

Departmental Overview



This is a forward looking budget reflecting Interior's strong commitment to protect important national landscapes, responsibly manage energy development on public lands and waters, and honor Federal trust responsibilities to Native Americans and tribal communities.

*Sally Jewell, Secretary of the Interior
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The Department of the Interior's mission affects the lives of all Americans. Interior stewards 20 percent of the Nation's lands, oversees the responsible development of 21 percent of U.S. energy supplies, is the largest supplier and manager of water in the 17 western States, maintains relationships with 566 federally recognized Tribes, and provides services to more than two million American Indian and Alaska Native peoples. In 2013, Interior's programs contributed an estimated \$360 billion to the U.S. economy and supported more than two million jobs in activities including outdoor recreation and tourism, energy development, grazing, and timber harvesting.

Interior operates through its component bureaus: 405 units in the national park system, 562 national wildlife refuges, more than 247 million acres of land in the National System of Public Lands; and funds and oversees reclamation of nearly 360,000 acres of abandoned coal mine sites. Interior works to ensure America's spectacular landscapes, unique natural and cultural resources, and national icons are accessible for visitation and protected to endure for future generations. The Department tells and preserves the American story, and maintains the special places that symbolize the shared American experience. In 2013, Interior hosted an estimated 407 million recreation visitors. These visits alone contributed an estimated \$41 billion to the economy and supported nearly 355,000 jobs nationwide.

The Department of the Interior's mission is to protect and manage the Nation's natural resources and cultural heritage; provide scientific and other vital information about those resources; and honor the Nation's trust responsibilities and special commitments to American Indians, Alaska Natives, and

affiliated island communities. The Department's 2016 budget totals \$13.2 billion and provides strong support for this mission and reflects the Administration's commitment to protect important national landscapes, responsibly manage energy development on public lands and waters, and support Federal trust responsibilities to Native American Tribes and communities.

This budget features investments launching a historic effort for the national parks and public lands for the next century. It supports tribal priorities in Indian Country, including a \$1.0 billion investment to transform Indian schools and education, and provides full contract support cost funding. The budget implements the President's Climate Action Plan by promoting renewable energy development, building community resilience in the face of climate change, and investing in science to inform natural resource management. This request addresses the Nation's water supply challenges, in particular those in the arid West, and makes important investments in America's water infrastructure.

Interior's budget for 2016 proposes \$13.2 billion in current authority, nearly an eight percent increase from the 2015 enacted level. This total includes a proposed \$200.0 million budget cap adjustment to ensure necessary funds are available in the event of a catastrophic fire without harming other Interior programs. The budget also provides an estimated \$7.3 billion in mandatory funding in 2016. Within the overall increase for 2016, \$89.6 million pays for unavoidable fixed cost increases, and \$23.3 million meets new requirements to provide healthcare coverage for seasonal workers. To partially offset programmatic requirements, the budget includes \$252.2 million in program reductions.

The 2016 budget enables the Department to carry out its important mission by maintaining core capabilities and proposing investments in key priorities. This is a forward looking budget laying the groundwork for the future while meeting current commitments. The programs in this request emphasize partnerships, public engagement with Interior's places and programs, comprehensive up-front resource planning, tribal self-determination and self-governance, and increased scientific understanding leveraged with advanced tools and open access to data. Interior's 2016 budget proposes meaningful investments to advance the Department's mission.

PROMOTES THE PRESERVATION AND PROTECTION OF AMERICA'S NATURAL AND CULTURAL RESOURCES

Launches Historic Effort for the National Parks in the Next Century – In 2016, the National Park Service will celebrate 100 years of preserving and sharing America's natural, cultural, and historic treasures. The budget will make investments to connect a new generation to America's Best Idea and to care for and maintain the national parks for the next 100 years. The budget calls for a total of \$859.1 million in funding for 2016, composed of \$559.1 million in current funding and \$300.0 million in mandatory funding to allow NPS to make targeted, measurable upgrades over the next ten years to all of its highest priority non-transportation assets and restore and maintain them to good condition. The budget also proposes \$100.0 million in annual mandatory funding for a Centennial Challenge program to leverage private donations for signature programs and projects at parks and another \$100.0 million for a Public Lands Centennial Fund that competitively awards funds to Federal land management agencies for projects and programs.

Commemorates Lessons of America's Civil Rights History – To meaningfully mark the 50th anniversary of the Voting Rights Act in 2015, the 2016 budget proposes \$50.0 million to restore and highlight key sites across the Country that tell the story of the struggle for civil rights. The initiative will invest in specific national park sites associated with the Civil Rights Movement, such as the Selma to Montgomery National Historic Trail. State, local and tribal governments may also apply for grants to document and preserve stories and other sites related to the Civil Rights Movement.

Creates Jobs Through Conservation and Recreation – Investments in America's great outdoors create

millions of jobs and spur billions of dollars in national economic activity through outdoor recreation and tourism. On the 50th anniversary of the Land and Water Conservation Fund Act, the budget proposes full funding for LWCF programs at Interior and the Department of Agriculture. The innovative, highly successful program reinvests royalties from offshore oil and gas activities into public lands across the Nation. Starting in 2016, the budget will invest \$900.0 million annually into conservation and recreation projects, equal to the amount of receipts deposited in the LWCF each year. In 2016, the budget proposes a total of \$400.0 million in discretionary funding and \$500.0 million in mandatory funding for LWCF programs. These investments not only conserve lands in or near national parks, refuges, forests, and other public lands—including landscapes identified for collaborative, strategic conservation—they also enable access to lands for sportsmen and hunters, protect historic battlefields, and provide grants to States for recreation and conservation projects on non-Federal lands.

Conserves the Country's Important Landscapes – The budget continues efforts to manage and promote the sustainability and resilience of ecosystems on a landscape scale, such as the California Bay-Delta, the Everglades, the Great Lakes, Chesapeake Bay, and the Gulf Coast. The budget proposes \$78.1 million to protect and restore the American West's vast sage steppe landscape, which supports abundant wildlife and significant economic activity, including recreation, ranching, and energy development. This investment supports unprecedented Federal and State collaboration to conserve the imperiled sage steppe landscape in the face of threats from fire, invasive species, expanding development, and habitat fragmentation. The budget also proposes a landscape scale effort to address the complex natural resource issues facing the arctic. To support the understanding and managing of landscapes and to support climate resilience, the budget proposes \$1.1 billion in research and development investments across the Department to improve scientific understanding, develop information and tools, and expand public access to this important information.

IMPLEMENTING THE PRESIDENT'S CLIMATE ACTION PLAN

Prepares Communities for Challenges of a Changing Climate – As manager of about 20 percent of the land area of the United States and a partner with tribal, State, and local government land management agencies, the Department works to

address the challenges of a changing climate as an integral part of its mission. As part of the Administration's effort to better understand and prepare for the impacts of a changing climate, the budget includes \$195.3 million to increase the resilience of communities and ecosystems to changing stressors, including flooding, sea level rise, and drought. The budget builds on the Hurricane Sandy competitive grant approach with targeted investments in natural systems to address climate change vulnerabilities, such as increased flooding or drought, and to support resilience in tribal communities and insular areas.

Safeguards Communities and Ecosystems from Wildfire Damage – Population growth near forests and rangelands, past management practices, and a changing climate have increased wildfire risk and resulting costs. The budget calls for a new funding framework for wildland fire suppression, similar to how the costs for other natural disasters are met. The initiative proposes base level funding of 70 percent of the 10-year average for suppression costs within the current budget and an additional \$200.0 million, through a discretionary cap adjustment, for the most severe fire activity that comprises only one percent of the fires but amounts to 30 percent of the costs. This framework will allow for a balanced suppression and proactive fuels management and restoration program, with flexibility to accommodate peak fire seasons, but not at the cost of other Interior and Agriculture missions.

Ensures Sustainable and Secure Water Supplies – The budget continues investment in the Department's WaterSMART program, which supports water conservation initiatives and technological breakthroughs that promote water reuse, recycling, and conservation in partnership with States, Tribes and other partners. The budget also invests in the safety, reliability, efficiency, and ecological sustainability of the U.S. water infrastructure to ensure millions of customers continue to receive the water and power that are the foundation of a healthy economy, especially in the arid West. The budget provides robust funding for Indian water rights settlements and program implementation to support Tribes in resolving water rights claims, developing water sharing agreements, and supporting sustainable water management, and provides resources to protect and restore fragile ecosystems, such as California's Bay-Delta and the San Joaquin River.

POWERING THE FUTURE THROUGH BALANCED ENERGY DEVELOPMENT

Builds a Clean Energy Infrastructure – To enhance national energy security and create jobs in new industries, the budget invests in renewable energy development programs, providing \$100.4 million to review and permit renewable energy projects on public lands and offshore waters. These funds will allow Interior to continue progress toward its goal of permitting 20 gigawatts of renewable energy capacity and related transmission infrastructure by 2020.

Investing in Communities Impacted by Energy Development – To address the continuing legacy of abandoned mine lands on the health, safety, environment, and economic opportunity of communities, the budget proposes \$1.0 billion to States and Tribes over five years from the unappropriated balance of the AML Trust Fund, administered by the Office of Surface Mining Reclamation and Enforcement. As part of the President's POWER+ Plan, the AML funding will be used to target the reclamation of mine land sites and associated polluted waters in a manner that promotes sustainable redevelopment in economically distressed coalfield communities. The budget includes legislative reforms to strengthen the health care and pension plans that provide for the health and retirement security of coal miners and their families.

Supports Responsible Development of the Nation's Oil and Gas Resources – The budget provides support for onshore energy permitting and oversight on Federal lands, with the Bureau of Land Management's oil and gas program realizing a 20 percent increase in mandatory and current funding compared to the 2015 enacted level. Coupled with implementation of a new automated permitting system that eliminates paper applications, these budget resources will facilitate improved responsiveness to permit requests while strengthening onshore inspection capabilities. The BLM's costs will be partially offset through new inspection fees totaling \$48.0 million in 2016, requiring the onshore industry to share a greater part of the cost of managing the program from which it benefits, just as the offshore industry currently does.

The budget also supports continued reforms to strengthen oversight of industry operations following the 2010 Deepwater Horizon oil spill, with an additional emphasis on risk management. This includes \$170.9 million for the Bureau of Ocean

Energy Management and \$204.7 million for the Bureau of Safety and Environmental Enforcement, which share responsibility for overseeing development of oil and gas resources on the Outer Continental Shelf.

INVESTS IN THE FUTURE

Strengthens Tribal Nations – The President’s budget maintains the Administration’s strong support for the principle of tribal self-determination and strengthening tribal communities across Indian Country. This commitment is reflected in a proposed 12 percent increase for the Bureau of Indian Affairs over the 2015 enacted level. The budget calls for full funding for contract support costs that Tribes incur from managing Federal programs, complemented by a proposal to secure mandatory funding in future years. The budget provides significant increases across a wide range of Federal programs that serve Tribes; proposes a new one-stop approach to improve and coordinate access to Federal programs and resources; supports sustainable stewardship of land, water, and other natural resources; provides funding for communities to plan, prepare, and respond to the impacts of climate change; and establishes an Indian Energy Service Center to facilitate tribal energy development.

Creates Opportunities for Native Youth – The 2016 budget includes key investments to support the launch of Generation Indigenous, an initiative focused on addressing barriers to success for American Indian and Alaska Native children and teenagers. In addition to Interior, multiple agencies—Education, Housing and Urban Development, Health and Human Services, Agriculture, Labor, and Justice—are working collaboratively with Tribes on new and increased investments to implement education reforms and address issues facing youth. The Interior budget proposes a \$1.0 billion investment in Indian education to support a comprehensive transformation of the Bureau of Indian Education. This multi-year process will transform BIE into an organization that serves as a capacity builder and service provider to support Tribes in educating their youth and delivers a world class and culturally-appropriate education across Indian Country.

Engages the Next Generation – The future of the Country’s natural, cultural, and historic heritage depends on the next generation of active stewards. Interior’s unique assets provide an unparalleled opportunity to connect the next generation to the great outdoors and the Nation’s rich history. The budget

includes \$107.2 million for youth programs across the Department, a \$45.5 million increase from the 2015 enacted level. Within this increase, \$20.0 million is provided to NPS for youth activities, including bringing one million fourth-grade children from low-income areas to national parks. This increase will also fund dedicated youth coordinators to help enrich children and families’ learning experiences at parks and online.

IMPROVES OVERSIGHT AND USE OF FEDERAL DOLLARS

Implements Department-wide Management Reforms – Interior has embarked on several multi-year efforts to improve efficiency and effectiveness by reducing Interior’s future expenses for building leases and operations, and enhancing its information technology infrastructure and financial reporting capabilities. The budget includes \$6.4 million for upfront improvements to office space, so that Interior can make better use of Federal buildings and reduce outyear taxpayer costs for privately leased space. The budget continues to optimize the Department-wide Financial and Business Management System with targeted investments to improve the quality and transparency of Federal spending information for the public, as envisioned in the Digital Accountability and Transparency Act of 2013. Also underway is the fourth year of Interior’s IT Transformation. The budget includes \$5.0 million for enhancements in telecommunications capacity and cloud access, end user services to achieve Department-wide efficiencies, and information assurance operations to strengthen detection and vulnerabilities to potential intrusions.

Reforms Federal Oil and Gas Management – The United States Treasury received nearly \$10 billion in 2014 from fees, royalties, and other payments related to oil and gas development on public lands and waters. A number of studies by the Government Accountability Office and Interior’s Inspector General found taxpayers could earn a better return through policy changes and more rigorous oversight. The budget proposes a package of legislative reforms to bolster administrative actions focused on advancing royalty reforms, encouraging diligent development of oil and gas leases, and improving revenue collection processes. The Administration is also committed to ensuring American taxpayers receive a fair return from the sale of public resources and taxpayers throughout the Country benefit from the development of offshore energy resources owned by all Americans. The budget proposes that the

Interior Department work with Congress to redirect the distribution of expanded revenue payments to select States in the Gulf of Mexico, expected to start in 2018 for certain Gulf of Mexico oil and gas leases. Funds will instead be directed to programs that offer broader natural resource, watershed, and conservation benefits for the entire Nation, help the Federal government fulfill its role of being a good neighbor to local communities, and support other national priorities.

LEGISLATIVE PROPOSALS AND OFFSETTING COLLECTIONS

The budget includes a number of legislative proposals, including full mandatory funding for the Land and Water Conservation Fund, full contract support costs in 2016 with a transition to mandatory

funding for contract support costs starting in 2017, three years of mandatory funding for the National Parks and Public Lands Centennial, and a one-year mandatory funding extension of the Payments in Lieu of Taxes program.

The 2016 budget includes revenue generating proposals estimated to result in savings to the Treasury of \$5.6 billion over ten years. The budget includes a number of current user fee proposals to offset certain costs to the taxpayer. The details of the full scope of these proposals are included in the section entitled Legislative Proposals and Offsetting Collections.

Achieving success in all of these important responsibilities on behalf of the American people is the Interior Department's primary focus. The American people deserve nothing less.

BUDGET AUTHORITY AND RECEIPTS

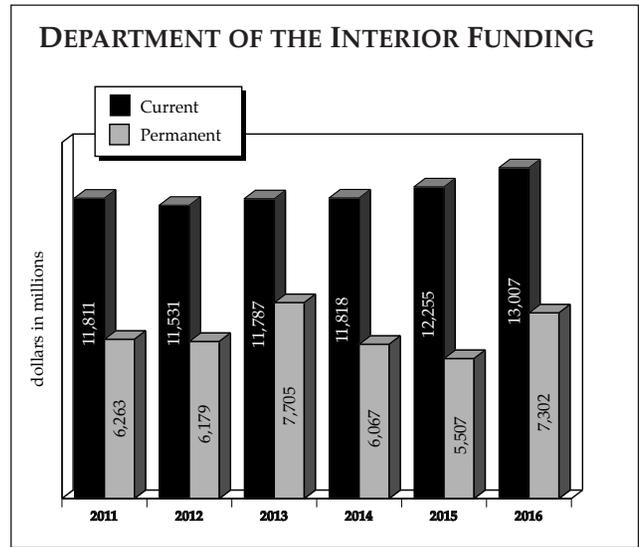
(dollars in millions)

	2014 Actual	2015 Enacted	2016 Request	Change
BUDGET AUTHORITY				
Total Current Appropriations	11,818	12,255	13,007	+753
Fire Cap Adjustment	0	0	200	+200
Total Current Appropriations (<i>w/ Cap Adjustment</i>)	11,818	12,255	13,207	+952
Permanent Appropriations.....	6,067	5,507	7,302	+1,795
TOTAL (<i>w/o Cap Adjustment</i>).....	17,885	17,762	20,309	+2,547
Total (<i>w/ Cap Adjustment</i>).....	17,885	17,762	20,509	+2,747
[<i>Net discretionary BA w/o Cap Adjustment</i>].....	[11,649]	[12,111]	[12,873]	[+762]
[<i>Net discretionary BA w/ Cap Adjustment</i>]	[11,649]	[12,111]	[13,073]	[+962]
RECEIPTS				
Outer Continental Shelf	7,417	6,425	7,511	+1,085
Onshore Mineral Leasing	4,637	3,783	3,704	-79
Other Offsetting Receipts	1,420	1,555	1,694	+139
Other Receipts	1,181	1,021	882	-139
TOTAL	14,655	12,784	13,790	+1,006

THE NUMBERS

The Department's 2016 budget request totals \$13.0 billion in current authority. This is an increase of \$752.6 million over the 2015 enacted level. Of this, \$11.9 billion is requested for programs funded by the Interior, Environment, and Related Agencies Appropriations Act. This is \$786.6 million, or a 7.1 percent increase, compared to 2015. The 2016 request for the Bureau of Reclamation and Central Utah Project Completion Act, funded in the Energy and Water Development Appropriations Act, is \$1.1 billion in current appropriations, a decrease of \$34.0 million and 3.0 percent when compared to the 2015 level.

Interior continues to generate more revenue for the U.S. Treasury than its annual appropriation. In 2016, Interior will generate receipts of nearly \$13.8 billion and propose revenue and savings legislation estimated to generate more than \$5.6 billion over the next decade. The 2016 budget also includes permanent spending proposals estimated at \$15.2 billion in outlays over the next decade.



SUMMARY OF MAJOR CHANGES

(dollars in millions)

INTERIOR, ENVIRONMENT, AND RELATED AGENCIES

Fixed Costs	+89.6
BLM	
Sage Steppe Conservation	+45.0
National Conservation Lands	+11.2
National Recreation Strategy.....	+6.6
Challenge Cost Share - Climate Resilience....	+10.0
Youth in the Great Outdoors	+5.0
Oil and Gas Management - Master	
Leasing Plans	+5.8
Oil and Gas Inspections (<i>shift to fees</i>).....	+6.9
Transmission Corridors.....	+5.0
Enterprise Geospatial	+7.8
Deferred Maintenance	+4.2
Land Acquisition.....	+18.2
Grazing Administration (<i>shift to fees</i>)	+13.5
Oregon and California Grant Lands	-6.9
BOEM	
Risk Management Program.....	+2.5
OSMRE	
Technical Assistance for Reclamation	
and Reforestation	+8.1
USGS	
Landsat Ground Systems Development.....	+24.3
Critical Landscapes, including Arctic	
and Sage Steppe	+6.7
WaterSMART	+14.6
Facilities - Cost Savings and Innovation Plan	
Community Resilience Toolkit.....	+11.0
Climate Science Centers	+10.6
Carbon Sequestration	+9.1
New and Emerging Invasive Species.....	+2.0
Natural Hazard Science for Disaster Response	
Hydraulic Fracturing Research.....	+5.3
FWS	
Gulf Coast Restoration Planning	+4.0
Renewable Energy Consult and Planning.....	+1.2
Sage Steppe Conservation	+4.0
Cooperative Recovery	+4.8
Challenge Cost Share - Climate Resilience....	+10.0
Urban Wildlife Conservation Partnerships....	+5.0
Deferred Maintenance and Equipment	+9.7
Joint Venture Program.....	+5.0
Combating Illegal Wildlife Trafficking	
and Promoting Conservation.....	+10.0
Asian Carp	+2.4
Land Acquisition.....	+10.8
State and Tribal Wildlife Grants.....	+11.3
NPS	
Centennial Initiative	+326.3
Deferred Maintenance.....	[+242.8]
Centennial Challenge	[+40.0]
Youth: Urban Engagement and Every	
Kid in a Park	[+20.0]
Operating Requirements and Volunteers.....	[+23.5]

Historic Preservation Grants.....	+33.5
Civil Rights	[+32.5]
Tribal Grants-in-Aid	[+1.0]
Land Acquisition.....	+13.3
LWCF State Grants.....	+5.0
Challenge Cost Share - Climate Resilience....	+10.0
Heritage Partnership Programs	-9.7
INDIAN AFFAIRS	
Fully Fund Contract Support Costs	+26.0
Indian Energy Service Center.....	+4.5
One-Stop Tribal Service Center.....	+4.0
Indian Data and Analysis Office	+12.0
Tribal Climate Resilience.....	+40.4
Tiwahe (Family) Initiative.....	+15.0
Indian Water Rights Settlements and	
Negotiations.....	+46.1
BIE Transformation.....	+138.4
Sovereignty in Education Awards	[+10.0]
Tribal Grant Support Costs.....	[+12.9]
Broadband to All BIE Schools	
in Three Years	[+34.2]
Teacher Certifications	[+2.6]
Facilities Operations and Maintenance.....	[+20.0]
School Repair and Replacement	[+58.7]
DEPARTMENTAL OFFICES	
Office of the Secretary	
Coastal Resilience Fund	+50.0
Insular Affairs	
Insular Areas Climate Resilience	+7.0
DEPARTMENT-WIDE PROGRAMS	
Wildland Fire	
Resilient Landscapes	+20.0
Working Capital Fund	
Office Consolidation.....	+5.2
DATA Act Implementation.....	+10.5

ENERGY AND WATER DEVELOPMENT

RECLAMATION	
Central Valley Project	+4.4
Central Valley Project Restoration Fund.....	-7.5
Colorado River Basin Salinity	
Control Project.....	+6.0
Columbia Basin Project	+3.7
Dam Safety	+5.2
Indian Water Rights Settlements and	
Negotiations.....	+22.5
Native American Affairs Programs	+4.4
Research and Development.....	+3.7
Rural Water Programs	-28.5
San Joaquin River Restoration	+3.0
WaterSMART	+7.5

DEPARTMENT OF THE INTERIOR FACTS

Land – Interior manages more than 530 million acres or about 20 percent of the land area of the United States, 700 million acres of subsurface minerals, and 54 million acres of submerged land in five Pacific marine national monuments. The Department has jurisdiction over an additional 1.7 billion acres of the Outer Continental Shelf.

Parks, Refuges, and Public Lands – Interior manages 405 units of the national park system, 562 national wildlife refuges, 72 fish hatcheries, and one historic fish hatchery, as well as 21 national conservation areas and similarly designated areas, and 20 national monuments in BLM's National Landscape Conservation System.

People – Interior has 70,000 employees located in approximately 2,400 locations across the United States, Puerto Rico, U.S. Territories, and Freely Associated States.

Volunteers – Interior benefits from approximately 320,000 volunteers who provide nearly ten million hours of service, valued at an estimated \$224 million per year.

Conservation – Nearly 360,000 acres of high-priority abandoned coal mine sites have been reclaimed through the OSMRE's Abandoned Mine Lands program. The FWS acts to protect over 2,200 endangered and threatened species; 1,571 are in the United States.

Revenues – Interior collects revenues from energy, minerals, grazing, timber, lands sales, and other revenue producing activities. Interior's estimated revenue projections in 2016 are \$13.8 billion.

Water – The Department is the Nation's largest wholesale water supplier, managing 476 dams and operating 337 reservoirs with a total storage capacity of 245 million acre-feet of water, enough water for 980 million people.

Energy – Interior manages lands, subsurface rights, and offshore areas that produce nearly 21 percent of the Nation's energy, including 16 percent of natural gas, 23 percent of oil, and 42 percent of coal. Federal lands also host projects that account for a significant portion of the Nation's renewable energy generating capacity for 15 percent of hydropower, two percent of windpower, and 47 percent of geothermal energy. Interior has approved solar energy projects totaling 47 percent of the Nation's installed solar energy capacity.

Visitation – Annually, more than 62 million visits are made to BLM public lands, nearly 280 million visits to national park units, nearly 47 million visits to national wildlife refuges and fish hatcheries, and 90 million visits to Reclamation recreation sites.

American Indians – The Department maintains relationships with 566 federally recognized Tribes in the lower 48 States and Alaska and provides support to a service population of more than two million people. The BIE provides education services to 48,000 individual students in 23 States attending 183 elementary and secondary schools and dormitories and supports 32 BIE-funded community colleges, universities, and post-secondary schools. There are 96 BIA-funded corrections programs and 190 bureau and tribal law enforcement programs.

American Indian Trust – Interior has responsibility for the largest land trust in the world. Today, the Indian trust encompasses approximately 55 million surface acres and 57 million acres of subsurface mineral estates. On these lands, Interior manages over 124,000 leases for uses such as farming, grazing, and oil and gas production on behalf of individual Indians and Tribes. The Office of the Special Trustee manages approximately \$4.9 billion of trust funds held in nearly 3,300 trust accounts for more than 250 Indian Tribes, and over 397,000 open Individual Indian Monies accounts.

Science – Interior provides unbiased, multi-discipline science for use in understanding, managing, and protecting the landscape, natural resources, and natural hazards. Data are available to the public from over 8,000 streamgages and 2,900 earthquake sensors. Over 23 million satellite scenes have been downloaded from the Landsat archives since being made available at no cost in 2008, with nine million downloaded in 2014 alone. The USGS publishing warehouse contains more than 135,000 USGS-authored citations with full text access to over 80,000 USGS publications.