

**U.S. Department of the Interior
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MMS REQUESTS \$240.2 MILLION FOR FY 2000 BUDGET

The U.S. Department of the Interior's Minerals Management Service (MMS) is asking for \$240.2 million for the FY 2000 budget to manage mineral resources on the Nation's Outer Continental Shelf (OCS) in an environmentally sound and safe manner and to ensure that the American public receives fair market return for these publicly-owned resources.

"The OCS has played, and will continue to play, a significant role in our Nation's energy picture. This year, in particular, we are pleased that revenues from the Federal offshore oil and gas development program will directly support the President's Lands Legacy initiative," remarked Director Cynthia Quarterman.

"The MMS' programs and priorities are driven by our commitment to provide outstanding service to all of our customers: taxpayers, States, Indian Tribes and allottees, and the energy industry. This year's request is about \$16.2 million above the 1999 enacted level. A significant investment is proposed in the budget request for the Royalty Management Program (RMP) reengineering project, which is the agency's highest priority. Plans for the program call for fundamental changes in its business processes and support services so that in the 21st Century we can deliver the best royalty management services possible at the lowest possible cost. This investment is modest compared to the \$4 billion the agency collects on average each year from mineral leases on Federal and Indian lands," commented Director Quarterman.

This year's \$240.2 million request is about \$16.2 million above the 1999 enacted level. The request includes \$116.2 million in current appropriations (\$7.8 million less than the FY '99 enacted level) and \$124 million in offsetting collections (\$24 million above the FY '99 enacted level).

As can be seen from the decreases in current appropriations, the proposed overall increase in operating authority is offset by raising the cap on offsetting collections from last year's \$100 million to this year's \$124 million. Finally, the 2000 budget includes \$610.6 million in permanent appropriations to provide States their statutory share of mineral leasing revenues generated on Federal lands.

The request includes an additional \$10 million for the RMP reengineering effort. It is expected that reengineering will align RMP's multiple functions into two core end-to-end business processes, reduce RMP's auditing and collection cycle from six to three years, and simplify regulatory reporting requirements.

"The requested FY 2000 program increase of \$10 million will enable development and implementation of RMP's new financial systems module. The efficiencies achieved and capabilities acquired through reengineering will apply to all who do business with the RMP," commented Director Quarterman. "In addition, they will further enhance our ability to discharge Indian trust responsibilities and build upon the special policies and processes designed to serve the interests of Indian Tribes and individual Indian mineral owners."

The FY 2000 budget request includes funding to support additional inspection activities in the Gulf of Mexico. Also included is modest funding for MMS participation in international standard setting organizations which are increasing in importance as offshore oil and gas activities expand around the globe.

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