Under the President’s leadership, we have turned our economy around and created 14 million jobs. Our unemployment rate is below five percent for the first time in almost eight years. Nearly 18 million people have gained health coverage as the Affordable Care Act has taken effect. And we have dramatically cut our deficits by almost three-quarters and set our Nation on a more sustainable fiscal path.

Yet while it is important to take stock of our progress, this Budget is not about looking back at the road we have traveled. It is about looking forward and making sure our economy works for everybody, not just those at the top. It is about choosing investments that not only make us stronger today, but also reflect the kind of country we aspire to be – the kind of country we want to pass on to our children and grandchildren.

The Budget makes critical investments in our domestic and national security priorities while adhering to the bipartisan budget agreement signed into law last fall, and it lifts sequestration in future years so that we continue to invest in our economic future and our national security. It also drives down deficits and maintains our fiscal progress through smart savings from health care, immigration, and tax reforms.

The Budget shows that the President and the Administration remain focused on meeting our greatest challenges -- including accelerating the pace of innovation to tackle climate change and finding new treatments for devastating diseases; giving everyone a fair shot at opportunity and economic security; and advancing our national security and global leadership -- not only for the year ahead, but for decades to come.

The mission of the Department of the Interior (Interior) 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, Native Hawaiians and affiliated island communities. To support this mission, the budget provides $13.4 billion in current discretionary funding for the Department, including $290 million available in the event of catastrophic fires.

This funding level will allow significant investments in Indian Country to support community development and continue needed transformation of the Indian education system; in our National parks, refuges, and other public lands for the next generation of Americans to experience our
diverse cultures and landscapes; in our energy programs to support the Administration’s all-of-the-above energy policy; and, in science, planning, and projects to help communities, Tribes, insular areas, and land management bureaus prepare for and adapt to the changing climate. These important investments will help create jobs and drive economic activity across the country.

**Funding Highlights:**

The President’s FY 2017 Budget provides $13.4 billion in current discretionary funding for the Department of the Interior, reflecting a commitment to protect important national landscapes, responsibly manage energy development on public lands and waters, and support Federal trust responsibilities to Native Americans. This includes:

- Continuing an historic effort to revitalize the Nation’s parks and public lands for the next century in celebration of the National Park Service Centennial;
- Proposing $900 million a year for programs funded through the Land and Water Conservation Fund to bolster land conservation, sportsmen’s access, state activities and recreational opportunities, with full dedicated funding beginning in 2018;
- Backing tribal priorities in Indian Country, including an investment of over $1 billion to transform Indian schools and education, as well as full and permanent funding for contract support costs to support self-determination;
- Implementing the President’s Climate Action Plan by developing renewable energy on public lands and waters, preparing communities for the impacts of climate change, and investing in science to support decision-making in natural resource management; and
- Investing in the safety, reliability and efficiency of America’s water infrastructure and in conservation, reuse, and applied science to address the Nation’s water supply challenges, especially in the arid West.

**Reforms:**

- Calls for a shift to stabilize funding for wildfire suppression, allowing for proactive fuels management and restoration, with flexibility to protect communities and ecosystems from the most severe fires, through a budget cap adjustment;
- Generates $4.5 billion in savings over 10 years through legislative reform proposals, including oil and gas management reforms to encourage diligent development of federal energy resources while improving the return to taxpayers from royalty reforms; and
- Proposes changes to the Abandoned Mine Lands program and health and pension coverage for mineworkers to help revitalize communities impacted by the continuing legacy of abandoned mine lands and strengthen the health and retirement security of coal miners and their families whose employers no longer contribute to their plans, as part of the President’s POWER+ Plan.

**Promotes the Preservation and Protection of America’s Natural, Cultural Resources**

**Continues Historic Effort to Revitalize National Parks for the Next Century.** During 2016, the National Park Service celebrates 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 our national parks for the next 100 years.
The Budget includes $860 million in mandatory ($300 million) and discretionary ($560 million) funding in 2017 to allow the National Park Service to make targeted, measurable upgrades over the next ten years to all of its highest priority, non-transportation assets, restoring and maintaining them in good condition. The Budget also includes $135 million in discretionary and mandatory funding for a Centennial Challenge matching program to leverage private donations to parks, and another $100 million for a Public Lands Centennial Fund to competitively award funds to federal land management agencies for signature projects and programs. State, local and tribal governments, and non-profit groups including Historically Black Colleges and Universities may also apply for $28 million in grants to document and preserve stories and other sites related to the Civil Rights Movement.

Supports Every Kid in a Park. America’s public lands and waters offer space to get outside and get active, and provide living classrooms with hands-on opportunities to build skills. The Administration launched the Every Kid in a Park Initiative to inspire the next generation to discover all that America’s public lands and waters have to offer. Starting with the 2015-2016 school year, all fourth grade students and their families can receive free admission to all national parks and other federal lands for a full year. The NPS budget for 2017 includes $20 million for Every Kid in a Park, with an additional $5 million in the Forest Service budget. Of this, $11.5 million is to address transportation barriers and introduce at least one million fourth grade students from elementary schools serving disadvantaged students in urban areas to nearby national parks. The remaining $8.5 million will enable parks to offer programming tailored for young people and their families, especially at high visitation and urban parks.

Creates Jobs Through Conservation and Recreation. Investments in America’s great outdoors create and sustain millions of jobs and spur billions of dollars in national economic activity through outdoor recreation and tourism. The 2017 Budget proposes full funding for Land and Water Conservation Fund (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 2017, the budget will invest $900 million annually into conservation and recreation projects, equal to the amount of receipts deposited in the LWCF each year, through a combination of discretionary ($475 million) and mandatory ($425 million) funding. These investments will conserve public lands in or near national parks, refuges, forests and other public lands, including landscapes identified for collaborative, strategic conservation; increase access for hunting and fishing; protect historic battlefields; and, provide grants to states for close-to-home recreation and conservation projects on non-federal lands.

Revitalizes Our Important Landscapes. The Budget continues efforts to manage and promote the health and resilience of ecosystems on a landscape scale, including a continued focus in priority landscapes such as the California Bay-Delta, the Everglades, the Great Lakes, Chesapeake Bay and the Gulf Coast. The Budget includes $90 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 reflects our continued support of the unprecedented federal and state collaboration to conserve the imperiled sagebrush landscape in the face of threats from fire, invasive species, expanding development, and habitat fragmentation. Additionally, the Budget includes $30 million for
Wildland Fire Resilient Landscapes to improve the health of rangelands and forests by restoring natural habitat and making these ecosystems more resilient to wildfire.

The Budget also invests $161 million in landscape scale efforts to address the complex natural resource issues facing the Arctic. The Budget proposes over $1 billion in research and development investments across the Department to improve scientific understanding related to resource management and climate impacts, and expand public access to this important information.

**Builds New Opportunity in Communities Impacted by Abandoned Mine Lands and Ensures the Health and Retirement Security of Coal Miners and their Families.** To address the continuing legacy of abandoned mine lands (AML) on the health, safety, environment and economic opportunity of communities, the Budget includes $1 billion over five years for states and tribes as part of the President’s POWER+ Plan. Funding would come from unappropriated balances of the AML Trust Fund, administered by the Department of the Interior’s Office of Surface Mining Reclamation and Enforcement (OSMRE). This AML funding would target reclamation of mine land sites and associated polluted waters to promote sustainable redevelopment in economically distressed coalfield communities. The Budget also provides unprecedented investments in the health and retirement security of mineworkers and their families.

**Implementing the President’s Climate Action Plan**

**Prepares Communities for Challenges of a Changing Climate.** As manager of roughly 20 percent of the land area of the United States and a partner with tribal, state, local and territorial government land managers, the Interior Department works to address the challenges of natural hazards brought on by 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 funding to improve the resilience of communities and ecosystems to changing stressors, including flooding, severe storm events, and drought. In addition, the Budget calls for $2 billion in mandatory funding for a new Coastal Climate Resilience program, which will provide resources over 10 years for at-risk coastal states, local governments, and their communities to prepare for and adapt to climate change. This program would be paid for by redirecting roughly half of the savings that result from the repeal of offshore oil and gas revenue sharing payments that are set to be paid to only four states under current law. A portion of these program funds would be set aside to cover the unique impacts of climate change in Alaska where rising seas, coastal erosion, and storm surges are threatening Native Villages that must prepare for potential relocations.

**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 other natural disasters are addressed. The discretionary budget includes base level funding of 70 percent of the 10-year average for suppression costs and an additional $290 million through a discretionary cap adjustment, available in the event of the most
severe fire activity, which comprises only one percent of the fires but 30 percent of the costs. This framework allows for a balanced suppression and fuels management and restoration program, with flexibility to accommodate peak fire seasons, but not at the cost of other Interior and U.S. Department of Agriculture missions or adding to the deficit.

**Ensures Sustainable and Secure Water Supplies.** Healthy communities require secure, sustainable water supplies. This is particularly challenging with record drought conditions and increasing demand taxing watersheds throughout the country, especially in the arid West. To help increase the security and sustainability of Western watersheds, the Budget continues investment in the Department’s WaterSMART program to promote water reuse, recycling, and conservation, in partnership with states, tribes, and other partners. Funding is included for research, development, and challenge competitions to find longer-term solutions through new water technologies. The Budget invests in our water infrastructure to ensure millions of customers continue to receive the water and power that are the foundation of a healthy economy. The Budget continues to address Indian water rights settlement commitments and programs to support tribes in resolving water rights claims, developing water sharing agreements, and supporting sustainable water management.

**Powering our 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 about $97 million to review and permit renewable energy projects on public lands and in offshore waters. Under the President’s Climate Action Plan, these funds will allow Interior to continue progress toward its goal of increasing approved capacity authorized for renewable (solar, wind, geothermal, and hydropower) energy resources affecting Interior managed lands, while ensuring full environmental review, to at least 16,600 Megawatts (since the end of FY 2009).

**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 (BLM) discretionary and permanent oil and gas program receiving a 17 percent increase in funding compared to the 2016 enacted level. The funding increase will enhance BLM’s capacity to oversee safe, environmentally-sound resource development and ensure a fair return to taxpayers, with increases targeted to implement new regulations and rules, modernize the automated permitting process, and enhance BLM’s capability to recruit and retain critical oil and gas personnel through special pay rates. Increased funding is also requested to address legacy wells on the Alaska North Slope. BLM’s costs would be partially offset through new inspection fees totaling $48 million in 2017, requiring the onshore oil and gas industry to share in the cost of managing the program from which it benefits, just as the offshore industry currently does.

The Budget also supports reforms to strengthen oversight of industry operations following the 2010 Deepwater Horizon oil spill, with an additional emphasis on risk management. This includes $175 million for the Bureau of Ocean Energy Management and $205 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 Our 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 nearly five percent increase for the Bureau of Indian Affairs over the 2016 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 “one-stop” approach to improve and coordinate access to federal programs and resources; seeks to improve the quality of data by partnering with the Census Bureau; supports sustainable stewardship of land, water, and other natural resources; provides funds for communities to plan, prepare, and respond to the impacts of climate change; and expands resources to promote tribally-based solutions and capacity-building to strengthen tribal communities as a whole.

**Creates Opportunities for Native Youth.** The Budget includes key investments to support 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 – including the Departments of Education, Housing and Urban Development, Health and Human Services, Agriculture, and Justice – are working collaboratively with tribes on new and increased investments to implement education reforms and address issues facing Native youth. The Budget provides over $1 billion for Interior to invest in Indian education.

**Engages the Next Generation.** The future of our 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 our nation’s rich history. The Budget includes $102 million for youth programs across the Department, a $38 million increase from the 2016 enacted level.

**Improves Oversight and Use of Federal Dollars**

**Implements Department-wide Management Reforms.** Interior continues its multi-year effort to reduce its nation-wide facilities footprint, and improve the efficiency and effectiveness of its IT infrastructure and financial reporting capabilities. The Budget includes $6 million to consolidate building space and reduce costs to the taxpayer for privately leased space. An additional $3 million is provided for Interior’s Digital Services Team to increase the efficiency and effectiveness of the agency’s highest impact digital services. The Budget continues to optimize the agency-wide Financial and Business Management System with targeted investments to improve reporting and increase data quality and transparency, as envisioned in the DATA Act. Also underway is the implementation of the Federal Information Technology Acquisition Reform Act (FITARA), to improve standardization of IT investments by strengthening the role
of the Department’s CIO in strategic planning, budget formulation and execution, and acquisition of Information Management and Technology activities.

**Reforms Federal Oil and Gas Management.** The United States Treasury received over $7 billion in 2015 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 Office of Inspector General have found taxpayers could earn a better return through policy changes and more rigorous oversight. The Budget includes 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 benefit from the development of energy resources owned by all Americans. Collectively, these and other oil and gas reform proposals would save the Treasury $1.7 billion over 10 years, of which $1.2 billion will result from statutory changes.

**Eliminates Wasteful Spending, Provides Fair Return to Taxpayers.** To increase safety and minimize environmental impacts, the Budget calls for a fee on hardrock mining, with receipts to be used by states, tribes and federal agencies to restore the most hazardous sites – similar to how coal Abandoned Mine Lands funds are used. To ensure taxpayers receive a fair return from mineral development on public lands, the Budget calls for a royalty on select hardrock minerals – such as silver, gold and copper – and terminating unwarranted payments to coal producing states and tribes that no longer need funds to clean up abandoned coal mines.