

The NewsRoom

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President Requests \$297.2 Million for FY 2008 MMS Budget

WASHINGTON -The FY 2008 budget for the Minerals Management Service (MMS) is \$297.2 million. This is an increase of \$16.2 million above the FY 2007 continuing resolution and \$4.9 million over the FY 2007 President's budget.

"This is a critical year for the nation and our growing energy needs," said Johnnie Burton, MMS director. "With this budget request, MMS can continue moving forward to ensure safe and clean development of needed ocean energy, as well as an efficient and accurate mineral revenue collection process," Burton said.

MMS budget priorities are designed to enhance current operations and meet future demands. The President's 2008 budget will allow MMS to ensure that the public receives the maximum benefit from America's OCS resources and mineral revenues.

In FY 2008, the agency will be implementing the 2007 – 2012 Outer Continental Shelf Oil and Gas Leasing Plan. An increase of \$4.0 million is requested for environmental analyses and workforce and program support. The 2008 budget also includes funding increases of \$1.3 million to account for the growing exploration activity and development in the ultra-deepwater area of the Gulf of Mexico and \$820,000 to ensure the proper plugging and abandonment of wells damaged during recent hurricanes. In addition, the budget requests \$1.45 million for the first year of a two-year initiative to institute an interactive payment reconciliation and billing system.

System upgrades implemented to meet new requirements of the Energy Policy Act of 2005 will be completed in 2007, allowing \$750,000 to be redirected to other priorities. A \$2.0 million reduction in the OCS program is included to reflect anticipated savings from increased productivity and efficiencies. Fiscal year 2007 also marks the completion of a four-year phased replacement of equipment at the National Oil Spill Response Test Facility. This allows for a \$500,000 reduction in that program.

The 2008 MMS budget for direct appropriations is \$161.5 million, \$3.2 million above the current 2007 CR level and \$2.1 million below the 2007 President's budget. Offsetting collections are estimated at \$135.7 million in 2008, an increase of \$13.0 million over the 2007 continuing resolution, and \$7.0 million over the 2007 President's budget.