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## Appropriations Policy Brief

### H.R. 2419 — Energy and Water Appropriations Act for FY 2006 Conference Report

#### BY THE NUMBERS:

*In Millions of Dollars*

	FY05 Enacted	FY06 Request	FY06 House Bill	FY06 Senate Bill	FY06 Conf Report
Appropriations	30,156	29,745	29,746	31,495	30,495
<i>Emergency</i>	377	0	0		0
<b>Total</b>	30,533	29,745	29,746	31,495	30,495

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

- \$339 million (1.1%) more than last year
- \$750 million (2.5%) more than the request
- \$749 million (2.5%) more than the House-passed bill
- \$1 billion (3.2%) less than the Senate-passed bill

**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.

### **Program Terminations:**

The House-passed version of H.R. 2419 included three terminations:

- Flood Control and Coastal Emergencies (-\$70 million, also terminated in conference)

At press time, the conference funding levels for these remaining House-passed terminations were not yet evident:

- Nuclear Energy Research Initiative
- Nuclear Energy Plant Optimization

## **Items of Note:**

**Army Corps of Engineers Funds Reprogramming:** Prohibits FY2006 (and earlier unobligated or unspent) funds for the Army Corps of Engineers from being reprogrammed to:

- create or initiate a new program, project, or activity (subject to certain exceptions);
- eliminate a program, project, or activity;
- increase funds or personnel for any program, project, or activity for which funds have been denied or restricted by this Act;
- propose to use funds directed for a specific activity by either the House or the Senate Committees on Appropriations for a different purpose;
- augment existing programs, projects, or activities in excess of \$2 million or 50%, whichever is less, unless prior approval is received from the House and Senate Committees on Appropriations;
- reduce existing programs, projects, or activities in excess of \$2 million or 50%, whichever is less, unless prior approval is received from the House and Senate Committees on Appropriations; or
- create, reorganize, or restructure a branch, division, office, bureau, board, commission, agency, administration, or department different from the budget justifications submitted to the Committees on Appropriations or the table accompanying the Statement of Managers accompanying this Act, whichever is more detailed, unless prior approval is received from the House and Senate Committees on Appropriations.

Non-federal funds received for project cost-shares could also not be reprogrammed.

The Corps would have to report to Congress within 60 days on the baseline of all its funds for which reprogramming and transfer authority could apply in FY2006. The amount appropriated for Corps salaries and expenses would be reduced by \$100,000 per day for each day after the required date that this report has not been submitted to Congress.

In addition, no federal funds from any account could be used to demonstrate or implement any plans divesting or transferring any Corps civil works missions, functions, or responsibilities to other government agencies without specific direction from Congress. And no funds in this legislation could be used to award any continuing contract or make modifications to any existing continuing contract that commits an amount for a project in excess of the amount appropriated for such project pursuant to this legislation.

**Note:** The Army Corps of Engineers reprogramming issue was the main issue holding up the completion of the conference report before the above compromise was reached. Similar reprogramming language is provided as guidance to the Department of Energy in the Joint Explanatory Statement accompanying the conference report.

**Hurricane Protection:** Earmarks \$8 million of the funds for the Army Corps of Engineers for a hurricane protection study “at full federal expense” for south Louisiana. The Secretary of the Army is directed to submit three reports: a feasibility report within six months, an interim protection report within 12 months, and a long-term, comprehensive protection report within 24 months. In addition, the Corps is directed to “consider” providing protection for a storm surge from a Category 5 hurricane in south Louisiana.

**Nuclear Energy:** Provides \$558 million (up from \$525 million in the House-passed bill) for nuclear energy programs (about \$44 million more than the President’s request), including \$66

million for the Nuclear Power 2010 initiative (up from \$56 million in the House-passed bill) to build the first nuclear power plant in the U.S. in three decades.

**Power Marketing Administration (PMA):** Maintains current law with respect to the classification of mandatory PMA receipts. The Administration proposed to reclassify receipts from three PMAs as discretionary receipts to support higher spending. Overall, the conference report includes \$270 million (up from \$265 million in the House-passed bill) for PMAs (\$62 million more than last year and \$213 million above the President's request). **Note:** PMAs generate electricity and sell it to utilities and cooperatives in 32 states (often at below market rates). President Clinton proposed selling three PMAs in his FY96 budget request.

**Hydrogen Fuel Initiative:** Provides \$157 million (down from \$183 million in the House-passed bill) for hydrogen technology (\$26 million less than the President's request) of which \$76 million (down from \$84 million in the House-passed bill) is for fuel cell development.

**Other Alternative Energy Programs:** Provides \$92 million for biomass programs, \$84 million for solar energy programs, and \$39 million for wind energy programs.

**Economic Development Commissions:** Maintains funding for the Appalachian Regional Commission at about \$65 million (the House-passed bill had reduced it to \$39 million) and reduces funding for the Denali Commission from \$66 million to \$50 million (the House-passed bill had reduced it to \$3 million). The Denali Commission provides economic development grants to Alaska. The bill increases funding for the Delta Regional Authority – the equivalent government entity serving the Mississippi River area – from \$6 million to \$12 million (the House-passed bill had maintained it at \$6 million).

**Lobbying Prohibition:** Prohibits funds in this legislation from being used “in any way, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before Congress.”

**Transfer Authority:** Prohibits funds made available in this conference report from being transferred to any department, agency, or instrumentality of the U.S. Government, except pursuant to a transfer made by, or transfer authority provided in, this legislation or any other appropriations bill.

**Clean Coal Power Initiative:** Provides \$50 million for the Clean Coal Power Initiative (equal to the President's request), an amount that the conferees describe in the Joint Explanatory Statement as “woefully short of the \$200,000,000 commitment made by the Administration.” In addition, the bill transfers funds remaining from the termination of the low-emission boiler project to this Initiative.

**Oil and Gas:** Provides \$32 million (\$22 million more than the President's request) for petroleum-oil technologies and \$33 million (\$23 million more than the President's request) for natural gas technologies.

**Northeast Home Heating Oil Reserve:** Provides no new funding (consistent with the President's request) for the Northeast Home Heating Oil Reserve. The Energy Department has reportedly confirmed that sufficient carryover balances exist.

## Earmarks:

The Joint Explanatory Statement of the Conference Committee includes hundreds of earmarks, including (not an exhaustive list):

- \$2.5 million for the UNLV Research Foundation to support nuclear nonproliferation
- \$750,000 for a Nano-Bio-Molecular Technical Incubator at SUNY-IT (NY)
- \$500,000 for the San Antonio Cancer Center (TX)
- \$2 million for Central WV public water and wastewater facilities
- \$1.8 million for the Copeland Low Water Bridge (KY)
- \$500,000 for the State 13 railroad crossing (OH)
- \$250,000 for noxious weed removal (ND)
- \$100,000 for mosquito control (ND)

## Funding Summaries:

*In Millions*

	FY05 Enacted	FY06 Request	FY06 House	FY06 Senate	FY06 Conf	Conf vs. FY05	Conf vs. Request	Conf vs. House
Department of Energy	24,233	23,914	23,843	24,855	23,820	-413	-94	-23
<i>National Nuclear Security Admin</i>	9,214	9,397	8,849	9,447	9,197	-17	-200	348
<i>Enviro. &amp; Other Defense Activities</i>	7,724	7,002	7,521	7,289	7,184	-540	182	-337
<i>Energy Programs</i>	7,409	7,299	7,472	8,076	7,432	23	133	-40
Department of Interior	967	907	967	1,037	1,021	54	114	54
Corps of Engineers	4,668	4,332	4,728	5,297	5,383	715	1,051	655
Other	288	592	208	306	271	-17	-321	63
<b>Total</b>	<b>30,156</b>	<b>29,745</b>	<b>29,746</b>	<b>31,495</b>	<b>30,495</b>	<b>339</b>	<b>750</b>	<b>749</b>

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