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## Appropriations Policy Brief

### H.R. 5427 — Energy and Water Appropriations Act for FY 2007

#### BY THE NUMBERS:

*In Millions of Dollars*

	FY06	FY07 Bush Request	FY07 Committee	Cmte v. Request	Cmte v. FY06
Appropriations	30,164	29,472	30,017	+545	-147
<i>Emergency Approps</i>	<i>2,900</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>-2,900</i>
<b>TOTAL</b>	<b>33,064</b>	<b>29,472</b>	<b>30,017</b>	<b>+545</b>	<b>-3,047</b>

**Excluding Emergency Appropriations, the Committee Bill is:**

- \$147 million or 0.5% less than last year
- \$545 million or 1.8% more than the request

**Budget Compliance:** According to CBO, the bill is within the 302(b) allocation of the Energy and Water Development Appropriations Subcommittee and thus complies with the Budget Act.

**Unauthorized Appropriations:** According to the Committee report, the bill appropriates \$12 billion or roughly 40% of the bill for unauthorized appropriations. The Rules of the House prohibit this practice, but the rule governing consideration of the bill waives this restriction.

### Comparison to the RSC Budget:

**Overview:** The RSC budget provided \$829 billion in discretionary spending for FY 2007, compared to the \$873 billion allotted in the House-reported resolution (H.Con.Res. 376). While the RSC budget did not apportion this discretionary spending level by subcommittee—the 302(b) allocation process—it did call for many program reductions within the jurisdiction of the Energy and Water Development Subcommittee. Below are highlights:

**Applied Research for Fossil Fuels Energy.** Each year, the Department of Energy (DoE) receives roughly \$500 million to fund applied research on sources and uses of petroleum, coal and natural gas. Although the federal government may have a role in basic research, it is questionable whether it should be engaged in applied research—particularly when this type of

research is conducted by numerous private sector suppliers generating extensive general revenues with which they fund private fossil fuel research. Often times applied research funding is simply corporate welfare for the oil, gas, and utility industries. The RSC Budget would eliminate funding for the DoE Applied Research for Fossil Fuels Energy. H.R. 5427 provides \$558.2 million for this research, \$39.8 million less than last year.

**Energy Supply and Conservation Programs.** These programs are designed to develop new energy conserving technology, as well as improve productivity of existing energy technology, using basic and applied research. Businesses have incentives to market, and customers to buy, conservation technologies that work well. DoE is left to fund the less reliable and less promising technologies. The RSC Budget would eliminate funding for Energy Supply and Conservation Programs. H.R. 5427 provides \$2 billion for these programs, \$212.9 million more than last year and \$102 million more than the request.

**Economic Development Commissions.** Under current law, the federal government provides annual funding to three regional development agencies—the Appalachian Regional Commission (ARC), the Denali Commission (Alaska), and the Delta Regional Authority (Mississippi River Area)—to promote economic growth and development to communities in eligible counties and parishes. The activities of these programs are duplicated by a number of federal agencies. H.R. 5427 reduces funding for the ARC from \$64.8 million to \$35.5 million and for the Denali Commission from \$49.5 million to \$7.5 million. H.R. 5427 also reduces funding for the Delta Regional Authority from \$11.9 million to \$5.9 million.

## **Items of Note:**

**Nuclear Energy:** Provides \$529.8 million for nuclear energy programs (\$113.9 million more than last year and \$29.9 million less than the request), including the Nuclear Power 2010 initiative (\$54 million) to build the first nuclear power plant in the U.S. in three decades.

**Hydrogen Fuel Initiative:** Provides \$195.8 million for hydrogen technology (\$40.2 million more than last year and the same as the request).

**Outsourcing/A-76 Activities:** Prohibits funding to implement a study to outsource or privatize Army Corps personnel employed to operate or maintain locks and dams.

**Elk Creek Dam:** Prohibits funding to remove a section of the dam for fish passage or study alternatives to the trap and haul facility at Elk Creek Dam, Oregon.

**Program Terminations:** According to the Committee, H.R. 5427 terminates four programs—state energy program grants, geothermal R&D technology, natural gas R&D technology, and construction for a mixed oxide fuel plant—saving \$460.5 million.

## **Earmarks:**

According to the Committee, the bill includes \$1 billion in earmarks, \$197 million or 16% less than last year's House-passed level. Below is a small selection of the projects:

- \$8.4 million for Rio Solada, Phoenix, and Tempe Reaches, AZ
- \$43.5 million for Oakland Harbor, CA
- \$164 million for South Florida Everglades Ecosystem Restoration, FL

- \$90 million for New York and New Jersey Harbor, NY and NJ
- \$1.2 million for a waterline extension in Clark County
- \$1 million for Fairfield County, Village of Rushville wastewater plant expansion
- \$1 million for the City of Louisville environmental infrastructure improvement program
- \$2 million for Brunswick Harbor, GA
- \$200,000 for the Hemenway Valley project in Southeastern Rural NV
- \$565,000 for Crum Creek in Southeast PA
- \$4 million for Jones Inlet, NY
- \$1 million for Canaveral Harbor, FL
- \$300,000 for the Duluth Superior Harbor in MI and WI
- \$1.9 million for Burns Harbor, IN for maintenance dredging
- \$200,000 for Rock Island Boat Harbor in IL for maintenance dredging
- \$488,000 for Osceola Harbor, AR for maintenance dredging
- \$51 million for river fish and wildlife mitigation activities in MO
- \$1.2 million for Table Rock, MO to construct a boat ramp
- \$1.8 million for Whitney Lake, TX for improvements to Ham Creek Park
- \$1 million for Whitney Lake, TX for improvements to Kimball Bend Park
- \$500,000 for Moss Landing Harbor, CA to complete a dredging plan and for additional fish sampling
- \$750,000 for the Arbuckle-Simpson Aquifer Study in Oklahoma Investigations Program
- \$19.9 million for heavy truck engine research and development
- \$1 million for the Missouri Alternative/Renewable Energy Technology Center at Crowder College in MO
- \$1 million for Life Science Research at Michigan Research Institute MI
- \$1 million for Augsburg College in MN
- \$500,000 for Biomedical Imaging at the University of NC

## **Funding Summaries:**

*In Thousands*

	<b>FY 06 Enacted</b>	<b>FY 07 Request</b>	<b>FY 07 Cmte</b>	<b>Cmte Over FY06</b>	<b>Cmte Over Request</b>	<b>% Over FY06</b>	<b>% Over Request</b>
<b>Corps of Engineers</b>							
General Investigations.....	162,360	94,000	128,000	-34,360	34,000	-21.16%	36.17%
Construction.....	2,348,280	1,555,000	1,929,471	-418,809	374,471	-17.83%	24.08%
Flood Control - MS River & Tributaries.	396,000	278,000	290,607	-105,393	12,607	-26.61%	4.53%
Operations & Maintenance.....	1,969,110	2,258,000	2,195,471	226,361	-62,529	11.50%	-2.77%
Regulatory Programs.....	158,400	173,000	173,000	14,600	0	9.22%	0.00%
Flood Control & Coastal Emergencies....	0	81,000	32,000	32,000	-49,000	0.00%	-60.49%
General Expenses.....	152,460	164,000	142,100	-10,360	-21,900	-6.80%	-13.35%
<b>Total, Corps of Engineers.....</b>	<b>8,228,719</b>	<b>4,733,000</b>	<b>4,983,803</b>	<b>-3,244,916</b>	<b>250,803</b>	<b>-39.43%</b>	<b>5.30%</b>
<b>Dept of Interior</b>							
Central Utah Project.....	31,351	37,587	37,587	6,236	0	19.89%	0.00%
Water and Related Resources.....	874,679	833,424	849,122	-25,557	15,698	-2.92%	1.88%
Central Valley Project.....	52,219	41,478	41,478	-10,741	0	-20.57%	0.00%
California Bay-Delta Restoration.....	36,630	38,610	40,110	3,480	1,500	0.00%	3.89%
Policy & Administration.....	57,338	58,069	58,069	731	0	1.27%	0.00%
<b>Total, Dept of Interior.....</b>	<b>1,054,873</b>	<b>923,736</b>	<b>940,934</b>	<b>-113,939</b>	<b>17,198</b>	<b>-10.80%</b>	<b>1.86%</b>

<b>Dept of Energy</b>							
Energy Supply.....	1,812,627	1,923,361	2,025,527	212,900	102,166	11.75%	5.31%
Fossil Energy Research.....	592,014	469,686	558,204	-33,810	88,518	-5.71%	18.85%
Naval Petroleum and Oil Shale Reserves....	21,285	18,810	18,810	-2,475	0	-11.63%	0.00%
Elk Hills School Lands Fund.....	83,160	0	0	-83,160	0	-100.00%	
Strategic Petroleum Reserve.....	164,340	155,430	155,430	-8,910	0	-5.42%	0.00%
Northeast Home Heating Oil Reserve.....	0	4,950	4,950	4,950	0	0	
Energy Information Administration.....	85,314	89,769	89,769	4,455	0	5.22%	0.00%
Uranium Enrichment Decontam .....	556,606	579,368	579,368	22,762	0	4.09%	0.00%
Non-Defense Environmental Services....	349,687	310,358	309,946	-39,741	-412	-11.36%	-0.13%
Science.....	3,596,393	4,101,710	4,131,710	535,317	30,000	14.88%	0.73%
Nuclear Waste Disposal.....	148,500	156,420	186,420	37,920	30,000	25.54%	19.18%
Departmental Administration.....	250,289	278,382	278,382	28,093	0	11.22%	0.00%
Inspector General.....	41,580	45,507	45,507	3,927	0	9.44%	0.00%
National Nuclear Security Admin.....	9,104,497	9,315,811	9,199,811	95,314	-116,000	1.05%	-1.25%
Other Defense Activities.....	635,577	717,788	720,788	85,211	3,000	13.41%	0.42%
Defense Nuclear Waste Disposal.....	346,500	388,080	388,080	41,580	0	12.00%	0.00%
Power Marketing Administrations.....	269,725	251,975	251,975	-17,750	0	-6.58%	0.00%
<b>Total, Dept of Energy.....</b>	<b>24,046,772</b>	<b>24,074,717</b>	<b>24,373,489</b>	<b>326,717</b>	<b>298,772</b>	<b>1.36%</b>	<b>1.24%</b>
<b>Independent Agencies</b>							
Appalachian Regional Commission.....	64,817	65,472	35,472	-29,345	-30,000	-45.27%	-45.82%
Def Nuclear Facilities Safety Board.....	21,812	22,260	22,260	448	0	2.05%	0.00%
Delta Regional Authority.....	11,880	5,940	5,940	-5,940	0	-50.00%	0.00%
Denali Commission.....	49,500	2,536	7,536	-41,964	5,000	-84.78%	197.16%
Nuclear Regulatory Commission.....	116,022	148,082	152,082	36,060	4,000	31.08%	2.70%
Nuclear Waste Technical Review Board.....	3,572	3,670	3,670	98	0	2.74%	0.00%
<b>Total, Independent Agencies.....</b>	<b>268,426</b>	<b>248,774</b>	<b>227,774</b>	<b>-40,652</b>	<b>-21,000</b>	<b>-15.14%</b>	<b>-8.44%</b>