



## **CRS Report for Congress**

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

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### **Summary**

Congress passed H.R. 2764 (amended), the Consolidated Appropriations Act of FY2008 (P.L. 110-161). Division B, Title I of the law funded the National Oceanic and Atmospheric Administration (NOAA) in the Department of Commerce at almost \$3.89 billion. The House previously passed H.R. 3093, Commerce, Justice, Science, and Related Agencies Appropriations for FY2008, and approved \$3.95 billion for the agency. The Senate amended H.R. 3093 and approved \$4.21 billion for NOAA. President Bush had requested \$3.81 billion in discretionary appropriations for FY2008. For FY2007 the NOAA appropriation was authorized through a revised continuing resolution (P.L. 110-5), which funded most individual NOAA programs at the FY2006 appropriation level. Further, a FY2007 emergency appropriation of \$170.4 million was provided to NOAA for assisting in recovery from its 2005 Hurricane Katrina losses. The President's FY2008 budget prioritized NOAA satellite systems and requirements to ensure that critical meteorological and climate observations and data collection would not be interrupted. The Administration also proposed \$123 million in new funding for ocean research and sustainable fisheries management to support the President's updated *Ocean Action Plan*. However, ocean advocates argued that the amount was insufficient. In the first session of the 110<sup>th</sup> Congress, legislation was considered to codify all of NOAA's budget authority under a comprehensive organic act.

### **Appropriations for FY2008**

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 accounted for almost 58% of DOC's discretionary budget request of \$6.6 billion.

**Table 1** compares FY2007 appropriations for NOAA to the President's FY2008 request, the Senate-passed H.R. 3093, House-approved levels in H.R. 3093, and the FY2008 appropriation. Total budget authority (BA) is given for NOAA's Operations, Research, and Facilities (ORF) and Procurement, Acquisition, and Construction (PAC) accounts. Additional BA for ORF is often derived from the Promote and Develop American Fishery Products Fund (PDAF), the revenue for which is transferred to NOAA from the U.S. Department of Agriculture (USDA). Finally, NOAA's "Other Accounts," which include the Pacific Coastal Salmon Recovery Fund (PCSRF), the Coastal Zone Management Fund (CZMF), and fishery financing, are summed. Adjustments are made to NOAA total BA to determine *total* discretionary appropriations. In some years, there have been emergency appropriations and rescissions for NOAA.

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

NOAA Accounts	FY2007 Enacted	FY2008 Request <sup>a</sup>	Senate- Passed	House- Passed	FY2008 Enacted <sup>b</sup>
<b>Operations, Research, and Facilities</b>					
National Ocean Service (NOS)	493.2	436.8	532.1	449.0	467.9
NOAA Fisheries (NMFS)	669.8	704.6	763.1	700.5	708.6
NOAA Research (OAR)	368.9	358.4	428.2	413.0	387.9
National Weather Service (NWS)	735.8	807.8	819.1	811.5	805.3
NOAA Satellites (NESDIS)	177.0	157.8	172.3	157.8	179.2
Program Support (PS-See <b>Table 2</b> )	351.8	389.5	407.0	407.8	392.4
ORF BA Total	2,796.5	2,854.9	3,121.8	2,939.6	2,941.3
Emergency Supplemental (P.L. 110-28)	170.4	NA	NA	NA	NA
Offsets (PDAF/CZMF transfer/deobligations)	(55.4)	(88.0)	(81.9)	(89.0)	(82.0)
<b>Subtotal ORF Discretionary<sup>c</sup></b>	<b>2,911.5</b>	<b>2,766.9</b>	<b>3,039.9</b>	<b>2,850.6</b>	<b>2,859.3</b>
<b>Procurement, Acquisition, &amp; Construction<sup>d</sup></b>	<b>1,110.1</b>	<b>979.9</b>	<b>1,059.0</b>	<b>1,039.1</b>	<b>979.2</b>
<b>Other Accounts/PCSRF/CZMF/Finance</b>	<b>56.7</b>	<b>62.8</b>	<b>86.0</b>	<b>60.8</b>	<b>58.0</b>
<b>Total Discretionary Appropriations<sup>e</sup></b>	<b>\$4,078.3</b>	<b>\$3,809.6</b>	<b>\$4,184.9</b>	<b>\$3,950.5</b>	<b>\$3,896.5</b>

**Sources:** H.Rept. 110-240 on H.R. 3093 (July 12, 2007); S.Rept. 110-124 on S. 1745 (June 29, 2007); and the Joint Explanatory Statement to accompany H.R. 2764, amended (October 16, 2007).

<sup>1</sup> Department of Commerce, *NOAA FY2008 Budget Summary*, February 8, 2007, available at [[http://www.corporateservices.noaa.gov/~nbo/FY08%20Rollout%20Materials/1\\_31\\_07\\_ROLLOUT/Blue\\_Book/Ch.0\\_TOC\\_and\\_INTRO\\_08\\_Final.pdf](http://www.corporateservices.noaa.gov/~nbo/FY08%20Rollout%20Materials/1_31_07_ROLLOUT/Blue_Book/Ch.0_TOC_and_INTRO_08_Final.pdf)].

- a. Line office budget request details figures, NOAA, *FY2008 Budget Summary*, February 8, 2007.
- b. P.L. 110-161, Consolidated Appropriations Act of FY2008, Div. B, Title I.
- c. Figure does not include NOAA rescission of \$25 million.
- d. The Senate total reflects S.Amdt. 3290 to H.R. 3093, approved October 16, 2007, which transferred \$30 million from NOAA's PAC account to the U.S. Attorneys Office to hire additional prosecutors for offenses relating to the sexual exploitation of children (re: Sec. 704 of P.L. 109-248).
- e. Total for FY2008 appropriation does not include a rescission of \$11.3 million included in Title VII, P.L. 110-161.

## Appropriations for FY2008

On December 19, 2008, Congress passed H.R. 2764, as amended first by the Senate and then the House, providing for FY2008 appropriations for several federal agencies. H.R. 2764, as enacted by Congress, was accompanied by a joint explanatory statement on FY2008 appropriations, including NOAA funding tables. The President signed H.R. 2764 into law on December 26, 2007, as P.L. 110-161, the Consolidated Appropriations Act of FY2008. Additional BA of \$77 million had been authorized for ORF from the PDAF.

**P.L. 110-161.** Division B, Title I of this law funded appropriations for the DOC, including NOAA for which Congress approved \$3.89 billion (**Table 1**). This amount included \$2.86 billion for the ORF account; \$979 million for the PAC account; and a net total of \$58 million for NOAA's Other Accounts, which includes the Pacific Coastal Salmon Recovery Fund (PCSRF), the Coastal Zone Management Fund (CZMF), and fisheries financing. Also, P.L. 110-161 incorporated a Senate amendment that transferred \$30 million of PAC funding to the Justice Department,<sup>2</sup> and included a rescission for NOAA of \$11.3 million.<sup>3</sup>

NOAA appropriations for FY2008 were 0.5% below FY2007 enacted levels of \$3.91 billion (excluding emergency appropriations); 2.1% greater than the FY2008 request of \$3.81 billion; 1.5% less than House-approved levels of \$3.95 billion; and 6.9% less than Senate-approved levels of \$4.18 billion. Final appropriations for NOAA ORF, in general, appear to represent the middle ground between the FY2008 request and House-approved funding for NOAA, with some exceptions. Congress appropriated larger increases for most NOAA satellite programs than proposed across-the-board (that is, except for the GOES-R program, for which it reduced funding commensurately with the cancellation of a contract for a planned suite of environmental remote sensing instruments). Congress also encouraged continuous oversight of GOES-R program development costs by the Appropriations Committees. It provided \$5.4 million in funding for the National Weather Service (NWS) to sustain operations and expand the Urbanet III air quality, detection, and characterization network to at least 40 U.S. cities. Overall, NWS funding was cut by \$2.3 million, as compared with the President's request. Congress provided \$20.1 million to the NOAA Marine Fisheries Service (NMFS) for economic relief of fishermen previously operating in specific marine conservation areas. It also encouraged NMFS to deliver Bycatch Reduction Devices (BRDs) to Gulf shrimp fisheries. Further, Congress approved \$5.9 million for a National Academy of Sciences (NAS) review for establishing an advisory Climate Change Study Committee and for organizing a summit on global climate change on behalf of NOAA (sec. 114). Congress approved \$34.1 million for NOAA science education programs, almost \$15 million more than the request, and authorized

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<sup>2</sup> **Table 1**, note d.

<sup>3</sup> **Table 1**, note e.

NOAA to extend education grants for all levels of learning. Finally, \$5.6 million would provide for design of new fishery research vessels, temporary berthing for a NOAA marine research vessel, and to “refresh” vessel equipment technology in general.

**Senate Appropriations.** On October 16, 2007, the Senate passed H.R. 3093 (amended) and approved a total of \$4.19 billion for NOAA, which is \$162 million more than FY2007 appropriation of \$4.07 billion,<sup>4</sup> and \$405 million more than the President’s request for FY2008 of \$3.81 billion. The Senate total included \$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, which included \$90 million for PCSRF (**Table 1**). The Senate had called for \$511 million to begin implementing the Joint Ocean Commission Initiative (JOCI).

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

NOAA Program Support <sup>a</sup>		FY2007 Enacted	FY2008 Request	Senate- Passed	House- Passed	FY2008 <sup>b</sup> Enacted
<b>CORPORATE SERVICES (CS)<sup>c</sup></b>		<b>176.6</b>	<b>195.6</b>	<b>207.4</b>	<b>195.6</b>	<b>206.5</b>
PAC	PS Construction	46.4	23.3	23.3	23.3	23.2
<b>Subtotal</b>		<b>223.0</b>	<b>218.9</b>	<b>230.7</b>	<b>218.9</b>	<b>229.7</b>
<b>EDUCATIONAL PROGRAMS (ED)</b>		<b>37.5</b>	<b>19.4</b>	<b>42.4</b>	<b>37.7</b>	<b>34.1</b>
<b>MARINE/AVIATION OPERATIONS (OMAO)</b>						
ORF	Marine Services	95.5	112.6	131.5	112.6	109.9
	Fleet Planning & Maintenance	15.0	17.2	NA	17.2	16.8
	Aviation Services	20.9	25.8	25.8	25.8	25.2
<b>Subtotal</b>		<b>131.4</b>	<b>155.6</b>	<b>157.3</b>	<b>155.6</b>	<b>151.9</b>
PAC	Fleet Replace/Acquisition	58.7	4.4	9.4	4.5	5.3
	Aircraft Replacement	4.0	NA	NA	NA	NA
	IOOS (PAC) <sup>c</sup>	17.7	NA	NA	NA	NA
<b>Subtotal</b>		<b>80.4</b>	<b>4.4</b>	<b>9.4</b>	<b>4.5</b>	<b>5.3</b>
<b>Total PS ORF</b>		<b>345.5</b>	<b>370.6</b>	<b>407.1</b>	<b>388.9</b>	<b>392.5</b>
<b>Total PS PAC</b>		<b>126.8</b>	<b>27.7</b>	<b>32.7</b>	<b>27.8</b>	<b>28.5</b>
<b>GRAND TOTAL PS</b>		<b>\$472.3</b>	<b>\$398.3</b>	<b>\$439.8</b>	<b>\$416.7</b>	<b>\$421.0</b>

**Source:** Compiled by CRS from H.Rept. 110-240 (July 12, 2007); S.Rept. 110-124 on S. 1745 (June 29, 2007); and Joint Explanatory Statement to accompany H.R. 2764, amended (October 16, 2008).

- a. Corporate Services includes ORF funding for the Offices of the Under Secretary for Commerce for Oceans and Atmosphere (USAO), the division of Policy Formulation and Development (PFD), and Facilities maintenance.
- b. P.L. 110-161, Div. B, Title I.
- c. In FY2006 Appropriations a PS-PAC budget subactivity was created to fund development of an Integrated Ocean Observation System (IOOS) and that funding level was carried over to FY2007 (P.L. 110-5). For FY2008, funding for IOOS is requested in the NOS ORF & PAC budget.

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<sup>4</sup> Includes enacted rescission of \$25 million.

The Senate would have dedicated funding of \$30 million for NOAA's satellite programs to ensure deployment of critical climate change and environmental observation sensors which has not been requested for FY2008. The committee also prioritized support for development and preservation of climate data and information. Funding of \$175 million was recommended for "open competitive" climate research grants, including drought research. Along with other competitive grants established across the agency, combined total of \$425 million was approved. The Senate also approved funding to renovate the Pacific Regional Center and consolidate several NOAA programs within a single facility near Honolulu, HI. Additionally, \$6 million was approved for a NOS Disaster Response Center in the Gulf of Mexico to act in the aftermath of severe weather events. The Senate also recommended elevating the NOS Coastal Services Center and National Marine Sanctuary Program's Center for Operational Oceanographic Products and Services to program office status to support a federal (coastal) Disaster Resilient Communities initiative. The Senate would also have provided \$49 million for the Coastal Estuarine Land Conservation Program (CELCP), or five times the final appropriation.

**House Appropriations.** On July 12, 2007, the House passed H.R. 3093 and approved a total of \$3.95 billion for NOAA (**Table 1**). The House bill was \$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). Also, it was \$264.2 million, or almost 7%, less than the Senate-approved level of \$4.21 billion and 1.3% more than final FY2008 enacted appropriations of almost \$3.90 billion (excluding a \$11.3 million rescission). House-passed H.R. 3093 included \$2.85 billion for ORF, \$1.04 billion for PAC, and a net total of \$60.8 million for NOAA's Other Accounts. Further, \$77 million in offsetting budget authority would have been credited to the ORF account from the PDAF with funds transferred from the USDA. Another \$11 million in BA would have been derived from FY2007 unobligated funds.

The House also included \$6 million for a study by the NAS to establish an advisory Climate Change Study Committee, which was approved by Congress. It would have directed funding of \$23 million to NOAA Satellite Services to restore sensors considered critical for future satellite missions and to ensure uninterrupted climate change observations and environmental data acquisition. The House prioritized NOS funding for near-coastal and outer continental shelf hydrographic survey backlogs and to expedite electronic marine chart conversion. It approved \$64.8 million for the PCSRF to be apportioned to Pacific Northwest states, including Alaska. It required NOAA to report on the status and inventory of U.S. ocean observation capabilities. NOAA education and outreach funding would have been increased by \$18.3 million, including \$5 million for new competitive grants for education, almost doubling the President's request. Along with climate research, competitive grant funding would have totaled \$172 million. For NOS, \$35 million was approved for the CELCP in the PAC account, \$20 million more than the request. The House approved \$21 million for marine sanctuaries construction and acquisition, almost \$16 million more than the request; however, final appropriations were \$8 million and \$9.5 million respectively.

**The FY2008 Request.** For FY2008, the President requested \$3.81 billion in discretionary funds for NOAA (**Table 1**). The President also requested \$77 million in

offsetting budget authority for ORF from the PDAF, or \$2 million less than authorized for FY2007.<sup>5</sup>

NOAA's Administrator, Vice Admiral Conrad C. Lautenbacher, Jr. (Ret. Navy), stated that NOAA's FY2008 request of \$3.81 billion represented a "national consensus" of requirements to fund ongoing activities at the agency.<sup>6</sup> The request was \$161 million, or 4.2%, less than the FY2007 appropriation (excluding emergency appropriations). The President's FY2008 budget had also proposed \$30.2 million in savings from FY2007 appropriations for programs that were either "unrequested" by the Administration or "performing poorly."<sup>7</sup> The FY2008 request total included \$2.77 billion for NOAA's ORF account and \$980 million for the PAC account. For NOAA's "Other Accounts," a net total of \$62.8 million was requested, including \$66.8 million for the PCSRF, \$3 million in BA for ORF from the CZMF, and \$66.1 million in offsetting BA from the PDAF. During deliberation on the FY2008 budget, Congress considered the following.

- International ocean advocacy groups concerns about the FY2008 funding request that entailed reprogramming of \$123 million within NOAA to implement the President's *Ocean Action Plan*. Some argued that an earnest response to JOCI recommendations would require \$750 million.
- An organic act to authorize all of NOAA's functions, authorities, and programs under a single law proposed by the Administration. Legislation was introduced (H.R. 21 in the 110<sup>th</sup> Congress); but the Administration opposed constraints on agency flexibility and budget autonomy.<sup>8</sup>
- Problems with NOAA's satellite programs (e.g., launch schedule slippages, contractor performance, and cost overruns) triggered a review of future polar-orbiting NPOESS payloads and systems architecture to ensure continuity of global weather and environmental observations. The 110<sup>th</sup> Congress held hearings on agency requirements and progress in getting satellite programs back on track.

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<sup>5</sup> For FY2007, NOAA operated under the *Revised Continuing Appropriations Resolution, 2007* (P.L. 110-5) (CR) that instructed how funding would be allocated by Congress to most federal agencies. However, some FY2006 funding levels were not carried over. Special instructions were included for §208-209 of P.L. 109-108, FY2006 CJS Appropriations for NOAA. The CR also included a rescission of \$25 million from NOAA's unobligated FY2006 appropriations.

<sup>6</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. Slide presentation available online 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>7</sup> See performance ratings for NOAA's "National Marine Fisheries Service," at [<http://www.whitehouse.gov/omb/expectmore/summary/10000036.2002.html>].

<sup>8</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.