NOTE: Where it is feasible, a syllabus (headnote) will be released, as is being done in connection with this case, at the time the opinion is issued. The syllabus constitutes no part of the opinion of the Court but has been prepared by the Reporter of Decisions for the convenience of the reader. See *United States* v. *Detroit Lumber Co.,* 200 U. S. 321, 337.

SUPREME COURT OF THE UNITED STATES

Syllabus

LINCOLN, ACTING DIRECTOR, INDIAN HEALTH SERVICE, ET AL. *v.* VIGIL ET AL.

CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE TENTH CIRCUIT

No. 91–1833. Argued March 3, 1993—Decided May 24, 1993

The Indian Health Service receives yearly lump-sum appropriations from Congress, and expends the funds under authority of the Snyder Act and the Indian Health Care Improvement Act to provide health care for American Indian and Alaska Native people. Out of these appropriations the Service funded, from 1978 to 1985, the Indian Children's Program, which provided clinical services to handicapped Indian children in the Southwest. Congress never expressly authorized or appropriated funds for the Program but was apprised of its continuing operation. In 1985, the Service announced that it was discontinuing direct clinical services under the Program in order to establish a nationwide treatment program. Respondents, Indian children eligible to receive services under the Program, filed this action against petitioners (collectively, the Service), alleging, *inter alia,* that the decision to discontinue services violated the federal trust responsibility to Indians, the Snyder Act, the Improvement Act, the Administrative Procedure Act (APA), and the Fifth Amendment's Due Process Clause. In granting summary judgment for respondents, the District Court held that the Service's decision was subject to judicial review, rejecting the argument that the decision was ``committed to agency discretion by law'' under the APA, 5 U. S. C. §701(a)(2). The court declined to address the merits of the Service's action, however, holding that the decision to discontinue the Program amounted to a ``legislative rule'' subject to the APA's notice-and-comment requirements, §553, which the Service had not fulfilled. The Court of Appeals affirmed, holding that, even though no statute or regulation mentioned the Program, the repeated references to it in the legislative history of the annual appropriations Acts, in combination with the special relationship

between Indian people and the Federal Government, provided a basis for judicial review. The court also reasoned that this Court's decision in *Morton* v. *Ruiz,* 415 U. S. 199, required the Service to abide by the APA's notice-and-comment procedures before cutting back on a congressionally created and funded program for Indians.

LINCOLN *v.* VIGIL

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Held:

1. The Service's decision to discontinue the Program was ``committed to agency discretion by law'' and therefore not subject to judicial review under §701(a)(2). Pp. 7–12.

(a) Section 701(a)(2) precludes review of certain categories of administrative decisions that courts traditionally have regarded as ``committed to agency discretion.'' The allocation of funds from a lump-sum appropriation is such a decision. It is a fundamental principle of appropriations law that where Congress merely appropriates lump-sum amounts without statutory restriction, a clear inference may be drawn that it does not intend to impose legally binding restrictions, and indicia in committee reports and other legislative history as to how the funds should, or are expected to, be spent do not establish any legal requirements on the agency. As long as the agency allocates the funds to meet permissible statutory objectives, courts may not intrude under §701(a)(2). Pp. 7–10.

(b) The decision to terminate the Program was committed to the Service's discretion. The appropriations Acts do not mention the Program, and both the Snyder and Improvement Acts speak only in general terms about Indian health. The Service's representations to Congress about the Program's operation do not translate through the medium of legislative history into legally binding obligations, and reallocating resources to assist handicapped Indian children nationwide clearly falls within the Service's statutory mandate. In addition, whatever its contours, the special trust relationship existing between Indian people and the Federal Government cannot limit the Service's discretion to reorder its priorities from serving a subgroup of beneficiaries to serving the class of all Indians nationwide. Pp. 10–12.

(c) Respondents' argument that the Program's termination violated their due process rights is left for the Court of Appeals to address on remand. While the APA contemplates that judicial review will be available for colorable constitutional claims absent a clear expression of contrary congressional intent, the record at this stage does not allow mature consideration of constitutional issues. P. 12.

2. The Service was not required to abide by §553's notice-and-comment rulemaking procedures before terminating the Program, even assuming that the statement terminating the Program would qualify as a ``rule'' within the meaning of the APA. Termination of the Program might be seen as affecting the Service's organization, but §553(b)(A) exempts ``rules of agency organization'' from notice-and-comment requirements. Moreover, §553(b)(A) exempts ``general statements of policy,''

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and, whatever else that term may cover, it surely includes announcements of the sort at issue here. This analysis is confirmed by *Citizens to Preserve Overton Park, Inc.* v. *Volpe*, 401 U. S. 402, which stands for the proposition that decisions to expend otherwise unrestricted funds are not, without more, subject to §553's notice-and-comment requirements. Finally, the Court of Appeals erred in holding that *Morton* v. *Ruiz, supra,* required the Service to abide by §553's notice-and-comment requirements. Those requirements were not at issue in *Ruiz*. Pp. 12–16.

953 F. 2d 1225, reversed and remanded.

SOUTER, J., delivered the opinion for a unanimous Court.