



## **CRS Report for Congress**

# **The National Oceanic and Atmospheric Administration (NOAA): FY2007 Appropriations and FY2008 Budget**

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### **Summary**

For the rest of FY2007, the National Oceanic and Atmospheric Administration (NOAA) in the Department of Commerce is operating under a continuing resolution, P.L. 110-5 that, for the most part, funds the agency at FY2006 appropriation levels. The President has requested a total of \$3.8 billion in discretionary appropriations for NOAA for FY2008. The Secretary of Commerce announced additional funding in the FY2008 budget for NOAA of \$123 million that would support the President's 2004 *Ocean Action Plan* (OAP), and increase funding for ocean research and sustainable fisheries management. Ocean advocates argue that the funding is not enough, however. NOAA is poised to have all of its programs and activities authorized under a single law, but Congress differs about Administration-proposed authorities. For FY2008, NOAA would prioritize funding and scheduling of its satellite programs to ensure critical continuous meteorological and environmental observations and data acquisition.

The mission of the National Oceanic and Atmospheric Administration (NOAA) is "[t]o understand and predict changes in the Earth's environment and conserve and manage coastal and marine resources to meet the nation's economic, social, and environmental needs."<sup>1</sup> In terms of funding, NOAA is the largest agency of the Department of Commerce (DOC) and, for FY2008, accounts for about 58% of DOC's discretionary budget request of \$6.33 billion. NOAA's FY2008 budget would be funded under Title II of the Commerce, Justice, Science Appropriations Act (hereafter, CJS Approps.).

### **The President's FY2008 Request**

NOAA is operating under P.L. 110-5, a continuing resolution (hereafter, CR) that instructs how much and in what manner funding will be allocated by Congress to most federal agencies through September 30, 2007. Specifically, Chapter 9 of the CR

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<sup>1</sup> Department of Commerce, *NOAA FY2008 Budget Summary*, Feb. 8, 2007. Available at [http://www.corporateservices.noaa.gov/%7Enbo/08bluebook\\_highlights.html](http://www.corporateservices.noaa.gov/%7Enbo/08bluebook_highlights.html)

approved, with some exceptions, the Science, State, Justice, and Commerce Appropriations Act for FY2006 (P.L. 109-108) as the baseline for FY2007 appropriations. For NOAA, the CR includes a rescission of \$25 million from unobligated funds appropriated for FY2006. Also, \$79 million in offsetting budget authority would be transferred from the U.S. Department of Agriculture for fishery products research and development, \$12 million more than the FY2006 level. Further, specific instructions are included for some NOAA activities. For example, Title II §§208-209 of P.L. 109-108 provided funding for NOAA in FY2006, but is “not covered” by the CR, and would not be funded in FY2007.

For FY2008, the President requested \$3.8 billion in discretionary funds for NOAA. NOAA’s Administrator, Vice Admiral Conrad C. Lautenbacher, Jr. (Ret. Navy), who is also the Under Secretary of Commerce for Oceans and Atmosphere, stated at his presentation of NOAA’s FY2008 budget that the request represents a “national consensus” of what would be required to fund ongoing activities at the agency.<sup>2</sup> The FY2008 request is \$134.6 million, or 3.4%, less than the \$3.95 billion appropriated for NOAA in FY2006 (excluding rescissions required by P.L. 109-108 and 109-148). The President’s budget also proposes \$30.2 million in budget savings from certain programs that were either “unrequested” or “performing poorly.”<sup>3</sup>

Of the \$3.82 billion request, \$2.76 billion is for the Operations, Research, and Facilities (ORF) account and \$980 million is for the Procurement, Acquisitions, and Construction (PAC) account. In addition, \$71.6 million is requested for NOAA’s “Other Accounts,” which includes the Pacific Coastal Salmon Recovery Fund (PCSRF), \$66.8 million; the Coastal Zone Management Fund (CZMF), \$3 million; Fishery Financing accounts and the Promote and Develop U.S. Fishery Products Fund (PDAFF) for a net \$4.8 million.

Some in Congress may take issue with the FY2008 request because of the following.

- Criticism by international ocean advocacy groups about the amount of funding requested for FY2008 to fund the Joint Oceans Commission Initiative (JOCI) recommendations aimed at preventing overfishing and alleviating ocean pollution. The Administration has requested \$123 million for NOAA to support the President’s 2004 *Ocean Action Plan*. Some argue that an earnest response would require about \$750 million.
- An organic act that would authorize all NOAA programs and activities under a single law. The Administration has urged Congress to enact such a law. The House Science Committee reported legislation, H.R. 5450,

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<sup>2</sup> U.S. Department of Commerce, NOAA, “2008 President’s Budget Rollout,” presentation of Vice Admiral Conrad C. Lautenbacher, Jr., U.S. Navy (Ret.), Under Secretary of Commerce for Oceans and Atmosphere, Feb. 8, 2007. The slide presentation is available at [[http://www.corporateservices.noaa.gov/%7Enbo/FY08%20Rollout%20Materials/1\\_31\\_07\\_ROLLOUT/VADM\\_Presentation/FY08\\_VADM\\_Constituents%20Brief\\_FINAL\\_2\\_7\\_07.pdf](http://www.corporateservices.noaa.gov/%7Enbo/FY08%20Rollout%20Materials/1_31_07_ROLLOUT/VADM_Presentation/FY08_VADM_Constituents%20Brief_FINAL_2_7_07.pdf)].

<sup>3</sup> See for example performance ratings for NOAA’s “National Marine Fisheries Service,” at [<http://www.whitehouse.gov/omb/expectmore/summary/10000036.2002.html>].

at the end of the 109<sup>th</sup> Cong. (H.Rept. 109-545), but the Administration differs with Congress over agency flexibility and budget autonomy.<sup>4</sup>

- NOAA's attempts to correct chronic problems with its satellite programs (e.g., launch schedule slippages and contractor performance). For FY2008 the President's budget prioritizes funding for Nunn-McCurdy satellite program certification that requires reconfiguration of systems architecture and payloads so as to ensure future continuity of global weather and environmental observations. Appropriations for satellite programs may be contingent on NOAA's responsiveness and success in addressing Government Accountability Office (GAO) and others' recommendations delivered to the 109<sup>th</sup> Congress in 2006.

**Table 1** summarizes total budget authority (BA) for FY2008 requested for NOAA's ORF and PAC accounts. It compares BA for FY2006, with the FY2007 request, P.L. 110-5, and the FY2008 request. Total *discretionary* funding for ORF, PAC, and Other Accounts is found in **Table 3**.

**Table 1. NOAA Line Office Budget Authority**  
(\$ in millions)

<i>Five Line Offices &amp; Program Support</i>		<b>FY2006 Approp.<sup>a</sup></b>	<b>FY2007 Req.<sup>a</sup></b>	<b>P.L. 110-5<sup>b</sup></b>	<b>FY2008 Req.<sup>c</sup></b>
<b>NOS</b>	ORF	493.2	394.5	493.2	436.8
	PAC	91.3	12.7	91.3	27.7
<i>National Ocean Service</i>		<b>584.5</b>	<b>407.2</b>	<b>584.5</b>	<b>464.5</b>
<b>NMFS</b>	ORF	667.2	649.0	667.2	704.6
	PAC	30.4	0.0	30.4	0.0
<i>National Marine Fisheries Service</i>		<b>697.6</b>	<b>649.0</b>	<b>697.6</b>	<b>704.6</b>
<b>OAR</b>	ORF	370.2	338.3	370.2	358.4
	PAC	9.4	10.4	9.4	10.4
<i>Oceanic &amp; Atmospheric Research</i>		<b>379.6</b>	<b>348.7</b>	<b>379.6</b>	<b>368.8</b>
<b>NWS</b>	ORF	746.8	783.5	746.8	807.8
	PAC	101.4	98.4	101.4	95.7
<i>National Weather Service</i>		<b>848.2</b>	<b>881.9</b>	<b>848.2</b>	<b>903.5</b>
<b>NESDIS</b>	ORF	177.7	149.6	177.7	157.8
	PAC	774.5	884.3	774.5	820.5
<i>Natl. Enviro. Satellite, Data, &amp; Info. Service</i>		<b>952.2</b>	<b>1,033.9</b>	<b>952.2</b>	<b>978.3</b>
<b>PS</b>	ORF	358.3	364.1	358.3	389.5
	PAC	112.5	20.7	112.5	27.7
Program Support <sup>d</sup>		<b>470.8</b>	<b>384.8</b>	<b>470.8</b>	<b>417.2</b>
<b>Total BA ORF</b>		<b>2,813.4</b>	<b>2,679.0</b>	<b>2,813.4</b>	<b>2,854.9</b>
<b>Total BA PAC</b>		<b>1,119.5</b>	<b>1,026.5</b>	<b>1,119.5</b>	<b>982.0</b>
<b>ORF and PAC Totals (BA Subtotal)<sup>e</sup></b>		<b>3,932.9</b>	<b>3,705.5</b>	<b>3,932.9</b>	<b>3,836.9</b>

<sup>4</sup> NOAA was created in the Department of Commerce by President Nixon with Reorganization Plan No. 4 in 1970. The plan consolidated programs from different agencies across the federal government; however, those programs have maintained their respective authorizing laws.

**Source:** Compiled by CRS from sources noted below.

- a. Totals for the FY2006 appropriation and the President's FY2007 budget request from House CJS Appropriations Subcommittee, "House Recommendations," July 5, 2006.
- b. P.L. 110-5, CR, provides FY2007 appropriations for NOAA through September 30, 2007, based on FY2006 appropriation levels (P.L. 109-108) and adjusted by Ch. 9 of act.
- c. Department of Commerce, NOAA, *FY2008 Budget Summary*, February 5, 2007.
- d. For details of NOAA Program Support see **Table 2** below.
- e. **Table 1** does not include BA for NOAA's Other Accounts. (See **Table 3**.)

## NOAA Budget Priorities for FY2008

In his FY2008 NOAA budget presentation, Administrator Lautenbacher discussed how the President's requested funding would be prioritized at the agency. The following summarizes his statement.

**Personnel and Core Mission.** Most of NOAA's administrative, custodial, and mission support-related functions are funded by Program Support (see **Table 2**). A total of \$51.5 million in budget adjustments would be required to cover salaries, personnel expenses, and "core mission" requirements of the agency for FY2008. This would include accommodating a presidentially proposed pay increase of 3% for federal employees in FY2008.

**Table 2. NOAA Program Support Funding Detailed**  
(\$ in millions)

	FY2006 Approp. <sup>a</sup>	FY2007 Req.	P.L. 110-5 <sup>b</sup>	FY2008 Req.
<b>Corporate Services (CS)<sup>c</sup></b>	<b>176.7</b>	<b>191.9</b>	<b>176.6</b>	<b>195.6</b>
<b>Educational Pgms. (Ed)</b>	<b>33.6</b>	<b>19.3</b>	<b>37.5</b>	<b>19.4</b>
<b>Off. Marine &amp; Aviation Ops. (OMAO)</b>	<b>193.5</b>	<b>150.6</b>	<b>206.8</b>	<b>160.0</b>
Marine Services	95.4	93.5	95.5	112.6
Fleet Planning & Maint.	15.0	17.2	15.0	17.2
Aviation Ops.	18.4	19.2	19.2	25.8
Officers Health Care Benefits	2.0	0.0	2.0	0.0
Fleet Replace/Acq. (PAC)	58.7	20.7	61.6	4.4
Aircraft Replacement (PAC)	4.0	0.0	13.5	0.0
<b>Facilities (FAC)</b>	<b>57.3</b>	<b>23.5</b>	<b>30.6</b>	<b>37.7</b>
Enviro. Compliance	2.4	4.5	2.4	4.1
Maint./Construction/Safety	8.5	19.0	8.5	10.3
Construction (PAC)	46.4	0.0	19.7	23.3
<b>Integr. Ocean Obs. Sys. (IOOS)<sup>d</sup></b>	<b>17.8</b>	<b>0.0</b>	<b>17.7</b>	<b>0.0</b>
<b>Total PS ORF</b>	<b>352.0</b>	<b>364.6</b>	<b>356.7</b>	<b>440.4</b>
<b>Total PS PAC</b>	<b>126.9</b>	<b>20.7</b>	<b>112.5</b>	<b>27.7</b>
<b>Grand Total Program Support</b>	<b>478.9</b>	<b>385.3</b>	<b>469.2</b>	<b>412.7</b>

**Source:** Compiled by CRS from same sources identified in notes for **Table 1**.

- a. FY2006 total includes a 1.28% rescission (P.L. 109-108 and P.L. 109-148).
- b. Funding for PS under P.L. 110-5 is essentially the same as that for FY2006.
- c. Funding for Corporate Services (CS) includes the Offices of the Under Secretary for Commerce for Oceans and Atmosphere (USAO) and the division of Policy Formulation and Development (PFD). (All ORF.)

d. For FY2006 a PS-PAC budget subactivity created to fund development of an Integrated Ocean Observation System (IOOS). For FY2008, funding for IOOS is requested in NOS.

Budget increases would be made possible, in part, after terminating “items of interest to Congress” *proposed* at the time to be added to FY2007 appropriations of about \$30 million. To foster personnel safety at NOAA, a \$1.7 million was requested to fund pay differential to cover expenses of rotating NOAA maritime crews more frequently (OMAO). Currently, crews are required to serve 140-day tours of duty at sea. An increase in new billets filled since FY2004 would help make this possible.

**Satellites.** For FY2008, NOAA’s GOES-R geostationary satellite budget would be reduced by \$80.3 million. Together with a \$26.8 million reduction from the POES-N satellites budget, a net increase of \$25 million would help prioritize the POES-N Prime (N’) — the last of the POES-polar orbiting satellite series — for a launch scheduled in 2009. Meanwhile, the United States has forged an agreement with the European Union’s MetOp satellite program to ensure uninterrupted critical meteorological observations. Currently, there are three GOES satellites in geostationary orbit. Two are poised over the Atlantic and Pacific Oceans for the 2007 hurricane season, while GOES-13, launched in 2006, is in “On-Orbit” storage over South America and will relieve GOES-12, deployed in 2004. Redundancy has reduced the priority of next generation GOES-R satellite deployment. The first planned launch of a GOES-R satellite in 2014 will provide time for advanced instrument development and testing. The NPOESS polar orbiting satellite program that would replace the POES program is back on track after “Nunn-McCurdy” certification for redesign. The United States is also gearing up for a NPOESS Preparatory Project (NPP) and the launch of a NPP satellite at the end of 2009. The NPP satellite will test environmental data collection and management and ground components capabilities to support the first NPOESS-C1 satellite, whose launch is scheduled for 2013.

**Ocean Activities.** For FY2008, a budget line has been established for the International Ocean Observation System (IOOS) in NOS (ORF & PAC) and \$14 million was requested. The IOOS budget would fund grants for developing regional networks of remote ocean sensors, including biological sensors, that would monitor the general health of the ocean. For the first time, President Bush requested \$15 million for the Coastal, Estuarine, Land Conservation and Acquisition Program (CELCP). CELCP was funded by Congress in FY2003 as a national effort at preserving coastal natural resources and protecting marine ecosystems. Also, NOAA would implement fisheries research and management requirements of the 2006 Magnuson-Stevens Fisheries Reauthorization Act, for which \$17.5 million is requested. The President requested \$8 million to map the extended continental shelf in the U.S. Exclusive Economic Zone (EEZ) as part of NOAA’s ocean exploration efforts to identify marine resources potential in those areas. For Program Support, \$20.3 million is requested for renovation of the Pacific Regional Fisheries Center in Honolulu, HI. Additionally, funding of \$123 million was requested for ocean research and U.S. fisheries management and marine conservation at NOAA to implement the President’s 2004 *Ocean Action Plan*.

**Weather.** In addition to priorities previously discussed concerning weather and environmental satellite continuity, NOAA would receive \$5.5 million for operations and maintenance (O&M) of a third WP-3 Orion hurricane hunter that was funded by post-Katrina emergency supplemental appropriations (P.L. 109-234). This same funding enabled the National Weather Service in FY2006 to deploy a total of 15 hurricane buoys

in the Western Atlantic Basin to improve detection and characterization of tropical storms. Also, for FY2008, the President requested funding to bring the 19 remaining tsunami detection buoys online in U.S. Pacific waters.

## Discretionary Appropriations Requested for FY2008

**Table 3** summarizes total discretionary appropriations for FY2006, the President's FY2007 request, P.L. 110-5, and the request for FY2008. **Table 3** refers to total requested BA for NOAA in **Table 1**, and adjusts those figures by applying approved offsetting budget authority, including previous fiscal year deobligations, inter- and intra-agency transfers and, a \$25 million rescission in P.L. 110-5 for FY2007.

**Table 3. NOAA Discretionary Funding Totals and FY2008 Request**  
(\$ in millions)

NOAA Five Line Offices & Program Support	FY2006 Approp. <sup>a</sup>	FY2007 Req. <sup>a</sup>	P.L. 110-5 <sup>b</sup>	FY2008 Req. <sup>c</sup>
<b>OPERATIONS, RESEARCH, AND FACILITIES (ORF)</b>				
<b>Total ORF (BA) from Table 1</b>	<b>2,727.9</b>	<b>2,587.8</b>	<b>2,727.9</b>	<b>2,854.9</b>
(ORF Deobligations and Transfers) <sup>d</sup>	[66.1]	[77.0]	[79.0]	[88.0]
FY2006 Emergency Appropriation (ORF) <sup>e</sup>	17.2	0.0	0.0	0.0
Coastal Zone Management Fund (CZMF)	3.0	3.0	3.0	3.0
Budget Accounting for FY2008 (OMB)	—	—	—	(94.0)
<b>ORF Discretionary Approps.</b>	<b>2,748.1</b>	<b>2,590.8</b>	<b>2,730.9</b>	<b>2,763.9</b>
<b>PROCUREMENT, ACQUISITION, AND CONSTRUCTION (PAC)</b>				
PAC Subtotal <sup>c</sup>	1,109.9	1,024.5	1,109.9	979.9
FY2006 Emergency Appropriation (PAC) <sup>e</sup>	37.4	0.0	0.0	0.0
<b>PAC Discretionary Approps.</b>	<b>1,147.3</b>	<b>1,024.5</b>	<b>1,109.9</b>	<b>979.9</b>
<b>OTHER ACCOUNTS</b>				
PCSRF	66.6	66.9	66.6	66.8
CZMF transfer to ORF	3.0	3.0	3.0	3.0
Fisheries Financing	0.3	0.0	0.3	0.0
Medicare Eligible Retiree Healthcare Fund	1.6	2.0	1.6	1.8
<b>Other Discretionary Approps.</b>	<b>71.5</b>	<b>71.9</b>	<b>71.5</b>	<b>71.6</b>
<b>GRAND TOTAL Discretionary NOAA<sup>f</sup></b>	<b>\$3,950.0</b>	<b>\$3,676.1</b>	<b>\$3,912.3</b>	<b>\$3,815.4</b>

**Source:** Compiled by CRS from sources noted below.

- Figures for FY2006 appropriation and the President's FY2007 budget request from House CJS Appropriations Subcommittee, "House Recommendations," July 5, 2006.
- P.L. 110-5, appropriates funding for NOAA through FY2007, and is based on FY2006 appropriations (P.L. 109-108) adjusted by Ch. 9 of the CR. It also requires a reduction of about \$50 million below FY2006 appropriation not authorized by the act. Further, there is a rescission of \$25 million from unobligated FY2006 funding.
- Department of Commerce, *NOAA FY2008 Budget Summary*, February 5, 2007.
- ORF discretionary excludes deobligations (previous fiscal year budget savings), mandatory transfer of funding to the PDAFF, and NOAA use of fees collected for CZMF.
- Emergency Appropriations (P.L. 109-108).
- FY2006 appropriations reflect a rescission of about \$40 million, or about 1.0% (P.L. 109-148). Also, sect. 638 of P.L. 109-108 reduced NOAA funding by 0.28%. An emergency appropriation for Hurricane Katrina of \$150 million (P.L. 109-234) is not reflected in the President's budget request for FY2007.