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MMS SEEKS \$189.4 MILLION FOR FISCAL YEAR 1997 BUDGET

The U.S. Department of the Interior's Minerals Management Service (MMS) is seeking \$189.4 million for Fiscal Year (FY) 1997 to manage America's natural gas, oil and mineral resources on the Outer Continental Shelf (OCS), and to ensure that all mineral revenues owed from federal and Indian lands are properly collected, accounted for, and disbursed.

"The 1997 request for appropriations is the same as the 1996 Conference level, but approximately \$5 million below the 1995 enacted level," said MMS Director Cynthia Quarterman. "Clearly, meeting our obligations in 1997 will be a challenge for MMS. We will have to be firm in our resolve to continue to identify and implement more efficient methods of doing business."

Quarterman said the recently enacted Deep Water Royalty Relief Act is expected to spur increased leasing, development, and production activity in the deepwater regions of the Gulf of Mexico. "Interest in access to OCS sand and gravel resources for beach restoration and erosion control also continues to grow," she said. "Despite the increasing demand and workload, we will be relentless in safeguarding the environment and ensuring taxpayers a fair return on our Nation's OCS resources."

The MMS royalty management program also will continue to focus on finding ways to carry out its responsibilities more efficiently and effectively, according to Quarterman. "The royalty program has achieved outstanding results in terms of encouraging reporting timeliness and accuracy, and disbursing to states and Indian tribes in a timely manner," she said. "MMS will build on that record and expand the use of paperless reporting and electronic commerce to improve services."

Quarterman also pledged that the Royalty Policy Committee will play a partnership role in decision-making. MMS programs provide major fiscal and energy benefits to the Nation, Quarterman declared. About \$4 billion in mineral revenues are collected and distributed on an annual basis from federal and Indian lands, and OCS natural gas and oil production accounts for approximately 24 and 15 percent, respectively, of the Nation's energy production.

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