

LETTER FROM THE SECRETARY

At the Department of the Interior, we are proud to protect and provide access to our Nation's natural and cultural heritage and to honor our trust responsibilities to Native Americans. I am proud to report on our accomplishments for fiscal year 1998.

Serving the Public

Interior is committed to providing superior service to our customers, partners, and stakeholders. By asking for and listening to the public's opinions and ideas, and taking action to address concerns, we are making substantial improvements in our service to the Nation.

The national parks, refuges, and other Federal lands host more than 300 million visits annually, and those visits should be enjoyable, safe and educational. We continue to seek to improve our understanding of the public we serve so that we can protect the land and share it for the future. We are also working hard to improve visitor experience through partnerships with other Federal agencies, State and local governments, and private sector groups.

Interior has taken great strides in recent years toward becoming a more streamlined organization. Since 1993, we have reduced Interior's staffing level by approximately 14 percent. Despite this workforce reduction, we have continued to provide high quality service to the American public.

Investing in the Future

Interior invests its energy and its resources to protect America's scenic beauty and its cultural heritage. National parks, refuges, and public lands are the heart of the Nation's natural, cultural, and historical legacy. As steward of these unique resources, the Department faces growing demands to rehabilitate an aging infrastructure of public facilities and to protect natural and cultural resources. New investments are needed to ensure visitor safety at Interior facilities, safe working conditions for employees, and safe facilities for students attending Indian schools. In 1998, we presented these growing requirements to Congress; Congress responded by providing over \$850 million for maintenance and construction in fiscal year 1999, an increase of 4.4 percent over 1998.

Restoring Ecosystems: Over the last 5 years the Administration has implemented three large scale watershed restoration efforts using new methods, partnerships, and renewed public participation. In 1998, we continued to make progress in restoring California's Bay-Delta, the largest estuary on the west coast of North America; the Florida Everglades to restore natural water flows; and the forests of the Pacific Northwest to replenish trout, coho, chinook, and sockeye salmon. While we are making progress, these areas demand continued support to protect their vitality for future generations.

Clean Water and Watershed Restoration Initiative: Over the last 25 years, the Clean Water Act has stopped billions of pounds of pollution from flowing into the Nation's rivers, lakes, and streams, and has doubled the number of waterways that are safe for swimming and fishing. Yet despite this significant progress, there is still much to be done to fulfill our national commitment to protect the Nation's waters. Under the Clean Water and Watershed Restoration Initiative, Interior has taken the lead to ensure healthy aquatic systems in our Nation's watersheds. Together with the Department of Agriculture, Environmental Protection Agency, and other Federal agencies, we are developing cooperative partnerships with States and local governments as well as the public.



Historic Preservation: The celebration of the turn of the century is a true commemoration of our democracy, our rich history, and our unequaled diversity. It is an opportunity to showcase the preservation of the icons of American history and culture for ourselves and for the world. Recognizing that the material culture of our Nation is the touchstone of our history, Interior is working to preserve this rich fabric of American heritage, ensuring that the citizens of the 21st Century have the same opportunity that we did to observe and enjoy the archaeological and historic ruins in the Southwest, objects gathered by the Lewis and Clark expedition, and the laboratory of Thomas Edison, among other American treasures.

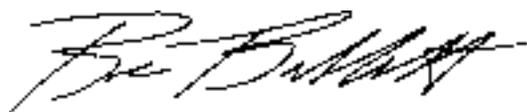
Prudent Outer Continental Shelf Management: The Nation has seen a resurgence of Gulf of Mexico leasing activity with a high level of industry interest, particularly in deep-water regions. There have been record-breaking lease sales over the past few years and a sustained level of exploration and development activity, spurred by dramatic advances in technology and the discovery of extremely prolific reservoirs with wells producing over 20,000 barrels of oil per day. The Department's attention is focused on sustaining these benefits while protecting the marine environment by preventing any conditions or actions that could adversely impact the Gulf environment. This means basing leasing and regulatory decisions on good scientific information and maintaining a vigilant inspection program, both of which are critical to preventing accidents that threaten human life or the environment.

Responding to Native American Needs

A key principle of the Federal-tribal relationship is protecting and encouraging tribal self-governance. To achieve self-determination, Tribes require a long-term Federal commitment and adequate funds to develop self-governance, a strong economic base, and social and educational institutions that enable them to benefit from America's prosperity and to preserve their cultural heritage. In fulfilling the Nation's trust responsibilities to Tribes, Interior is committed to meeting these obligations. During 1998 the Bureau of Indian Affairs provided Tribes with over \$1.1 billion in resources to foster strong and stable tribal governments, enabling them to exercise their authority as sovereign nations.

Interior has trust responsibilities for many tribal and individual Indian assets. Over the last several years, the Department has been working diligently to reform the systems, policies, practices, and procedures by which Tribes and individual Indians receive revenue due them from trust lands. In 1997, the Department began implementing reforms proposed in the Office of Special Trustee's Comprehensive Strategic Plan related to cleaning up data, eliminating trust asset processing backlogs, and revamping trust management systems. In 1998, the Department continued to implement this plan. These reforms are of critical importance—resolving longstanding trust management issues is receiving the highest level of attention from the Department.

As we move forward toward a new century and celebrate the Department's founding 150 years ago, we remain steadfast in protecting our Nation's natural and cultural resources and fulfilling our trust responsibilities to the Tribes. While we have made substantial progress during this Administration, much remains to be done. I am committed to continuing our progress.



Bruce Babbitt

Secretary of the Interior