



## **CRS Report for Congress**

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

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### **Summary**

The National Oceanic and Atmospheric Administration (NOAA) in the Department of Commerce is funded through revised continuing resolution (P.L. 110-5) for FY2007. For FY2008, President Bush requested \$3.81 billion in discretionary appropriations for NOAA. The Senate Appropriations Committee has since recommended a total of \$4.21 billion for FY2008 in Commerce, Justice, Science, and Related Agencies Appropriations for FY2008 (S. 1745). The House-passed H.R. 3093 includes \$3.95 billion for the agency. The President's budget prioritizes satellite system launch requirements to ensure that critical meteorological and climate observations and data collection are not interrupted. The Secretary of Commerce announced that for FY2008, \$123 million is requested for ocean research and sustainable fisheries management in support of the President's 2004 *Ocean Action Plan*. Ocean advocates argue the amount is insufficient. NOAA has sought to have all of its programs and activities authorized under a single organic act. Congress and the Bush Administration differ on proposed authorities and agency flexibility. For FY2007, \$107 million in emergency appropriations was provided for NOAA to assist the agency in recovering from 2005 Hurricane Katrina losses.

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

The mission of the National Oceanic and Atmospheric Administration (NOAA) is to 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, would account for approximately 58% of DOC's discretionary budget request of \$6.6 billion.

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

For FY2008, the President requested \$3.81 billion in discretionary funds for NOAA (**Table 1**). Funding is proposed for NOAA under Title II of House and Senate Commerce, Justice, Science and Related Agencies Appropriations Acts for FY2008 (hereafter, CJS Approps.).

**Table 1** compares FY2007 appropriations for NOAA to the President's FY2008 request, Senate Appropriations Committee reported recommendations for FY2008, and House-approved levels in H.R. 3093. Total budget authority (BA) is given for NOAA's Operations, Research, and Facilities (ORF) and Procurement, Acquisition, and Construction (PAC) accounts. Those totals are adjusted and net totals for NOAA's Other Accounts are added to derive *total discretionary* appropriations. The FY2007 total reflects supplemental emergency appropriations.

**Table 1. NOAA FY2008 Request, FY2006-FY2007 Appropriations, and Congressional Action on the FY2008 Budget**  
(budget authority in millions of dollars)

NOAA Accounts	FY2007 Enacted	FY2008 Request <sup>a</sup>	Senate- Reported	House- Passed
<b>Operations, Research, and Facilities</b>				
National Ocean Service (NOS)	493.2	436.8	532.1	449.0
NOAA Fisheries (NMFS)	669.8	704.6	763.1	700.5
NOAA Research (OAR)	368.9	358.4	428.2	413.0
National Weather Service (NWS)	735.8	807.8	819.1	811.5
NOAA Satellites (NESDIS)	177.0	157.8	172.3	157.8
Program Support	351.8	389.5	407.0	407.8
ORF BA Total	2,796.5	2,854.9	3,121.8	2,939.6
Emergency Supplemental (P.L. 110-28)	170.4	NA	NA	NA
BA Offsets (PDAF/CZMF transfer/deobligations)	(55.4)	(88.0)	(84.9)	(91.0)
<b>Subtotal ORF Discretionary<sup>b</sup></b>	<b>2,886.5</b>	<b>2,766.9</b>	<b>3,036.9</b>	<b>2,848.6</b>
<b>Procurement, Acquisition, &amp; Construction</b>	<b>1,110.1</b>	<b>979.9</b>	<b>1,089.0</b>	<b>1,039.1</b>
<b>Other Accounts/PCSRF/CZMF/Finance</b>	<b>56.7</b>	<b>62.8</b>	<b>89.0</b>	<b>62.8</b>
<b>Total Discretionary Appropriations<sup>c</sup></b>	<b>\$4,053.3</b>	<b>\$3,809.6</b>	<b>\$4,214.9</b>	<b>\$3,950.5</b>

**Sources:** H.Rept. 110-240 on H.R. 3093 (July 12, 2007) and S.Rept. 110-124 on S. 1745 (June 29, 2007).

a. NOAA, *FY2008 Budget Summary*, February 8, 2007 (line office budget request details figures), available at [[http://www.corporateservices.noaa.gov/%7Enbo/07bluebook\\_highlights.html](http://www.corporateservices.noaa.gov/%7Enbo/07bluebook_highlights.html)].

b. Figure does not include NOAA rescission of \$25 million.

c. Figures subject to change pending revised funding data.

The President also requested \$79 million in offsetting budget authority for NOAA from a U.S. Department of Agriculture fund to develop American fishery products, almost

\$12 million more than authorized for FY2006. NOAA currently operates under the *Revised Continuing Appropriations Resolution, 2007* (P.L. 110-5, hereafter, CR) that instructed how funding was allocated by Congress to most federal agencies for FY2007; however, some FY2006 funding was not approved.<sup>2</sup> The CR included a rescission of \$25 million for NOAA from unobligated FY2006 funds.

**Summary of the FY2008 Request.** NOAA's Administrator, Vice Admiral Conrad C. Lautenbacher, Jr. (Ret. Navy), stated that NOAA's FY2008 request of \$3.81 billion represents a "national consensus" of requirements to fund ongoing activities at the agency.<sup>3</sup> That amount is \$130 million, or 3.3%, less than the \$3.95 billion appropriated for NOAA in FY2006 and \$100 million, or 2.6%, less than FY2007 appropriations (est.). The FY2008 budget also proposed \$30.2 million in savings in FY2007 appropriations that were either "unrequested" by the Administration or "performing poorly."<sup>4</sup> The request would include \$2.77 billion for NOAA's ORF account and \$980 million for the PAC account. For NOAA's "Other Accounts," a net \$62.8 million is requested, including \$66.8 million for the Pacific Coastal Salmon Recovery Fund (PCSRF) and \$3 million for the Coastal Zone Management Fund (CZMF). The ORF request is offset by a transfer of \$66.1 million from the Promote and Develop American Fishery Products Fund (PDAF). During deliberation on the FY2008 budget, Congress may consider the following.

- Criticism by international ocean advocacy groups that FY2008 funding requested for the Joint Oceans Commission Initiative (JOI) to prevent over fishing and to alleviate ocean pollution is inadequate. NOAA would reprogram \$123 million to implement the President's 2004 *Ocean Action Plan*. Some argue that an earnest response would be about \$750 million.
- A possible organic act to authorize all of NOAA's programs and activities under a single law is being urged by the Administration. The House Science Committee reported H.R. 5450 in the 109<sup>th</sup> Congress (H.Rept. 109-545); however, the Administration differs with Congress's decisions about agency flexibility and budget autonomy.<sup>5</sup>
- Chronic problems with NOAA's satellite programs (e.g., launch schedule slippages and contractor performance) have required an extensive review to merit "Nunn-McCurdy" certification. This has included an overhaul of systems architecture and payloads to ensure continuity of global

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<sup>2</sup> See P.L. 110-5, February 15, 2007, special instructions were included for §208-209 of P.L. 109-108 (FY2006 CJS Approps.).

<sup>3</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, February 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>4</sup> See for example performance ratings for NOAA's "National Marine Fisheries Service," at [<http://www.whitehouse.gov/omb/expectmore/summary/10000036.2002.html>].

<sup>5</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.

weather and environmental observations. Congress has held hearings on the agency's progress in getting its satellite programs back on track.

**NOAA Budget Priorities for FY2008.** During briefings in Washington, DC, Administrator Lautenbacher discussed NOAA's FY2008 budget priorities indicating that a total of \$51.5 million in budget adjustments would be required to cover salaries, personnel expenses, and other "core mission" requirements for FY2008, including the President's proposed pay increase of 3% for NOAA employees. The Administrator also noted that \$1.7 million would pay for differential to cover the expenses of rotating NOAA maritime crews more frequently. He indicated that (NOAA Corps officer) billets filled since FY2004 could help make this possible.

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

NOAA Program Support <sup>a</sup>	FY2007 Enacted	FY2008 Request	Senate- Reported	House- Passed
<b>Corporate Services (CS)<sup>a</sup></b>	<b>176.6</b>	<b>195.6</b>	<b>207.4</b>	<b>195.6</b>
<b>Educational Programs (Ed)</b>	<b>37.5</b>	<b>19.4</b>	<b>42.4</b>	<b>37.7</b>
<b>Marine &amp; Aviation Operations (OMAO)</b>				
<i>ORF</i> Marine Services	95.5	112.6	131.5	112.6
Fleet Planning & Maintenance	15.0	17.2	NA	17.2
Aviation Operations	20.9	25.8	25.8	25.8
Officers Health Care Benefits	2.0	NA	NA	NA
<i>PAC</i> Fleet Replace/Acquisition	58.7	4.4	9.4	4.5
Aircraft Replacement	4.0	NA	NA	NA
<b>Subtotal</b>	<b>196.1</b>	<b>160.0</b>	<b>166.7</b>	<b>160.1</b>
<b>Facilities (FAC)</b>				
<i>ORF</i> Environmental Compliance	2.4	4.1	NA	4.1
Maintenance./Construction/Safety	8.5	14.8	NA	14.8
<i>PAC</i> Construction	46.4	23.3	23.3	23.3
<b>Subtotal</b>	<b>57.3</b>	<b>42.2</b>	<b>23.3</b>	<b>42.2</b>
<b>Integrated Ocean Observation System<sup>f</sup></b>	17.7	NA	NA	NA
<b>Total PS ORF</b>	<b>358.4</b>	<b>389.5</b>	<b>407.0</b>	<b>407.8</b>
<b>Total PS PAC</b>	<b>126.8</b>	<b>27.7</b>	<b>32.7</b>	<b>27.8</b>
<b>Grand Total Program Support</b>	<b>\$485.2</b>	<b>\$417.2</b>	<b>\$439.7</b>	<b>\$435.6</b>

**Source:** Compiled by CRS from H.Rept. 110-240 (July 12, 2007); S.Rept. 110-124 on S. 1745 (June 29, 2007).

- a. 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), under ORF.
- b. In FY2006 Appropriations a PS-PAC budget subactivity was created to fund development of an Integrated Ocean Observation System (IOOS) that funding level was carries over to FY2007 (P.L. 110-5). For FY2008, funding for IOOS is requested in the NOS ORF & PAC budget.

**Satellites.** For FY2008, the President reduced NOAA's GOES-R geostationary satellite budget by \$80.3 million. Together with a reduction of \$26.8 million from the NOAA POES program budget funds would be reprogrammed to prioritize the launch of the last of the POES-polar orbiting series of satellites, POES-N Prime (N'), in 2009. Until then, a U.S. agreement with the European Union MetOp satellite program would help to ensure uninterrupted critical meteorological observations.

Three GOES geostationary satellites are in orbit above the Earth: two poised over the Atlantic and Pacific Oceans for the 2007 hurricane season and GOES-13, launched in 2006, is in "On-Orbit" storage over South America, which will relieve GOES-12, deployed in 2004. NOAA asserts that redundancy in the GOES program has reduced somewhat the necessity to develop as expediently the GOES-R series of geostationary satellites. It indicated that the first launch of a GOES-R satellite is now planned for 2014, which would provide ample opportunity for advanced instrument development and tests.

The National Polar Orbiting Environmental Satellite System (NPOESS), which would succeed the POES program, is reported to be on track after a "Nunn-McCurdy"-required certification prompted a system redesign. NOAA is gearing up for the NPOESS Preparatory Project (NPP) whose NPP satellite would be launched at the end of 2009 to test sensors and ground components required for future meteorological data collection, management, and analysis. The launch of the first NPOESS satellite is planned for 2013.

**Ocean Activities.** For FY2008, the President requested \$14 million for the NOAA International Ocean Observation System (IOOS). The IOOS budget would make grants available for developing regional networks of ocean remote sensors, including biological sensors, to monitor the general health of the ocean. The President requested \$15 million for the Coastal, Estuarine, Land Conservation and Acquisition Program (CELCP) initiated by Congress in FY2003 to preserve the nation's coastal natural resources and to protect marine ecosystems. Funding of \$123 million was requested for U.S. ocean research, fisheries management, and marine conservation in response to the President's *Ocean Action* plan. As part of that funding, \$17.5 million would help to implement fisheries management and science required by the 2006 Magnuson-Stevens Fisheries Reauthorization Act. Further, \$8 million was requested as part of NOAA's ocean exploration efforts to map the extended continental shelf in the U.S. Exclusive Economic Zone (EEZ) and to identify potential marine resources there. Finally, \$20.3 million would be provided to rebuild the Pacific Regional Fisheries Center after a fire.

**Weather.** In addition weather and environmental satellite continuity priorities, NOAA has requested \$5.5 million to operate and maintain a third WP-3 Orion "hurricane hunter." The aircraft was funded from post-Katrina emergency appropriations (P.L. 109-234). That same funding source enabled the NOAA's National Weather Service to deploy a total of 15 hurricane monitoring buoys in the Western Atlantic Basin for detection and characterization of tropical storms. The President also requested amounts necessary to deploy 19 remaining tsunami detection (DART) buoys in Pacific waters.

**Senate Appropriations Committee.** For FY2008, the Senate Appropriations Committee recommended a total of \$4.21 billion for NOAA, which is \$162 million more

than FY2007 appropriation of \$4.05 billion,<sup>6</sup> and \$405 million more than the President's request for FY2008 of \$3.81 billion. This total includes \$3.04 billion for NOAA's ORF account, almost \$1.09 billion for the PAC account, and a net total of \$89 million for Other Accounts (**Table 5**). The committee also includes \$795 million for Joint Ocean Commission Initiative's recommendations for "greater stewardship of our Oceans."

The committee recommended a funding increase for NOAA satellite programs to restore critical sensors for climate change observation that were not requested for FY2008. The committee prioritized funding support for development and preservation of climate data and information. New funding was requested for the climate change program, including \$175 million for "open competitive" climate research to include drought research. Similar competitive grants would be established across the agency, amounting to \$425 million in total funding. Further, the committee recommended funding to renovate the Pacific Regional Facility in the Pacific Northwest recently destroyed by fire. (The House requires a report of funding needs and an inventory of damage prior to approving funding for restoration.) A Disaster Response Center would be established for the Gulf of Mexico to respond to severe weather events. The NOS Coastal Services Center would be elevated out of base funding to subactivity status with their own budget line to support a federal Disaster Resilient Communities initiative.

**House Appropriations.** On July 12, 2007, the House passed H.R. 3093 approving a total of \$3.95 billion for NOAA (**Table 1**). The House bill is \$140 million, or 3.7%, more than the FY2008 request and \$102.8 million, or 2.5%, less than the FY2007 funding level (including supplemental appropriations of \$107 million). It is \$264.2 million, or almost 7%, less than the Senate Appropriation Committee recommendation of \$4.21 billion. Total appropriations include \$2.85 billion for ORF, almost \$1.04 billion for PAC, and a net \$63.3 million for NOAA's Other Accounts. Also, \$77 million in offsetting budget authority would be transferred to NOAA's PDAF. Another \$11 million in BA was derived from FY2007 deobligated funds.

The House bill includes \$6 million for a study by the National Academy of Sciences, for NOAA, to establish a Climate Change Study Committee. It includes an increase of \$23 million for NOAA Satellite Services to restore sensors critical to future satellite missions for ensuring continuity of climate change observations and data acquisition. Funding was recommended for near coastal and outer continental shelf hydrographic surveys, and expediting electronic chart conversion. The Pacific Coastal Salmon Recovery Fund would receive \$64.8 million, which would be apportioned to Pacific Northwest states. NOAA is required to report on the status and inventory of U.S. ocean observation capabilities. Education and outreach funding increases by \$18.3 million, or almost 100% above the President's request, and include \$5 million for new competitive education grants. Climate research funding includes \$172 million for competitive research grants. A total of \$63 million is approved for the Coastal Estuarine Land Conservation Program (CELCP) and marine sanctuaries construction/acquisition under NOS/PAC, approximately \$36 million more than requested by the President.

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<sup>6</sup> Includes enacted rescission of \$25 million.