subject to a point of order.

Mr. POWERS. I didn't know that.

HISTORY OF RESEARCH AWARDS TO SMITHSONIAN SCIENTISTS

Dr. RIPLEY. If I could speak very briefly, Mr. Chairman, to the history of this research effort, I would like to remind the committee again that the incentive for our request that appropriated funds be authorized to be given by the Smithsonian to scientists working within the Smithsonian was the Independent Offices Appropriation Act, as

I recall it, for fiscal year 1964, which specified that the National Science Foundation should not give grants to scientists who were working for an agency which had a direct Federal appropriation. This was a severe blow to the scientists working within the Smithsonian.

Now all legality aside what we did in good faith was to come before the committees and request replacement funds which then would be administered as we deemed it possible. And it appears to be under the terms of the present GAO study strongly arguable whether this is possible. Exactly the same terms and conditions were used as those in which the scientists might receive a grant from the National Science Foundation. This includes the opinion of his peers, competition across the field, and the ability for that scientist to achieve a research project which then later on would be part of his whole career advancement.

It is very difficult for the Smithsonian to employ scientists, in competition with the entire field across the country, who are of the quality and character that we believe our tradition demands and who would be able to perform the public tasks involved in employment in the Smithsonian, unless there is some access made available to them for research grant funds.

Now this was the nub of the problem, and it was done with good faith with complete testimony before these committees and replacement funds were granted. This was the original pool of research award funds of some $350,000 annually.

Our then second effort, once we had these funds, and as we had testified, was to develop this appropriate quality of administration of these funds with peer review and all of the components that went with it, similar to those that they would have if they were in the university, because our scientists are equivalent. That apparently is where the rub comes, because of the extreme difficulty of working out the procedure by which these funds can be flexibly granted with the necessary regulations that we assumed were to be enforced.

SCIENCE INFORMATION EXCHANGE

Senator STEVENS. I don't think we have any disagreement with the goals of the Smithsonian or the Board of Regents but we are supposed to be a committee that develops precise information on what happens to taxpayers' funds. As you continue your program that we all support our difficulty comes in trying to do this. When we have a situation that you have built up over the years, a tradition of mingling private and Federal funds and then created a foundation to handle the Federal funds, it creates a problem.

There is a similar status with the Exchange. You did confer with the Congress before you established the Science Information Exchange. This exchange, as I understand it, is a private corporation that now uses 90 percent Federal funds and basically deals with computerized information that is available to the Smithsonian.

The one result of direct Federal funding would have been that the employees would have had civil service status. I can understand the comments about the scientific aspects of research, but in the computer field why should the computer staff not be subject to civil service requirements?

Dr. RIPLEY. Mr. Powers?

Mr. POWERS. Mr. Chairman, I think it is very important. Again a page of history: In this case the Science Information Exchange started in 1949 outside the Smithsonian. It was administered by the National Academy of Sciences. It was put together by its user organizations, largely, five from the executive branch.

When in 1953 the Institution agreed to accept administrative responsibility for the exchange, the user organizations put together what they called a charter governing its operation and setting forth that the program requirements of SIE would be entirely responsive to user agencies and the Smithsonian had literally a housekeeping job.

In 1964 when the NSF took over the appropriation from the five user agencies, who had been putting up a part of the funds in each case, the NSF drafted the new charter which was accepted by the Smithsonian and under which again the advisory board of the user agencies dictated the policy and the program of the information exchange. Similarly, as explained in 1971 for the appropriation in fiscal 1972, the incorporation of the exchange was announced and was cleared with the OMB and the committees because it was a condition of the Institution taking over responsibility for the appropriation that the exchange would continue to be run as a separate organization subject to the program requirements of its users. That was the form in which it was set up.

Clearly the Institution—well, I think it is clear looking back—the Institution might well not have accepted the responsibility of the SIE appropriation but for the form of the incorporation which enabled SIE to continue in exactly the same form it had always been run.

FUNDING FOR THE EXCHANGE

Senator STEVENS. Why didn't you use private money for it then?

Mr. POWERS. The Institution has never been responsible for the funding of the Science Information Exchange. This has been done as a service to the Government agencies involved and the scientists generally who use that service. We do not use the information exchange extensively in our own research programs.

Senator STEVENS. Are there not user charges?

Mr. POWERS. The user charges were required by OMB in 1969. I think the background of this is that OMB had some doubts as to whether SIE or other organizations were the best way to run the science information programs.

Dr. RIPLEY. That is true.

Mr. POWERS. They felt that the user charge would be the acid test. In other words, if the users got free services, that is one thing. Who can turn down a free service. But if they had to pay for it, and I am referring to the Government agencies that were using the service, I think the OMB felt that would be an acid test of its validity.

Well, the charges that were instituted at the request of OMB and NSF have grown to be over one-third of SIE support. It has worked very well. But it was not the idea of the Smithsonian to institute user charges and those user charges are in no sense the discretionary funds of the Smithsonian Institution. They are restricted funds. They must go back into the operations of SIE.

Senator STEVENS. I see no problem with that. I don't think the committee does either. But why should the employees not be civil service people just like any other computer people in the Federal Government?

Mr. POWERS. We are studying that problem. It will be included in the report on it.

EMPLOYEE BENEFITS—SIE AND FOUNDATION EMPLOYEES

Senator STEVENS. Do SIE and foundation employees have the voluntary contribution retirement fund so that they do in fact have all the benefits of civil service through retirement?

Mr. POWERS. No, they have their own retirement program and insurance program.

Senator STEVENS. Is that funded with Federal funds?

Mr. POWERS. No.

Senator STEVENS. There is no Federal contribution to their retirement?

Mr. POWERS. I am uncertain.

Dr. RIPLEY. No, Mr. Wheeler says there is not.

Senator STEVENS. I would like to be sure to check that because my memory in one hearing was that we were told that we were making a contribution.

Mr. POWERS. I think the question is whether or not some part of the SIE's contribution to the retirement program comes from the funds they receive by contract from the Federal appropriation. I don't know, but we will get that answered.

Senator STEVENS. But those people have all the advantages of the retirement system. I assume they have Federal medical insurance.

Mr. POWERS. No, Mr. Chairman.

Senator STEVENS. Neither the foundation nor SIE is covered by Government medical programs?

Mr. POWERS. No, they have a separate and to some extent more beneficial insurance program.

Senator STEVENS. Funded by Federal funds?

Mr. POWERS. Not funded by Federal funds.

Could I add one thing?

Senator STEVENS. If the operation is funded 90 percent by Federal funds and if there is any employer contribution, part of it has to be Federal.

Mr. POWERS. In that sense it may be so.

Senator STEVENS. We would like to know that. We would like to have a statement from you whether any Federal funds are used for making employer contributions for this purpose. As I understand it the GAO study is not complete in this area.

[The information follows:]

PAYMENT OF EMPLOYEE BENEFITS

As stated in the testimony, there is no use of Federal funds for direct payment of benefits of employees of the Smithsonian Science Information Exchange. SSIE employee benefits are paid by the Exchange from all sources of Exchange revenue. This includes the monies made available to SSIE through the federal contract with the Smithsonian, funds from other federal contracts awarded by government agencies, and other revenues from the public and private sectors. Contributions from the various sources are calculated on a proportional basis. The total amount of funds anticipated

to be applied to employee benefits in fiscal year 1978, as detailed in the Smithsonian fiscal year 1978 Congressional submission, is as follows:

	Estimated
Cost of personnel benefits in fiscal year 1978	$332,300
Support received through Smithsonian contract	205,800
Support received from user revenues	126,500

STATUS OF SIE REVENUES AND DATA

Senator STEVENS. We do not have the figures as to the private revenues and the total expenditures for providing the services that the exchange delivers to its users. Is there a breakdown of the revenues and expenditures of the exchange?

Mr. POWERS. I believe it is in the budget document for this hearing. I don't have a copy of it in front of me. It is page B–7. Is that the right one?

Mr. WHEELER. Yes, that is right.

Senator STEVENS. Is the information under the control of SIE private property or public property?

Mr. POWERS. Mr. Chairman, the information—that is to say the name of the research—you understand that they file one page research summaries—the title of the research project is certainly either public property or the property of the private researcher. There is input from private sources as well as agency sources. The format and the organization resulting from subject indexing of that information is the property of the Exchange, the work that it does, in other words, with that information to organize it and so forth is considered the property of the Exchange.

STATEMENT OF SSIE'S PURPOSE

Senator STEVENS. I understand a statement was filed in the District of Columbia Federal Court in connection with a civil action which says the SSIE's purpose is to serve the interests of scientific research and development, not the interests of the United States.

Is that correct?

Mr. POWERS. I don't understand that at all.

Senator STEVENS. Would you check that for us? That is supposed to be a statement, delivered to the committee, that was made in a civil action in a Federal court here.

[The information follows:]

CLARIFICATION OF STATEMENT

The statement referred to does appear in a motion filed by the Justice Department on behalf of SSIE with regard to a civil suit filed by a former employee of the exchange. When taken out of context the statement is somewhat misleading. The point which the Justice Department was trying to make was that SSIE currently provides a service not only for the Federal Government but that its services are available to the entire research and development community including both Federal and non-Federal users. Almost since its inception the Exchange has provided services to non-Federal as well as Federal users.

CONTRACT ARRANGEMENT WITH SSIE

Senator STEVENS. The press quotes SSIE as telling the court that SSIE is under no Federal control and receives no Federal funding.

Mr. POWERS. That is not correct.

Senator STEVENS. Direct Federal funding.

Mr. POWERS. Direct is the key word there.

Senator STEVENS. How does it get its funding? If 90 percent of the Federal money gets in there, how does it get there?

Mr. POWERS. There is no secret as to the source of that funding. Two-thirds of it is the contract funds made available on the basis of the appropriation that is in this bill every year. And the other third comes from the user charges. The user charges are largely from Federal agencies but not solely. Also from private users. The breakdown there I don't know between those two.

Dr. RIPLEY. With regard to user charges the breakdown is approxiately 75 percent Federal and 25 percent non-Federal.

Mr. POWERS. I think that characterization in the lawsuit is totally incorrect. And to suggest that the information exchange is not run for the benefit of the public or the benefit of the Government seems to me to ignore 27 years of history and a great deal of effort on the part of the Institution to run this as well as possible.

Senator STEVENS. Those are not my words, Mr. Powers, that is a quote from the District of Columbia Federal court statement filed in a civil action.

Again we get these things brought to us and we believe we should follow up. You do have a direct Federal appropriation for SSIE in this bill that is before us.

Mr. POWERS. There is no question about that.

AUTHORITY TO TRANSFER FEDERAL FUNDS TO THE EXCHANGE

Senator STEVENS. Do you have the basic authority to transfer Federal appropriations to this private exchange? You notified the committees you were going to establish such an exchange, right?

Mr. POWERS. That is correct.

Senator STEVENS. You created a private corporation. What is the authority to transfer the funds that we appropriate to that private exchange?

Mr. POWERS. It is the general contracting authority of the Government.

Senator STEVENS. The Smithsonian made a contract with SIE.

Mr. POWERS. It makes one every year for the amount of the appropriation.

RELATIONSHIP BETWEEN THE SMITHSONIAN AND SSIE

Senator STEVENS. I take it that in regard to SIE that this is one of those chores that the Smithsonian is not too happy to have. Is that right?

Dr. RIPLEY. We have over the years been compliant with the wishes of both OMB and the NSF before that, and originally, of course, the academy, that we would perform a kind of service function.

Senator STEVENS. What do you do in the event of a loss?

Dr. RIPLEY. I don't know because I am not aware that has come up. Have we had a loss?

Senator STEVENS. Are we making up the losses for the users through this appropriation bill?

Mr. WHEELER. No, sir.

Senator STEVENS. You don't derive any benefit from SIE. Is that right? But you do come to this committee every year to get about two-thirds of the cost of running it.

Mr. POWERS. Right.

Senator STEVENS. The users are supposed to pay for the services provided, are they not?

Mr. POWERS. Correct.

Senator STEVENS. It looks to me like we've got a two-thirds loss operation.

Mr. POWERS. That is correct.

Senator STEVENS. I don't understand. If OMB asked you to do this, why are the user charges not commensurate with the services provided?

Mr. POWERS. This started, Mr. Chairman, in 1970 and the user charges have grown from several hundred thousand to an amount that is estimated at close to $1½ million for this year.

The user charges have had a history of growth, and there has been something of a leveling off of Federal support.

CONVERTING SSIE TO A FEDERAL OPERATION

Senator STEVENS. Could I ask again that you refer this to your Board of Regents and determine whether they are prepared to make recommendations to convert SIE to a Federal operation so that we can determine what your policies are before we would attempt to review that matter.

Mr. POWERS. Could I make a further suggestion, Mr. Chairman? On page 3 of our comment this morning there is a sentence at the end of the third paragraph which says that the GAO report does not address the question of whether the Board of Regents could unilaterally dismantle the present organization of SIE without prior consideration by the appropriate committees of Congress, by the public and private user agencies and by the President's Committee on Science and Technology.

Senator STEVENS. What do you expect, Mr. Powers? I think I can settle that problem for you quickly just by knocking that 60 percent out this year and let you figure out how to do it.

Mr. POWERS. I suppose you could, Mr. Chairman.

Senator STEVENS. You are asking us each year for the money and we don't know why this committee should be handling this money.

Mr. POWERS. Well, maybe it shouldn't. That previously was in the NSF appropriation. Just last year the House and Senate passed the National Science and Technology Policy Organization Priorities Act of 1976. The reports on that bill consider the operations of SIE and of the NTIS and of the Science Foundation's Office of Science Information Service. At that point they were considering the pros and cons of a new corporation that would amalgamate all three.

Now I am not sure whether that is a desirable thing, but, instead of acting on that suggestion, this proposal was among the subjects referred for further consideration by the President's Committee on Science and Technology.

In other words, the present operation of SIE has been reviewed and approved about every other year now for 20 years by various

committees of the House and Senate and by studies done by OMB. I have a list of 20 or more here.

I won't say the Smithsonian is indifferent to what happens to SIE, but in a very substantial way it is other people's problem. It is the problem of the Executive Branch and the user agencies. It is a problem of the various science committees of the House and Senate. And indeed it is probably a problem of GAO which has done two or three studies too, and doesn't even mention the studies in this report.

Senator STEVENS. Is any of that information on the computers classified?

Mr. POWERS. No. I think that is true. We cannot accept classified information.

Dr. RIPLEY. We are not involved in classified information.

USER CHARGES

Senator STEVENS. Again it is just a question. This committee looks at these matters and GAO looks at it and make recommendations. You seem to have a function that is really not part of the Smithsonian. I don't have any judgment myself, but I think the Regents ought to tell us if this is the kind of thing that you want to continue to fund. What real control do you have over it for administrative purposes, who sets the user charge? Do you?

Mr. POWERS. I don't know in detail.

Mr. CHALLINOR. I believe the charges are set by the officers of the SSIE. They are subject to the approval of the SSIE board. We are notified of the user charges. They have to determine what is a reasonable user charge or how high the charge can go before the demand starts to decline.

Senator STEVENS. One of the things we did to limit the expansion of space in the Federal offices was to make agencies bill their rental space, as you recall. It really has slowed down the expansion of square footage. I just don't know why someone shouldn't take a look at these user charges to see why the users should not pay the cost of the operation. If that is a constant loss of 60 percent, some agency is not asking its appropriate committees to provide the amount of money to get the services it needs.

Mr. POWERS. That was the situation, Mr. Chairman. About 13 years ago, before NSF took over the appropriation, each agency put up several hundred thousand dollars to run the exchange.

We could go back to that, I think.

CONTINUANCE OF HEARING

Senator STEVENS. I must apologize to you, gentlemen. A long time ago I made a commitment in the diplomatic community to participate in an event at noon. We have tried to get someone else to continue these hearings.

We would like to ask you to consult with the staff and we will set an appropriate time at your convenience where we might go over the details of the particular budget items here. I do want to go over them and I am sure the chairman does too.

Mr. JAMESON. May I make one request subject to your approval? Your busy schedule suggests you are approaching markup rather

quickly. And even though we must of necessity work with the Regents at this point on matters raised by the GAO report, such as the Science Information Exchange, I think it might be helpful if we could share some of these matters with your committee in more detail so that we can move forward together.

ADDITIONAL QUESTIONS

Senator STEVENS. We can have the staff prepare questions submitted from other members who are not present or perhaps some of those could be submitted to you so that we could have more time at the next session.

I do apologize. There is nothing I can do about this.

Mr. JAMESON. Thank you.

[The following questions were not asked at the hearing, but were submitted to the Department for responses subsequent to the hearing:]

Smithsonian Shops

Question. Are the Smithsonian museum shops considered to be private or federal operations?

Answer. The Smithsonian Museum Shops are supported by the trust funds of the Institution, not by federal appropriation, and any net gains from their operation revert to the general unrestricted trust funds of the Institution. They are considered an essential part of the museum functions of the Institution.

Question. The District of Columbia auditor has told the Committee that some Smithsonian shops do not collect D.C. sales taxes on the grounds that they are federal operations. What is the situation?

Answer. An exemption from the D.C. sales and use tax has been obtained on the grounds that the Smithsonian Institution is a trust instrumentality of the United States Government; the activities of the Museum Shops are directly related to the furtherance of these trust responsibilities. This exemption applies to the activities operated directly by the Institution, such as the Museum Shops, but does not extend to licensed concessionaires which conduct buiness under contract with the Smithsonian. Sales taxes are therefore collected and paid to the District of Columbia in the restaurant concessions operated by the Marriott Corporation (NMHT and NMNH), ARA (NASM), Georgetown 200 (NCFA/NPG), and FONZ (National Zoo), in the McGraw-Hill Bookstore (NMHT), and in the parking concessions operated by Colonial Parking (NASM) and FONZ (National Zoo).

Banking Practices

Question. Wasn't Dr. Ripley's position as a director of a bank doing business with the Smithsonian an awkward one that could subject him to conflict of interest criticism?

Answer. The Smithsonian does not believe that there was any impropriety in the Secretary's Directorship on the Board of the American Security and Trust Company. For well over fifty years, the Institution has maintained accounts at this bank, as it has at other local banks; and has always received the same services and considerations as any other depositor. The Secretary has traditionally delegated to the Treasurer complete responsibility for bank accounts and financial relationships, and this has certainly been the case during the period the Secretary served on the AS&T Board. At no time did the Secretary make suggestions to the Treasurer on the establishment, closing or maintenance of any bank account of the Institution or any related organization; no partiality has ever been shown to any particular bank. Service by the Secretary on this Board enabled him to become acquainted more intimately with community affairs and the business leaders of Washington, and to follow more closely general financial and economic issues which might affect the Institution.

Question. Are any other privately-paid employees of the Smithsonian holding any influential positions in firms or organizations doing business with the Smithsonian?

Answer. A survey of trust fund employees who are required because of their grade or position to file confidential statements of employment

and financial interests has been conducted by the Office of General Counsel and, based on this review, it does not appear that any such trust fund employees are officers or otherwise hold influential positions in firms or organizations doing business with the Smithsonian.

Smithsonian Science Information Exchange

Question. The allegation has been made that revenues from federal users of the exchange have been used to offset losses incurred by services to private or commercial users. Such a practice would seem to be an indirect subsidy of private use. What has been the situation?

Answer. SSIE has incurred unexpected losses on some contracts with the private sector, and losses on some contracts with the Federal Government. It has also generated modest profits on product sales and contracts with the private sector as well as the Government. In no case has a contract with any party been entered into with the intent of incurring a loss. There is no policy or practice to "subsidize" one category of users at the expense of another.

Question. When the exchange was privately incorporated what happened to the existing federal investment?

Answer. At the time of its incorporation, Exchange assets consisted of 1) furniture, fixtures, and miscellaneous office property, 2) a data base with associated software, and 3) three contracts with the Federal Government which were in progress on July 1, 1971. The furniture, fixtures, and miscellaneous office property have at all times been maintained as either Federal or as Smithsonian property on loan to the Exchange. Title to the Smithsonian-owned property was originally acquired by the Institution under contracts between the Smithsonian and various Federal agencies. The total value of the property on hand at July 1, 1971 was $31,105.

The data base and associated software, valued on July 1, 1971 at $134,199, and the three contracts, then valued at $65,814, were transferred to SSIE by resolution of the Smithsonian Institution Board of Regents in September, 1971. SSIE, Inc. accepted all of the liabilities of the Exchange, along with the obligation to continue the functions of the Exchange. The contracts were later novated in separate agreements between the Smithsonian Institution, SSIE, and the two contracting agencies involved, the Department of Interior and the Environmental Protection Agency.

Reprogrammings

Question. Another subject of the GAO report was Smithsonian reprogramming of salaries and expenses appropriations. This centered mainly on the late contingency fund. We discussed this fund at length last year and there is no need to belabor it.

However, we were interested in the Smithsonian response to GAO which said in effect that Smithsonian officials were unsure of which reprogramming actions, if any, the committee wanted approved in advance. Was that indeed a problem?

Answer. Yes, stemming largely from our reading of the reprogramming guidelines published periodically in the House and Senate reports on the Department of Interior and Related Agencies Appropriations which suggested that any amount, however small, even $1.00, would require Committee approval for use elsewhere.

Question. The Committee staff tells me that Smithsonian representatives have repeatedly expressed concern that committee restrictions on S&E appropriation allocations have been too tight, too restrictive. This would not imply any uncertainty over reprogramming authority. Where exactly did the uncertainty lie?

Answer. Quite frankly, we were incredulous that the system provided no administrative discretion particularly when we believed that the proposed uses were consistent with our appropriation language and Smithsonian purposes, as the GAO agreed in its report. Furthermore, we could not really believe that the Committee would want to take the time to review amounts regardless of size. Perhaps we were wrong in these conclusions.

Question. In the case of uncertainty over reprogramming authority shouldn't the Smithsonian consult with the committee rather than reprogram with uncertainty?

Answer. In retrospect, yes, given the reaction to what we regarded as a prudent practice in order to cope with the great difficulty of anticipating all expense needs when any budget is formulated which is more than two years before the budget year draws to a close.

Question. The GAO reports that the staffs of the House and Senate appropriations committees were advised in 1971 of the contingency fund practice for meeting "pressing emergency needs or opportunities." Can you tell us how that advice was transmitted and if any record of it exists.

Answer. It was transmitted to the subcommittee staffs in a letter dated September 22, 1971.

Question. Did Smithsonian reflect unreported reprogrammings, either through the contingency fund or otherwise, in its subsequent budget presentations?

Answer. We gave the Committees the best information available at the time the budget was prepared of our actual obligations for the past year. Of course, at that time the current year as well as the budget year were both estimates.

Question. As you know, the staffs of both the House and Senate subcommittees have been developing comprehensive reprogramming guidelines for committee consideration applying to all agencies in the bill. Smithsonian is one of a few agencies in the bill being given individual consideration because of its unique status and flexibility requirements.

Until the committee has adopted these improved guidelines, what is the Smithsonian's policy concerning reprogramming needs?

Answer. Each such need is being communicated to the Committee for approval.

Question. The committee found the fund allocation table for 1975 on page 23 of the GAO report most interesting. Please supply similar tables for 1976 and 1977.

Answer. The requested information follows:

Salaries and Expenses Appropriation
Fiscal Year 1976

Major Budget Category	Allocation of Appropriation	Obligations	Obligations in Excess of or Less (-) than Allocations	Difference as percent of allocation
Science	$30,431,000	$30,235,000	-$196,000	0.6
History & Art	12,580,000	12,238,000	-342,000	2.7
Public Service	2,595,000	2,275,000	-320,000	12.3
Museum Programs	5,745,000	5,869,000	124,000/1	2.2
Special Programs	5,821,000	5,054,000	-767,000	13.2
Administrative & Support Svcs	24,392,000	22,605,000	-1,787,000/2	7.3
TOTAL	$81,564,000	$78,276,000	-$3,288,000	

/1 Excess due to internal reorganization which moved the Office of Horticultural Services into Museum Programs from Support Services.

/2 In conformance with the Supplemental Appropriations Act, 1975 (P.L. 93-554), the unobligated balance at the end of FY 1976 was available for expenditure in the Transition Quarter.

Salaries and Expenses Appropriation
Fiscal Year 1977

The Congressionally approved budget for FY 1977 as adjusted by the supplemental appropriation for various pay raises and the travel and contingency fund reductions is as follows by major budget category:

(Dollars in thousands)

Science	$33,171
History & Art	13,759
Public Service	2,487
Museum Programs	6,368
Special Programs	1,832
Administrative & Support Services	27,619
TOTAL	$85,236

Full-year obligations for FY 1977 are not yet available.

Travel

Question. Looking at the total travel time of your top-level management people, even aside from the Secretary's travel, there seems to be a considerable absence from Washington. Some officials are gone from six weeks to two months. Does this create a management problem?

Answer. No, it does not. First, I should point out that these trips are for official business when the Assistant Secretaries can best represent the Institution. Each of these persons has responsible assistants in his office who are prepared to handle routine daily business. Should an important matter arise requiring consultation with an Assistant Secretary he can be reached by telephone or cable.

Question. Dr. Ripley's own travel plus his visits to Litchfield, Connecticut, involve his absence from the Smithsonian headquarters for six months or more each year. We recognize the travel demands of his office which are discussed at length in the GAO report. But the question remains: don't such extended absences impair the management of such a complex and costly operation as the Smithsonian?

Answer. No. As was pointed out in the GAO report the management of the Smithsonian and its relationship to national and international scientific and cultural organizations require such travel. Furthermore, I would like to add that the days in travel status cited in the body of the GAO report included travel on weekends and holidays. The actual full working days in travel status works out to an average of less than three months a year, not "six months or more." Included within this count are days spent recuperating from a serious illness in 1974 while traveling abroad and the impact on the travel count occasioned by inclusion of the 15-month period of Fiscal Year 1976 and the Transition Quarter. I have not included in this estimate the time that was spent at Litchfield, Connecticut, which is a regular place of duty as arranged with the Board of Regents.

Question. We are mindful that the Secretary is responsible to the Regents, but we are also aware that he is the chief administrator of more than $100 million yearly in federal appropriations. Even excluding the Connecticut visits, travel absences involve three to five months a year. What steps are taken to insure that proper management decisions are made during these absences?

Answer. Excluding time spent at Litchfield, travel during full working days ranged from about two to three months over the period of 1974 to 1976 including the Transition Quarter. The five months figure that you cite occurred in 1974 and included not only travel on weekends and holidays but a period of thirty days of recovery from illness. As was also pointed out in the report, I have a staff of principal assistants who are organized for advice and assistance in the effective execution of the Institution's work. One of these is designated in my absence as an Acting Secretary, who has been so designated by the Chancellor of the Board of Regents as provided for in the Act of May 13, 1884. While I am away, I am in daily contact with the Washington office by telephone and exchange of correspondence. I would like to insert for the record an historical statement which shows that each Secretary beginning with Joseph Henry conducted research and administration away from Washington, D.C.

Smithsonian Secretaries' Conduct of Research and Administration While Away From Washington, D. C.

The tradition that Smithsonian Secretaries be both administrators and scientists began with the Institution's first Secretary, Joseph Henry, the distinguished physicist, who served from 1847 to 1878. In addition to his administrative duties, Henry was an active member of the U.S. Lighthouse Board from his appointment by President Fillmore in 1852 until his death in 1878. In that capacity he conducted experiments in acoustics, light, and optics, which took him to the New England and Mid-Atlantic coasts regularly. In fact, he devoted most of his "vacations" to that end. Still, he did not cease his involvement in things Smithsonian. On September 20, 1876, he wrote his Assistant Secretary, Spencer Baird, returning certain correspondence which had been forwarded for his approval and signature. Later that year, on November 16, Henry again wrote Baird to say that he had heard rumors Baird contemplated using the Smithsonian's credit with the railroads to pay for the cost of shipping certain items donated by exhibitors at the Centennial Exposition of 1876 to the Smithsonian at Washington. Henry ordered Baird not to implement any such plan. Clearly Henry, though regularly absent to pursue his experimental work, kept in touch with administrative matters at the Institution.

Spencer F. Baird, the Smithsonian's second Secretary (1878-1887), managed to combine administration of the Smithsonian, an enormous scholarly output, and the (unpaid) direction of the U.S. Commission on Fish and Fisheries, the forerunner of offices now under the U.S. Fish and Wildlife Service and the National Oceanic and Atmospheric Administration. His responsibilities for the Fish Commission, as well as his scientific researches, required Baird to spend a considerable amount of time away from Washington. After his appointment as Fish Commissioner, Baird spent every summer at various locations along the New England coast, particularly at Woods Hole, Massachusetts. While in the field on these pursuits, Baird received a steady flow of telegrams and correspondence from his subordinates concerning Smithsonian business which required his attention. On July 31, 1883, we find Baird writing from Woods Hole, giving his staff instructions on administration of the National Museum and discussing drainage problems in the Museum building. The next year, August 8, 1884, Baird, writing again from Woods Hole, authorized discharging an unsatisfactory messenger. On July 28, 1886, Baird wrote his subordinates to prescribe the solution of a problem over how to pay for an incomplete shipment of artifacts from a collector. Whatever work Baird may have undertaken otherwise, he was actively in charge of the Smithsonian.

Samuel P. Langley continued the pattern established by Henry and Baird during his tenure as third Secretary (1887-1906). An early student of heavier-than-air flight, Langley carried out experiments in the field for several years after succeeding Baird in 1887, mostly at Allegheny Observatory in Pittsburgh. During that period he both conducted his own research and oversaw administration of the Institution. He regularly examined and approved vouchers, payrolls, and other business matters. The detail of his attention is illustrated by a letter of June 23, 1887, in which he approved a $10.00 per month pay raise for an employee in Washington. A few weeks later, on July 11, Langley reminded his assistant in Washington the approved raise had not gone into effect on schedule. Langley also made it a point to travel to England and the Continent during many summers in order to exchange information with other scientists and to make contacts for the Institution. Even then, his concern for the Smithsonian remained active. For instance, in a letter of August 2, 1898, Langley wrote

an assistant in Washington, instructing him to watch for any chance to obtain a small steam launch for Smithsonian use as a research vessel if one became available as a result of the reduction of the navy at the close of the Spanish-American War.

Charles D. Walcott, the fourth Secretary (1907-1927), was a noted geologist and paleontologist. While Secretary he spent several months each year in the Canadian Rockies doing field work in the Cambrian geologic formations there. Despite his rather isolated location, Walcott received frequent reports from his subordinates on Institution business and, as required, returned specific instructions for action. One illustration of this contact was his letter to the Assistant Secretary, Charles G. Abbot, written from his camp tent on July 14, 1921, discussing appropriate strategy for the Smithsonian presentations to the Bureau of the Budget for 1923.

Charles G. Abbot succeeded Walcott as fifth Secretary in 1927 and served until 1944. Abbot, an astronomer, had travelled widely since joining the Smithsonian in 1895; and he continued his research after becoming Secretary, especially at Mount Wilson in California. He, too, kept a careful eye on administration. In a letter of August 16, 1929, he was consulted for permission to change the Civil Service classification of an instrument maker in order to accommodate the rocket pioneer, Robert Goddard. On June 25, 1932, we find him giving instructions on disposition of a bequest and on the best way to grant furloughs required by retrenchments brought on by the Depression.

Alexander Wetmore, the sixth Secretary (1944-1953), was a noted ornithologist who specialized in the birds of Central and South America. He spent a part of each year in field work, usually in Panama. Subordinates dealt with routine matters as usual; but Wetmore dealt with larger issues even if, as in one case in 1952, the question had to be put through to him by Air Force radio.

Leonard Carmichael, the Smithsonian's seventh Secretary (1953-1964), did not find it necessary to spend so much time away from the Smithsonian as did his predecessors, perhaps because his specialty, physiological psychology, did not require the kind of field work necessary in geology or ornithology. Even so, he too, spent considerable time away from Washington at conferences, symposia, and other meetings obligatory upon a modern scientific administrator. But so far as we can determine, he had no regular second duty station.

The record shows that most Smithsonian Secretaries have pursued their own research and administered the Institution. In doing so, they have spent considerable time away from their Smithsonian offices, often at regular research areas, while nevertheless attending to administration of the Smithsonian.

Question. Why are private funds used at times to finance the travel costs of the Under Secretary and some Assistant Secretaries?

Answer. As stated in the GAO report of March 31, 1977, it is the general practice of the Institution to charge the travel costs of a federal employee to appropriated funds, and the travel costs of a trust fund employee to trust funds. This practice, however, as the figures in that report indicate, is an internal policy not dictated

by law or other regulation, and it is not rigidly followed. When the purpose for which a trip is being made relates predominantly to an activity supported by grant, restricted or unrestricted trust funds, then the travel costs may be charged to those funds, rather than the funds from which the employee's salary is paid.

Litchfield

Question. What is the status of the Litchfield office? Are federal funds used to support it?

Answer. There are no federal funds used for support of Litchfield.

Question. The waterfowl preserve--does that belong to the Smithsonian?

Answer. No, it does not belong to the Smithsonian; it belongs to Mr. Ripley.

Question. Is it supported at all by the National Zoo? Is it open to the public? What is the arrangement?

Answer. Mr. Ripley's Zoo, Paddling Ponds, is listed in the International Zoo Year Book, volume 16 page 312. As noted in this year book, the zoo is open to qualified visitors or groups by arrangement. It receives no support from the National Zoo.

Question. Are any Smithsonian assets kept at Litchfield? (Details)

Answer. Two items of office equipment inventoried to the Smithsonian, a typewriter and a portable dictating cassette, are used at Litchfield. As previously mentioned in testimony before the Committee, there are on loan to Litchfield a small number of birds from the National Zoo.

SUBCOMMITTEE RECESS

Senator STEVENS. Thank you very much, gentlemen.

We will recess until 10 a.m. tomorrow morning.

[Whereupon, at 11:45 a.m., Monday, April 18, the subcommittee was recessed, to reconvene at 10 a.m., Tuesday, April 18.]

LIST OF WITNESSES

A

Page

Abourezk, Hon. James G., (D), U.S. Senator from South Dakota:
Statement ---------- 1667
Atkinson, Hawley, Chairman, Navajo and Hopi Indian Relocation Commission ---------- 1139
Prepared statement ---------- 1141
Ault, Richard L., Director of Support Activities, Smithsonian Institution ---------- 1703

B

Baker, Howard H., Jr., (R), U.S. Senator from Tennessee:
Letter from ---------- 1695
Blitzer, Charles, Assistant Secretary for History and Art, Smithsonian Institution ---------- 1703, 1742
Brooke, Hon. Edward W., (R), U.S. Senator from Massachusetts:
Statement ---------- 1611
Bumpers, Hon. Dale (D), U.S. Senator from Arkansas:
Prepared statement ---------- 1648
Butler, Raymond V., Acting Deputy Commissioner of Indian Affairs, USDI ---------- 989, 995

C

Challinor, David, Assistant Secretary for Science, Smithsonian Institution ---------- 1703, 1765
Chappelear, Doss, Chief, Division of General Engineering, Bureau of Reclamation ---------- 989
Church, Hon. Frank, (D), U.S. Senator from Idaho:
Statement ---------- 1699
Connally, Ernest A., Associate Director, Preservation of Historic Properties, National Park Service ---------- 1385, 1436
Craft, Archie D., Assistant Director, Technical Services, Bureau of Land Management ---------- 1203
Curvey, Edward J., Assistant Director for Administration, Bureau of Outdoor Recreation ---------- 1541

D

Demmert, William G., Jr., Director, Indian Education Programs, Bureau of Indian Affairs ---------- 989, 1015
Dent, William C.m Chief, Division of Budget and Finance, Bureau of Outdoor Recreation ---------- 1541, 1554
Dicks, John B.:
Statement ---------- 1696
Domenici, Hon. Pete V., (R), U.S. Senator from New Mexico:
Statement ---------- 1615

E

Page
Edwards, Frank A., Assistant Director, Minerals Management, Bureau of Land Management ---------- 1203, 1252
Elliott, Timothy S., Acting Deputy Solicitor, USDI -------- 1149, 1160
Euell, Julian T., Assistant Secretary for Public Service, Smithsonian Institution ---------- ----- 1703
Everhardt, Gary, Director, National Park Service ---------- 1385, 1569
Prepared statement ---------- 1431, 1570

F

Fish, Manus, Regional Director, National Capital Region, National Park Service ---------- 1385, 1570
Furlong, Dan, Budget Analyst, Bureau of Land Management --------- 1605

G

Gilbert, David A., Bud get Officer, Office of Secretarial Operations - Fiscal, USDI ---------- 1139, 1163, 1176
Gorrell, Joseph W., Assistant Director, Financial Management, Bureau of Indian Affairs ---------- 989, 995
Gravel, Mike, (D), Senator from Alaska:
Statement ---------- 1663
Greenley, Joseph C.:
Statement ---------- 1700
Greenwalt, Lynn, Director, Fish and Wildlife Service ------ 1269, 1599
Budget request and prepared statement ---------- 1269
Prepared statement ---------- 1599
Grier, Mary Lou, Acting Director, Bureau of Outdoor Recreation --- 1541
Prepared statement ---------- 1543, 1556

H

Hester, Eugene, Associate Director, Environment and Research, Fish and Wildlife Service ---------- 1269, 1315, 1333
Hindle, Brooke, Director, National Museum of History and Technology, Smithsonian Institution ---------- 1703
Hite, Richard R., Acting Assistant Secretary, Administration and Management, USDI ---------- 1163
Prepared statement ---------- 1164

J

Jameson, John F., Assistant Secretary for Administration, Smithsonian Institution ---------- 1703, 1756
Jones. Fred L., Assistant Director for Federal Programs and Planning, Bureau of Outdoor Recreation ---------- 1541, 1550
Joseph, Hon. James A., Undersecretary of the Interior ---------- 989
Prepared statement ---------- 991

K

Page

Keen, Ralph F., Acting Director, Trust Responsibilities, Bureau of Indian Affairs ---------- 989, 1103
Krenzke, Theodore C., Director, Office of Indian Services, Bureau of Indian Affairs ---------- 989, 1029, 1105
Krulitz, Leo M., Solicitor, USDI ---------- 1149

Mc

McAllester, Walter, Chief, Division of Realty, Fish and Wildlife Service ---------- 1599
McDonald, Daniel D., Director, Office of Tribal Resources Development, Bureau of Indian Affairs ---------- 989, 1006, 1092
McGuire, John, Chief, Forest Service ---------- 1585
Statement ---------- 1585

M

Melcher, Hon. John, (D), U.S. Senator from Montana:
Prepared statement ---------- 1654
Merrell, John E., Administrative Officer, Office of the Solicitor, USDI ---------- 1149, 1158
Mirkes, Larry, Acting Chief, Division of Recreation, Bureau of Land Management ---------- 1605

N

Nelson, Harvey, Associate Director, Fish and Wildlife Resources, Fish and Wildlife Service ---------- 1269, 1344
Novick, Matthew N., Financial Manager, Office of the Secretary, USDI ---------- 1139, 1163

O

Ott, Billie D., Assistant Director, Management Services, Bureau of Indian Affairs ---------- 989

P

Perrot, Paul N., Assistant Secretary for Museum Programs, Smithsonian Institution ---------- 1703
Petty, Arnold E., Assistant Director, Administration, Bureau of Land Management ---------- 1203, 1231
Powers, Peter G., General Counsel, Smithsonian Institution 1703, 1741
Putz, Robert, Director of Research, Fish and Wildlife Service ---
---------- 1269, 1344, 1364

R

Page
Reed, Theodore H., Director, National Zoological Park ---------- 1703
Rinaldi, Charles, Chief, Land Acquisition Division National Park Service ---------- 1569
Ripley, S. Dillon, Secretary, Smithsonian Institution ---------- 1703
Ross, Heather,L., Acting Deputy Assistant Secretary, Program Development and Budget, USDI ---------- 1163

S

Sasser, Hon. James R., (D), U.S. Senator from Tennessee:
Letter from ---------- 1694
Schreiner, Keith, Associate Director, Federal Assistance, Fish and Wildlife Service ---------- 1269, 1360, 1599
Sharp, Harry R., Acting Chief Administrative Officer, Navajo and Hopi Indian Relocation Commission ---------- 1139
Shelton, Edward E., Director, Office of Equal Opportunity, USDI - 1163
Spear, Michael, Assistant Director, Planning and Budget, Fish and Wildlife Service ---------- 1269, 1322, 1369
Stennis, Hon. John C., (D), U.S. Senator from Mississippi:
Statement ---------- 1661
Sturgill, Lowell V., Acting Chief, Office of Programing and Budget, National Park Service ---------- 1385, 1459, 1569

T

Thurston, James, Director, Office of Aircraft Services, USDI ----
---------- 1163, 1181
Tobin, William, Staff Assistant, Lands Staff Unit, Forest Service 1585
Turcott, George L., Associate Director, Bureau of Land Management 1203
Budget estimate and prepared statement ---------- 1204
Introductory statement ---------- 1216

U

Underhill, A. Heaton, Assistant Director for State Programs and Studies, Bureau of Outdoor Recreation ---------- 1541, 1548
Urbano, Rev. Paul, Commissioner, Navajo and Hopi Indian Relocation Commission ---------- 1139

V

Van Gilst, Gerald, Director of Lands, Forest Service ---------- 1585
Vetterick, Paul M., Chief, Division of Budget and Program Development, Bureau of Land Management ---------- 1203, 1217

W

Wheeler, T. Ames, Treasurer, Smithsonian Institution ------ 1703, 1739
Wiles, Francis M., Director of Budget, USDI:

Page

Wiles, Francis M., Director of Budget, USDI - continued:
Fish and Wildlife Service ---------- 1269
Indian Affairs, Bureau of ---------- 989
National Park Service ---------- 1385
Secretary, Office of the ---------- 1163
Solicitor, Office of the ---------- 1149
Wittig, Orrin, Assistant Director, Program Development and Budget, Forest Service ---------- 1585

Y

Yellin, Jon, Director, Office of Programing and Budget, Smithsonian Institution ---------- 1703, 1756

Z

Zapanta, Albert C., Assistant Secretary - Administration and Management, USDI:
Letter from ---------- 1033
Zuni, Jose A., Director, Administration, Bureau of Indian Affairs ---------- 989, 1013

SUBJECT INDEX

A

Page

Advisory Council on Historic Preservation ---------- 1517
Alpine Lake area ---------- 1590
American Indian Policy Review Commission ---------- 1012
Appalachian Trail ---------- 1444

B

BLM (Bureau of Land Management)
Big Thicket, Big Cypress, and Cuyahoga Valley ---------- 1577
Bureau of (see other part of title)

C

Cabeza Prieta Refuge - solar energy plant ---------- 1367
Chemawa Indian School ---------- 1112
Congaree Swamp, New Mexico ---------- 1579
Crab Orchard Refuge, Illinois ---------- 1368
Cumberland Gap NHP ---------- 1507, 1520

D

Daniel Boone Trail ---------- 1608
Deep Fork Refuge, Oklahoma ---------- 1343
Deschutes National Forest ---------- 1597

E

EPA (Environmental Protection Agency)
Ellis Island ---------- 1505
Everglades National Park ---------- 1457
Expenditure, total (highway and bridges) project ---------- 1638

F

FICE (Federal Interagency Committee on Education)
Fish and Wildlife Service ---------- 1269
  Activity structure, change in ---------- 1378
  Administrative provisions ---------- 1373
  Agencies, involvement, other ---------- 1317
  Aircraft replacement ---------- 1374
  Alaska field station ---------- 1345
  Alaska Native Claims Settlement Act - historic sites ---------- 1340
  Alaska pipeline ---------- 1335
  Animal damage control ---------- 1341
  Bicentennial land heritage program ---------- 1338
  Biological service ---------- 1335

Page

Fish and Wildlife Service -- continued:
Blackbird research ---------- 1381
Boldt decision funding ---------- 1346
Budget summary ---------- 1312
Committee approval of adjustments ---------- 1324
Construction and anadromous fish ---------- 1363
Construction carryover funds ---------- 1369
Contractual services ---------- 1318
Cooperative fish and wildlife research units ---------- 1342
Cooperative units benefits ---------- 1343
Duck stamp revenue ---------- 1370
EPA programs, relationship with ---------- 1314
Endangered species ---------- 1360
Endangered species grant-in-aid, status of ---------- 1361
Environmental analysis, increase in ---------- 1314
Environmental aspects of coal extraction ---------- 1382
Environmental contaminant evaluation ---------- 1314
Environmental evaluation, goal of ---------- 1332
Environmental funds, concern fof substantial increase in ------ 1316
Environmental program proposals ---------- 1315
Environmental protection activities ---------- 1313
Equipment and construction ---------- 1366
Fee collection system ---------- 1371
Field station funding ---------- 1381
Fiscal 1977 position increase ---------- 1322
Fish hatchery facilities in Kentucky ---------- 1380
Fish hatchery facilities in West Virginia ---------- 1376
Fishery research in Alaska ---------- 1344
Hatchery effluent waste ---------- 1364
Jurisdiction for historic site review ----------1340
Kinai headquarters development ----------1366
Land acqusition ---------- 1362
Land and water resource development planning ---------- 1332
Leetown training facility ---------- 1360, 1363
Marine mammals ---------- 1326
Migratory bird conservation account ---------- 1270
National wetlands inventory ---------- 1337
National wildlife refuge system ---------- 1312
OCS and coal leasing ---------- 1335
OCS investigations ---------- 1336
Object class adjustments ---------- 1323
Obligational level for fiscal 1977 ---------- 1326
Personnel compensation increases ---------- 1324
Position ceilings ---------- 1325
Positions, new ---------- 1333
Project expansion, proposed ---------- 1345
Project impact evaluation center ---------- 1333
Questions, additional ---------- 1375
Recovery plan implementation ---------- 1377
Recreational facilities, development and operation of --------- 1371

Page

Fish and Wildlife Service -- continued:
Refuge manager training academy ---------- 1339
Reimbursable projects ---------- 1316
Reimbursement record ---------- 1318
Reprograming limitation ---------- 1326
Research contracts ---------- 1321
Sabine Refuge parking facility ---------- 1366
Section 404 permits ---------- 1381
Shift of funds into personnel compensation ---------- 1323
Time limit for natives to make land selections under ANCSA ---- 1341
Travel ---------- 1321
Forestry management, uneven-aged ---------- 1649
Fort Hall Agency Office ---------- 1114
Fort Jefferson National Monument ---------- 1508
Fort Yates School ---------- 1113

G

GAO (General Accounting Office) ---------- 1531
Glen Echo Park ---------- 1510
Guadalupe Mountains National Park ---------- 1507, 1581
Gulf Islands National Seashore ---------- 1507, 1581

H

Harpers Ferry National Park ---------- 1518
Haskell Indian Junior College ---------- 1015, 1113
Board of Regents - priority listing ---------- 1017
Gymnasium construction ---------- 1016
Hell's Canyon ---------- 1551

I

Indian Affairs, Bureau of ---------- 989
Agriculture program ---------- 1098, 1102
Alaska housing assistance ---------- 1122
Alaska native fund payments ---------- 1120
Arizona Republic article ---------- 1097
Band analysis ---------- 1001
Amount distributed by agency fiscal year 1978 ---------- 1043
Cost to administer ---------- 1006
Johnson-O'Malley assistance ---------- 1006
BIA higher education funding ---------- 1121
Boldt decision ---------- 1104
Budget growth ---------- 997
Budget process, tribal involvement in ---------- 1005
Budget structure ---------- 995
Bureau personnel and qualifications ---------- 1100
Civil Service Commission report ---------- 1029
Conflicts between BIA and Indian priorities ---------- 1005

Page

Indian Affairs, Bureau of -- continued:
Construction at Mekoryuk ---------- 1083
Construction program ---------- 1106
Contracting of BIA programs ---------- 1125, 1134
Cost savings in transfers ---------- 1078
Direct school funding ---------- 1040
Economic development programs ---------- 1091
Emmonak erosion ---------- 1123
Enrollment increases ---------- 1077
FICE meeting ---------- 1088
Facility improvements ---------- 1116
Fishing resources in State of Washington ---------- 1104
Forestry program ---------- 1096, 1098
Funding for BIA programs ---------- 998
GAO report on bureau management policies ---------- 1096
Graduate programs ---------- 1065
Higher education assistance ---------- 1065
Housing program ---------- 1122, 1134
Independent agency for Indian affairs ---------- 1012
Indian action teams ---------- 999
Indian action teams in Oklahoma ---------- 1014
Indian action teams funding ---------- 1092
Indian colleges ---------- 1064
Indian education:
Bilingual ---------- 1041
Duplication ---------- 1041
Goals ---------- 1031
Increased funds for ---------- 1042
Program management improved ---------- 1061
Quality related to cash ---------- 1031
Special education ---------- 1061
Indian Financing Act, funds authorized under the ---------- 1094
Indian medical school students ---------- 1017
Indian Policy Review Commission report ---------- 1011
Indian programs, operation of ---------- 1009
Indian services ---------- 1124
Indians in California, BIA response to major issues regarding housing and community development ---------- 1029
Indians in California, funding for ---------- 1018
Indians in California, response to funding needs ---------- 1019
Intermountain school ---------- 1062
Irrigation projects ---------- 1111
Johnson-O'Malley program ---------- 1072
Assistance and band analysis ---------- 1006
Fund distribution, changes in ---------- 1072
Funding formula changes ---------- 1089
Support for transferred schools ---------- 1090
Law enforcement ---------- 1000, 1125
Loans:
Balances ---------- 1093
Fund balances ---------- 1094

Indian Affairs, Bureau of - continued: Page
Loans - continued:
Guaranteed ---- 1092
Program ---- 1093, 1118
Metlakatla acquaculture project ---- 1122
Minerals amd mining program ---- 1100
Natural resources development program ---- 1095
Navajo irrigation projects ---- 1100
Navajo-Hopi settlement program ---- 1067, 1125
New Commissioner ---- 995
North Star operations ---- 1081
Personnel changes during the transition ---- 1090
Personnel management problems, summary of BIA action on ---- 1030
Planning and design ---- 1106
Private schools, previously ---- 1063
Program directions, new ---- 999
Questions, additional ---- 1121
Questions submitted ---- 1098, 1111
Questions submitted by Senator DeConcini ---- 1069
Revenue from Indian lands, return of ---- 1011
Rights protection ---- 1101
Road construction ---- 997, 1117
Salaries under construction pgorarm ---- 1116
Schools:
Construction ---- 1081, 1083, 1123
Facilities at Mekoryuk, permanent ---- 1085
Operations ---- 1040
Transfer in Alaska ---- 1077
Self-determination Act ---- 1099
Self-determination service ---- 1105, 1117
Social services ---- 1125
Southeastern Alaska canneries ---- 1120
Teachers, recruiting ---- 1062
Travel, auditing system of ---- 1009
Travel request, 1977 ---- 1007
Tribal government services ---- 1124
Tribal resources development ---- 1010
Trust responsibilities ---- 1103
Vehicle request ---- 1118
Indian education ---- 1617
Indian Education Act ---- 1615
Indian Education Resources Center ---- 1085
Functions of the ---- 1088
Personnel, status of ---- 1086
Indian health care ---- 1617
Indian Health Care Improvement Act ---- 1615
Indian reservation roads and bridges ---- 1615, 1618, 1639
Indiana Dunes National Lakeshore ---- 1582

J

Page

John F. Kennedy Center for the Performing Arts ---------- 1448

L

Lake Okeechobee, Florida ---------- 1375
Lake Tahoe ---------- 1590
Land and Water Cpnservation Fund ---------- 1555
Administrative expenses for grant funds ---------- 1561
Allocation accounts, changes in ---------- 1567
Contracting and positions ---------- 1563
Contracting costs ---------- 1563
Federal land acquisition, administrative expenses for ---------- 1564
Federal land acquisition allocation accounts ---------- 1565
Fish and Wildlife Service ---------- 1599
Acreage proposed to be acquired ---------- 1603
Authorization legislation, proposed ---------- 1604
Authorizations, status of ---------- 1604
Backlog ---------- 1604
Justifications, revisions to ---------- 1601
Forest Service ---------- 1585
Funds, fiscal year 1977 supplemental ---------- 1586
Land acquisition backlog ---------- 1588
Mineral lands acquisition policy ---------- 1596
Mineral rights ---------- 1596
Questions, additional ---------- 1597
Recreation composites ---------- 1590
Wisconsin State school lands ---------- 1590
Grant funds balances by State ---------- 1560
Land Management, Bureau of ---------- 1605
Assistance to States ---------- 1607
Budget estimate ---------- 1605
Facilities, sheltered ---------- 1608
Questions, additional ---------- 1607
National Park Service ---------- 1569
Acquisition backlog ---------- 1579
Adjustments, supplemental ---------- 1572
Budget request ---------- 1572
Funds, obligations of ---------- 1575
New areas ---------- 1580
Positions versus contracting ---------- 1564
Prepared statement ---------- 1556
State assistance, demand for ---------- 1560
State assistance,increase ---------- 1559
Unobligated carryover ---------- 1559
Land Management, Bureau of ---------- 1203
Acquisition, construction, and maintenance ---------- 1265
Administration and enforcement ---------- 1263
Agency coordination ---------- 1229
Appeals processes ---------- 1242

Page

Land Management, Bureau of -- continued:
BLM and USGU OCS activities ---------- 1255
Boise, Idaho, district office complex ---------- 1251
Budget submissions, comparative ---------- 1239
Building construction survey, design and administration ------- 1266
Building maintenance increases ---------- 1252
California Desert management program ---------- 1249
Coal resources, emphasis on ---------- 1253
Craig, Colorado, district warehouse ---------- 1251
Director unable to appear ---------- 1216
Drought program ---------- 1250
Energy and minerals management, request for ---------- 1252
Energy, creation of a Department of ---------- 1235
Environmental workload, cost of ---------- 1228
Exploration program ---------- 1217
Fiscal year 1977 budget, advanced changes in the ---------- 1236
Fiscal year 1978 budget, amendments to ---------- 1239
Grazing district advisory boards, budget for ---------- 1250
Grazing management practices ---------- 1242
Grazing permits and administrative appeals ---------- 1241
Lands and realty management ---------- 1262
Law enforcement program ---------- 1248
Livestock grazing regulations, proposed ---------- 1226
National petroleum reserve - Alaska ---------- 1217
Alaska transportation study ---------- 1220
Budget breakdown ---------- 1221
Budget request ---------- 1219
Economic and policy analysis study ---------- 1218
Management and planning request ---------- 1220
Multiple use plan ---------- 1218
Surface protection ---------- 1222
Temporary employees, utilization ---------- 1222
New legislation, budgetary impact ---------- 1234
Northern Tier Pipeline project ---------- 1247
Oil and gas activities on the OCS ---------- 1254
Oregon and California grant lands ---------- 1266
Payments in lieu of taxes ---------- 1231, 1264
Payments to local and State governments ---------- 1232
Planning and data management ---------- 1258
Plans, studies and data collection, cost of ---------- 1227
Program changes, other fiscal year 1977 ---------- 1261
Programs for renewable resource management ---------- 1243
Public involvement in decision making ---------- 1225
Public land management, new direction ---------- 1224
Public land management, skills needed for ---------- 1228
Questions submitted ---------- 1256
Range improvement fund, need for ---------- 1245
Range management ---------- 1225
Range management and improvements, fund requests for ---------- 1244
Recreation maintenance ---------- 1266

Page

Land Management, Bureau of -- continued:
Reprograming and base adjustments, 1977 ---------- 1257
Road and bridge construction ---------- 1252
Section 3 payments ---------- 1231
Service charges, deposits, and forfeitures ---------- 1247
Socio-economic skills in BLM ---------- 1230
State and Federal agencies, coordination with ---------- 1230
Trans-Alaska pipeline monitoring ---------- 1223
Wilderness review ---------- 1263
Withdrawal and wilderness review program ---------- 1245
Litchfield ---------- 1799

M

Magnetohydrodynamics ---------- 1650
Mount McKinley National Park ---------- 1482
Transportation system ---------- 1509
Muscatatuck Refuge ---------- 1368
Museum Services Act ---------- 1611

N

Natchez Trace Parkway ---------- 1533
National Advisory Council on Indian Education ---------- 1087
National Fish Health Laboratory ---------- 1377
National Park Service ---------- 1385
Aircraft replacement ---------- 1511
Alaska:
Archeological and historic studies ---------- 1483
Gages of the Arctic, access to ---------- 1481
Historic surveys, duplication of ---------- 1483
National park areas, support for ---------- 1484
National parks in ---------- 1479
Park:
Development ---------- 1481
Operation ---------- 1486
Planning ---------- 1480
Proposals ---------- 1448
Positions assigned ---------- 1484
Visitor access and service facilities ---------- 1480
Appropriation activities, realinement of ---------- 1490
Appropriation expansion ---------- 1442
Bicentennial land heritage ---------- 1472, 1491
Boat replacement ---------- 1512
Budget employment levels ---------- 1468
Budget estimate ---------- 1385
Campsite reservation program ---------- 1459
Construction:
Bike trail - Rock Creek Park ---------- 1506
Gateway National Recreation area estimates ---------- 1504

National Park Service -- continued; Page
Construction -- continued:
Pacific Northwest ---- 1502
Planning for ---- 1503
Program ---- 1501
Rocky Mountain region ---- 1504
Solar energy facilities ---- 1505
Southeast region ---- 1503
Water and sewage ---- 1511
Cooperative programs ---- 1486
Employment programs ---- 1521
FDR Memorial, funding for ---- 1529
Facilities restoration priorities ---- 1530
Fees for certification of eligibility ---- 1441
Funding, need for full ---- 1435
General management plans ---- 1490
Historic preservation fund ---- 1515, 1525
Historic preservation role ---- 1516
Historic properties certification process ---- 1527
Historic resources ---- 1456
Indian assistance ---- 1487
Land acquisition backlog ---- 1490
Maintenance increase ---- 1473
Maintenance personnel ---- 1478
National park system, potential additions to ---- 1447
New area studies ---- 1487
New areas ---- 1446
New areas - northeastern states ---- 1444
New unit costs ---- 1478
OMB limitations on hiring ---- 1463
Object classification ---- 1466, 1469
Objectives ---- 1445
Operation and construction needs ---- 1522
Park areas in Kentucky ---- 1520
Park Police pay increase ---- 1491
Park visitation and revenues from fees ---- 1442
Personnel management ---- 1501
Positions advanced by OMB ---- 1466
Positions, funding for authorized ---- 1470
Positions, new ---- 1462
Preservation of historic properties ---- 1514
Questions, additional ---- 1513
Reprograming ---- 1467
Resource management ---- 1455
Southeast region - cyclic maintenance ---- 1491
Summary statement ---- 1434
Survey and planning - matching ratio ---- 1528
Tax Reform Act, 1976, implementation of ---- 1441
Tour boat - Glacier Bay National Monument ---- 1512

Page

National Park Service -- continued:
Travel controls ---------- 1471
Urban parks ---------- 1447, 1448
User fees ---------- 1443
Visitor facilities and interpretation ---------- 1455
Visitor transportation systems ---------- 1508
National Trust for Historic Preservation ---------- 1435
Allocations to ---------- 1436
Grant-in-aid allocations ---------- 1437
Historic preservation:
Employment benefits ---------- 1439
Grants for State survey and planning projects ---------- 1440
Grants to States ---------- 1435
Impact of full funding ---------- 1440
National Visitor Center ---------- 1452
Construction costs ---------- 1453
Future plans ---------- 1454
Operating costs ---------- 1525
Parking and transportation facilities ---------- 1452
Navajo and Hopi Indian Relocation Commission ---------- 1139
Appropriation ---------- 1143, 1144
Assistance payments ---------- 1143
Commission credibility with Indian people ----------1142
Commissioner's statement ---------- 1142
Credibility with tribes ---------- 1144
Expenses of the Commission ---------- 1147
Funding for vocational and job training ---------- 1145
Relocation ---------- 1146, 1147
Unobligated funds, use of ---------- 1143
Vocational rehabilitation ---------- 1145
Navajo Indian irrigation project ---------- 1616, 1642, 1648

O

OAS (Office of Aircraft Services)
OCS (Outer Continental Shelf)
OMB (Office of Management and Budget)
Outdoor Recreation, Bureau of ---------- 1541
Abandoned railways, assistance for conversion of ---------- 1552
Alaska, allocation for study in ---------- 1548
Contractual services ---------- 1554
Defense, assistance to the Department of ---------- 1551
Land and Water Conservation Fund (see Land and Water Conservation Fund)
Nationwide planning ---------- 1547
Object class changes ---------- 1550
Public participation and contracting ---------- 1546
Recreation fees, adequacy of ---------- 1550
Recreation planning assistance ---------- 1550
River corridors, setback distance of ---------- 1549

Page

Outdoor Recreation, Bureau of -- continued:
Salaries and expenses ---------- 1541
Water resource studies ---------- 1548
Wild and scenic river studies ---------- 1548

R

Redwood National Park ---------- 1579
Riverside Indian School ---------- 1012
Rogue River ---------- 1605
Rough Rock School ---------- 1117

S

SRF (See Smithsonian Research Foundation)
San Francisco Bay Refuge, California ---------- 1368
San Juan National Historic Site ---------- 1510
Science Information Exchange (SIE) ---------- 1784, 1793
Continuance of hearing ---------- 1790
Contract arrangement ---------- 1787
Employee benefits - SIE and Foundation employees ---------- 1786
Federal funds, authority to transfer to SIE ---------- 1788
Federal operation, converting SSIE to a ---------- 1789
Fiscal year 1978 request ---------- 1719
Funding ---------- 1785
Questions, additional ---------- 1791
Relationship between the Smithsonian and SSIE ---------- 1788
Revenue and data, status of ---------- 1787
Statement of purpose ---------- 1787
User charges ---------- 1790
Secretary, Office of the, USDI ---------- 1163
Aircraft Servicesa Office of the ---------- 1181
Aircraft procurement in fiscal year 1978 ---------- 1189
Aircraft utilization in Alaska ---------- 1183
Alaska fleet, consolidation of ---------- 1186
Alaskan charter costs ---------- 1182
Bureau charter role in Alaska ---------- 1189
GAO study on aircraft ---------- 1188
Gas inventory in Alaska ---------- 1185
OAS staff in Alaska, use of ---------- 1188
Savings from purchase of aircraft ---------- 1182
Value of aircraft inventory ---------- 1186
Alaska native claims ---------- 1177
Appropriation, changes requested in ---------- 1167
Claims cases, anticipated increases in ---------- 1177
Congressional liaison ---------- 1174
Emergency preparedness program ---------- 1191
Enewetak rehabilitation and resettlement ---------- 1199
Equal Opportunity, Office of ---------- 1174
Field activities ---------- 1173

Page

Secretary, Office of the -- continued:
Guam assistance ---------- 1199
Hearings and Appeals, Office of ---------- 1176
Impacg of proposed energy department ---------- 1172
Increases requested in fiscal year 1978 ---------- 1172
India, program in ---------- 1197
Library services ---------- 1178, 1180
Minerals Policy Research and Analysis ---------- 1180
OCS program ---------- 1190
Polish program, results of the ---------- 1191
Questions submitted ---------- 1197
Rongelap and Utirik compensation ---------- 1200
Salaries and expenses ---------- 1173
Secretary's travel ---------- 1173
Special foreign currency ---------- 1191
Territorial affairs ---------- 1198
Trust Territory of the Pacific Islands ---------- 1200
Sherman Indian School ---------- 1112
Sleeping Bear Dunes National Lakeshore ---------- 1582
Smithsonian Institution ---------- 1703
Acquisition of property and collection ---------- 1741
Activities, initiation with private support ---------- 1740
Banking practices ---------- 1792
Bicentennial events, highlights of ---------- 1713
Budget request for fiscal 1978 ---------- 1714
Congressional questions prompting GAO report ---------- 1730
Construction, fiscal year 1978 request for ---------- 1718
Employees ---------- 1745, 1755
Employment ---------- 1755, 1756
Foreign currency program and the SIE, fiscal year 1978 requests 1719
GAO study, digest of ---------- 1720
Hillwood estate, disposition of ---------- 1744
Increase by program category requested ---------- 1715
Museum support center ---------- 1719
Policy on use of funds ---------- 1743
Reprograming ---------- 1793
Resources requested for support functions, increased ---------- 1716
Science Information Exchange (see Science Information Exchange.)
Secretaries' conduct of research and administration while away from Washington, D.C. ---------- 1797
Shops ---------- 1792
Smithsonian properties, acquisition and disposition ---------- 1745
Smithsonian property, nature of ---------- 1742
Smithsonian research, characterization of ---------- 1715
Smithsonian Research Foundation (see Smithsonian Research Foundation.)
Travel ---------- 1796
Trust versus Federal funds, use of ---------- 1739, 1756
Woodrow Wilson Center (see Woodrow Wilson International Center for Scholars.)

Page

Smithsonian Research Foundation ---------- 1757
Accounts in local banks ---------- 1774
Administration and control ---------- 1766
Benefits to Woodrow Wilson Center ---------- 1778
Board of Regents, role of Congressional members ---------- 1763
Conflict of interest ---------- 1776
Federal law, restrictions in ---------- 1759
Grant distribution ---------- 1770
Grants to directors or staff ---------- 1766
Moneys, disposition of ---------- 1775
Other agencies, flexibility (in hiring) ---------- 1765
Programs, appropriateness of administering by contract -------- 1783
Purpose ---------- 1758
Research assistants, need for flexibility in hiring ---------- 1764
Research foundation account ---------- 1775
Smithsonian employees ---------- 1764, 1770
Smithsonian scientists, history of research awards ---------- 1783
Trust funds, flexibility inherent in ---------- 1763
Solicitor, Office of the, USDI ---------- 1149
Ceilings, administrations's policy on ---------- 1154
Conservation and Wildlife Division ---------- 1159
Energy and Resources Division ---------- 1161
Funded versus authorized positions ---------- 1154
Funds, allocation of ---------- 1154
Overtime ---------- 1159
Personnel, distribution of ---------- 1157
Personnel turnover ---------- 1158
Program ---------- 1158
Staffing, present and planning ---------- 1153
Summary of request ---------- 1153
Travel increase ---------- 1159
Standing Rock School ---------- 1112
State road construction memorandums ---------- 1620
Student Conservation Corps ---------- 1457

U

USDI (United States Department of the Interior)
USGS (United States Geological Survey)
U.S. Fish and Wildlife Service (see Fish and Wildlife Service.)
Upper Missouri River ---------- 1605

V

Voyageurs National Park ---------- 1582

W

White Mountain National Forest ---------- 1597
Wolf Trap Park ---------- 1507, 1522

Page

Woodrow Wilson International Center for Scholars ---------- 1777
Fellowship awards, internal audit of ---------- 1778
Obligating document ---------- 1780
Overobligation problem ---------- 1779
SRF benefits ---------- 1778

Y

Yuha Desert Way Station ---------- 1251

○