

**FISH AND WILDLIFE SERVICE
BUDGET**

Budget

Part 251 Budget Justification

Chapter 3 Effect Statements

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3.1 Purpose. This chapter provides guidance, instructions, and formats to prepare effect statements for submission to House and Senate Interior Appropriations Subcommittees. The statements provide committee members with the official position of the Administration on budgetary and policy matters.

3.2 Introduction. Effect statements assess the budgetary or policy impacts of actions taken by the House or Senate Interior Appropriations Committees that differ with the President's budget or require clarification based on Administration policy. Effect statements labeled "Effect of House Action" are prepared in response to House Interior Appropriations Subcommittee action on the Interior Appropriations Bill and Report. These statements are sent to the Senate Subcommittee to aid in its funding and policy decisions and to the House Subcommittee to provide a record of the Department's position on House action. Effect statements labeled "Effect of House and Senate Action" are prepared after the Senate has completed action on the Interior Appropriations Bill and Report. These statements identify differences between the House and Senate Bills and Reports, and may present a Department position to aid the Conference Committee in resolving the differences.

3.3 Service Guidance for Preparing Effect Statements.

Effect statements will contain clear, concise, and objective information describing and differentiating between the President's budget request and the House or Senate marks (funding allowances). Effect statements will support the President's budget. However, if the Department approves a funding adjustment or policy change, the effect statement will serve as a justification for the Administration's change in position. Information contained in effect statements will be consistent with other information previously supplied to Congress; any inconsistencies must be clearly explained. An existing capability statement may be used in lieu of a new effect statement, if appropriate.

A. Effect Statements Following House Action. Each effect statement will include a standard heading and table identifying the requested level of funding for the proposed program. See Exhibit 1 for the format for an effect statement prepared in response to House action. "Effect of House Action" statements should include the following elements:

(1) House Action. Briefly state the specific action taken by the House, the rationale for the House action, and the amount of the increase or decrease from the President's request if not obvious from the table.

(2) House Report Statement. Directly quote relevant portions of the report. If report language is lengthy, provide a precise summary of the language. Cite the report and the page number of the report statement.

(3) House Bill Language. (Note: Include this section only if the item being considered involves bill language.) Extract the pertinent portion of the bill.

(4) Effect of House Action. If the item is an increase above the President's request, briefly state how the funds would be used and indicate what additional work would be accomplished with the funds and when and where it would be accomplished. If the action involves a decrease in funding, indicate what would not be accomplished as a result and explain any serious problems this would create for the program. Where appropriate, state effects in terms of the program's performance goals and bureau strategic goals. Note what, if any, significant local impacts are caused by the change. Note any relationships the change may have with other parts of the current budget and future budgets such as future potential commitments. Provide any relevant historical or other background information needed to understand the change or estimate its likely effect.

(5) Department Position. Stating a "Department Position" is optional. Do not merely state, "the Department opposes the change." If used in opposition to the proposed change, some or all of the following points must be made:

(a) Why does the Department oppose on a policy basis (including inconsistency with specific Presidential or Secretarial budget priorities or policy initiatives);

(b) Why the object of the change is technically not feasible for accomplishment or why it is not possible to obligate funds efficiently for this purpose during the fiscal year;

(c) What legal or social barriers prohibit implementation;

(d) For a Committee directive, state if a written report cannot be completed as described by the deadline for any reason or if it is cost prohibitive;

(e) For increases, discuss the factors establishing the relative priority of the item added compared with those of higher priority unfunded items, such as other construction projects or operational activities.

B. Effect Statements Following Senate Action. The information needed for "Effect of House and Senate Action" statements includes each of the items enumerated above as well as additional information based on Senate action. A change in the funding table is necessary to distinguish between the funding levels of the House and Senate. The effects of the Senate action can be captured after adding the following sections: Senate Action, Senate Report Statement, Senate Bill Language, and Effect of the Senate Action. An example of an "Effect of House and Senate Action" statement

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is provided in Exhibit 2. In cases where the Senate is proposing a funding or policy change that was not included by the House, the "Preferred Action" section presents an opportunity to support or oppose the change. In such cases, follow the "Department Position" guidance (3.3A(5)). In cases where the Senate is offering a different level of funding than the House mark or an adjustment to a proposed House policy, it is appropriate to present a Preferred Action. In all cases, a preferred action will require Departmental guidance or approval. However, it is appropriate for program offices to initially draft a preferred action for the Department to consider.

It is important to remember that the Service must take into account the effect of proposed changes across all programs and the Department must consider the impact of proposed changes across many bureaus. Thus, a policy or funding proposal that may be desirable to a given program may not have the same support from an Agency or a Departmentwide perspective.

3.4 Process. Effect statements are generally prepared during July and August of each year to assist the Members and staff of the House and Senate Interior Appropriations Subcommittees in evaluating the impacts of appropriations policy and funding levels. Effect statements are coordinated through the Service's Division of Budget, which assigns the statements to the appropriate Assistant Director, Regional Director, or other Headquarters Office. Regardless of the lead assignment, draft effect statements must be submitted through the appropriate Assistant Director (or Headquarters Office) before being sent to the Division of Budget. Due dates reflect when the effect statement must be received by the Division of Budget; consider this when submitting effect statements to a Headquarters office for review. The Division of Budget, the Departmental Budget Office and, depending on the policy issues involved, the Office of Management and Budget review effect statements before submission to the Interior Appropriations Committees.