

**PHOTOCOPY
PRESERVATION**

DRAFT DOMESTIC POLICY COUNCIL DOCUMENT

FY95 Budget Planning By Cross-Cutting Issues

Agr. Com. Def. Edu. DOE HHS HUD DOI Int'l. DOJ DOL DOT Trea. VA

Economic Growth & Opportunity

- R&D and Technology
- Infrastructure Investment
- Human Capital (Education, Training, & Nat'l Service)
- Business Development & Investment
- Adjusting to Economic Change

Promoting Individual Independence & Responsibility

- Welfare Reform
- Health Care Reform
- Immigration Reform
- Inclusion (???)

Building Stronger Communities

- Children & Family Services
- Community Empowerment (Empowerment Zones, CD Banks, Microenterprises)
- Safe and Drug-Free Communities
- Housing Reform (Tenant Management/Buyouts)
- Environmental Quality Of Life
(or Environmental Health ?)

National Security

- Defense
- Peacekeeping
- Developmental Assistance

Other

THE WHITE HOUSE

WASHINGTON

August 2, 1993

MEMORANDUM FOR CAROL RASCO

FROM:

BRIAN BURKE *BB*

SUBJECT:

OMB ENVIRONMENTAL CROSSCUT

As may be apparent from reading the memorandum summarizing the OMB meetings with EPA, DOE, USDA and DOI, their FY 95 environmental goals and priorities have considerable overlap. The overlap is prevalent in other agencies as well. In this regard, today, there was an OMB meeting focused on the utility of and possible implementation strategies for a crosscut in the overall FY 95 environmental budget. This is a timely idea and may ensure: 1) that environmental resources are allocated appropriately, 2) that interagency cooperation occurs on administration priorities, 3) that there is interagency consistency, 4) that there is increased interagency cooperation on all programs, and 5) that presenting and selling the budget is easier.

Attached for your review is the OMB outline distributed at the meeting.

OBJECTIVES OF AN ENVIRONMENTAL CROSSCUT
AUGUST 2, 1993

1. ALLOCATING RESOURCES

- Supporting Decisions on the "Right" Levels of Resources to Functional Areas.
- Tracking Allocations and Trends Over Time.
- Ultimately Linking to Indicators of Performance.

2. MARSHALLING RESOURCES AND INTERAGENCY COOPERATION TO SELECTED ADMINISTRATION PRIORITIES

For Example:

- Ecosystem Management
- Protection and Restoration
- Federal Land Management and Acquisition
- Global Climate Change
- Federal Facility Cleanup
- Federal Leadership (e.g., Pollution Prevention, Recycling, Energy Efficiency)

3. ENSURING INTERAGENCY CONSISTENCY

- **Priorities**
- **Approaches/Methods (e.g., Federal Facility Cleanup)**
- **Level and Direction of Effort**

4. INCREASING INTERAGENCY COOPERATION ON ALL PROGRAMS

- **Through Annual Budget Review**

5. PRESENTING AND SELLING THE BUDGET

INFORMATION DEFINITION ISSUES TO BE ADDRESSED IN AN ENVIRONMENTAL CROSSCUT

DATA ISSUES

- Level of detail, including cascading "windows" in selected Areas.
- Treatment of anti-environmental activities: dam building is viewed by some as anti-environmental. Less dam building would be a positive environmental action, although some type of investments at dams would be supported.
- Categorical judgments: while "clean cars" wins praise from conservation groups, clean coal technology fails the test.
- Should the crosscut be limited to direct Federal spending, or should tax expenditures be included also? Tax expenditures for the "wrong things" can have anti-environmental impacts.

ALTERNATIVE TYPES OF ENVIRONMENTAL TRACKING SYSTEMS (Attached)

- Environmental and Natural Resource Function and Subfunctions in the Budget Document: readily tabulated by account, but includes all spending equally (Attachment 1, FY93=\$22.6 B).
- Environmental Protection Initiatives section in recent budgets of the Bush Administration, which highlights key themes (Attachment 2, FY93=\$18.3 B).
- A January 1993 "Friends of the Earth" publication entitled "The Earth Budget": broader definitions, including an "anti-environmental budget" (Attachment 3, FY93=\$33.9 B).
- NRD list of proposed agencies, activities, and programs to be included in a Federal environmental crosscut (Attachment 4).

**CLINTON ADMINISTRATION - FY94 ENVIRONMENTAL PRIORITIES
AS DIRECTED BY INVESTMENT PROPOSALS IN FY 94 BUDGET PROPOSAL**

<u>Item</u>	<u>FY94 Inv. Request</u> (BA \$ in millions)	<u>Agencies</u>
Water & Wastewater Financing	\$	EPA, USDA(RDA)
Clean Water SRF	1,198	EPA
Drinking Water SRF	599	EPA
Needy Cities Water Financing	100	EPA
Rural Wastewater Funding	172	USDA(RDA)
Envir Restoration & Cleanup	\$	DOE, Corps
Env restoration & waste management	16	DOE
Corps of Engineers program	96	Corps
Climate Change/Energy Use	\$	EPA, DOE, DOD, GSA, VA, DOT
"Green Programs"	15	EPA
Federal buildings energy efficiency	120	DOE, DOE, GSA, VA
4 Proposals for R&D	31	DOE
Solar & renewable energy	29	DOE
Energy Conservation programs	182	DOE
Smart cars/smart highways	70	DOT(FHWA)

<u>Item</u>	<u>FY94 Inv. Request</u> (BA \$ in millions)	<u>Agencies</u>
Natural Resources Management	\$	EPA, USDA, DOI
Watershed resources restoration		30EPA
Forestry research & Forest Service	183	USDA(ARS, FS)
Management of lands & resources	155	USDA(FS) / DOI(BLM. F&W, NPS)
Environmental R&D	\$	EPA, NSF, USDA, DOC, DOI, DOE
Research & Development	31	EPA
FCCSET (not all envir)	367	NSF, USDA, DOC(NOAA), DOE
Weather Satellites	76	DOC(NOAA)
Geological Survey	13	DOI(USGS)
Biological Survey	—	DOI
Fossil Energy R&D	14	DOE

(Illustrative Draft for Discussion)
CLINTON ADMINISTRATION FY95 ENVIRONMENTAL PRIORITIES
As Indicated in Agency FY95 Management & Budget Reviews with OMB

High Priority -- Increasing or Maintaining High Levels of Resources:

- o Federal Facility Cleanup -- DOE, DOI, Corps, EPA, DOD, VA(?)
- o Water / Wastewater Funding -- EPA, USDA, DOI, Corps
- o Global Climate Change / Energy
Efficiency, Conserv. & Renewables -- EPA, DOE, DOC(NOAA), USDA, DOT
- o Environmental R & D (FCCSET) -- EPA, DOE, DOC, DOI, NSF, NASA
- o Pesticides / Food Safety -- EPA, USDA, HHS(FDA), DOL(OSHA)
- o Biodiversity Protection -- EPA, DOI, USDA,

NPR -- Reorienting Environmental Programs:

- o Ecosystem Management -- DOI, USDA, EPA, Corps, ...
-- Cross Agency Pilots ...
-- Wetlands ...
- o Federal Leadership (Pollution Prev.,
Recycling, Energy Efficiency) -- EPA, DOE, GSA, DOD, DOT, ...
- o Superfund (?)

Reducing or Dropping Federal Activity:

- o Asbestos Removal Fund (?) -- EPA

**RECOMMENDATIONS
TO CARRY OUT THE ENVIRONMENTAL CROSSCUT FOR FY95**

For Allocating Resources Across all Programs:

- 1. Complete second draft list of "Clinton Administration FY95 Environmental Priorities" for review, incorporating agency priorities in their M&B reviews, Vice President's NPR initiatives, and non-governmental materials.**
- 2. Produce background computer data tabulation of FY94-98 data as prepared for the FY94 Budget (April 93), with breakdown by major environment and natural resources functions, subfunctions, and programs, including identification of subtotals by agency; done by COB Friday (Aug. 13).**
- 3. Request more specific program data from agencies, NRD and other PADs on spending for overall environmental and priority issues; request for data out to agencies on Friday, Aug. 13; data due back to OMB (NRD) on Friday, Sept. 10.**
- 4. Produce programmatic summary of FY94 and preliminary FY95 requests (April 93) using the categories identified in (1) above.**
- 5. Develop selected trend data, charts and graphs for substantive review and decision-making based on the results of (3).**

For Marshalling Resources and Interagency Cooperation to Selected Administration Priorities:

- 6. With OEP, identify priority program objectives, scale, key agencies and contacts.**
- 7. With OEP and relevant agencies, identify resources being deployed to specific priority initiatives, including those within broader programs.**
- 8. Produce summary tables and charts for substantive review and decision-making.**

JANUARY BUDGET CURRENT SERVICES ESTIMATES AND APRIL BUDGET POLICY ESTIMATES
FOR "NATURAL RESOURCES AND ENVIRONMENT" FUNCTION AND SUBFUNCTIONS
 (Budget Authority in millions of dollars)

JANUARY 1993 FY 1994 BUDGET

<u>Function & Subfunctions</u>	<u>1989</u> <u>Actual</u>	<u>1992</u> <u>Estim.</u>	<u>1993</u> <u>Estim.</u>
300 Natural Resources and Environment:			
301 Water Resources.....	4,312	4,768	4,703
302 Conservation & Land Mgt.....	3,706	4,665	4,500
303 Recreation Resources.....	1,895	2,697	2,480
304 Pollution Control & Abatement.....	5,068	6,591	6,835
305 Other Natural Resources.....	2,005	2,580	2,547
Total, Natural Resources & Envir.....	16,987	21,300	21,064

APRIL 1993 FY 1994 BUDGET

<u>Function, Subfunction & Programs</u>	<u>1992</u> <u>Actual</u>	<u>1993</u> <u>Estim.</u>	<u>1994</u> <u>Estim.</u>
300 Natural Resources & Environment:			
301 Water Resources:			
Corps of Engineers.....	3,832	4,015	3,854
Bureau of Reclamation.....	1,029	931	900
Other.....	306	342	182
Offsetting Receipts.....	-399	-432	-438
Subtotal.....	4,768	4,856	4,499
302 Conservation & Land Mgt.:			
Forest Service.....	2,926	3,086	2,906
Management of Public Lands (BLM).....	910	946	986
Mining Reclamation & Enforcement.....	298	301	303
Conservation Reserve Program.....	1,611	1,579	1,756
Other Conservation of Ag. Lands.....	894	860	572
Other.....	360	360	368
Offsetting Receipts.....	-2,347	-2,629	-2,915
Subtotal.....	4,652	4,503	3,976

<u>Function, Subfunction & Programs:</u>	<u>1992 Actual</u>	<u>1993 Estim.</u>	<u>1994 Estim.</u>
303 Recreational Resources:			
Federal Land Acquisition.....	296	256	197
Urban Park & Historic Preservation Fds.	40	59	45
Operation of Recreational Resources...	2,475	2,721	2,616
Offsetting Receipts.....	-121	-211	-208
Subtotal.....	2,690	2,825	2,650
304 Pollution Control & Abatement:			
Regulatory, Enforcement & Research Programs.....	2,591	2,764	2,675
Hazardous Substance Superfund.....	1,600	1,574	1,496
Oil Pollution Funds (Gross).....	122	183	169
Water Infrastructure Financing.....	2,400	3,395	2,127
Leaking Underground Storage Tank Trust Fund.....	75	75	75
Superfund Recoveries & Other.....	-184	-214	-275
Subtotal.....	6,605	7,778	6,268
306 Other Natural Resources:			
Program Activities.....	2,591	2,644	2,778
Offsetting Receipts.....	-16	-16	-16
Subtotal.....	2,575	2,628	2,761
TOTAL, NATURAL RES. & ENVIR.....	21,290	22,590	20,154

5F. PROTECTING THE ENVIRONMENT AND PROVIDING A MORE SECURE ENERGY FUTURE

Over the last four years, President Bush has increased spending for high-priority environmental investments by \$10.7 billion (145 percent)

and high-priority energy research and development investments by \$1.2 billion (33 percent) (see Tables F-1 and F-2).

Table F-1. CONTINUING PRESIDENT BUSH'S POLICIES WOULD REQUIRE A \$4.4 BILLION (+24%) 1994 INCREASE FOR ENVIRONMENTAL PROTECTION INITIATIVES

(Budget authority; dollar amounts in millions)

	1989 Actual	1993 Requested	1993 Enacted	Percent Change: 1989 to 1993 Enacted	1994 Projected Assuming Continuation of President Bush's Policies
America the Beautiful	863	1,653	1,531	+77%	1,770
Reforestation	12	139	69	+475%	140
State LWCF: Partnership with States for Parks and Outdoor Recreation	17	60	28	+65%	60
Forests for the Future Initiative (USFS/EPA)	—	—	—	—	150
Federal Facility Cleanup:					
Department of Energy ¹	1,762	5,729	5,758	+227%	7,170
Department of Defense ²	1,155	4,020	3,885	+236%	5,130
Other Agencies	102	290	257	+152%	315
Border Pollution: Pollution Control Along the U.S.-Mex- ico Border in Support of NAFTA	34	241	221	+550%	330
Providing Clean Waters for America's Cities:					
Boston	25	100	100	+300%	100
New York	—	70	70	—	70
Baltimore	—	40	40	—	40
Los Angeles	—	55	55	—	55
San Diego	—	40	45	—	45
Seattle	—	35	35	—	35
EPA Operating Budget	1,752	2,698	2,694	+54%	2,825
Superfund	1,410	1,750	1,574	+12%	1,750
Protecting America's Wetlands	295	616	576	+95%	690
Wetlands Reserve Program	—	161	—	—	375
Army Corps of Engineers: Protection and Restoration of Environmental Resources	196	413	396	+102%	430
Global Change Research	—	1,372	1,327	—	1,580
OCS Lease Buy-Back (FL) ³	—	—	—	—	(200)
Net Total⁴	7,388	18,815	18,092	+145%	22,445

¹1994 Projected Level includes \$261 million for Waste Management activities at Hanford, WA. These monies would be used for accelerated construction of the Hanford Waste Vitrification Project and for grout disposal facilities.

²1993 President's Request reflects an increase of \$300 million for the February 1992 submission to Congress for environmental compliance work to be accomplished in the revolving funds.

³1994 funding could be offset by projected receipts from environmentally sound leasing of the Arctic National Wildlife Refuge.

⁴Total has been adjusted to eliminate double counting, including federal facility cleanup and DOI wetlands already included in America the Beautiful, and border pollution, wetlands activities, and global change research included in EPA's operating budget and the Army Corps of Engineers.

Investing in the Future:

10. Preserving America's Heritage, Protecting the Environment, and Providing For a More Secure Energy Future

January 92

10. PRESERVING AMERICA'S HERITAGE, PROTECTING THE ENVIRONMENT, AND PROVIDING FOR A MORE SECURE ENERGY FUTURE

The budget reflects the President's commitment to protect and enhance America's natural resources and environment in a way that is consistent with the Administration's efforts to promote economic growth. The budget marks the fourth year in a pattern of increased investment in parks, forests, outdoor recreation, pollution control, and hazardous waste cleanup. Within the context of an overall freeze in domestic discretionary spending, the budget includes a \$3.2 billion (21 percent) increase in priority environmental investments. The budget also creates a more secure energy future by harnessing the power of the marketplace and accelerating investment in energy R&D as called for in the National Energy Strategy.

HIGHLIGHTS

- Protect and expand America's national treasury of parks, forests, wildlife refuges, and other public lands;
- Nearly triple the Federal government's contributions to the partnerships with State governments to enhance State parks and other outdoor recreation facilities;
- Target special funds to protect the natural resources in America's "crown jewel" national parks;
- Significantly increase funding to clean up Federal facilities, both nuclear and non-nuclear, in order to ensure that the Federal government meets the legal requirements of various signed agreements, court decrees, statutes, and regulations;
- Provide increases in pollution control and resource protection for a range of programs along the U.S.-Mexican border in support of a North American Free Trade Agreement;
- Accelerate the construction of sewage treatment plants in major coastal cities—New York, Boston, Baltimore, Los Angeles, San Diego, and Seattle;
- Continue the full and timely implementation of the recently enacted Clean Air Act;
- Accelerate the cleanup of superfund hazardous waste sites;
- Emphasize a targeted effort to reduce contamination in specific geographic areas such as the Great Lakes;
- Fully implement the President's strategy to protect and enhance the Nation's wetlands without unduly interfering with needed economic growth or private property rights;
- Expand research into the causes of global change, thereby extending America's leadership in this critical area;
- Improve the efficient use of energy in the Federal Government and assure development of even more energy efficient technologies in the future by increasing the budget for conservation research and development by 24 percent;
- Implement initiatives in the National Energy Strategy to increase the availability and use of abundant and clean natural gas. The Administration proposes initiatives to change outmoded regulations that discourage natural gas use and increase funding for gas related R&D by over 200 percent;
- Propose environmentally responsible development of America's domestic oil and gas resources which would save \$250 billion in payments to foreign oil producers; and

- Increase Government purchases of alternative fueled vehicles by about 5,000.

THE BUDGET INCLUDES AN INCREASE OF 17 PERCENT TO EXPAND AND PROTECT AMERICA'S NATIONAL PARKS, WILDLIFE REFUGES, FORESTS, AND OTHER PUBLIC LANDS.

America's treasury of public lands is among her most important assets. The budget reflects the President's commitment to the outdoors by providing the resources to expand, improve, and maintain these assets, and to increase the access of all Americans to them.

The budget continues to build upon the joint Department of the Interior (DOI) and Department of Agriculture (USDA) initiative, *America the Beautiful (ATB)*, introduced in 1991. The budget provides nearly \$2 billion (17 percent above the enacted 1992 level and over 100 percent above 1989) for improved stewardship of national parks, wildlife refuges, forests, and other public lands. America the Beautiful resource protection and recreation activities are increased by \$150 million, or 13 percent above 1992. Reforestation is increased by \$73 million (+111 percent). Land and Water Conservation Fund (LWCF) State grants are proposed to increase by \$37 million over 1992 (+158 percent). The budget for Federal acquisition of park, refuge, forest,

Table 10-1. THE BUDGET INCLUDES \$3.2 BILLION IN NEW FUNDING FOR ENVIRONMENTAL PROTECTION INITIATIVES

(Budget authority; dollar amounts in millions)

Summary of Major Initiatives	1989 Actual	1992 Enacted	1993 Proposed	Dollar Change: 1992 to 1993	Percent Change: 1992 to 1993
America the Beautiful	863	1,491	1,653	+162	+11%
Reforestation	12	66	139	+73	+111%
State LWCF: Partnership with States for Parks and Outdoor Recreation	17	23	60	+37	+158%
Federal Facility Cleanup:					
Department of Energy	1,762	4,407	5,534	+1,127	+26%
Department of Defense ¹	1,155	2,761	3,718	+957	+35%
Other Agencies	106	203	236	+33	+16%
Border Pollution: Pollution Control Along the U.S.-Mexico Border in Support of NAFTA	34	103	201	+98	+95%
Providing Clean Waters for America's Cities:					
Boston	25	100	100	—	—
New York	—	70	70	—	—
Baltimore	—	40	40	—	—
Los Angeles	—	55	55	—	—
San Diego	—	40	40	—	—
Seattle	—	35	35	—	—
EPA Operating Budget	1,752	2,578	2,698	+120	+5%
Superfund	1,410	1,616	1,750	+134	+8%
Protecting America's Wetlands	295	600	812	+212	+35%
Army Corps of Engineers: Protection and Res- toration of Environmental Resources	196	361	408	+47	+13%
Global Change Research	—	1,110	1,372	+262	+24%
Total²	7,388	15,132	18,292	+3,160	+21%

¹ Does not include anticipated \$1 billion 1992 supplemental for the Department of Defense.

² Total has been adjusted to eliminate double counting, including DOI wetlands and federal facility cleanup already included in America the Beautiful; and global change research, border pollution, and wetlands activities included in EPA's operating budget and the Army Corps of Engineers.

10. PRESERVING AMERICA'S HERITAGE

and other public lands is 4 percent over 1992.

The initiative includes the following features:

Enhancing Recreation and Restoration of Natural Resources.—America the Beautiful focuses Federal funding and expertise on a wide range of threatened natural resources and key recreation areas in need of improvement. The DOI budget includes \$358 million (23 percent above 1992) for improved resource protection, including wetlands conservation and restoration, endangered species activities, and enhanced recreational opportunities in national parks, wildlife refuges, and other public lands.

Included in the program will be the establishment of a new America the Beautiful Passport specially designed to provide 12 months of access to the wide variety of federally administered outdoor recreation facilities available in federally managed parks, forests, refuges, and other special designated recreation areas. Revenues generated by Federal and private sector sales of this 12-month, \$30 entry passport will be used to improve federally managed lands and waters and expand the recreational opportunities they provide to every American. The initiative

will increase the number of boat ramps, campsites, trails, and interpretive centers for America's growing population of outdoor enthusiasts; improve the access of disabled Americans to public lands; and ensure that key environmental features of these lands are not threatened.

Important new components of America the Beautiful in 1993 include 1,000 more seasonal rangers to enhance visitor assistance and resource protection in national parks during peak-use (\$8 million over 1992), Parks as Classrooms to transport thousands of school children to parks to learn about the Nation's natural and cultural wonders (\$3 million over 1992), and establishment of a strategic planning office to develop long-range options for the National Park Service to more effectively carry out its vital mission through the 1990s and into the next century.

Land and Water Conservation Fund (LWCF).—The budget continues the President's commitment to the protection of nationally significant natural and cultural resources. Proposed 1993 funds for Federal acquisition and LWCF State park and outdoor recreation grants are \$366 million, an increase of \$49 million, or 15 percent over 1992.

Table 10-2. AMERICA THE BEAUTIFUL

(Budget authority; dollar amounts in millions)

Funding Summary	1989 Actual	1992 Enacted	1993 Proposed	Dollar Change: 1992 to 1993	Percent Change: 1992 to 1993
Acquisition of Park, Forest, Refuge, and Other Public Lands	190	294	306	+12	+4%
Partnership with the States to Create State Parks and Enhance Outdoor Recreation (LWCF State Grants)	17	23	60	+37	+158%
Reforestation	12	66	139	+73	+111%
Enhanced Resource Protection/Recreation:					
National Forests	—	77	109	+32	+42%
National Parks, Wildlife Refuges, and Other Public Lands	161	291	358	+67	+23%
Improved Environmental Infrastructure (DOI) ..	513	829	880	+51	+6%
Subtotal	674	1,197	1,347	+150	+13%
Total America the Beautiful	892	1,580	1,852	+272	+17%

2-5

The budget increases the vital funding and acquisition partnership with States through the LWCF State park and outdoor recreation grant program. 1992 was the first time in 10 years that funds for these grants were requested. Proposed 1993 funding of \$60 million would provide States with increased Federal matching funds for the acquisition of parks and open spaces, and for the development of outdoor recreation resources. These lands and facilities are important to States because of their regional and local significance. Expanded LWCF State grants are proven cost-effective alternatives to Federal acquisition and operation. The State grant partnership represents the type of collaboration that can leverage the maximum return on Federal dollars.

Concurrent with the submission of the budget, the Administration will also propose to Congress a list of priority lands to be acquired by the National Park Service, the Fish and Wildlife Service, the Forest Service, and the Bureau of Land Management. This

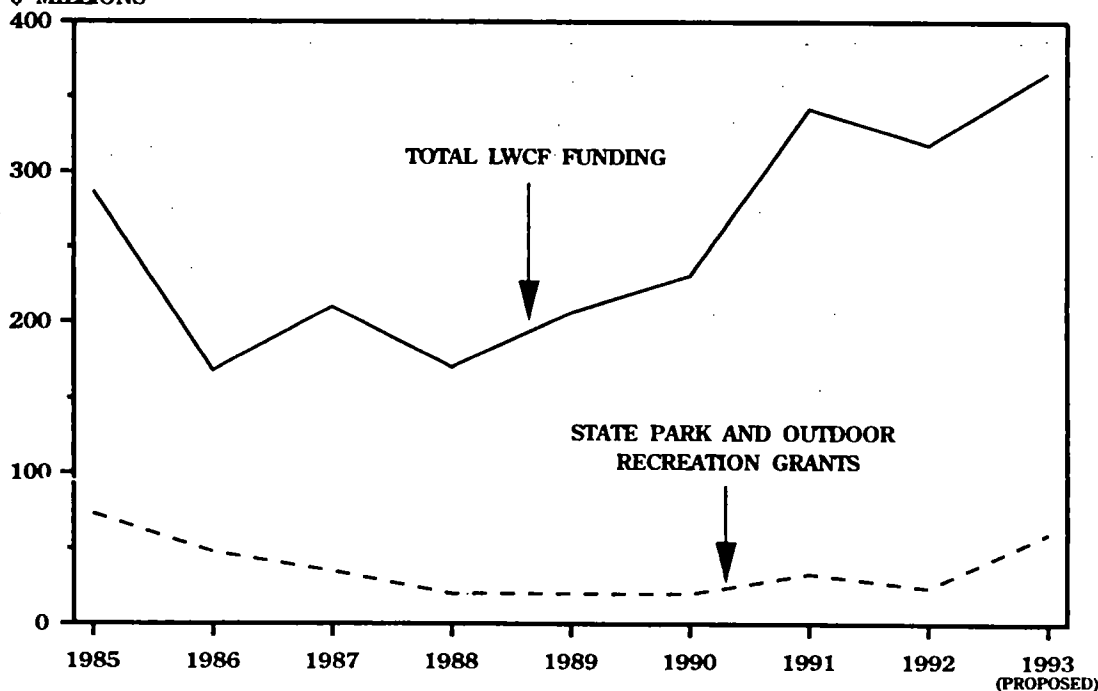
list has again been developed through a competitive rating system in which particular importance is placed on proximity to population centers, increased recreational opportunities to the public, valuable wetlands, protection of endangered species, and other characteristics of such national significance that the land's early acquisition for public purposes is of special importance.

The President's outdoor recreation program reflected in this budget includes full funding for efforts such as protection of lands in the Santa Monica Mountains (CA), continued implementation of legislation to expand and protect Everglades National Park (FL) and initial funding for a joint Federal/State effort to protect the Headwaters Forest in California, a 4,500 acre stand of old growth virgin Redwoods.

Targeted Parks Initiative.—Last year, over 265 million visitors visited America's national parks. To help meet the increasing public interest in experiencing and understanding America's natural wonders and rich history

**AMERICA'S PARKS, FORESTS, REFUGES AND OTHER PUBLIC LANDS WILL BE EXPANDED
(BUDGET AUTHORITY FOR ACQUISITION OF PARK, FOREST, REFUGE, AND OTHER PUBLIC LANDS)**

\$ MILLIONS



preserved in national parks, the budget again proposes a Targeted Parks initiative. In 1992, Congress did not fund the program. The President proposes a \$10 million program that establishes special identification and monitoring of critically significant resources that have been placed under stress by over use, and will develop management methods for long-term resource recovery and preservation that provide for continued public access and enjoyment.

The following national parks are under consideration for inclusion in the program:

- Acadia National Park (ME)
- Big Bend National Park (TX)
- Cape Cod National Seashore (MA)
- Death Valley National Monument (CA)
- Everglades National Park (FL)
- Grand Canyon National Park (AZ)
- Great Lakes Parks (including Indiana Dunes National Lakeshore (IN), Isle Royale National Park (MI), and others)
- Olympic National Park (WA)
- Sequoia and King's Canyon National Parks (CA)
- Southern Arizona Parks (including Organ Pipe Cactus and Montezuma Castle National Monuments, Fort Bowie National Historic Site, and others)
- Yellowstone National Park (WY, ID, MT)
- Yosemite National Park (CA)

Protecting American Battlefields.—The budget contains \$10 million for a five-fold expansion of a 1992 initiative, the American Battlefield Protection Program. While some Battlefields are managed by the National Park Service, many important sites remain unprotected and threatened by economic development without their historic values being taken into account. In order to meet this challenge, the Administration is proposing to expand this initiative to develop partnerships with Federal, State, regional, and local governments and private conservation organizations to provide permanent protection for these threatened sites. Efforts will be made to explore all options for their protection. These include creative use of public and private land-use tools, such as zoning, historic district designation, non-Federal land and easement acquisition, technical assistance, and land-banking, while maintaining economic growth and private property rights.

The Department of the Interior has identified several potential Civil War battlefields that could be part of the initiative's second phase, including:

- Gettysburg (PA)
- Antietam (MD)
- Wilderness (VA)
- Shenandoah Valley (VA)
- Harpers Ferry (WV)
- Kennesaw Mountain (GA)
- Corinth (MS)
- Franklin Battlefield (TN)
- Glorietta Pass (NM)

Challenge Cost-Share Programs.—The America the Beautiful initiative also encourages expanded partnerships with private parties and State and local governments through a new challenge cost-share program for the National Park Service. Federal funds will be matched by non-Federal contributions for the protection and enjoyment of national parks. Modeled after successful programs already underway in the Forest Service, Bureau of Land Management, and Fish and Wildlife Service, this program will involve the public in improving natural resources by increasing direct citizen efforts and financial contributions.

Reforestation: Planting Trees for America's Future.—The budget contains funds to expand the reforestation initiative begun in 1991 and increased in 1992. The budget proposes \$139 million to expand tree planting and care activities on privately-owned rural lands and Indian trust lands, and in the Nation's 40,000 rural communities. The President's goal remains to plant, maintain, and conduct timber stand improvements affecting one billion trees per year.

The President's proposal for 1991 was authorized in law in the 1990 Farm Bill, and \$70 million was appropriated to begin tree planting activities. Although the legislation did not provide full funding for the President's goal of planting 1 billion trees per year, each State now has a coordinating committee to develop a network of leadership, expertise and corporate and private sector involvement in tree planting activities. Also in 1991, the President's proposed National Tree Trust Foundation was enacted and capitalized with a one-time appropriation of \$20 million. The Foundation will direct its

efforts to mobilize individuals, businesses, governments, and community organizations to plant and care for trees in cities and towns throughout America.

Funding for 1993 will ensure that the program continues its fast start. The program commitment also recognizes the remarkable value of trees as a resource. In addition to their use for wood products and wildlife habitat, trees sequester carbon dioxide from the atmosphere; reduce energy consumption by providing shade in summer and wind abatement in winter; and reduce erosion and the flow of pesticides into the Nation's lakes and streams.

The National Forest: America's Great Outdoors.—The budget includes \$109 million for the second year of a 4-year effort to enhance outdoor recreation opportunities on national forest lands, thereby meeting the increasing demands and helping to reduce the current overcrowding of other Federal recreational facilities, including the national parks. This initiative will help to implement the Secretary of Agriculture's 1990 Forest and Rangeland Resources Planning Act (RPA) program to begin reducing a nearly 50-year backlog of recreation enhancement needs.

1993 funding will allow the Forest Service to reopen 40 or more campgrounds and picnic sites that have been previously closed to the public. An additional 882 miles of the agency's highest priority trails will be reconstructed to reduce the deferred maintenance and reconstruction backlog. About \$4 million will be provided for new trails linking existing trails to other jurisdictions. Approximately 14,000 miles of additional trails will be maintained under the initiative to arrest further deterioration. Funding to complete river studies on 50 Wild and Scenic rivers, management plans on 40 rivers, and operation and maintenance on another 27 rivers will also be provided.

Recreation visitor days at national forest facilities will increase from 218 million in 1989 to approximately 255 million in 1993, with projections of over 280 million by the year 2000. This 4-year Recreation Initiative will be critical in providing a quality experience for all recreation visitors.

Legacy '99: Rehabilitation and Improvement of Park, Refuge, and Public Land Infrastructure.—The budget continues and expands the Department of the Interior's "Legacy '99" effort, begun in 1991, to leave a legacy of improved conditions at national parks, wildlife refuges, and other public lands by the end of the century. It also incorporates the effort into America the Beautiful since enhanced resource protection and improved infrastructure are complementary.

The budget proposes funding of \$880 million, an increase of \$367 million or 72 percent over 1989 and \$51 million or 6 percent over 1992, to repair and rehabilitate facilities and to reduce the backlog of facility rehabilitation projects. The increases also make possible an acceleration of dam safety work and the cleanup of hazardous materials.

Higher funding levels will provide for the restoration of important facilities in existing parks and recreation areas and improve the day-to-day operating maintenance of DOI facilities such as visitor centers, campgrounds, roads, boat ramps, and other recreational facilities. This increased funding will also allow Interior to upgrade its infrastructure on a periodic basis to prevent long-term deterioration that could increase costs and ultimately threaten public safety.

Included in Legacy '99 for 1993 are funds for certain facilities and areas of special importance:

- \$9 million to begin sharing maintenance responsibility with Department of the Army at the Presidio (CA).
- \$7 million to restore natural waterflows to Everglades National Park (FL).
- \$2 million to rehabilitate and restore to their original appearance the historic buildings and surrounding yards that make up Martin Luther King's home block on Auburn Avenue at the Martin Luther King, Jr., National Historic Site (GA).
- \$11 million to continue stabilizing and repairing the Lincoln Memorial built in 1922 and the Jefferson Memorial erected in 1943.

- \$21 million to continue implementation of the Yosemite National Park General Management Plan (CA).
- \$1 million to expand campground facilities, recreational trails, and interpretive displays at the Bureau of Land Management Steens Mountain Special Recreation Management Area (OR).
- \$11 million for continued cleanup of hazardous materials at Crab Orchard National Wildlife Refuge (IL).

Exxon Valdez.—The budget fully incorporates the receipts and mandatory spending associated with the October 1991 Exxon Valdez settlement, the largest natural resource damage settlement ever. Receipts and spending for 1992–2001 are currently estimated to total over \$400 million as the Federal part of the restoration program for Prince William Sound and surrounding adversely affected areas. The State will also receive in excess of \$400 million as its part of the restoration program. If after ten years funding is found to be insufficient to restore the sound and sur-

rounding areas, the Federal and State trustees are also entitled to an additional recovery of up to \$100 million for injuries caused by the spill that were not foreseeable at the time of the spill. These estimates are tentative and subject to approval by all Federal and State trustee agencies of a specific restoration plan and projects.

Of the \$125 million criminal fine and restitution payment levied against Exxon as part of the October settlement, \$12 million has been deposited into the North American Wetlands Conservation Fund to be used to protect and restore the Nation's highest-priority wetlands, and \$100 million will be used by the Federal trustees and the State of Alaska for restoration projects within Alaska. In addition, \$13 million has been deposited into the Department of Justice's Victims of Crimes Fund.

The civil part of the settlement provides \$900 million, and possibly as much as \$1 billion, to the Federal Government and the State of Alaska from Exxon over the next

Table 10-3. LEGACY '99—DEPARTMENT OF THE INTERIOR

(Budget authority; dollar amounts in millions)

Funding Summary	1989 Actual	1992 Enacted	1993 Proposed	Dollar Change: 1992 to 1993	Percent Change: 1992 to 1993
Maintenance	347	481	515	+34	+7%
Rehabilitation	50	156	167	+11	+7%
Dam Safety ¹	78	122	119	-3	-2%
Hazardous Material Cleanup	38	70	80	+10	+14%
Total	513	829	880	+51	+6%

¹ Funding reflects reduced project needs in the Fish & Wildlife Service for 1993.

Table 10-4. EXXON VALDEZ: RESTORATION OF PRINCE WILLIAM SOUND AND THE GULF OF ALASKA

(Federal offsetting collections; dollar amounts in millions)

	1992	1993	1994	1995-2001	Total
Criminal Fines and Restitution	62	—	—	—	62
Civil Restoration	18	45	45	250	358
Total	80	45	45	250	420

10 years for natural resources restoration and reimbursement of past costs. Based upon an assessment of damages, this recovery will provide sufficient funds to undertake and complete the needed restoration of Prince William Sound and other Gulf of Alaska areas affected by the March 1989 oil spill.

Natural Resource Damage Assessment Fund.—The budget proposes continuation and expansion of DOI's Natural Resource Damage Assessment Fund. The fund will support timely, comprehensive, high-priority damage assessment activities, litigation strategies, coordination with other agencies, and negotiations with parties potentially responsible for damage to DOI's lands and natural resources.

This identified funding will allow Interior to fulfill its obligation to this and future generations to protect natural resources and the public's use of these resources; increase the likelihood that polluters, not taxpayers, will pay for the costs of restoring injured resources; and help prevent hazardous substance and oil spill incidents from occurring in the future.

The Presidio.—During 1993, the Presidio, located in San Francisco (CA), will begin its transition from an active U.S. Army installation to a component of the Golden Gate National Recreation Area managed by the National Park Service. In 1993, the Army will provide \$34 million for operations and maintenance at the Presidio. To provide for an orderly transition, the budget includes an additional \$15 million for the National Park Service to begin sharing operational and maintenance responsibilities with the Army and to accelerate planning as well as other preparation required to have the Presidio ready for complete transfer to the Park Service in 1995.

Phoenix Indian School Land Exchange.—After agreement of mutually acceptable Indian Trust Fund payment arrangements to be completed by June 1992, the Administration will consummate one of the largest land exchanges in the history of the Department of the Interior (\$80 million in land and cash contributions from the private sector). This Arizona-Florida land exchange offers enhanced wetlands protection for one of the Nation's most vital national parks (Everglades) and one of its most vital national wildlife ref-

uges (Florida Panther), increased educational opportunities for Native Americans, improved Department of Veterans Affairs facilities, and expanded local economic development and recreational amenities in the Phoenix, Arizona area.

National Recreational Trails.—The budget proposes to provide \$15 million in 1993 to implement the National Recreational Trails Fund provisions of the 1991 Intermodal Surface Transportation Efficiency Act. This discretionary program administered by the Department of Transportation (DOT) will make grants to States to establish and maintain new multiple-use recreational trails on Federal and non-Federal lands. The State grant program will complement an ATB increase that the budget proposes for the National Park Service Rivers and Trails technical assistance program. In 1993, the budget will provide \$8 million, an increase of \$3 million over 1992, for such technical assistance.

Federal Lands Highways.—In addition to America the Beautiful-related infrastructure improvements, the budget in 1993 includes a total of \$445 million (\$74 million or 20 percent over 1992) for DOT funding of roads through Federal recreational lands and Indian reservations: \$83 million for Parkways and Park Roads, \$171 million for Forest and Public Lands Highways, and \$191 million for Indian Reservation Roads. The budget also includes \$13 million for DOT Federal-Aid Highway grants to States to develop Scenic Highways.

POLLUTION CONTROL

EPA's Operating Program is at the highest level in history.—The budget provides an all-time high level of funding and staffing for EPA's operating program: nearly \$2.7 billion and more than 14,000 employees. Since the Bush Administration took office, EPA's operating program will have increased by 54 percent, and the workforce involved in research, regulatory, and enforcement responsibilities will have expanded by 22 percent. This commitment to environmental protection will fulfill statutory mandates and allow EPA to fund the most cost-effective ways to reduce risk to human health and the environment while fos-

tering environmentally sound economic growth.

- **Achieving the goals of the Clean Air Act.**—Clean Air Act implementation continues with increases of \$42 million in 1993. This is on top of the \$187 million in Clean Air Act increases provided in 1991 and 1992. The budget provides all the funds and staff EPA needs to achieve the objectives of the 1990 Amendments in the most cost-effective manner possible.
- **Emphasizing enforcement of existing laws.**—EPA's enforcement efforts will increase by \$15 million, with increased emphasis on multimedia enforcement, which is a cross-media approach to identifying and enforcing against polluters. This approach allows for more efficient use of agency resources. The enforcement budget in EPA's operating program has increased by 72 percent since President Bush took office.
- **Developing an improved knowledge base for better environmental decisions.**—EPA needs a strong research capability so that regulatory decisions are based on sound science allowing cost effective risk management solutions to be identified. More than a \$26 million increase will allow EPA to make needed improvements in the quality of information it uses. During the past two years, EPA has formulated a framework for a program on ecological research, taking into account work already underway in other federal

agencies. This increase will allow EPA to expand the ecological research program, the Environmental Monitoring and Assessment Program (EMAP), and obtain an overall picture of the ecological health of the nation's natural resources. This increase also improves EPA's information systems infrastructure to allow for better data management.

Geographically targeted efforts to address high human health and ecological risks.—The budget provides funding to expand and intensify multi-media initiatives to protect areas such as the Great Lakes, Chesapeake Bay, Mexican Border, and the Gulf of Mexico. These four high profile programs will share increases of more than \$95 million. This builds on a \$20 million increase requested last year for the Great Lakes, to aggressively implement the Great Lakes Water Quality Initiative and the Great Lakes Critical Programs Act.

Great Lakes efforts will target cleanup of "hot-spots" of contaminated sediments, which may have been created long ago but are still posing unacceptable risks today. There will also be a major thrust to enlist the private sector's cooperation in pollution prevention—preventing problems before they are created.

The Chesapeake Bay effort will bolster Baltimore's sewage treatment capabilities with a \$40 million targeted construction grant, investigate the connection between air pollution and water quality, and help control the significant pollution loadings from live-

Table 10-5. EPA's OPERATING BUDGET WILL INCREASE BY 5 PERCENT

(Budget authority; dollar amounts in millions)

Funding Summary	1989 Actual	1992 Enacted	1993 Proposed	Dollar Change: 1992 to 1993	Percent Change: 1992 to 1993
Implementing Clean Air Act changes	—	187	229	+42	+22%
Enforcing environmental laws	126	201	216	+15	+8%
Improved Knowledge Base	125	237	264	+26	+11%
Geographic/Ecological Targeting	176	243	247	+4	+2%
Other operating programs	1,325	1,710	1,742	+32	+2%
Total EPA operating program	1,752	2,578	2,698	+120	+5%
Operating program workyears	11,649	13,929	14,217	+288	+2%

2-11

stock operations in the northern Chesapeake Bay drainage area.

Mexican border activities will address air, water, and hazardous waste issues consistent with the U.S./Mexican Border Environmental Plan and the proposed North American Free Trade Agreement.

In the Gulf of Mexico, EPA will work closely with the States to achieve better control of toxic and hazardous pollutants, which impair the quality of life of the residents of the Gulf region, and threaten the high biological productivity of the Gulf itself.

In addition, each EPA regional office will emphasize high-priority targeted areas, such as the Long Island Sound, the Puget Sound, the San Francisco Bay Delta Estuary (including the Sacramento/San Joaquin River Basins), the Everglades, and the Merrimack River Basin in New England. These regional efforts will involve all of EPA's relevant media programs and be cooperative ventures with affected States.

Enhancing Mexican Border Anti-Pollution Initiatives.—The budget includes \$201 million governmentwide for environmental projects along the Mexican border. This is a

95 percent increase over 1992 which will enable the Administration to continue to carry out the initiatives in the Environmental Action Plan it provided to the Congress on May 1991. The United States and Mexico have worked intensively throughout 1991 to develop a joint U.S.-Mexico Environmental Border Plan that will address major environmental problems in the border region, including air and water quality, hazardous waste management, and emergency planning. This detailed plan will guide the activities carried out in response to commitments made in connection with negotiations on the North American Free Trade Agreement (NAFTA). The U.S. and Mexico will begin implementing the Border Plan in 1992 and maintain and substantially enhance these efforts in 1993.

The proposed resource level will assure funding for wastewater treatment at major shared population centers, provision of drinking water and wastewater treatment to communities along the U.S. side of the border that currently lack such services, expedited action on air quality problems in twin border towns, and a more aggressive enforcement posture against illegal hazardous waste and

Table 10-6. GEOGRAPHIC TARGETING OF RISK REDUCTION FOR A HEALTHIER ENVIRONMENT

(Budget authority; dollar amounts in millions)

Targeted Area	1989 Actual	1992 Enacted	1993 Proposed	Dollar Change: 1992 to 1993	Percent Change: 1992 to 1993
Mexican Border (EPA budget)	21	57	139	+82	+144%
San Diego	—	40	40	—	—
Boston Harbor	25	100	100	—	—
Long Island Sound/New York Bright	—	71	71	—	—
Chesapeake Bay	12	63	66	+3	+5%
Great Lakes	11	59	61	+2	+3%
Los Angeles	—	55	55	—	—
Puget Sound	—	36	36	—	—
Gulf of Mexico	1	12	20	+8	+67%
San Francisco Bay Delta Estuary	—	2	2	—	—
Merrimack River Basin	—	—	1	+1	N/A
Other	151	137	126	-11	-8%
Total (Operating Program and Construction Grants)	221	632	717	+85	+13%

disposal as well as other environmental violations.

- **Sewage treatment plants.**—In keeping with the U.S.-Mexico Environmental Border Plan, the budget includes \$80 million to continue construction of the new Tijuana sewage treatment plant near San Diego, to expand treatment capacity at the plant at Nogales, Arizona, and to initiate work on improvements which will clean up the New River, in California. These projects will dramatically improve water quality along the border with Mexico.
- **Wastewater grants.**—The budget includes \$50 million in state grants to address wastewater treatment needs in "colonias" (unincorporated sub-divisions) along the border in Texas. These border communities lack the health and environment infrastructure enjoyed by other areas of the country.
- **Drinking water grants.**—The budget proposes \$25 million in new resources for Rural Development Administration grants to "colonias" to improve the quality of

drinking water by installing the necessary infrastructure.

- **Air quality.**—Additional resources will be allocated to air quality monitoring programs. The air emissions inventory in Ciudad Juarez/El Paso will be completed and air quality monitoring programs and emissions inventories will be initiated in Mexicali/Calexico and Tijuana/San Diego.
- **Enforcement and Inspection.**—The budget includes \$6 million for increased enforcement and inspection by EPA and the Food and Drug Administration of hazardous waste and sanitary and phytosanitary regulations, and for joint enforcement activities with the Mexican authorities. Efforts will be targeted on potential hazardous waste violators, and on more efficient tracking of hazardous materials used by border area industries.

Providing Clean Water for all Americans.—The budget includes \$2.5 billion for wastewater treatment grants, a \$100 million increase over the 1992 level. If Congress approves the budget, 95 percent of the authorized

Table 10-7. THE BUDGET PROPOSES TO DOUBLE RESOURCES TO IMPLEMENT THE MEXICAN BORDER PLAN

(Budget authority; dollar amounts in millions)

Funding Summary	1989 Actual	1992 Enacted	1993 Proposed	Dollar Change: 1992 to 1993	Percent Change: 1992 to 1993
Sewage Treatment Plants	24	49	80	+31	+63%
Wastewater Grants for Colonias	—	—	50	+50	N/A
Drinking Water Grants for colonias	—	—	25	+25	N/A
Air Quality	1	2	3	+1	+50%
Enforcement and Inspection	—	6	6	—	—
Other	9	46	37	—9	-20%
Total	34	103	201	+98	+95%
Mexican Border by Agency:					
EPA	21	57	139	+82	+144%
USDA	—	—	25	+25	N/A
DHHS	—	2	2	—	+13%
IBWC	13	26	30	+4	+15%
Export Import Bank	—	18	15	-13	-72%
Total	34	103	201	+98	+95%

¹ Program level remains constant in 1993; decrease reflects change in subsidy scoring.

funding for the program will have been appropriated by the end of 1993.

An unacceptably high number of America's largest cities do not yet have adequate secondary sewage treatment, generally considered the minimum acceptable level of treatment necessary to protect human health and the environment. The Administration's proposed funding will expedite achievement of secondary treatment standards while promoting economic growth and employment. Jobs will be created not only by the physical construction of the facilities, but also by providing sufficient water treatment capacity to allow new businesses to enter areas and existing firms to take advantage of opportunities for expansion.

- *State Revolving Funds.*—More than \$2 billion will be devoted to capitalizing State Revolving Funds. This will allow States

to assume full responsibility for providing wastewater treatment infrastructure.

- *Coastal City Grants.*—For the second consecutive year, the budget requests cost-shared grants targeted at specific municipalities. The budget provides \$340 million in grants for secondary or advanced treatment of municipal sewage to six of the cities with the Nation's largest, unmet treatment needs—Boston, New York, Los Angeles, San Diego, Seattle, and Baltimore. These cities are located in coastal areas with significant recreational and ecological resources where expedited construction can have significant impact on coastal water quality.

Superfund.—For the fourth year in a row, the Administration is requesting a substantial increase to clean up hazardous waste sites. The budget requests \$1.75 billion, \$134 million

Table 10-8. STATUS OF WATER QUALITY IN AMERICA'S 25 LARGEST CITIES

(Budget authority; dollar amounts in millions)

City	Status of Sewage Treatment	Administration Proposed Grant for 1993
New York, NY	Not Yet Secondary	70
Los Angeles, CA	Not Yet Secondary	55
Chicago, IL	Secondary	—
Houston, TX	Secondary	—
Philadelphia, PA	Secondary	—
San Diego, CA	Not Yet Secondary	40
Detroit, MI	Secondary	—
Dallas, TX	Secondary	—
Phoenix, AZ	Secondary	—
San Antonio, TX	Secondary	—
San Jose, CA	Secondary	—
Indianapolis, IN	Secondary	—
Baltimore, MD	Not Yet Secondary	40
San Francisco, CA	Secondary Fully Funded	—
Jacksonville, FL	Secondary	—
Columbus, OH	Secondary	—
Milwaukee, WI	Secondary	—
Memphis, TN	Secondary	—
Washington, DC	Secondary	—
Boston, MA	Not Yet Secondary	100
Seattle, WA	Not Yet Secondary	35
El Paso, TX	Secondary	—
Nashville-Davidson, TN	Secondary	—
Cleveland, OH	Secondary	—
New Orleans, LA	Secondary	—
Total		340

more than Congress appropriated for 1992. The budget maintains the Administration's enforcement emphasis, requiring polluters to clean up the problems they created but continues the shift of resources begun under the Bush Administration from support activities to actual cleanup.

As shown on the chart depicting Superfund budget authority since 1989, Congress has repeatedly cut the President's requested funding for Superfund, despite the ongoing need to eliminate the risks hazardous waste sites pose to public health.

CLEANING UP FEDERAL FACILITIES

Department of Energy (DOE)

The President is committed to ensuring that Federal facilities live up to the same environmental standards that apply to private facilities. Since coming to office, he has tripled funding for the cleanup of wastes at Federal facilities and for bringing them into compliance with applicable environmental laws and regulations.

The amounts requested in 1993 for both the defense and civilian components of DOE's Environmental Restoration and Waste Management (ERWM) program total \$5.317 billion in new budget authority. This represents an increase of \$1.034 billion, approximately 24 percent above the amount appropriated by Congress for 1992 for this program. When combined with amounts in the uranium enrichment account for ERWM activities, the total available for ERWM program activities in 1993 is \$5.534 billion, an increase of 26 percent above enacted 1992 levels.

For forty years, the agencies conducting the atomic weapons production activities of the government were not adequately attentive to the environmental consequences of this necessary but nevertheless hazardous activity. There were several causes of this underattention. For much of this time, the country did not have either the detailed knowledge base or the sophisticated environmental cleanup and compliance laws that exist today. There was sometimes an excessive bias toward production of materials and weapons at the expense of prudent environmental management in the allocation of resources.

Whatever the causes, the Administration has been determined to reverse the imbalance between production and cleanup since coming into office in 1989. In June 1989 the Secretary issued a 10-point initiative requiring resetting of priorities so that environment, safety, and health objectives now take precedence over production objectives. This budget represents the continuance and acceleration of the President's efforts to bring all Federal facilities into compliance with the nation's environmental laws and to clean up the legacy of past neglect.

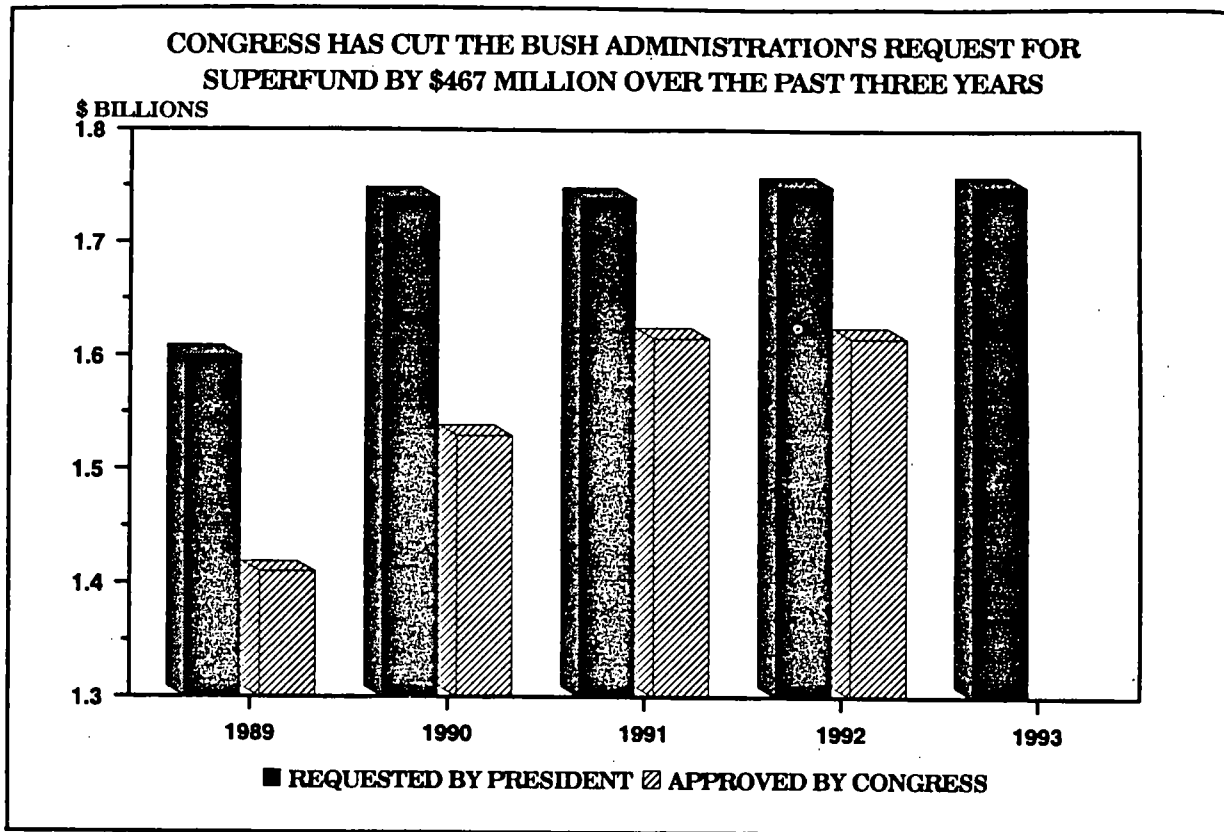
The level of funding in the budget was the result of an extensive interagency effort designed to ensure that budgetary resources provided in 1993 would be adequate to:

- allow the Federal government to meet required milestones and legal requirements included in compliance agreements, consent orders, and Federal and State statutes and regulations;

Table 10-9. FOCUSING SUPERFUND ON CLEANUP

(Budget authority; dollar amounts in millions)

	1989 Actual	1992 Enacted	1993 Proposed	Dollar Change: 1992 to 1993	Percent Change: 1992 to 1993
Cleanup	562	742	896	+154	+21%
Enforcement	178	217	225	+8	+4%
Support	670	657	629	-28	-4%
Total Superfund	1,410	1,616	1,750	+134	+8%



- fully implement required DOE Orders related to environment, safety, and health (ES&H); and
- fund all DOE management orders and a prudent amount of discretionary activities.

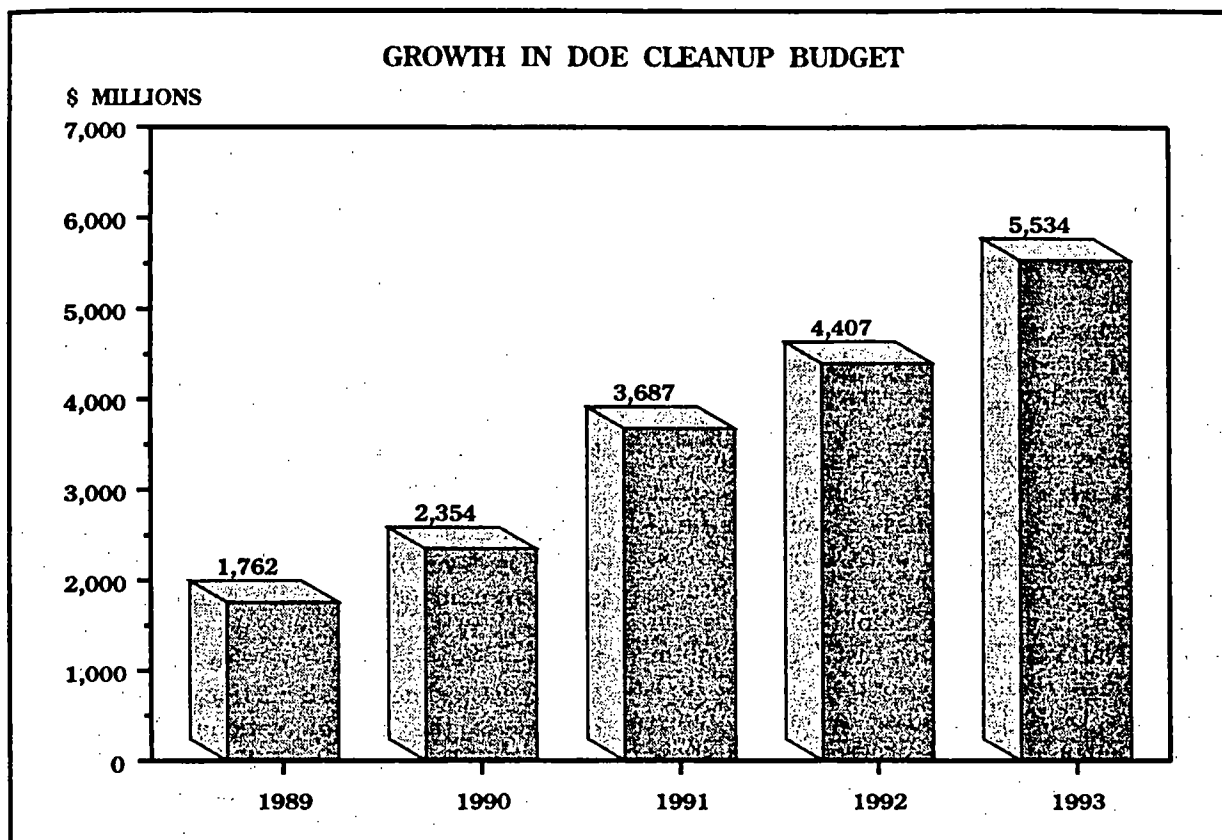
The OMB and Army Corps of Engineers organized joint review teams which visited DOE Headquarters and all field offices at which ERWM activities are being conducted. The teams met and consulted with DOE site personnel, EPA regional personnel, and representatives of the relevant State governments. The teams reviewed all of the more than 2,000 Activity Data Sheets (ADSs) which summarize work in the ERWM programs and each sub-activity contained within each ADS.

Each team's findings were presented to a senior interagency review panel which included the Department of Energy, the EPA, the OMB, the Department of the Army, the Department of Justice, and the Department of Defense. The supporting analysis was subsequently examined by DOE and

EPA personnel, and adjustments to the teams' findings were made in all instances in which additional documentation of legal requirements or urgent needs was provided. The \$5.534 billion in the budget request for environmental restoration and waste management activities accommodates every appeal received from DOE or EPA in the detailed follow-up process. Table 10-10 provides the distribution of funding by category of activity.

After reviewing the results of this extensive effort, each agency represented on the interagency panel expressed confidence that all legal requirements, DOE ES&H Orders, DOE management orders and necessary and prudent discretionary activities in the environmental restoration and waste management program, including the uranium enrichment account, can be funded at the \$5.534 billion level for 1993.

The OMB/Corps review teams also presented recommendations to the interagency review panel addressing long-term management improvements to the ERWM program. These issues will be addressed in a separate report.



The key issues are summarized later in this Chapter.

The Department of Energy cleanup program encompasses four major categories of program activities: environmental restoration, waste management, corrective activities, and technology development.

Environmental restoration activities include assessment, cleanup, and decontamination and decommissioning at contaminated facilities and sites that are no longer a part of active operations, to meet the requirements of applicable environmental laws, regulations, and standards.

The program consists primarily of activities related to corrective actions upon closure of waste treatment, storage, and disposal facilities, and remediation of inactive waste disposal sites, uncontrolled release sites, and underground storage tanks. Currently, assessment activities are in progress at all facilities, and remedial actions are underway at hundreds of locations nationwide. The scopes,

schedules, and cleanup standards for these activities are negotiated with the EPA and the States and are the subject of Resource Conservation and Recovery Act (RCRA) permits, Consent Orders, Compliance Agreements, and Federal Facility Agreements under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). Proposed funding in 1993 for environmental restoration is \$1.940 billion, a 34 percent increase over 1992.

The increase for environmental restoration reflects the Department's commitment to meeting the requirements of compliance agreements it has entered into with EPA and affected States. These compliance agreements contain aggressive schedules for assessment and cleanup. During 1991 the Department signed 11 agreements, and an additional agreement was completed in early 1992, bringing the total to 71 agreements completed to date. An additional 27 agreements will be signed shortly or are under negotiation. In addition, significant increases in funding

for the environmental restoration program are required in 1993 as program activities continue to shift into the detailed investigation, characterization, and cleanup phases of remediation. A large portion of the 1993 funding will be for investigation and feasibility studies leading to the selection of actual remediation actions.

The environmental restoration program also includes the Formerly Utilized Sites Remedial Action Project (FUSRAP) and the Uranium Mill Tailings Remedial Action Project (UMTRAP). The FUSRAP program provides for remedial action at privately owned former nuclear processing facilities that became contaminated as a result of Manhattan District or Atomic Energy Commission work, or have been specifically assigned to DOE by Congress. There are currently 33 sites in 10 States under this project, including six sites on the EPA National Priorities List. The Uranium Mill Tailings Radiation Control Act of 1978 authorizes DOE to conduct a mill tailings stabilization and control program at 24 inactive uranium mill tailings sites and an estimated 5,000 associated vicinity properties. In addition, the Uranium Mill Tailings Groundwater Restoration Project will restore, as necessary, the groundwater of 24 designated uranium mill tailings sites.

Waste management operations provide for the management of wastes generated as a result of ongoing operations at active facilities. This is accomplished through minimization, treatment, storage and disposal of various waste types including radioactive, hazardous, mixed and sanitary wastes, in compliance with applicable local, State and Federal requirements and internal DOE requirements. Funding for waste management activities comprises the largest portion of the proposed environmental restoration and waste management budget, totaling \$3.145 billion in 1993, a 28 percent increase over 1992.

The large increase for waste management includes major initiatives in the management of high-level radioactive waste (HLW) and transuranic waste. For high-level wastes, two treatment facilities have been constructed, the Defense Waste Processing Facility at Savannah River, South Carolina, and the West Valley Demonstration Project in West

Valley, New York. In addition, facilities are being planned and designed at Hanford, Washington (the Hanford Waste Vitrification Plant), and at the Idaho National Engineering Laboratory. These facilities will convert high-level waste into a stable form that is acceptable for permanent disposal in a Federal repository. The HLW management program also includes the operation of waste storage tanks at Savannah River, Hanford, and Idaho and waste calcining facilities at Idaho. The waste management budget also includes \$185 million for the Waste Isolation Pilot Plant in New Mexico, a pilot facility to test whether transuranic waste can be safely disposed in a geologic repository.

Significant increases are also associated with low-level radioactive waste (LLW) management and DOE's waste minimization program. LLW treatment will occur at a number of sites. Two incinerators are operating, the Waste Experimental Reduction Facility incinerator at the Idaho National Engineering Laboratory and the Toxic Substances Control Act Incinerator in Oak Ridge, Tennessee, and one more is planned at Savannah River. In addition, the Savannah River Saltstone Facility and the Grout Treatment Facility at Hanford will solidify liquid LLW and mixed LLW into stable waste forms for disposal. The waste minimization program is working to reduce waste generation through source reduction, recycle of materials that cannot be eliminated, and treatment of waste to reduce volume, toxicity and mobility prior to storage.

Corrective activities include those actions needed to bring currently operating and standby facilities into compliance with applicable air, water, and solid waste regulatory requirements, negotiated agreements, other local, State and Federal requirements, and internal DOE requirements in an expeditious manner. Most of the corrective activity requirements are in the near term, reflecting the need for prompt action to bring operational facilities into compliance with existing standards, such as the Clean Air and Clean Water Acts. Significant progress has been made in achieving compliance. As a result, many activities will be completed by the end of 1992. This is reflected in the decreased funding request for

corrective activities, totaling \$84 million in 1993.

Technology development provides for research and development activities which will develop and apply more effective technologies to help meet the Department's environmental restoration and waste management goals. To support environmental restoration goals, emphasis is on improved or new technology for characterization of sites to determine the magnitude and extent of contamination spread and its physical and chemical nature and on soil and groundwater remediation technologies. To support waste management operations, emphasis is on waste retrieval and processing, creating waste forms suitable for disposal, and minimizing production of future wastes through process changes, materials substitution and recycling. The budget proposes to increase the investment in technology development more than six-fold over 1989 levels, to a total of \$315 million.

An additional \$49 million for transportation management and program direction brings the total Administration proposal for 1993 cleanup activities at DOE sites to \$5.534 billion, as noted above.

Uranium enrichment.—Of the \$5.534 billion total, the budget proposes \$217 million, an increase of \$93 million or 75 percent over 1992, for environmental restoration, waste management, and corrective activities funded by the DOE Uranium Enrichment Program. These activities are funded from a separate account that collects the proceeds from the sale of uranium enrichment services. The funding requirements are based on an overall cost allocation to this account of approximately 50 percent of the total environmental restoration costs, with the remaining 50 percent allocated to the government, to be funded from the Defense Environmental Restoration and Waste Management account. This 50-50 split reflects the historical allocation of costs within the Uranium Enrichment program between National Defense and Commercial applications. Corrective action and waste management activities at the operating enrichment sites are fully funded by the URE program.

The budget proposes to establish a new environmental cleanup fee, to be applied to all U.S. nuclear power plants which at

any time utilized DOE uranium enrichment services, whose proceeds would be used exclusively for remediation and decontamination and decommissioning (D&D) at the uranium enrichment sites. A fee of one-third mill per kilowatt-hour of electricity generated would be assessed to each domestic nuclear power reactor. The proposed fee would not apply to the cost of activities needed to permit currently operating uranium enrichment facilities to achieve compliance with current emission limitations, i.e., it would not apply to corrective actions and waste management activities.

For 1993, the fee is proposed at a level to cover the projected average five-year (1993-97) cost of remediation and D&D activities attributable to commercial users, based on historical cost allocation assumptions (i.e., based on the quantity of enrichment services delivered to non-government customers over the life of the facilities). It is intended that the proposed level be maintained for at least three years. The actual level of the fee does not prejudice the development and adoption of a revised estimate of total costs for remediation and D&D of the uranium enrichment facilities, including any possible revision of the historical cost allocation assumptions. The Administration would propose to adjust the fee to reflect any such changes that may be adopted in the future.

Long-term recommendations.—The budget's recommendation of a 26 percent increase to \$5.534 billion for DOE Federal facility cleanup reflects the commitment to clean these facilities up on an accelerated basis and provide the funds necessary to meet all legal requirements. Nevertheless, the Administration is concerned about management and overhead expenses which inevitably plague a program experiencing this type of cost growth. To address emergent problems in this rapidly growing program, the members of the interagency review panel have developed a set of long-term recommendations for the ERWM program. They are summarized below.

Tracking budgets to legal requirements.—The interagency review found that the current budget and management systems do not relate estimates to legal requirements, do not track expenditures to legally-required

milestones, and do not measure accomplishments against those milestones. In the President's 1992 budget, the Administration proposed the establishment of a management tracking system to ensure that resources and planned funds were targeted in actual use toward meeting legal requirements and milestones, and to measure progress against those milestones. DOE has taken initial steps towards implementing such a system. A fully operational progress tracking system should be in place in the near future.

Reducing excessive overhead costs.—The review found apparent excessive overhead costs at many sites, and wide variability by site, unrelated to programmatic factors. Excessive overhead costs reduce the amount of funding available for actual cleanup and compliance. As a result of this finding, the DOE is initiating a more detailed review of management procedures and overhead policies at all its field office sites, led by the Chief Financial Officer. This problem nevertheless remains an issue of serious concern to the interagency group—current overhead and program management costs far exceed those for comparable Federal or private sector activities.

Improving DOE ERWM cost estimating.—The review identified a number of estimates that included individual items with excessively high costs. There are several factors that lead contractors and ERWM site personnel to include cost estimates in the budget that probably exceed the amount that will be re-

quired. Contingencies are often a major part of the estimate due to major unknowns and uncertainties regarding the scope of clean-up requirements, threat of enforcement actions, and personal liability, among other reasons. The review identified a number of contingency estimates that were excessively high. These must be brought into line with normal practice for major construction projects. This, too, is an area of major concern identified by the interagency group.

Improving contractor oversight.—The review teams found numerous instances of a lack of effective Federal oversight of contractors at the ERWM field sites. In response to this finding, the budget contains funds to permit a large increase in FTE levels from 1991 to 1992 and a further increase in 1993, with most of the increase going to field offices. As a result, the ERWM program will have adequate FTE levels to effectively manage its program. In part, another concern of the interagency group was the disproportionate growth of ERWM headquarters FTE relative to field personnel. The group concluded that both current and future FTE should be re-allocated with emphasis on field oversight of contractors.

Department of Defense (DOD)

The Defense Department continues making major progress in environmental cleanup and compliance. Over the past year significant advances have been made in environmental planning, compliance, pollution prevention,

Table 10-10. TOTAL DOE CLEANUP BUDGET

(Budget authority; dollar amounts in millions)

	1989 Actual	1992 Enacted	1993 Proposed	Dollar Change: 1992 to 1993	Percent Change: 1992 to 1993
Total Cleanup Programs: ¹					
Environmental Restoration	466	1,453	1,940	+487	+34%
Waste Management	1,105	2,463	3,145	+682	+28%
Technology Development	52	303	315	+12	+4%
Corrective Activities and Other	139	188	133	-55	-29%
Total DOE Cleanup Program	1,762	4,407	5,534	+1,127	+26%
FTEs	373	1,551	1,598	+47	+3%

¹ Includes both ERWM and URE programs.

and restoration. The budget provides \$3.7 billion, an increase of 35 percent above the enacted 1992 level for cleanup and compliance with environmental laws. In addition, the Administration anticipates a \$1 billion supplemental for the DOD in 1992 to enable the DOD to accelerate cleanup of contaminated sites and bring all of its operations into full compliance with Federal, State, and local environmental laws.

Including the anticipated 1992 supplemental, the DOD plans to spend \$2.0 billion in both 1992 and 1993 to clean up existing contaminated Defense facilities. In addition to cleaning up existing contamination, the DOD plans to spend another \$1.8 billion in 1992, and \$1.7 billion in 1993 to comply with Federal, State, and local environmental laws. Environmental program initiatives begun in 1987 have reduced DOD's hazardous waste generation by over 40 percent to date, and by over 50 percent by the end of 1992.

These actions are coupled with thousands of initiatives at local installations, ranging from basewide recycling programs to massive reductions in energy use. Taken together, these steps will help ensure environmental compliance at all Defense facilities.

Department of the Interior (DOI)

The budget proposes \$80 million, a 14 percent increase above 1992, for environmental compliance and hazardous materials manage-

ment activities, such as assessment and remediation of potentially contaminated DOI sites, emergency responses to illegal disposal, and accidents involving hazardous materials. This will allow DOI to implement prevention and minimization of wastes, management of wastes to protect natural resources and the users of DOI lands and facilities, and aggressive cleanup and restoration of DOI sites that may be contaminated. There will be 260 assessments and investigations in 1993. The budget also fully funds all remedial actions scheduled for 1993. DOI hazardous materials sites include authorized and unauthorized landfills, potential discharges from abandoned mining operations, illegal drug labs, contaminated irrigation drainage, and leaking underground storage tanks.

Department of Agriculture (USDA)

The budget proposes \$39 million, an increase of 3 percent above 1992, for hazardous waste management activities in USDA. USDA operates a centrally managed Hazardous Waste Management program, which is responsible for coordinating and monitoring all compliance actions. The Forest Service, the Agriculture Research Service, and the Commodity Credit Corporation account for over 90 percent of all hazardous waste compliance activities within USDA. Problems consist mainly of leaking underground storage tanks, potential discharge of toxic wastes from abandoned mines,

Table 10-11. THE BUDGET INCLUDES AN ADDED \$3.15 BILLION IN 1992 AND 1993 TO SPEED THE CLEANUP OF FEDERAL FACILITIES

(Budget authority; dollar amounts in millions)

	1989 Actual	1992 Enacted	1993 Proposed	Dollar Change: 1992 to 1993	Percent Change: 1992 to 1993
Department of Energy	1,762	4,407	5,534	+1,127	+26%
Department of Defense	1,155	2,761	3,718	+957	+35%
Department of Agriculture	8	38	39	+1	+3%
Department of the Interior	41	70	80	+10	+14%
Department of Transportation	29	54	59	+5	+9%
NASA, DOJ, and DOC	28	41	58	+17	+41%
Total	3,023	7,371	9,488	+2,117	+29%
DOD 1992 Anticipated Supplemental	—	+1,034	—	N/A	N/A

2-21

and potential contamination from past discharges of chemicals from research facilities.

Department of Commerce (DOC)

The budget requests \$2 million to continue a program of environmental cleanup and compliance at National Oceanic and Atmospheric Administration (NOAA) facilities. NOAA is monitoring the cleanup of environmental problems at its facilities nationwide and has begun replacing leaking underground storage tanks on its properties.

Department of Transportation (DOT)

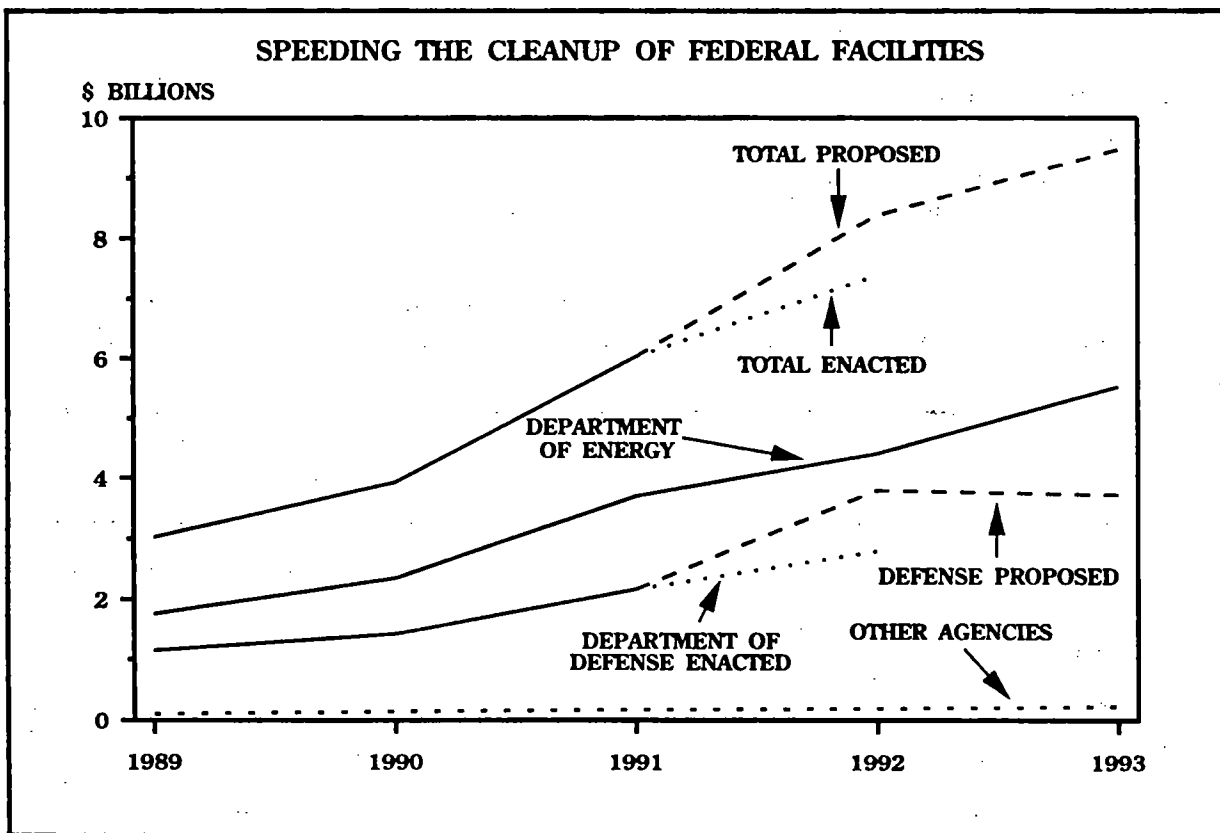
The budget provides \$59 million, a 9 percent increase above 1992, for hazardous waste cleanup and compliance activities in DOT. The Federal Aviation Administration (FAA) and the Coast Guard account for nearly all of DOT's cleanup and compliance needs. Much of the work involves replacement of underground fuel storage tanks.

National Aeronautics and Space Administration (NASA)

The budget requests \$40 million, an increase of 11 percent above 1992, for cleanup and compliance activities in NASA. NASA cleanup projects include soil and groundwater remediation, upgrade of various facilities, leaking underground storage tanks, and addressing facilities' deficiencies and corrective action requirements.

Department of Justice (DOJ)

The budget requests \$16 million for environmental cleanup and compliance activities at DOJ facilities. The Bureau of Prisons accounts for most of the DOJ's activities, with resources devoted to RCRA and Superfund cleanups, and compliance with the Clean Air Act and Clean Water Act. In addition, in 1993 the Immigration and Naturalization Service will continue projects to replace existing underground storage tanks before leakage occurs.



MAINTAINING THE ADMINISTRATION'S COMMITMENT TO THE PRESIDENT'S GOAL OF "NO NET LOSS" OF WETLANDS

In his August 9, 1991, statement, the President announced a comprehensive plan that seeks a balance between wetlands protection, enhancement, and restoration and sustained economic growth and the protection of private property rights. The budget implements the programs announced in the wetlands plan, and represents an increase of \$212 million (+35 percent) over 1992 for wetlands protection, enhancement and restoration. Since 1989 the Administration has proposed more than a 170 percent increase in wetlands funding.

- The budget funds USDA's Wetlands Reserve Program at 1 million acres through 1995 for a voluntary program of conservation easements. The budget proposes nearly \$800 million during 1993-1995 to encourage farmers to remove higher-priority wetlands from production through these easements.
- The budget again proposes \$15 million in discretionary funding to fully fund the North American Wetlands Conservation Act. This will accelerate implementation of the North American Waterfowl Plan to restore declining migratory bird populations. Under this program Federal/State/private partnerships are formed to match Federal funds to acquire, restore, and enhance wetlands in Canada, Mexico, and the United States. Congress failed to fund this program in 1992.
- The budget proposes \$50 million to fully fund the Wetlands Protection and Restoration Programs managed by the Department of the Interior and the Army Corps of Engineers for the conservation and restoration of coastal wetlands.
- The budget also funds various multi-agency programs for the conservation and management of wetlands habitat for migratory bird populations and endangered species, conservation and restoration of other high-priority wetlands, and ongoing wetlands research, education, and development.

- The Administration will continue to make wetlands a priority in the allocation of Land and Water Conservation Funds (LWCF) to Federal agencies. In addition, the Administration proposes to target a portion of LWCF State grant funds to non-Federal wetlands enhancement.
- The budget proposes the continuation of the Coastal America program within existing funding levels. EPA, Commerce, the Army Corps of Engineers, and DOI will focus on the preservation and cleanup of polluted coastal estuaries and eroding coastal wetlands. This program is a practical, action-oriented approach for the protection and restoration of the Nation's coastal resources.
- The budget proposes a total of \$15 million to keep construction and land acquisition for the Everglades National Park on schedule to further carry out the Administration's commitment to restoring waterflows at the park.

All of the actions listed above are designed to protect habitat or enhance restoration. At the same time, the Administration will continue to pursue program reforms to streamline the permit approval process, increase flexibility for States and harness market mechanisms in wetlands protection so that the objectives of the wetlands program can be met in a way that is consistent with a dynamic, growing economy.

WATER RESOURCE AGENCIES WILL EMPHASIZE ENVIRONMENTAL PROTECTION, MITIGATION, AND RESTORATION

Protecting and Restoring Environmental Resources—Army Corps of Engineers.—The budget above includes \$93 million to strengthen environmental protection while streamlining the regulatory program. In order to reduce delays and the cumbersomeness of the regulatory process, the budget provides for an increase in staffing to improve performance and speed in both permit evaluation and compliance monitoring. There will be \$35 million for cooperative wetland projects in the State of Louisiana, authorized under the Coastal Wetlands Planning, Protection and Restoration Act

Table 10-12. FUNDING FOR WETLANDS RESEARCH, PROTECTION AND ENHANCEMENT WILL INCREASE BY 35 PERCENT

(Budget authority; dollar amounts in millions)

	1989 Actual	1992 Enacted	1993 Proposed	Dollar Change: 1992 to 1993	Percent Change: 1992 to 1993
Wetlands Funding by Activity:					
Research/Education	19	33	34	+1	+3%
Conservation/Restoration	39	238	383	+145	+61%
Coordination/Regulation	102	152	164	+12	+8%
Mapping	37	33	38	+5	+15%
Construction	27	3	8	+5	+167%
Water Rights	2	6	9	+3	+50%
Land Acquisition	69	135	176	+41	+30%
Total	295	600	812	+212	+35%
Wetlands Funding by Agency:					
USDA	79	152	276	+124	+82%
DOI	93	223	291	+68	+32%
EPA	9	29	33	+4	+14%
ARMY	98	173	190	+17	+10%
NOAA	16	23	22	-1	-4%
Total	295	600	812	+212	+35%

of 1990. Nationwide, Corps wetlands restoration implementation studies, projects, and research will be funded at \$57 million.

The budget for the Corps includes about \$75 million and \$56 million, respectively, for the protection and restoration of environmental resources other than wetlands.

Mitigating Environmental Impacts of Projects.—The Army Corps of Engineers' budget includes \$108 million to continue mitigating substantial environmental impacts of specific water resources projects. Examples of mitigation projects include land purchases for the Tennessee-Tombigbee Waterway (\$10 million), Richard B. Russell Dam and Lake (\$12 million), and the Missouri River (\$6 million). The Corps will acquire and develop lands to mitigate for wildlife habitat lost from construction of the projects. When completed, 88,000, 22,000, and 30,000 acres respectively will be acquired. In addition, existing publicly-owned lands will also be managed for wildlife mitigation at these projects.

Significant work on the Columbia and Snake Rivers is included in Corps mitigation efforts.

Completion of fish hatcheries to provide 27 million juvenile salmon and steelhead annually, construction of wildlife compensation facilities, and purchase of 24,000 acres of land along the lower Snake River for fisherman access, wildlife habitat, and hunting access are funded at \$12 million. The Columbia River Juvenile Fish Mitigation project, funded at \$45 million, will continue construction of fish bypass facilities at six existing locks and dams, and various mechanisms to improve downstream migration of juvenile salmon. These fish bypass projects, with a total cost of over \$300 million, will assist the passage of juvenile fish around the turbines at Lower Granite, Lower Monumental, Little Goose, McNary, The Dalles, and Ice Harbor Dams.

Bureau of Reclamation—Protecting and Restoring Environmental Resources.—Studies will evaluate the potential for improving fish and wildlife habitat and preserving and restoring wetlands in cooperation with the Fish and Wildlife Service and State and local partners. Site specific studies have been identified in areas affected by the development of

Table 10-13. ARMY CORPS OF ENGINEERS (CIVIL WORKS); PROTECTION AND RESTORATION OF ENVIRONMENTAL RESOURCES

(Budget authority; dollar amounts in millions)

	1989 Actual	1992 Enacted	1993 Proposed	Dollar Change: 1992 to 1993	Percent Change: 1992 to 1993
Protection and Restoration:					
Increase the Responsiveness of the Regulatory Program	64	86	93	+7	+8%
Wetland and Other Aquatic Habitat Creation (Section 307a)	—	—	5	+5	—
Project Modification for Improvement of Environment (Section 1135)	—	8	10	+2	+25%
Protection and Restoration Activities	83	126	139	+13	+10%
Other Environmental Programs ¹	—	47	53	+6	+13%
Total—Protection and Restoration	147	267	300	+33	+12%
Mitigation:					
Columbia River Juvenile Fish Mitigation	10	32	45	+13	+41%
Tennessee-Tombigbee Waterway Mitigation	—	15	10	—5	-33%
Other Mitigation Projects	39	47	53	+6	+13%
Total—Mitigation	49	94	108	+14	+15%
Total Environmental Program	196	361	408	+47	+13%

¹ Wetlands Research Program, Coastal Wetlands Restoration Trust; and Environment R&D.

Federal projects to determine how current operations could be modified to restore fish and wildlife habitat, and for sediment control, water quality improvement, flood control, and groundwater recharge. Reclamation will complete a general wetlands inventory on 8.5 million acres of Reclamation lands, begin data collection at demonstration sites, and continue activities to ensure an adequate water supply for wetlands.

Bureau of Reclamation—Mitigating Environmental Impacts of Projects.—The budget proposes \$84 million to mitigate adverse impacts of water resource projects. Proposed activities include modification of project facilities and operational changes to improve anadromous fisheries, migratory waterfowl habitat, and other environmental resources, including:

- Environmental restoration activities at the Central Valley Project in California, including restoration of fish and wildlife resources along the Trinity and Sacramento Rivers.

- Work on the Yuma Desalting Plant in Arizona as part of a commitment by the United States to meet certain water quality standards for Colorado River water entering Mexico.
- Land acquisition and mitigation development at the Audubon and Arrowwood Wildlife Refuges, the Kraft Slough, and the Lonetree Wildlife Management Area in North Dakota.
- Continued implementation of the provisions of the Truckee-Carson-Pyramid Lake water rights settlement legislation.

This budget places greater emphasis on the improved management, use, and conservation of the water and land resources associated with Reclamation projects, thus significantly reducing their future adverse environmental impacts.

CONSERVING, PROTECTING, AND MANAGING MARINE AND COASTAL RESOURCES AND HABITAT

National Marine Fisheries Service (NOAA)—Protecting and Restoring Fisheries.—The budget provides a total of \$219 million to strengthen the Federal role in fisheries management and conservation. "Our Living Oceans," the first annual report on the status of U.S. living marine resources, published by the U.S. Department of Commerce, shows that the majority of the Nation's fish stocks are in poor condition. The budget supports the restoration of living marine resources through major strategic initiatives to: rebuild U.S. fisheries by reducing overfishing, stabilizing currently productive fisheries, and improving stock assessment; promote recovery of endangered or threatened species, including marine mammals and sea turtles, by integrating conservation of species and fisheries management; protect and restore coastal and estuarine fishery habitats; and improve seafood safety.

National Ocean Service (NOAA)—Protecting and Managing the Coastal and Marine Environment.—The budget provides over \$7 million (a 46 percent increase over 1992) for the designation of national marine sanctuaries. A total of \$17 million is provided for the Coastal Ocean Program (a 48 percent increase over 1992) to continue to strengthen and provide focus for NOAA's coastal programs. Coastal ocean research will improve predictions of human influence on fisheries productivity, environmental quality, and coastal hazards, within the context of natural variability.

GLOBAL CLIMATE CHANGE

The U.S. Global Change Research Program (USGCRP) is designed to produce a predictive understanding of the entire Earth system to support the national and international policymaking activities associated with global and regional environmental issues such as ozone depletion and global warming. This interagency research effort (eleven agencies) promises not only the information to support today's policy questions but the maintenance of a strong foundation of multi-disciplinary

science required to address the unanticipated issues of tomorrow.

The budget proposes \$1,372 million for the USGCRP, a \$263 million or 24 percent increase over the 1992 funding level. The USGCRP addressed three parallel interconnected streams of activities: 1) documenting global change through the establishment of a long-term monitoring program; 2) enhanced understanding of key physical, chemical, biological, and social processes that influence and govern the Earth evolution, and 3) predicting global change through the development of predictive Earth system models.

Planning for the USGCRP has been driven by a strategic and scientific priority framework that has been extensively reviewed by the science community. Over the past two years, this framework has been extended to include a set of integrating themes that address the scientific uncertainties identified by the U.N.-sponsored Intergovernmental Panel on Climate Change, and the economic research and important policy questions identified as a result of the 1990 White House Conference on Science and Economics Research Related to Global Change. The further integration of economics research into the USGCRP is particularly important since an understanding of the relationship between global change and the economy is fundamental to assessing the magnitude of the potential impact on a society, as well as to developing effective responses.

The critical role of economics in understanding and responding to global change was widely acknowledged by world leaders, including President Bush, at the 1990 White House Conference on Science and Economics Research Related to Global Change.

The ultimate success of the USGCRP requires progress and integration of data collection, process studies, and modeling across all the various disciplines. Central to this strategy is a balance between ground- and space-based research activities. Ground-based observations and theoretical process studies will be complemented by a comprehensive space-based program to provide global observations of key environmental parameters. For example, while NASA's Mission to Planet Earth (including the Earth Observing System)

is a fundamental contribution to the USGCRP, many of the ground-based data sets will be used to calibrate the complementary Mission to Planet Earth satellite data sets.

The USGCRP is described in further detail in the Enhancing Research and Development and Expanding the Human Frontier chapter of the budget.

HISTORIC PRESERVATION PROGRAMS

The budget requests \$41 million for the Historic Preservation Fund Program of the National Park Service, \$5 million more than enacted in 1992. The Historic Preservation Fund provides matching grants to States and the National Trust for Historic Preservation for historic preservation planning, projects, and activities.

The budget requests an additional \$1 million for the National Trust for Historic Preservation for comprehensive planning and technical assistance to preserve and restore Montpelier located in Orange County (VA). Montpelier was the ancestral home of James Madison, one of America's founding fathers, the Nation's fourth President, and primary architect of the Bill of Rights.

Also, the DOI and the United Negro College Fund have reached an agreement in principle to jointly sponsor a preservation effort on the campuses of Historically Black Colleges and Universities (HBCU) across the Nation. For 1993, the budget proposes an increase of \$4 million in Historic Preservation Grants to implement this Federal/non-Federal partnership.

Table 10-14. U.S. GLOBAL CHANGE RESEARCH PROGRAM

(Budget authority; dollar amounts in millions)

	1992 Enacted	1993 Proposed	Dollar Change: 1992 to 1993	Percent Change: 1992 to 1993
By Space/Ground Component	1,110	1,372	+263	+24%
Ground-based	733	915	+182	+25%
Space-based	377	457	+80	+21%
NASA-EOS	188	308	+120	+64%
NASA-EOS Precursors	189	139	-50	-26%
DOE	—	10	+10	NA
By Integrating Theme	1,110	1,372	+263	+24%
Climate Modeling and Prediction	123	143	+20	+16%
Global Water and Energy Cycles	385	463	+79	+20%
Global Carbon Cycle	202	252	+49	+24%
Ecological Systems and Population Dynamics	174	246	+72	+41%
Economics	4	13	+9	+225%
Other	222	256	+34	+15%
By Agency	1,109.8	1,372.4	+263	+24%
National Aeronautics and Space Administration	755.9	890.8	+135	+18%
National Science Foundation	108.5	162.5	+54	+50%
Energy	77.0	113.0	+36	+47%
Commerce	47.0	78.2	+31	+66%
Agriculture	44.3	47.6	+3	+7%
Interior	39.4	35.8	-4	-9%
Environmental Protection Agency	24.0	26.0	+2	+8%
Smithsonian	6.3	10.6	+4	+68%
Defense	6.3	6.6	—	+5%
Health and Human Services	1.0	1.2	—	+20%
Tennessee Valley Authority	0.1	0.1	—	—

Advisory Council on Historic Preservation.—Advisory Council on Historic Preservation (ACHP) advises the President and Congress on historic preservation matters, and formally comments on Federal, federally-assisted, and federally-licensed undertakings that may affect historic properties. The budget requests \$2.8 million, an increase of 7 percent over 1992. The increase will allow ACHP to meet increasing project review caseloads and to consider long-term improvements in the historic preservation program.

Energy: Fueling Economic Growth

The Administration's National Energy Strategy (NES), released by the President February 20, 1991, lays the foundation for increasing U.S. competitiveness and future economic growth through a more efficient, less vulnerable and environmentally sustainable energy future. The objective of the NES is to assure reliable supplies of clean and affordable energy to fuel an expanding economy.

The Administration believes that market mechanisms should determine the allocation of resources and investments. Unlike many energy plans which have been proposed in the past, a fundamental assumption in the NES is that capital investment in energy technologies and supplies should be voluntary rather than the result of mandated constraints on American businesses and households.

The budget proposes investments to help implement the NES and achieve its energy policy objectives. The budget initiatives are intended to balance energy conservation and energy production in a way that enhances international competitiveness. Two of the keys for achieving this balance are regulatory reform and development of new technology. In the last decade, deregulation initiatives in the energy sector have provided substantial benefits to energy producers and consumers alike. Building upon these initiatives, the National Energy Strategy seeks to remove institutional and regulatory barriers to the efficient use of the Nation's energy resources. The budget proposes almost \$1 billion a year in NES-related R&D investments, which, combined with the initiatives in the NES, will spur more efficiency and productivity throughout the energy sector.

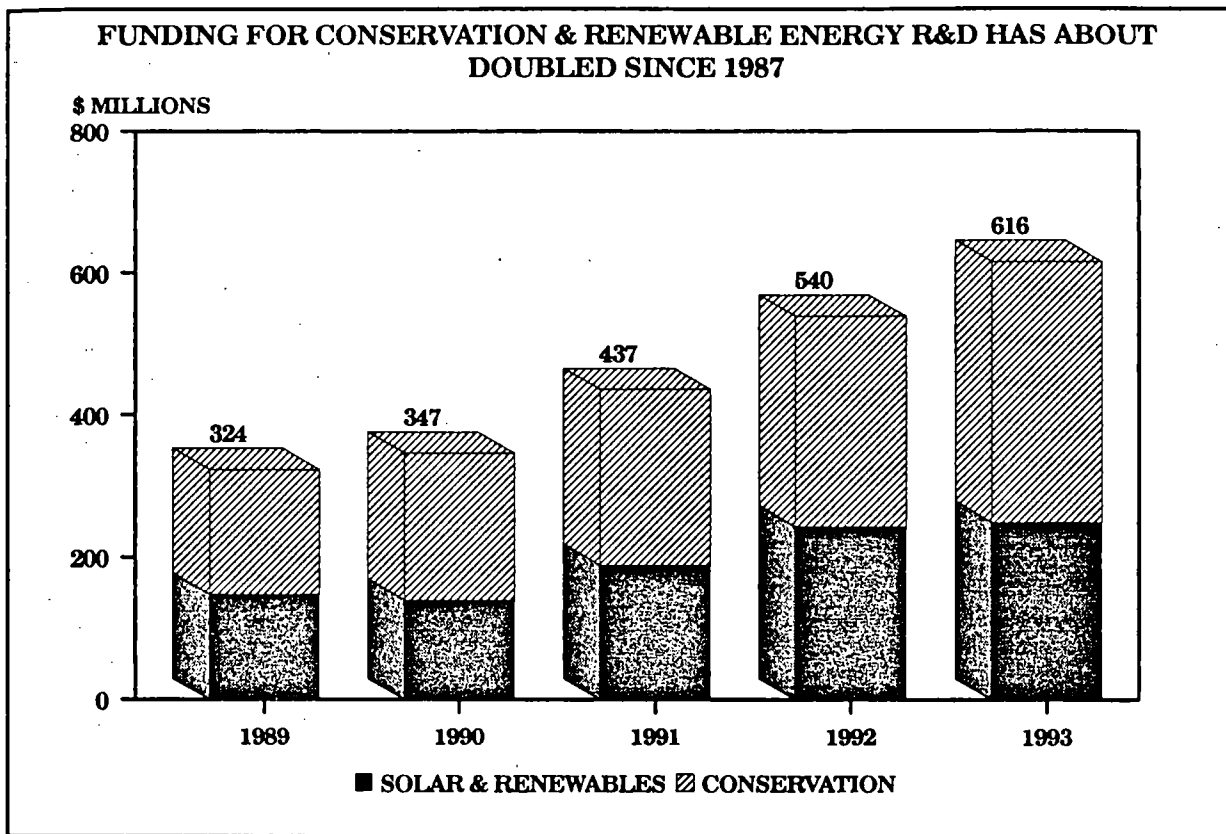
Implementation of these initiatives is expected to add more than half a new million jobs to our economy over the next fifteen years, while substantially reducing the economic risks of future oil supply disruptions and price shocks.

Increasing Energy and Economic Efficiency

The Administration's energy initiatives reflect a national commitment to greater efficiency in every element of energy production and use. Greater energy efficiency can reduce energy costs to consumers and increase the productivity and competitiveness of U.S. industry. The Administration has proposed regulatory reform measures aimed at increasing efficiency in electricity generation and use. The principal measure is to amend the Public Utility Holding Company Act of 1935 to eliminate barriers to entry into the wholesale electricity generation market, while ensuring continued protection of consumer interests. The Administration also is working with the Federal Energy Regulatory Commission to expand access to electricity transmission services. In addition, the budget provides increasing funding to assist State regulatory authorities and utilities in implementing integrated resource planning, a process in which both supply and demand resources compete to satisfy electricity needs in the most efficient way.

The budget proposes over \$350 million for conservation research and development, an increase of about 25 percent over 1992 levels and more than double the 1989 levels when this Administration took office. These investments will spur the development of new technologies to increase efficiency in residential and commercial buildings, in industry and in the transportation sector.

Of particular note, the budget proposes \$162.4 million for research and development of cleaner, more efficient transportation technologies that will improve U.S. economic competitiveness and create jobs in this important manufacturing sector. This budget initiative represents a 47 percent increase over comparable 1992 levels, and includes funding for:



- *U.S. Advanced Battery Consortium*, a four-year, \$260 million joint research venture with the Nation's three largest automobile manufacturers, the electric utility industry and others. This consortium, begun last year, will work to develop a new generation of batteries to make electric vehicles attractive and available by the year 2000.
- *Increased purchase of alternative-fueled vehicles (AFVs)*.—DOE will fund the incremental cost and allow the purchase of at least 5,000 additional AFVs. When combined with already announced Government purchases, the Federal government will be two years ahead of the AFV purchase schedule required by the Clean Air Act.

The NES also contains an extensive list of cost effective measures to promote energy efficiency and conservation that are being implemented administratively. These include:

- Clarification by the IRS in Revenue Ruling 91-36, issued July 1, 1991, that utility efficiency incentive payments provided in

the form of discounts on electric bills are not taxable income to the recipient.

- Improved building efficiency standards and guidelines.
- Expansion of appliance efficiency labeling to permit more informed consumer choice at time of purchase.
- Expansion of DOE-supported Energy Analysis and Diagnostic Centers for improving energy efficiency in business and commerce sectors.
- Improved Transportation energy efficiency through a modification to Treasury regulations increasing the amount of mass transit subsidies that employers may provide to employees up to the maximum allowed under current law.
- Issuance of an Executive Order 12759, directing all Federal agencies to undertake cost-effective actions which reduce energy consumption by 20 percent. Not only does this Order provide Federal leadership in energy conservation but it also will save

taxpayers up to \$800 million annually, and 100,000 barrels of oil equivalent per day.

- Removing market and regulatory barriers to alternate and renewable fuels.

Securing Future Energy Supplies

Regulatory reform and increased R&D for oil, natural gas, coal, nuclear and renewable will expand the fuel and technology choices available to the Nation to stimulate economic growth, improve our energy security and enhance our environment.

Oil

For the foreseeable future, oil will remain a critical fuel for the United States and the world. The Administration is pursuing a balanced approach to improve our energy security by reducing our economy's dependence on oil and increasing the environmentally responsible production of oil. On the demand side, increased efficiency, expanded use of natural gas and the introduction of alternative fuels and technology are projected to reduce our need for oil by 3.4 million barrels per day by the year 2010. On the supply side, R&D investments of \$47 million in 1993 for advanced oil recovery (27 percent over the 1992 enacted level) and actions to remove unwarranted barriers to domestic production are projected to increase domestic supplies of oil by 3.8 million barrels per day by 2010.

As part of this effort, the Administration supports opening access to a discrete portion of the coastal plain of the Arctic National Wildlife Refuge with environmental safeguards. The environmentally responsible development of this area potentially could save \$250 billion in payments to foreign oil producers and governments, while providing \$125 billion in revenues for Federal and State governments and as many as 200,000 U.S. jobs. The budget proposes that revenues from oil and gas lease sales in the ANWR be divided evenly between Federal government and the State of Alaska.

Whenever possible, the Administration also is taking administrative actions to increase domestic oil production and create new jobs in the energy industry. To prevent the contin-

ued loss of domestic oil production capacity on Federal lands, the Administration is proposing royalty relief for stripper wells on Federal lands so that the cost of the royalty payments do not force the premature abandonment of these low volume wells. The Administration has issued an export license for California heavy crude and it will issue a Presidential finding permitting the export of an initial 25,000 barrels per day of California heavy oil, subject to adjustment by the Secretary of Commerce. The Administration also supports deregulation of oil pipelines, except for those not subject to competition, in order to reduce consumer costs and encourage the most efficient use of the oil pipeline system.

Taken together these demand and supply measures along with the other oil-related NES initiatives are projected to reduce oil imports by more than 7 million barrels per day by the year 2010. Reducing our oil dependence will substantially reduce the vulnerability of our economy to costly future oil supply disruptions and price shocks while improving our trade deficit. In 2010, these initiatives are projected to save billions of dollars a year in payments to foreign oil producers and governments, keeping that money at work in the United States.

Natural Gas

Natural gas is a relatively abundant, economical, and clean domestic fuel. The natural gas industry, however, remains hampered by inefficient and outmoded regulation that often discourages greater use of natural gas. The Administration supports a sweeping program of regulatory reforms to replace unnecessary regulation with competition and to create market opportunities for the expanded use of natural gas. These reforms include expedited permitting and construction of pipelines to provide service to new customers, deregulation of pipeline sales of natural gas where the pipeline is providing nondiscriminatory transportation services, and provisions for greater flexibility in setting pipeline charges for gas transportation.

These reforms could increase natural gas consumption by about 1 trillion cubic feet per year after 1995, displacing 300,000 to 400,000 barrels per day of oil. Not only

2-30

are
vide
cust
gas
gas
and
regu
the
ing
an
diox
oxid
of
the
reg
T
inc
dev
mil
a
tha
as
gas
Co
I
and
the
mo
coe
eff
po
th
pr
4
a
de
in
ef
Ar
pc
pr
n
th
g
er
N
2
e
p
b

are such regulatory reforms projected to provide substantial cost savings for natural gas customers, but also increased use of natural gas will create new jobs in the natural gas industry. In addition to the economic and energy security benefits, natural gas regulatory reform actions also will benefit the environment. In the year 2000, the resulting increased use of natural gas would produce an annual decrease of 670,000 tons of sulfur dioxide emissions, 200,000 tons of nitrogen oxide emissions, and 11 million metric tons of carbon dioxide emissions compared with the estimated projections without the proposed regulatory reform initiatives.

The budget also provides for a 233 percent increase in natural gas related research and development compared with 1992. Over \$40 million is proposed in the budget to implement a restructured natural gas R&D program that would address production issues as well as cleaner and more efficient use of natural gas.

Coal

New technologies to use coal more cleanly and efficiently are required in order to enable the U.S. to take full advantage of its enormous, low-cost coal resources. New clean coal technologies can substantially improve efficiency and reduce emissions from the powerplants that generate currently more than one-half of our electricity. The budget proposes \$500 million to fully fund Rounds 4 and 5 of the Clean Coal Technology Program, a \$5 billion Government-industry cost-shared demonstration program aimed at introducing innovative methods of using coal more cleanly, efficiently and economically. In addition, the Administration actively is promoting the export of coal and clean coal technologies, producing jobs at home while helping other nations (especially in Eastern Europe and the developing world) to achieve common goals: a cleaner environment and less dependence on oil.

Nuclear Power

Nuclear power, which today provides about 20 percent of our electricity, can cleanly, economically and safely meet a substantial portion of future electricity needs if three barriers are addressed. The Administration

supports (1) reform of the nuclear powerplant licensing process; (2) the responsible management and disposal of high-level nuclear waste; and (3) development of new, standardized reactor designs that incorporate passive safety features.

The budget provides \$392 million, an increase of \$117 million, or 45 percent, for nuclear waste management programs, including \$248 million for studies of the suitability of the Yucca Mountain site as a permanent repository, and \$41 million for planning for a Monitored Retrievable Storage Facility (MRS). The Office of the Nuclear Waste Negotiator will be pursuing arrangements for siting an MRS with interested States, Counties and Indian tribes. The authorization for this Office may need to be extended if final negotiations continue past January 1993. In addition, the budget includes \$59 million for R&D on Advanced Light Water Reactor Technology and \$145 million for Advanced Reactor Concepts, including both the High Temperature Gas Reactor and the Liquid Metal Reactor. These budget initiatives, coupled with licensing reforms and license renewal for existing plants where safety can be assured, will ensure that nuclear power will contribute significantly to our future economic growth.

Renewable Energy

The Administration also recognizes the considerable potential contribution of renewable energy resources to achieving national economic, environmental and energy security goals. The most effective way to improve the competitiveness of renewable energy is through increased investments in research and development and regulatory reforms.

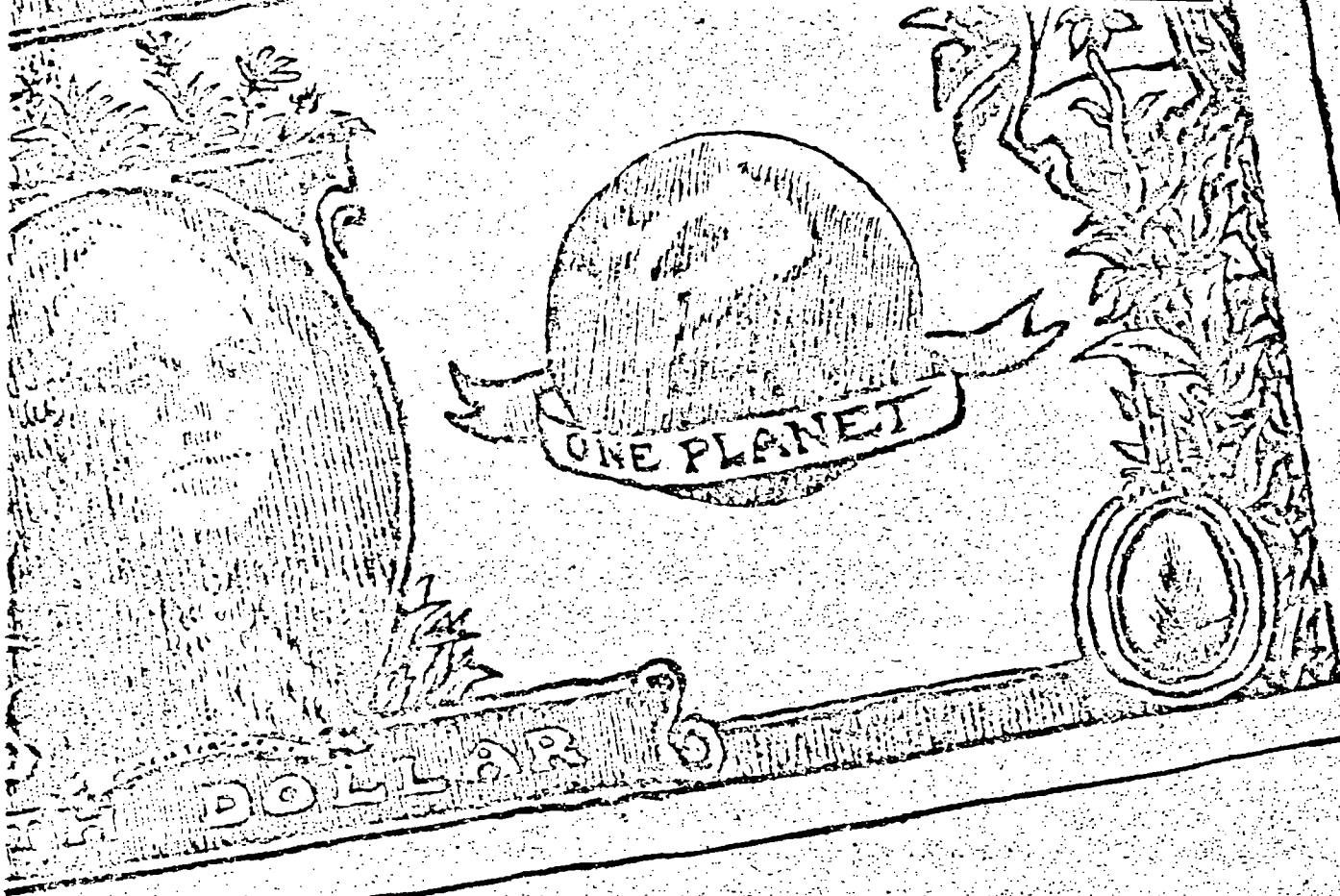
The Administration supports major regulatory reforms, including licensing reform and removing projects smaller than five megawatts from federal jurisdiction to take full advantage of domestic hydroelectric power resources, especially those at existing dams, while protecting environmental quality. The Administration also seeks to reduce the costs of, and to increase investor confidence in, solar, wind, biomass, and geothermal technologies to generate electricity; expand the conversion of municipal solid waste to energy; develop

economical liquid fuels from biomass as alternatives to petroleum-based fuels; and use larger amounts of renewable energy for direct heating, cooling and lighting in buildings. The budget proposes \$250 million for renewable R&D, a slight increase over the 1992

enacted level and 68 percent greater than 1989 level. The initiatives in this area will maintain America's competitiveness in developing renewable technologies and create new jobs associated with the manufacture of those technologies.

EARTH BUDGET

Making Our Tax Dollars Work for the Environment



A fiscal reform project by
FRIENDS OF THE EARTH
Ralph De Gennaro
Gawain Kripke

program subsidies, total about \$7 billion. The third category, anti-environmental tax breaks, totals about \$7 billion -- or can be increased to \$24 billion if parking subsidies are included. There are, however, billions of dollars in other spending programs from agriculture to transportation that hurt the environment indirectly and threaten to overwhelm many smaller environmental efforts.

Federal agency spending on the environment

About ten major federal agencies and dozens of smaller entities are responsible for spending the federal government's \$34 billion environmental budget. The accompanying table highlights how much each of these agencies spends on the environment and each agency's share of the total.

The table illustrates that the Environmental Protection Agency has the largest environmental budget. But the table also shows that other agencies not commonly thought of as environmental -- such as the Departments of Defense, Transportation and Agriculture -- also spend significant sums to benefit the environment. *Each agency can be part of the solution to environmental problems.*

Federal Environmental Spending by Department & Agency

(Figures in millions of dollars)

DEPARTMENT/AGENCY	1991 Actual	1992 Estim.	1993 Bush	1993 Enact.	% of 1992 Total
Agriculture Department	3,628	4,221	4,265	4,194	13%
Defense Department	2,524	3,996	3,813	3,852	12%
Energy Department	4,554	5,194	6,403	6,296	16%
Environmental Protection Agency	6,094	6,645	7,023	6,862	21%
General Services Administration	30	30	30	30	0%
Health & Human Services Department	444	478	510	511	1%
Housing & Urban Development Dept.	245	359	268	426	1%
Interior Department	2,805	2,940	2,835	2,868	9%
Justice Department	24	28	33	29	0%
Labor Department/OSHA	100	100	100	100	0%
NASA	829	883	1,026	1,049	3%
National Science Foundation	318	355	422	361	1%
NOAA	474	523	520	507	2%
State Department	42	39	31	72	0%
Transportation Department	4,511	5,027	3,830	5,065	16%
International assistance	877	872	829	1,206	3%
Army Corps of Engineers	279	362	409	409	1%
Smithsonian Institution	40	45	48	47	0%
FEMA	5	5	2	15	0%
Miscellaneous other agencies	3	5	9	4	0%
TOTAL, Environmental budget	27,826	32,107	32,406	33,903	100%

Your Tax Dollars at Work
\$14 billion wasted each year to harm the environment

Subsidy Item	Reform Action	Annual Savings (in millions)
Discretionary appropriations		
Unnecessary nuclear weapons	Cut unnecessary programs	\$2,000
Unnecessary Corps & BuRec water projects	Eliminate funding	300
NASA Advanced Solid Rocket Motor	Cancel (CBO Option)	360
Clean coal technology program	Rescind round 5: no new funds	275
Voice of America radio tower in Israel	Rescind unspent funds	173
NASA High-Speed Civil Transport research	Cut most of research program	80
Multiple-use recreational trails	No new appropriations	8
Subtotal, Discretionary appropriations		\$3,196
Program subsidies		
Surplus crops irrigation	Various reforms	830
1872 Mining Act -- no royalties	New 12.5% royalty	500
1872 Mining Act -- easy patents	Reform	180
Below-cost timber sales	Various reforms	400
Uranium enrichment program	Impose 1 mil/kw/hr. fee	550
Power Marketing Administration subsidies	Fair interest & other reforms	400
Coastal flood insurance	Enact reform bill	350
Inland waterway systems	Impose user fees	350
Rural Electrification Administration subsidies	Impose origin fee & fair interest	200
Below-market grazing fees	Impose market fees	120
National Park Service concessions	Raise franchise fee to 10%	42
Nuclear Waste Fund	Index fee for inflation	20
Subtotal, Program subsidies		\$3,942
Tax breaks		
Heavy trucks subsidies	Increase tax to cover cost	3,900
Expensing	Repeal (CBO option)	900
Percentage Depletion	Repeal (CBO option)	900
Loopholes in ozone-depleting chemical taxes	Close loopholes	550
Second-home mortgage interest deduction	Limit sharply (CBO option)	200
Raw log export subsidies	Deny preferences (Stark bill)	100
Passive loss for oil and gas	Repeal	80
Deductions for environmental malfeasance	Disallow deductions	50
Motorboat diesel tax	Tax noncommercial use	29
Subtotal, Tax breaks		\$6,709
TOTAL, Anti-environmental budget		\$13,847
Additional tax break		
Employer-subsidized parking	Tax as a benefit	\$17,000

3-3

ENVIRONMENTAL CROSSCUT-AGENCIES AND PROGRAMS

Federal Environmental Spending by Department & Agency _1/
(Dollars in Millions)

DEPARTMENT/AGENCY	1991 <u>Actual</u>	1992 <u>Estim.</u>	1993 <u>Bush</u>	1993 <u>Enact.</u>
Department of Agriculture	\$3,628	\$4,221	\$4,265	\$4,194
Department of Defense	2,524	3,996	3,813	3,852
Department of Energy	4,554	5,194	6,403	6,296
Environmental Protection Agency	6,094	6,645	7,023	6,862
General Services Administration	30	30	30	30
Dept. of Health & Human Services	444	478	510	511
Dept. of Housing & Urban Development	245	359	268	426
Department of the Interior	2,805	2,940	2,835	2,868
Department of Justice	24	28	33	29
Department of Labor/OSHA	100	100	100	100
NASA	829	883	1,026	1,049
National Science Foundation	318	355	422	361
NOAA	474	523	520	507
Department of State	42	39	31	72
Department of Transportation	4,511	5,027	3,830	5,065
International Assistance Programs	877	872	829	1,206
Army Corps of Engineers	279	362	409	409
Smithsonian Institution	40	45	48	47
FEMA	5	5	2	15
Miscellaneous other agencies	3	5	9	4
	=====	=====	=====	=====
Total, Environmental Budget	\$27,826	\$32,107	\$32,406	\$33,903

_1/ Table from a document prepared by FRIENDS OF THE EARTH entitled, "The Environmental Budget".

3-4

	1991 <u>Actual</u>	1992 <u>Estim.</u>	1993 <u>Bush</u>	1993 <u>Enacted</u>
	(Dollars in Millions)			
<u>USDA ENVIRONMENTAL FUNDING</u>				
RESEARCH & EXTENSION				
ARS, CRS, CES, etc.				
Whole-farm Sustainable Agriculture	30	30	30	30
Sustainable Agriculture Components/Contrib.	70	70	70	70
Water Quality Research	77	80	81	81
Global Change Research	39	44	48	48
Subtotal, Research & Extension	216	224	229	229
AGRICULTURAL CONSERVATION				
Agricultural Stabgilization & Cons. Service				
Conservation Reserve Program	1,315	1,611	1,607	1,579
Wetlands Reserve Program	--	46	161	0
Forestry Incentives Program	12	12	12	12
Water Bank Program	14	19	11	19
Agricultural Conservation Program	190	194	125	194
Soil Conservation Service				
Conservation Operations	510	564	572	577
Great Plains Conservation Program	25	25	25	25
Subtotal, Agricultural Conservation	2,066	2,471	2,513	2,406
OTHER PROGRAMS				
Rural Development Administration				
Rural Water & Waste Grants	308	351	300	390
Rural Water & Waste Loans	500	600	600	600
Emergency Community Water Assistance	10	10	0	10
Subtotal, Rural Dev. Admin.	818	961	900	1,000
Miscellaneous				
Hazardous Waste Mgt.	25	26	28	16
Forest Service	503	539	595	543
Total, USDA Environmental Budget	3,628	4,221	4,265	4,194

	1991 <u>Actual</u>	1992 <u>Estim.</u>	1993 <u>Bush</u>	1993 <u>Enacted</u>
	(Dollars in Millions)			
<u>ENVIRONMENTAL PROTECTION AGENCY FUNDING</u>				
Operating Programs				
Program and Research Operations (Formerly Salaries & Expenses)	975	1,014	1,175	824
Abatement, Control & Compliance	1,007	1,134	1,092	1,319
Research & Development	255	323	339	323
Buildings & Facilities	40	39	42	134
Oil Spill Response	--	--	23	20
Inspector General	37	41	46	43
Subtotal, Operating Programs	2,313	2,570	2,698	2,663
Construction Grants/SRF	2,100	2,400	2,500	2,550
Superfund	1,616	1,600	1,750	1,574
Leaking Underground Storage Tanks	65	75	75	75
Total, EPA Budget	6,094	6,649	7,023	6,862
 <u>DOI ENVIRONMENTAL SPENDING</u>				
Bureau of Land Management	191	217	241	229
Bureau of Reclamation	101	97	101	108
Fish & Wildlife Service	696	771	714	713
Geological Survey	195	202	182	204
Minerals Management Service	26	27	25	24
National Park Service	1,375	1,417	1,400	1,382
Office of Surface Mining	192	181	149	181
Bureau of Mines	19	18	13	17
Bureau of Indian Affairs	10	10	10	10
Total, DOI Environmental Budget	2,805	2,940	2,835	2,868

1991 <u>Actual</u>	1992 <u>Estim.</u>	1993 <u>Bush</u>	1993 <u>Enacted</u>
-----------------------	-----------------------	---------------------	------------------------

(Dollars in Millions)

ARMY CORPS OF ENGINEERS ENVIRONMENTAL FUNDING

Project-Specific Funding				
Mitigation	88	95	109	n/a
Restoration	43	60	64	n/a
Protection	60	66	75	n/a
Programmatic Activities				
Wetland and Aquatic Habitat	0	0	5	n/a
Project Improvements	3	8	10	n/a
Research & Development	14	14	18	n/a
Regulatory Program	71	86	93	86
Coastal Wetlands Restoration	0	33	35	35
Total, ACoFE Environmental Funding	279	362	409	409

1991 <u>Actual</u>	1992 <u>Estim.</u>	1993 <u>Bush</u>	1993 <u>Enacted</u>
-----------------------	-----------------------	---------------------	------------------------

(Dollars in Millions)

U.S. Funding for International Environmental Activities

BILATERAL ASSISTANCE			
Agency for International Development			
Environmental funding	485	485	400
Population funding	353	324	317
Montreal Protocol Facilitation Fund	10	10	0
Subtotal, AID	848	819	717
EPA Montreal Protocol Facilitation Fund	--	5	20
Federal Agency International Operations	39	43	42
Subtotal, Bilateral Assistance	887	867	779
MULTILATERAL ASSISTANCE			
Contributions to UNEP & Intl. Orgs.	20	22	19
Global Environmental Facility (GEF)	--	0	50
Subtotal, Multilateral Assistance	20	22	69
TOTAL, International Envir. Budget	907	889	848
			1,224

DOD Environmental Funding

Cleanup and Compliance			
Defense Environment & Restoration			
Account (DERA)	1,065	1,632	1,513
Base Realignment and Closure 1988			
(BRAC I)	251	257	135
Base Realignment and Closure 1991			
(BRAC II)	--	176	309
Compliance	<u>1,119</u>	<u>1,866</u>	<u>1,763</u>
Subtotal, Cleanup & Compliance	2,435	3,931	3,720
			<u>3,407</u>

	1991 <u>Actual</u>	1992 <u>Estim.</u>	1993 <u>Bush</u>	1993 <u>Enacted</u>
	(Dollars in Millions)			
Other Programs				
Energy Conservation	10	30	0	60
Landsat 7 Procurement	--	--	85	85
Sematech Pollution Prevention	--	--	--	10
Environmental Retraining	--	--	--	20
Legacy Resource Management Program	10	25	10	50
Natural Gas Fuel Cells & Vehicles	--	--	--	40
Strategic Environmental R&D Program	69	10	--	180
Subtotal, Other Programs	89	65	95	445
 TOTAL, Environmental Budget	 2,524	 3,996	 3,815	 3,852

Selected Dept. of Health & Human Services Environmental Fdg.

Centers for Disease Control				
Childhood Lead Screening Grants	8	21	39	30
Chronic and Environmental Disease Control	10	10	10	10
Nat'l. Inst. for Occupational Safety & Health	20	20	20	20
Subtotal, CDC	38	51	69	60
 Public Health Service				
Family Planning Services	144	150	155	174
National Institutes of Health				
Nat'l. Inst. of Child Health & Human Dev.				
Contraceptive Research	21	23	24	24
Nat'l. Inst. of Environmental Health Sciences				
Core Budget	241	254	262	253
(Worker Research)	(22)	(31)	(12)	(32)
(Worker Training)	(20)	(21)	(0)	(20)
Food & Drug Administration				
National Center for Toxicology Research	31	33	34	34
TOTAL, Environmental Budget	475	511	544	545

	1991 <u>Actual</u>	1992 <u>Estim.</u>	1993 <u>Bush</u>	1993 <u>Enacted</u>
	(Dollars in Millions)			
<u>NASA Environmental Funding</u>				
Earth Science and Applications				
Earth Observing System (EOS)				
Satellites and Instruments	151	184	308	308
Data Info. System (EOSDIS)	36	83	83	83
Subtotal, EOS	187	267	391	391
Earth Probes	52	93	89	89
Upper Atmospheric Research Satellite (UARS)	62	--	--	--
Ocean Topography Experiment (TOPEX)	80	60	--	--
Mission Operations & Data Analysis	40	84	142	127
(Landsat Operations)	(--)	(3)	(25)	(10)
(Consortium for Int'l. Earth Science				
Information Networks) (CIESIN)	(8)	(25)	(--)	(20)
Miscellaneous Other Programs	241	236	247	243
Subtotal, Earth Science	662	739	869	850
Other Items				
Earth Science Research and Program				
Management	126	90	95	95
Environment Compliance and Restoration	32	36	40	40
EOSDIS Facility Construction (Goddard Center)	8	15	22	22
CIESIN Facility Construction (Michigan)	1	3	--	42
TOTAL, Environmental Budget	829	883	1,026	1,049

National Oceanic and Atmospheric Administration

National Marine Fisheries Service				
Information Collection & Analysis	126	129	118	124
Conservation & Management				
Fisheries Management	32	37	35	36
Protected Species	17	18	21	17
Habitat Conservation	6	6	14	6
Enforcement	9	11	13	11
State and Industry Assistance	21	18	22	20
Subtotal, NMFS	211	220	223	215

	1991 <u>Actual</u>	1992 <u>Estim.</u>	1993 <u>Bush</u>	1993 <u>Enacted</u>
	(Dollars in Millions)			
National Ocean Service				
Ocean and Coastal Management				
Coastal Zone Management				
Planning and Management Grants	35	41	29	41
Program Management	3	4	4	4
Nonpoint Pollution	--	2	2	2
Estuarine Sanctuaries	4	4	3	3
Subtotal, CZM	43	51	39	51
Ocean Management				
Marine Sanctuaries	4	5	7	7
Subtotal, Ocean & Coastal Mgt.	47	56	45	57
Observation & Assessment				
Estuarine and Coastal Assessment	23	32	19	19
Coastal Ocean Science	11	12	17	12
Subtotal, Observation & Assessment	34	44	36	32
Subtotal, NOS	81	100	81	89
Oceanic and Atmospheric Research Service				
Sea Grant	43	45	25	44
Climate and Global Change	46	47	78	47
Subtotal, OAR	90	92	103	91
NOAA Program Support				
Fleet Days at Sea	63	63	66	61
Nat'l. Envir. Satellite, Data, & Information Svc.				
Environmental Data Management Systems	29	32	39	33
TOTAL, Environmental Budget	473	507	512	489

	1991 <u>Actual</u>	1992 <u>Estim.</u>	1993 <u>Bush</u>	1993 <u>Enacted</u>
	(Dollars in Millions)			
<u>Department of Transportation Environmental Funding</u>				
Federal Transit Administration				
Formula Grants (Operations)	1,605	1,520	1,604	1,700
Discretionary Grants (Capital)	1,400	1,900	1,000	1,725
Misc. Administration and Grants	254	347	396	375
Subtotal, FTA	3,259	3,767	3,000	3,800
Federal Railroad Administration				
Amtrak	657	711	197	700
Research & Development	22	22	26	25
Local Rail Freight Assistance	10	12	0	8
High-Speed Ground Transportation	--	--	0	5
Subtotal, FRA	689	745	223	738
Federal Highway Administration				
Independent Walkways & Bikeways	9	n/a	n/a	n/a
Research Related to Environment	3	6	3	5
Subtotal, FHA	12	6	3	5
Federal Aviation Administration				
Environmental Research	2	4	5	5
Research & Special Programs Administration				
Hazardous Materials Safety	8	12	13	13
Emergency Preparedness Grants	--	0	1	11
Pipeline Safety	11	14	16	15
Subtotal, RSPA	19	27	30	39
Coast Guard				
Marine Environmental Protection				
Operations	198	187	198	n/a
Acquisition & Construction	23	31	55	n/a
Research, Development & Testing	4	6	9	n/a
Oil Spill Liability Trust fund	50	50	50	50
Fisheries Enforcement	234	182	224	n/a
Environmental Compliance & Restoration	22	22	31	22
Subtotal, CG	530	478	567	478
TOTAL, Environmental Budget	4,511	5,027	3,828	5,065

	1991 <u>Actual</u>	1992 <u>Estim.</u>	1993 <u>Bush</u>	1993 <u>Enacted</u>
	(Dollars in Millions)			
<u>FEMA Environmental Funding</u>				
Underground Storage tank Cleanup	--	2	2	11
Emergency Planning Grants (SARA, Title III)	5	3	0	4
TOTAL, Environmental Budget	5	5	2	15

<u>Selected HUD Environmental Funding</u>				
Lead-Based Paint Abatement				
Office of Lead Based Paint				
Headquarters	--	1	1	1
Field Staff	--	1	0	n/a
Public Housing Modernization				
Lead Testing	22	5	4	13
Lead Abatement	80	82	48	76
Research and Demonstration	1	1	1	2
Grants to States and Localities	--	48	24	100
Subtotal, Lead Funding	102	136	78	192
Energy Conservation				
Public Housing Energy Retrofits	140	220	189	233
Planning and Development Assistance	1	1	1	1
Subtotal, Energy Conservation	141	221	189	234
TOTAL, Environmental Budget	244	356	266	426

<u>National Science Foundation Environmental Funding</u>				
Biological Sciences				
Environmental Biology	68	73	86	73
Science and Technology Centers & Marine Labs	4	4	4	4
Geosciences				
Atmospheric Sciences	117	127	152	127
Ocean Sciences Research Support	82	91	109	91
Arctic Research Program	15	21	26	21
Social Sciences	7	11	11	11

	1991 <u>Actual</u>	1992 <u>Estim.</u>	1993 <u>Bush</u>	1993 <u>Enacted</u>
	(Dollars in Millions)			
Engineering: Envir. & Ocean Systems	6	6	7	7
U.S. Antarctic Research Program	19	22	27	27
TOTAL, Environmental Budget	318	355	422	361

Smithsonian Institution Environmental Funding

Salaries & Expenses				
Smithsonian Tropical Research Institute (Panama)	6	7	8	8
Smithsonian Environmental Research Center (Chesapeake Bay)	2	2	4	3
National Zoological Park (Selected)	3	3	3	3
International Envir. Science Program	1	1	1	1
Museum of Natural History (Selected)	17	19	20	20
Subtotal, Salaries & Expenses	30	33	36	35
Environmental Building Construction & Repairs (Zoo, SERC, and STRI)	10	12	12	12
TOTAL, Environmental Budget	40	45	48	47
Smithsonian in U.S. Global Change Research Program	(5)	(6)	(11)	(11)

State Department Environmental Funding

Bureau of Oceans and Int'l. Environ.				
American Salaries	10	10	10	10
Bureau-Managed Funds	13	7	2	33
Contributions to Int'l. Organizations (CIO)	20	22	19	28
TOTAL, Environmental Budget	42	39	31	72

3-14

1991 <u>Actual</u>	1992 <u>Estim.</u>	1993 <u>Bush</u>	1993 <u>Enacted</u>
-----------------------	-----------------------	---------------------	------------------------

(Dollars in Millions)

Other Agencies and Entities-Environmental Funding

Chemical Safety and Hazard Investigation Board	--	1	5	0
Council on Environmental Quality	2	3	3	3
General Services Administration	30	30	30	30
Department of Justice	24	28	33	29
Marine Mammal Commission	1	1	1	1
Occupational Safety & Health Administration	100	100	100	100
Small Business Administration-Tree Planting Program	15	16	0	16
TOTAL, Other Agencies	172	179	172	179

Department of Energy Environmental Funding

Environmental Cleanup and Waste Management				
Defense Related	2,802	3,035	3,910	3,917
Nondefense-Related	771	1,012	1,330	1,216
Subtotal, Cleanup & Waste Mgt.	3,573	4,047	5,240	5,133
Renewable Energy and Efficiency				
Renewable Energy	157	203	206	211
Energy Conservation	520	569	542	542
Subtotal, Renewables & Efficiency	677	772	748	753
Miscellaneous Other Programs				
Electric Energy Systems & Storage	41	38	40	42
Carbon Dioxide Research (Global Change)	65	75	100	100
Environmental Research	36	37	46	46
Environment, Safety and Health	112	160	160	160
Liquefied Gaseous Fuels Spill Test Facility	1	1	0	1
Office of Nuclear Safety	6	13	20	0
Natural Gas Fuel Cells & Gas Turbine Research	43	51	49	61
Subtotal, Miscellaneous Programs	304	375	415	410
TOTAL, Environmental Budget	4,554	5,194	6,403	6,296

NRD LIST

ATTACHMENT 4

ENVIRONMENTAL CROSSCUT--A POSSIBLE LIST OF NRD AGENCIES AND PROGRAMS
PROVIDING FEDERAL ENVIRONMENTAL SPENDING BY DEPARTMENT AND AGENCY
(BA in Millions of Dollars)

	1993	1994	1995
	<u>Actual</u>	<u>Req.</u>	<u>Final</u>
<u>ENVIRONMENTAL PROTECTION AGENCY FUNDING</u>			
Program and Research Operations			
Abatement, Control and Compliance			
Research and Development			
Buildings and Facilities			
Oil Spill Response			
Asbestos Loans			
Inspector General Accounts			
Subtotal, Operating Programs			
Drinking Water State Revolving Fund (SRF)			
Waste Water Struction Grants, SRF:			
Construction Grants			
NAFTA			
Coastal Cities			
Subtotal, Infrastructure			
Superfund			
Leaking Underground Storage Tanks			
Subtotal, Cleanup			
TOTAL, EPA Budget			
<u>DEPARTMENT OF THE INTERIOR FUNDING</u>			
<u>NATIONAL PARK SERVICE</u>			
Operation of National Park System			
National Recreation and Preservation			
Construction			
Land Acquisition and State Assistance:			
Federal Acquisition			
State Grants			
Urban Park and Recreation Fund			
TOTAL, NPS Environmental Funding			

	1993 <u>Actual</u>	1994 <u>Req.</u>	1995 <u>Final</u>	1995 <u>Budget</u>
Construction and Access (All Construction and Access including engineering design)				
Construction Projects				
Access and Easement Acquisition				
Subtotal				
Oregon and California Grant Lands (All O&C Grant Lands including resource management planning)				
Western Oregon Resource Management				
Reforestation & forest management				
Other forest resource management				
Resource management planning				
Western Oregon Facilities Maintenance				
Facilities maintenance				
Western Oregon Construction and Acquisition				
Construction				
Acquisition				
Subtotal				
Land Acquisition				
BLM Fire Accounts				
TOTAL, BLM Funding Activities				

UNITED STATES GEOLOGICAL SURVEY

Global Change Program Elements in Water,
Mapping and Geology Activities
Water Resources Activity (Includes Entire Water
Resources Investigations Activity)
 National Water Quality Assessment Program
 Toxic Substances Hydrology
Marine and Coastal Geological Surveys Subactivity
of Geology
Geology-Geologic Hazards Survey
 TOTAL, USGS Environmental Funding

	1993 <u>Actual</u>	1994 <u>Req.</u>	1995 <u>Final</u>	1995 <u>Budget</u>
<u>OFFICE OF SURFACE MINING</u>				
Abandoned Mine Lands Reclamation Program (includes administrative costs)				
State Reclamation Program Grants				
Federal Reclamation Programs				
OSM Regulation & Technology				
TOTAL, OSM Environmental Funding				
<u>MINERALS MANAGEMENT SERVICE</u>				
Environmental Studies (Includes all OCS leasing program)				
Oil Spill Research				
TOTAL, MMS Environmental Funding				
<u>BUREAU OF MINES</u>				
Environmental Technology Research				
<u>BUREAU OF RECLAMATION</u> (NRD program descriptions)				
Fish and Wildlife Habitat Protection				
Wetlands Preservation/Restoration				
Hazardous Materials				
TOTAL, BR Environmental Funding				
or				
(DOI program descriptions)				
1. Entire Primarily Environmental Accounts/ Projects/Programs:				
<u>Construction</u>				
Safety of Dams Program				
Trinity River Restoration Program				
Colorado River Salinity Control Program-Title II				
Colorado River Storage Project-Sec. 8				
Hungry Horse Dam--Selective Withdrawals				
Umatilla Project				
Brantley Dam (mitigation)				
Columbia/Snake River Salmon Recovery				
Newlands Project				
Recreation Management				

	<u>1993</u> <u>Actual</u>	<u>1994</u> <u>Req.</u>	<u>Final</u>	<u>1995</u> <u>Budget</u>
Water Reclamation/Reuse Projects				
Wetlands Development				
Yakima Fish Passage				
<u>Central Valley Project Restoration Fund, O&M</u>				
Safety Evaluation of Existing dams				
Departmental Irrigation Drainage Program				
Environmental Program administration				
Land Resource Management				
Recreation/Fish/Wildlife Program Administration				
<u>Loan Program</u>				
Eastern Municipal Loan				
2. Major Trackable Environmental/Recreational Activities				
Within Projects:				
<u>Construction</u>				
Navajo Generation Station Emission Controls (CAP)				
New Wadell/Roosevelt Recreational Facilities (CAP)				
Suisun Marsh (CVP)				
Delta Support Program (CVP)				
Shasta Temperature Control Device (CVP)				
Fish & Wildlife Mitigation/Trust Fund (Garrison)				
<u>Operation & Maintenance</u>				
CVP Programmatic EIS				
TOTAL, BR Environmental Funding				
 <u>BUREAU OF INDIAN AFFAIRS</u>				
Resources Management				
Hazardous Waste (Trust Services)				
Environmental Quality Services (Trust Services)				
TOTAL, BIA Environmental Funding				
 <u>OFFICE OF THE SECRETARY</u>				
Environmental Affairs				
 <u>OFFICE OF THE SOLICITOR</u>				
Conservation and Wildlife				
 TOTAL, DOI Budget for Environmental Funding Activities				

	1993 <u>Actual</u>	1994 <u>Req.</u>	<u>Final</u>	1995 <u>Budget</u>
<u>DEPARTMENT OF AGRICULTURE FUNDING</u>				
<u>RESEARCH AND EXTENSION PROGRAMS</u>				
Agricultural Research Service				
Cooperative State Research Service				
Extension Service				
Total, Research and Extension				
<u>AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE (ASCS)</u>				
Conservation Reserve Program (mandatory)				
Wetlands Reserve Program (mandatory)				
Forestry Incentives Program				
Water Bank Program				
Agricultural Conservation Program				
Emergency Conservation Program				
Total, ASCS				
<u>SOIL CONSERVATION SERVICE (SCS)</u>				
Conservation operations				
Great Plains Conservation Program				
Total, SCS				
<u>RURAL DEVELOPMENT ADMINISTRATION (RDA)</u>				
Rural Water and Wastewater Loans				
Rural Water and Wastewater Grants				
Emergency Community Water Assistance Grants				
Total, RDA				

	1993	1994	1995
	<u>Actual</u>	<u>Req.</u>	<u>Budget</u>
<u>FOREST SERVICE</u>			
National Forest System			
Trail Maintenance			
Recreation Management			
Wilderness Management			
Wildlife and Fish Habitat Management			
Construction:			
Trail Construction			
Forest Research			
International Forestry			
Land Acquisition			
State and Private Forestry			
Total, Forest Service			
<u>OFFICE OF THE SECRETARY</u>			
Hazardous Waste Management			
TOTAL, USDA Budget			
<u>ARMY CORPS OF ENGINEERS FUNDING</u>			
Protection			
Remediation			
Restoration			
Mitigation			
Research & Development:			
Data Collection			
Other			
TOTAL, AC of E Environmental Programs			

	1993	1994	1995
	<u>Actual</u>	<u>Req.</u>	<u>Final</u>
			<u>Budget</u>
<u>FISH AND WILDLIFE SERVICE</u>			
Resource Management Account			
Natural Resource Damage Assessment			
African Elephant Conservation Fund			
North America Wetlands Conservation Fund			
All Land Acquisition			
Construction			
Wallop-Breaux (mandatory)			
Pittman-Robinson (mandatory)			
TOTAL, F&WS Environmental Funding			
<u>NATIONAL BIOLOGICAL SURVEY</u>			
Research, Inventories, and Surveys			
<u>BUREAU OF LAND MANAGEMENT</u>			
Management of Land and Resources			
Renewable Resources Management (Entire Management of Lands and Resources account)			
Forest management			
Wild horse and burro management			
Rangeland management			
Soil, water and air management			
Wildlife and fish habitat management			
Recreation management			
Cultural resources mgt.			
Wilderness mgt.			
Recreation resources mgt.			
Resources management planning			
Resource protection & law enf.			
Facilities maintenance			
Hazardous materials management			
Subtotal			

1993	1994	1995
<u>Actual</u>	<u>Req.</u>	<u>Final</u>
<u>Budget</u>		

(Dollars in Millions)

ENVIRONMENTAL CROSSCUT, A POSSIBLE LIST OF DEPARTMENT OF ENERGY
PROGRAMS FOR DISPLAYING ENVIRONMENTAL FUNDING

Environmental Cleanup and Waste Management
 Defense Nuclear Facilities
 Corrective Activities
 Environmental Restoration
 Waste Management
 Technology Development
 Transportation Management
 Program Direction
 Facility Transition
 Prior Year Balances
 Subtotal, Defense Nuclear Facilities
 NonDefense Facilities
 Environmental Restoration & Waste Mgt.
 Uranium Enrichment Cleanup
 Decontamination & Decommissioning Fund
 Fossil Energy Environmental Restoration
 Subtotal, Cleanup & Waste Management
 Subtotal, Env. Cleanup and Waste Mgt.
Renewable Energy and Efficiency
 Energy Conservation
 Subtotal, Renewables and Efficiency
Miscellaneous Programs
 Liquified Gaseous Fuels Spill Test Facility
 Biological & Environmental Research_1/
 Subtotal, Miscellaneous Programs
 TOTAL, Environmental Budget

_1/ Most of DOE's global change research is funded through this program.

LIST OF NON-NRD AGENCIES WHICH ADMINISTER SOME PROGRAMS
AND ACTIVITIES WHICH SHOULD BE INCLUDED IN AN ENVIRON-
MENTAL CROSSCUT

Department of Defense (NSD)
National Aeronautics and Space Administration (ESD)
National Oceanic and Atmospheric Administration (Commerce) (TCJ)
Department of Transportation-major agencies from a funding standpoint are Federal Transit (TCJ)
Administration, Federal Railroad Administration and Coast Guard (TCJ)
Department of State (IAD)
Department of Housing and Urban Development (HTF)
Department of Health and Human Services (HRD/HLTH)
Department of Labor-OSHA (HRD)
Department of Justice (TCJ)
Smithsonian Institution (ESD)
National Science Foundation (ESD)
General Services Administration (GMD)
Federal Emergency Management Agency (HTF)
International Assistance Programs (IAD)
Small Business Administration-Tree Planting Program (HTF)

DRAFT DOMESTIC POLICY COUNCIL DOCUMENT

FY95 Budget Planning By Cross-Cutting Issues

Agr. Com. Def. Edu. DOE HHS HUD DOI Int'l. DOJ DOL DOT Trea. VA

Economic Growth & Opportunity

- R&D and Technology
- Infrastructure Investment
- Human Capital (Education, Training, & Nat'l Service)
- Business Development & Investment
- Adjusting to Economic Change
- Rural Development
- Greater Border Protection

Promoting Individual Independence & Responsibility

- Welfare Reform
- Health Care Reform
- Inclusion (Persons with Disabilities, The Homeless, Older Americans: Donsia would like Native American category)

Building Stronger Communities

- Children & Family Services
- Community Empowerment (Empowerment Zones, CD Banks, Microenterprises)
- Safe and Drug-Free Communities
- Housing Reform -- Empowerment & Access
- Environmental Quality Of Life (or Environmental Health ?)

National Security

- Defense
- Peacekeeping
- Developmental Assistance

Other

FY 1995 BUDGET PLANNING by Cross-Cutting Issues

plan-IV.wk3

9/9/93

(Discretionary budget authority, mandatory outlays, and tax expenditures, in millions of dollars)

	<u>Agr.</u>	<u>Com.</u>	<u>Def.</u>	<u>Edu.</u>	<u>DOE</u>	<u>HHS</u>	<u>HUD</u>	<u>DOI</u>	<u>Int.</u> <u>Prgm.</u>	<u>DOJ</u>	<u>DOL</u>	<u>DOT</u>	<u>Trea.</u>	<u>VA</u>	<u>EPA</u>	<u>NASA</u>
--	-------------	-------------	-------------	-------------	------------	------------	------------	------------	-----------------------------	------------	------------	------------	--------------	-----------	------------	-------------

Economic Growth

- o R&D, Technology & Science - Peroff
- o Infrastructure Investment - Schwartz
- o Human Capital (Education & Training) - Selfridge
- o Business Development - Ryder
- o Urban & Regional Development & Investment - Ryder ✓
- o Adjusting to Economic Change - Meyers
- o Export Promotion - DuSault

Promoting Individual Independence

- o Welfare Related Programs - Selfridge
- o Investing in Children - Selfridge
- o Individual Empowerment Programs - Selfridge
- o Drug-Free and Safe Communities - Schwartz
- o Homelessness & Family Services - Ryder
- o Consumer Protection - Selfridge

Environment and Natural Resources

Management

- o Federal Land Management - Cogswell
- o Infrastructure and Resource Enhancement - Cogswell
- o R&D & Technology - Peroff
- o Pollution Prevention & Regulation - Cogswell
- o Facility/Site Cleanup - Peroff

o Ecosystem Management

Health - Kleinberg

Call NIE re: meeting

National Security

- o Defense - Gessaman
- o Peacekeeping - Gessaman
- o Developmental Assistance - DuSault

Other (to be arrayed by function) - Dame

September 8, 1993

**SCHEDULE FOR
1995 BUDGET PREPARATION**

<u>Event</u>	<u>Date</u>
1. ISSUE PLANNING GUIDANCE TO MAJOR AGENCIES.....	9/3/93
2. ENTITLEMENTS PAPER.....	COMPLETED BY 9/30

A paper will be prepared by OMB staff (primarily BRD and EP, with assistance from program divisions) that is intended to provide: a report on the status of the entitlement caps; materials for an October legislative savings bill; the basis for a November conference on entitlements; the basis for the 1995 budget proposals. The paper will first report on the status of major entitlements, including current trends and risks. This will be followed by some discussion of strategies and options.

- | | |
|--|------|
| 3. SUBMISSIONS OF MAJOR AGENCIES DUE TO OMB..... | 10/1 |
|--|------|

The budget requests of major agencies are due to OMB. Because of the tight fall schedule, submission delays or major noncompliance with 1995 budget guidance could significantly complicate the review schedule.

- | | |
|----------------------------|------------------|
| 4. DIRECTOR'S REVIEWS..... | 11/1 to
11/24 |
|----------------------------|------------------|

OMB staff will develop summary material by agency, function, appropriations bill, and crosscutting category outlining major elements of the agency requests. The requests will be compared to the discretionary and entitlement caps and other budget limits. After consulting with agency staff on the composition of the request, OMB PADs will make recommendations to the Director in a series of meetings.

- | | |
|---|-------------------|
| 5. PRESIDENT/NEC/DPC REVIEWS OF MAJOR ISSUES..... | 11/15 to
12/17 |
|---|-------------------|

All major budget issues will be presented to the President. OMB will develop an agenda for these meetings, working with the NEC and DPC. Funding for the President's investment initiatives will be highlighted, and as with Director's reviews, the agency requests will be reviewed for compliance with the Budget Enforcement Act and other restraints. The President's decisions will be communicated to the agencies as soon as they are final.

6. ECONOMIC ASSUMPTIONS RELEASED TO AGENCIES.....12/3

The detailed information in the agency requests is based on mid-session review economic assumptions. These assumptions will be revised for the 1995 budget. For internal decisionmaking, OMB will make adjustments to recognize the approximate effects of alternative economic assumptions on the budget. For production of budget information for public release, agencies need as much lead time as feasible to translate revised economic assumptions into the thousands of data records that will support the public budget document. The work traditionally begins about the same time final decisions are being made on the budget elements.

7. DRAFTING OF BUDGET DOCUMENT -- DEVELOPMENT OF
DETAILED DATA BASE FOR PUBLIC CONSUMPTION..... COMPLETED
BY MID-
JANUARY

Budget decisions will be translated into a newly redesigned four-volume budget. The budget will be a combination of the broad justification of the February Vision document and the detailed materials from the more technical April document. The budget sections outlining the Administration's program will be circulated and cleared for public release beginning shortly after decisions are made.

At the same time, agencies will be developing the detailed data base supporting the budget. OMB staff will review the data for consistency with Presidential decisions, and compliance with BEA discretionary caps, pay-as-you-go limits and the entitlement caps. The data that supports the production process is far more detailed than the information used for internal decisionmaking.

8. PRODUCTION OF BUDGET DOCUMENT..... TRANS-
MITTAL ON
2/7/94

Once the work of drafting the text is completed and the thousands of elements of data are "locked", the materials will be turned over to the Government Printing Office for final printing and transmittal to the Congress and the Public.

September 3, 1993

Entitlement Paper

- A. The Problems: Status, trends, risks.**
- B. The Solutions: Potential savings, recommendations.**
[For entitlement cap, October bill, November conference, and/or 1995 budget.]

Possible Clusters:

- I. Retirement and Disability
 - A. Social security, disability, railroad, mining
(Larry/Justine)
 - B. Federal employee retirement and disability
(Larry/Justine)
 - C. Veterans compensation (Art/Alicia)
- II. Safety net: unemployment insurance, supplemental security income, food stamps, earned income tax credit, AFDC, family support, child nutrition, social services block grant, veterans pensions etc. (Richard Bavier/Melinda)
- III. Agricultural price supports (Mark Weatherly)
- IV. Finance
 - A. Deposit, PBGC, and other insurance. (Chris/Justine)
 - B. Credit programs. (Chris/Justine/Kim)
 - C. Liquidating accounts? (Kim)
- V. Interest (Bill)
- VI. Tax expenditures (Randy)
- VII. Other?

Strategies and Options:

- 1. Reducing payments to high income individuals/better targeting.
- 2. Reducing overlaps [and filling gaps?]/better coordination.
- 3. Adjusting to change/buyouts.
- 4. Reducing subsidies/setting priorities.

5. Financial institution reforms.
6. Delayed retirement/safety net.
7. More welfare reform.
8. COLA adjustments/bend points.
9. Other....

ENTITLEMENT PAPER SCHEDULE

Long-Range Baseline Estimates	Wednesday, Sept. 8, c.o.b.
First Draft Distribution to Program Divisions	Friday, Sept. 10, c.o.b.
Comments from Program Divisions	Wednesday, Sept. 15, noon.
Second Draft to Barry and Joe	Friday, Sept. 17, c.o.b.
Third Draft to Alice & PADS	Tuesday, Sept. 21
Comments due	Friday, Sept. 24, c.o.b.
Final Draft to Director	Monday, Sept. 27

December 7, 1993

ENVIRONMENTAL PROTECTION AGENCY
OVERVIEW
(in millions of dollars)

	FY 1993 <u>Actual</u>	FY 1994 <u>Enacted</u>	FY 1995 <u>Agency Request</u>	FY 1995 Possible <u>Option to Stay Within Caps</u>
Discretionary BA.....	6,924	6,659	7,164	7,176
Discretionary Outlays.....	6,105	6,816	7,089	7,009
FTEs.....	18,267	18,626	20,072	18,518

BACKGROUND

- o The EPA's major discretionary funding finances its operating program (research, regulation, enforcement, and grants to states for their environmental programs); wastewater and drinking water infrastructure; and the Superfund clean-up program. (See pie chart)
- o For FY 1994, EPA received a 4 percent net reduction in enacted discretionary BA compared to FY 1993.

THE AGENCY'S REQUEST

- o Administrator Browner is commended for developing a budget that provides increases for all Presidential investment items and is essentially at the guidance level for EPA.
- o EPA requests \$7.2 billion for FY 1995, an 8 percent increase over FY 1994 enacted. Significant increases are requested for all major programs except Superfund. The request can be brought within guidance largely by conforming it to government-wide assumptions on FY 1995 pay raises.
- o EPA also requests relief from the FTE reductions required by E.O. 12839, a small (98 FTE) increase for the climate change action plan, a pilot program to convert contract activities to in-house employees, and exemption from any further reductions needed to meet the 252,000 FTE reduction goal.

OMB RECOMMENDATION FOR FY 1995

- o The OMB recommendation enables the Administration to demonstrate environmental leadership by providing an overall increase of 8 percent over FY 1994 enacted (+ 4 percent over FY 1993 enacted), including a 13 percent increase for EPA's operating program. Adequate funding for EPA's operating program is the top priority of the environmental community.

- o Significant increases over the FY 1994 enacted are provided for the Clean Water State Revolving Funds (+ 29% to \$1.6 billion) and the Drinking Water State Revolving Funds (+17% to \$700 million), the two largest EPA investment proposals identified in the FY 1994 Budget.
- o OMB provides a \$100 million wastewater infrastructure grant to Boston. The FY 1994 Budget also includes \$100 million for Boston, but authorizing legislation must be enacted by June.
- o OMB has fully funded EPA's environmental commitments under NAFTA (\$179 million in FY 1995).
- o EPA has already begun to implement NPR recommendations to reorganize all its environmental enforcement efforts under the Office of Enforcement and streamline the issuance of environmental permits.

MAJOR ISSUES

- o EPA's major concern is obtaining additional workyears to implement its growing legislative mandates, as well as to respond to Congressional and Inspector General criticism. OMB is recommending a reduction of 100 FTEs instead of the target 300 that would be required to meet the E.O. EPA would also like support for a pilot program to convert 1,384 contractor positions to Federal FTEs.
- o State and local governments will argue that more funding is needed for the Clean Water and Drinking Water State Revolving Funds in order to address unfunded Federal mandates. Both programs receive significant increases over the FY 1994 enacted level, but fall below the FY 1995 estimates in February 1993 "Vision of Change" document for both the EPA request and OMB recommendation (-\$400M and -\$300M respectively).
- o Additional funding may also be needed for Superfund pending Administration decisions on reauthorization of the statute.

ENVIRONMENTAL PROTECTION AGENCY Discretionary BA Distribution by Program

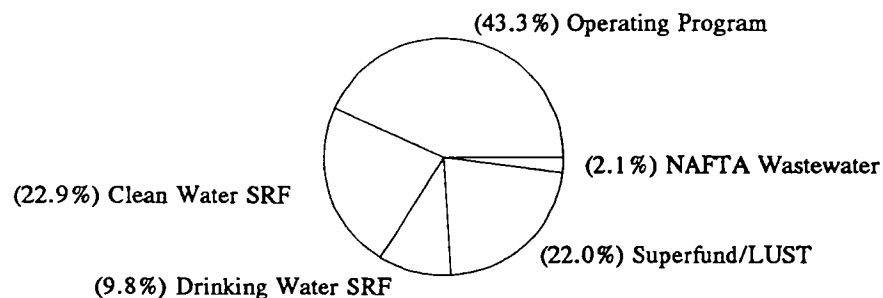


Table 1. SUMMARY OF INVESTMENTS

(Discretionary BA in millions of dollars)

	FY 1993 <u>Actual</u>	FY 1994 <u>Enacted</u>	FY 1995 <u>Agency Request</u>	FY 1995 Possible Option to Stay <u>Within Caps</u>	% Change from 1994 to Option to Stay <u>Within Caps</u>
Clean Water State Revolving Funds (SRF).....	1,944	1,240	1,641	1,600	29%
Drinking Water State Revolving Funds (SRF).....	--	599	700	700	17%
Watershed Restoration Grants.....	50	80	100	100	25%
Boston Harbor.....	100	100 ^{1/}	--	100	0%
Environmental Technology.....	92	128	172	172	34%
Green Programs.....	8	20	34	34	70%
Climate Change National Action Plan.....	--	24	72	72	200%
NAFTA -- Environmental Programs.....	154	72	174	179	149%
Wetlands Initiative.....	--	34	42	47	38%
Montreal Protocol.....	10	10	7	21	110%
Total	2,358	2,307	2,942	3,025	31%

^{1/} At least \$100 million is potentially available for this project, but is contingent on authorization by June 1994.

Table 2. SUMMARY OF EPA PROGRAMS

(Discretionary BA in millions of dollars)

	FY 1993 <u>Actual</u>	FY 1994 <u>Enacted</u>	FY 1995 <u>Agency Request</u>	FY 1995 Possible Option to Stay <u>Within Caps</u>	% Change from 1994 to Option to Stay <u>Within Caps</u>
Operating Program.....	2,767	2,706	3,099	3,053	13%
Clean Water State Revolving Funds (SRF).....	1,944	1,240	1,641	1,600	29%
Drinking Water State Revolving Funds (SRF).....	0	599	700	700	17%
Wastewater Infrastructure NAFTA.....	138	58	150	150	159%
Wastewater Infrastructure/Needy Cities.....	418	500	0	100	-80%
Superfund.....	1,574	1,481	1,498	1,497	1%
Leaking Underground Storage Tanks.....	83	75	76	76	1%
Total	6,924	6,659	7,164	7,176	8%

December 7, 1993

DEPARTMENT OF THE INTERIOR
OVERVIEW
(in millions of dollars)

	FY 1993	FY 1994	FY 1995	FY 1995
	<u>Actual</u>	<u>Enacted</u>	<u>Agency Request</u>	<u>Possible Option to Stay Within Caps</u>
Discretionary BA.....	7,074	7,446	7,224	7,134
Discretionary Outlays.....	7,344	7,501	7,493	7,402
FTEs.....	76,661	75,980	74,894	74,669

BACKGROUND

- o The Department of the Interior's (DOI) major discretionary funding finances the day-to-day management of over 440 million acres of public lands (includes the National Parks), water resources management in the 17 Western States, scientific research and investigations in support of its land management role, and the fulfillment of the Federal Government's trust responsibilities to Native Americans and Alaskan Natives. (See pie chart)
- o For FY 1994, DOI received a 5 percent increase in enacted BA over FY 1993 for its discretionary programs.

THE DEPARTMENT'S REQUEST

- o Secretary Babbitt is commended for submitting a budget that meets the planning guidance level of \$7.2 billion, a reduction of \$222 million (-3 percent) below the FY 1994 enacted level.
- o The DOI request funds the President's and Secretary's highest priorities, including the Forest Plan for the Pacific Northwest, environmental activities in support of NAFTA, the South Florida (Everglades) Ecosystem Restoration, the National Biological Survey (NBS), enhancement of the National Parks, the National Spatial Data Infrastructure Initiative (a NPR recommendation), and a pilot Bureau of Reclamation (BuRec) Wastewater Reclamation and Reuse Program for Los Angeles, CA.

OMB RECOMMENDATION FOR FY 1995

- o OMB generally concurs in the DOI request level, but also recommends additional reductions to meet the outlay target and to increase funding for certain DOI-requested priorities.
- o Reaching the target is achieved by DOI/OMB principally through further program reductions and reinvention/streamlining strategies consistent with NPR recommendations for the Bureau of Reclamation and other bureaus.

- o On staffing, DOI fully complies with the 4 percent reduction called for in the Executive Order. OMB includes an additional 225 FTE reduction to the DOI request of 74,894 as a place holder pending submission of the DOI streamlining plan.

MAJOR ISSUES

- o The Land and Water Conservation Fund (LWCF), used for Federal recreation land acquisition, is recommended by OMB at the FY 1994 enacted level of \$190 million, \$27 million over the DOI request, but still \$32 million below the FY 1993 level and \$76 million below the FY 1993 Bush Administration request. The environmental community continues to view LWCF funding (along with EPA's operating program) as a measure of an Administration's commitment to environmental programs.
- o The Secretary remains strongly committed to the reform of land management activities (grazing fees and hardrock mining reform) and an ecosystem approach to land management (the Forest Plan and South Florida/Everglades). These issues remain contentious in the West and elsewhere. The OMB recommendation assumes implementation of grazing fee and hardrock mining reform consistent with the Secretary's policies and Administration decisions made last spring for the FY 1994 Budget.
- o The DOI/OMB recommendation includes a proposed 5-year NPR pilot for increased National Park recreation fees. Based on an NPR recommendation; part of the increased fee revenue would be automatically returned to the collecting parks. The request assumes additional fees totaling \$30million, 30 percent over existing collection, but the variety of fees to be increased and the specific sites involved are still under review by DOI/OMB.

Department of the Interior Discretionary BA Distribution by Program

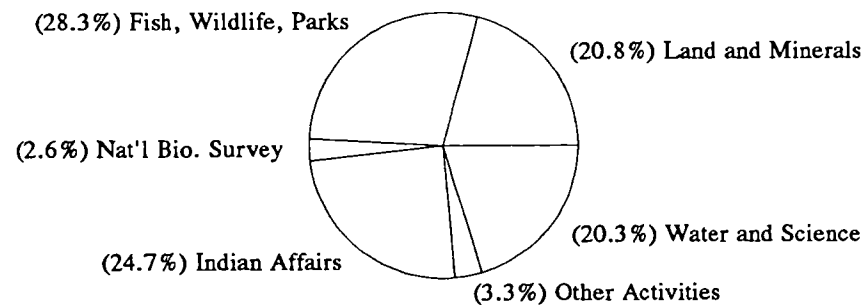


Table 1. SUMMARY OF INTERIOR INVESTMENTS

(Discretionary BA in millions of dollars)

	FY 1993	FY 1994	FY 1995	FY 1995	% Change from
	<u>Actual</u>	<u>Enacted</u>	<u>Agency</u>	<u>Possible</u>	<u>1994 to Option to</u>
			<u>Request</u>	<u>Option to Stay</u>	<u>Stay Within Caps</u>
				<u>Within Caps</u>	
Priority Investments:					
Enhanced Natural Resources					
Protection & Environmental Infrastructure					
in National Parks and Other Federal Lands. . .	1,783	1,799	1,907	1,909	6%
Pacific Northwest Forest Plan.	0	7	46	46	557%
NAFTA Environmental Activities.	0	1	11	11	1000%
South Florida Ecosystem Restoration.	34	36	67	67	86%
National Biological Survey.	0	164	189	191	16%
National Spatial Data Infrastructure Initiative. .	0	1	6	6	500%
Wastewater Reclamation & Reuse Program. . .	0	10	10	10	0%

Table 2. SUMMARY OF INTERIOR PROGRAMS

(Discretionary BA in millions of dollars)

	FY 1993	FY 1994	FY 1995	FY 1995
	<u>Actual</u>	<u>Enacted</u>	<u>Agency</u>	<u>Possible</u>
			<u>Request</u>	<u>Option to Stay</u>
				<u>Within Caps</u>
Land and Minerals Management.	1,513	1,552	1,494	1,472
Fish, Wildlife and Parks.	2,193	2,283	2,284	2,315
Water and Science.	1,594	1,591	1,470	1,450
Indian Affairs.	1,576	1,778	1,774	1,764
Territorial and International Affairs.	86	90	79	55
Secretarial and Departmental Offices.	112	152	208	208
Discretionary Offsets.	0	0	(85)	(130)
	-----	-----	-----	-----
Total Department of the Interior.	7,074	7,446	7,224	7,134