

No. 13

July 16, 2001

## **H.R. 2311 — Energy and Water Development Appropriations Act, FY 2002**

Calendar No. 87

H.R. 2311 was ordered placed on the Senate Calendar on July 12, 2001; the same day, S. 1171 was reported as an original bill from the Committee on Appropriations by a recorded vote of 29-0 [Calendar No. 79, S. Rept. 107-39].

### **NOTEWORTHY**

- H.R. 2311 is the bill under consideration today. By unanimous consent, the chairman and ranking member will offer the text of the Senate bill, S. 1171, as a substitute. This Legislative Notice describes S. 1171, as reported.
- S. 1171 provides \$25.45 billion in appropriations for fiscal year 2002, an amount which is \$2.44 billion above the budget request and \$1.4 billion above the enacted appropriation for the current fiscal year.
- The bill provides \$5.39 billion for Defense Environmental Restoration and Waste Management, \$426.3 million more than the FY01 amount and \$841.2 million more than the budget request.
- The bill provides \$7.65 billion in FY02 funding for the National Nuclear Security Administration to improve security at U.S. nuclear facilities.
- The Committee reduces the Administration's request for Nuclear Waste Disposal by \$170 million from \$445 million, which will slow work on the development of a permanent nuclear waste disposal facility.
- The Committee provides \$4.31 billion for the Corps of Engineers, an amount which is \$235.6 million below the FY01 amount but is still \$405.5 million more than the budget request. The bill does not allow any new construction starts in FY02. According to the managers, any new starts will be considered during the House-Senate conference.
- The House passed its version of H.R. 2311, providing some \$23.7 billion, on June 28 by a vote of 405-15.

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## HIGHLIGHTS

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### **Title I, Department of Defense: Corps of Engineers — Civil**

- The Committee continues the basic mission and activities of the Corps of Engineers and appropriates \$4.31 billion (\$235.6 million less than FY01). The Committee exceeds the Administration's FY02 budget proposal by \$405.5 million. The Committee recommends appropriations including \$152.4 million for general investigations; \$1.57 billion for construction of water resource projects; \$328 million for Mississippi River and tributaries flood control; and \$1.83 billion for operation and maintenance activities of the Corps.
- Section 103 of the bill prohibits the use of funds to accelerate the schedule to finalize the Record of Decision for the revision of the Missouri River Master Water Control Manual and any associated changes to the Missouri River Operating Plan. The Corps is scheduled to release the new Master Manual no earlier than 2003. During the Clinton Administration, the Corps recommended increasing Spring flows to benefit certain endangered species. [Recall last year's funding bill was vetoed over this issue.]

### **Title II, Department of the Interior**

- The Committee appropriates \$884.2 million for FY02 for the Department of the Interior for water resources development programs. The amount for the Interior Department is \$64.5 million above the budget request and \$67.6 million more than the amount for FY01.
- Of the total amount provided in title II, the bulk of it, \$848 million, is for the Bureau of Reclamation. This includes the following funding items: \$732.5 million for the Bureau of Reclamation's Water and Related Resources projects, \$84.5 million more than the Administration's request; \$55 million for the California Central Valley Project Restoration Fund, the same as the budget request; and \$53 million for Policy and Administrative Expenses, the same as the President's request.
- The Committee has allocated \$36.2 million for the Central Utah Project Completion Account, the same as the Administration's request.
- The Committee makes \$40 million available for the CALFED program, \$20 million more than the budget request and \$40 million more than the amount (\$0) appropriated in FY01. The Committee has provided the funds to support the efforts of California to provide a safe, clean

water supply and improve the environment. The Committee allocates the funds among six accounts (see pages 92 and 93 of the Committee Report).

- Section 201 prohibits the use of funds to pay salaries and expenses of personnel to purchase or lease water in the Middle Rio Grande or the Carlsbad Projects in New Mexico, unless the purchase or lease complies with Section 202 of P.L. 106-60, last year's appropriations bill dealing with energy and water.

### **Title III, Department of Energy**

- **Total Funding:** In Title III of the bill, the Committee provides \$20.06 billion for the various functions of the Department of Energy, which include general administrative expenses, nuclear weapons and environmental restoration programs, nuclear research activities, and the power marketing agencies; this amounts to \$1.76 billion more than FY01, and \$1.96 billion more than the President's request.
- **Contractor Travel:** No limitations on contractor travel are contained in the bill. However, the Committee directs the DOE to maintain contractor travel summaries adequate for periodic reviews of programmatic relevance and costs of contractor travel.
- **Atomic Energy Defense Activities:** The Committee recommends \$15.1 billion for this category, \$1.6 billion more than the FY01 amount and \$1.7 billion more than the budget request. As a result of the enactment of the National Nuclear Security Administration Act, the Committee last year put in place a new account structure that includes the following separate appropriations accounts for the National Nuclear Security Administration (NNSA): weapons activities; defense nuclear nonproliferation; naval reactors; and Office of the Administrator. The Committee recommends \$7.65 billion for the NNSA (\$869.7 million more than the budget request). Of this total, \$6.06 billion is for weapons activities, \$880.5 million is for defense nuclear nonproliferation; \$688 million is for naval reactors; and \$15 million is for the office of the administrator. The Committee includes under Atomic Energy Defense Activities several other separate accounts: defense environmental restoration and waste management; defense facilities closure projects; defense environmental management privatization; other defense activities; and defense nuclear waste disposal.
- **Energy Supply Programs:** The bill provides \$736.1 million for these programs, which include solar and renewable energy, nuclear energy, non-defense environment, safety and health, magnetic fusion energy, research, and other energy support activities. This amount is \$76.2 million more than FY01 and \$191.9 million more than the Administration's request. The Committee recommends \$435.6 million for solar and renewable energy, which is \$59.8 million more than the current year but \$158.9 million more than the budget request; \$264.1 million for nuclear energy, which is \$4.1 million more than the FY01 amount and \$41 million above the President's request. The Committee again has modified the Administration's request for low-emission energy technologies; including hydro, renewable, and nuclear with a view toward post-2010 application of new technologies. With few exceptions, the Committee recommends basic research that will provide significant improvements over existing technologies rather than on the deployment or incremental improvement of commercial or near commercial technologies. The Committee notes that it is aware that appropriated funds can demonstrate the reliable operation of

low-emission technologies before they are commercially viable. The Committee has provided funds for such demonstrations in a few cases but expects that, in most cases, non-Federal financing would support the final stages of product development and all stages of commercial development.

- **Non-Defense Environmental Management:** The Committee provides \$228.6 million for these programs, which is \$48.6 million lower than the FY01 amount and the same as the budget request.
- **Uranium Facilities Maintenance and Remediation:** The Committee recommends \$408.7 million for FY02 — \$ 16.2 million more than FY01 and \$45.3 million more than the budget request.
- **Nuclear Waste Disposal Fund:** The Committee recommends \$275 million for nuclear waste disposal for FY02. Of that, \$25 million is derived from the nuclear waste fund, and the Committee makes available \$250 million from the “Defense nuclear waste disposal” account. The total amount represents a reduction of \$115 million from FY01 and a reduction of \$170 million from the budget request. The “Defense nuclear waste disposal” fund was established to ensure payment of the government’s contribution to the nuclear waste repository program. The Administration requested \$310 million from the fund in addition to the \$135 million request from the Nuclear Waste Disposal Fund to continue work on the Yucca Mountain, Nevada, waste disposal site.
- **Science:** The Committee recommends \$3.27 billion for FY02 — \$88.5 million more than FY01 and \$108.9 million more than the Administration’s budget request.

**High Energy Physics:** The Committee recommends \$725.1 million — \$9 million more than the Administration’s request and \$1.1 million less than FY01.

**Nuclear Physics:** The Committee recommends \$373 million — \$12.9 million more than the budget request and \$3.1 million more than FY01.

**Biological and Environmental Research:** The Committee provides \$490 million for FY02 — \$ 112.6 million less than FY01 and \$47 million more than the budget request.

**Basic Energy Sciences:** The Committee recommends \$1.04 billion for FY02 — \$36 million less than the budget request and \$27 million more than FY01.

- **Defense Environmental Management:** The Committee recommends a total of \$6.63 billion for Defense Management for FY02. Of this, \$5.39 billion is for Defense Environmental Restoration and Waste Management, an amount which is \$841.2 million more than the budget request and \$426.3 million more than FY01. The program is responsible for identifying and reducing health and safety risks, and managing waste at sites where the Department carried out nuclear energy or weapons research and production activities. The program is organized into two program accounts — a site/project completion account (\$1 billion) and a post-2006 completion account (\$3.6 billion) to reflect an emphasis on project completion and site closures.

- **Defense Environmental Management Privatization:** Of the \$6.63 billion for Defense Environmental Management, the bill contains \$157.5 million for privatization activities at various locations. This is \$16 million more than the Administration’s budget request and \$92.5 million more than the FY01 amount.
- **Defense Facilities Closures:** Also out of the Defense Environmental Management account, the bill provides \$1.08 billion for defense facilities closures, \$30 million more than the budget request and about the same as the FY01 amount.
- **Federal Energy Regulatory Commission:** The Committee appropriates \$181.2 million — the same as the budget request and \$6 million more than FY01. (Revenues are applied in the same amount.)
- **Power Marketing Administrations:** The Committee recommends \$206.9 million, which is \$6.8 million more than the budget request and \$5 million more than FY01. (See the attached chart for Power Administration funding.)

#### **Title IV, Independent Agencies**

- **Appalachian Regional Commission:** The Committee recommends \$66.3 million for FY02, the same as the request and about the same as the amount appropriated for FY01.
- **Nuclear Regulatory Commission (NRC):** The Committee recommends a gross appropriation of \$506.9 million for FY02 — \$25.1 million more than the FY01 appropriation and the same as the budget request. S. 1171 contains a one-year extension of the NRC’s authority to collect fees because that authority expires at the end of FY02. In addition, the Committee expresses agreement with the President’s National Energy Policy Development Group recommendation supporting the expansion of nuclear energy in the United States.

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### **ADMINISTRATION POSITION**

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There was no Statement of Administration Policy available at press time. However, the Administration has issued a statement on the House-passed version of H.R. 2311 expressing concerns over reductions in favored Administration programs. The Administration did not threaten to veto the House-passed version of the bill.

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### **COST**

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The Committee, in consultation with the Congressional Budget Office, estimates the bill would result in outlays of \$16.18 billion in FY02, \$7.58 billion in FY03, \$1.16 billion in FY04, \$30 million in FY05, and \$19 million in FY06.

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**POSSIBLE  
AMENDMENTS**

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Amendments are anticipated, but were not known at press time.

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Staff contact: John Peschke, 224-2946  
Attachment: chart

# Energy and Water Development Appropriations, FY 2002

(reported amounts of selected programs)  
(dollars in thousands)

<b><u>Corps of Engineers</u></b>	<b><u>\$ 4,305,474</u></b>
General Investigations	\$ 152,402
Construction	\$ 1,570,798
Op & Maintenance	\$ 1,833,263
<b><u>Bureau of Reclamation</u></b>	<b><u>\$ 847,998</u></b>
Water and related resources	\$ 732,496
<b><u>Department of Energy</u></b>	<b><u>\$ 20,063,775</u></b>
<i>Non-Defense</i>	
Energy supply	\$ 736,139
Environmental Management	\$ 228,553
Uranium Facilities Maintenance and Remediation	\$ 408,725
Nuclear Waste Disposal Fund	\$ 25,000
Science	<u>\$ 3,268,816</u>
High Energy Physics	\$ 725,100
Nuclear Physics	\$ 373,000
Biologic & Enviro Research	\$ 490,000
Basic Energy Sciences	\$ 1,040,705
Other Energy Research Programs	\$ 163,050
<i>Defense</i>	
National Nuclear Security Administration	\$ 7,646,436
Environmental Restoration and Waste Management	\$ 5,389,868
Other Defense Activities	\$ 564,168
Nuclear Waste Disposal	\$ 250,000
Fed. Energy Regulatory Comm.	\$ 181,155
Power Marketing Administrations	<u>\$ 206,857</u>
Southeastern Power Admin	\$ 4,891
Southwestern Power Admin	\$ 29,838
Western Power Admin	\$ 169,465
<b><u>Nuclear Regulatory Commission</u></b>	<b>\$ 506,900</b> (-\$463,248 in revenues)
<b>BILL TOTAL:</b>	<b>\$ 25,450,485</b>