



# DEPARTMENT-WIDE PROGRAMS

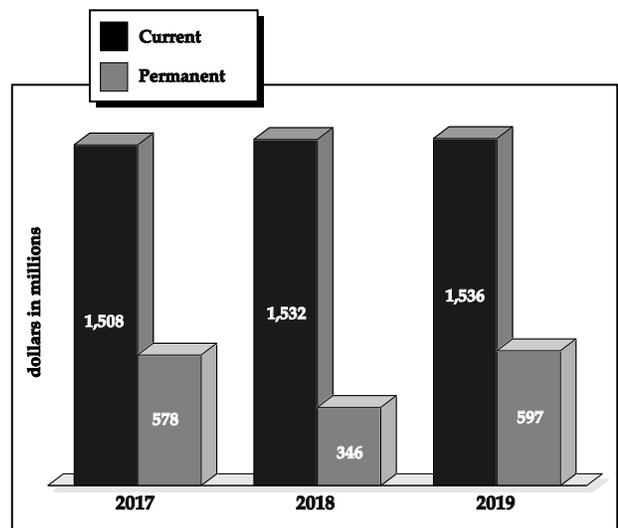
**Overview**—Department-wide programs support Interior bureaus and offices through the execution of activities that are broad in scope and impact. These programs complement the many diverse activities of the Department of the Interior and help to achieve key strategic goals.

The 2019 budget request proposes to establish a separate appropriation for the Office of Natural Resources Revenue within Department-wide Programs. For the benefit of all Americans, ONRR collects, accounts for, and verifies natural resource and energy revenues due to States, Tribes, individual American Indian beneficiaries, Alaska Natives, and the U.S. Treasury. The Office effectively and accurately collects and disburses revenue to recipients, including 36 States, 34 Tribes, some 30,000 individual Indian mineral owners, and U.S. Treasury accounts. The ONRR strives to improve the management and oversight of royalty and other revenue collection and disbursement activities.

The Payments in Lieu of Taxes program supports the activities and functions of Interior’s land management bureaus by funding payments to local governments in jurisdictions where Federal lands are located. These payments help local jurisdictions offset costs associated with maintaining infrastructure that supports Federal lands within their boundaries. Through the Central Hazardous Materials Fund, the Department remediates hazardous substances on Interior lands, working collaboratively with bureaus and offices to approach these activities in a consistent and coordinated fashion. The Department’s Wildland Fire Management program funds fire preparedness, suppression, fuels management, and rehabilitation activities performed by the land management agencies and the Bureau of Indian Affairs. The Natural Resource Damage Assessment and Restoration program coordinates the Department’s restoration efforts for resources damaged as a result of oil spills or hazardous substance releases where endangered species or migratory birds are impacted.

The Department of the Interior’s Working Capital Fund is a revolving fund that finances centralized administrative and business services in lieu of operating duplicative systems and processes in each bureau and office.

## Department-wide Programs Funding



The Working Capital Fund also provides the mechanism to collect funds for shared services provided to Interior and other Federal agencies in business areas such as payroll, acquisition, and accounting. The Department’s budget request includes appropriated funding for a separate Working Capital Fund account which supports Department-wide activities. The Department’s Franchise Fund provides reimbursable acquisition and financial services to Interior customers and other Federal agencies.

### Payments in Lieu of Taxes

**Mission**—The Payments in Lieu of Taxes program makes payments to nearly 1,900 local government units in 49 States, the District of Columbia, Guam, Puerto Rico, and the Virgin Islands to help offset the costs of services and infrastructure incurred by local jurisdictions where certain Federal lands are located. The PILT payments help local governments carry out such vital services as firefighting and police protection, construct public schools and roads, and conduct search and rescue operations. In recent years, PILT monies have been used to fund projects to build county buildings, purchase new police cruisers, and upgrade 911 emergency services.

---

**Budget Overview** – The 2019 budget proposes \$465.0 million in current funding for PILT. The amount proposed supports this important program while balancing Departmental funding priorities in a constrained budget environment. The amount presented here reflects an additional \$68.1 million provided in the Budget Policy Addendum for 2019 for Payments in Lieu of Taxes. This change is not reflected in the 2019 President's Budget documents.

#### Office of Natural Resources Revenue

**Mission** – The Office of Natural Resources Revenue is responsible for ensuring revenue from Federal and Indian mineral leases is effectively, efficiently, and accurately collected, accounted for, analyzed, audited, and disbursed to recipients. Revenue distributions, which totaled \$7.1 billion in 2017, benefit States, Tribes, individual Indian mineral royalty owners, and U.S. Treasury accounts.

**Budget Overview** – The 2019 budget request includes \$137.5 million for ONRR's receipts management programs. The request maintains ONRR's essential revenue management functions, which ensure the accurate collection, accounting, and disbursement of revenue from Federal and Indian leases. The request includes \$3.7 million to meet base contract requirements for ONRR's Minerals Revenue Management Support System; and focuses on high risk offshore inspection activities through the offshore production verification and inspection program. The budget reflects completion of ONRR's Denver office consolidation and contract activities associated with the U.S. Extractive Industries Transparency Initiative, and a delay in the requirement to assume responsibility for Osage Trust Accounting activities.

To increase transparency, the 2019 budget request proposes to transfer ONRR's receipts management program from the Office of the Secretary's Departmental Operations account to a separate appropriation within Department-wide Programs.

In 2017, Secretary Ryan Zinke established the Royalty Policy Committee, a discretionary committee under the authority of the Secretary and regulated by the Federal Advisory Committee Act. The Committee will provide advice to the Secretary on the fair market value of, and the collection of revenues derived from, the development of energy and mineral resources on Federal and Indian lands. The Committee also will advise the Secretary on the potential impacts of proposed policies and regulations related to revenue collection from such development, including whether a need exists for regulatory reform.

**Fixed Costs** – Fixed costs of \$1.3 million are fully funded in the request.

#### Central Hazardous Materials Fund

**Mission** – The mission of the Central Hazardous Materials Fund is to protect public health and the environment by addressing the most highly contaminated sites within national parks, national wildlife refuges, and on other Department-managed public lands. The CHF funds remediation projects using the authorities under the Comprehensive Environmental Response, Compensation, and Liability Act known as the Superfund statute. The program provides Interior bureaus with legal, technical, and project management expertise to address their highest priority cleanup problems. The program is funded through two revenue sources: annual appropriations and recoveries from Potentially Responsible Parties. The program is authorized to receive, retain, and use recoveries from PRPs to fund cleanup projects. Since CHF was established in 1995, the program has received over \$110 million in recoveries from PRPs and has avoided more than \$477 million in bureau spending through in-kind remediation work performed by PRPs and other parties.

**Budget Overview** – The 2019 budget request is \$2.0 million. The budget request will fund CHF program management and legal staff, and recoveries from PRPs will fund remediation projects. The CHF will fund the highest priority remediation projects based on the availability of recoveries and focus resources on remediation projects with viable PRPs. During the transition from appropriated funds to a greater reliance on funds recovered from PRPs, the program office will continue with internal control reviews, prioritization of projects, financial management activities, and technical support although activities will be reduced in scope.

**Fixed Costs** – Fixed costs of \$8,000 are fully funded in the request.

#### Wildland Fire Management

**Mission** – The goal of the Wildland Fire Management program is to achieve a coordinated response to managing wildfire through an integrated, cost-effective, and operationally efficient fire management program that meets resource and safety objectives. The guiding program principles and priorities are to create fire resilient landscapes, promote fire adapted communities, and safely and effectively respond to wildfires through direct program activities and strong Federal, tribal, State, and local collaboration.

---

**Budget Overview** – The 2019 budget request for the Wildland Fire Management Program is \$870.4 million. The budget responsibly funds 100 percent of the 10-year suppression average within the domestic discretionary cap which is \$388.1 million for the Department of the Interior.

Separate from the Department of the Interior appropriation request, the Administration proposes to amend the Balanced Budget and Emergency Deficit Control Act to provide stable funding for Fire Suppression Operations, while minimizing the adverse impacts of fire transfers on the budgets of other Interior and U.S. Forest Service programs. Funding the full 10-year average within base resources helps ensure that the cap adjustment only will be used for the most severe fire seasons. For 2019, the request for the budget cap adjustment will authorize an additional \$1.5 billion which will be allocated between the Secretaries of Agriculture and the Interior. In addition to the proposed cap adjustment, the Administration believes that meaningful forest management reforms to strengthen our ability to restore the Nation’s forests and improve their resilience to destructive wildfires should be a part of any permanent solution. This includes expediting the removal of dead and dying trees and salvage operations following a catastrophic event.

The budget includes \$322.2 million for wildland fire Preparedness activities to support Interior’s firefighting capabilities and maintain the program’s high initial attack success rate. To maintain proper stewardship of public lands and address wildfire risk, Fuels Management activities are funded at \$150.6 million. The budget includes \$9.5 million to support high priority restoration of public lands damaged by wildfire.

**Fixed Costs** – Fixed costs of \$3.6 million are fully funded in the request.

#### **Natural Resource Damage Assessment and Restoration**

**Mission** – The mission of the Natural Resource Damage Assessment and Restoration program is to restore natural resources damaged as a result of oil spills or hazardous substance releases into the environment. Damage assessments, conducted in partnership with other affected State, tribal, and Federal co-trustees, provide the basis for determining the restoration needs that address damage to, and loss of, these resources and the services provided to the public.

**Budget Overview** – The 2019 request for NRDAR is \$4.6 million. The budget includes funding needed for ongoing damage assessments and restoration activities.

The NRDAR Fund supports natural resource damage assessment, restoration planning, and implementation at hundreds of sites nationwide in partnership with Federal, State, and tribal co-trustees. In 2019, \$597.4 million is anticipated to flow into the Fund from receipts recovered through settled damage assessment cases, advanced cooperative assessment funds, and earned interest. By statute, receipts such as these can only be used by trustees to restore lands and resources or to reimburse for past assessment costs.

The budget request includes \$1.5 million for damage assessments. The requested funding, along with assessment funds recovered from previously settled cases, will support new damage assessment cases and defray the costs of ongoing assessments. The request for Restoration Support is \$1.9 million. The request includes \$200,000 for Inland Oil Spill Preparedness for planning and training Interior staff to support Federal responses to inland oil spills, focusing on local and regional contingency plans. The budget includes \$1.0 million for Program Management in 2019.

In 2019, receipts and discretionary appropriations will enable the NRDAR program to prioritize restoration of lands and resources. This restoration includes work in the Gulf of Mexico, where Interior is working with States and other Federal agencies to develop and implement restoration actions related to the recently-settled Deepwater Horizon oil spill.

**Fixed Costs** – Fixed costs of \$57,000 are fully funded in the request.

#### **Working Capital Fund**

**Mission** – The Department’s Working Capital Fund provides centralized services and systems to Interior bureaus and offices and to other customers.

**Budget Overview** – The 2019 budget proposes \$56.7 million for the appropriated portion of the Department’s Working Capital Fund.

*Maintaining Financial and Business Operations* – The 2019 budget includes \$46.8 million for the operation and maintenance of the Financial and Business Management System. The request includes funding required for steady-state operations and maintenance of the Department’s integrated financial system of record.

*Strengthening Interior’s Cybersecurity Posture* – The 2019 budget includes \$9.9 million to continue the Department’s remediation of its cybersecurity systems and processes. The Department is focused on the agency’s

---

capability to quickly address significant cybersecurity requirements. The request continues the remediation activities launched in 2015 and supports Department of Homeland Security Continuous Diagnostics and Mitigation investments to identify, isolate, and quantify cyber threats. In 2019, Interior will sustain activities that identify and manage hardware and software assets and security configuration settings; protect trusted internet connections at gateways; and introduce measures to prevent malware and phishing attacks through email.

**Non-Appropriated Working Capital Fund** – Estimated collections for 2019 total \$198.7 million for centralized billing and \$343.8 million for direct-billed activities.

**Fixed Costs** – There are no fixed costs requested for funds appropriated to the Working Capital Fund.

### **Interior Franchise Fund**

**Mission** – The Interior Franchise Fund provides business support services to Interior bureaus and offices and other Federal agencies on a competitive basis at customer discretion.

**Budget Overview** – The Government Management Reform Act of 1994 authorized creation of six executive agency pilot franchise funds. The Director of the Office of Management and Budget approved the Department of the Interior’s application for a pilot program in May 1996 and the Interior Franchise Fund was established in the 1997 Interior and Related Agencies Appropriations Act. The 2008 Consolidated Appropriations Act provides permanent franchise fund authority. Interior Franchise Fund activities, such as acquisition and financial services, are executed for a variety of Federal agency customers on a reimbursable basis.

---

## SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

### Comparison of 2019 Request with 2018 CR

	2018 CR		2019 Request <sup>1/</sup>		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
<b>Current</b>						
Payments in Lieu of Taxes.....	2	461,842	2	465,000	0	+3,158
Office of Natural Resources Revenue.....	[622]	[140,532]	619	137,505	+619	+137,505
Central Hazardous Materials Fund.....	5	9,942	4	2,000	-1	-7,942
Wildland Fire Management <sup>2/</sup> .....	25	986,269	25	870,384	0	-115,885
Natural Resource Damage Assessment Fund.....	16	7,714	11	4,600	-5	-3,114
Working Capital Fund.....	85	66,644	84	56,735	-1	-9,909
Subtotal, Current.....	133	1,532,411	745	1,536,224	+612	+3,813
<b>Permanent</b>						
Natural Resources Damage Assessment and Restoration Fund.....	0	346,096	0	597,387	0	+251,291
Subtotal, Permanent.....	0	346,096	0	597,387	0	+251,291
<b>Allocation and Reimbursable</b>						
Office of Natural Resources Revenue.....	0	0	6	0	+6	0
Working Capital Fund.....	1,283	0	1,283	0	0	0
Interior Franchise Fund.....	168	0	168	0	0	0
Subtotal, Allocation and Reimbursable.....	1,451	0	1,457	0	+6	0
<b>TOTAL, DEPARTMENT-WIDE PROGRAMS.....</b>	<b>1,584</b>	<b>1,878,507</b>	<b>2,202</b>	<b>2,133,611</b>	<b>+618</b>	<b>+255,104</b>

<sup>1/</sup> Amounts presented reflect an additional \$68.120 million provided in the Budget Policy Addendum for 2019 for Payments in Lieu of Taxes. This change is not reflected in the 2019 President's Budget documents.

<sup>2/</sup> In 2018, Wildland Fire Management includes \$50.0 million in Supplemental Appropriations.

---

## HIGHLIGHTS OF BUDGET CHANGES

### *By Appropriation Activity/Subactivity*

#### **APPROPRIATION: Payments in Lieu of Taxes**

	2017 Actual	2018 CR	2019 Request	Change
TOTAL APPROPRIATION .....	465,000	461,842	465,000	+3,158

#### *Detail of Budget Changes*

	2019 Change from 2018 CR
TOTAL APPROPRIATION .....	+3,158
PILT Payments.....	+3,158

#### **APPROPRIATION: Office of Natural Resources Revenue**

	2017 Actual	2018 CR	2019 Request	Change
TOTAL APPROPRIATION .....	[141,493]	[140,532]	137,505	+137,505

#### *Detail of Budget Changes*

	2019 Change from 2018 CR		2019 Change from 2018 CR
TOTAL APPROPRIATION	+137,505		
Transfer ONRR from		Offshore Production	
Departmental Operations .....	+140,532	Inspection Program.....	-3,000
Completion of Denver Office		Osage Trust Accounting.....	-2,337
Consolidation Initiative.....	-1,355	Minerals Revenue Management	
Extractive Industries Transparency		Support System Recompete.....	+3,687
Initiative Contract Support.....	-1,300	Fixed Costs.....	+1,278

#### **APPROPRIATION: Central Hazardous Materials Fund**

	2017 Actual	2018 CR	2019 Request	Change
TOTAL APPROPRIATION .....	10,010	9,942	2,000	-7,942

#### *Detail of Budget Changes*

	2019 Change from 2018 CR
TOTAL APPROPRIATION .....	-7,942
Transition to Use of Recovered Funds .....	-7,950
Fixed Costs.....	+8

**APPROPRIATION: Wildland Fire Management**

	2017 Actual	2018 CR	2019 Request	Change
Preparedness.....	332,784	330,524	322,179	-8,345
Suppression Operations.....	395,000	392,317	388,135	-4,182
Fuels Management.....	180,000	178,778	150,603	-28,175
Other Operations				
Burned Area Rehabilitation .....	20,470	20,331	9,467	-10,864
Fire Facilities .....	8,427	8,370	0	-8,370
Joint Fire Science.....	5,990	5,949	0	-5,949
Subtotal, Other Operations .....	34,887	34,650	9,467	-25,183
TOTAL APPROPRIATION (w/o supplemental) .	942,671	936,269	870,384	-65,885
Supplemental Appropriation.....	0	50,000	0	-50,000
TOTAL APPROPRIATION (w/ supplemental)...	942,671	986,269	870,384	-115,885

*Detail of Budget Changes*

	2019 Change from 2018 CR		2019 Change from 2018 CR
TOTAL APPROPRIATION .....	-65,885		
Preparedness.....	-8,345	Other Operations.....	-25,183
Contracted Resource		Burned Area Rehabilitation .....	-10,864
Obligation System .....	-3,000	Treat Fewer Acres .....	-10,864
Efficiency in WFIT System .....	-1,155	Fire Facilities .....	-8,370
Reduce Personnel and		Joint Fire Science.....	-5,949
Firefighting Assets.....	-6,926		
Fixed Costs .....	+2,736	Subtotals for Changes Across	
Suppression Operations.....	-4,182	Multiple Subactivities	
Adjust for Change in 10-Year		Fixed Costs .....	[+3,635]
Suppression Average.....	-4,182	Efficiency in WFIT System .....	[-1,952]
Fuels Management.....	-28,175		
Efficiency in WFIT System .....	-797		
Eliminate Resilient			
Landscapes Program.....	-10,000		
Reduce Fuels Treatment Capacity.....	-18,277		
Fixed Costs .....	+899		

**APPROPRIATION: FLAME Wildfire Suppression Reserve Fund**

	2017 Actual	2018 CR	2019 Request	Change
TOTAL APPROPRIATION (w/o transfer).....	65,000	0	0	0
FLAME Transfer .....	-50,000	0	0	0
TOTAL APPROPRIATION (w/ transfer) .....	15,000	0	0	0

---

**APPROPRIATION: Natural Resource Damage Assessment and Restoration Fund**

	2017 Actual	2018 CR	2019 Request	Change
Damage Assessments .....	2,000	1,986	1,500	-486
Restoration Support.....	2,575	2,558	1,900	-658
Oil Spill Preparedness .....	1,000	993	200	-793
Program Management.....	2,192	2,177	1,000	-1,177
TOTAL APPROPRIATION .....	7,767	7,714	4,600	-3,114

***Detail of Budget Changes***

	2019 Change from 2018 CR
TOTAL APPROPRIATION .....	-3,114
Damage Assessments .....	-486
Restoration Support.....	-658
Restoration Support .....	-675
Fixed Costs .....	+17
Oil Spill Preparedness .....	-793
Program Management.....	-1,177
Program Management.....	-1,217
Fixed Costs .....	+40
Subtotals for Changes Across Multiple Subactivities	
Fixed Costs .....	[+57]

**APPROPRIATION: Working Capital Fund**

	2017 Actual	2018 CR	2019 Request	Change
TOTAL APPROPRIATION .....	67,100	66,644	56,735	-9,909

***Detail of Budget Changes***

	2019 Change from 2018 CR
TOTAL APPROPRIATION .....	-9,909
Financial and Business Management	
System Program Reduction .....	-6,731
Office Consolidations .....	-1,192
Service First.....	-993
Cultural and Scientific Collections .....	-993