

**U.S. Department of the Interior
Minerals Management Service
Office of Public Affairs**

NEWS RELEASE

FOR RELEASE:

April 9, 2001

CONTACT: A.B. Wade
(202) 208-3985

PRESIDENT REQUESTS \$258.2 MILLION FOR FY 2002 MMS BUDGET

President Bush is requesting \$258.2 million for the Minerals Management Service Fiscal Year 2002. The budget request seeks increases that will allow MMS to successfully maintain its role as manager of the nation's offshore energy resources and ensure the public receives fair market value for mineral resources that are extracted from public lands.

"The FY 2002 budget request will allow MMS to address national energy issues that are vitally important to the security of the nation," stated MMS Acting Director Tom Kitsos. "It will also allow us to successfully meet the challenge of maintaining a balance between providing energy and protecting the environment."

The OCS has and will continue to play a significant role in our nation's energy picture. In 2000, the OCS oil and natural gas production accounted for roughly 25 and 26 percent, respectively, of the nation's domestic energy production. Oil production was over 500 million barrels and natural gas production was over 5 trillion cubic feet. The amount of oil and natural gas production in 2000 was the most ever produced on the OCS.

The FY 2002 budget request is \$11.6 million above the FY '01 enacted level. This request includes \$155.5 million in current appropriations, an increase of \$16.3 million; and \$102.7 million in offsetting collections from OCS rents, a decrease of \$4.7 million. Direct appropriations include \$149.4 million for royalty and offshore minerals management activities and \$6.1 million for oil spill research activities. In addition, the proposed FY '02 budget includes \$989.2 million in permanent appropriations to provide states their statutory share of mineral leasing revenues generated on federal lands. The 2002 proposal provides significantly increased resources for energy programs. Compared to FY 2000, the budget provides \$39 million or 33 percent more in appropriations.

The FY '02 budget will also allow the MMS to fund priority projects including:

- implementing new revenue management business systems
- meeting increased demand for MMS services in the Gulf of Mexico OCS to ensure safety and environmental protection
- supporting continued royalty-in-kind pilot projects
- implementing reforms in bureau financial management

MMS is the federal agency in the U.S. Department of the Interior that manages the nation's oil, natural gas and other mineral resources on the outer continental shelf in federal offshore waters. The agency also collects, accounts for and [disburses mineral revenues](#) from federal and Indian leases. These collections totaled more than \$8 billion last year and more than \$110 billion since the agency was created in 1982. Annually, nearly \$1 billion from those revenues go into the Land and Water Conservation Fund for the acquisition and development of state and federal park and recreation lands.

-MMS-

MMS Internet website address: <http://www.mms.gov>