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**Environmental Protection Agency  
FY 2006 Annual Performance Plan and Congressional Justification**

**APPROPRIATION: State and Tribal Assistance Grants  
Resource Summary Table**

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<b>State and Tribal Assistance Grants</b>				
Budget Authority / Obligations	\$3,908,696.0	\$3,231,800.0	\$2,960,800.0	(\$271,000.0)
Total Workyears	0.0	0.0	0.0	0.0

***BILL LANGUAGE: STATE AND TRIBAL ASSISTANCE GRANTS***

For environmental programs and infrastructure assistance, including capitalization grants for State revolving funds and performance partnership grants, [\$3,604,182,000] \$2,960,800,000, to remain available until expended, of which [\$1,100,000,000] \$730,000,000 shall be for making capitalization grants for the Clean Water State Revolving Funds under title VI of the Federal Water Pollution Control Act, as amended (the "Act") [, of which up to \$50,000,000 shall be available for loans, including interest free loans as authorized by 33 U.S.C. 1383(d)(1)(A), to municipal, inter-municipal, interstate, or State agencies or nonprofit entities for projects that provide treatment for or that minimize sewage or stormwater discharges using one or more approaches which include, but are not limited to, decentralized or distributed stormwater controls, decentralized wastewater treatment, low-impact development practices, conservation easements, stream buffers, or wetlands restoration]; \$850,000,000 shall be for capitalization grants for the Drinking Water State Revolving Funds under section 1452 of the Safe Drinking Water Act, as amended [, except that, notwithstanding section 1452(n) of the Safe Drinking Water Act, as amended, none of the funds made available under this heading in this Act, or in previous appropriation Acts, shall be reserved by the Administrator for health effects studies on drinking water contaminants]; \$50,000,000 shall be for architectural, engineering, planning, design, construction and related activities in connection with the construction of high priority water and wastewater facilities in the area of the United States-Mexico Border, after consultation with the appropriate border commission; [\$45,000,000] \$15,000,000 shall be for grants to the State of Alaska to address drinking water and waste infrastructure needs of rural and Alaska Native Villages [: *Provided*, That, of these funds: (1) the State of Alaska shall provide a match of 25 percent; (2) no more than 5 percent of the funds may be used for administrative and overhead expenses; and (3) not later than October 1, 2005 the State of Alaska shall make awards consistent with the State-wide priority list established in 2004 for all water, sewer, waste disposal, and similar projects carried out by the State of Alaska that are funded under section 221 of the Federal Water Pollution Control Act (33 U.S.C. 1301) or the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) which shall allocate not less than 25 percent of the funds provided for projects in

regional hub communities; \$4,000,000 shall be for remediation of above ground leaking fuel tanks pursuant to Public Law 106-554; \$309,925,000 shall be for making grants for the construction of drinking water, wastewater and storm water infrastructure and for water quality protection in accordance with the terms and conditions specified for such grants in the joint explanatory statement of the managers accompanying this Act, and, for purposes of these grants, each grantee shall contribute not less than 45 percent of the cost of the project unless the grantee is approved for a waiver by the Agency; \$90,000,000]; \$120,500,000 shall be to carry out section 104(k) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended, including grants, interagency agreements, and associated program support costs; [\$7,500,000 for a cost-shared grant program to school districts for necessary upgrades of their diesel bus fleets;] \$4,000,000 shall be for a grant to Puerto Rico for drinking water infrastructure improvements to the Metropolitan community water system in San Juan; \$10,000,000 for cost-shared grants for school bus retrofit and replacement projects that reduce diesel emissions: *Provided, That beginning in fiscal year 2006 and thereafter, the Administrator is authorized to make such grants, subject to terms and conditions as the Administrator shall establish, to State, tribal, and local governmental entities responsible for providing school bus services to one or more school districts;* and [\$1,145,757,000] \$1,181,300,000 shall be for grants, including associated program support costs, to States, federally recognized tribes, interstate agencies, tribal consortia, and air pollution control agencies for multi-media or single media pollution prevention, control and abatement and related activities, including activities pursuant to the provisions set forth under this heading in Public Law 104-134, and for making grants under section 103 of the Clean Air Act for particulate matter monitoring and data collection activities of which and subject to terms and conditions specified by the Administrator of which [\$50,000,000] \$60,000,000 shall be for carrying out section 128 of CERCLA, as amended, [and \$19,500,000] \$20,000,000 shall be for Environmental Information Exchange Network grants, including associated program support costs, [and \$18,000,000] \$24,000,000 of the funds available for grants under section 106 of the Act shall be for water quality monitoring activities that meet EPA standards for statistically representative monitoring programs, [and \$18,000,000] \$15,000,000 shall be for making competitive targeted watershed grants: *Provided further, That for fiscal year [2005] 2006, State authority under section 302(a) of Public Law 104-182 shall remain in effect: [Provided further, That notwithstanding section 603(d)(7) of the Act, the limitation on the amounts in a State water pollution control revolving fund that may be used by a State to administer the fund shall not apply to amounts included as principal in loans made by such fund in fiscal year 2005 and prior years where such amounts represent costs of administering the fund to the extent that such amounts are or were deemed reasonable by the Administrator, accounted for separately from other assets in the fund, and used for eligible purposes of the fund, including administration:] Provided further, That for fiscal year [2005] 2006, and notwithstanding section 518(f) of the Act, the Administrator is authorized to use the amounts appropriated for any fiscal year under section 319 of that Act to make grants to Indian tribes pursuant to sections 319(h) and 518(e) of that Act: Provided further, That for fiscal year [2005] 2006, notwithstanding the limitation on amounts in section 518(c) of the Act, up to a total of 1 ½ percent of the funds appropriated for State Revolving Funds under title VI of that Act may be reserved by the Administrator for grants under section 518(c) of such Act:*

*Provided further*, That no funds provided by this legislation to address the water, wastewater and other critical infrastructure needs of the colonias in the United States along the United States-Mexico border shall be made available to a county or municipal government unless that government has established an enforceable local ordinance, or other zoning rule, which prevents in that jurisdiction the development or construction of any additional colonia areas, or the development within an existing colonia the construction of any new home, business, or other structure which lacks water, wastewater, or other necessary infrastructure [: *Provided further*, That the referenced statement of the managers under this heading in Public Law 108-7, in reference to item number 471, is deemed to be amended by striking everything after “for” and inserting the following: “for water infrastructure improvements”: *Provided further*, That the referenced statement of the managers under this heading in Public Law 108-199, in reference to item number 22, is deemed to be amended by striking everything after “22.” and inserting the following: “\$200,000 to Jackson County, Alabama, for water system improvements and \$200,000 to the City of Muscle Shoals, Alabama, for water and sewer infrastructure improvements”: *Provided further*, That the referenced statement of the managers under this heading in Public Law 108-199, in reference to item number 158, is deemed to be amended by inserting “water and” after “for”: *Provided further*, That the referenced statement of the managers under this heading in Public Law 107-73, is deemed to be amended by striking “Southeast” in reference to item 9 and inserting “Southwest”: *Provided further*, That the referenced statement of the managers under this heading in Public Law 107-73, in reference to item number 103, is deemed to be amended by striking everything after the word “for”, and adding, “the City of Chicago, Illinois for water infrastructure improvements at the Thomas Jefferson and Lakeview Pumping Stations”: *Provided further*, That the referenced statement of the managers under this heading in Public Law 108-199, in reference to item number 484, is deemed to be amended by striking “City of Norfolk” and inserting “Portsmouth, Virginia”: *Provided further*, That the referenced statement of the managers under this heading in Public Law 108-199, in reference to item number 283, is deemed to be amended by striking “City of Kalispell, Montana” and inserting “Flathead County Water and Sewer District No. 1-Evergreen”: *Provided further*, That the referenced statement of managers under this heading in Public Law 108-7, in reference to item number 139, is deemed to be amended by striking “State of Hawaii Health Department” and inserting “County of Hawaii”: *Provided further*, That the referenced statement of managers under this heading in Public Law 108-199, in reference to item number 148, is deemed to be amended by striking everything after the word “for” and inserting “the replacement of cesspools in Hawaii, \$250,000 to the City and County of Honolulu for Verona Village, \$500,000 to the County of Hawaii and the remainder to the Housing and Community Development Corporation of Hawaii;”: *Provided further*, That the referenced statement of the managers under this heading in Public Law 108-199, in reference to item number 388, is deemed to be amended by striking everything after the word “for” and inserting “the Southeast Water Treatment Plant in Lawton, Oklahoma for water and wastewater infrastructure improvements;”: *Provided further*, That the referenced statement of the managers under this heading in Public Law 106-377, in reference to item number 46, is deemed to be amended by striking “to construct pump stations, force mains, storage lagoons and spray irrigation facility”, and inserting “for wastewater treatment improvements”: *Provided*

*further*, That the referenced statement of the managers under this heading in Public Law 108-199, in reference to item number 409, is deemed to be amended by striking “City of” and “Pennsylvania”: *Provided further*, That the reference statement of the managers under this heading in Public Law 108-199, in reference to item number 265, is deemed to be amended by striking “Franklin County”, and inserting “Okhissa Lake Sewer District”: *Provided further*, That the referenced statement of the managers under this heading in Public Law 108-199, in reference to item number 322, is deemed to be amended by inserting “and water” after “waste water”: *Provided further*, That the referenced statement of the managers under this heading in Public Law 108-199, in reference to item number 173, is deemed to be amended by inserting “planning, design and” prior to “construction”: *Provided further*, notwithstanding any other provision of law, the Environmental Protection Agency and the New York State Department of Environmental Conservation are authorized to award a \$2,000,00 grant to the Town of Wheatfield, Niagara County, New York for the construction of sanitary collector sewers from funds reallocated to the State of New York under title II of the Clean Water Act: *Provided further*, That the referenced statement of the managers under this heading in Public Law 108-199, in reference to item number 184, is deemed to be amended by striking “be divided equally between” and by striking “and” and inserting in place of “and”, “or”]. (*Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act, 2005.*)

**FY 2006 President's Budget Request**  
**STAG Resources**  
(Dollars in Thousands)

	<b>FY 2004 Enacted Budget<sup>1</sup></b>	<b>FY 2005 Pres Budget Request</b>	<b>FY 2006 Pres Budget Request</b>	<b>FY 06 PB vs FY05 PB</b>
State/Tribal Categorical Grant Assistance	\$1,168,267	\$1,252,300	\$1,181,300	-\$71,000.0
Clean Water State Revolving Fund	\$1,342,035	\$850,000	\$850,000	\$0.0
Drinking Water State Revolving Fund	\$844,985	\$850,000	\$730,000	-\$120,000.0
Brownfields Infrastructure Projects	\$92,948	\$120,500	\$120,500	\$0.0
Mexico Border	\$49,705	\$50,000	\$50,000	\$0.0
Alaskan Native Villages	\$42,746	\$40,000	\$15,000	-\$25,000.0
Puerto Rico <sup>3</sup>	\$0	\$4,000	\$4,000	\$0.0
Alaska - Above Ground Leaking Fuel Tanks	\$3,479	\$0	\$0	\$0.0
Natl. Decentralized Wastewater Demo Prog.	\$6,561	\$0	\$0	\$0.0
Clean School Bus Initiative	\$0	\$65,000	\$10,000	-\$55,000.0
Congressional Projects	\$326,661	\$0	\$0	\$0.0
Unallocated	\$0	\$0	\$0	\$0.0
<b>Total</b>	<b>\$3,877,388</b>	<b>\$3,231,800</b>	<b>\$2,960,800</b>	<b>-\$271,000.0</b>
<sup>1</sup> Reflects FY 2004 Enacted 0.59% rescission.				

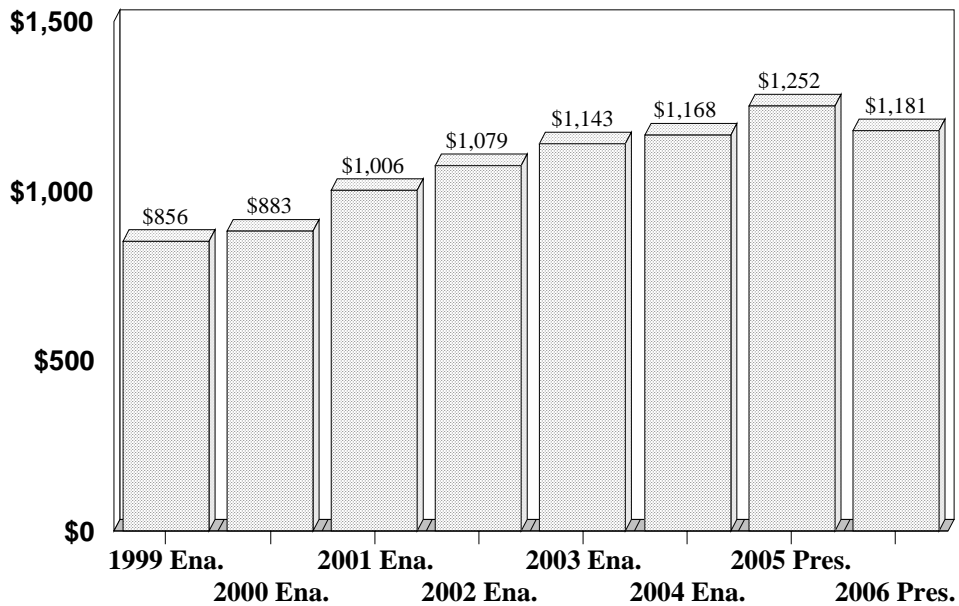
**Program Projects in STAG  
(Dollars in Thousands)**

<b>Program Project</b>	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
Brownfields Projects	\$87,380.4	\$120,500.0	\$120,500.0	\$0.0
Categorical Grant: Beaches Protection	\$8,826.3	\$10,000.0	\$10,000.0	\$0.0
Categorical Grant: Brownfields	\$50,000.4	\$60,000.0	\$60,000.0	\$0.0
Categorical Grant: Environmental Information	\$19,474.3	\$25,000.0	\$20,000.0	(\$5,000.0)
Categorical Grant: Hazardous Waste Financial Assistance	\$103,688.6	\$106,400.0	\$104,400.0	(\$2,000.0)
Categorical Grant: Homeland Security	\$4,051.1	\$5,000.0	\$5,000.0	\$0.0
Categorical Grant: Lead	\$14,099.7	\$13,700.0	\$13,700.0	\$0.0
Categorical Grant: Nonpoint Source (Sec. 319)	\$241,542.3	\$209,100.0	\$209,100.0	\$0.0
Categorical Grant: Pesticides Enforcement	\$19,775.6	\$19,900.0	\$18,900.0	(\$1,000.0)
Categorical Grant: Pesticides Program Implementation	\$13,225.1	\$13,100.0	\$13,100.0	\$0.0
Categorical Grant: Pollution Control (Sec. 106)	\$202,936.7	\$222,400.0	\$231,900.0	\$9,500.0
Categorical Grant: Pollution Prevention	\$6,149.9	\$6,000.0	\$6,000.0	\$0.0
Categorical Grant: Public Water System Supervision (PWSS)	\$101,904.2	\$105,100.0	\$100,600.0	(\$4,500.0)
Categorical Grant: Radon	\$8,062.1	\$8,150.0	\$8,150.0	\$0.0
Categorical Grant: Targeted Watersheds	\$7,472.2	\$25,000.0	\$15,000.0	(\$10,000.0)
Categorical Grant: Toxics Substances Compliance	\$5,036.1	\$5,150.0	\$5,150.0	\$0.0
Categorical Grant: Tribal General Assistance Program	\$62,195.9	\$62,500.0	\$57,500.0	(\$5,000.0)
Categorical Grant: Underground Injection Control (UIC)	\$10,800.0	\$11,000.0	\$11,000.0	\$0.0
Categorical Grant: Underground Storage Tanks	\$11,724.9	\$37,950.0	\$11,950.0	(\$26,000.0)
Categorical Grant: Wastewater Operator Training	\$0.0	\$1,500.0	\$0.0	(\$1,500.0)
Categorical Grant: Water Quality Cooperative Agreements	\$16,607.5	\$20,500.0	\$0.0	(\$20,500.0)
Categorical Grant: Wetlands Program Development	\$17,110.4	\$20,000.0	\$20,000.0	\$0.0
Categorical Grant: Sector Program	\$1,838.3	\$2,250.0	\$2,250.0	\$0.0
Categorical Grant: State and Local Air Quality Management	\$237,296.7	\$228,550.0	\$223,550.0	(\$5,000.0)
Categorical Grant: State and Tribal Performance Fund	\$0.0	\$23,000.0	\$23,000.0	\$0.0
Categorical Grant: Tribal Air Quality Management	\$12,384.9	\$11,050.0	\$11,050.0	\$0.0
Clean School Bus Initiative	\$0.0	\$65,000.0	\$10,000.0	(\$55,000.0)
Congressionally Mandated Projects*	\$263,524.2	\$0.0	\$0.0	\$0.0
Infrastructure Assistance: Alaska Native Villages	\$37,433.8	\$40,000.0	\$15,000.0	(\$25,000.0)
Infrastructure Assistance: Clean Water SRF	\$1,397,784.5	\$850,000.0	\$730,000.0	(\$120,000.0)
Infrastructure Assistance: Drinking Water SRF	\$881,523.6	\$850,000.0	\$850,000.0	\$0.0
Infrastructure Assistance: Mexico Border	\$64,846.3	\$50,000.0	\$50,000.0	\$0.0
Infrastructure Assistance: Puerto Rico	\$0.0	\$4,000.0	\$4,000.0	\$0.0

\* There is no factsheet for this program, because there are no resources being requested



**CATEGORICAL GRANTS PROGRAM (STAG)**  
*(Dollars in millions)*



In FY 2006, the President's Budget requests a total of \$1,181 million for **23** "categorical" program grants for state and tribal governments. EPA will continue to pursue its strategy of building and supporting state, local and tribal capacity to implement, operate, and enforce the Nation's environmental laws. Most environmental laws envision establishment of a decentralized nationwide structure to protect public health and the environment. In this way, environmental goals will ultimately be achieved through the actions, programs, and commitments of state, tribal and local governments, organizations and citizens.

In FY 2006, EPA will continue to offer flexibility to state and tribal governments to manage their environmental programs as well as provide technical and financial assistance to achieve mutual environmental goals. First, EPA and its state and tribal partners will continue implementing the National Environmental Performance Partnership System (NEPPS). NEPPS is designed to allow states more flexibility to operate their programs, while increasing emphasis on measuring and reporting environmental improvements. Second, Performance Partnership Grants (PPGs) will continue to allow States and Tribes funding flexibility to combine categorical program grants to address environmental priorities.

**HIGHLIGHTS:**

***State & Local Air Quality Management, Radon, and Tribal Air Quality Management Grants***

The FY 2006 request includes \$242.8 million for Air State and Local Assistance grants to support state, local, and tribal air programs as well as radon programs. State and Local Air Quality Management grant funding is requested in the amount of \$223.6 million. These funds

provide resources to state and local air pollution control agencies for the development and implementation of programs for the prevention and control of air pollution or for the implementation of national primary and secondary ambient air standards. They can also be used to support the coordination and implementation of research, investigations, experiments, demonstrations, surveys and studies relating to the causes, effects (including health and welfare effects), extent, prevention and control of air pollution. Tribal Air Quality Management grants, requested in the amount of \$11.0 million, provide funds to Tribes to develop and implement air pollution prevention and control programs, or to implement national primary and secondary ambient air standards. Lastly, this request includes \$8.2 million for Radon grants, to provide funding for state radon programs. The President's Budget includes appropriations language for 2006 that would reduce the state match requirement for the radon grants from 50 percent to 40 percent. This will improve effectiveness of these grants by increasing States' ability to obligate funds to conduct radon testing and mitigation programs.

### ***Pesticide Enforcement, Toxics Substance Compliance, and Sector Program Grants***

In FY 2006, the President's Budget includes \$26.3 million to build environmental partnerships with States and Tribes and to strengthen their ability to address environmental and public health threats. The enforcement state grants request consists of \$18.9 million for Pesticides Enforcement, \$5.15 million for Toxic Substances Enforcement Grants, and \$2.25 million for Sector Grants. State and Tribal enforcement grants will be awarded to assist in the implementation of compliance and enforcement provisions of the Toxic Substances Control Act (TSCA) and the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA). These grants support state and tribal compliance activities to protect the environment from harmful chemicals and pesticides.

Under the Pesticides Enforcement Grant program, EPA provides resources to States and Indian Tribes to conduct FIFRA compliance inspections and take appropriate enforcement actions and implement programs for farm worker protection. Under the Toxic Substances Compliance Grant program, states receive funding for compliance inspections of asbestos and polychlorinated biphenyls (PCBs) and for implementation of the state lead abatement enforcement program. The funds will complement other Federal program grants for building state capacity for lead abatement, and enhancing compliance with disclosure, certification and training requirements.

### ***Pesticides Program Implementation Grants***

The President's FY 2006 Budget includes \$13.1 million for Pesticides Program Implementation grants. These resources will assist States and Tribes in implementing the safer use of pesticides, including: worker protection; certification and training of pesticide applicators; protection of endangered species; tribal pesticide programs; integrated pest management and environmental stewardship; and protection of water from pesticide contamination.

### ***Lead Grants***

The President's FY 2006 Budget includes \$13.7 million for Lead grants. This funding will support the development of authorized programs in both States and Tribes to prevent lead

poisoning through the training of workers who remove lead-based paint, the accreditation of training programs, the certification of contractors, and renovation education programs. Another activity that this funding will support is the collection of lead data to determine the nature and extent of the lead problem within an area.

### ***Pollution Prevention Grants***

The FY 2005 request includes \$6.0 million for Pollution Prevention grants. The grant program provides technical assistance towards the achievement of reduced pollution through source reduction.

### ***Environmental Information Grants***

In FY 2006, the President's Budget includes \$20.0 million to continue the Environmental Information Exchange Network (Exchange Network) grant program. Started in 2002, the Exchange Network grant program provides States, territories, Tribes, and Tribal Consortia assistance to develop the information management and technology (IM/IT) capabilities they need to participate in the Exchange Network. The Exchange Network is an Internet and standards-based information systems network that allows the EPA and its partners to exchange a variety of environmental data electronically. Implementation and continued use of the Exchange Network improves environmental decision making, increases environmental data quality and accuracy, and reduces burden on those who provide and those who access information.

### ***Underground Storage Tanks (UST) Grants***

The President's FY 2006 Budget includes \$11.95 million for Underground Storage Tank grants. States and Tribes will use these resources to ensure that UST owners and operators routinely and correctly monitor all regulated tanks and piping in accordance with regulations, and also to develop programs with sufficient authority and enforcement capabilities to operate in lieu of the Federal program.

### ***Hazardous Waste Financial Assistance Grants***

In FY 2005, the President's Budget includes \$104.4 million for Hazardous Waste Financial Assistance grants. Hazardous Waste Financial Assistance grants are used for the implementation of the Resource Conservation and Recovery Act (RCRA) hazardous waste program, which includes permitting, authorization, waste minimization, enforcement, and corrective action activities.

### ***Brownfields Grants***

In FY 2006, the President's Budget includes \$60.0 million to continue the Brownfields grant program that provides assistance to states and Tribes to develop and enhance their state and tribal response programs. This funding will help States and Tribes develop legislation, regulations, procedures, and guidance to establish or enhance the administrative and legal structure of their response programs. In addition, grant funding will help to capitalize Revolving Loan Funds for

Brownfields cleanup, purchase environmental insurance, and conduct site-specific related activities such as assessments at Brownfields sites.

### ***Water Pollution Control (Clean Water Act Section 106) Grants***

In FY 2006, the President's Budget includes \$231.9 million for Water Pollution Control grants, an increase of \$9.5 million over 2005. This increase in funds will be used to bolster National Pollution Discharge Elimination System (NPDES) permitting efforts, enhance water quality monitoring activities and will lead to improved water quality standards.

### ***Wetlands Grants***

In FY 2006, the President's Budget includes \$20.0 million for Wetlands Program Grants. These grant resources will be used to assist States and Tribes in protecting wetlands and waters not covered by the Clean Water Act.

### ***Public Water System Supervision Grants***

In FY 2006, the President's Budget includes \$100.6 million for Public Water System Supervision (PWSS) grants. These grants provide assistance to implement and enforce National Primary Drinking Water Regulations to ensure the safety of the Nation's drinking water resources and to protect public health.

### ***Indian General Assistance Program Grants***

In FY 2006, the President's Budget includes \$57.5 million for the Indian General Assistance Program (GAP) to help federally recognized tribes and inter-tribal consortia develop, implement and assume environmental programs.

### ***Homeland Security Grants***

In FY 2006, the President's Budget includes \$5.0 million for homeland security grants to support states' efforts to work with drinking water and wastewater systems to develop and enhance emergency operations plans; conduct training in the implementation of remedial plans in small systems; and, develop detection, monitoring and treatment technology to enhance drinking water and wastewater security.

### ***Underground Injection Control (UIC) Grants***

The FY 2006 President's Budget includes \$11.0 million for the Underground Injection Control grants program. Ensuring safe underground injection of waste materials is a fundamental component of a comprehensive source water protection program. Grants are provided to States that have primary enforcement authority (primacy) to implement and maintain UIC programs.

### ***Targeted Watershed Grants***

The President's FY 2006 Budget funds Targeted Watershed grants at \$15 million. The program supports competitive grants to watershed stakeholders ready to undertake immediate action to improve water quality, and to improve watershed protection measures with tools, training and technical assistance. Special emphasis will be given to projects that promote water quality trading opportunities to more efficiently achieve water quality benefits through market-based approaches.

### ***State and Tribal Performance Fund***

The President's FY 2006 Budget includes a \$23 million competitive performance based state and tribal grants program. Awardees will be selected that have solid program plans and can show the ability to achieve and measure real results, improvements in the environment and/or public health. These grants will stimulate the development of environmental protection projects that focus on results, not just process. It will also focus on the setting of performance goals, and the collection and evaluation of performance data that justify the costs. These projects will serve as results-based environmental protection models for replication across the nation.

### **Elimination of Tribal Cap on Non-Point Sources**

In 2006, the President's Budget eliminates the statutory one-third-of-one-percent cap on Clean Water Act Section 319 Nonpoint Source Pollution grants that may be awarded to Tribes. Tribes applying for and receiving Section 319 grants have steadily increased from two in 1991 to over 70 in 2001. This proposal recognizes the increasing demand for resources to address tribal nonpoint source program needs.

**Brownfields Projects**  
Environmental Protection Agency  
FY 2006 Annual Performance Plan and Congressional Justification

Goal: Healthy Communities and Ecosystems  
Objective(s): Communities

Total Request for Appropriation STAG: \$120,500.0 (Dollars in Thousands)

**Brownfields Projects (STAG)**  
(Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<b><i>State and Tribal Assistance Grants</i></b>	<b><i>\$87,380.4</i></b>	<b><i>\$120,500.0</i></b>	<b><i>\$120,500.0</i></b>	<b><i>\$0.0</i></b>
Hazardous Substance Superfund	\$3,995.9	\$0.0	\$0.0	\$0.0
Total Budget Authority / Obligations	\$91,376.3	\$120,500.0	\$120,500.0	\$0.0
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

Economic changes over several decades have left thousands of communities with contaminated properties and abandoned sites known as Brownfields. The Agency's Brownfields program assists in addressing environmental site assessment and cleanup through grants and cooperative agreements authorized by CERCLA Section 104(k) through competitive grants to eligible entities and cooperative agreements authorized by CERCLA Section 104(k). The Brownfields program must allocate 25% of the total available funds for CERCLA 104(k) grants to address sites contaminated by petroleum. With the funds requested, EPA will provide: (1) assessment and cleanup grants for recipients to inventory, characterize, assess, and conduct cleanup and redevelopment planning related to Brownfields sites; (2) capitalization grants for Revolving Loan Funds (RLFs) to provide low interest loans for clean ups; (3) job training grants; (4) petroleum grants and (5) financial assistance to localities, states, Tribes, and non-profit organizations for research, training, and technical assistance.

**FY 2006 Activities and Performance Highlights**

Funding requested for FY 2006 will be used to support the following activities:

- \$29,000 in funding and technical support for 126 assessment grants for recipients to inventory, assess, and conduct cleanup and redevelopment planning at Brownfields sites. In FY 2006, this will result in the assessment of 1,000 Brownfields properties, cleanup of 60 Brownfields properties, together with the extension of the Brownfields tax credit, leverage 5,000 cleanup and redevelopment jobs, and \$1,000 in cleanup and redevelopment funding.

- \$41,500 in funding to capitalize RLF and award cleanup grants for 70 communities; enabling eligible entities to develop cleanup strategies, make loans to prospective purchasers to clean up properties, and encourage communities to leverage other funds into their RLF pools and cleanup grants. The Agency will award cooperative agreements to capitalize RLF grants of up to \$1,000 each and award direct cleanup grants of up to \$200 per site to communities and non-profits.
- \$30,300 in funding for assessment and cleanup of abandoned underground storage tanks (USTs) and other petroleum contamination found on Brownfields properties to address approximately 60 Brownfields communities.
- \$2,500 in funding to award Brownfields job training and development grants of up to \$200 each, over two years. Also, \$3,000 to the National Institute of Environmental Health Sciences (NIEHS) to supplement its minority worker training programs that focus on Brownfields workforce development activities. Since 1996, EPA has awarded 92 job training grants, trained 200 participants and averaged 65 percent job placement.
- \$14,200 in funding for training, research and technical assistance grants and cooperative agreements as authorized under CERCLA Section 104(k)(6).

In addition, EPA will continue to support the existing 28 showcase communities which demonstrate the benefits of interagency cooperative efforts in addressing environmental and economic issues related to Brownfields.

**FY 2006 Change from FY 2005 President's Budget (Dollars in Thousands)**

- No change in funding.

**Statutory Authority**

Comprehensive Environmental Response, Compensation, and Liabilities Act (CERCLA) as amended by the Small Business Liability Relief and Brownfields Revitalization Act (P.L. 107-118); Resource Conservation and Recovery Act (RCRA) Section 8001; Government Management Reform Act (1990); Solid Waste Disposal Act; Federal Grant and Cooperative Agreement Act; Annual Appropriations Act.

**CATEGORIAL PROGRAM GRANTS (STAG)**  
**by National Program and State Grant**  
(Dollars in Thousands)

Grant	FY 2005 President's Budget	FY 2006 President's Budget	Difference FY 2006 v FY 2005
<b>Air &amp; Radiation</b>			
State and Local Assistance	\$228,550.0	\$223,550.0	(\$5,000.0)
Tribal Assistance	\$11,050.0	\$11,050.0	\$0.0
Radon	\$8,150.0	\$8,150.0	\$0.0
	<b>\$247,750.0</b>	<b>\$242,750.0</b>	<b>(\$5,000.0)</b>
<b>Water Quality</b>			
Pollution Control (Section 106)	\$222,400.0	\$231,900.0	\$9,500.0
Beaches Protection	\$10,000.0	\$10,000.0	\$0.0
Nonpoint Source (Section 319)	\$209,100.0	\$209,100.0	\$0.0
Wetlands Program Development	\$20,000.0	\$20,000.0	\$0.0
Water Quality Cooperative Agrmts	\$20,500.0	\$0.0	(\$20,500.0)
Targeted Watersheds	\$25,000.0	\$15,000.0	(\$10,000.0)
Wastewater Operator Training Grants	\$1,500.0	\$0.0	(\$1,500.0)
	<b>\$508,500.0</b>	<b>\$486,000.0</b>	<b>(\$22,500.0)</b>
<b>Drinking Water</b>			
Public Water System Supervision (PWSS)	\$105,100.0	\$100,600.0	(\$4,500.0)
Underground Injection Control (UIC)	\$11,000.0	\$11,000.0	\$0.0
Homeland Security	\$5,000.0	\$5,000.0	\$0.0
	<b>\$121,100.0</b>	<b>\$116,600.0</b>	<b>(\$4,500.0)</b>
<b>Hazardous Waste</b>			
H.W. Financial Assistance	\$106,400.0	\$104,400.0	(\$2,000.0)
Brownfields	\$60,000.0	\$60,000.0	\$0.0
Underground Storage Tanks	\$37,950.0	\$11,950.0	(\$26,000.0)
	<b>\$204,350.0</b>	<b>\$176,350.0</b>	<b>(\$28,000.0)</b>
<b>Pesticides &amp; Toxics</b>			
Pesticides Program Implementation	\$13,100.0	\$13,100.0	\$0.0
Lead	\$13,700.0	\$13,700.0	\$0.0
Toxic Substances Compliance	\$5,150.0	\$5,150.0	\$0.0
Pesticides Enforcement	\$19,900.0	\$18,900.0	(\$1,000.0)
	<b>\$51,850.0</b>	<b>\$50,850.0</b>	<b>(\$1,000.0)</b>
<b>Multimedia</b>			
Environmental Information	\$25,000.0	\$20,000.0	(\$5,000.0)
Pollution Prevention	\$6,000.0	\$6,000.0	\$0.0
Sector Program	\$2,250.0	\$2,250.0	\$0.0
Indian General Assistance Program	\$62,500.0	\$57,500.0	(\$5,000.0)
State and Tribal Performance Fund	\$23,000.0	\$23,000.0	\$0.0
	<b>\$118,750.0</b>	<b>\$108,750.0</b>	<b>(\$10,000.0)</b>
<b>TOTALS</b>	<b>\$1,252,300.0</b>	<b>\$1,181,300.0</b>	<b>(\$71,000.0)</b>



**Categorical Grant: Beaches Protection**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Clean and Safe Water  
 Objective(s): Protect Human Health

Total Request for Appropriation STAG: \$10,000.0 (Dollars in Thousands)

**Categorical Grant: Beaches Protection (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<i>State and Tribal Assistance Grants</i>	<b>\$8,826.3</b>	<b>\$10,000.0</b>	<b>\$10,000.0</b>	<b>\$0.0</b>
Total Budget Authority / Obligations	\$8,826.3	\$10,000.0	\$10,000.0	\$0.0
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

EPA awards grants to eligible coastal and Great Lakes States, territories, and Tribes to improve water quality monitoring at beaches and to notify the public of beach warnings and closings. The BEACH grant program is a collaborative effort between EPA and States, territories, local governments, and Tribes to help ensure that recreational waters are safe for swimming. Congress created the program with the passage of the Beaches Environmental Assessment and Coastal Health Act (BEACH Act) in October 2000, with the goal of improving water quality testing at beaches and to help beach managers better inform the public when there are water quality problems.

EPA awards grants to eligible States, territories, and Tribes using an allocation formula developed in 2002. Prior to allocating funds EPA consults with States and other organizations, taking into consideration: beach season length; beach miles; and beach use. (See <http://www.epa.gov/waterscience/beaches> for more information.)

**FY 2006 Activities and Performance Highlights**

States and territories currently monitor 3,472 beaches. To continue making progress on monitoring beaches FY 2006, EPA expects to:

- Make available grant funds to all 35 eligible States and territories to monitor beach water quality and notify the public of beach warnings and closings;
- Begin working with States to examine the allocation formula based on new data from the States.

- Continue to make available to the public real-time information through EPA's Beach Advisory Closing On-line Notification (BEACON) system on the status of beach closings at all monitored beaches; and,
- Continue to work with coastal and Great Lakes States, territories, and Tribes to address monitoring issues.

**FY 2006 Change from FY 2005 President's Budget (Dollars in Thousands)**

No change from FY 2005.

**Statutory Authority**

Clean Water Act; Beaches Environmental Assessment and Coastal Health Act of 2000.

**Categorical Grant: Brownfields**  
Environmental Protection Agency  
FY 2006 Annual Performance Plan and Congressional Justification

Goal: Healthy Communities and Ecosystems  
Objective(s): Communities

Total Request for Appropriation STAG: \$60,000.0 (Dollars in Thousands)

**Categorical Grant: Brownfields (STAG)**  
(Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<i>State and Tribal Assistance Grants</i>	<b>\$50,000.4</b>	<b>\$60,000.0</b>	<b>\$60,000.0</b>	<b>\$0.0</b>
Total Budget Authority / Obligations	\$50,000.4	\$60,000.0	\$60,000.0	\$0.0
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

Brownfields are real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant. Unlike Superfund sites, generally Brownfields are not highly contaminated properties and, therefore, present lesser health risks. Economic changes over several decades have left thousands of communities with these contaminated properties and abandoned sites. The Agency's Brownfields program coordinates a Federal, State, tribal, and local government approach to assist in addressing environmental site assessment and cleanup.

Under CERCLA Section 128(a), grants are provided to States and Tribes for their Brownfields response programs. The state/tribal programs address contaminated sites that do not require Federal action, but need cleanup before the sites are considered for reuse. States and Tribes may use grant funding to develop a public record, capitalize a Revolving Loan Fund for Brownfields cleanup under CERCLA Section 104(k)(3), purchase environmental insurance, and conduct site-specific related activities such as assessments at Brownfield sites.

**FY 2006 Activities and Performance Highlights**

The Agency will provide \$60 million to establish or enhance state and tribal Response programs in 50 States and 30 Tribes. Since the program's inception in 1995, States, territories, and Tribes have received over \$238 million for State and tribal Response Program grants.

In addition, EPA has signed 22 Voluntary Cleanup Program (VCP) memoranda of agreement (MOAs) with States. VCP MOAs clarify the roles and responsibilities of the Federal/state relationship. These agreements encourage the cleanup and redevelopment of contaminated

properties. In FY 2006, EPA will continue to negotiate with States, signing additional MOAs. Under the Brownfields law, state response programs that have a VCP MOA are automatically eligible for CERCLA 128(a) grant funding, therefore streamlining the grant award process.

**FY 2006 Change from FY 2005 President's Budget (Dollars in Thousands)**

- No change in funding.

**Statutory Authority**

Comprehensive Environmental Response, Compensation, and Liabilities Act (CERCLA) as amended by the Small Business Liability Relief and Brownfields Revitalization Act (P.L. 107-118); Government Management Reform Act (1990); Federal Grant and Cooperative Agreement Act; Annual Appropriations Act.

**Categorical Grant: Environmental Information**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Compliance and Environmental Stewardship

Objective(s): Improve Environmental Performance through Pollution Prevention and Innovation

Total Request for Appropriation STAG: \$20,000.0 (Dollars in Thousands)

**Categorical Grant: Environmental Information (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<b><i>State and Tribal Assistance Grants</i></b>	<b><i>\$19,474.3</i></b>	<b><i>\$25,000.0</i></b>	<b><i>\$20,000.0</i></b>	<b><i>(\$5,000.0)</i></b>
Total Budget Authority / Obligations	\$19,474.3	\$25,000.0	\$20,000.0	(\$5,000.0)
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

The Environmental Information grants provide funding to states, territories, federally recognized Indian tribes, and Tribal consortia to support their participation in the Environmental Information Exchange Network. The network is an Internet and standards-based, secure information network that facilitates electronic reporting and the sharing, integration, analysis, and use of environmental data from many different sources. The funding supports the acquisition and development of computer hardware and software EPA's partners need to connect to the Exchange Network

**FY 2006 Activities and Performance Highlights**

In FY 2006 the Exchange Network Grant Program will continue to develop and add to the 31 state and Tribal nodes currently in existence. The program will define and implement common data standards, formats, and trading partner agreements for sharing data over the Exchange Network. The Grant program will also establish standardization, exchange, and integration

<b>Key FY 2006 Program Activities</b>
<ul style="list-style-type: none"> <li>✓ Issue Readiness, Implementation and Challenge Grants to develop State and Tribal nodes</li> <li>✓ Define and implement data standards</li> <li>✓ Establish trading partner agreements</li> <li>✓ Exchange and integrate geospatial data</li> <li>✓ Develop regulatory and non-traditional data flows</li> </ul>

of geospatial data to address environmental and related human health issues. In addition, EPA plans to support regulatory and non-traditional data flow development and implementation through the Exchange Network. These efforts continue to promote greater Exchange Network utility and efficiency supporting sound environmental decision-making.

**FY 2006 Change from FY 2005 President's Budget (Dollars in Thousands)**

- (-\$5,000.0) The reduction in resources reflects the shift in the Grant program's emphasis from infrastructure needs to building data flows and Web services.

**Statutory Authority**

Authority for the Exchange Network Grant program to date has been provided in annual appropriations for the Departments of Veterans Affairs, Housing and Urban Development, and Independent Agencies, as follows: FY 2002, Public Law 107-73; FY 2003, Public Law 108-7; FY 2004, Public Law 108-199; and, FY 2005, Public Law 108-447.

**Categorical Grant: Hazardous Waste Financial Assistance**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Land Preservation and Restoration  
 Objective(s): Preserve Land; Restore Land

Total Request for Appropriation STAG: \$104,400.0 (Dollars in Thousands)

**Categorical Grant: Hazardous Waste Financial Assistance (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<i>State and Tribal Assistance Grants</i>	<b>\$103,688.6</b>	<b>\$106,400.0</b>	<b>\$104,400.0</b>	<b>(\$2,000.0)</b>
Total Budget Authority / Obligations	\$103,688.6	\$106,400.0	\$104,400.0	(\$2,000.0)
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

The Resource Conservation and Recovery Act (RCRA) statute authorizes EPA to provide financial assistance to States through the Hazardous Waste Financial Assistance Grants program for the purpose of controlling the generation, transportation, treatment, storage and disposal of hazardous wastes, including controlling and cleaning up releases from hazardous waste management facilities through corrective action. States must demonstrate, at minimum, equivalence with the Federal Hazardous Waste Management Program, and apply to EPA for authorization to administer the program. Hazardous waste financial assistance grants provide for the development and implementation of state authorized hazardous waste management programs, and also provide funding for the direct implementation of the RCRA program by Regions 7 and 10 and for the States of Iowa and Alaska, respectively.

In addition, this program provides support to Tribes for tribal hazardous waste programs. This program also coordinates with the American Indian Environmental Office as part of the annual distribution of the Indian Environmental General Assistance Program (GAP) Funds to address tribal waste concerns. The GAP Act of 1992 authorizes EPA to provide grants to eligible tribal governments or Intertribal Consortia for planning, developing and establishing environmental protection programs on Indian lands. This program supports Agency Performance Partnership Grants to states. For more information, visit <http://www.epa.gov/ebtpages/wastes.html>. This program was included in the RCRA Base, Permitting, Grants PART review for 2006 which received an overall rating of adequate; more information is included in the Special Analysis Section.

## **FY 2006 Activities and Performance Highlights**

In FY 2006, the following activities will be accomplished using RCRA Hazardous Waste Financial Assistance funds:

- Issue post-closure permits or use appropriate enforcement mechanisms to address environmental risk at inactive land disposal facilities and put approved controls in place, as part of efforts toward the 2008 strategic goals.
- Approve closure plans for interim status treatment and storage facilities that are not seeking permits to operate, so these facilities can be brought under “approved controls” as part of the efforts toward the 2008 strategic goals.
- Review permit renewals and modifications for hazardous waste management facilities to keep permit controls up to date.
- Provide input to the RCRA Info National Reporting System to support higher quality, more useable, and more accessible information.
- Operate comprehensive compliance monitoring and enforcement actions related to the RCRA hazardous waste program.
- Provide funding for the direct implementation of the RCRA program by Region 7 for the State of Iowa and Region 10 for the State of Alaska.
- Focus corrective action from high priority facilities’ stabilization to final cleanup.
- Measure facility-wide remedy selection and completion of the construction of these remedies.
- Increase the percentage of RCRA hazardous waste management facilities with permits or other approved controls by an additional 2.5%.

## **FY 2006 Change from FY 2005 President’s Budget (Dollars in Thousands)**

- (-\$2,000.0) Reduces funds from categorical grants to states for hazardous waste financial assistance - corrective action. EPA’s decision to reduce the corrective action portion of the grant reflects Agency priority on maintaining funding levels for RCRA base permitting program.

## **Statutory Authority**

Solid Waste Disposal Act; Section 3011 (a) and (c) as amended; Resources Conservation and Recovery Act of 1976, as amended; Public Law 94-580, 42 U.S.C. 6901 et seq., Department of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act; Public Law 105-276; 112 Stat, 2461, 2499 (1988)



**Categorical Grant: Homeland Security**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Clean and Safe Water  
 Objective(s): Protect Human Health

Total Request for Appropriation STAG: \$5,000.0 (Dollars in Thousands)

**Categorical Grant: Homeland Security (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<i>State and Tribal Assistance Grants</i>	<b>\$4,051.1</b>	<b>\$5,000.0</b>	<b>\$5,000.0</b>	<b>\$0.0</b>
Total Budget Authority / Obligations	\$4,051.1	\$5,000.0	\$5,000.0	\$0.0
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

EPA provides grants for coordination activities for critical water infrastructure protection efforts that include work with drinking water systems as well as with state, local, and Federal agencies. These activities include coordinating and providing technical assistance, training, and education within the state or territory on homeland security issues (particularly with homeland security offices and emergency response officials) relating to: ensuring the quality of drinking water systems' vulnerability assessments and associated security enhancements; and developing and overseeing emergency response and recovery plans. Emergency response and recovery plan implementation activities include table-top workshops, exercises, drills, response protocols, or other activities focusing on implementing security enhancements and improving the readiness of individuals and groups involved in first response at a drinking water system.

**FY 2006 Activities and Performance Highlights**

In FY 2006, EPA will continue to award homeland security grants to states to support their efforts to work with drinking water and wastewater systems to:

- Develop and enhance emergency operations plans;
- Conduct training in the implementation of remedial plans in small systems; and,
- Develop detection, monitoring and treatment technology to enhance drinking water security.

For more information, visit <http://cfpub.epa.gov/safewater/watersecurity/financeassist.cfm>

**FY 2006 Change from FY 2005 President's Budget (Dollars in Thousands)**

- No change in funding.

**Statutory Authority**

Safe Drinking Water Act (SDWA); Clean Water Act (CWA); Public Health Security and Bioterrorism Emergency and Response Act of 2002.

**Categorical Grant: Lead**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Healthy Communities and Ecosystems  
 Objective(s): Chemical, Organism, and Pesticide Risks

Total Request for Appropriation STAG: \$13,700.0 (Dollars in Thousands)

**Categorical Grant: Lead (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<b><i>State and Tribal Assistance Grants</i></b>	<b><i>\$14,099.7</i></b>	<b><i>\$13,700.0</i></b>	<b><i>\$13,700.0</i></b>	<b><i>\$0.0</i></b>
Total Budget Authority / Obligations	\$14,099.7	\$13,700.0	\$13,700.0	\$0.0
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program/Project Description**

The Lead Categorical Grant Program will continue providing assistance to states, territories, the District of Columbia, and Indian Tribes to develop and carry out authorized programs for the training of individuals engaged in lead-based paint remediation, the accreditation of training programs for those individuals, and the certification of contractors engaged in lead-based paint remediation.

EPA's 2003-2008 Strategic Plan includes a strategic target for reducing the number of childhood lead poisoning cases to 90,000 by 2008, from approximately 400,000 cases in 1999/2000.

**FY 2006 Activities and Performance Highlights**

EPA will continue to implement the lead-based paint activities training and certification program through EPA-authorized state, territorial and tribal programs and, in areas without authorization, through direct implementation by the Agency. Activities conducted as part of this program include issuing grants for the training and certification of individuals and firms engaged in lead-based paint abatement and inspection activities and the accreditation of qualified training providers. Since their inception in 1998, the state, tribal and Federal programs have certified more than 24,000 individuals.

EPA will continue to allocate grant funding to reduce lead poisoning in areas which continue to present a high risk for childhood lead poisoning, despite the successes which have been achieved elsewhere. This program supports projects to address areas with a high incidence of elevated blood lead levels, to identify and address areas with high potential for as yet undocumented elevation in blood lead levels, to develop tools to address unique and challenging issues in lead poisoning prevention, and to identify tools that are replicable and scalable for other areas.

In addition to the Categorical Grant, the Lead program has a companion EPM program, “Lead Risk Reduction Program.” The EPM program focuses on EPA activities (e.g., rulemaking) other than assistance to states, territories, the District of Columbia and Indian Tribes. Both of these programs contribute to the achievement of common strategic targets and annual performance goals.

For more information, visit [www.epa.gov/oppt](http://www.epa.gov/oppt).

**FY 2006 Change from FY 2005 President’s Budget (Dollars in Thousands)**

- No change in funding.

**Statutory Authorities**

Toxic Substance Control Act (TSCA); Residential Lead-Based Paint Hazard Reduction Act of 1992 (which is designated as Title IV of TSCA).

**Categorical Grant: Nonpoint Source (Sec. 319)**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Clean and Safe Water  
 Objective(s): Protect Water Quality

Total Request for Appropriation STAG: \$209,100.0 (Dollars in Thousands)

**Categorical Grant: Nonpoint Source (Sec. 319) (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<b><i>State and Tribal Assistance Grants</i></b>	<b><i>\$241,542.3</i></b>	<b><i>\$209,100.0</i></b>	<b><i>\$209,100.0</i></b>	<b><i>\$0.0</i></b>
Total Budget Authority / Obligations	\$241,542.3	\$209,100.0	\$209,100.0	\$0.0
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

The national nonpoint source (NPS) program is the primary program enacted by Congress to enable States to combat the greatest remaining source of surface and ground water quality impairments and threats in the United States. Grants under Section 319 of the Clean Water Act are provided to States, territories, and Indian Tribes to help them implement their EPA-approved NPS management programs by remediating NPS pollution that has occurred in the past and by preventing or minimizing new NPS pollution.

Section 319 broadly authorizes States to use a range of tools to implement their programs, including: both non-regulatory and regulatory programs, technical assistance, financial assistance, education, training, technology transfer, and demonstration projects. States currently focus approximately one-half of their Section 319 funds on the development and implementation of watershed-based plans that are designed to restore impaired (listed under Section 303(d)) waters to meet water quality standards. For more information, visit <http://www.epa.gov/OWOW/NPS/coastnps.html>. This program underwent a PART review in 2006 and received a rating of adequate; more information is included in the Special Analysis Section.

**FY 2006 Activities and Performance Highlights**

Dealing with pervasive NPS pollution will require cooperation and involvement throughout society to enable EPA and the States to solve NPS pollution problems. Therefore, EPA will work closely with and support the many efforts of States, interstate agencies, Tribes, local governments and communities, watershed groups, and others to develop and then implement their local watershed-based plans and restore surface and ground waters nationwide.

Towards achieving our strategic goal of waters attaining designated uses, in FY 2006, States will continue to develop and implement watershed-based plans to restore impaired waterbodies to meet water quality standards. Watershed-based plans enable States to determine the most cost-effective means to meet their water quality goals through the analysis of sources of pollutants of concern; the sources' relative significance; available cost-effective techniques to address those sources; availability of needed resources, authorities and community buy-in to effect change; and monitoring that will enable States and local communities to track progress and make changes over time as they deem necessary to meet their water quality goals.

EPA will continue to forge and strengthen strategic partnerships with agricultural, forestry, development, and other communities that have an interest in achieving water quality goals in a cost-effective manner. Most particularly, because agriculture is the most significant remaining source of water quality impairments in the United States, EPA will work with USDA to ensure that Federal resources, including both Section 319 grants and Farm Bill funds, are managed in a coordinated and effective manner to protect water quality. More broadly, EPA will work with States to ensure that they develop and implement their watershed-based plans in close cooperation and consultation with State conservationists, soil and water conservation districts, and all other interested parties within the watersheds.

EPA will continue to track the steady increases in the cumulative dollar value and number of projects financed with Clean Water SRF loans to prevent polluted runoff. Properly managed onsite/decentralized systems are an important part of the Nation's wastewater infrastructure, and EPA will encourage State, tribal, and local governments to adopt voluntary guidelines for the effective management of these systems and use Clean Water State Revolving Loan Funds (CWSRF) to finance systems where appropriate.

#### **FY 2006 Change from FY 2005 President's Budget (Dollars in Thousands)**

- No Change from FY 2005.

#### **Statutory Authority**

Certain Alaskan Cruise Ship Operations Act (PL 106-554); Clean Vessel Act; Clean Water Act (CWA); Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA); Marine Plastic Pollution, Research and Control Act (MPPRCA) of 1987; Marine Protection, Research and Sanctuaries Act (MPRSA); National Environmental Policy Act; National Invasive Species Act of 1996; Ocean Dumping Ban Act of 1988; Organotin Antifouling Paint Control Act (OAPCA); Pollution Prevention Act (PPA); Resource Conservation and Recovery Act (RCRA); Safe Drinking Water Act (SDWA); Shore Protection Act of 1988; Toxic Substance Control Act (TSCA); Water Resources Development Act (WRDA); Wet Weather Water Quality Act of 2000; Coastal Zone Act Reauthorization Amendments of 1990; and North American Free Trade Agreement (NAFTA).

**Categorical Grant: Pesticides Enforcement**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Compliance and Environmental Stewardship  
 Objective(s): Improve Compliance

Total Request for Appropriation STAG: \$18,900.0 (Dollars in Thousands)

**Categorical Grant: Pesticides Enforcement (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<b><i>State and Tribal Assistance Grants</i></b>	<b><i>\$19,775.6</i></b>	<b><i>\$19,900.0</i></b>	<b><i>\$18,900.0</i></b>	<b><i>(\$1,000.0)</i></b>
Total Budget Authority / Obligations	\$19,775.6	\$19,900.0	\$18,900.0	(\$1,000.0)
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

Pesticide Enforcement grants are used to ensure pesticide product and user compliance with provisions of the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA). Areas of focus include problems relating to pesticide worker safety protection, ineffective antimicrobial products, food safety, adverse effects, and e-commerce. The program provides compliance assistance to the regulated community through such resources as EPA's National Agriculture Compliance Assistance Center, seminars, guidance documents, brochures, and other forms of communication, to foster knowledge of and compliance with environmental laws. This program underwent a PART review in 2006 and received a rating of ineffective; more information is included in the Special Analysis Section.

**FY 2006 Activities and Performance Highlights**

In FY 2006 EPA will award state and Tribal enforcement grants to assist in the implementation of the compliance and enforcement provisions of the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA). These grants support state and Tribal compliance and enforcement activities designed to protect the environment from harmful chemicals and pesticides. EPA's support to state and Tribal pesticide programs will emphasize pesticide worker protection standards, high risk pesticide activities including antimicrobials, pesticide misuse in urban areas, and the misapplication of structural pesticides. States will also continue to conduct compliance monitoring inspections on core pesticide requirements.

**FY 2006 Change from FY 2005 President's Budget (Dollars in Thousands)**

- (-\$1,000.0) The grants provided to the States and tribes for enforcement of FIFRA, will be reduced in order to implement the recommendations of the Program Assessment Rating Tool (PART) review.

**Statutory Authority**

FIFRA.



***Categorical Grant: Pesticides Program Implementation***  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Clean and Safe Water  
 Objective(s): Protect Human Health

Goal: Healthy Communities and Ecosystems  
 Objective(s): Chemical, Organism, and Pesticide Risks

Total Request for Appropriation STAG: \$13,100.0 (Dollars in Thousands)

**Categorical Grant: Pesticides Program Implementation (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<b><i>State and Tribal Assistance Grants</i></b>	<b><i>\$13,225.1</i></b>	<b><i>\$13,100.0</i></b>	<b><i>\$13,100.0</i></b>	<b><i>\$0.0</i></b>
Total Budget Authority / Obligations	\$13,225.1	\$13,100.0	\$13,100.0	\$0.0
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

Implementation of EPA's Pesticide Field Programs at the local level is the most effective means of promoting the program's success. The Agency's philosophy is to put the resources at the level closest to the potential risks from pesticides, since they are in a position to better evaluate risks and implement risk reduction measures. EPA provides grants to States, Tribes, partners, and supporters for implementation of its field programs, described below.

Certification and Training (C&T)/Worker Protection (WP)

Pesticides are classified for general or restricted use. Restricted use pesticides require they be applied by or under the direct supervision of a certified applicator. EPA sets national standards for the certification programs which are conducted by States and Tribes to certify applicators to apply restricted use pesticides. All States require commercial applicators to be recertified, generally every three to five years, and some States also require recertification or other training for private applicators.

Through the C&T and WP programs, EPA protects workers, pesticide applicators/handlers, employers, and the public from the potential risks posed by pesticides in their homes and work environments. Through training, education and outreach activities which enhance workers' awareness and understanding of pesticide hazards and how to avoid them, individuals are empowered to play a key role in their own health and safety.

### Endangered Species Protection Program (ESPP)

The ESPP protects animals and plants in danger of becoming extinct from the risks associated with pesticide. Successful program implementation requires extensive coordination with States, Tribes and stakeholders. In consultation and cooperation with the United States Fish and Wildlife Service (FWS), National Marine Fisheries Service (NMFS), EPA complies with the Endangered Species Act requirement to ensure that its regulatory decisions are not likely to jeopardize species listed as endangered and threatened, or harm habitat critical to those species' survival.

### Groundwater Program

The Ground Water program helps protect our water resources from pesticide contamination, particularly through development, review, concurrence, and implementation of generic and chemical-specific Pesticide Management Plans (PMPs). The PMPs, developed by the States and Tribes, address water quality goals at local levels. The plans provide details to protect water resources using a combination of educational, scientific, and regulatory tools to fulfill goals which are consistent with EPA's goals.

### Tribal Program

Tribal Program outreach activities support tribal capacity to reduce risk from pesticides in Indian Country. This unique and challenging task is due to the uniqueness of Native Americans' lifestyles, which may involve unusual chemical exposure opportunities. These unique exposure patterns may not be adequately represented in the general public dietary or other exposure information gathered by USDA, FDA or the registrant, and could result in inaccurate representation of tribal patterns of exposure.

### Pesticide Environmental Stewardship Program

The Pesticide Environmental Stewardship Program (PESP) awards grants for projects that reduce the risks from pesticide use in agricultural and non-agricultural settings. Selected projects based on ratings and rankings of applicants from within the regions are funded. PESP is a means for organizations at national, state, and local levels to voluntarily partner with EPA to promote adoption of practices that reduce pesticide risk. PESP members develop and test safer practices for controlling pests on a wide variety of crops. The program coordinates efforts with other Federal Agencies, encouraging and supporting Integrated Pest Management (IPM) practices.

### **FY 2006 Activities and Performance Highlights**

EPA will provide assistance and grants to implement the C&T and WP programs. Grant funding will provide for maintenance and improvements in training networks; safety training to workers and handlers; development of Train the Trainer courses; C&T and WP workshops; and development and distribution of outreach materials. The Agency's partnership with States and Tribes in educating workers, farmers and employers on the safe use of pesticides and worker safety will continue to be a major keystone in the success of the program.

## Tribal

The Agency will support tribal activities in implementing pesticide field programs through grants. These grants support the special needs of Native Americans related to risk reduction from pesticides, and they provide for education and outreach, support PMP development, and special projects for Tribes to deal with pesticide related concerns.

## Ground Water

Through grant funding, the Agency will support the States and Tribes in their groundwater protection programs. EPA will also ensure that States and Tribes receive sufficient information and guidance in the implementation of our regulatory decisions through training and various outreach activities and continue to provide guidance and direction in the development and implementation of pesticide management plans.

## Endangered Species Protection Program (ESPP)

EPA will provide grants to States and Tribes for projects supporting endangered species protection. Grants to the States and Tribes will be funded to deal with implementation of this program. Program implementation includes outreach, communications, implementation of use limitations, county bulletins development and distribution, and mapping and development of endangered species protection plans.

## Pesticide Environmental Stewardship Program (PESP)

EPA will continue to support risk reduction by providing grants promoting the use of safer alternatives to traditional chemical methods of pest control. PESP grants will support the implementation of FQPA by assisting in the transition to reduced risk pesticides and other alternatives to traditional chemical pest control. EPA grants will also support the development and evaluation of new pest management technologies through Integrated Pest Management (IPM) and PESP, thus contributing to reduction in both health and environmental risks from pesticide use.

## **FY 2006 Change from FY 2005 President's Budget (Dollars in Thousands)**

- No change in funding.

## **Statutory Authority**

Pesticides Registration Improvement Act (PRIA); Federal Insecticide, Fungicide and Rodenticide Act (FIFRA); Federal Food, Drug and Cosmetic Act (FFDCA); Food Quality Protection Act (FQPA); Endangered Species Act (ESA).

**Categorical Grant: Pollution Control (Sec. 106)**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Clean and Safe Water  
 Objective(s): Protect Water Quality

Total Request for Appropriation STAG: \$231,900.0 (Dollars in Thousands)

**Categorical Grant: Pollution Control (Sec. 106) (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<b><i>State and Tribal Assistance Grants</i></b>	<b><i>\$202,936.7</i></b>	<b><i>\$222,400.0</i></b>	<b><i>\$231,900.0</i></b>	<b><i>\$9,500.0</i></b>
Total Budget Authority / Obligations	\$202,936.7	\$222,400.0	\$231,900.0	\$9,500.0
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

Section 106 of the Clean Water Act authorizes EPA to provide Federal assistance to States (including Territories and the District of Columbia), Indian Tribes qualified under section 518(e), and interstate agencies to establish and maintain adequate measures for the prevention and control of surface and ground water pollution from point and nonpoint sources. Prevention and control measures supported through these grants include permitting, pollution control studies, water quality planning and monitoring, standards and TMDL development, surveillance and enforcement, pretreatment programs, advice and assistance to local agencies, training, public information, and oil and hazardous materials response. The grants may also be used to fund services from non-profit organizations, through the Senior Environmental Employment Program (SEEP). The grants may also be used to provide “in-kind” support through an EPA contract if a State or Tribe requests that part of their allotment be used to purchase equipment or services. For more information, visit <http://www.epa.gov/owm/cwfinance/pollutioncontrol.htm>.

**FY 2006 Activities and Performance Highlights**

These resources will aid States in moving towards restoring and improving the quality of rivers, lakes, and streams leading to pollutant reduction towards the long-term national goal of 600 waterbodies attaining designated uses. Increasingly, EPA and States are working in partnership to develop watershed approaches to water quality management. Through the Section 106 grant program, the Agency continues to support prevention and control measures supported by State Water Quality management programs which include standards development, monitoring, permitting and enforcement; advice and assistance to local agencies; and the provision of training and public information. The Water Pollution Control Program is helping to foster a watershed protection approach at the state level by looking at states’ water quality problems

holistically, and targeting the use of limited resources available for effective program management.

In FY 2006, additional funding is requested in Section 106 grants to states to continue the monitoring initiative which began in FY 2005. These funds will be used to continue the monitoring network established to obtain statistically valid characterization of water quality conditions at the national level for all water types. It builds on the 2004 Condition Report and the ongoing Wadeable Streams Study, with a report on baseline conditions due at the end of 2005. In 2006, the focus will be on lakes. The intent is that surveys will be repeated periodically so that trends can be tracked, giving decision makers and the public the information they need to determine effectiveness of our investments in water quality protection.

EPA is working with States, interstate agencies, and Tribes to foster a "watershed approach" as the guiding principle of clean water programs. Development of Total Maximum Daily Loads or "TMDLs" for an impaired waterbody is a critical tool for meeting water restoration goals. In watersheds where quality standards are not attained, States will be developing TMDLs. Watershed plans and TMDLs will focus pollution control efforts for impaired waters on a range of pollution sources, including runoff from nonpoint sources. While continuously supporting State watershed plans, EPA will continue work with States to develop TMDLs consistent with State TMDL development schedules and court-ordered deadlines. States and EPA have made significant progress in the development and approval of TMDLs (10,800 completed in FY 2001-2004) and expect to maintain the current pace of more than 3,000 TMDLs per year.

The NPDES program requires point source dischargers to be permitted and pretreatment programs to control discharges from industrial and other facilities to the Nation's wastewater treatment plants. This program provides a management framework for the protection of the Nation's waters through the control of billions of pounds of pollutants. EPA has key strategic objectives for the program:

- Assure effective management of the permit program and focus on permits that have the greatest benefit for water quality;
- Implement wet weather point source controls, including the storm water program;
- Implement the newly developed program for permits at Concentrated Animal Feeding Operations (CAFO);
- Advance program innovations, such as watershed permitting and trading; and
- Develop national industrial regulations for industries where the risk to waterbodies supports a national regulation.
- EPA also works to provide rural and small communities and special populations with the information and tools they need to sustain themselves as healthy and successful communities.

Also in 2006, EPA, working with our State partners, will implement the "*Permitting for Environmental Results Strategy*" to address concern for the workload in permit issuance and the health of State NPDES programs. The *Strategy* focuses limited resources on the most critical environmental problems by targeting three key areas: developing and strengthening systems to ensure the integrity of the program; focusing headquarters, regions and States on environmental

results in the permitting program; and fostering efficiency in permitting program operations. EPA is working with Stes, Tribes, and other interested parties to strengthen the permit program in several other key areas that will have significant water quality benefits.

New rules have been finalized for discharges from CAFOs and EPA will work with States to assure that permits cover most CAFOs by 2008. In addition, by 2008, EPA expects that 100% of NPDES programs will have issued general permits requiring storm water management programs for Phase II municipalities (MS4s) and requiring storm water pollution prevention plans for construction sites covered by Phase II of the storm water program.

**FY 2006 Change from FY 2005 President's Budget (Dollars in Thousands)**

- +\$9,500.0 - This increase in non-payroll resources is to assist States with monitoring, permitting, water quality standards and other key activities. A significant portion of the increase will fund the monitoring initiative to support development of statistically valid monitoring networks to help target activities and determine water quality status and trends.

**Statutory Authority**

Clean Water Act

**Categorical Grant: Pollution Prevention**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Compliance and Environmental Stewardship

Objective(s): Improve Environmental Performance through Pollution Prevention and Innovation

Total Request for Appropriation STAG: \$6,000.0 (Dollars in Thousands)

**Categorical Grant: Pollution Prevention (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<b><i>State and Tribal Assistance Grants</i></b>	<b><i>\$6,149.9</i></b>	<b><i>\$6,000.0</i></b>	<b><i>\$6,000.0</i></b>	<b><i>\$0.0</i></b>
Total Budget Authority / Obligations	\$6,149.9	\$6,000.0	\$6,000.0	\$0.0
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program/Project Description**

The Pollution Prevention (P2) Grant Program provides grant funds to States and state entities (i.e., colleges and universities) and federally-recognized Tribes and Intertribal Consortia in order to deliver technical assistance to small and medium-sized businesses. The goal of the grant program is to assist businesses and industries with identifying improved environmental strategies and solutions for reducing waste at the source. The program effectively demonstrates that source reduction can be a cost-effective way of meeting or exceeding Federal and State regulatory requirements.

EPA's *2003-2008 Strategic Plan* established a number of long-term strategic targets for EPA's Pollution Prevention Program: reducing pollution by 76 billion pounds, conserving 360 billion BTUs of energy and 2.7 billion gallons of water, and achieving environmentally-related business cost savings of \$400 million from 2003 levels; reducing 165 thousand metric tons of carbon dioxide (CO<sub>2</sub>) emissions from 1996 levels; and reducing TRI chemical releases to the environment from the business sector per unit of production by 40 percent and TRI chemicals in production-related wastes generated by the business sector per unit of production by 20 percent from 2001 levels.

**FY 2006 Activities and Performance Highlights**

The P2 Grant Program will focus on stronger review of the applicant's ability to measure the results of the grants, particularly environmental outcomes. EPA will expect grant applicants to demonstrate and document either outcome or output measures. EPA will give preference to applicants whose work plans address outcome-based measures derived from the P2 targets in EPA's Strategic Plan. Within the National Grant Guidance, EPA will provide ranking criteria

which will be used to evaluate the applicant's ability to measure expected results. Primarily, applicants will be evaluated on their use of the National Pollution Prevention Results System (a database of core P2 metrics being developed by EPA and state P2 organizations) or documentation, in their work plan, of past experience in measuring outcomes or outputs from previous grants. EPA will encourage all applicants to share information within and outside of their region through the National Pollution Prevention Results System, in addition to providing this information to their EPA project officer.

EPA will continue to support a network of regional centers, collectively called the Pollution Prevention Resource Exchange (P2Rx), that provides information and help to state technical assistance centers.

The Categorical Grant – Pollution Prevention program has a companion EPM program, “Pollution Prevention Program.” Both of these programs contribute to achievement of common strategic targets and annual performance goals.

**FY 2006 Change from FY 2005 President’s Budget (Dollars in Thousands)**

- No change in funding.

**Statutory Authorities**

Pollution Prevention Act (PPA); Toxic Substances Control Act (TSCA).



**Categorical Grant: Public Water System Supervision (PWSS)**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Clean and Safe Water  
 Objective(s): Protect Human Health

Total Request for Appropriation STAG: \$100,600.0 (Dollars in Thousands)

**Categorical Grant: Public Water System Supervision (PWSS) (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<b><i>State and Tribal Assistance Grants</i></b>	<b><i>\$101,904.2</i></b>	<b><i>\$105,100.0</i></b>	<b><i>\$100,600.0</i></b>	<b><i>(\$4,500.0)</i></b>
Total Budget Authority / Obligations	\$101,904.2	\$105,100.0	\$100,600.0	(\$4,500.0)
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

The PWSS Grant program provides grants to states with primary enforcement authority (primacy) to implement and enforce National Primary Drinking Water Regulations (NPDWRs). These grants help to ensure the safety of the Nation’s drinking water resources and thereby protect public health.

NPDWRs set forth monitoring, reporting, compliance tracking, and enforcement elements to ensure that the Nation’s drinking water supplies do not contain substances at levels that may pose adverse health effects. These grants are a key implementation tool under the Safe Drinking Water Act and support the states’ role in a Federal/state partnership of providing safe drinking water supplies to the public. Grant funds are used by states to:

- Provide technical assistance to owners and operators of water systems;
- Maintain compliance data systems and compile and analyze compliance information;
- Respond to and enforce violations;
- Certify laboratories;
- Conduct laboratory analyses;
- Conduct sanitary surveys;
- Draft new regulations and legislative provisions where necessary; and
- Build state capacity.

Funds allocated to the State of Wyoming, the District of Columbia, and Indian tribes without primacy are used: to support direct implementation activities by EPA; for developmental grants and “Treatment in a similar manner as a State” (TAS) grants to Indian Tribes to develop the PWSS program on Indian lands with the goal of Indian tribal authorities achieving primacy. A

portion of the funds allocated to primacy states that have not yet acquired the necessary statutory/regulatory authorities to implement new requirements may be used by EPA to ensure compliance with the new requirements in these states. (For more information, visit <http://www.epa.gov/safewater/pws/pwss.html>).

### **FY 2006 Activities and Performance Highlights**

EPA will continue to support state and tribal efforts to meet new and existing drinking water standards through the Public Water Systems Supervision (PWSS) grant program. In FY 2006, the Agency will emphasize that states use their PWSS funds to ensure that:

- 1) Drinking water systems of all sizes achieve or remain in compliance;
- 2) Drinking water systems of all sizes are meeting new health-based standards that came into effect in FY 2005; and
- 3) Data quality and other data issues have been addressed and resolved.

This program was included in the PWSS PART review for 2006, which received an overall rating of Adequate; more information is included in the Special Analysis section.

### **FY 2006 Change from FY 2005 President's Budget (Dollars in Thousands)**

- (-\$4,500.0) This reduction aligns program with recent Congressional Action.

### **Statutory Authority**

Safe Drinking Water Act (SDWA)

**Categorical Grant: Radon**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Clean Air and Global Climate Change  
 Objective(s): Healthier Indoor Air

Total Request for Appropriation STAG: \$8,150.0 (Dollars in Thousands)

**Categorical Grant: Radon (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<b><i>State and Tribal Assistance Grants</i></b>	<b><i>\$8,062.1</i></b>	<b><i>\$8,150.0</i></b>	<b><i>\$8,150.0</i></b>	<b><i>\$0.0</i></b>
Total Budget Authority / Obligations	\$8,062.1	\$8,150.0	\$8,150.0	\$0.0
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

EPA assists states and Tribes through the State Indoor Radon Grant Program (SIRG), which provides categorical grants to develop, implement, and enhance programs to assess and mitigate radon risks. States and Tribes are the primary implementers of radon testing and mitigation programs.

**FY 2006 Activities and Performance Highlights**

States receiving SIRG funds will continue to focus their efforts on priority activities to achieve risk reduction through FY 2006. These activities include promoting radon testing and mitigation, with emphasis on testing in conjunction with real estate transactions, promoting radon-resistant new construction, addressing radon in schools, setting results targets, developing action-oriented coalitions, and conducting innovative activities to achieve measurable results.

EPA has included appropriations language for 2006 that would reduce the state match requirement for the radon grants from 50% to 40%. This will improve effectiveness of these grants by increasing states' ability to obligate funds to conduct radon testing and mitigation programs.

**FY 2006 Change from FY 2005 President's Budget**

- No change in funding

**Statutory Authority**

Toxic Substances Control Act (TSCA), section 6, Titles II, and Title III (15 U.S.C. 2605 and 2641-2671)  
Section 306 Toxic Substances Control Act (TSCA), Section 306  
Toxic Substances Control Act (TSCA).

**Categorical Grant: Targeted Watersheds**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Healthy Communities and Ecosystems  
 Objective(s): Ecosystems

Total Request for Appropriation STAG: \$15,000.0 (Dollars in Thousands)

**Categorical Grant: Targeted Watersheds (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<b><i>State and Tribal Assistance Grants</i></b>	<b><i>\$7,472.2</i></b>	<b><i>\$25,000.0</i></b>	<b><i>\$15,000.0</i></b>	<b><i>(\$10,000.0)</i></b>
Total Budget Authority / Obligations	\$7,472.2	\$25,000.0	\$15,000.0	(\$10,000.0)
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

The Targeted Watersheds Grant Program is a relatively new EPA program designed to encourage successful community-based approaches and management techniques to protect and restore the nation's waters. The watershed organizations receiving grants exhibit strong partnerships with a wide variety of support; creative, socio-economic approaches to water restoration and protection; and explicit monitoring and environmentally-based performance measures. For more information, visit: <http://www.epa.gov/owow/watershed/initiative>.

This competitive grants program funds community-based watershed restoration and protection projects, such as stream stabilization and habitat enhancement. In addition, this program supports implementation of best agricultural management practices, and promotes sustainable practices and watershed strategies, through working with local governments and other local stakeholders.

**FY 2006 Activities and Performance Highlights**

The fundamental premise of the Targeted Watersheds Grant Program is that strong partnerships lead to measurable environmental results. Hence, the continuing goal of this Program is to build on the success of strong public/private partnerships that have provided a basis for improving the state of the nation's waterways. In FY 2006, the program will:

- Focus on achieving incremental yet tangible on-the-ground results in a relatively short time period.

- Ensure watershed plans and projects are innovative, provide tangible solutions, and encompass broad local support, strong outreach, and ensure strong financial integrity.
- Within the funding provided in FY 2006 \$4 million is for water quality trading.

**FY 2006 Change from FY 2005 President's Budget (Dollars in Thousands)**

- (-\$10,000.0) Reduces Targeted Watershed Grants in non-payroll resources and reflects the completion of the 2005 Chesapeake Bay pilot.

**Statutory Authority**

Clean Water Act

**Categorical Grant: Toxics Substances Compliance**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Compliance and Environmental Stewardship  
 Objective(s): Improve Compliance

Total Request for Appropriation STAG: \$5,150.0 (Dollars in Thousands)

**Categorical Grant: Toxics Substances Compliance (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<b><i>State and Tribal Assistance Grants</i></b>	<b><i>\$5,036.1</i></b>	<b><i>\$5,150.0</i></b>	<b><i>\$5,150.0</i></b>	<b><i>\$0.0</i></b>
Total Budget Authority / Obligations	\$5,036.1	\$5,150.0	\$5,150.0	\$0.0
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

The Toxic Substances Compliance program builds environmental partnerships with States and Tribes to strengthen their ability and EPA's ability to address environmental and public health threats from toxic substances such as PCBs, asbestos and lead. State grants are used to ensure the proper use, storage and disposal of PCBs, which prevent persistent bio-accumulative toxic substances from contaminating food and water. The asbestos funds ensure compliance with standards to prevent exposure to school children, teachers and staff to asbestos fibers in school buildings. The program also assures that asbestos and lead abatement workers have received proper training so they are protected during the abatement process and minimize the public's exposure to these harmful toxic substances from releases into the environment. This program was included in the Civil Enforcement PART review for 2006 which received an overall rating of Adequate; more information is included in the Special Analysis Section.

**FY 2006 Activities and Performance Highlights**

In FY 2006, the Enforcement and Compliance Assurance Program will continue to award state and Tribal compliance monitoring grants to assist in the implementation of the compliance and enforcement provisions of the Toxic Substances Control Act (TSCA). These grants support state and Tribal compliance monitoring and enforcement activities to protect the public and the environment from PCBs, asbestos and lead.

**FY 2006 Change from FY 2005 President's Budget (Dollars in Thousands)**

- No change in funding.

**Statutory Authority**

- TSCA.

**Categorical Grant: Tribal General Assistance Program**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Compliance and Environmental Stewardship  
 Objective(s): Build Tribal Capacity

Total Request for Appropriation STAG: \$57,500.0 (Dollars in Thousands)

**Categorical Grant: Tribal General Assistance Program (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<i>State and Tribal Assistance Grants</i>	<i>\$62,195.9</i>	<i>\$62,500.0</i>	<i>\$57,500.0</i>	<i>(\$5,000.0)</i>
Total Budget Authority / Obligations	\$62,195.9	\$62,500.0	\$57,500.0	(\$5,000.0)
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

The Indian Environmental General Assistance Program (GAP) was established by Congress in 1992 to correct a deficiency in Federal efforts to assist Indian Tribal governments in assuring environmental quality on Indian lands. The purpose of the GAP is to support the development of a core tribal environmental protection program for federally-recognized tribal governments.

EPA provides GAP grants to Tribes and Intertribal Consortia to develop the capacity to administer multi-media environmental protection programs tailored to the tribes' needs. GAP funds are used to locally identify the status of a Tribe's environmental condition; develop appropriate environmental programs, ordinances and public education and outreach efforts to address these needs; ensure that tribal communities are informed and able to participate in environmental decision-making and promote communication and coordination between Federal, state, local and tribal environmental officials.

**FY 2006 Activities and Performance Highlights**

In FY 2006, EPA will provide approximately 510 federally recognized Tribes and Intertribal Consortia access to resources to hire at least one person working in their community to build a strong, sustainable environment for the future. The vital work performed includes locally assessing the status of a tribe's environmental condition, utilizing available Federal information, building an environmental program tailored to the Tribe's needs, developing environmental education programs, developing solid waste management plans, assisting in the building of tribal environmental capacity, and alerting EPA to serious conditions involving immediate public health and ecological threats.



**FY 2006 Change from FY 2005 President's Budget (Dollars in Thousands)**

- (-\$5,000.0) This reduction is based on the program realizing increased baseline assistance over the past several years, with the expectation of more delegations or other tools to support an environmental presence.

**Statutory Authority**

Indian Environmental General Assistance Program Act of 1992 as amended (42 U.S.C. 4368b)

**Categorical Grant: Underground Injection Control (UIC)**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Clean and Safe Water  
 Objective(s): Protect Human Health

Total Request for Appropriation STAG: \$11,000.0 (Dollars in Thousands)

**Categorical Grant: Underground Injection Control (UIC) (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<i>State and Tribal Assistance Grants</i>	<b>\$10,800.0</b>	<b>\$11,000.0</b>	<b>\$11,000.0</b>	<b>\$0.0</b>
Total Budget Authority / Obligations	\$10,800.0	\$11,000.0	\$11,000.0	\$0.0
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

The Underground Injection Control (UIC) program is implemented by Federal, state, and local governments that oversee underground injection activities in order to prevent contamination of underground sources of drinking water. Underground injection is the technology of placing fluids beneath the earth's surface in porous rock formations through wells or other similar conveyance systems.

When wells are properly sited, constructed, and operated, underground injection is an effective and environmentally safe method to dispose of fluids. The Safe Drinking Water Act established the UIC program to provide safeguards so that injection wells do not endanger current and future underground sources of drinking water. The most accessible underground fresh water is stored in shallow geological formations (i.e., shallow aquifers), and is the most vulnerable to contamination.

EPA provides financial assistance in the form of grants to States that have primary enforcement authority (primacy) to implement and maintain UIC programs. Eligible Indian Tribes who demonstrate intent to achieve primacy may also receive a grant for the initial development of UIC programs and be designated for treatment as a "state" if their programs are approved. Where a jurisdiction is unable or unwilling to assume primacy, EPA uses grant funds for direct implementation of Federal UIC requirements. (For more information, visit <http://www.epa.gov/safewater/uic/index.html>).

## **FY 2006 Activities and Performance Highlights**

Ensuring safe underground injection of fluids, including waste-fluids, is a fundamental component of a comprehensive source water protection program that, in turn, is a key element in the Agency's multi-barrier approach. Management or closure of the approximately 700,000 shallow injection wells (Class V) nationwide remains a top priority for the Agency's UIC program.

To protect drinking water, by the end of 2006 the UIC categorical grant program will accomplish the following:

- EPA and the States will address 94 percent or higher of all classes of existing wells determined to be in violation that year.
- EPA and the States will close or permit 90 percent of Motor Vehicle Waste Disposal wells (Class V) identified during the reporting year.

EPA will continue to carry out its regulatory functions for all well types with States and stakeholders. The Agency will also continue working with States and Tribes to: educate and assist underground injection control well operators of all classes of UIC wells; work with stakeholders to collect and evaluate data on high priority endangering Class V wells; and explore best management practices for protecting ground water resources used for drinking water.

New technologies for public water supplies and new demands relative to global climate change have increased the need for new injection wells to be drilled and managed. Specifically, Federal and state UIC programs need to be able to handle these increasing demands for underground injection including: carbon sequestration, brine wastes from desalination, and residuals from drinking water treatment to remove arsenic and radionuclides. Of particular note is that EPA is collaborating with the Department of Energy and the Council on Environmental Quality to outline specific new approaches for carbon sequestration research, demonstrations, and policies.

This was included in the UIC PART review for 2006, which received an overall rating of Adequate; more information is included in the Special Analysis section.

### **FY 2006 Change from FY 2005 President's Budget (Dollars in Thousands)**

- No change in funding.

### **Statutory Authority**

Safe Drinking Water Act (SDWA)

**Categorical Grant: Underground Storage Tanks**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Land Preservation and Restoration  
 Objective(s): Preserve Land

Total Request for Appropriation STAG: \$11,950.0 (Dollars in Thousands)

**Categorical Grant: Underground Storage Tanks (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<i>State and Tribal Assistance Grants</i>	<b>\$11,724.9</b>	<b>\$37,950.0</b>	<b>\$11,950.0</b>	<b>(\$26,000.0)</b>
Total Budget Authority / Obligations	\$11,724.9	\$37,950.0	\$11,950.0	(\$26,000.0)
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description:**

EPA provides funding to states, Tribes, and/or Intertribal Consortia through the Underground Storage Tanks (UST) categorical grants to encourage owners and operators to properly operate and maintain their underground storage tanks. EPA recognizes that the size and diversity of the regulated community puts state authorities in the best position to regulate USTs and to set priorities. RCRA Subtitle I allows state UST programs approved by EPA to operate in lieu of the Federal program. For more information, visit <http://www.epa.gov/swerust1/overview.htm>. Major activities focus on ensuring that owners and operators routinely and correctly monitor all regulated tanks and piping in accordance with Underground Storage Tanks regulations, and developing state programs with sufficient authority and enforcement capabilities to operate in lieu of the Federal program. For more information, visit <http://www.epa.gov/OUST/fedlaws/cfr.htm>.

This grant funding may be used in Performance Partnership Agreements with states and Tribes. A state or Tribe could elect to consolidate this and other categorical media grants into one or more multimedia or single media grant. The state or Tribe could then target its most pressing environmental problems and use the performance partnership grant for a number of activities including pollution control, abatement, and enforcement. This program will not compromise basic national objectives and legislative requirements.

**FY 2006 Activities and Performance Highlights:**

In FY 2006 EPA will continue to assist states and Tribes in encouraging owners and operators to properly operate and maintain their underground storage tanks, ensure owners and operators routinely and correctly monitor all regulated underground storage tanks and piping in accordance

with regulations, and develop state programs with sufficient authority and enforcement capabilities to operate in lieu of the Federal program.

FY 2004 marked the first baseline year that states and regional offices reported the percentage of UST facilities, out of a total estimated universe of approximately 256,000 facilities, that are in significant operational compliance with both release detection and release prevention (spill, overflow, and corrosion protection) requirements. In FY 2006 states and regional offices will continue to be responsible for reporting the percent of facilities in significant operational compliance with release prevention and release detection requirements. At the end of FY 2004, the national compliance rate was 77 percent for release prevention, 72 percent for release detection, and 64 percent for the combined compliance measure.

In FY 2006 the program will work to limit the number of confirmed releases at UST facilities to 10,000 or fewer. At the end of FY 2004, the number of confirmed releases has dropped significantly to 7,850 from the FY 2003 level of 12,000. This represents a drop of approximately 35 percent and reflects the continued efforts of state programs to focus on prevention and compliance activities.

EPA has the primary responsibility for implementation of the UST Program in Indian Country. Grants under P.L. 105-276 will continue to help Tribes develop the capacity to administer UST programs. For example, funding is used to support training for Tribal staff, educate owners and operators in Indian Country about UST requirements, and maintain information on USTs located in Indian Country.

#### **FY 2006 Change from FY 2005 President's Budget (Dollars in Thousands)**

- (-\$26,000.0) Reduces the categorical grant funds for the underground storage tanks program. This reduction aligns the program with recent Congressional action and returns the program to historical levels.

#### **Statutory Authority**

States: Solid Waste Disposal Act (SWDA) of 1976, as amended (Subtitle I); Section 2007(f); Section 8001(a). Tribal Grants: P.L. 105-276.

**Categorical Grant: Wastewater Operator Training**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Clean and Safe Water  
 Objective(s): Protect Water Quality

Total Request for Appropriation STAG: \$0.0 (Dollars in Thousands)

**Categorical Grant: Wastewater Operator Training (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<i>State and Tribal Assistance Grants</i>	<i>\$0.0</i>	<i>\$1,500.0</i>	<i>\$0.0</i>	<i>(\$1,500.0)</i>
Total Budget Authority / Obligations	\$0.0	\$1,500.0	\$0.0	(\$1,500.0)
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

Section 104(g)(1) of the Clean Water Act authorizes funding for the Wastewater Treatment Plant Operator On-site Assistance Training program. This program targets small publicly-owned wastewater treatment plants, with a discharge of less than 5 million gallons per day. Federal funding for this program is administered through grants to States, often in cooperation with educational institutions or non-profit agencies. In most cases, assistance is administered through an environmental training center.

The goal of the program is to provide direct on-site assistance to operators at these small wastewater treatment facilities. The assistance focuses on issues such as wastewater treatment plant capacity, operation training, maintenance, administrative management, financial management, trouble-shooting, and laboratory operations.

**FY 2006 Activities and Performance Highlights**

There is no request for this program in FY 2006.

**FY 2006 Change from FY 2005 President's Budget (Dollars in Thousands)**

- (-\$1,500.0) No funding is requested in FY 2006. The pilot wastewater operator training program has matured and assistance is often provided by associations.

**Statutory Authority**

Clean Water Act

**Categorical Grant: Water Quality Cooperative Agreements**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Clean and Safe Water

Objective(s): Protect Human Health; Protect Water Quality

Total Request for Appropriation STAG: \$0.0 (Dollars in Thousands)

**Categorical Grant: Water Quality Cooperative Agreements (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<i>State and Tribal Assistance Grants</i>	<i>\$16,607.5</i>	<i>\$20,500.0</i>	<i>\$0.0</i>	<i>(\$20,500.0)</i>
Total Budget Authority / Obligations	\$16,607.5	\$20,500.0	\$0.0	(\$20,500.0)
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

Under authority of Section 104(b)(3) of the Clean Water Act, EPA makes grants to a wide variety of recipients, including States, Tribes, state water pollution control agencies, interstate agencies, and other nonprofit institutions, organizations, and individuals to promote the coordination of environmentally beneficial activities. This competitive funding vehicle is used by EPA's partners to further the Agency's goals of providing clean and safe water. The program is designed to fund a broad range of projects, including: innovative water efficiency programs, research, training and education, demonstration BMPs, stormwater management planning, and innovative permitting programs and studies related to the causes, effects, extent, and prevention of pollution.

**FY 2006 Activities and Performance Highlights**

There is no request for this program in FY 2006.

**FY 2006 Change from FY 2005 President's Budget (Dollars in Thousands)**

- (-\$20,500.0) No funds were requested in FY 2006 to fund other priorities.

**Statutory Authority**

Clean Water Act

**Categorical Grant: Wetlands Program Development**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Healthy Communities and Ecosystems  
 Objective(s): Ecosystems

Total Request for Appropriation STAG: \$20,000.0 (Dollars in Thousands)

**Categorical Grant: Wetlands Program Development (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<b><i>State and Tribal Assistance Grants</i></b>	<b><i>\$17,110.4</i></b>	<b><i>\$20,000.0</i></b>	<b><i>\$20,000.0</i></b>	<b><i>\$0.0</i></b>
Total Budget Authority / Obligations	\$17,110.4	\$20,000.0	\$20,000.0	\$0.0
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

Through the Wetlands Program Development Grant, the EPA provides technical and financial support to States, Tribes, and local governments to move toward the national goal of no net loss and net gain of wetland resources and increased protection for vulnerable wetlands. Since the Wetland Program started in FY 1990, grant funds are awarded under the authority of section 104(b)(3) of the CWA on a competitive basis to support development of State and tribal wetland programs that further the goals of the CWA and improve water quality in watersheds throughout the country. Many States and some Tribes have developed wetland protection programs that assist private landowners, educate local governments and monitor and assess wetland quantity and quality. For more information, visit <http://yosemite.epa.gov/water/grant.nsf>.

**FY 2006 Activities and Performance Highlights**

Achieving the strategic goal and the Administration's wetlands commitment necessitates stronger State, tribal and local programs to protect the most vulnerable wetlands. These resources in FY 2006 will aid States and Tribes by providing grant funds to develop, enhance, implement and administer wetland programs. This will allow States and Tribes to build capacity on measuring and achieving no-net loss of wetlands, net gain of wetlands, and protection of vulnerable wetlands.



**FY 2006 Change from FY 2005 President's Budget (Dollar in Thousands)**

- No change in funding.

**Statutory Authority**

1990 Great Lakes Critical Programs Act; 2002 Great Lakes and Lake Champlain Act; Clean Water Act; Coastal Wetlands Planning, Protection, and Restoration Act of 1990; Estuaries and Clean Waters Act of 2000; North American Wetlands Conservation Act; Water Resources Development Act (WRDA); 1909 The Boundary Waters Treaty; 1978 Great Lakes Water Quality Agreement (GLWQA); 1987 Great Lakes Water Quality Agreement; 1996 Habitat Agenda; 1997 Canada-U.S. Great Lakes Binational Toxics Strategy; and US-Canada Agreements.

**Categorical Grant: Sector Program**  
Environmental Protection Agency  
FY 2006 Annual Performance Plan and Congressional Justification

Goal: Compliance and Environmental Stewardship  
Objective(s): Improve Compliance

Total Request for Appropriation STAG: \$2,250.0 (Dollars in Thousands)

**Categorical Grant: Sector Program (STAG)**  
(Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<b><i>State and Tribal Assistance Grants</i></b>	<b><i>\$1,838.3</i></b>	<b><i>\$2,250.0</i></b>	<b><i>\$2,250.0</i></b>	<b><i>\$0.0</i></b>
Total Budget Authority / Obligations	\$1,838.3	\$2,250.0	\$2,250.0	\$0.0
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

A strong State and Tribal enforcement and compliance assurance presence is essential to EPA's long-term strategic objective: to identify and reduce significant noncompliance in high priority areas, while maintaining a strong enforcement presence in all regulatory program areas. Effective partnerships between EPA and government co-implementers are crucial for success in implementing sector approaches.

Sector program grants will be used to build environmental partnerships with States and tribes to strengthen their ability to address environmental and public health threats, including contaminated drinking water, pesticides in food, hazardous waste, toxic substances, and air pollution. These grants also will support state agencies implementing authorized, delegated, or approved environmental programs. This program was included in the Civil Enforcement PART review for 2006 which received an overall rating of Adequate; more information is included in the Special Analysis Section. For more information, visit: <http://www.epa.gov/sectors/pubs.html>.

**FY 2006 Activities and Performance Highlights**

In FY 2006 EPA will continue to support state agencies and Tribes in their efforts to build, implement, or improve compliance capacity for authorized, delegated, or approved environmental programs, and to foster program innovation. To achieve this, the Agency will award state and Tribal enforcement grants to assist in the implementation of the compliance and enforcement provisions of the Toxic Substances Control Act (TSCA).

FY 2006 annual funding priorities for the multi-media grants program include improving compliance data quality; modernizing data systems; improving public access to enforcement and

compliance data; improving outcome measurement; supporting state and Tribal inspector training; providing on-site compliance assistance to Tribes; and field testing innovative approaches to compliance monitoring. The grants and/or cooperative agreements are competed nationally, and each funding priority is targeted towards enhancing state and Tribal capacity and capability; or addressing needs identified by States, Tribes or State and Tribal associations.

**FY 2006 Change from FY 2005 President's Budget (Dollars in Thousands)**

- No change in funding.

**Statutory Authority**

RLBPHRA; RCRA; CWA; SDWA; CAA; TSCA; EPCRA; RLBPHRA; FIFRA; ODA; NAAEC; LPA-US/MX-BR; NEPA.

**Categorical Grant: State and Local Air Quality Management**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Clean Air and Global Climate Change  
 Objective(s): Healthier Outdoor Air

Total Request for Appropriation STAG: \$223,550.0 (Dollars in Thousands)

**Categorical Grant: State and Local Air Quality Management (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<b><i>State and Tribal Assistance Grants</i></b>	<b>\$237,296.7</b>	<b>\$228,550.0</b>	<b>\$223,550.0</b>	<b>(\$5,000.0)</b>
Total Budget Authority / Obligations	\$237,296.7	\$228,550.0	\$223,550.0	(\$5,000.0)
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

This program includes funding support for State and local air pollution control agencies and regional planning organizations. Section 105 of the Clean Air Act provides EPA with the authority to award grants to State and local air pollution control agencies to develop and implement programs for the prevention and control of air pollution and the implementation of national primary and secondary ambient air standards. Section 103 of the Act provides EPA with the authority to award grants to State and local air pollution control agencies, colleges, universities, and multi-state jurisdictional air pollution control agencies to conduct and promote certain types of research, investigations, experiments, demonstrations, surveys, studies, and training related to air pollution. Under section 106 (interstate pollution) of the Act, EPA may fund entities to develop or recommend air quality implementation plans for designated air quality control regions.

This program was included in the Air Toxics PART review in 2006, which received an overall rating of Adequate; more information is included in the Special Analysis Section.

**FY 2006 Activities and Performance Highlights**

This program funds over 100 State and local agencies to implement the requirements of the Clean Air Act Amendments described above. Some issues that will be of priority in FY 2006 include State implementation of Clear Skies<sup>1</sup> or the Clean Air Interstate Rule as well as the development of 8-hour ozone State implementation plans (SIPs), which will be due to EPA in

<sup>1</sup> Clear Skies is a legislation proposed by the Administration that expands the current Acid Rain program to dramatically reduce nationwide power plant emissions of SO<sub>2</sub> and NO<sub>x</sub>, as well as, for the first time ever, reduce mercury emissions from power plants. This legislation was submitted to Congress in 2002 and the Administration continues to promote its enactment.

FY 2007. States will also begin work on PM<sub>2.5</sub> SIPs and will incorporate regional haze reduction strategies, developed by the regional planning organizations (RPOs) into their Regional Haze SIPs. Both the PM and Regional Haze SIPs are due to EPA in January, 2008. States that have 8-hour ozone areas classified as moderate and above will prepare and submit reasonable further progress (RFP) and reasonably available control technology (RACT) SIPs. In FY 2006, States will be required to prepare revisions to their New Source Review (NSR) SIPs consistent with the NSR Reform measures.

The National Air Monitoring Strategy is intended to reshape the air monitoring program in ways that can easily accommodate both national and local needs; improve information flow to the public; incorporate new technologies and new pollutant measurements; and maintains fiscal responsibility. A network design proposal (National Core Network (NCore)) will be issued and States will begin implementing Phase 1 of the NCore requirements. For additional information on the National Ambient Air Monitoring Strategy, visit: <http://www.epa.gov/ttn/amtic/files/ambient/monitorstrat/summary.pdf>. Based upon EPA's final NCore ambient monitoring rule, States will begin implementing phase I of the NCore monitoring network requirements in FY 2006.

The Agency will enhance its existing long-term environmental assessment capability. Improving our current understanding of ecosystem conditions due to changes in air quality requires increasing access to and linkage of long-term ecological datasets that complement our current long-term monitoring programs both spatially and temporally. Ecological assessment approaches will be developed to improve existing goals and increase their efficacy in assessing our environmental programs.

#### **FY 2006 Change from FY 2005 President's Budget (Dollars in Thousands)**

- (-\$5,000.0) Reduces funding for Regional Planning Organizations (RPOs). The RPOs have completed much of the analysis for the regional haze plans and, over the next few years, the burden will be more on the States to incorporate this work into their planning. EPA will work closely with the RPOs to ensure that the most critical work is done and available for the States to incorporate in their SIPs.

#### **Statutory Authority**

Clean Air Act

**Categorical Grant: State and Tribal Performance Fund**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Compliance and Environmental Stewardship

Objective(s): Improve Environmental Performance through Pollution Prevention and Innovation

Total Request for Appropriation STAG: \$23,000.0 (Dollars in Thousands)

**Categorical Grant: State and Tribal Performance Fund (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<b><i>State and Tribal Assistance Grants</i></b>	<b><i>\$0.0</i></b>	<b><i>\$23,000.0</i></b>	<b><i>\$23,000.0</i></b>	<b><i>\$0.0</i></b>
Total Budget Authority / Obligations	\$0.0	\$23,000.0	\$23,000.0	\$0.0
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

The States and EPA have been working together to improve, measure and document the results of environmental programs. EPA and the States have made investments in creating a joint strategic planning process with shared environmental goals and tangible measures of success. EPA and the States are also working through the planning process to find ways to address environmental problems across media. It is time to invest in state environmental agencies that are poised to move promising approaches from drawing boards and pilot programs into production. It is critical to provide these cutting edge programs the opportunity to demonstrate environmental performance, and communicate environmental progress to a larger public audience.

This fund will competitively award grants to States, Tribes, Intertribal Consortia, and Interstate Agencies (that are eligible for categorical grants) for projects designed to demonstrate public health and/or environmental results. The Performance Grant Fund will: (1) directly support EPA's mission and national Strategic Plan, and (2) allow for multi-media approaches.

EPA will support results-oriented work underway with States, Tribes, Intertribal Consortia, and Interstate Agencies and to test new or alternative methods that emphasize performance measures and results. The Performance Grant Fund will support projects that include tangible, performance-based environmental and health outcomes -- and that can serve as measurement and results-oriented models for implementation across the nation.

## **FY 2006 Activities and Performance Highlights**

*Environmental Results through Partnerships:* Working with businesses, NGOs, and communities the grants will encourage alternative means of compliance and performance through a variety of means including pollution prevention, changes in processes, product stewardship, technical and compliance assistance, recycling and pollution trading. States experience different problems that do not always lend themselves to traditional approaches, where multi-stakeholder partnerships are needed. Funds will support the launch of innovative programs that deal with previously unaddressed environmental problems involving a myriad of stakeholders.

*Geographic/Ecosystem Initiatives:* These initiatives will address complex environmental problems in a distinguishable region or critical habitat of particular interest to the general public. There are large-scale models such as the Chesapeake Bay Initiative and Great Lakes Restoration efforts, as well as other projects focusing on smaller regions in which problem, action and performance can be aligned by virtue of the geographic association. Defining a problem geographically is more likely to address cause and effect relationships and get to the root of the problem.

*Improving Regulatory Program Performance:* Exploring alternative regulatory pathways will be a priority, to improve the effectiveness and efficiency of existing programs. Initiatives could include those that change the regulatory structure to provide greater efficiency for government as well as improved compliance and performance. Projects could also involve minor or major changes in the way existing programs are executed to increase the return on investment.

*Other:* States can propose other creative initiatives that don't necessarily fit into one of the above categories but are equivalently targeted at reducing pollution, implementing a multi-media, cross-program approach and measuring environmental results.

### **FY 2006 Change from FY 2005 President's Budget (Dollars in Thousands)**

No change in funding.

### **Statutory Authority**

Language authorizing the grants is included in the President's FY 06 budget request.

**Categorical Grant: Tribal Air Quality Management**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Clean Air and Global Climate Change  
 Objective(s): Healthier Outdoor Air

Total Request for Appropriation STAG: \$11,050.0 (Dollars in Thousands)

**Categorical Grant: Tribal Air Quality Management (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<b><i>State and Tribal Assistance Grants</i></b>	<b><i>\$12,384.9</i></b>	<b><i>\$11,050.0</i></b>	<b><i>\$11,050.0</i></b>	<b><i>\$0.0</i></b>
Total Budget Authority / Obligations	\$12,384.9	\$11,050.0	\$11,050.0	\$0.0
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

This program includes funding for Tribal air pollution control agencies and/or Tribes. Through Clean Air Act (CAA) section 105 Grants, Tribes may develop and implement programs for the prevention and control of air pollution or implementation of national primary and secondary ambient air standards. Through CAA Section 103 grants, Tribal air pollution control agencies or Tribes, colleges, universities, or multi-tribe jurisdictional air pollution control agencies and/or non-profit organizations may conduct and promote research, investigations, experiments, demonstrations, surveys, studies and training related to air pollution.

**FY 2006 Activities and Performance Highlights**

With EPA funding, Tribes will assess environmental and public health conditions on tribal lands and, where appropriate, access site monitors. Tribes will continue to develop and implement air pollution control programs. EPA will continue to fund organizations for the purpose of providing technical support, tools and training for Tribes to build capacity as appropriate.

**FY 2006 Change from FY 2005 President's Budget (Dollars in Thousands)**

- No change in funding.

**Statutory Authority**

Clean Air Act



**Clean School Bus Initiative**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Clean Air and Global Climate Change  
 Objective(s): Healthier Outdoor Air

Total Request for Appropriation STAG: \$10,000.0 (Dollars in Thousands)

**Clean School Bus Initiative (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
Environmental Program & Management	\$4,990.4	\$0.0	\$0.0	\$0.0
<b>State and Tribal Assistance Grants</b>	<b>\$0.0</b>	<b>\$65,000.0</b>	<b>\$10,000.0</b>	<b>(\$55,000.0)</b>
Total Budget Authority / Obligations	\$4,990.4	\$65,000.0	\$10,000.0	(\$55,000.0)
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

This program includes development, implementation, and evaluation of a competitive grant program to equip school buses with diesel retrofit technology or to replace older school buses in order to reduce diesel emissions. This program will help equip our Nation's school bus fleet with low-emission technologies sooner than would otherwise occur through normal turnover, a significant achievement considering most school buses remain in service for 20 years or more. Older School buses can be retrofitted with pollution controls through the use of ultra-low sulfur diesel fuel and the installation of particulate matter (PM) filters, with the potential of reducing PM emissions by more than 90 percent.

**FY 2006 Activities and Performance Highlights**

In FY 2006, EPA will continue to implement its Clean School Bus USA program. This program promotes the reduction of emissions from older, high-polluting school buses by awarding grants for voluntary diesel bus retrofit and replacement projects. The cost-shared grants awarded through this program will be available to certain governmental entities and priority will be given to applicants in areas that have not attained or that contribute to another area's inability to attain the National Ambient Air Quality Standards for ozone or particulate matter.

**FY 2006 Change from FY 2005 President's Budget (Dollars in Thousands)**

- (- \$55,000.0) Reduces funding for the Clean School Bus USA grant program to a level that adequately funds the grant program assuming a distribution pattern similar to those

of FY 2004 and FY 2005. \$10 million will allow EPA to fund approximately 40 programs in FY 2006.

**Statutory Authority**

Clean Air Act Amendments, Title I (NAAQS); Clean Air Act Amendments, Title III (Air Toxics); Clean Air Act, Sections 103, 105, and 106 (Grants)

**Infrastructure Assistance: Alaska Native Villages**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Clean and Safe Water  
 Objective(s): Protect Water Quality

Total Request for Appropriation STAG: \$15,000.0 (Dollars in Thousands)

**Infrastructure Assistance: Alaska Native Villages (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<b><i>State and Tribal Assistance Grants</i></b>	<b><i>\$37,433.8</i></b>	<b><i>\$40,000.0</i></b>	<b><i>\$15,000.0</i></b>	<b><i>(\$25,000.0)</i></b>
Total Budget Authority / Obligations	\$37,433.8	\$40,000.0	\$15,000.0	(\$25,000.0)
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

The Alaska Rural and Native Village Program address the lack of basic sanitation infrastructure (i.e., flush toilets and running water) in rural and Native Alaska communities. In many of these communities, honeybuckets and pit privies are the sole means of sewage collection and disposal. The grant to the State of Alaska provides funding to construct water and wastewater facilities for these rural and Native Villages, thereby, improving the health and sanitation conditions in these communities. This program also supports training, technical assistance, and educational programs relating to the operation and maintenance of sanitation systems in rural and Native Villages. For more information, visit <http://www.epa.gov/owm/mab/indian/anvrs.htm>. This program underwent a PART review in 2006 and received a rating of ineffective; more information is included in the Special Analysis Section.

**FY 2006 Activities and Performance Highlights**

The Agency will continue to provide funding through a grant to the State of Alaska to meet the sanitation infrastructure needs of rural and Native Villages as effectively and efficiently as possible. This funding will continue to move the Agency closer to its commitment to the Johannesburg 2002 World Summit to reduce by 50 percent the 71,000 households on tribal lands (including ANVs) lacking access to basic wastewater systems and the 31,000 households lacking access to drinking water systems by 2015.

In FY 2006 EPA will establish more stringent accountability measures and reforms to address program deficiencies identified in audits by the State of Alaska and the IG, as well as through a Program Assessment Rating Tool evaluation.

**FY 2006 Change from FY 2005 President's Budget (Dollars in Thousands)**

- (-\$25,000.0) This reduction is the result of program management and financial deficiencies identified in audits by the State of Alaska and the IG, and the PART. EPA will periodically review this program to see if it improves and may modify the request in future budgets to reflect such improvements.

**Statutory Authority**

Safe Drinking Water Act Amendments of 1996

**Infrastructure Assistance: Clean Water SRF**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Clean and Safe Water  
 Objective(s): Protect Water Quality

Total Request for Appropriation STAG: \$730,000.0 (Dollars in Thousands)

**Infrastructure Assistance: Clean Water SRF (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<b><i>State and Tribal Assistance Grants</i></b>	<b><i>\$1,397,784.5</i></b>	<b><i>\$850,000.0</i></b>	<b><i>\$730,000.0</i></b>	<b><i>(\$120,000.0)</i></b>
Total Budget Authority / Obligations	\$1,397,784.5	\$850,000.0	\$730,000.0	(\$120,000.0)
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

The Clean Water State Revolving Fund (CWSRF) provides funds to capitalize state revolving loan funds that finance infrastructure improvements for public wastewater systems and projects to improve water quality. The Federal investment is designed to be used in concert with other sources of funds to meet water quality needs. The CWSRF is the largest source of funds for providing loans and other forms of assistance for wastewater treatment facility construction, implementation of nonpoint source management plans, and development and implementation of estuary conservation and management plans. This program also includes a provision for a set-aside with funding for Indian Tribes to better address the serious water infrastructure and attendant health impacts. For more information, visit <http://www.epa.gov/owm/cwfinance/cwsrf/index.htm>.

CWSRFs provide low interest loans to help finance wastewater treatment facilities and other water quality projects. These projects are critical to the continuation of the public health and water quality gains of the past 30 years. As of early 2005, the Federal government had invested \$22 billion in the CWSRFs. The revolving nature of the funds and substantial additions from States have magnified that investment so that \$52 billion has been available for loans.<sup>1</sup> The CWSRF program measures and tracks the average national rate at which available funds are loaned, assuring that the fund is working hard to support water quality infrastructure. This program underwent a PART review in 2006 and received a rating of adequate; more information is included in the Special Analysis Section.

<sup>1</sup> Clean Water State Revolving fund National Information Management System. US EPA, Office of Water, National Information Management System Reports: Clean Water Waters Revolving Fund (CWSRF). Washington, DC. Available at <http://www.epa.gov/r5water/cwsrf>

## **FY 2006 Activities and Performance Highlights**

Recognizing the substantial remaining need for wastewater infrastructure, EPA will provide annual capitalization to the CWSRFs through 2011. This continued Federal investment, along with other traditional sources of financing (including increased local revenues) will result in significant progress toward addressing the Nation's wastewater treatment needs as well as significantly contribute to the long-term environmental goal of watershed's attaining designated uses.

EPA continues to work with States to meet several key objectives: fund projects designed as part of an integrated watershed approach, link projects to environmental results through the use of scientifically-sound water quality and public health data, maintain the CWSRFs' excellent fiduciary condition, and continue to track the increasing numbers of States that have developed integrated priority lists addressing nonpoint source pollution and estuaries protection projects in addition to wastewater projects.

Another important approach to closing the gap between the need for clean water projects and available funding is to use sustainable management systems to prolong the lives of existing systems. EPA will work to encourage rate structures that lead to full cost pricing and support water metering and other conservation measures.

The 2002 World Summit in Johannesburg adopted the goal of reducing the number of people lacking access to safe drinking water and basic sanitation by 50 percent by 2015. EPA will contribute to this work through its support for development of sanitation facilities in Indian Country and Alaskan Native Villages using funds set aside from the CWSRF.

### **FY 2006 Change from FY 2005 President's Budget Request (Dollars in Thousands)**

- (-\$120,000.0) – The FY 2006 Budget funds the CWSRF at \$730 million. At this funding level, the total capitalization provided between FYs 2004 through 2011 will total \$6.8 billion, the same total proposed in the 2004 President's Budget. Because total capitalization remains the same, the program will still meet its long-term revolving level target of \$3.4 billion.

### **Statutory Authority**

Clean Water Act.

**Infrastructure Assistance: Drinking Water SRF**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Clean and Safe Water  
 Objective(s): Protect Human Health

Total Request for Appropriation STAG: \$850,000.0 (Dollars in Thousands)

**Infrastructure Assistance: Drinking Water SRF (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<i>State and Tribal Assistance Grants</i>	<b>\$881,523.6</b>	<b>\$850,000.0</b>	<b>\$850,000.0</b>	<b>\$0.0</b>
Total Budget Authority / Obligations	\$881,523.6	\$850,000.0	\$850,000.0	\$0.0
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

This program is designed to support States in helping public water systems finance the costs of infrastructure improvements needed to achieve or maintain compliance with Safe Drinking Water Act requirements and to protect public health. Capitalization grant funds may also be used by States to provide other types of assistance to promote prevention and to encourage stronger drinking water system management programs. To reduce occurrences of serious public health threats and to ensure safe drinking water sources nationwide, EPA is authorized to make capitalization grants to States, so that they can provide low-cost loans and other assistance to eligible public water systems. Resources may also fund Interagency Agreements to other Federal agencies, such as the Indian Health Service in the Department of Health and Human Services, that provide safe drinking water activities in support of the Tribes. The program also emphasizes providing funds to small and disadvantaged communities and to programs that encourage pollution prevention as a tool for ensuring safe drinking water. (For more information visit <http://www.epa.gov/safewater/dwsrf.html>)

**FY 2006 Activities and Performance Highlights**

Providing drinking water that meets health safety standards often requires an investment in the construction or maintenance of drinking water infrastructure. Through the Drinking Water State Revolving Fund (DWSRF) program, states offer low interest loans to help public water systems across the nation make improvements or upgrades to their infrastructure. In addition, the DWSRF provides additional financial support to small and disadvantaged communities through low or zero-interest loans. Every State that administers DWSRF funds must provide a minimum of 15 percent of available funds for loans to small communities, and has the option of providing up to 30 percent of available funds to state-defined disadvantaged communities. As of the end of

FY 2004, the DWSRF program has made available \$7.9 billion to finance 3,654 infrastructure improvement projects nationwide.<sup>1</sup> For FY 2006, the DWSRF program has set a target of providing over 600 additional loans to public water systems for infrastructure improvement projects.

This program was included in the DWSRF PART review for 2006, which received an overall rating of Adequate; more information is included in the Special Analysis section.

**FY 2006 Change from FY 2005 President's Budget (Dollars in Thousands)**

- No change in program funding.

**Statutory Authority**

Safe Drinking Water Act (SDWA)

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<sup>1</sup> U.S. Environmental Protection Agency Office of Water. Drinking Water National Information Management System. December 2004. <http://www.epa.gov/safewater/dwsrf/dwnims.html>



**Infrastructure Assistance: Mexico Border**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Healthy Communities and Ecosystems  
 Objective(s): Communities

Total Request for Appropriation STAG: \$50,000.0 (Dollars in Thousands)

**Infrastructure Assistance: Mexico Border (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<b><i>State and Tribal Assistance Grants</i></b>	<b><i>\$64,846.3</i></b>	<b><i>\$50,000.0</i></b>	<b><i>\$50,000.0</i></b>	<b><i>\$0.0</i></b>
Total Budget Authority / Obligations	\$64,846.3	\$50,000.0	\$50,000.0	\$0.0
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

The United States and Mexico share more than 2000 miles of common border. More than 12.6 million people live in the border area, mostly in fifteen “sister city: pairs”. The rapid increase in population and industrialization in the border cities has overwhelmed existing wastewater treatment and drinking water supply facilities. Untreated and industrial sewage often flows north into the U.S. from Tijuana, Mexicali, and Nogales, and into the Rio Grande. EPA works closely with the Mexican Government; the Border Environment Cooperation Commission (BECC) and the North American Development Bank (NADBank) to evaluate environmental needs and to facilitate the construction of environmental infrastructure through the provision of grant funding for the planning, design, and construction of high priority water and wastewater treatment construction along the border. This program underwent a PART review in 2006 and received a rating of adequate; more information is included in the Special Analysis Section.

Further information about this program can be found at <http://www.epa.gov/r6border/index.htm>.

**FY 2006 Activities and Performance Highlights**

The U.S. – Mexico Border 2012 Program, a joint effort between the U.S. and Mexican governments, will continue to work with the 10 border States and local communities to improve the region’s environmental health. In doing so, the U.S. and Mexico governments will work to improve water quality along the border through a range of pollution control sanitation projects, with the goal of restoring the quality of the majority of the currently impaired significant shared and transboundary surface waters by the year 2012. Because of inadequate drinking water and sewage treatment, border residents suffer disproportionately from hepatitis A and other water-borne diseases. By increasing the number of connections to potable water systems 25% by the year 2012, EPA and its partners will reduce health risks to residents who may currently lack

access to safe drinking water. Similarly, by increasing the number of homes with access to basic sanitation by the same amount, EPA and its partners will reduce the discharge of untreated domestic wastewater into surface and ground water. In FY 2006, EPA also will continue to support the planned assessment of shared and transboundary surface waters to facilitate the collection, management, and exchange of environmental data essential for effective water management. In addition, the Agency will support improvements in efficiency of service provider operations, the protection of public health at the border area coastal beaches, and the development of alternative funding strategies for Border water infrastructure.

**FY 2006 Change from FY 2005 President's Budget (Dollars in Thousands)**

No change in funding.

**Statutory Authority**

Clean Water Act

**Infrastructure Assistance: Puerto Rico**  
 Environmental Protection Agency  
 FY 2006 Annual Performance Plan and Congressional Justification

Goal: Clean and Safe Water  
 Objective(s): Protect Human Health

Total Request for Appropriation STAG: \$4,000.0 (Dollars in Thousands)

**Infrastructure Assistance: Puerto Rico (STAG)**  
 (Dollars in Thousands)

	<b>FY 2004 Obligations</b>	<b>FY 2005 Pres. Bud.</b>	<b>FY 2006 Request</b>	<b>FY 2006 Request v. FY 2005 Pres. Bud.</b>
<i>State and Tribal Assistance Grants</i>	<i>\$0.0</i>	<i>\$4,000.0</i>	<i>\$4,000.0</i>	<i>\$0.0</i>
Total Budget Authority / Obligations	\$0.0	\$4,000.0	\$4,000.0	\$0.0
Total Workyears*	0.0	0.0	0.0	0.0

\*Agency Authorized FTE levels are being aligned with actual utilization. See overview section.

**Program Project Description**

The Agency's work in this program focuses on the design and upgrade of Metropolitan's Sergio Cuervas drinking water treatment plant in San Juan, Puerto Rico.

**FY 2006 Activities and Performance Highlights**

EPA will continue to support the design of infrastructure improvements to the largest drinking system in Puerto Rico to strengthen its infrastructure and, in turn, reduce the health risk to its consumers. Less than 30 percent of the population in Puerto Rico receives drinking water that meets all health-based standards.<sup>1</sup> To improve public health protection in Puerto Rico, the Agency will support the next phase of the design of necessary infrastructure improvements. When all upgrades are complete, EPA estimates that approximately 1.5 million people will benefit from safer, cleaner drinking water,<sup>2</sup> and risks of cancer, gastroenteritis, and other waterborne diseases will be reduced. This project is key to EPA ultimately meeting its 2008 goal of ensuring that 95% of the population served by community water systems receives drinking water that meets all applicable health-based drinking water standards.

**FY 2006 Change from FY 2005 President's Budget (Dollars in Thousands)**

- No change in funding.

**Statutory Authority**

Safe Drinking Water Act (SDWA)

<sup>1</sup> U.S. Environmental Protection Agency Safe Drinking Water Information System (SDWIS/FED), <http://www.epa.gov/safewater/data/getdata.html>

<sup>2</sup> U.S. Environmental Protection Agency Safe Drinking Water Information System (SDWIS/FED), <http://www.epa.gov/safewater/data/getdata.html>



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