

# BUDGET The United States Department of the Interior JUSTIFICATIONS

# and Performance Information Fiscal Year 2026

# NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION PROGRAM

NOTICE: These budget justifications are prepared for the Interior, Environment and Related Agencies Appropriations Subcommittees.



# Table of Contents

Executive Summary	. 3
Introduction	. 3
Office Mission Statement	.4
Budget Overview	. 5
Account: Natural Resource Damage Assessment and Restoration Program	. 6
Summary of Requirements Table	. 6
Appropriations Language	. 6
Appropriations Language Citations	. 7
Damage Assessment	. 8
Restoration Support	. 8
Inland Oil Spill Preparedness	11
Program Management	12
Organizational Chart	13
Compliance with Section 403	14
External Administrative Costs (Working Capital Fund)	14
Good Accounting Obligation in Government Act Report	15

## **Executive Summary** *Natural Resource Damage Assessment and Restoration Program*

#### Introduction

The Department's Natural Resource Damage Assessment and Restoration (NRDAR) Program is managed by the Office of Restoration and Damage Assessment (ORDA) to conduct damage assessments and restoration in collaboration with co-trustees from Federal, State, and Tribal governments, as well as nongovernment organizations and industry. The NRDAR Program aligns with and supports many of the Administration's priorities, as they are inherently connected to our mission and goals.

Within this budget request, the NRDAR Program will support the Administration's priorities including addressing the Nation's energy emergency and creating employment opportunities for American workers by streamlining processes and removing barriers to implementing restoration projects, determining appropriate recreation opportunities as a means of restoring injured resources and lost services, supporting Tribal Nations engaged in NRDAR cases, and engaging States and local communities during damage assessment, restoration planning, and restoration implementation.

In Fiscal Year 2026, the ORDA plans to work with Departmental economists to quantify the economic impacts of restoration to demonstrate the benefits of restoration projects on local and regional communities, including the creation of employment opportunities for American workers. This work directly supports the Administration and Secretary's priorities to create employment opportunities for American workers, specifically SO 3419 – *Delivering Emergency Price Relief for American Families and Defeating the Cost-of-Living Crisis*. Building on past work by DOI economists, the ORDA has established methods to capture factors to complete additional economic impact studies in future years.

The ORDA coordinates across the NRDAR Program to evaluate and report on restoration and conservation outcomes to improve the services provided through the Department's natural resources (such as recreation opportunities). Federal investment in ecosystem restoration and monitoring protects Federal trust, ensures public health and safety, and preserves and enhances essential natural resource services while generating business activity and creating well-paying American jobs.

### **Office Mission Statement**

The mission of the NRDAR Program is to restore natural resources injured by hazardous substance releases. In collaboration with affected State, Tribal, and Federal co-trustee agencies, the NRDAR Program conducts science-based damage assessments to determine restoration needs that address the public's loss and usage of these resources. Cooperation with co-trustees, partners, and, when possible, responsible parties is essential to achieving the NRDAR Program's core mission.

The NRDAR Program is designed to work closely with co-trustees to restore impaired resources managed by the Department of the Interior. It assesses damages and identifies appropriate restoration projects to inform negotiated settlements or, in rare cases, litigation with potentially responsible parties. Recoveries, via in cash or in-kind services, from the potentially responsible parties finance or implement resource restoration, pursuant to a publicly-reviewed restoration plan. Every step taken during damage assessments aims to facilitate this restoration.

The ORDA oversees the NRDAR Program by integrating technical, ecological, biological, legal, and economic disciplines while coordinating efforts across six bureaus and three Departmental offices. Each bureau shown below has its unique natural resource trusteeship and brings its expertise to bear on relevant sites. The NRDAR Program is an integrated Departmental program, drawing upon the interdisciplinary strengths of its bureaus and offices, while eliminating or minimizing redundant bureaucratic and administrative operations and expenses. The NRDAR Program operates nationwide, covering a broad range of natural and cultural resources under the Secretary of the Interior's trust responsibility.



In addition to the five bureaus with primary trust resource management activities, the U.S. Geological Survey conducts scientific research in environmental health and water resources and provides access to natural resource science to support effective decision making on how to best restore natural resources.

The Office of the Secretary and the Office of the Solicitor (SOL) also play key roles restoring injured natural resources impacted by the release of oil or hazardous substances in the environment, and in making the NRDAR Program a fully integrated Departmental program. The SOL provides legal advice at both the program policy level and in all individual cases. In the Office of the Secretary, the Office of Policy Analysis provides economic analytical expertise to the NRDAR Program on both national policy and individual case management, and the Office of Environmental Policy and Compliance provides a link to response and remedial activities associated with oil spills or chemical releases.

## **Budget Overview**

The NRDAR Program Fiscal Year 2026 request for current appropriations is \$4,709,000. The request advances the on-the-ground restoration of natural resources injured by oil spills and the release of hazardous substances into the environment. The NRDAR Program will utilize requested funds to effectively deliver science-driven habitat restoration in collaboration with co-trustees using the balance of funds recovered in settlements. The NRDAR Program is committed to maximizing benefits for both injured natural resources and for the American public's use and enjoyment of these resources. The ORDA formulated this budget request with the intent of increasing efficiencies, reducing costs, and supporting the Administration's priorities and Departmental goals. Restoration projects implemented through the NRDAR Program, such as wetland, forest, stream, and coastal restoration, can support national security and improve public safety by enhancing resilience from natural disasters, invasive species, and other environmental hazards. Through the NRDAR program ensures the sustainable use of the Nation's natural resources, resulting in enhanced economic opportunities for local communities, improved recreational opportunities, and protection of cultural heritage sites.

The Fiscal Year 2026 budget will support the Damage Assessment, Inland Oil Spill Preparedness, Program Management and Restoration Support program areas. The ORDA will prioritize activities that closely align with Administration priorities and Departmental goals. For example, training through the Inland Oil Spill Preparedness program will identify areas of critical concern and identify opportunities to partner with industry to improve efficiency and reduce overall costs.

Budget Authority	2024 Actual	FY 2025 Notional <sup>1/</sup>	2026 Budget
Current	7,715	7,715	4,709
Total Current, w/o Supplemental	7,715	7,715	4,709

2026 President's	<b>Budget Ree</b>	quest (\$000)
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<sup>1/</sup> Resource levels included are estimates. The President reserves his authority under the "Full-Year Continuing Appropriations and Extensions Act, 2025" (P.L. 119-4) to revise 2025 spending within the amounts provided by Congress.

Funding for restoration and damage assessment projects derive from resources and earned interest from negotiated legal settlement agreements and cooperative damage assessments. Funds for each case are applied to the restoration of injured natural resources by the Department and its co-trustees.

With funds presently in the NRDAR Fund and with additional settlements and payments on the horizon, the Department will be able to move forward deliberately and strategically on planning and implementing collaborative restoration actions at dozens of sites nationwide to produce significant ecological, economic, and recreational benefits. The vast majority of these restoration settlements are shared jointly with other Federal, State, and Tribal co-trustees. The Department continues to prioritize the delivery of funds for collaborative on-the-ground restoration projects.

The NRDAR Program conducts its activities through the following four program areas: Damage Assessment projects, Restoration Support, Inland Oil Spill Preparedness, and Program Management – described in the following justification narratives.

#### Account: Natural Resource Damage Assessment and Restoration Program

#### **Summary of Requirements Table**

#### Summary of Requirements Office of Resource Damage Assessment Natural Resource Damage Assessment and Restoration

ACCOUNT/Activity Natural Resource Damage Assessment Fund	2024 Actual	2025 Notional <sup>1/</sup>	2026 Budget
Damage Assessments	1,800	1,500	1,000
Restoration Support	2,847	3,000	2,000
Oil Spill Preparedness	780	715	500
Program Management	2,288	2,500	1,209
Total, Natural Resource Damage Assessment Fund	7,715	7,715	4,709
<sup>1/</sup> Resource levels included are estimates. The President reserves his auth Appropriations and Extensions Act, 2025" (P.L. 119-4) to revise 2025 s Congress.	•		•

Dollars in Thousands (\$000)

### **Appropriations Language**

To conduct natural resource damage assessment, restoration activities, and onshore oil spill preparedness by the Department of the Interior necessary to carry out the provisions of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, Public Law 96-510, as amended (42 U.S.C. 9601 et seq.), the Federal Water Pollution Control Act Amendments of 1972, Public Law 92-500, as amended (33 U.S.C. 1251 et seq.), the Oil Pollution Act of 1990, Public Law 101-380, as amended (33 U.S.C. 2701 et seq.), and section 100721 et seq. of title 54, United States Code, \$4,709,000, to remain available until expended.

Note: This account is operating under the Full-Year Continuing Appropriations and Extensions Act, 2025 (Division A of Public Law 119-4).

## **Appropriations Language Citations**

*Comprehensive Environmental Response, Compensation, and Liability Act, as amended, (42 U.S.C 9601 et seq.).* Section 106 of the Act authorizes the President to clean up hazardous substance sites directly, or to obtain cleanup by a responsible party through enforcement actions. Trustees for natural resources may assess and recover damages for injury to natural resources from releases of hazardous substances and use the damages for restoration, replacement, or acquisition of equivalent natural resources. Provides permanent authorization to appropriate receipts from responsible parties.

Federal Water Pollution Control Act (Clean Water Act), as amended, (33 U.S.C. 1251-1387). Authorizes trustees for natural resources to assess and recover damages for injuries to natural resources resulting from the discharge of oil into or upon the navigable waters of the United States, adjoining shorelines, the waters of the contiguous zone, or in connection with activities under the Outer Continental Shelf Lands Act or the Deepwater Port Act of 1974, or which may affect natural resources belonging to, appertaining to, or under the exclusive management authority of the United States.

**Oil Pollution Act of 1990, (33 U.S.C. 2701 et seq.)** Amends the Federal Water Pollution Control Act and authorizes trustee(s) of natural resources to present a claim for and to recover damages for injuries to natural resources from each responsible party for a vessel or facility from which oil is discharged, or which poses a substantial threat of discharge of oil, into or upon the navigable waters or adjoining shorelines or the exclusive zone.

System Unit Resource Protection Act, (54 U.S.C. 100721-25). Provides that response costs and damages recovered under it or amounts recovered under any statute as a result of damage to any Federal resource within a unit of the National Park System shall be retained and used for response costs, damage assessments, restoration, and replacements. Liability for damages under this Act is in addition to any other liability that may arise under other statutes.

*Natural Resource Damage Assessment and Restoration Fund; availability of assessments (43 U.S.C. 1474b). Provides permanent authorization for receipts for damage assessment and restoration activities to be available without further appropriation until expended.* 

*Transfer of funds from Natural Resource Damage Assessment and Restoration Fund (43 U.S.C. 1474b-1). Provides authority to make transfers of settlement funds to other Federal trustees and payments to non-Federal trustees.* 

**Dire Emergency Supplemental Appropriations for Fiscal Year 1992 (P.L. 102-229)**. Provides that the Fund's receipts are authorized to be invested and available until expended. Also provides that amounts received by United States in settlement of U.S. v Exxon Corp. et al. in FY 1992 and thereafter be deposited into the Fund.

#### **Damage Assessment**

Damage Assessment activities are a vital first step taken by the Department to restore natural resources injured by hazardous substances and oil spills. To ensure effective restoration, it is essential to identify, investigate, and thoroughly understand the source, effects, and magnitude of the injury. This assessment process involves documenting and analyzing physical and scientific evidence, which forms the basis for claims for compensation to the public for the loss of these resources. Typically, the Department conducts these assessments in partnership with Federal, State, and Tribal co-trustees, enhancing cooperation and collaboration. This teamwork not only streamlines the management of various concerns but also facilitates data sharing, reduces duplication of efforts, and minimizes administrative burdens, allowing responsible parties to address all trustee concerns within a unified framework.

In 2026, the ORDA will leverage a mix of discretionary appropriations, recovered assessment costs from recent settlements, returned funds from completed assessments, and advanced funding from cooperative responsible parties to manage its damage assessment workload. This funding will support ongoing assessments at approximately 28 sites, maintaining the program's capabilities, while an estimated 47 additional cases will progress toward settlement, with up to six potentially concluding in 2026.

The current funding level will allow the ORDA to prioritize high-impact damage assessment projects emphasizing collaboration with responsible parties and Federal, Tribal, and State co-trustees to improve efficiency and effectively address concerns. The map from the Damage Assessment and Restoration Tracking System (<u>DARTS</u>) provides a snapshot of the Department's damage assessment and restoration cases, showing their current status, types of incidents, and publicly available documents for 288 NRDAR cases.

## **Restoration Support**

The NRDAR Program evaluates restoration alternatives alongside damage assessment activities and develops plans to restore or replace injured natural resources and lost services. This includes restoring



Field personnel are studying ways to detect carcasses and assess injuries in migratory birds. Photo credit: FWS.

habitats like beach dunes and wetlands while enhancing public access for recreation. By complying with the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) and the Oil Pollution Act (OPA), the NRDAR Program supports various ecological restoration initiatives that boost community well-being and resilience against environmental hazards. The Department collaborates with Federal, State, and Tribal partners on numerous restoration projects nationwide, successfully managing natural resources for local community benefit.

The Restoration Support Unit (RSU) assists case teams in planning, fostering local partnerships, and streamlining permitting processes, which helps identify restoration options early and reduces project

timelines. Supporting over 30 cases annually, the RSU guides them from assessment through restoration planning and implementation. It also provides tools and resources for NRDAR practitioners, helping develop strategies to quantify injuries, assess damages, and identify restoration alternatives, thereby accelerating case resolution and restoration efforts.

#### Fox River/Green Bay, Wisconsin - Duck Creek Fishing Access Improvements

The Lower Fox River in northeastern Wisconsin, which flows into Green Bay and Lake Michigan, was severely impacted by the discharge of nearly 700,000 pounds of polychlorinated biphenyls (PCBs) from paper companies between 1954 and 1971, harming fish, wildlife, and water quality. The trustees,





ADA accessible kayak launch. Photo Credit: Village of Howard

Community members enjoying fishing from the newly installed docks. Photo Credit: Village of Howard

including the U.S. Fish and Wildlife Service, the Wisconsin Department of Natural Resources, the Oneida Nation, and the Menominee Indian Tribe, have recovered \$90 million in settlements for restoration projects related to these PCB injuries. This funding has supported over 228 projects, restoring more than 24,000 acres and improving fish passage across 180 stream miles. Recently, public access improvements were made at Duck Creek and Lower Green Bay, featuring new docks and enhanced fishing access points at W. Deerfield Avenue and Memorial Park, which provide better opportunities for anglers and paddlers to enjoy the local fisheries.

#### DuPont/Waynesboro, Virginia – Indian Hollow Boat Landing Improvements

Mercury pollution from a former DuPont facility in Waynesboro, VA, has contaminated over 100 miles of the South River and South Fork Shenandoah River, damaging local wildlife and ecosystems. A \$42 million settlement reached in July 2017 between the Department of the Interior and Virginia aims to restore these areas, with proposed projects focused on improving fish habitats, propagating freshwater mussels, aiding migratory songbirds, protecting land, recreational enhancements and renovating a fish hatchery. On August 29, 2024, the Indian Hollow Boat Landing in Bentonville, VA, was reopened following \$220,000 in funding from the settlement, which facilitated upgrades such as improved boat landing access, additional parking, expanded accessibility, and a secondary boat ramp with sidewalks. Supported by additional funding from Warren County tourism and assistance from the Front Royal–Warren County Anti-Litter Council, the enhanced site is expected to improve public safety and river accessibility.



Before and after view of Indian Hollow canoe/kayak access, walkway, and new parking lot near Bentonville, Warren County, Virginia. Photo Credit: FWS

#### <u>T/V Exxon Valdez Crude Oil Spill/Port Graham, Alaska – Port Graham Habitat Enhancement</u> Project

In March 1989, the Exxon Valdez tanker ran aground on Bligh Reef in Prince William Sound, Alaska, releasing nearly eleven million gallons of crude oil and affecting extensive areas of the coastline, including National Forests and Wildlife Refuges, with oil reaching shores nearly 500 miles away. The cleanup lasted almost four years, impacting approximately 1,300 miles of shoreline and harming wildlife, including an estimated 250,000 seabirds and numerous marine mammals, making it the largest tanker spill in U.S. waters. Restoration planning continues in this region with new opportunities to implement projects that were not considered feasible in the past.

In response to infrastructure degradation in the remote village of Port Graham, the Port Graham Corporation partnered with the Native Village of Port Graham and the U.S. Fish and Wildlife Service to restore the road network and improve fish passage, prioritized by the Windy Bay Washout. In summer 2024, they installed a fish-passable culvert to enhance flood drainage and restore access to subsistence areas, while the collaboration strengthened local skills and economic capacity through effective project management and oversight.



Before and after aerial photos of the Windy Bay fish passage construction project. In the before photo, note the road washout. In the after photo, the fish passage and overflow culverts are both installed, and the road has been repaired. Credit: FWS

#### <u>Tri-State Mining District -Tar Creek/Ottawa County, Oklahoma - Lost Creek Streambank</u> <u>Stabilization Tribal Collaboration</u>

The Northeastern Oklahoma Mining NRDAR Site, located within the Tri-State Mining Region of southeast Kansas, southwest Missouri, and northeast Oklahoma, has been impacted by decades of mining activities that released hazardous substances, prompting environmental and public health concerns. Added

to the U.S. Environmental Protection Agency's National Priorities List under CERCLA in 1981, the Tar Creek site in Oklahoma has potentially affected resources including federally protected species and State and Tribal natural and cultural resources. Restoration efforts aim to mitigate these impacts while promoting local revitalization. On October 16, 2024, the Eastern Shawnee Tribe hosted a ribbon-



Photos from The Lost Creek Restoration Ceremony. Photo Credit: DOI

cutting ceremony to celebrate the multi-agency restoration of Lost Creek, attended by various project partners, including the Tar Creek Trustee Council and the Chief of the Peoria Tribe. The ceremony highlighted the cultural significance of the land, the project's community-led nature, and its anticipated benefits, such as improved environmental quality, public access, and safety.

## **Inland Oil Spill Preparedness**

The Inland Oil Spill Preparedness Program was established in FY 2015 to enhance training for field response personnel amidst increasing oil spill incidents linked to higher petroleum demand and aging infrastructure. In coordination with the U.S. Fish and Wildlife Service's National Conservation Training Center (NCTC), the program has delivered 32 one-week courses from 2015 to 2025, training 769 practitioners, including Department staff and local responders. Additionally, since 2020, 20 safety and training webinars have reached over 4,800 viewers, and the ORDA has conducted 6 Cultural Resources Spill Support courses for 272 representatives from various government levels.



Attendees of the Inland Oil Spill Response Training Photo Credit: FWS/National Conservation Training Center (NCTC)

Moving into FY 2026, the program aims to bolster readiness through updated regional spill contingency plans and increased participation in oil spill drills. By prioritizing interagency coordination and advancing spill response science, the initiative seeks to improve overall preparedness. Well-trained personnel are expected to facilitate faster responses, reducing downtime for companies involved in response activities and allowing a greater focus on energy initiatives as outlined in SO 3417 – *Addressing the National Energy Emergency*.

#### **Program Management**

The ORDA manages the Department's NRDAR Program, focusing on providing the necessary vision, tools, processes, and resources to facilitate efficient restoration of natural resources. Key program management functions include funding allocations for damage assessment projects, monitoring performance, managing the NRDAR Fund, developing Department policies to reduce regulatory barriers, and coordinating with Federal, State, and Tribal governments. The 2026 budget request aims to enhance efficiency, with funding directed toward managing settlement funds, maintaining support systems, and improving information technology tools, such as DARTS.

In 2026, ORDA will prioritize proactive outreach and coordination with governmental co-trustees to address mutual interests, enhance assessment and restoration techniques, and share best practices. These efforts aim to increase efficiency and effectiveness while reducing costs and eliminating barriers to restoration projects. Additionally, the ORDA will bolster the skill sets of the NRDAR community through online training, improved coordination, and public-private partnerships, ensuring the ongoing success and development of the NRDAR Program.

## **Organizational Chart**

The ORDA manages the NRDAR Program and consists of staff in Washington, DC and various field locations. The following organization chart goes beyond the ORDA office and reflects the integrated management structure of the NRDAR Program as a whole, with the inter-related components of six bureaus, the Office of the Solicitor, and the Office of Policy Analysis.



## **Compliance with Section 403**

#### **External Administrative Costs (Working Capital Fund)**

Section 403 Division E of the Consolidated Appropriations Act, 2024 (P.L. 118-42) directs the disclosure of overhead, administrative, and other types of administrative support spending. The provision requires that budgets disclose current amounts and practices with regard to overhead charges, deductions, reserves, or holdbacks from program funding to support government-wide, Departmental, or bureau administrative functions or headquarters, regional, or central office operations.

	Da	ollars in Tho	usands (\$000	)		
	2025 Notional <sup>1/</sup>			2026 Budget		
Activity	Central	Direct	TOTAL	Central	Direct	TOTAL
OS Shared Services	20.4	3.4	23.8	59.0	3.5	62.5
OS Activities	56.4	0.6	57.0	61.8	0.6	62.4
IT Shared Services	22.9	14.1	37.0	30.9	45.4	76.3
Interior Business Center	0.0	174.6	174.6	0.0	216.3	216.3
TOTAL, WCF Billing	99.7	192.7	292.4	151.7	265.8	417.5

#### **Working Capital Fund**

<sup>1/</sup> Resource levels included are estimates. The President reserves his authority under the "Full-Year Continuing Appropriations and Extensions Act, 2025" (P.L. 119-4) to revise 2025 spending within the amounts provided by Congress.

For 2026, the ORDA's costs related to overhead, administration, and central/regional operations are addressed in three components of the budget, all under the heading of External Administrative Costs. These costs include amounts paid to bureaus, the Department, or other Executive Branch agencies to support bureau, Departmental or Government-wide administrative costs.

Charges related to the Departmental Working Capital Fund (WCF) shown in the table reflect the ORDA's share of centralized Departmental expenses for items and expenses such as facility services, shared information technology management, security, mailroom services, costs associated with audited financial statements, and other WCF charges. Direct costs are those services specifically requested and needed by the ORDA for program operations.

Charges related to IT Shared Services are for a variety of telecommunications, software licenses, and related service provided by the Office of the Chief Information Officer.

Dollars in Thousands (\$000)			
Cost Description	2024	2026	
Financial Management Services (IBC)	175	216	
User-Pay Cost Share (FWS)	108	110	
Personnel / HR Services (OS)	83	85	
Common Services Support (USGS)	80	82	
Sec. 108 3% Offset Authority (DOJ)	197	200	
TOTAL, Bureau Administrative Costs	643	693	

#### **Bureau Administrative Costs**

## **Good Accounting Obligation in Government Act Report**

The Good Accounting Obligation in Government Act (GAO-IG Act, P.L. 115-414) enacted January 3, 2019, requires that Agencies report the status of each open audit recommendation issued more than one year prior to the submission of the Agency's annual budget justification to Congress. The Act requires Agencies to include the current target completion date, implementation status, and any discrepancies on closure determinations.

The Department of the Interior leadership takes audit follow-up very seriously and considers our external auditors, to include the Government Accountability Office (GAO) and Office of the Inspector General, valued partners in not only improving the Department's management and compliance obligations but also enhancing its programmatic and administrative operations. As stewards of taxpayer resources, the Department applies cost-benefit analysis and enterprise risk management principles in recommendation implementation decisions. The Department's GAO-IG Act Report is available at the following link: <a href="https://www.doi.gov/cj">https://www.doi.gov/cj</a>