BUDGET JUSTIFICATIONS

The United States Department of the Interior

and Performance Information
Fiscal Year 2023

NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION PROGRAM

NOTICE: These budget justifications are prepared for the Interior, Environment and Related Agencies Appropriations Subcommittees. Approval for release of the justifications prior to their printing in the public record of the Subcommittee hearings may be obtained through the Office of Budget of the Department of the Interior.

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DEPARTMENT OF THE INTERIOR

Natural Resource Damage Assessment & Restoration Program

Restoration Program

Fiscal Year 2023 Budget Justifications

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NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION PROGRAM

GENERAL STATEMENT

FY 2023 Budget Request:

The Natural Resource Damage Assessment and Restoration Program's (Restoration Program) Fiscal Year 2023 request for current appropriations is $8,059,000, an increase of $292,000 over the FY 2022 Annualized Continuing Resolution (CR) level. The request advances the on-the-ground restoration of natural resources injured by oil spills and the release of hazardous substances into the environment. The Restoration Program will utilize requested funds to effectively deliver science-driven habitat restoration in collaboration with co-trustees using the growing balance of funds recovered in settlements.

Deposits into the Natural Resource Damage Assessment and Restoration Fund (Restoration Fund) continue to exceed $600 million annually and will continue to do so through the next decade. Fiscal Year 2023 receipts are estimated to exceed $600 million, with the increase largely due to the finalized settlement for natural resource impacts arising from the Deepwater Horizon oil spill in the Gulf of Mexico. Between 2017 and 2031, the Deepwater Horizon settlement will deliver up to $8.8 billion to the Restoration Fund in annual installments of $490 million. In addition, multiple long-running damage assessment cases have recently settled, while others are pending court approvals, and still others are progressing in settlement negotiations. The influx of settlement funds is expected to continue as these additional cases settle. While this means additional funding is deposited in the Restoration Fund, the vast majority of these restoration settlements are shared jointly with other Federal, State, and Tribal co-trustees, and the use of settlement funds must be jointly approved by the trustees for a given case. While the Department of the Interior (Department) can rarely take unilateral action to use the funds, the Department continues to prioritize the delivery of funds for on-the-ground restoration projects.

Within this budget request, the Restoration Program is committed to maximizing benefits for both injured natural resources and for the American public's use and enjoyment of these resources. Many of these restoration actions will offer opportunities to address climate resiliency on lands and waters, to promote science driven conservation and stewardship, and to collaboratively engage locally led efforts to establish trails and open space in underserved communities. With more than $2.3 billion dollars in settlement funds presently in the Restoration Fund, and with additional settlements and payments on the horizon, moving forward deliberately and strategically to plan and implement restoration actions at dozens of sites nationwide will produce significant ecological and economic benefits.

Total 2023 Budget Request

(Dollars in Thousands)

Budget Authority	2021 Actual	2022 Annualized CR	2023 Budget Request
Current	7,767	7,767	8,059
Mandatory	573,634	607,000	609,000
TOTAL	**581,401**	**614,767**	**617,059**
FTE	*18*	*18*	18

Fiscal Year 2023 fixed costs of $224,000 are fully funded within the request.

The FY 2023 budget also includes an estimate of $609 million in permanent funds from negotiated legal settlement agreements and cooperative damage assessments with responsible parties to be applied to the restoration of injured natural resources by the Department and its co-trustees for each case.

Executive Summary:

The mission of the Restoration Program is to restore natural resources injured as a result of hazardous substance releases into the environment. In partnership with other affected State, Tribal, and Federal trustee agencies, the Restoration Program conducts science-based damage assessments that provide the basis for determining the restoration needs that address the public's loss and use of these resources. Cooperation with its co-trustees and partners, and where possible, with the responsible parties, is an important component of meeting the Restoration Program's core mission.

Within this budget request, the NRDAR Program will support the Administration's priorities such as incorporating climate science during restoration project planning to evaluate the long term viability of projects, determining the applicability of habitat acquisition and protection as a means of restoring injured resources, supporting Tribal Nations engaged in NRDAR cases, and engaging local and underserved communities during damage assessment, restoration planning, and restoration implementation.

The Restoration Program is designed to cooperate with co-trustees to restore impaired natural resources that the Department manages. Damages are assessed and appropriate restoration projects identified to inform negotiated settlements or, in rare cases, litigation with potentially responsible parties. Recoveries, via in cash or in-kind services, from the potentially responsible parties finance or implement resource restoration, pursuant to a publicly reviewed restoration plan.

The Office of Restoration and Damage Assessment (Program Office) manages the confluence of the technical, ecological, biological, legal, and economic disciplines and coordinates the efforts of six bureaus and three Departmental offices to accomplish this mission. The Restoration Program has a nationwide presence encompassing nearly the full span of natural and cultural resources for which the Secretary of the Interior has trust responsibility. Each bureau has its unique natural resource trusteeship and brings its

expertise to bear on relevant sites. The Restoration Program is an integrated Departmental program, drawing upon the interdisciplinary strengths of its bureaus and offices, while eliminating or minimizing redundant bureaucratic and administrative operations and expenses.

The **Bureau of Indian Affairs** is responsible for the administration and management of over 56 million surface acres and 59 million acres of sub-surface minerals estates held in trust by the United States for American Indians, Indian Tribes, and Alaska Natives, and provides assistance to 574 federally recognized Tribal governments to help protect water, natural resources and land rights.

The **Bureau of Land Management** (BLM) administers nearly 245 million acres of Federal land located primarily in 12 Western States, including Alaska, characterized by grasslands, forests, deserts, coastline, and arctic tundra and an additional 700 million acres of onshore Federal mineral estate. The BLM sustains the ecological and economic health, diversity, and productivity of these public lands for the use and enjoyment of present and future generations.

Working in 17 States west of the Mississippi River, the **Bureau of Reclamation** manages 487 dams and 338 reservoirs covering more than 10 million acres associated with irrigation projects to protect local economies and preserve natural resources and ecosystems through the management and effective use of water resources.

The **U.S. Fish & Wildlife Service** (FWS) conserves, protects and enhances fish, wildlife, and plants and their habitats and manages over 95 million acres of land and waters within 567 National Wildlife Refuges, and 38 wetland management districts for the continuing benefit of the American people, providing primary trusteeship for migratory birds and over 2,000 threatened and endangered species.

The **National Park Service** preserves unimpaired the natural and cultural resources and values of the 85 million acres of land across the 423 units of the national park system and conserves the scenery and the natural and historic objects and the wildlife of these special places for the enjoyment, education, and inspiration of current and future generations.

In addition to the five bureaus with primary trust resource management activities, the **U.S. Geological Survey** (USGS) conducts scientific research in ecosystems, climate and land use change, environmental health and water resources, and provides access to natural resource science to support effective decision making on how to best restore injured natural resources impacted by the release of oil or hazardous substances in the environment.

The Office of the Secretary and the Office of the Solicitor also play key roles in making the Restoration Program a fully integrated Departmental program. The Office of the Solicitor provides legal advice at both the program policy level and in all individual cases. In the Office of the Secretary, the Office of Policy Analysis provides economic analytical expertise to the Restoration Program on both national policy and individual case management, and the Office of Environmental Policy and Compliance provides a link to response and remedial activities associated with oil spills or chemical releases.

The Department, through the Restoration Program and its bureaus, conducts every damage assessment and restoration case in partnership with any co-trustees at various levels of government (Federal, State, and Tribal), and all restoration plans must undergo public review and be approved by affected State and Tribal governments. The Restoration Program serves as a model of collaboration in its day-to-day operations and partnerships that have been developed with Tribal, State, and other Federal co-trustees, as well as with non-government organizations and industry.

The Restoration Program supports and contributes to many of the Administration's priorities as they are inherently in sync with our mission and goals. For example, during our National Environmental Policy Act (NEPA) evaluation of our restoration projects, the use of climate science helps determine impacts to the restoration project over time in order to evaluate the feasibility of the project. Restoration projects may include acquisition or the long-term protection of habitat, which supports the America the Beautiful initiative. Restoration case teams are collaborative and inclusive, and actively solicit and engage local partners in identifying and implementing restoration projects to the benefit of all. The trustees often work with local community organizations to provide an educational component to local youth on projects such as invasive species removal or habitat monitoring following restoration.

The Economic Benefits of Restoration

Federal investment in ecosystem restoration and monitoring protect Federal trusts, ensure public health and safety, and preserve and enhance essential ecosystem services while often also generating business activity and creating well-paying American jobs. With support from the Restoration Program and BLM, the USGS Fort Collins Science Center has estimated the economic impacts of 21 specific restoration projects. In the February 2016 report entitled, *Estimating the Economic Impacts of Ecosystem Restoration: Methods and Case Studies*, USGS found that ecosystem restoration projects provide meaningful economic contributions to local economies and to broader regional and national economies,

and estimate that between 13 and 32 job-years[1] and between $2.2 million and $3.4 million in total economic output[2] are contributed to the national economy per million dollars invested in ecosystem restoration. These results demonstrate how investments in resource restoration support jobs, small businesses, and rural communities. To date, 11 case studies analyzing local economic job impacts of ecosystem restoration projects have been completed on Natural Resource Damage Assessment and Restoration (NRDAR) cases.

Methodology

Economic impact analyses measure how inflows of spending to a local economy generate and support jobs and business activity. In the case of a restoration project, money is directly spent in a local economy on services such as construction and environmental consulting. Firms providing these services purchase materials like rocks and riprap, monitoring equipment, and grass seed to accomplish their work. In many cases, project supplies are purchased within the local economy. In order to meet the resultant increase in demand, suppliers must also increase their purchases of supplies from other industries. This chain of spending creates a ripple effect of economic activity. Economic input-output models capture the interactions between producers and consumers in an economy and describe the secondary impacts of project spending using regional economic multipliers.

To estimate economic impacts, primary data on project composition, activities, and costs are collected for each case study. The economic impacts measured in these analyses include jobs, labor income, and value added to local economies that are supported by the restoration activities. Restored ecosystems are expected to benefit local communities beyond the completion of the restoration project. Thus, restoration projects will create additional future jobs and non-market benefits by providing increased opportunities for tourism, improving and sustaining fisheries and wildlife habitat, and reducing risk from flooding and other natural disasters. These future benefits are not accounted for in these analyses. Economic case studies highlight restoration efforts

Economic Impacts of New Jersey Dam Removals

Restoration Types:	Dam removal, fish passage, habitat restoration, public use
Project Location:	New Jersey
Total Expenditure: ($2019)	$6.83 million
Project Duration:	2015-2020
Job-Years:	85
Labor Income: ($2019)	$6.1 million
Value Added: ($2019)	$8.3 million
Total Economic Output: ($2019)	$14.3 million
Plus:	
In-kind Spending by FWS (nominal $)	$0.44 million

[1] Job-years measure the total number of annualized full and part-time jobs accumulated over the duration of a restoration project.

[2] Economic output measures the total value of the production of goods and services supported by project expenditures, and is equal to the sum of all intermediate sales (i.e., business to business sales) and final demand (i.e., sales to consumers).

and reveal benefits from restoration projects and the positive effects on communities. For example, settlement funds from the Combe Fill South Landfill Superfund Site in New Jersey were used to initiate a cooperative agreement with The Nature Conservancy to remove the Columbia and Remnant Dams, located on the Paulins Kill River in New Jersey. Staff from the Department's Office of Policy Analysis, FWS, and USGS completed a case study evaluating the economic impacts of the project.

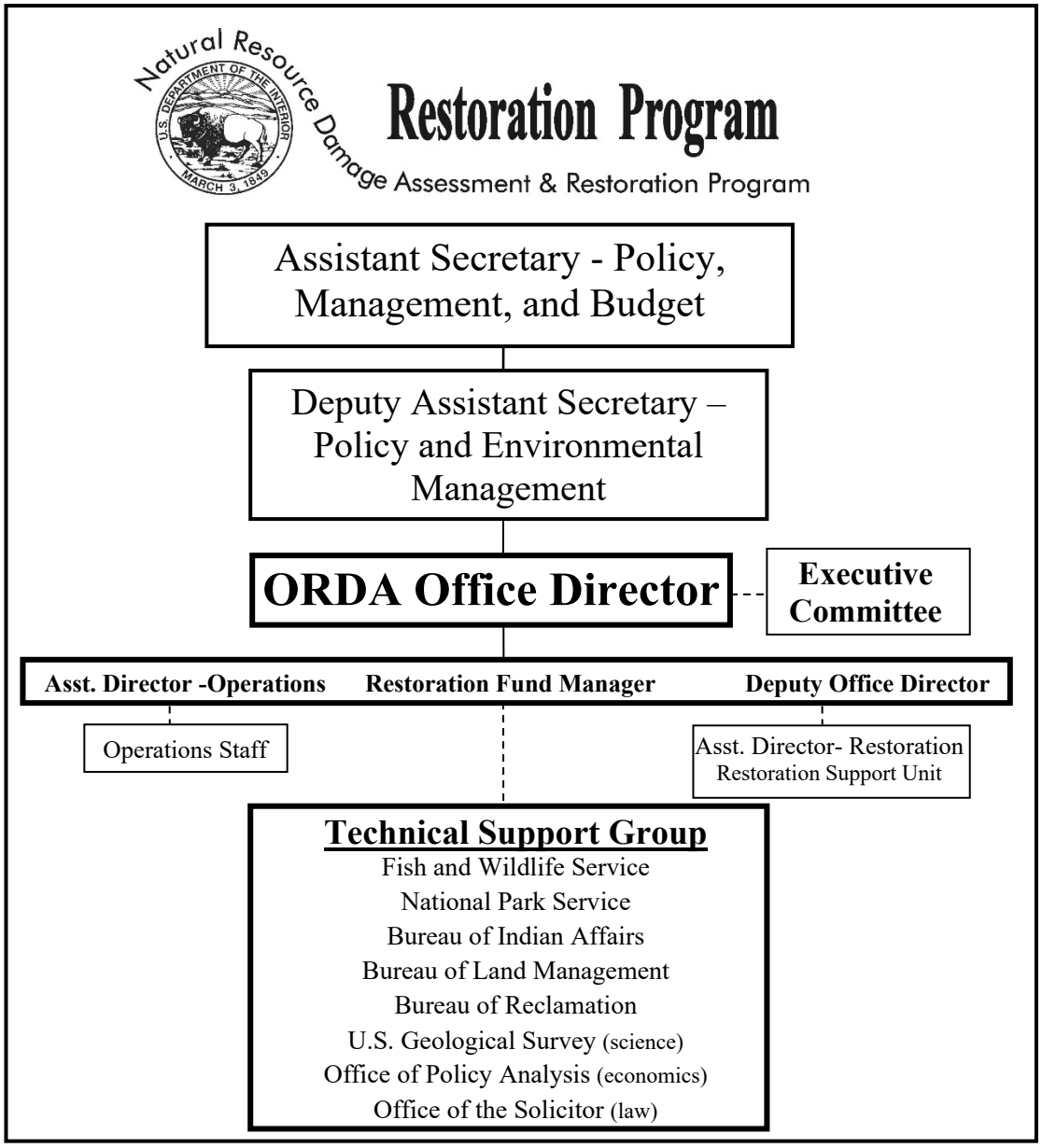
Restoration expenditures for the Columbia and Remnant Dam removals have so far totaled $6.8 million ($2019) over the combined projects' 6-year duration. These expenditures supported approximately 85 job-years (total number of annualized full and part-time jobs) in the region, as well as approximately $6.1 million in labor income (salaries, wages, and benefits) and $8.3 million in value added (contribution of the restoration projects to gross domestic product (GDP)). The total value of the production of goods and services supported by the expenditures (economic output) was approximately $14.3 million. An additional $442,800 of in-kind labor was provided by FWS. These results also do not include additional future jobs and non-market benefits from increased opportunities for recreation, and improving and sustaining fisheries and wildlife habitat, among other resources.

Good Accounting Obligation in Government Act Report

The Good Accounting Obligation in Government Act (GAO-IG Act, P.L. 115-414) enacted January 3, 2019, requires that Agencies report the status of each open audit recommendation issued more than one year prior to the submission of the Agency's annual budget justification to Congress. The Act requires Agencies to include the current target completion date, implementation status, and any discrepancies on closure determinations.

The Department of the Interior leadership takes audit follow-up very seriously and considers our external auditors, to include the Government Accountability Office (GAO) and Office of the Inspector General, valued partners in not only improving the Department's management and compliance obligations but also enhancing its programmatic and administrative operations. As stewards of taxpayer resources, the Department applies cost-benefit analysis and enterprise risk management principles in recommendation implementation decisions. The Department's GAO-IG Act Report will be available at the following link: https://www.doi.gov/cj

The DOI Office of Restoration and Damage Assessment (ORDA) manages the Restoration Program, and currently consists of eighteen (18) direct FTE. They include the Office Director and eight Program Office and budget staff, and one natural resource economist housed in the Office of Policy Analysis, all located in its Washington, DC headquarters, and the Assistant Director for Restoration and seven Restoration Support specialists located in various field locations. The following organization chart goes beyond the small number of people in the Program Management Office and reflects the integrated management structure of the Program as a whole, with the inter-related components of six bureaus, the Office of the Solicitor, and the Office of Policy Analysis.



The Restoration Program reports to the Deputy Assistant Secretary – Policy and Environmental Management, under the Assistant Secretary - Policy, Management, and Budget (AS-PMB). There is also a "Restoration Executive Committee" representative at the assistant director level for BIA, BLM, BOR, FWS and NPS; and a Deputy Associate Solicitor. The Restoration Executive Committee is responsible for overseeing policy direction and approving allocation of resources.

Summary of Requirements

Natural Resource Damage Assessment Fund

Dollars in Thousands

Activity	2021		2022		Fixed Costs (+/-)	Internal Transfers (+/-)	Program Changes (+/-)	2023		Change from 2022 (+/-)	
	Amount	FTE	Amount	FTE				*Amount*	FTE	*Amount*	FTE
APPROPRIATED FUNDS											
Damage Assessments	2,000	*0*	2,000	*0*	0	0	0	2,000	*0*	0	*0*
Restoration Support	2,667	*9*	2,667	*9*	+116	0	+86	2,869	*9*	+202	*0*
Inland Oil Spill Preparedness	1,000	*1*	1,000	*1*	0	0	-98	902	*1*	-98	*0*
Program Management	2,100	*8*	2,100	*8*	+108	0	+80	2,288	*8*	+188	*0*
Total, Appropriation	**7,767**	***18***	**7,767**	***18***	**+224**	**0**	**+68**	**8,059**	***18***	**+292**	***0***
PERMANENT FUNDS (RECEIPTS)											
Damage Assessments	5,525	0	10,000	*0*	0	0	0	10,000	*0*	0	*0*
Restoration											
Prince William Sound Restoration	8,237	0	6,000	*0*	0	0	0	6,000	*0*	0	*0*
Other Restoration	559,365	0	590,900	*0*	0	0	0	592,900	*0*	+2,000	*0*
Program Management	237	0	100	*0*	0	0	0	100		0	*0*
Subtotal, Gross Receipts	**573,364**	**0**	**607,000**	***0***	**0**	**0**	**0**	**609,000**		**+2,000**	***0***
Sequestration Reduction	-342		-399		0	0	0	-399		0	*0*
Previously Unavailable Budget Authority	+472		+342		0	0	0	+399		+57	*0*
Transfers Out	-5,529		-8,000		0	0	0	-8,000		0	*0*
TOTAL, Net Receipts	**567,965**	**18**	**598,943**	**18**	**0**	**0**	**0**	**601,000**	***0***	**+2,057**	***0***

Natural Resource Damage Assessment and Restoration Program
Justification of Fixed Costs
(Dollars In Thousands)

Fixed Cost Changes and Projections	2022 Change	2022 to 2023 Change	Description
Change in Number of Paid Days	**+0**	**-21**	This column reflects changes in pay associated with the change in the number of paid days between FY 2022 and FY 2023. The number of paid days in FY 2023 is one day less than FY 2022.
Pay Raise	**+99**	**+222**	The President's Budget for FY 2023 includes one quarter of a planned 2.7% pay raise for FY 2022 and three quarters of a planned 4.6% pay raise for FY 2023.
Employer Share of Federal Employee Retirement System	**+34**	**+0**	This column reflects no budgeted increase for the employer contribution to the Federal Employee Retirement System.
Departmental Working Capital Fund	**+29**	**+0**	The change reflects the final FY 2023 Central Bill approved by the Working Capital Fund Consortium.
Rental Payments	**+4**	**+23**	The amounts reflect changes in the costs payable to General Services Administration (GSA) and others for office and non-office space as estimated by GSA, as well as the rental costs of other currently occupied space. These costs include building security. Costs of mandatory office relocations, i.e. relocations in cases where due to external events there is no alternative but to vacate the currently occupied space, are also included.

Natural Resource Damage Assessment and Restoration Program

Appropriations Language

NATURAL RESOURCE DAMAGE ASSESSMENT FUND

To conduct natural resource damage assessment, restoration activities, and onshore oil spill preparedness by the Department of the Interior necessary to carry out the provisions of the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9601 et seq.), the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), the Oil Pollution Act of 1990 (33 U.S.C. 2701 et seq.), and 54 U.S.C. 100721 et seq., $8,059,000, to remain available until expended.

Note.—A full-year 2022 appropriation for this account was not enacted at the time the Budget was prepared; therefore, the Budget assumes this account is operating under the Continuing Appropriations Act, 2022 (Division A of Public Law 117-43, as amended). The amounts included for 2022 reflect the annualized level provided by the continuing resolution.

Authorizing Statutes:

Comprehensive Environmental Response, Compensation, and Liability Act*, as amended, *(42 U.S.C 9601 et seq.). Section 106 of the Act authorizes the President to clean up hazardous substance sites directly, or to obtain cleanup by a responsible party through enforcement actions. Trustees for natural resources may assess and recover damages for injury to natural resources from releases of hazardous substances and use the damages for restoration, replacement, or acquisition of equivalent natural resources. Provides permanent authorization to appropriate receipts from responsible parties.

Federal Water Pollution Control Act (Clean Water Act),* as amended, *(33 U.S.C. 1251-1387). Authorizes trustees for natural resources to assess and recover damages for injuries to natural resources resulting from the discharge of oil into or upon the navigable waters of the United States, adjoining shorelines, the waters of the contiguous zone, or in connection with activities under the *Outer Continental Shelf Lands Act* or the *Deepwater Port Act of 1974*, or which may affect natural resources belonging to, appertaining to, or under the exclusive management authority of the United States.

Oil Pollution Act of 1990, (33 U.S.C. 2701 et seq.) Amends the *Federal Water Pollution Control Act* and authorizes trustee(s) of natural resources to present a claim for and to recover damages for injuries to natural resources from each responsible party for a vessel or facility from which oil is discharged, or which poses a substantial threat of discharge of oil, into or upon the navigable waters or adjoining shorelines or the exclusive zone.

System Unit Resource Protection Act, (54 U.S.C. 100721-25). Provides that response costs and damages recovered under it or amounts recovered under any statute as a result of damage to any Federal resource within a unit of the National Park System shall be retained and used for response costs, damage

assessments, restoration, and replacements. Liability for damages under this Act is in addition to any other liability that may arise under other statutes.

Natural Resource Damage Assessment and Restoration Fund; availability of assessments (43 U.S.C. 1474b). Provides permanent authorization for receipts for damage assessment and restoration activities to be available without further appropriation until expended.

Transfer of funds from Natural Resource Damage Assessment and Restoration Fund (43 U.S.C. 1474b-1). Provides authority to make transfers of settlement funds to other Federal trustees and payments to non-Federal trustees.

Dire Emergency Supplemental Appropriations for Fiscal Year 1992 (P.L. 102-229). Provides that the Fund's receipts are authorized to be invested and available until expended. Also provides that amounts received by United States in settlement of *U.S. v Exxon Corp. et al*. in FY 1992 and thereafter be deposited into the Fund.

ACTIVITY: DAMAGE ASSESSMENT

Appropriation: Natural Resource Damage Assessment	2021 Actual	2022 CR	Fixed Costs	Internal Transfers (+/-)	Program Changes (+/-)	2023 Request	Change from 2022 (+/-)
Activity:							
Damage Assessment $000	**2,000**	**2,000**	**0**	**0**	**0**	**2,000**	**0**
FTE	**0**	**0**	**0**	**0**	**0**	**0**	**0**

In 2023, the Restoration Program will continue to utilize a mix of discretionary appropriations, recovered assessment costs from recent settlements and/or returned funds from completed assessments, as well as advanced funds from cooperative responsible parties to meet its damage assessment workload requirements. Funding will support ongoing damage assessment efforts at approximately 21 sites and maintain the Restoration Program's damage assessment capability. The Program estimates 53 additional ongoing cases will continue to proceed towards settlement as well, using previously allocated funds from prior years, with potentially up to 8 cases settling in 2023.

The requested funding will allow the Program to maintain the current caseload of damage assessment projects and its focus on the highest priority sites. Additionally, increased focus will be given to cases conducting damage assessment activities in areas consistent with the Administration's priorities, including supporting Tribal communities, communities of color, and rural communities, as well as seeking opportunities to address environmental justice issues.

Fish consumption advisory sign warning of mercury contamination in the South River, VA (photo: FWS)

Activity Overview:

Damage assessment activities are an important first step taken by the Department on the path to achieving restoration of natural resources impaired through the release of hazardous substances. The source, effect, and magnitude of the impairment must first be identified, investigated, and thoroughly understood if the subsequent restoration is to be effective. Through the damage assessment process, physical and scientific evidence of the

impact to natural resources is documented and analyzed, which then forms the basis for a claim for appropriate compensation (or in-kind services) to compensate the American public for the loss and use of impaired Federal resources.

Damage assessment cases are conducted by one or more of the resource management bureaus within the Department: Fish and Wildlife Service, National Park Service, Bureau of Land Management, Bureau of Indian Affairs, and Bureau of Reclamation. Economic analytical support is provided by the Office of Policy Analysis; scientific and technical analysis and support is provided by the U.S. Geological Survey; and the Office of the Solicitor provides legal counsel. In nearly all cases, the Department's assessment activities are carried out in partnership with other Federal, State, and/or Tribal co-trustees. These partnerships have proven advantageous, as cooperation, consultation, and collaboration amongst the trustees facilitates addressing resource management concerns and consolidates those concerns into a single case. Trustees can also share data, achieve economies of scale, avoid duplication of effort and minimize administrative burdens and expenses. Responsible parties also benefit, as they are able to address all trustee concerns in a single, unified case.

The map on the following page shows a snapshot of the Department's damage assessment and restoration cases from the Damage Assessment and Restoration Tracking System (DARTS) https://www.cerc.usgs.gov/orda_docs/Map.html. This map shows the current status of the case (assessment, restoration, assessment/restoration, or closed), as well as the type of incident (oil, mining, chemical or other). This system currently shows case documents for 269 of the Department's NRDAR cases for which there is a publicly available document such as an assessment plan, consent decree, or restoration plan.


Marker Symbol
Chemical (143 sites)
Mining (28 sites)
Oil (83 sites)
Other (2 sites)
Marker Color
Assessment (27 sites)
Assessment/Restoration (3 sites)
Restoration (148 sites)
Closed (78 sites)
0
1,000 km
0
500 mi
N
Esri, HERE, Garmin, FAO, NOAA, USGS, EPA, NPS
May 2021
UNITED STATES
MÉXICO
CUBA
Gulf of Mexico
Caribbean Sea

ACTIVITY: RESTORATION SUPPORT

Appropriation: Natural Resource Damage Assessment	2021 Actual	2022 CR	Fixed Costs	Internal Transfers (+/-)	Program Changes (+/-)	2023 Request	Change from 2022 (+/-)
Activity: Restoration Support $000	**2,667**	**2,667**	**+116**	**0**	**+86**	**2,869**	**+202**
FTE	**8**	**9**	**0**	**0**	**0**	**9**	**0**

Under the Restoration Support activity, the Program advances restoration efforts and the expenditure of settlement funds to develop and implement restoration plans. The Program will continue to focus its activities in support of restoration of resources the Department manages and will see increased restoration outputs and outcomes through existing restoration support staff and resources and increased settlement funds. This will become especially apparent with the continued receipt of Deepwater Horizon oil spill settlement funds and the trustee council's abilities to begin implementation of larger on-the-ground restoration projects. While it is difficult to predict with certainty, the Program anticipates the FY 2023 performance targets will include the cumulative restoration of 46,573 acres and 144 stream or shoreline miles. The Department and its co-trustees will accomplish these goals using settlement funds or in-kind services received in settlement of damage assessment claims with responsible parties.

In FY 2023, the Program will continue its focus on planning, implementation, oversight and monitoring of restoration actions Nationwide. Following the release of a hazardous substance, the natural resource trustees evaluate the impairments to trust resources and develop a restoration plan that outlines the restoration projects to be conducted. The goal of the restoration project is to restore resources or services lost as a result of the spill or release to baseline condition, or the level that would exist had the spill or release not occurred. For example, if an oil spill impacts beach dune habitat that is used by shorebirds for nesting, then a restoration project could be designed to restore or create similar dune or beach habitat. Similarly, if the removal of a hazardous chemical or substance from a wetland resulted in the loss of that wetland, the resulting restoration projects could be designed to restore the same wetland at its current location to baseline condition, or to replace or acquire equivalent similar habitat. Lastly, many incidents also negatively impact the public's use and enjoyment of the lands and resources, and thus, many restoration plans include projects to compensate the public for that loss, often by way of increased access to the restored resources and providing for enhanced recreational opportunities.

Activity Overview:

The restoration of natural resources is the mission of the Department's Restoration Program. Every action the Restoration Program undertakes during the damage assessment phase is done with the end goal of restoration in mind. Upon the successful conclusion of a damage assessment and achieving settlement with the responsible parties, bureaus work in partnership with other affected State, Federal, Tribal and/or foreign co-trustees to use settlement funds to identify, plan, and implement restoration activities. Under

the Restoration Support activity, the Program continues its coordinated effort to focus greater attention on restoration activities and to expedite the application of settlement funds to develop and implement restoration plans. Upon request, the Program's Restoration Support Unit (RSU) provides support to the Department's case managers and teams and assistance with meeting various legal and regulatory compliance requirements, identifying possible partnering opportunities, and drafting appropriate documents. The RSU's involvement in assessments, for example, allows restoration options to be identified earlier, which increases the efficiency and reduces restoration timelines. In addition, the Program continues to work with the USGS to develop monitoring protocols to better measure the success and impacts of restoration efforts.

In meeting the statutory and regulatory requirements of Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and the Oil Pollution Act to restore, replace, or acquire the equivalent of impaired natural resources, these restoration activities encompass a wide variety of projects that support the Department's mission of conserving natural and cultural resources. By working with its co-trustees and local partners on restoration activities, the Program can focus ecological restoration actions in a way that supports the Administration's initiatives and Departmental goals. The Restoration Program estimates that approximately $3.0 billion in settlement funds will be available in FY 2023 for restoration projects approved by co-trustees. In addition to settlement funds deposited into the Restoration Fund, the Department is party to other natural resource damage settlements where settlement funds are deposited into a court registry or some other account selected by the trustees. Additionally, there are a number of settlements where the responsible parties have agreed to undertake or implement the restoration actions, with trustee agencies providing oversight to ensure compliance with the terms of the settlement and adherence to the approved restoration plan. Once fully implemented, the restoration actions are then evaluated through long-term monitoring by the trustees to ensure they have been effective and met the goals of the restoration plans.

Justification of 2023 Program Changes

The 2023 budget request for Restoration Support is $2,869,000 and 9 FTE, a program change of +$86,000 and 0 FTE from 2022 level.

The 2023 budget includes important investments in programs needed to help strengthen America and be more competitive as the world continues to change. These investments include funding needed to maintain a strong, talented workforce and the must pay requirements needed to continue to fulfill the Restoration Support mission. The budget includes a program increase of $86,000 in this program which reflects the incremental amount needed to cover the fixed costs associated with mission operations in FY 2022. This request in combination with the FY 2023 fixed costs amounts will allow the program to meet must pay requirements without impacting program activities.

In addition to restoration planning and on-the-ground project implementation, the Restoration Program looks to state-of-the-art science and novel techniques to assist case teams and trustee councils. The RSU works with scientists within the government, partners with non-government organizations (NGO) with specific skill sets or utilizes in-house expertise to advance the science of restoration and monitoring. The following are two examples of such efforts:

- Partnering with the FWS to support the National Wetlands Inventory (NWI) in deriving new wetland maps based on more-recent imagery—particularly in areas that contain high densities of early-phase NRDAR cases. Many areas with early-phase NRDAR cases are currently covered by NWI data that are largely based on imagery from the 1970s or 1980s. Updated NWI data derived from more-recent imagery, will improve the quality of "best-available evidence" on which trustees and case teams base their decisions. Specifically, this funding will support the accurate identification of similar, nearby reference ecosystems, and thus, foster establishment of accurate baseline conditions, development of appropriate monitoring benchmarks, and delineation of areas with high potential for realty actions to protect similar resources off-site, when necessary.

- Establishing a partnership with non-governmental organizations to plan and develop community science monitoring programs for cases in Montana and Utah. For the Utah project, trustees will enlist the help of community organizations to collect information on bird use after the restoration is complete. For the Montana project, elementary and high school students will monitor the progress of a nearby restoration project. Following the establishment of these monitoring programs, ORDA will partner with these groups to share lessons that can be applied to other restoration projects. This has a dual benefit of increasing the Program's knowledge on the progress of the case while at the same time involving students in a STEM project.

Deepwater Horizon / Gulf of Mexico Oil Spill Settlement

The April 2010 Deepwater Horizon (DWH) oil spill in the Gulf of Mexico resulted in the largest offshore oil spill in U.S. history. On April 4, 2016, the U.S. District Court for the Eastern District of Louisiana approved a historic $20.8 billion settlement agreement with BP Exploration and Production (BPXP), the party found to be primarily responsible for the oil spill. Per the terms of the settlement, BPXP will pay the trustees up to $8.8 billion for restoration to address natural resource damages. These funds will be used to implement restoration projects detailed in the trustees' Programmatic Damage Assessment and Restoration Plan and Programmatic Environmental Impact Statement. BPXP has made payment for the first five years, totaling $2.1 billion to the Restoration Fund, with future annual payments of $490 million scheduled to continue through 2031.

RESTORING RESOURCES

Habitat restoration and protection is at the core of the NRDAR program. The end result of the assessment and planning process is to restore, replace, or acquire the equivalent of those natural resources that were impaired. The DOI bureaus charged with restoring these resources work closely with co-trustees in Federal, State, and Tribal governments to improve the delivery of natural resources for the American public. Similarly, the Administration's priorities to address climate change, conserve lands and waters, strengthening government-to-government relationships with Tribal Nations, and supporting equity and environmental justice are core to the NRDAR program. Climate change and resiliency planning is a standard component in restoration planning through evaluations of long-term viability of projects through the National Environmental Policy Act (NEPA). Conserving and preserving lands is a major tool in the process for restoring natural resources, including land acquisition and establishing conservation

easements for long-term protection of natural resources. Working with trustee councils in consensus building requires good relationships for NRDAR cases that include Tribal resources, as well as those cases or projects that may affect Tribal interests. Evaluating the impacts on under-served communities is critical to the restoration planning process through NEPA but also is key to the repair of areas that have been historically contaminated. This will continue to be a focus of the NRDAR program as more remedial plans are finalized in cooperation with the Environmental Protection Agency. The nature of the activities of the NRDAR process require that this program be strongly aligned with the Administration's priorities.

The Department, together with its Federal, State, and Tribal partners are involved in hundreds of ongoing restorations across the Nation. Many of these sites' restoration needs present opportunities for restoration actions that are in sync with Administration priorities, including support for Tribal Nations and protecting habitat and natural and cultural resources. The following pages illustrate the successful implementation of natural resource restoration within the NRDAR program. From implementing beach and dune improvements to restore shoreline and protect wetlands, to supporting regional dam removal projects that connect fisheries to upstream areas, to providing funds to continue long-term monitoring of key avian species, the Department has many restoration success stories that support natural resource recovery across the country and beyond.

T/V Exxon Valdez Crude Oil Spill, Alaska

The Kodiak Archipelago, Alaska, is home to the Alutiiq people and over 250 species of fish, birds, and mammals, including the iconic Kodiak brown bear, frolicking sea otters, all five species of Pacific salmon, photogenic puffins, and majestic bald eagles. Collaborative efforts among the Great Land Trust (a local nonprofit land conservation organization), Koniag, Inc. (the local regional Alaska Native corporation under the Alaska Native Claims Settlement Act), the State of Alaska, the Bureau of Land Management, the U.S. Fish and Wildlife Service, and Exxon Valdez Oil Spill NRDAR Trustee Council have worked to protect and conserve these incredible natural resources.

After the Exxon Valdez Oil Spill, the Kodiak Archipelago became a priority for species recovery and habitat protection. The Exxon Valdez Oil Spill in Prince William Sound, Alaska, remains the largest tanker spill in United States history. In March of 1989, the T/V Exxon Valdez ran aground on Bligh Reef, spilling more than 11 million gallons of crude oil into Prince William Sound and the surrounding waters, and contaminated approximately 1,300 shoreline miles in the area. More than 250,000 seabirds, 2,800 sea otters, 300 harbor seals, 250 bald eagles, up to 22 killer whales, and billions of salmon and herring eggs were lost. At least 28 animal and plant species and their habitats were impacted, some of which have still not recovered.

Over the years, there have been numerous restoration projects implemented to help compensate for the environmental harm caused by the spill. The Exxon Valdez Oil Spill Trustee Council has worked diligently to restore Prince William Sound and the greater spill area to what it once was by implementing restoration projects as part of the Natural Resource Damage Assessment and Restoration Program.

In May 2021, project partners closed on a deal using Exxon Valdez Oil Spill NRDAR funds to conserve the subsurface estate under nearly 89,000 acres of prime surface habitat on public lands in the

Mouth and estuary of Thorsheim Creek. Photo: Great Land Trust.

Archipelago. The conserved acreage is comprised of over 15 parcels of land and islands in different areas of the Archipelago. The surface estate in these areas had been previously protected with Trustee Council funds or other conservation actions due to their high values to supporting fish and wildlife and to the people who depend on these areas for subsistence, recreation, and overall ecological wellness. Now, the conservation of the subsurface estate ensures that extraction of underground resources will not jeopardize the ecological integrity and health of these pristine public lands and natural resources.

One of the areas fully protected under this project is a 1,953-acre block of pristine habitat on the northwestern coast of Afognak Island encompassing most of the Thorsheim Creek watershed. The parcel includes dense Sitka spruce coastal forest, a freshwater lake and its associated streams, 50 acres of wetlands, and 4.5 miles of coastline. It is home to several species of salmon, several species of birds (such as pigeon guillemots, black oystercatchers, Kittlitz's murrelets, and bald eagles), sea otters, Kodiak brown bears, and Roosevelt elk, to name a few of the vast natural resources. Protection of the natural resources on the surface of the land was accomplished in 2017 just in time to prevent a timber harvest that would have likely harmed the land's value to fish and wildlife. The protected land also helped to create a protected contiguous corridor for wildlife moving between State of Alaska Park lands and National Wildlife Refuge lands. Protection of the underground resources helps to ensure that this incredible habitat remains intact and healthy in the future.

The Exxon Valdez Oil Spill NRDAR program has a long history of working with partners to fund large habitat protection and habitat restoration efforts across the area impacted by the oil spill, which spans more than 73,000 square miles. For more information, visit: https://evostc.state.ak.us/

Coeur d'Alene Basin, ID

For more than 100 years, the Coeur d'Alene Basin in Idaho was one of the most productive silver, lead, and zinc mining areas in the United States. The majority of mining and mineral processing in the Basin occurred along the South Fork of the Coeur d'Alene River and its tributaries. The mine wastes generated by these operations contain hazardous metals, including lead, zinc, cadmium, and arsenic. A significant portion of these wastes was discharged into the Coeur d'Alene River and its tributaries. Tailings and contaminated sediments continue to be deposited in the Coeur d'Alene River channel, levees, and floodplain, as well as in lakes and wetlands next to the river and Coeur d'Alene Lake.

In 1983, the Environmental Protection Agency listed the Bunker Hill Mining and Metallurgical Complex Superfund facility, which was located on the South Fork of the Coeur d'Alene River, on the National Priorities List. In 2008 and 2011, the Natural Resource Trustees, including the Coeur d'Alene Tribe, the State of Idaho, and the Departments of Agriculture and Interior, reached settlements with two large mining companies to resolve one of the largest Superfund natural resource damage assessment cases in the Nation. Today, the Coeur d'Alene Basin Natural Resource Trustees continue to collaborate to restore natural resources that were injured by releases of mine waste contamination and compensate for lost human use services of those resources. The following activities are recent highlights from these collaborative efforts:

Conservation of Agricultural to Wetlands Conversion Properties within Canyon Marsh (U.S. Fish and Wildlife Service sponsor with the Inland Northwest Land Conservancy)

Finalized three conservation easements with private landowners on drained agricultural land that will eventually be converted to functional wetlands. Initiated discussions with the U.S. Environmental Protection Agency about future opportunities for remediation to provide clean habitat for waterfowl and other wetland dependent species. Assessed water and vegetation management techniques that could be used to optimize waterfowl feeding habitat in areas with low levels of contamination.

Canyon Marsh Complex, Lower Coeur d'Alene River

Red Ives Phase I Dam Removal (U.S. Forest Service sponsor)

Red Ives Dam Removal, Upper St. Joe River

Completed the removal of an abandoned hydroelectric dam to provide for fish passage and improved 200' of streambank and aquatic habitat for bull and cutthroat trout. Began staging large woody debris for Phase II fish habitat improvement activities.

***Guł Hnch'mchinmsh* - Native Willow Nursery for Support of Restoration Actions throughout the Restoration Partnership Project Area (Coeur d'Alene Tribe sponsor)**

Native Willow Nursery, St, Joe River near Hepton Lake

The Coeur d'Alene trustees established a nursery for native willow species to provide a low cost, steady supply of cuttings for riparian and floodplain restoration projects sponsored by the Coeur d'Alene Basin Natural Resource Trustees. To date, the nursery has supplied cuttings for Bureau of Land Management, and Idaho Fish & Game restoration projects. Most importantly, this project addresses lost cultural and traditional uses of willows in wide range of tribal activities, including basketry, in sweat lodges, and in ceremonial practices. The project has developed into a long-term functional nursery that will produce multiple species of willow for both tribal cultural needs and for implementing on-the-ground landscape restoration.

Wetland and stream enhancement at Cougar Bay on Coeur d'Alene Lake (Bureau of Land Management and U.S. Fish and Wildlife Service sponsors)

Reconstructed a new meandering stream and associated wetlands to hydrologically reconnect the floodplain near the mouth of Cougar Creek. Diverting streamflow from the existing drainage ditch to the new channel benefits waterfowl, fish, and improves nutrient filtering and water quality into Lake Coeur d'Alene. Project activities included reducing reed canary grass and planting a variety of native trees and shrubs.

Cougar Bay on Coeur d'Alene Lake

Blackburn and Union Privileges NPL Site, MA

On February 16, 2022, the Mill Pond Dam came down stone by stone, crumbling away and allowing Traphole Brook to run free for the first time in more than 170 years. While older dams can often look unassuming, they can have significant environmental impacts. The Mill Pond dam was an earthen dam approximately 100 feet long with a stone spillway and was the only known dam on the Traphole Brook.

Mill Pond Dam removal. Photo: MADEP.

Traphole Brook is an unusual coldwater fishery, located just outside of Boston in Norwood, Massachusetts. Restoring this brook will allow eastern brook trout and other aquatic organisms to move freely throughout the watershed. The dam's removal will also increase the stream's resiliency to future flood events and helps protect upstream and downstream infrastructure. The Town of Norwood has overseen the restoration effort on behalf of the project partners, including the MA Department of Environmental Protection, MA Division of Ecological Restoration, Neponset River Watershed Association, Trout Unlimited, and the U.S. Fish and Wildlife Service. About $1 million in funding for the project came from the Commonwealth's Municipal Vulnerability Preparedness Program, with an additional $370,000 from the Blackburn and Union Superfund Site natural resource damages settlement. The Department of the Interior's Office of Restoration and Damage Assessment provided an additional $120,000 at the last minute

to help the partners meet a funding shortfall. The restoration will help compensate for impacts to riverine and wetland habitat in the Neponset River Watershed caused by contamination from the Blackburn and Union Superfund Site. Operations of various industrial facilities exposed the 22-acre site, as well as downstream aquatic and wetland habitats on the Neponset River to asbestos, arsenic, lead and other hazardous substances.

Video and photos of the removal can be viewed here: https://www.wbur.org/news/2022/03/01/dams-river-massachusetts-demolish.

Deepwater Horizon Oil Spill, Texas

In December 2021, construction began on the *Deepwater Horizon* Natural Resource Damage Assessment Texas Trustee Implementation Group's McFaddin Beach and Dune Restoration Project, which includes restoring approximately 17 miles of degraded shoreline along the southern edge of McFaddin National Wildlife Refuge. The project will restore a beach and dune ridge barrier that historically protected the wetlands of the Salt Bayou. It is modeled after an extremely successful 2017 pilot project, which completed 2.9 miles of restored shoreline in the same area.

McFaddin NWR Dune and Ridge Pilot Project. Photo:USFWS

The Salt Bayou ecosystem is a small-scale estuary with an array of different habitat types including freshwater to saltwater marshes, coastal grassland prairies, submerged aquatic vegetation, tidal creeks and small bays. This diverse array of habitats creates an extremely productive complex for fish and wildlife resources and provides outdoor recreational opportunities. It also protects the developed infrastructure of the nearby petrochemical industry and the Intracoastal Waterway from tropical storms and hurricanes. The Salt Bayou ecosystem is the largest continuous estuarine marsh complex in Texas.

For the McFaddin Beach and Dune Project, the Trustees' contractors are using methods that have proved highly successful in the past. Sediment is pumped to the beach from a borrow area located approximately 1.5 miles off the refuge's coast. It is then graded to meet design specifications for the beach and dunes. Once the beach nourishment and sediment sculpting are completed, a contractor will plant native plants in the restored dune system.

The Gulf of Mexico breaching the McFaddin NWR dunes and contaminating wetlands. Photo: USFWS

For decades, a group of State, local, and Federal stakeholders have sought to restore the Salt Bayou watershed. Working together, they completed the Salt Bayou Watershed Restoration Plan in 2013 and since that time, they have worked tirelessly to implement four distinct elements: restoration of the mouth of Keith Lake Fish Pass; restoration of the Salt Bayou Watershed across the Intracoastal Waterway; restoration of the marsh inside the conservation lands; and restoration of the beach ridge. The McFaddin Beach and Dune Ridge Project is the final piece needed to fulfill their plan.

The McFaddin Beach and Dune Project was approved in the Texas Trustee Implementation Group Final 2017 Restoration Plan / Environmental Assessment and includes a budget of approximately $18.3 million, which comes from the *Deepwater Horizon* NRDA settlement.

Wetlands of McFaddin National Wildlife Refuge. Photo: USFWS

The Texas Trustees are but one of the project partners, however. With a total estimated cost of $87 million, other funding contributors include: the Coastal Erosion Preventionand Response Act (CEPRA) program; Texas General Land Office Surface Damage Funds; Gulf of Mexico Energy Security Act (GOMESA); Jefferson County; National Fish and Wildlife Foundation's Gulf Environmental Benefit Fund; U.S. Fish and Wildlife

Service; and the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act (RESTORE ACT).

Montrose Chemical Superfund Site, Channel Islands, California

The goal of the Channel Islands Bald Eagle Restoration Program is to restore a self-sustaining population of bald eagles to the Channel Islands. In 2022, the National Park Service will continue the Bald Eagle & Peregrine Falcon Monitoring project at the Channel Islands off the coast of California. This work will continue an important, long-term monitoring dataset that began in 1980 when bald eagles were first reintroduced back to the Channel Islands. The Institute for Wildlife Studies crew are already across the Channel Islands monitoring bald eagles and peregrine falcons for 2022. As of March 2022, three of the bald eagle nests which the public can view online through real-time nest cameras had nesting pairs including: Two Harbors and West End on Catalina Island; and Sauces Canyon on Santa Cruz Island. The West End nest successfully hatched three chicks in mid-March. (https://explore.org/livecams/bald-eagles/bald-eagle-west-end-catalina)

Bald eagle hatchling on the Channel Islands. Photo: Institute for Wildlife Studies

Bald eagles disappeared from the Channel Islands by 1960 due primarily to dichlorodiphenyltrichloroethane (DDT) contamination in the food chain. Federal and State governments held the Montrose Chemical Corporation of California and several other parties responsible for the discharge of dichlorodiphenyltrichloroethane (DDT) and polychlorinated biphenyl (PCB) into the ocean near Los Angeles, CA. In 2000, a final settlement was reached, ending ten years of litigation. Approximately $38 million was made available from multiple legal settlements to restore injured natural resources. The Montrose Trustee Council (Department of the Interior, represented by the Fish and Wildlife Service and the National Park Service; the Department of Commerce, represented by the National Oceanic and Atmospheric Administration; and the State of California) have pursued a number of important bald eagle and seabird restoration projects in Channel Islands National Park, using funding from the Montrose Settlement Restoration Program (MSRP).

As part of the restoration program, 61 bald eagles were reintroduced to Santa Cruz Island from 2002 through 2006. The first major milestone for the program occurred in 2006 when the first chick hatched naturally on Santa Cruz Island in over 50 years. In 2015, another major milestone was reached in the Program with the 100th bald eagle to naturally hatch and fledge from the Channel Islands. Totals for the

A-49 banding day in nest. Photo: Institute for Wildlife Studies

2021 season included 20 known bald eagle breeding pairs producing 25 chicks of which 23 successfully fledged. In 2021, bald eagles were nesting on five of the eight Channel Islands, including Santa Catalina, San Clemente, Santa Cruz, Santa Rosa, and Anacapa Islands. The last comprehensive survey for peregrine falcons was in 2017 which document a total of 48 occupied peregrine falcon territories across all eight Channel Islands. This is a significant increase compared to the 2007 survey which documented 27 nesting territories. A minimum of 58 peregrine falcon chicks are known to have hatched on the Channel Islands in 2017, of which 49 are known to have survived to ~28 days of age.

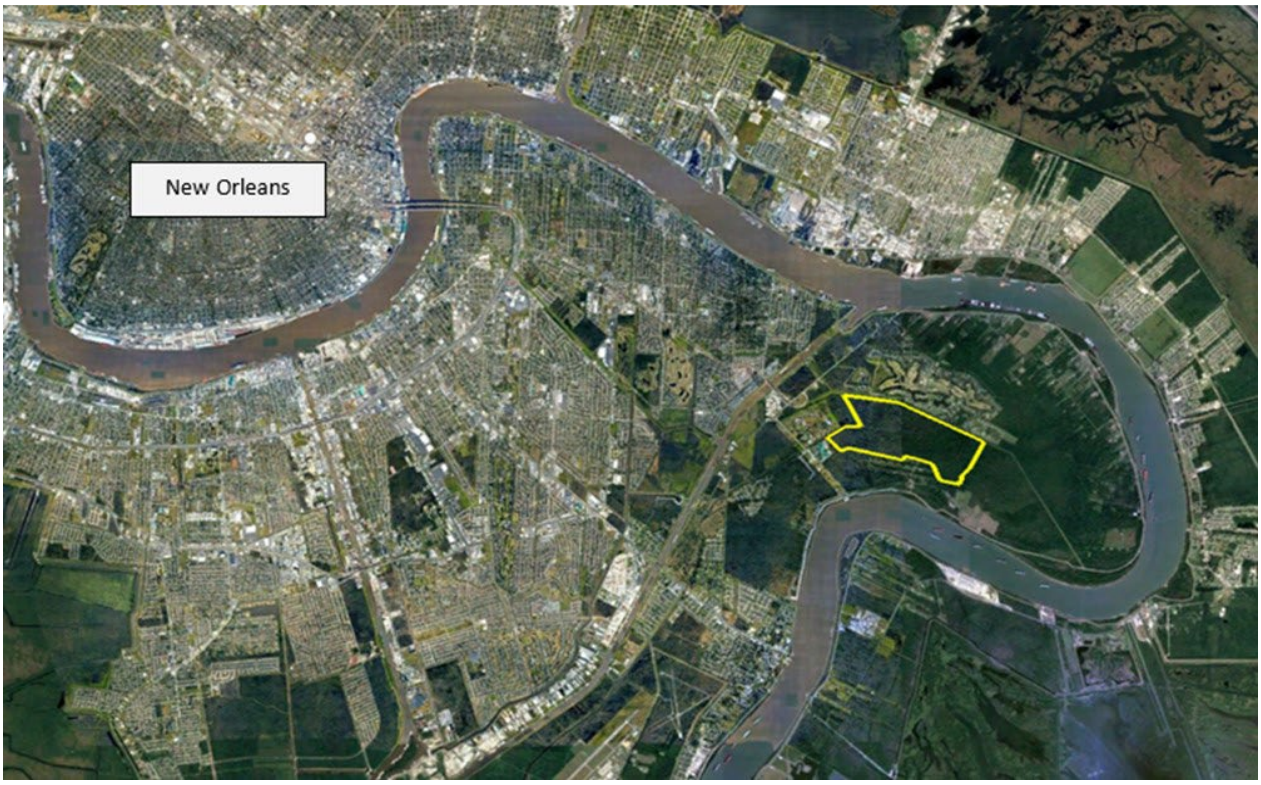
The Natural Resource Trustees goal is to restore self-sustaining bald eagle populations and facilitate the recovery of peregrine falcons to the Channel Islands. Past and future monitoring provides valuable information about bald eagles on the Channel Islands, including population status, distribution, territory occupancy, nest success, productivity, and diet. These measures are all indicators of population health and are important to understanding whether bald eagles and peregrine falcons can naturally sustain a stable or increasing population on the Channel Islands.

Barge DM932 Oil Spill, LA

In July 2008, Barge DM932, which is owned and operated by American Commercial Barge Line, LLC., was struck by the oil tanker M/V Tintomora in the Mississippi River at New Orleans. The collision compromised the internal compartment of Barge DM932 and caused the discharge 280,000 gallons of fuel oil into the river. The spill affected over 100 miles of river downstream, impacting habitats and wildlife, disrupting commercial and recreational activities, and interfering with channel dredging activities.

The Trustees (DOI, NOAA, and the State of Louisiana) published a draft restoration plan and environment assessment in May 2021 and a final document in August 2021. The final plan includes acquisition and management of approximately 650 acres of habitat in northern Plaquemines Parish, Louisiana, to address injuries to terrestrial birds and habitat; creation of marsh habitat in the Pass-a-Loutre Wildlife Management Area in the Mississippi delta; and a cash settlement to compensate the public for recreational use injuries. The Department of the Justice lodged the final Consent Decree in October 2021.

In early 2022, American Commercial Barge Line, LLC purchased 649 acres of forested wetland in Belle Chasse, Louisiana from the Plaquemines Parish government and donated it to the Woodlands Conservancy for permanent protection and management. Given the land losses expected during the next 30-45 years due to coastal erosion and development, the property is likely to be one of the largest intact forested land masses remaining between the Gulf of Mexico and the city of New Orleans. The property supports many species of migratory birds, 200-year-old bald cypress trees, and features 10 miles of hiking and equestrian trails.



649 acres of forested wetlands (outlined above) acquired and preserved by funds from the 2021 Barge DM932 NRDAR settlement.

ACTIVITY: INLAND OIL SPILL PREPAREDNESS

Appropriation: Natural Resource Damage Assessment	2021 Actual	2022 CR	Fixed Costs	Internal Transfers (+/-)	Program Changes (+/-)	2023 Request	Change from 2022 (+/-)
Activity:							
Inland Oil Spill Preparedness $000	**1,000**	**1,000**	**0**	**0**	**-98**	**902**	**-98**
FTE	**1**	**1**	**0**	**0**	**0**	**1**	**0**

The Inland Oil Spill Preparedness Program was established in FY 2015 primarily to update training materials that had not been revised since 2005 and to train field-based response personnel. The Department's inland oil spill training course has been updated, and through the first quarter of FY 2020 has provided 27 courses with more than 640 individuals having completed the updated training. The Program has trained approximately 480 Department staff, 40 staff from other Federal agencies, and over 100 responders from State and local governments, and Tribes. In-person training was curtailed and limited to remote learning in 2020 and through 2021 due to the COVID-19 pandemic but are resuming with two courses scheduled for 2022 and 2023. In FY 2023, the Program will prioritize updating regional and local spill contingency plans and participation in regional and national oil spill exercises to ensure readiness.

Activity Overview:

The objective for the Inland Oil Spill Preparedness Program is to improve overall preparedness and the ability to respond to inland oil spills in ways that better protect the Nation's natural and cultural resources, historic properties, and public lands. When an inland oil spill occurs, personnel from the Department's bureaus are often among the first responders, along with State and local responders and the Environmental Protection Agency (EPA) on-scene coordinators. Pre-incident preparation requires contingency planning, including response teams efforts, planning, and inland oil spill drills.

Through its National Response System, the EPA leads the Federal response for inland oil spills, and the U.S. Coast Guard leads the Federal response for spills occurring offshore and in navigable waterways, including major rivers, lakes and bays. The Department is a primary Federal natural resource trustee with land and natural resources that could potentially be impacted by inland oil spills, including those managed by the Department's bureaus, and the trust lands and resources of Native American Tribes.

Justification of 2023 Program Change

The 2023 budget request for the Inland Oil Spill Preparedness activity is $902,000 and 1 FTE, a program change of -$98,000 and 0 FTE from the 2022 level.

The Department has made great strides in training personnel in inland oil spill response planning and now has a cadre of trained personnel in place throughout the Department. The Program anticipates savings through scaled-back training and travel using remote-learning tools and technology used broadly and successfully across the Department and with our partners during the pandemic years of 2020 and 2021.

ACTIVITY: PROGRAM MANAGEMENT

Appropriation: Natural Resource Damage Assessment	2021 Actual	2022 CR	Fixed Costs	Internal Transfers (+/-)	Program Changes (+/-)	2023 Request	Change from 2022 (+/-)
Activity: Program Management $000	**2,100**	**2,100**	**+108**	**0**	**+80**	**2,288**	**+188**
FTE	**7**	**8**	**0**	**0**	**0**	**8**	**0**

Program Management efforts and activities focus on providing the tools, processes, and resources necessary for the Department's bureaus to achieve the efficient restoration of natural resources. In 2023, Program Management funds will support ongoing Program efforts to improve efficiency and effectiveness and to reduce costs.

The FY 2023 request includes funding for staff within the Office of Restoration and Damage Assessment to manage settlement funds, maintain support systems, and promote restoration. In addition, funds will be provided to trustee bureaus and supporting offices for Technical Support Group (TSG) participation and overall program support, commensurate with the recent growth in the number and size of settlements and the resulting restoration case workload.

Activity Overview:

The Program Management activity provides the Office of Restoration and Damage Assessment the necessary resources to provide the strategic vision, direction, management, and coordination of inter-Departmental activities required to carry out the Restoration Program. It manages the intersection and complex interdisciplinary relationships between biology, environmental toxicology, natural resource management, economics, and law. The Program Management activity allocates damage assessment project funding; monitors program performance and ensures accountability; provides the framework for identifying and resolving issues that raise significant management or policy implications; manages the Restoration Fund; develops the Department's policies and regulations for conducting and managing damage assessment and restoration cases; responds to Departmental, Office of Management and Budget, and Congressional inquiries; and ensures coordination among Federal, State, and Tribal governments. Program Management funds also cover fixed costs such as office rent, the Departmental Working Capital Fund, and other similar charges.

The Restoration Program Office continues to utilize and refine its information technology tools including the Damage Assessment and Restoration Tracking System (DARTS), an online database system used to house case information, case proposals, and related documents. The Restoration Program Office will continue to enhance existing tools to improve effectiveness using integrated systems to track damage assessments, restoration actions, and outcomes. This online system supports case management from initiation, through damage assessment, claim close-out, restoration implementation and monitoring, and case closure. Users have the ability to enter information about individual restoration projects and have them displayed on their case pages for the public to view. This system produces functional reports for use by stakeholders; high-quality, accessible, relevant data; and provides a single, efficient location for data and documents. In 2023, enhancements to the system will include improvements to the data management library which allows users to search for information across several external repositories housing scientific data including USGS's ScienceBase and NOAA's DIVER system. Users have access to information across a spectrum of other systems which they can then use to support their work on their individual NRDAR cases. In addition to this search capability, DARTS will provide downloadable reports containing information about the study, the case it relates to, and a link to the system where the data is stored, cutting down the time for users having to search for this information across multiple systems.

The Restoration Program Office will continue outreach and coordination with Federal, State, and Tribal co-trustees to address issues of mutual interest among the different levels of government. These efforts will focus on improving assessment and restoration techniques and sharing best practices to increase efficiency and effectiveness while reducing costs.

Justification of 2023 Program Changes

The 2023 budget request for Program Management is $2,228,000 and 8 FTE, a program change of +$80,000 and 0 FTE from 2022 level.

The 2023 budget includes important investments in programs needed to help strengthen America and be more competitive as the world continues to change. These investments include funding needed to maintain a strong, talented workforce and the must pay requirements needed to continue to fulfill the Program Management mission. The budget includes $80,000 in this program which reflects the incremental amount needed to cover the fixed costs associated with mission operations in FY 2022. This request in combination with the FY 2023 fixed costs amounts will allow the program to meet must pay requirements without impacting program activities.

DISCLOSURE OF ADMINISTRATIVE EXPENSES

Section 403 of the Consolidated Appropriations Act, 2021 (P.L. 116-260) directs the disclosure of overhead, administrative, and other types of administrative support spending. The provision requires that budgets disclose current amounts and practices with regard to overhead charges, deductions, reserves, or holdbacks from program funding to support government-wide, Departmental, or bureau administrative functions or headquarters, regional, or central office operations.

For 2023, the Restoration Program's costs related to overhead, administration, and central/regional operations are addressed in three components of the budget, all under the heading of External Administrative Costs. These costs include amounts paid to bureaus, the Department, or other Executive Branch agencies to support bureau, Departmental or Government-wide administrative costs.

External Administrative Costs

(Dollars in Thousands)

	FY 2021 Actual	FY 2022 Estimate	FY 2023 Request
DOI Working Capital Fund			
Centralized Billings	87	114	115
Fee for Services	107	50	50
Direct Billings (Financial Mgmt)	130	125	130
Total, DOI Working Capital Fund	324	289	295
DOI Office of the Chief Information Officer			
Telecomm, Software and Support	5	5	5
Fish and Wildlife Service			
FWS User-Pay Cost Share	123	136	200
Bureau of Safety and Environmental Enforcement			
Personnel / HR Services	76	76	80
U.S. Geological Survey			
Common Services Support	48	80	80
U.S. Department of Justice			
DOJ Sec. 108 3% Offset Authority	79	150	150

Charges related to the Departmental Working Capital Fund (WCF) shown in the table reflect the Restoration Program's share of centralized Departmental expenses for items and expenses such as facility services, shared information technology management, security, mailroom services, costs associated with audited financial statements, and other WCF charges.

Charges related to the Office of the Chief Information Officer are for telecommunications, software licenses, and related services.

The Fish and Wildlife Service (FWS) levies its User-Pay Cost Share charges on damage assessment and restoration funds provided to the Service from the Restoration Program. Funds collected by FWS are used to offset a range of administrative costs and enterprise-level information technology expenses. For 2023, User-Pay Cost Share charges to the Restoration Program are estimated to be $200,000. The amount identified for 2023 is an estimate based on 2022 workload, and the actual amounts to be billed may change depending upon actual 2022 workload, the timing of settlements, and the ability to recover such costs through settlement negotiations. Indirect costs are not assessed on previous settlements or in cases where FWS indirect costs were not included or recovered in the final settlement.

Charges related to the Bureau of Safety and Environmental Enforcement identified in the preceding table reflect the Restoration Program's share of personnel management and human resources (HR) services provided to the Office of the Secretary, covering items such as HR policies and procedures, staffing and delegated examining, employee classification, Senior Executive Service appointments, personnel security, reorganizations, and reductions-in-force.

The U.S. Geological Survey (USGS) applies a seven percent administrative assessment overhead charge to all funds provided to USGS, primarily to the Columbia Environmental Research Center. Funds collected by the Center are used to offset common client administrative and facility expenses. Funds provided to USGS from the Exxon Valdez Oil Spill settlement include a nine percent general administrative assessment.

The Department of Justice (DOJ) applies a three percent offset to some, but not all, civil litigation debt collections made on behalf of the Restoration Program. Authority for these offsets can be found in Section 108 of the Commerce, Justice, and State Appropriations Act for Fiscal Year 1994 (P.L. 103-121, 107 Stat 1164 (1994). The offset is applicable to collections where the Department is the sole recipient of the funds. Funds subject to the offset authority are credited to the DOJ Working Capital Fund. The DOJ offset authority does not apply to restoration settlements jointly shared with non-Federal co-trustees that are collected by DOJ and deposited into the Restoration Fund.

The Program Management activity, which includes Restoration Program administrative functions, funds management, and central and regional operations, and does not assess or levy any internal program overhead charges, deductions, or holdbacks to support program operations.

Department of the Interior
Natural Resource Damage Assessment and Restoration

Employee Count by Grade
(Total Employment)

Employee Count by Grade	2021 Actuals	2022 Estimate	2023 Estimate
SES	0	1	1
Subtotal	**0**	**1**	**1**
GS/GM -15	4	4	4
GS/GM -14	3	3	3
GS/GM -13	3	4	4
GS -12	3	3	4
GS -11	4	2	2
GS -10	0	0	0
GS - 9	0	1	0
GS - 8	0	0	0
GS - 7	0	0	0
Subtotal, (GS/GM)	**17**	**17**	**17**
Total employment (actuals & estimates)	**17**	**18**	**18**