



FY 2008

***EPA BUDGET
IN BRIEF***



United States Environmental Protection Agency
Office of the Chief Financial Officer (2701A)
Publication Number: EPA-205-S-07-001
February 2007
www.epa.gov/ocfo

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EPA's Mission

The mission of the Environmental Protection Agency (EPA) is to protect and safeguard human health and the environment. This budget supports the Administration's commitment to environmental results as we work to increase the pace of improvement and identify new and better ways to carry out our mission. It also emphasizes the need for sound management of our federal resources, as delineated in the President's Management Agenda.

Annual Performance Plan and Congressional Justification

The EPA's Fiscal Year (FY) 2008 Annual Performance Plan and the Congressional Justification request is \$7.2 billion in discretionary budget authority and 17,324 Full Time Equivalents (FTE). This request reflects the Agency's efforts to work with its partners towards protecting air, water, and land, as well as providing for EPA's role in safeguarding the nation from terrorist attacks. This request echoes the Administration's commitment to setting high environmental protection standards, while focusing on results and performance, and achieving goals outlined in the President's Management Agenda.

The budget builds on EPA's long record of accomplishments since its founding 37 years ago. The Agency and nation as a whole has achieved enormous successes. This budget builds on these successes by strengthening our geographic initiatives, better leveraging our nation's resources, strengthening citizen involvement, maintaining our enforcement capabilities, and implementing the President's commitment to efficiently manage Federal resources.

Homeland Security

Following the cleanup and decontamination efforts of 2001, the Agency has focused on ensuring we have the tools and protocols needed to detect and recover quickly from deliberate incidents. The emphasis for FY 2008 is on several areas: decontaminating threat agents, protecting our water and food supplies, and ensuring trained personnel and key lab capacities are in place to be drawn upon in the event of an emergency. Part of these FY 2008 efforts will continue to include activities to implement a common identification standard for EPA employees and contractors, the SmartCard initiative.

Human Capital

EPA will continue its systematic approach to workforce planning throughout the Agency by setting targets and closing competency gaps in the mission-critical occupations (MCOs) that have been identified. This will be done through the ongoing use of human capital strategies to ensure that the Agency recruits and retains a qualified pool of employees to protect human health and safeguard the air, water, and

Annual Performance Plan and Budget Overview

land. EPA has met many important milestones in implementing its revised Human Capital Strategy and the Human Capital Accountability Plan.

In FY 2006, the core competencies were assessed for the Agency's senior leadership, human resources management, and information technology positions. The Agency will implement plans to close the competency gaps identified. In FY 2007 and 2008, the Agency will continue to assess the competencies for its priority MCOs. The assessment results will be used by the Agency to target developmental resources and recruiting practices to ensure that EPA can meet its mission and retain a highly-skilled, diverse, and results-oriented workforce with the right mix of technical expertise, professional experience, and leadership capabilities.

Workforce

EPA values its world class workforce and its expertise enables us to meet our urgent responsibilities across a broad range of national and local environmental issues. In FY 2007, we are making adjustments to EPA's workforce management strategy that will help us better align resources, skills, and Agency priorities. A key step in this adjustment is improving the alignment between the total number of positions authorized and actual FTE utilization. As such, in FY 2008 EPA is proposing to reduce its Agency authorized FTE ceiling by 235.9 positions to 17,323.8, which is consistent with the Agency's historical FTE levels. The result of these reductions will not impede Agency efforts to maximize efficiency and effectiveness in carrying out its programs and will not result in an overall change in the number of FTEs at EPA. The program project descriptions provided later in this document, provide the details of these changes.

Organization of the Annual Performance Plan and Congressional Justification

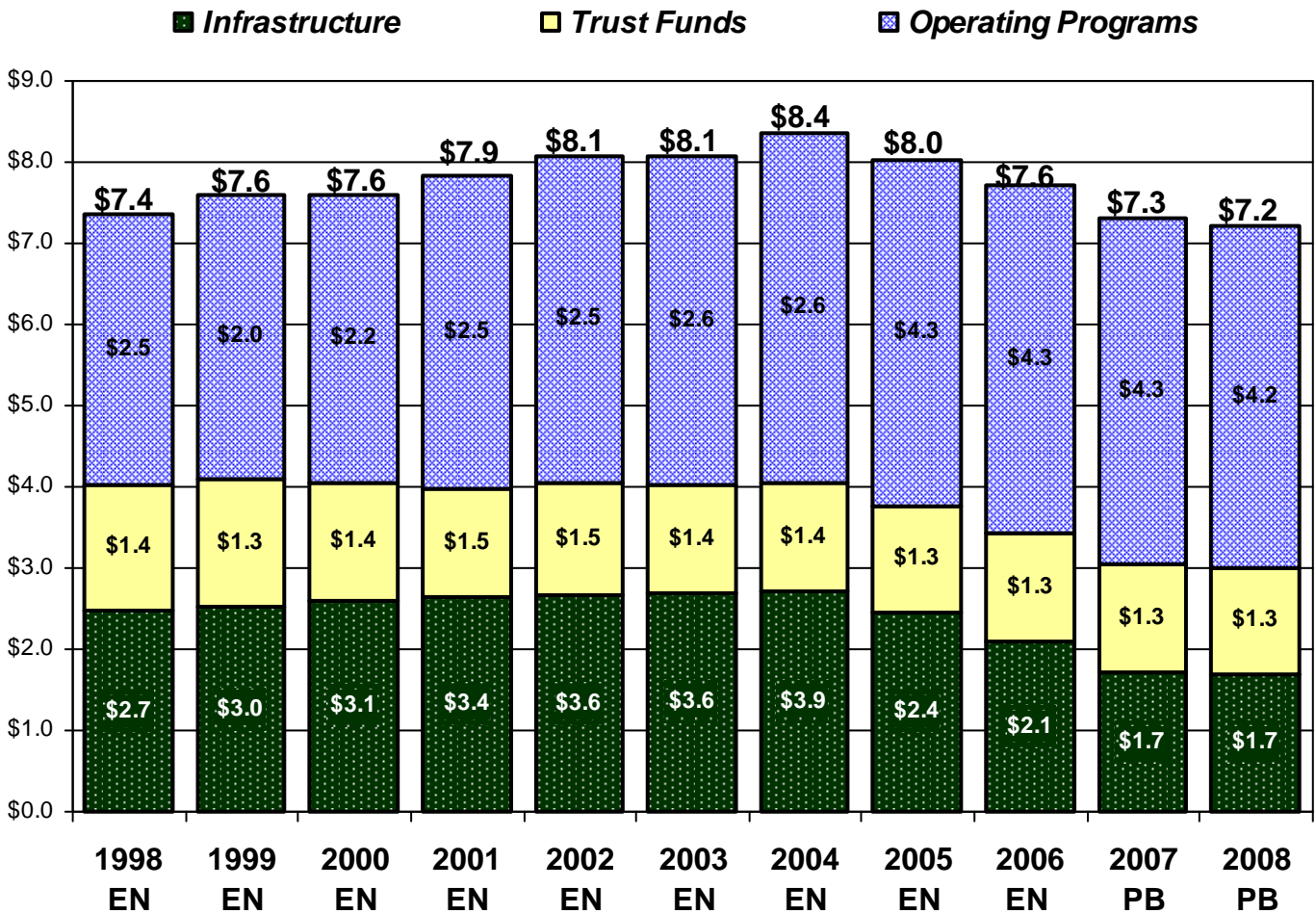
In response to the President's Management Agenda, this budget more clearly integrates budget and performance. EPA developed a submission that presents the budget in a more succinct, programmatic format. It also closely aligns performance information with program narratives. Verification and validation documents will be provided electronically.

Annual Performance Plan and Congressional Justification Components

EPA's Annual Performance Plan is integrated into the Annual Budget Request. Where applicable, programmatic funding increases are tied to performance measures and associated targets by program/project. To fully explain the Agency's resource needs, the Budget contains annual performance goals and performance measures that the Agency uses to achieve its results.

Environmental Protection Agency's Resources by Major Category

(Dollars in Billions)

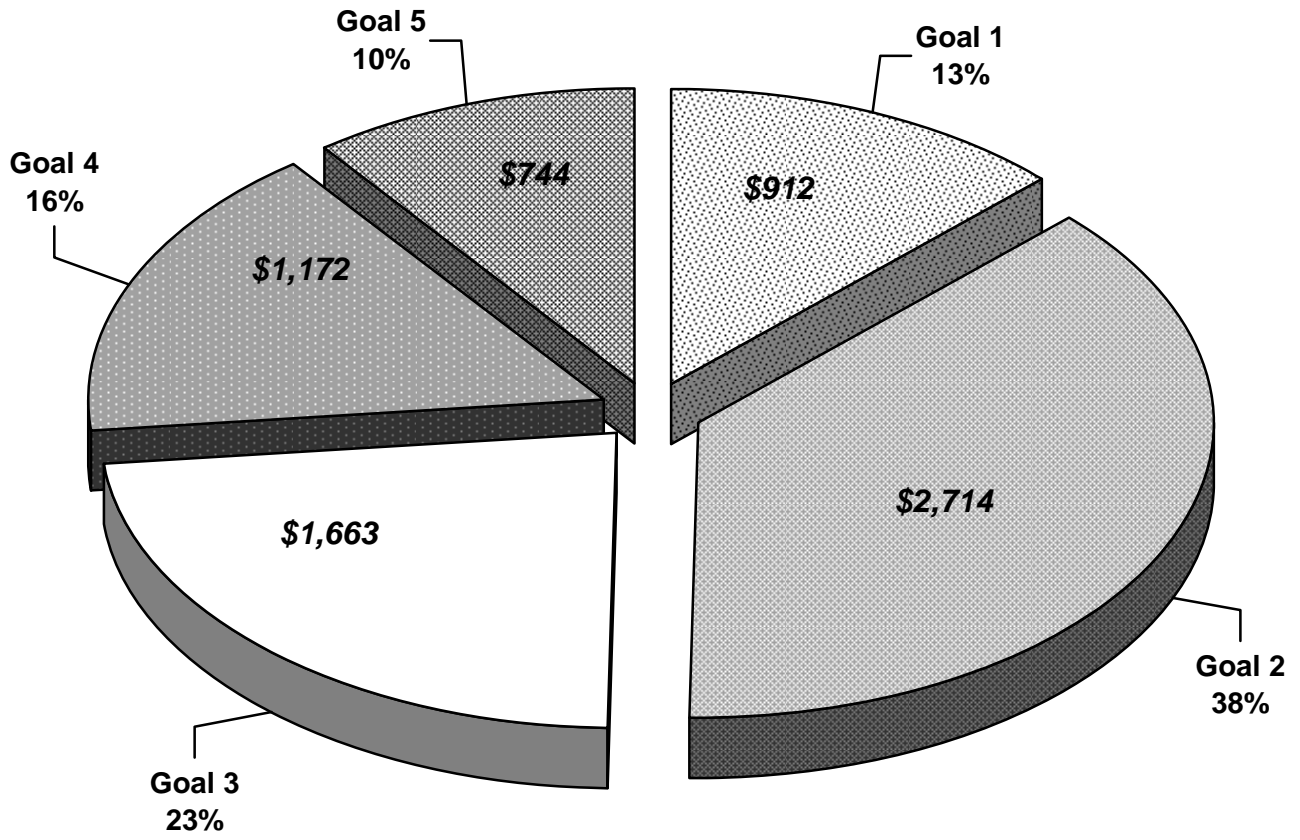







FYs 1998-2006 reflect EPA's final Enacted Operating Plan
 FY 2007 reflects the President's Budget.

FY 2002 does not include \$175.6 million provided for Homeland security in the Emergency Supplemental Appropriations Act.

Environmental Protection Agency's FY 2008 Budget by Goal

Total Agency: \$7,199 Million

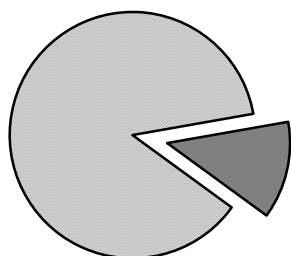


-  **Goal 1: Clean Air and Global Climate Change**
-  **Goal 2: Clean and Safe Water**
-  **Goal 3: Land Preservation and Restoration**
-  **Goal 4: Healthy Communities and Ecosystems**
-  **Goal 5: Compliance and Environmental Stewardship**

Note: excludes \$5 million reduction to prior year funding

Goal 1: Clean Air and Global Climate Change

Strategic Goal: *Protect and improve the air so it is healthy to breathe and risks to human health and the environment are reduced. Reduce greenhouse gas intensity by enhancing partnerships with businesses and other sectors.*



13% of Budget

Resource Summary

(\$ in 000)

| | FY 2007 President's Budget | FY 2008 President's Budget | Difference |
|-------------------------------------|----------------------------------|----------------------------------|------------------|
| 1 - Healthier Outdoor Air | \$628,676 | \$588,247 | -\$40,429 |
| 2 - Healthier Indoor Air | \$47,832 | \$45,699 | -\$2,133 |
| 3 - Protect the Ozone Layer | \$21,666 | \$17,131 | -\$4,535 |
| 4 - Radiation | \$39,453 | \$39,318 | -\$135 |
| 5 - Reduce Greenhouse Gas Intensity | \$99,750 | \$122,937 | \$23,187 |
| 6 - Enhance Science and Research | \$96,315 | \$98,236 | \$1,921 |
| Goal 1 Total ** | \$933,690.8 | \$911,568.1 | -\$22,123 |
| Workyears * | 2,664.4 | 2,620.6 | -43.8 |

* Agency authorized FTE levels are being aligned with actual utilization. See workforce section in the overview. ** Numbers may not add due to rounding.

EPA implements the Clean Air and Global Climate Change goal through national and regional programs designed to provide healthier outdoor and indoor air for all Americans, protect the stratospheric ozone layer, minimize the risks from radiation releases, reduce greenhouse gas intensity, and enhance science and research. In implementing the goal, EPA carries out its responsibilities through programs that include several common elements: setting risk-based priorities; facilitating regulatory reform and market-based approaches; partnering with state, Tribal, and local governments, non-governmental organizations, and industry; promoting energy efficiency; and using sound science.

EPA's key clean air programs – including those addressing particulate matter, ozone, acid rain, air toxics, indoor air, radiation and stratospheric ozone depletion – focus on some of the highest health and environmental risks faced by the Agency.

Goal 1: Clean Air and Global Climate Change

These programs have achieved results. Every year, state and Federal air pollution programs established under the Clean Air Act prevent tens of thousands of premature mortalities, millions of incidences of chronic and acute illness, tens of thousands of hospitalizations and emergency room visits, and millions of lost work days.

Clean Air Rules

The Clean Air Rules are a major component of EPA work under Goal 1 and include a suite of actions that will dramatically improve America's air quality. Three of the rules specifically address the transport of pollution across state borders (the Clean Air Interstate Rule, Clean Air Mercury Rule and Clean Air Nonroad Diesel Rule). These rules provide national tools to achieve significant improvement in air quality and the associated benefits of improved health, longevity and quality of life for all Americans. Taken together, they will make the next 15 years one of the most productive periods of air quality improvement in America's history. In FY 2008, EPA will be working with the states and industry to implement these rules.

Energy Policy Act

In addition to the suite of Clean Air Rules, EPA is investing over \$8 million to develop and operate the market-based credit trading system required by the Renewable Fuels Standard (RFS) program, in addition to annual State-by-State surveys to determine market shares of conventional and reformulated gasoline containing ethanol, and data collection and analysis activities needed to evaluate the impacts of the RFS program on the environment, air quality, and on the nation's energy security. The Renewable Fuels Standards (RFS) rule is scheduled to be promulgated in 2007 and work will continue on the development of several more actions required by the Energy Policy Act (EPAAct) of 2005. Some of these EPAAct actions involve a study of the changes in emissions of air pollutants and air quality, and a fuel system harmonization study. In 2008, EPA will promulgate new standards for locomotives and marine diesel engines, as well as new standards for large commercial ships. EPA also will issue a rule addressing exhaust and evaporative emissions from small gasoline engines (under 50 horsepower), including all recreational marine gasoline engines, non-handheld engines (such as those used in lawnmowers), and handheld engines (such as those used in trimmers and chainsaws).

Reduce Risks to Indoor Air and Radon Programs

The Indoor Air Program characterizes the risks of indoor air pollutants to human health, develops techniques for reducing those risks, and educates the public about what they can do to reduce their risks from indoor air. Through voluntary partnerships with non-governmental and professional organizations, EPA educates and encourages individuals, schools, industry, the health care community, and others to take action to reduce health risks in indoor environments using a variety of approaches, including national public awareness and media campaigns, as well as community-based outreach and education. EPA also uses technology-transfer to improve the design, operation, and maintenance of buildings – including schools, homes, and workplaces – to promote

healthier indoor air. EPA also carries out a national radon program that encourages and facilitates voluntary national, regional, state, and Tribal programs and activities that support initiatives targeted to radon testing and mitigation, as well as radon resistant new construction. Radon is second only to smoking as a cause of lung cancer.

Climate Protection

For more than a decade, businesses and other organizations have partnered with EPA through voluntary climate protection programs to pursue common sense approaches to reducing greenhouse gas emissions and meeting the President's greenhouse gas intensity goal. Voluntary programs such as Energy Star and SmartWay Transport have increased the use of energy-efficient products and practices and reduced emissions of carbon dioxide as well as methane and other greenhouse gases with very high global warming potentials. These partnership programs spur investment in advanced energy technologies and the purchase of energy-efficient products and create emissions reduction benefits that accrue over the lifetime of the investment or product. In 2008, EPA will invest \$4.4 million in the Methane to Markets by assessing the feasibility of methane recovery and use projects at landfills, coal mines, and natural gas and oil facilities and by identifying and addressing institutional, legal, regulatory and other barriers to project development in partner countries. In addition EPA plans to invest \$5 million to support the Asia-Pacific Partnership programs. In FY 2008 this partnership between the United States, Australia, China, India, Japan, and South Korea will focus on developing country-specific strategies to improve energy security and reduce pollution. EPA also will work with the Asia-Pacific region to develop and deploy new and emerging technologies and tailor programs, such as methane capture and use, to meet the specific conditions of each area. Both the Methane to Markets program and Asia Pacific Partnerships will coordinate with other agencies to achieve the goals in these programs.

Stratospheric Ozone – Domestic and Montreal Protocol

In FY 2008 EPA's Domestic Stratospheric Ozone Protection Program will invest \$9.8 million support cost-effective projects that are designed to build capacity and eliminate ODS production and consumption in over 60 developing countries. The Multilateral Fund continues to support over 5,150 activities in 139 countries, and when fully implemented, will prevent annual emissions of more than 223,729 metric tons of ODS. Over 80% of already agreed project activities have been implemented to date, with remaining work in these already agreed projects expected to be fully implemented by 2009. In addition to continuing to implement the provisions of the Clean Air Act and the Montreal Protocol on Substances that Deplete the Ozone Layer (Montreal Protocol), and contributing to the reduction and control of ozone-depleting substances (ODSs) in the U.S. and lowering health risks to the American public associated with exposure to UV radiation.

Goal 1: Clean Air and Global Climate Change

Radiation Monitoring

In FY 2008, EPA will continue upgrading the national radiation monitoring system, thus improving response time, data dissemination, and population/geographic coverage of the U.S., should there be an accidental or intentional release of radiation either domestically or internationally. EPA will also maintain readiness of deployable monitors allowing for sampling density at locations near and downwind from radiological incidents. The Agency will continue to enhance laboratory response capacity and capability to ensure a minimal level of surge capacity for radiological incidents.

Global Change Research

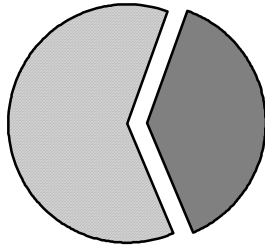
EPA conducts research that provides a scientific foundation for the Agency's actions to protect the air all Americans breathe. In FY 2008, EPA's air research program will support implementation of the Clean Air Act, especially the National Ambient Air Quality Standards (NAAQS). The NAAQS program will focus on setting limits on how much tropospheric ozone, particulate matter, carbon monoxide; sulfur dioxide, nitrogen oxides, and lead are allowed in the atmosphere. EPA also conducts research to improve understanding of the risks from hazardous air pollutants, also known as air toxics.

In FY 2008, the Agency's air research program will continue research to understand the sources and composition of air pollution; develop methods for controlling sources' emissions; study atmospheric chemistry and model U.S. air quality; investigate Americans' exposure to air pollution; and conduct epidemiological, clinical, and toxicological studies of air pollution's health effects. The Agency also will award research grants to universities and nonprofits to study topics such as how long-term exposure to fine particles in the atmosphere influences heart disease. In FY 2008, an important focus of the program will be air pollution near roads.

Recognizing that environmental policy and regulatory decisions will only be as good as the science upon which they are based, EPA makes every effort to ensure that its science is of the highest quality and relevance, thereby providing the basis for sound environmental results. EPA uses the federal Research and Development (R&D) Investment Criteria of quality, relevance, and performance in its decision-making processes through a) the use of research strategies and plans, b) program review and evaluation by the Board of Scientific Counselors (BOSC) and the Science Advisory Board (SAB), and c) peer review.

Goal 2: Clean and Safe Water

Strategic Goal: *Ensure drinking water is safe. Restore and maintain oceans, watersheds, and their aquatic ecosystems to protect human health, support economic and recreational activities, and provide healthy habitat for fish, plants, and wildlife.*



38% of Budget

Resource Summary

(\$ in 000)

| | FY 2007 President's Budget | FY 2008 President's Budget | Difference |
|---|----------------------------------|----------------------------------|------------------|
| 1 - Protect Human Health | \$1,176,755 | \$1,155,717 | -\$21,038 |
| 2 - Protect Water Quality | \$1,412,834 | \$1,422,163 | \$9,329 |
| 3 - Enhance Research to Support Clean & Safe Water | \$139,807 | \$136,435 | -\$3,372 |
| Goal 2 Total ** | \$2,729,396 | \$2,714,315 | -\$15,081 |
| Workyears * | 2,890.8 | 2,895.6 | 4.8 |

* Agency authorized FTE levels are being aligned with actual utilization. See workforce section in the overview. ** Numbers may not add due to rounding.

EPA implements the Clean and Safe Water goal through programs designed to provide improvements in the quality of surface waters and drinking water. In FY 2008, EPA will work with states and Tribes to continue to accomplish measurable improvements in the safety of the nation's drinking water and in the conditions of rivers, lakes, and coastal waters. With the help of these partners, EPA expects to make significant progress in these areas, as well as support a few more focused water initiatives.

The National Water Program will continue to pay special attention to sustainable infrastructure and watershed stewardship, through its "four pillars" program, specifically focusing on innovative financing and leveraging for infrastructure sustainability, banking for wetlands conservation, and trading among point sources and non-point sources for water quality upgrades. Additionally, in FY 2008, the Agency will continue advancing the water quality monitoring initiative and a water quality standards strategy under the Clean Water Act, as well as, important rules and activities under the Safe Drinking Water Act, involving lead and emerging contaminants. Related efforts to improve monitoring and surveillance will help advance water security nationwide.

Goal 2: Clean and Safe Water

Drinking Water

During FY 2008, EPA, the states and community water systems will build on past successes while working toward the FY 2008 goal of assuring that 90 percent of the population served by community water systems receives drinking water that meets all applicable health-based standards. To promote compliance with drinking water standards, states carry out a variety of activities, such as conducting onsite sanitary surveys of water systems and working with small systems to improve their capabilities. EPA will work to improve compliance rates by providing guidance, training, and technical assistance; ensuring proper certification of water system operators; promoting consumer awareness of drinking water safety; maintaining the rate of system sanitary surveys and onsite reviews; and taking appropriate action for noncompliance. To help ensure that water is safe to drink, the FY 2008 President's Budget requests \$842 million for the Drinking Water State Revolving Fund.

Clean Water

In FY 2008, EPA will work with states to continue progress toward the clean water goals to implement core clean water programs, including innovations that apply programs on a watershed basis, and to accelerate efforts to improve water quality, also on a watershed basis. Building on the progress toward clean water achieved over the past 30 years, EPA is working with states and Tribes to implement the Clean Water Act by focusing on: scientifically sound water quality standards; effective water monitoring; strong programs for controlling nonpoint sources of pollution; and strong discharge permit programs.

The Agency's request continues the monitoring initiative begun in 2005 to strengthen the nationwide monitoring network and complete the baseline water quality assessment of lakes and streams. These efforts will result in scientifically defensible water quality data and information essential for cleaning up and protecting the nation's waters. Progress in improving coastal and ocean waters documented in the National Coastal Condition Report will be maintained by focusing on: assessing coastal conditions; reducing vessel discharges; implementing coastal nonpoint source pollution programs; managing dredged material; and supporting international marine pollution control. EPA will continue to provide annual capitalization to the Clean Water State Revolving Fund (CWSRF). The FY 2008 President's Budget provides \$688 million and will allow EPA to meet the Administration's Federal capitalization target of \$6.8 billion total for 2004-2011 and enable the CWSRF to eventually revolve at a level of \$3.4 billion.

Private Activity Bonds

Included in the President's Budget is a proposal to exempt Private Activity Bonds (PABs) used to finance drinking water and wastewater infrastructure from the private activity bond unified state volume cap. PABs are tax-exempt bonds issued by a State or local government, the proceeds of which are used by another entity for a public purpose or by the government entity itself for certain public-private partnerships.

By removing drinking water and wastewater bonds from the volume cap, this proposal will provide States and communities greater access to PABs to help finance their water infrastructure needs and increase capital investment in the Nation's water infrastructure.

This Water Enterprise Bond proposal would provide an exception to the unified annual State volume cap on tax-exempt qualified private activity bonds for exempt facilities for the “furnishing of water” or “sewage facilities.” To ensure the long-term financial health and solvency of these drinking water and wastewater systems, communities using these bonds must have demonstrated a process that will move towards full-cost pricing for services within five years of issuing the Private Activity Bonds. This will help water systems become self-financing and minimize the need for future subsidies.

Homeland Security

EPA has a major role in supporting the protection of the nation’s critical water infrastructure from terrorist threats. In FY 2008, EPA will continue to support the Water Security Initiative (formerly known as Water Sentinel) pilot program and water sector-specific agency responsibilities, including the Water Alliance for Threat Reduction (WATR), to protect the nation’s critical water infrastructure. The FY 2008 budget provides \$22 million for the Water Security Initiative completing deployment of final pilot systems. In FY 2008, the Agency in collaboration with our water sector security stakeholders, will continue our efforts to develop, implement and initiate tracking of national measures related to homeland security critical infrastructure protection activities.

Research

EPA’s drinking water and water quality research programs conduct leading edge, problem-driven research to provide a sound scientific foundation for Federal regulatory decision-making. These efforts will result in strengthened public health and aquatic ecosystem protection by providing data methods, models, assessments, and technologies for EPA program and regional offices, as well as state and local authorities.

In FY 2008, these research programs will conduct studies and deliver science products needed by the nation to realize clean and safe water. The drinking water research program will focus on filling key gaps in data, methods and technologies to support the Agency’s mission to protect drinking water from chemical and microbial contaminants including developing contaminant detection methods, conducting health effects studies, developing and evaluating cost-effective treatment technologies, and constructing tools to protect source waters. The water quality research program will continue providing approaches and methods that the Agency and its partners need to develop, and apply criteria to support designated uses, tools to diagnose and assess impairment in aquatic systems, and tools to restore and protect aquatic systems. These programs also will conduct research that will yield tools and strategies to manage our nation’s aging water infrastructure.

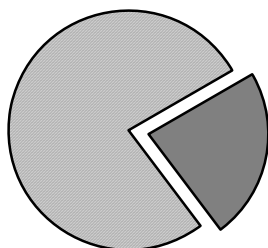
Goal 2: Clean and Safe Water

Other important areas of research in FY 2008 will include: 1) development of molecular microarrays for detection of bacterial pathogens and non-pathogenic microbes in drinking water source waters; 2) epidemiological studies on the illness rate for untreated groundwater and distributions systems; 3) studies on the practice of blending together waste water effluents in various stages of the disinfection process to prevent peak wet weather flows from overwhelming treatment facilities while protecting water quality; and 4) providing more efficient monitoring and diagnostic tools through continued research to develop methods of using landscape assessments for monitoring and assessing watershed conditions. These programs will help assess risks and priorities for ensuring clean water.

Recognizing that environmental policy and regulatory decisions will only be as good as the science upon which they are based, EPA makes every effort to ensure that its science is of the highest quality and relevance, thereby providing the basis for sound environmental results. EPA uses the Research and Development (R&D) Investment Criteria of quality, relevance, and performance in its decision-making processes through the use of research strategies and plans, program review and evaluation by the Board of Scientific Counselors (BOSC) and the Science Advisory Board (SAB), and peer review.

Goal 3: Land Preservation and Restoration

Strategic Goal: Preserve and restore the land by using innovative waste management practices and cleaning up contaminated properties to reduce risks posed by releases of harmful substances.



23% of Budget

Resource Summary

(\$ in 000)

| | FY 2007 President's Budget | FY 2008 President's Budget | Difference |
|----------------------------------|----------------------------------|----------------------------------|------------------|
| 1 - Preserve Land | \$242,511 | \$231,575 | -\$10,936 |
| 2 - Restore Land | \$1,397,706 | \$1,382,939 | -\$14,767 |
| 3 - Enhance Science and Research | \$50,170 | \$48,607 | -\$1,563 |
| Goal 3 Total ** | \$1,690,386 | \$1,663,120 | -\$27,266 |
| Workyears * | 4,693.5 | 4,582.0 | -111.5 |

* Agency authorized FTE levels are being aligned with actual utilization. See workforce section in the overview. ** Numbers may not add due to rounding.

Land is one of America's most valuable resources. Uncontrolled, hazardous and non-hazardous wastes on the land can migrate to the air, groundwater, and surface water, contaminating drinking water supplies, causing acute illnesses or chronic diseases, and threatening healthy ecosystems in urban, rural, and suburban areas. To address these issues, EPA implements the Land Preservation and Restoration goal utilizing a three pronged approach—prevention, protection, and response activities to address immediate needs; enforcement and compliance assistance to determine what needs to be done and who should pay; and sound science and research to address risk factors and new, innovative solutions.

Prevention, Protection, and Response Activities

EPA leads the country's activities to prevent and reduce the risks posed by releases of harmful substances and to preserve and restore land with effective waste management and cleanup methods. In FY 2008, the Agency will continue to apply the most effective approach to controlling these risks by developing and implementing prevention programs, improving response capabilities, and maximizing the effectiveness

Goal 3: Land Preservation and Restoration

of response and cleanup actions. This approach will help ensure that human health and the environment are protected and that land is returned to beneficial use.

In FY 2008, EPA also will continue to use a hierarchy of approaches to protect the land: reducing waste at its source, recycling waste, managing waste effectively by preventing spills and releases of toxic materials, and cleaning up contaminated properties. The Agency especially is concerned about threats to our most sensitive populations, such as children, the elderly, and individuals with chronic diseases, and prioritizes cleanups accordingly.¹

The Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA, or Superfund) and the Resource Conservation and Recovery Act (RCRA) provide the legal authority for most of EPA's work toward this goal. The Agency and its partners use Superfund authority to clean up uncontrolled or abandoned hazardous waste sites, allowing land to be returned to productive use. Under RCRA, EPA works in partnership with states and Tribes to address risks associated with leaking underground storage tanks and with the generation and management of hazardous and nonhazardous waste.

EPA also uses authorities provided under the Clean Air Act, Clean Water Act, and Oil Pollution Act of 1990 to protect against spills and releases of hazardous materials. Controlling the many risks posed by accidental and intentional releases of harmful substances presents a significant challenge. In FY 2008, EPA will continue to ensure that it is adequately prepared to minimize contamination and harm to the environment from spills and releases of hazardous materials by improving its readiness to respond to emergencies through training as well as maintaining a highly skilled, well-trained, and equipped response workforce.

The following themes characterize EPA's land program activities under Goal 3 in FY 2008: Revitalization; Recycling, Waste Minimization and Energy Recovery; Emergency Preparedness, Response, and Homeland Security; and implementation of the recently-authorized Energy Policy Act of 2005 (EPAct).

- **Revitalization:** All of EPA's cleanup programs (Superfund Remedial, Superfund Federal Facilities Response, Superfund Removal, RCRA Corrective Action, Brownfields, and Underground Storage Tanks) and their partners are taking proactive steps to facilitate the cleanup and revitalization of contaminated properties. Revitalizing these once productive properties helps communities by removing blight, satisfying the growing demand for land, helping limit urban sprawl, fostering ecologic habitat enhancements, enabling economic development, and maintaining or improving quality of life. In reflection of the high priority the Agency has placed on

¹ Additional information on these programs can be found at: www.epa.gov/superfund, <http://www.epa.gov/superfund/programs/er/index.htm>, <http://www.epa.gov/epaoswer/hazwaste/ca/>, and <http://www.epa.gov/swerrims/landrevitalization>.

land revitalization, the Superfund program is participating in efforts to implement cross-program revitalization measures to capture a broader array of accomplishments across all of EPA's cleanup programs resulting from the assessment and cleanup of properties. One example is the new Superfund Remedial PART measure "Acres of land ready for reuse." In addition, in FY 2006 the Superfund program developed the "Site-wide Ready for Anticipated Use" measure to track National Priority List (NPL) sites where construction of the remedy is complete; where cleanup goals in the Record of Decision (ROD) have been achieved such that there are no unacceptable risks associated with current and reasonably anticipated future uses; and where all institutional controls required in the ROD have been implemented. In FY 2008, the Agency expects 30 NPL sites to achieve this accomplishment.

- **Recycling, Waste Minimization and Energy Recovery:** EPA's strategy for reducing waste generation and increasing recycling will continue to be based on: 1) establishing and expanding partnerships with businesses, industries, Tribes, states, communities, and consumers; 2) stimulating infrastructure development and environmentally responsible behavior by product manufacturers, users, and disposers; and 3) helping businesses, government, institutions, and consumers reduce waste generation and increase recycling through education, outreach, training, and technical assistance. In FY 2008, EPA will continue the Resource Conservation Challenge as a major national effort to find flexible, yet more protective ways to conserve our valuable natural resources through waste reduction, energy recovery, and recycling.
- **Emergency Preparedness, Response, and Homeland Security:** EPA has a major role in reducing the risk to human health and the environment posed by accidental or intentional releases of harmful substances and oil. In FY 2008, EPA will continue to improve its capability to effectively prepare for and respond to these incidents, including natural disasters such as hurricanes, by working closely with other Federal agencies within the National Response Plan. EPA will also continue to develop a national environmental laboratory capability and decontamination options to ensure that the nation can quickly recover from nationally significant incidents.
- **Implementing the EPA Act:** The EPA Act² contains numerous provisions that significantly affect Federal and state underground storage tank (UST) programs and requires that EPA and states strengthen tank release and prevention programs. In FY 2008, EPA is requesting \$34 million to provide assistance to states to help them meet their new responsibilities, which include 1) mandatory inspections every three years for all underground storage tanks, 2) operator training, 3) prohibition of

² For more information, refer to http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=109_cong_public_laws&docid=f:publ058.109.pdf (scroll to Title XV - Ethanol And Motor Fuels, Subtitle B - Underground Storage Tank Compliance, on pages 500-513 of the pdf file).

Goal 3: Land Preservation and Restoration

delivery for non-complying facilities³, 4) secondary containment or financial responsibility for tank manufacturers and installers, 5) various compliance reports, and 6) grant guidelines. EPA is also submitting new legislative language to allow states to use alternative mechanisms such as the Environmental Results Program (ERP) to meet the mandatory three-year inspection requirement. This proposal provides States with a less costly alternative to meet the objectives of the Energy Policy Act. In FY 2008, EPA will also implement the UST Tribal strategy⁴ developed in FY 2006 in Indian country.

Enforcement

Enforcement authorities play a unique role under the Superfund program: they are used to leverage private-party resources to conduct a majority of the cleanup actions and to reimburse the Federal government for cleanups financed by appropriations. The Superfund program's "enforcement first" policy ensures that sites that have viable potentially responsible parties (PRPs) are cleaned up by those parties, allowing EPA to focus appropriated resources on sites where viable PRPs either do not exist or lack funds or capabilities needed to conduct the cleanup. In tandem with this approach, various reforms have been implemented to increase fairness, reduce transaction costs, and promote economic development.⁵

EPA has ongoing cleanup and property transfer responsibilities at some of the Nation's most contaminated Federal properties, which range from realigning and closing military installations and former military properties containing unexploded ordnance, solvents, and other industrial chemicals to Department of Energy sites containing nuclear waste. EPA's Superfund Federal Facilities Response and Enforcement program helps Federal and local governments, Tribes, states, redevelopment authorities and the affected communities ensure contamination at Federal or former Federal properties is addressed in a manner that protects human health and the environment.⁶

In FY 2008, the Agency will continue to encourage the establishment and use of Special Accounts within the Superfund Trust Fund. As of the end of FY 2006, EPA maintains more than 500 Special Accounts within the Superfund Trust Fund. These accounts segregate site-specific funds obtained from responsible parties that complete settlement agreements with EPA. These funds may create an incentive for other PRPs at that specific site to perform work they otherwise might not be willing to perform. In addition, these funds may be used by the Agency to fund cleanup activities if there

³ Refer to *Grant Guidelines to States for Implementing the Delivery Prohibition Provision of the Energy Policy Act of 2005*, August 2006, EPA-510-R-06-003, http://www.epa.gov/oust/fedlaws/epact_05.htm#Final.

⁴ Refer to *Strategy for an EPA/Tribal Partnership to Implement Section 1529 of the Energy Policy Act of 2005*, August 2006, EPA-510-F-06-005, http://www.epa.gov/oust/fedlaws/epact_05.htm#Final.

⁵ For more information regarding EPA's enforcement program and its various components, please refer to <http://www.epa.gov/compliance/cleanup/superfund/>.

⁶ For more information on the Superfund Federal Facilities Response and Enforcement program, please refer to <http://www.epa.gov/fedfac>.

are no known or viable PRPs. As a result, the Agency can get more sites cleaned up while preserving the appropriated Trust Fund dollars for sites without viable PRPs.

In FY 2008, the Agency will negotiate remedial design/remedial action cleanup agreements and removal agreements at contaminated properties. Where negotiations fail, the Agency will either take unilateral enforcement actions to require PRP cleanup or use appropriated dollars to remediate sites. When appropriated dollars are used to clean up sites, the program will recover this money from the PRPs whenever possible.

EPA's financial management offices provide a full array of support services to the Superfund program including managing oversight billing for Superfund site cleanups and financial cost recovery. The Department of Justice supports EPA's Superfund Enforcement program through negotiations and judicial actions to compel PRP cleanup and litigation to recover Trust Fund monies spent.

Enhancing Science and Research to Restore and Preserve Land

The FY 2008 land research program supports the Agency's objective of reducing and controlling potential risks to human health and the environment at contaminated waste sites by providing the science to accelerate scientifically defensible and cost-effective decisions for cleanup of sites in accordance with CERCLA, RCRA and other applicable statutes. Recognizing that environmental policy and regulatory decisions will only be as good as the science upon which they are based, EPA makes every effort to ensure that its science is of the highest quality and relevance, thereby providing the basis for sound environmental results.

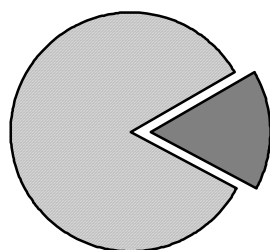
In FY 2008, EPA is requesting \$48.6 million to enhance science and research in support of EPA's land preservation and restoration programs. Research activities in FY 2008 will focus on contaminated sediments, ground water contamination, site characterization, analytical methods, and site-specific technical support. Research activities will advance EPA's ability to accurately characterize the risks posed by contaminated sediments and determine the range and scientific foundation for remedy selection options. EPA's land research program will also address the transport of contaminants in ground water and subsequent intrusion of contaminant vapors into buildings. Oil spill remediation research will continue to focus on physical, chemical, and biological risk management methods for petroleum and non-petroleum oils spilled into freshwater and marine environments, as well as development of a protocol for testing solidifiers and treating oil. UST research will address the development of online transport models that can be used by state project managers. Research in resource conservation, corrective action, hazardous waste treatment, landfills, leaching, containment systems, and landfill bioreactors will constitute the major areas of research and support for RCRA activities in FY 2008. In addition, EPA's land research program will continue to provide site-specific assistance on technical issues across the land remediation and restoration programs.

Goal 3: Land Preservation and Restoration

EPA will continue to collaborate with states and the private sector to conduct field sampling and optimize operations and monitoring of long-term remedies and research activities. Furthermore, in response to an independent review of the RCRA portion of the land research program, a shift in the research program will be made in FY 2008 to address nanotechnology fate and transport research issues in an effort by the program to focus on emerging issues and strategic research topics.

Goal 4: Healthy Communities and Ecosystems

Strategic Goal: *Protect, sustain, or restore the health of people, communities, and ecosystems using integrated and comprehensive approaches and partnerships.*



16% of Budget

Resource Summary

(\$ in 000)

| | FY 2007 President's Budget | FY 2008 President's Budget | Difference |
|---|----------------------------------|----------------------------------|------------------|
| 1 - Chemical and Pesticide Risks | \$386,011 | \$387,166 | \$1,155 |
| 2 - Communities | \$251,034 | \$234,758 | -\$16,276 |
| 3 - Restore and Protect Critical Ecosystems | \$198,151 | \$178,374 | -\$19,777 |
| 4 - Enhance Science and Research | \$392,464 | \$371,268 | -\$21,196 |
| Goal 4 Total ** | \$1,227,659 | \$1,171,565 | -\$56,094 |
| Workyears * | 3,825.4 | 3,743.9 | -81.5 |

* Agency authorized FTE levels are being aligned with actual utilization. See workforce section in the overview. ** Numbers may not add due to rounding.

In FY 2008, the Environmental Protection Agency will protect, sustain or restore the health of communities and ecosystems by bringing together a variety of programs, tools, approaches and resources, including partnerships with stakeholders and Federal, state, Tribal, and local government agencies. EPA manages environmental risks to watersheds, communities, homes, and workplaces to protect human health and the environmental integrity of ecosystems. The Agency employs a mix of regulatory programs and partnership approaches to achieve results in ways that are efficient, innovative, and sustainable. Ideally, EPA can implement a strategy of preventing pollution at the source; however, where programs to prevent pollution or ecosystem damage are not viable, EPA promotes waste minimization, avoidance of impact on habitat, safe disposal, and remediation.

In managing risk, EPA directs its efforts toward the greatest threats in our communities, homes, and workplaces, including threats to sensitive populations such as children and the elderly, and to communities with potential disproportionately high and adverse environmental and public health effects including minorities and/or low-income

Goal 4: Healthy Communities and Ecosystems

communities. Pound for pound, children breathe more air, drink more water, and eat more food than adults, and their behavior patterns may increase their exposure to potential toxics. Even older Americans in good health may be at increased risk from exposure to environmental pollutants. As people age, their bodies are less able to detoxify and eliminate toxins. Native Americans represent another segment of the population with a different risk profile. Their traditional sources for food and ways of life may lead to higher levels of exposure to certain toxics.

Pesticides Programs

A key component of protecting the health of people, communities, and ecosystems is identifying, assessing, and reducing the risks presented by the thousands of chemicals on which our society and economy have come to depend. Toward that end, EPA is investing \$122.4 million in Pesticides Licensing programs in FY 2008. Chemical and biological pesticides help meet national and global demands for food; provide effective pest control for homes, schools, gardens, highways, utility lines, hospitals, and drinking water treatment facilities; and control animal vectors of disease. In accordance with the provisions of the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA), the Agency is restructuring the presentation of FIFRA implementation funding and replacing the Pesticides Registration, Reregistration and Field programs with these new programs in FY 2008:

- Pesticides: Protect Human Health from Pesticides Risk
- Pesticides: Protect the Environment from Pesticides Risk, and
- Pesticides: Realize the Value of Pesticides Availability

In 2008, as required by the Food Quality Protection Act (FQPA), EPA will continue to establish a process for periodic review of pesticide registrations with the goal of completing the process every 15 years. The Agency will also focus its reregistration resources to support the 2008 FQPA deadline for completing non-food use Registration Eligibility Decisions (REDs).

Toxics Programs

EPA programs under this goal have many indirect benefits. For example, each year the Toxic Substances Control Act (TSCA) New Chemicals program reviews and manages the potential risks from approximately 1,500 new chemicals and 40 products of biotechnology that enter the marketplace. This new chemical review process not only protects the public from the possible immediate threats of harmful chemicals, but it has also contributed to changing the behavior of the chemical industry, making industry more aware and responsible for the impact these chemicals have on human health and the environment.

The Acute Exposure Guideline Levels (AEGLs) program was designed by EPA to provide scientifically credible data to directly support chemical emergency planning,

response, and prevention programs mandated by Congress. Emergency workers and first responders addressing accidental or intentional chemical releases need to know how dangerous a chemical contaminant may be to breathe or touch, and how long it may remain dangerous. The program develops short-term exposure limits applicable to the general population for a wide range of extremely hazardous substances and has assigned values to 190 chemicals to date.

In addressing chemicals that have entered the market before the inception of the New Chemical Review program, EPA will continue to implement its voluntary High Production Volume (HPV) Chemicals program. The HPV Chemicals Program challenges industry to develop chemical hazard data on existing chemicals that it chooses to “sponsor.” EPA will make data publicly available for approximately 1,400 HPV chemicals sponsored under the program and issue initial risk screening reports for the highest priority of those chemicals. Complementing HPV is the Voluntary Children’s Chemical Evaluation Program (VCCEP), a high-priority screening program targeting existing chemicals believed to have particular impact on children’s health.

The Agency will continue to manage its programs to address specific chemicals and toxics of concern, including lead, mineral fibers, mercury, polychlorinated biphenyls (PCBs), perfluorooctanoic acid (PFOA), and persistent, bioaccumulative and toxic (PBT) chemicals generally. The Lead program is focusing efforts on reducing lead hazards, and a \$1 million investment, as requested for FY 2008, will allow the Agency to promulgate a final regulation to address lead-safe work practices for renovation, repair and painting activities in homes with lead-based paint. The program will also continue to improve methods to reach vulnerable populations and communities with a high concentration of children with elevated blood-lead levels and emphasize grant-supported activities such as state-implemented lead-based paint training and certification programs.

EPA’s Community Action for a Renewed Environment (CARE) is a competitive grant program that offers an innovative way for communities to take action to reduce toxic pollution. Through CARE, communities create local collaborative partnerships that implement local solutions to reduce releases of toxic pollutants and minimize exposure to toxic pollutants.

Water Programs

EPA’s ecosystem protection programs encompass a wide range of approaches that address specific at-risk regional areas and larger categories of threatened systems, such as estuaries and wetlands. Locally generated pollution, combined with pollution carried by rivers and streams and through air deposition, can accumulate in these ecosystems and degrade them over time. Large water bodies, such as the Gulf of Mexico, the Great Lakes, and the Chesapeake Bay, have been exposed to substantial pollution over many years. Coastal estuaries and wetlands are also vulnerable. As the

Goal 4: Healthy Communities and Ecosystems

populations in coastal regions grow, the challenges to preserve and protect these important ecosystems increase. Working with stakeholders, EPA has established special programs to protect and restore these unique resources.

In FY 2008, EPA will continue cooperation with Federal, state and Tribal governments and other stakeholders to achieve the President's goal, set in 2004, to restore, improve, and protect three million acres of wetlands by 2009. A \$17.2 million request in FY 2008 will support and monitor all 28 National Estuary Programs (NEPs) in implementing approved Comprehensive Conservation and Management Plans (CCMPs), which identify more than 2,000 priority actions needed to protect and restore the estuaries.

The Great Lakes program ecosystem is requesting \$21.8 million in the FY 2008 budget to continue support of the Great Lakes Regional Collaboration and the Great Lakes Water Quality Agreement. The program will monitor ecosystem indicators; support toxics reduction through contaminated sediment remediation and pollution prevention; protect and restore habitat; and address strategic issues such as aquatic invasive species and the need to investigate the decline of *Diporeia*, a key lower-food web organism. The FY 2008 request to implement the Great Lakes Legacy Act, which supports cleanup of contaminated sediments, is \$35 million. EPA is committed to its long-term goal of 100 percent attainment of dissolved oxygen standards in waters of the Chesapeake Bay and 185,000 acres of submerged aquatic vegetation (SAV). In FY 2008, \$4.5 million will bring the Agency closer to improving key priority coastal and ocean issues in the Gulf of Mexico.

Brownfields

Building the capacity for a community to make decisions that affect their environment is at the heart of EPA's community-centered work. EPA's efforts to share information and build community capacity offer the tools communities need to consider the many aspects of planned development or redevelopment. EPA encourages community development by providing funds to assist communities with inventory, assessment, and clean up the lightly contaminated properties ("Brownfields") that lie abandoned or unused. In addition, along the U.S.-Mexico border, addressing local pollution and infrastructure deficiencies are priorities for Mexico and the United States under the Border 2012 Agreement. Addressing these challenges requires combining innovative and community-based approaches with national guidelines and interagency coordination to achieve results.

Smart Growth

The Smart Growth program works with stakeholders to create an improved economic and institutional climate for Brownfields redevelopment. Critical issues for Brownfield redevelopment in FY 2008 include land assembly, development permitting issues, financing, parking and street standards, and other factors that influence the

economic viability of Brownfields redevelopment. The Smart Growth program removes barriers and creates incentives for Brownfield redevelopment by changing development standards that affect the viability of Brownfields redevelopment; and creating cross-cutting solutions that improve the economic, regulatory and institutional climate for Brownfield redevelopment.

International Affairs

To sustain and enhance domestic and international environmental progress, the Agency collaborates with other nations and international organizations to identify, develop, and implement policy options to address environmental problems of mutual concern. By assisting developing countries in managing their natural resources and protecting the health of their citizens, EPA helps reduce transboundary movement of pollution in the air and in water. EPA also works to include environmental protection provisions and commitments to effectively enforce environmental laws and regulations in all international trade agreements negotiated by the United States.

Environmental Justice

EPA is committed to environmental justice for all people, regardless of race, color, national origin, or income. Toward that end, the Agency will focus its environmental justice efforts on the following eight priorities:

- Reducing asthma attacks,
- Reducing exposure to air toxics,
- Increasing compliance with regulations,
- Reducing incidence of elevated blood lead levels,
- Ensuring that fish and shellfish are safe to eat,
- Ensuring that water is safe to drink,
- Revitalizing brownfields and contaminated sites, and
- Using collaborative problem-solving to address environmental and public health concerns.

Research

In order to adequately protect or restore the health of communities and ecosystems, environmental policy and regulatory decisions must be based on sound science. Strong science allows identification of the most important sources of risk to human health and the environment as well as the best means to detect, abate, and avoid possible environmental problems, and thereby guides our priorities, policies, and deployment of resources.

To enable the Agency to enhance science and research for healthy people, communities, and ecosystems, EPA will continue to conduct high priority, multidisciplinary research in the areas of human health, ecosystems, mercury, global

Goal 4: Healthy Communities and Ecosystems

change, pesticides and toxics, endocrine disruptors, computational toxicology, nanotechnology, and Homeland Security. The Agency also will cultivate the next generation of environmental scientists by awarding fellowships to pursue higher education in environmentally related fields and by hosting recent graduates at its facilities.

In FY 2008, the human health research program will continue research efforts on cumulative risks. Research will focus on risk intervention and prevention strategies that ultimately reduce human risk associated with exposures to single and multiple environmental stressors, including reducing chemical exposure in schools. The Agency's human health risk assessment (HHRA) research program will develop and implement a process to identify, compile, characterize, and prioritize new scientific studies for science assessments of criteria air pollutants to assist EPA's air and radiation programs in determining the National Ambient Air Quality Standards (NAAQS). Also, the HHRA research program will complete 16 human health assessments of high priority chemicals for interagency review or external peer review and deliver revised science assessments for Sulfur Dioxide and Nitrogen Oxides.

In order to balance human well-being with the need to protect the environment, it is important to understand the type of services that ecosystems provide, the stressors that affect these services, and how to successfully optimize the services provided by the ecosystem as a whole. In FY 2008, the ecosystems protection program will continue research on the development of decision-support tools for managing resources in ways that improve their resilience to disturbance, thus reducing the need for future costly restoration efforts. The program will also use spatial analysis methods to develop options for maximizing existing ecosystem services and for analyzing tradeoffs among the types of services that can be achieved.

Computational toxicology research, which facilitates a better understanding of the relationships between sources of environmental pollutant exposure and adverse outcomes, will support four key areas in FY 2008:

- Information technology,
- Chemical prioritization and categorization tools,
- Systems biology models, and
- Cumulative risk assessment.

Specifically, initial results for the "ToxCast," will emerge in FY 2008. The "ToxCast" is the Agency's chemical prioritization research program that offers promise in revolutionizing the effective and efficient use of animals in toxicology testing schemes. In addition, modeling research, which now plays a crucial role in practically all areas of biological research, will begin developing a computational model of the liver

Goal 4: Healthy Communities and Ecosystems

by integrating biological information in order to achieve an improved understanding of how susceptibility to toxicant exposure depends on environmental, behavioral and genetic factors, and on age and health status.

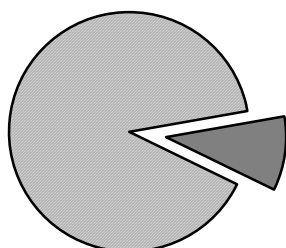
Endocrine Disruptors research will continue to develop methods and models to evaluate the effects associated with exposure to endocrine disruptors as well as continue to develop improved molecular and computational tools that can be used to prioritize endocrine disrupting chemicals for screening and testing. Nanotechnology research is another area of high visibility in FY 2008. Efforts will continue to focus on nanotechnology's environmental applications and investigate its implications on the environment, health, and safety.

In FY 2008, continued research in the pesticides and toxics research program will characterize toxicity and pharmacokinetic profiles of perfluoroalkyl chemicals, examine the potential for selected perfluorinated telomers to degrade to perfluorooctanoic acid or its precursors, and develop methods and models to forecast the fate of pesticides and byproducts from source waters through drinking water treatment systems and ultimately to the U.S. population.

Recognizing that environmental policy and regulatory decisions will only be as good as the science upon which they are based, EPA makes every effort to ensure that its science is of the highest quality and relevance, thereby providing the basis for sound environmental results. EPA uses the Research and Development (R&D) Investment Criteria of quality, relevance, and performance in its decision-making processes through the use of research strategies and plans, program review and evaluation by the Board of Scientific Counselors (BOSC) and the Science Advisory Board (SAB), and peer review.

Goal 5: Compliance and Environmental Stewardship

Strategic Goal: Improve environmental performance through compliance with environmental requirements, preventing pollution, and promoting environmental stewardship. Protect human health and the environment by encouraging innovation and providing incentives for governments, businesses, and the public that promote environmental stewardship.



10% of Budget

Resource Summary

(\$ in 000)

| | FY 2007 President's Request | FY 2008 President's Request | Difference |
|---|-----------------------------------|-----------------------------------|----------------|
| 1 - Achieve Environmental Protection through Improved Compliance | \$491,949 | \$508,148 | \$16,200 |
| 2 - Improve Environmental Performance through Pollution Prevention and Innovation | \$113,158 | \$108,613 | -\$4,545 |
| 3 - Improve Human Health and the Environment in Indian Country | \$74,074 | \$74,304 | \$230 |
| 4 - Enhance Societies Capacity for Sustainability through Science & Research | \$55,163 | \$52,767 | -\$2,397 |
| Goal 5 Total** | \$734,343 | \$743,832 | \$9,488 |
| Workyears * | 3,485.6 | 3,481.7 | -3.9 |

* Agency authorized FTE levels are being aligned with actual utilization. See workforce section in the overview. ** Numbers may not add due to rounding.

The Environmental Protection Agency will work to improve the nation's environmental protection practices and enhance natural resource conservation on the part of government, business, and the public. To accomplish these goals, the Agency will employ a mixture of effective inspection, enforcement and compliance assistance strategies; provide leadership and support for pollution prevention and sustainable practices; reduce regulatory barriers; and refine and apply results-based, innovative, and multi-media approaches to environmental stewardship and safeguarding human health.

In addition, EPA will assist Federally-recognized Tribes in assessing environmental conditions in Indian country, and will help build their capacity to

Goal 5: Compliance and Environmental Stewardship

implement environmental programs. EPA will also strengthen the scientific evidence and research supporting environmental policies and decisions on compliance, pollution prevention, and environmental stewardship.

Improving Compliance with Environmental Laws

In order to be effective, the EPA requires a strong enforcement and compliance program, one which: identifies and reduces noncompliance problems; assists the regulated community in understanding environmental laws and regulations; responds to complaints from the public; strives to secure a level economic playing field for law-abiding companies; and deters future violations.

In order to meet the Agency's goals, the program's strategy employs an integrated, common-sense approach to problem-solving and decision-making. An appropriate mix of data collection and analysis; compliance monitoring, assistance and incentives; civil and criminal enforcement resources; and innovative problem-solving approaches are used to address significant environmental issues and achieve environmentally beneficial outcomes.

Further, the Agency's Enforcement and Compliance Assurance program uses compliance assistance and incentive tools to encourage compliance with regulatory requirements and reduce adverse public health and environmental problems. To achieve compliance, the regulated community must first understand its obligations and then learn how to best comply with regulatory obligations.

The Agency's Compliance Monitoring program reviews and evaluates the activities of the regulated community to determine compliance with applicable laws, regulations, permit conditions and settlement agreements, and to determine whether conditions presenting imminent and substantial endangerment exist. FY 2008 Compliance Monitoring activities will be both environmental media- and sector-based. The traditional media-based inspections complement those performed by states and Tribes, and are a key part of our strategy for meeting the long-term and annual goals established for the air, water, pesticides, toxic substances, and hazardous waste environmental goals included in the EPA Strategic Plan.

The Enforcement program addresses violations of environmental laws, to ensure that violators come into compliance with Federal laws and regulations. In FY 2008, the program will work to achieve the Agency's environmental goals through consistent, fair and focused enforcement of all environmental statutes. The overarching goal of the Enforcement program is to protect human health and the environment, targeting its actions according to degree of health and environmental risk. In FY 2008, EPA will continue to implement its National Compliance and Enforcement Priorities (NCEP), which address the most widespread types of violations that also pose the most substantive health and environmental risks. The NCEP list will use statistically valid noncompliance information developed by Compliance Monitoring. In addition, in FY 2008 EPA anticipates reducing, treating, or eliminating an estimated 550 million pounds

Goal 5: Compliance and Environmental Stewardship

of pollutants building upon our achievements to date in reducing pollution through enforcement settlement agreements and compliance incentives by an estimated 4.5 billion pounds over the last six fiscal years.

Maximum compliance requires the active efforts of the regulated community. Evaluation of self-reporting will occur in order to understand the effectiveness and accuracy of such self-reporting. Throughout FY 2008, EPA will continue to investigate options for encouraging self-directed audits and disclosures. Also in FY 2008, EPA's Enforcement and Compliance Assurance program will continue to develop meaningful measures to assess the impact of enforcement and compliance activities and target areas that pose the greatest risks to human health or the environment, display patterns of noncompliance, or include disproportionately exposed populations.

NEPA Federal Review: EPA fulfills its uniquely Federal responsibilities under the National Environmental Policy Act (NEPA) and Section 309 of the Clean Air Act by reviewing and commenting on other Federal agency Environmental Impact Statements (EISs), and making the comments available to the public. NEPA requires that Federal agencies prepare and submit EISs to identify potential environmental consequences of major proposed activities, and develop plans to mitigate or eliminate adverse impacts.

Improving Environmental Performance through Innovation, Pollution Prevention and Stewardship

Pollution prevention will continue being one of the Agency's primary tools for minimizing and preventing adverse environmental impacts by preventing the generation of pollution at the source. Through pollution prevention integration, EPA will work to bring about a performance-oriented regulatory system that develops innovative, flexible strategies to achieve measurable results; promotes environmental stewardship in all parts of society; supports sustainable development and pollution prevention; and fosters a culture of creative environmental problem solving.

Partnering with Businesses and Consumers: In 2008, through the Pollution Prevention (P2) program, EPA will promote stronger regional partnerships and geographically tailored approaches to address unique community problems. Also in FY 2008, EPA will continue to encourage, empower, and assist government and business to "green" the nation's supply and demand structures to make them more environmentally sound. Through the Environmentally Preferable Purchasing Program, the Agency will provide enhanced guidance to the Federal building community on model green construction specifications and help Federal agencies identify and procure those products that generate the least pollution, consume fewest non-renewable natural resources, and constitute the least threat to human health and to the environment. EPA's innovative Green Suppliers Network (GSN) Program works with large manufacturers to increase energy efficiency; identify cost-saving opportunities; optimize resources and technology through the development of sound business approaches incorporating pollution prevention; and to promote those approaches among their numerous suppliers. P2 Grants to states and Tribes enable them to provide technical assistance, education and outreach to assist businesses and industries in identifying

Goal 5: Compliance and Environmental Stewardship

strategies and solutions to reduce wastes and pollution at the source. The importance of tracking outcomes from P2 grants has been reinforced by adding key P2 environmental outcome targets to program guidance reporting measures.

In FY 2008, through the National Partnership for Environmental Priorities (NPEP), the Agency will continue to reduce priority chemicals in wastes. As of August 2006, the NPEP program has obtained industry commitments for 2.1 million pounds of priority chemical reductions through 2011. Reductions will be achieved primarily through source reduction made possible by safer chemical substitutes.

Promoting Innovation and Stewardship: In FY 2008, EPA will work to bring about a performance-oriented regulatory system that develops innovative, flexible strategies to achieve measurable results; promote environmental stewardship in all parts of society; support sustainable development and pollution prevention; and foster a culture of creative environmental problem solving.

The Performance Track (PT) program will improve program reporting, develop and implement national and regional challenge commitments, and leverage state environmental leadership programs by aligning PT with 20 state programs. In addition, EPA will sponsor a formal program evaluation of the program in FY 2008 and FY 2009.

Also in FY 2008, EPA will continue to grow its partnerships and track environmental performance trends with major manufacturing sectors, such as steel, cement, forest products, and shipbuilding, plus important non-manufacturing sectors like agribusiness, construction, and ports. The Agency will address barriers to improved performance, provide sector-specific “drivers” for continuous improvement and stewardship, and use the partnerships to tackle high priority environmental issues.

EPA will also continue to promote environmental performance through the Environmental Results Program (ERP), a state-run program promoting environmental performance and efficiency through assistance and incentives to both states and businesses. In FY 2008, EPA will support the growing demand for the ERP program, beyond the 15 States and 10 sectors currently active in the program.

Finally, EPA will continue the State Innovation Grant (SIG) program in FY 2008, which provides support to states, allowing them to develop their own innovative approaches, including flexible permitting, ERP, and environmental leadership programs (e.g. PT). Measurement and program evaluation also will continue to be priorities.

Building Tribal Capacity

The EPA Indian Policy of 1984 promotes working with federally recognized Tribes on a government-to-government basis. Under Federal environmental statutes, the Agency will work to assure human health and environmental protection in Indian country. EPA has worked to establish the internal infrastructure and organize its activities in order to meet this responsibility. EPA's American Indian Environmental Office works to ensure

environmental protection in Indian country. EPA's strategy for achieving this objective has three major components:

- **Establish an Environmental Presence in Indian Country:** The Agency will continue to work to create an environmental presence for each Federally-recognized Tribe.
- **Provide Access to Environmental Information:** EPA will provide the information Tribes need to meet EPA and Tribal environmental priorities, as well as characterize the environmental and public health improvements that result from joint actions.
- **Implementation of Environmental Goals:** The Agency will provide opportunities for the implementation of Tribal environmental programs by Tribes, or directly by EPA, as necessary.

In FY 2008, the budget provides \$56.9 million for GAP grants, which will build Tribal environmental capacity to assess environmental conditions, utilize available Federal information, and build an environmental program tailored to Tribes' needs. The grants will develop environmental education and outreach programs, develop and implement integrated solid waste management plans, and alert EPA to serious conditions that pose immediate public health and ecological threats. Through GAP program guidance, EPA emphasizes outcome based results.

Sustainability

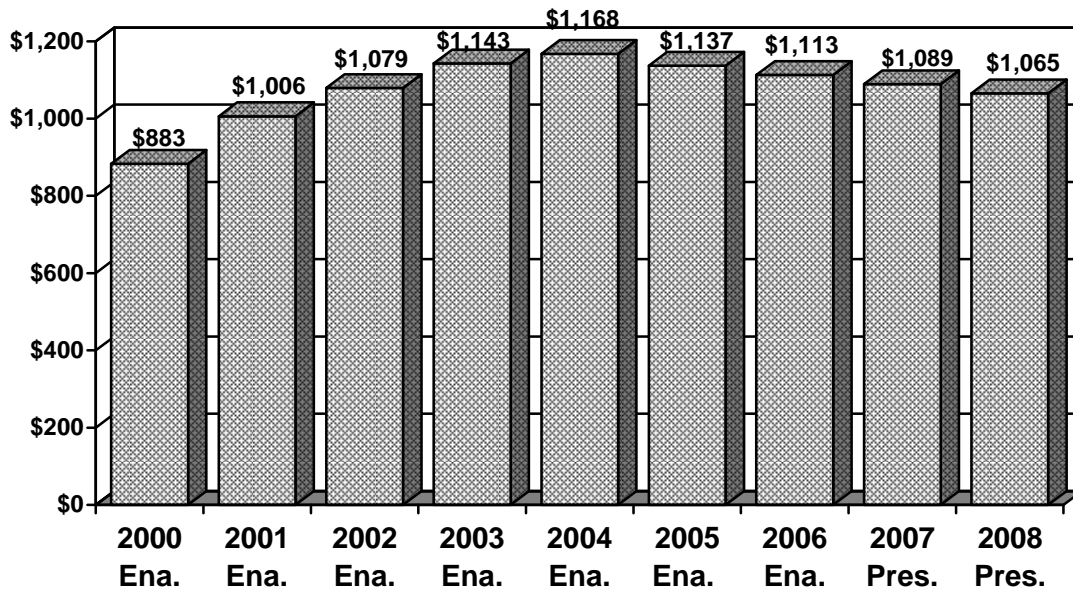
EPA has developed and evaluated tools and technologies to monitor, prevent, control, and clean up pollution throughout its history. Since the Pollution Prevention Act of 1990, the Agency has increasingly focused on preventative and sustainable approaches to health and environmental problems. EPA's efforts in this area support research specifically designed to address the issue of advancing sustainability goals – EPA's Science and Technology for Sustainability (STS) program.

Sustainable approaches require: innovative design and production techniques that minimize or eliminate environmental liabilities; integrated management of air, water, and land resources; and changes in the traditional methods of creating and distributing goods and services.

In FY 2008, EPA's Sustainability research program will embark on a new effort that is aimed at creating a suite of science-based sustainability metrics that are readily understood by the public. This work will address both large and small systems. In addition, the People, Prosperity, and Planet (P3) Award will support up to 50 student design projects from around the country, focusing on challenges in areas such as materials and chemicals, energy, resources, and water.

Appendixes

CATEGORICAL GRANTS PROGRAM (STAG)
(Dollars in millions)



*Does not account for the 2006 \$80.0 million rescission.

Categorical Grants

In FY 2008, EPA requests a total of \$1.065 billion for 22 “categorical” program grants for state, interstate organizations, non-profit organizations, intertribal consortia, 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 2008, 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 2008 request includes \$204.2 million for Air State and Local Assistance grants to support state, local, and Tribal air programs, as well as radon programs. Grant funds for State and Local Air Quality Management and Tribal Air Quality Management are requested in the amount of \$185.2 million and \$10.9 million, respectively. These funds provide resources to multi-state, state, local, and Tribal 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 ambient air standards set to protect public health and the environment.

In FY 2008, EPA will continue to work with state and local air pollution control agencies to develop or implement state implementation plans (SIPs) for the 8-hour ozone standard, the fine particle (PM-2.5) standard, and regional haze. States must submit the 8-hour ozone SIPs to EPA in FY 2007, and will continue with their implementation in FY 2008. States must submit regional haze SIPs to EPA in December 2007 and PM2.5 SIPs in April 2008. States will incorporate regional haze reduction strategies, developed by regional planning organizations, into their Regional Haze SIPs.

EPA will work with Federally-recognized Tribal governments nationwide to continue development and implementation of Tribal air quality management programs. Tribes are active in protection of the 4% of the land mass of the United States over which they have sovereignty and work closely with EPA to monitor criteria pollutants and air toxics. Tribes participate extensively in national monitoring networks and operate and report data from over 300 monitors. Several Tribes are developing Tribal Implementation Plans for continuing air quality management programs and roughly 30 will have qualified for and accepted designation to act as a state (TAS) for at least part of the Clean Air Act.

Lastly, this request includes \$8.1 million for Radon grants to continue to focus efforts on priority activities to achieve health risk reduction. In FY 2008, EPA expects 220,000 additional homes to have radon reducing features (approximately 145,000 mitigations and 75,000 new homes with radon resistant new construction), bringing the cumulative number of U.S. homes with radon reducing features to 2,000,000. EPA estimates that this cumulative number will result in approximately 800 future premature cancer deaths prevented (each year these radon reducing features are in place).

Pesticide Enforcement, Toxics Substance Compliance, & Sector Program Grants

The FY 2008 request includes \$26.0 million to build environmental enforcement partnerships with states and Tribes and to strengthen their ability to address environmental and public health threats. The enforcement state grants request consists of \$18.7 million for Pesticides Enforcement, \$5.1 million for Toxic Substances Enforcement Grants, and \$2.2 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. Under the Sector program grants, EPA builds 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 support state agencies implementing authorized, delegated, or approved environmental programs.

Pesticides Program Implementation Grants

The FY 2008 request includes \$13.0 million for Pesticides Program Implementation grants. These resources will assist states and Tribes in implementing the safer use of pesticides, including: worker protection programs; certification and training of pesticide applicators; protection of endangered species; Tribal pesticide programs; and integrated pest management and environmental stewardship. In FY 2008, EPA plans to complete a cumulative 100 percent of all Reregistration Eligibility Decisions which often include changes to allowable use patterns for pesticides already in the market. Pesticides Program Implementation Grants help state programs stay current with changing requirements.

Lead Grants

The FY 2008 request includes \$13.6 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 so that

Appendix A: Categorical Grants

states, Tribes and the Agency can better target remaining areas of high risk. In FY 2008, EPA expects to reduce the number of child lead poisoning cases by 38,700.

In FY 2008, EPA will continue to award Targeted Grants to Reduce Childhood Lead Poisoning. These grants are available to a wide range of applicants, including state and local governments, Federally-recognized Indian Tribes and Tribal consortia, territories, institutions of higher learning, and nonprofit organizations. In addition, EPA will continue a grant program initiated in FY 2007 which focuses on low-income communities through grants to national organizations engaged in working with these communities. This grant program is designed to help national and community organizations reach under-served populations that may have a disproportionate number of children with elevated blood lead levels.

Pollution Prevention Grants

The FY 2008 request includes \$5.9 million for Pollution Prevention grants. The program provides grant funds to deliver technical assistance to small and medium-sized businesses. The goal is to assist businesses and industries with identifying improved environmental strategies and solutions for reducing waste at the source. The program demonstrates that source reduction can be a cost-effective way of meeting or exceeding Federal and state regulatory requirements. In FY 2008, EPA is targeting a reduction of 469 million pounds of pollution, 1.7 billion gallons of water conserved, 50.1 million dollars saved through reduction in pollution and 1.3 billion BTUs conserved.

Environmental Information Grants

In FY 2008, EPA requests \$12.9 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 and thus improve environmental decision making, increase environmental data quality and accuracy, and reduce burdens on those who provide and those who access information. With nodes established in all 50 states, in FY 2008 this grant program will emphasize supporting all partners in the development and exchange of regulatory and non-traditional data flows in FY 2008.

State and Tribal Underground Storage Tanks Program

The FY 2008 request includes \$22.3 million for Underground Storage Tank (UST) grants. In FY 2008, EPA will continue to assist states and Tribes in implementing the UST program and will provide assistance and alternative mechanisms to states to help them meet their new responsibilities authorized under the Energy Policy Act. These new duties include performing additional inspections so that tanks are inspected every three years, developing operator training requirements, prohibiting fuel deliveries

at non-compliant UST facilities, requiring secondary containment for new and replaced tanks and piping or financial responsibility for tank installers and manufacturers, and ensuring owners and operators routinely and correctly monitor all regulated USTs and piping in accordance with regulations.

EPA has the primary responsibility for implementation of the UST program in Indian Country. In FY 2008, grants under the FY 1999 Appropriations Act (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. EPA also will implement the UST Tribal strategy developed in FY 2006 in Indian Country.

Hazardous Waste Financial Assistance Grants

In FY 2008, EPA requests \$103.3 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. In FY 2008, EPA expects to increase the number of hazardous waste facilities with permits in order to meet the 2008 goal of 95 percent coverage and increase the percent of annual permit renewals in line with 2008 requirements of a 50 percent annual renewal rate.

By the end of FY 2008, EPA and the authorized states will also control human exposures to contamination at 95 percent of the highest priority RCRA corrective action facilities (1,968 facilities), control migration of contaminated groundwater at 80 percent of these facilities, and complete the construction of final remedies at 20 percent of these facilities.

Brownfields Grants

In FY 2008, EPA requests \$49.5 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 states and Tribes capitalize Revolving Loan Funds for Brownfields cleanup, purchase environmental insurance, and conduct site-specific related activities such as assessments at Brownfields sites. In FY 2008, the funding provided will result in the assessment of 1,000 Brownfields properties. Using EPA grant dollars, the brownfields grantees will leverage \$900.0 million in cleanup and redevelopment funding.

Appendix A: Categorical Grants

Water Pollution Control (Clean Water Act Section 106) Grants

The FY 2008 EPA request includes \$221.7 million for Water Pollution Control grants. These funds enable National Pollution Discharge Elimination System (NPDES) permitting, enhance water quality monitoring activities, support Total Maximum Daily Load (TMDL) development, and will lead to improved water quality standards. EPA will work with states to implement the new rules governing discharges from Concentrated Animal Feeding Operations (CAFOs). States and authorized Tribes will continue to review and update their water quality standards as required by the Clean Water Act. The Agency's goal is that 87 percent of state submissions will be approvable in 2008. EPA also encourages states to continually review and update the water quality criteria in their standards to reflect the latest scientific information from EPA and other sources. EPA's goal for 2008 is that 68 percent of states will have updated their standards to reflect the latest scientific information in the past three years.

Wetlands Grants

In FY 2008, the request includes \$16.8 million for Wetlands Program grants. Through Wetlands Program Development Grants, states, Tribes, and local governments receive technical and financial assistance that will support the Administration's goal of protecting, restoring, and enhancing 3 million acres of wetlands. These grants will do this through the development and implementation of state and Tribal wetland programs that improve water quality in watersheds throughout the country as well as assist private landowners, educate local governments, and monitor and assess wetland quantity and quality.

Public Water System Supervision Grants

In FY 2008, EPA requests \$99.1 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. In FY 2008, the Agency will emphasize that states use their PWSS funds to ensure that drinking water systems of all sizes achieve or remain in compliance and drinking water systems of all sizes are meeting new health-based standards that came into effect in FY 2006, e.g., arsenic and uranium.

Tribal General Assistance Program Grants

In FY 2008, EPA's request includes \$56.9 million for the Tribal General Assistance Program (GAP) to help Federally-recognized Tribes and intertribal consortia develop, implement and assume environmental programs. In FY 2008, 50% of Federally-recognized Tribes and intertribal Consortia, out of a universe of 572 eligible entities, will have access to an environmental presence, or representative, to administer delegated environmental programs.

Homeland Security Grants

In FY 2008, the request 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. Fifty-six states and territories are eligible for Homeland Security grants.

Underground Injection Control (UIC) Grants

The FY 2008, EPA requests \$10.9 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. EPA and the states will continue to address Classes I, II, and III existing wells determined to be in significant violation and Class V wells determined to be in violation in FY 2008. Additionally, EPA and the states will close or permit Motor Vehicle Waste Disposal wells (Class V) identified during FY 2008.

BEACH Act Grants

The FY 2008 request includes \$9.9 million for the 35 states and territories with Great Lakes or coastal shorelines to protect public health at the Nation's beaches. The Beaches Environmental Assessment and Coastal Health Act (BEACH Act) of October 2000 authorizes EPA to award grants to help eligible states and territories develop and implement beach bacteria monitoring and notification programs. These programs inform the public about the risk of exposure to disease-causing microorganisms in coastal waters (including the Great Lakes).

Non-Point Source Program Grants (NPS–Clean Water Act Section 319)

In FY 2008, EPA requests \$194.0 million for Non-Point Source Program grants to states, territories, and Tribes. These grants enable 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. The request also eliminates the statutory one-third of one-percent cap on Clean Water Act Section 319 Non-point Source Pollution grants that may be awarded to Tribes. EPA's goal is to reduce annually the amount of runoff of phosphorus, nitrogen, and sediment through 319-funded projects by 4.5 million pounds, 8.5 million pounds, and 700,000 tons, respectively.

Appendix A: Categorical Grants

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

| <u>Air & Radiation</u> | | |
|--|----------------------|-------------|
| State and Local Assistance | \$185,179.5 | \$185,180.0 |
| Tribal Assistance | \$10,939.5 | \$10,940.0 |
| Radon | \$8,073.5 | \$8,074.0 |
| | <hr/> | <hr/> |
| | \$204,192.5 | \$204,194.0 |
| <u>Water</u> | | |
| Pollution Control (Section 106) | \$221,661.0 | \$221,664.0 |
| Beaches Protection | \$9,900.0 | \$9,900.0 |
| Nonpoint Source (Section 319) | \$194,040.0 | \$194,040.0 |
| Wetlands Program Development | \$16,830.0 | \$16,830.0 |
| Water Quality Cooperative Agrmnts | \$0.0 | \$0.0 |
| Targeted Watersheds | \$6,930.0 | \$0.0 |
| Wastewater Operator Training | \$0.0 | \$0.0 |
| | <hr/> | <hr/> |
| | \$449,361.0 | \$442,434.0 |
| <u>Drinking Water</u> | | |
| Public Water System Supervision (PWSS) | \$99,099.0 | \$99,100.0 |
| Underground Injection Control (UIC) | \$10,890.0 | \$10,891.0 |
| | \$4,950.0 | \$4,950.0 |
| | <hr/> | <hr/> |
| | \$114,939.0 | \$114,941.0 |
| <u>Hazardous Waste</u> | | |
| H.W. Financial Assistance | \$103,345.5 | \$103,346.0 |
| Brownfields | \$49,494.9 | \$49,495.0 |
| Underground Storage Tanks | \$37,566.7 | \$22,274.0 |
| | <hr/> | <hr/> |
| | \$190,407.1 | \$175,115.0 |
| <u>Pesticides & Toxics</u> | | |
| Pesticides Program Implementation | \$12,968.9 | \$12,970.0 |
| Lead | \$13,563.1 | \$13,564.0 |
| Toxic Substances Compliance | \$5,098.5 | \$5,099.0 |
| Pesticides Enforcement | \$18,711.0 | \$18,711.0 |
| | <hr/> | <hr/> |
| | \$50,341.5 | \$50,344.0 |
| <u>Multimedia</u> | | |
| Environmental Information | \$14,850.0 | \$12,850.0 |
| Pollution Prevention | \$5,940.0 | \$5,940.0 |
| Sector Program (Enf & Comp Assurance) | \$2,227.5 | \$2,228.0 |
| Indian General Assistance Program | \$56,925.0 | \$56,925.0 |
| State and Tribal Performance Fund | \$0.0 | \$0.0 |
| | <hr/> | <hr/> |
| | \$79,942.5 | \$77,943.0 |
| Total Categorical Grants | \$1,089,183.6 | |

Infrastructure / STAG Project Financing

(Dollars in Millions)

| | FY 2007 President's Budget | FY 2008 President's Budget |
|---|-------------------------------|-------------------------------|
| Infrastructure Financing: | | |
| Clean Water State Revolving Fund (CWSRF) | \$687.6 | \$687.6 |
| Drinking Water State Revolving Fund (DWSRF) | \$841.5 | \$842.2 |
| STAG Projects: | | |
| Brownfields Environmental Projects | \$89.1 | \$89.3 |
| Diesel Emissions Reduction Program | \$49.5 | \$35.0 |
| Mexico Border Projects | \$24.8 | \$10.0 |
| Alaska Native Villages | \$14.9 | \$15.5 |
| Targeted Projects - Puerto Rico | \$1.0 | \$0.0 |
| TOTAL | \$1,708.4 | \$1,679.6 |

¹ FY 2006 Enacted includes a 0.476% rescission and an additional 1% reduction.

Infrastructure and Special Projects Funds

The President's Request includes a total of \$1,679 million in 2008 for EPA's Infrastructure programs and State and Tribal Assistance Grant (STAG) projects. Approximately \$1.545 billion will support EPA's Goal 2: Clean and Safe Water, \$99.3 million will support EPA's Goal 4: Healthy Communities and Ecosystems and \$35.0 million will support Goal 1: Clean Air and Global Climate Change.

Infrastructure and targeted projects funding under the STAG appropriation provides financial assistance to states, municipalities, interstates, and Tribal governments to fund a variety of drinking water, wastewater, air and Brownfields environmental projects. These funds are essential to fulfill the Federal government's commitment to help our state, Tribal and local partners obtain adequate funding to construct the facilities required to comply with Federal environmental requirements and ensure public health and revitalize contaminated properties.

Providing STAG funds to capitalize State Revolving Fund (SRF) programs, EPA works in partnership with the states to provide low-cost loans to municipalities for infrastructure construction. As set-asides of the SRF programs, grants are available to Indian Tribes and Alaska Native Villages for drinking water and wastewater infrastructure needs based on national priority lists. The Brownfields Environmental Program provides states, Tribes, and political subdivisions (including cities, towns, and counties) the necessary tools, information, and strategies for promoting a unified

Appendix B: Infrastructure Finance

approach to environmental assessment, cleanup, characterization, and redevelopment at sites contaminated with hazardous wastes and petroleum contaminants.

The resources included in this budget will enable the Agency, in conjunction with EPA's state, local, and Tribal partners, to achieve several important goals for 2008. Some of these goals include:

- 90 percent of the population served by community water systems will receive drinking water meeting all health-based standards.
- Award 101 assessment grants under the Brownfields program, bringing the cumulative total grants awarded to 1,160 by the end of FY 2008 paving the way for productive reuse of these properties. This will bring the total number of sites assessed to 11,000 while leveraging a total of \$10.9 billion in cleanup and redevelopment funds since 1995.

Goal 1: Clean Air and Global Climate Change

Diesel Emissions Reduction Grant Program

In FY 2008, EPA will support the National Clean Diesel program, authorized in Sections 791-797 of the Energy Policy Act of 2005. This program focuses on reducing particulate matter (PM) by up to 95 percent from existing diesel engines, including on-highway and nonroad equipment and reducing other, smog-forming emissions such as nitrogen oxides and hydrocarbons. Five sectors are targeted for reduction: freight, construction, school buses, agriculture, and ports. Grants will be provided to eligible entities in areas of the country that are not meeting ambient air quality standards. This program will help provide immediate reductions by retrofitting the engines with emission control technologies sooner than would otherwise occur through normal turnover of the fleet because these engines often remain in service for 20 or more years. In 2008, up to 30 percent of the appropriated funds may be used to provide formula grants to states for the purpose of establishing state grant and loan programs. EPA expects to fund at least 100 new grants deploying emission control technology in various sectors using diesel engines. These funds will also support competitive grants for replacing, repowering and retrofitting older school buses with emission control technology, potentially reducing PM emissions by up to 95 percent. By the end of FY 2006, approximately 10,000 buses will have been switched to a cleaner fuel, retrofitted with emissions control equipment, or replaced. EPA estimates that the \$35 million for National Clean Diesel Campaign grants will leverage at least an additional \$72 million in funding assistance and reduce PM by approximately 5,040 tons, achieving up to an estimated \$1.4 billion dollars in health benefits.

Goal 2: Clean and Safe Water

Capitalizing Clean Water and Drinking Water State Revolving Funds

The Clean Water and Drinking Water State Revolving Fund programs demonstrate a true partnership between states, localities and the Federal government. These programs provide Federal financial assistance to states, localities, and Tribal governments to protect the nation’s water resources by providing funds for the construction of drinking water and wastewater treatment facilities. The state revolving funds are two important elements of the nation’s substantial investment in sewage treatment and drinking water systems, which provides Americans with significant benefits in the form of reduced water pollution and safe drinking water.

EPA will continue to provide financial assistance for wastewater and other water projects through the Clean Water State Revolving Fund (CWSRF). CWSRF projects include nonpoint source, estuary, storm water, and sewer overflow projects. The dramatic progress made in improving the quality of wastewater treatment since the 1970s is a national success. In 1972, only 84,000,000 people were served by secondary or advanced wastewater treatment facilities. Today, 99 percent of community wastewater treatment plants, serving 181,000,000 people, use secondary treatment or better. Water infrastructure projects supported by the program contribute to direct ecosystem improvements by lowering the amount of nutrients and toxic pollutants in all types of surface waters. While great progress has been made, many rivers, lakes and ocean/coastal areas still suffer an enormous influx of pollutants after heavy rains. The contaminants result in beach closures, infect fish and degrade the ability of the watersheds to sustain a healthy ecosystem. Improvements to our cities’ infrastructure remain a top priority if we are to reclaim our water resources.

The FY 2008 request includes \$687.6 million in funding for the CWSRF. More than \$24 billion has been provided to capitalize the CWSRF, almost three times the original Clean Water Act authorized level of \$8.4 billion. Total CWSRF funding available for loans since 1988 through June 2006, reflecting loan repayments, state match dollars, and other funding sources, is nearly \$61 billion, of which more than

\$58 billion has been provided to communities as financial assistance. The following table illustrates the long-term financial picture for the CWSRF:

| Annual Federal Capitalization | Revolving Level | Time Span |
|--------------------------------------|----------------------------|-------------------|
| \$687.6 million through 2011 | \$3.4 billion (in 2001 \$) | 2015 through 2040 |

The DWSRF is designed to be self-sustaining over time and will help offset the costs of ensuring safe drinking water supplies and assisting small communities in meeting their responsibilities. Since its inception in 1997, the Drinking Water State Revolving Fund (DWSRF) program has made available \$12.8 billion to finance 4,985 infrastructure improvement projects nationwide, with a return of \$1.73 for every \$1 of

Appendix B: Infrastructure Finance

Federal funds invested. As of June 30, 2006, \$7.3 billion in capitalization grants have been awarded, amounting to loans/assistance of \$11 billion.

The following table illustrates the long-term financial picture for the DWSRF:

| Annual Federal Capitalization | Revolving Level | Time Span |
|--------------------------------------|----------------------------|-------------------|
| \$841.5 million through 2018* | \$1.2 billion (in 2001 \$) | 2019 through 2039 |

* FY 2008 Request level is \$842.2 Million

Set-Asides for Tribes

To improve public health and water quality on Tribal lands, the Agency will continue the 1 ½ percent CWSRF set-aside for funding wastewater grants to Tribes as provided in the Agency's 2002 appropriation. The 2002 World Summit in Johannesburg adopted the goal of reducing the number of people lacking access to basic sanitation by 50 percent by 2015. Through this program, EPA contributes to this goal which will provide for the development of sanitation facilities for Tribes and Alaska Native Villages.

Alaska Native Villages

The President's Budget provides \$15.5 million for Alaska native villages for the construction of wastewater and drinking water facilities to address serious sanitation problems. EPA will continue to work with the Department of Health and Human Services' Indian Health Service, the State of Alaska, the Alaska Native Tribal Health Council and local communities to provide needed financial and technical assistance.

Goal 4: Healthy Communities and Ecosystems

Brownfields Environmental Projects

The President's Budget includes \$89.3 million for Brownfields environmental projects. EPA will award grants for assessment activities, cleanup, and revolving loan funds (RLF). Additionally, this includes cleanup of sites contaminated by petroleum or petroleum products and environmental job training grants. In FY 2008, the funding provided will result in the assessment of 1,000 Brownfields properties. Using EPA grant dollars, the brownfields grantees will leverage cleanup and redevelopment jobs and \$900.0 million in cleanup and redevelopment funding.

Mexico Border

The President's Request includes a total of \$10.0 million for water infrastructure projects along the U.S./Mexico Border. The goal of this program is to reduce environmental and human health risks along the U.S./Mexico Border. EPA's U.S./Mexico Border program provides funds to support the planning, design and construction of high priority water and wastewater treatment projects along the border. The Agency's goal is to provide protection of people in the U.S.-Mexico border area

Appendix B: Infrastructure Finance

from health risks by increasing the number of homes connected to potable (drinkable) water supply and wastewater collection and treatment systems. The program has sufficient resources to carry out currently approved projects and provides \$10.0 million to address new needs in FY 2008.

Trust Funds

(Dollars in Millions)

| | FY 2007 President's Budget ¹ | | FY 2008 President's Budget ¹ | |
|---|--|--------------|--|--------------|
| | \$ | FTE | \$ | FTE |
| Superfund ² | \$1,218 | 3,097 | \$1,211 | 3,057 |
| Inspector General (Transfers) | \$13 | 94 | \$7 | 44 |
| Research & Development (Transfers) | \$28 | 106 | \$26 | 105 |
| Superfund Total | \$1,259 | 3,297 | \$1,245 | 3,206 |
| Base Realignment and Closure³ | \$0 | 78 | \$0 | 78 |
| LUST | \$73 | 77 | \$72 | 75 |
| Trust Funds Total: | \$1,332 | 3,452 | \$1,317 | 3,359 |

1 Totals may not add due to rounding.

2 Includes about \$26 million for the Department of Justice in FY 2007 and approximately \$25 million in FY 2008.

2 Includes Department of Justice Funding (about \$26 million in FY 2007 & about \$25 million in FY 2008)

3 Funding for reimbursable FTE provided by the Department of Defense via an Interagency Agreement.

Superfund

In FY 2008, the President's Budget requests a total of \$1,245 million in discretionary budget authority and 3,206 workyears for Superfund. Currently, more than 95 percent of the 1,557 sites on the Superfund National Priorities List (NPL) are either undergoing cleanup construction, are completed, or are deleted.

Of the total funding requested for Superfund, \$617 million and 1,080 workyears are for Superfund cleanups, including Federal facilities. The Agency's Superfund cleanup program addresses public health and environmental threats from uncontrolled releases of hazardous substances. The Agency expects to demonstrate significant progress in reducing risk to human health and the environment. To address the challenges of meeting construction and post-construction responsibilities, EPA proposes to redirect a total of \$4 million for Regional construction cleanup work at NPL sites. In FY 2008, EPA and its partners anticipate completing 30 Superfund cleanups at NPL sites to achieve the overall goal of 1,060 total construction completions by the end of FY 2008.

Appendix C: Trust Funds

Of the total funding requested, \$179 million and 1,060 workyears are for Superfund enforcement related activities. One of the Superfund program's primary goals is to have responsible parties pay for and conduct cleanups at abandoned or uncontrolled hazardous waste sites. The program focuses on maximizing all aspects of Potentially Responsible Party (PRP) participation; including reaching a settlement with or taking an enforcement action by the time of a Remedial Action start at 90 percent of non-Federal Facility Superfund sites. EPA emphasizes fairness in the settlement process.

The Agency has also been encouraging the establishment and use of Special Accounts. These accounts provide EPA with the ability to more efficiently clean up sites using funds provided by responsible parties. These funds can be provided to PRPs as an incentive to perform clean up work they might not be willing to perform, or used by the Agency to fund clean up. The result is the Agency can clean up more sites, and allows the Agency to preserve appropriated Trust Fund dollars for other sites where there are no viable PRPs. Where PRP negotiations and previous enforcement actions fail, EPA uses its appropriation to clean up sites and then seeks to recover these costs from the PRPs.

The FY 2008 President's Budget also includes resources supporting Agencywide resource management and control functions. This includes essential infrastructure, contract administration, financial accounting, other fiscal operations and funds for Federal agency partners. The Agency works with several Federal agencies to perform essential services in areas where the Agency does not possess the specialized expertise. In most years, contributors include the United States Coast Guard, the National Oceanic and Atmospheric Administration, the Department of the Interior, the Federal Emergency Management Agency, and the Occupational Safety and Health Administration.

In addition, the Agency provides funds for Superfund program research and auditing. The President's Budget requests \$26 million and 105 workyears to be transferred to Research and Development for innovative cleanup technology testing. The Superfund research program is driven by program office needs to reduce the cost of cleaning up Superfund sites, improve the efficiency of characterizing and remediating sites, and reduce the scientific uncertainties for improved decision-making at Superfund sites. The President's Budget also requests \$7 million and 44 workyears to be transferred to the Inspector General for program auditing.

Base Realignment and Closure Act

The FY 2008 President's Budget requests 78 reimbursable workyears to conduct the Base Realignment and Closure Act (BRAC) program. Since 1993, EPA has worked with the Department of Defense (DoD) and the states' environmental programs to make property environmentally acceptable for transfer, while protecting human health and the environment at realigning or closing military installations. Between 1988 and 2005, over

500 major military installations representing the Army, Navy, Air Force, and Defense Logistics Agency were slated for realignment or closure. Under the first four rounds of BRAC, 107 of those sites were identified as requiring accelerated cleanup. EPA's participation in the acceleration process of the first four rounds of BRAC has been funded by an interagency agreement which expires on September 30, 2008. The accelerated cleanup process strives to make parcels available for reuse as quickly as possible, by transfer of uncontaminated or remediated parcels, lease of contaminated parcels where cleanup is underway, or "early transfer" of contaminated property undergoing cleanup. Seventy-two Federal facilities currently listed on the NPL were identified under BRAC 2005 as closing, realigning, or gaining personnel. This FY 2008 request does not include support for BRAC-related services to DoD at BRAC V facilities; if EPA services related to activities generated by implementation of BRAC V actions are required, the Agency will require reimbursement from DoD for the costs the Agency incurs.

Leaking Underground Storage Tanks

The FY 2008 President's Budget requests \$72 million and 75 workyears for the Leaking Underground Storage Tank (LUST) program. Not less than 80 percent (80%) of LUST appropriated funds will be used in cooperative agreements for states and Tribes to carry out specific purposes. EPA will continue to work with the states to achieve more cleanups completed each year, and reduce the FY 2006 backlog of 113,915 cleanups not yet completed. Since the beginning of the Underground Storage Tank (UST) program, EPA has cleaned up almost 75 percent (or 350,813) of all reported releases. In FY 2008, the LUST program will achieve 30 cleanups in Indian Country that meet risk-based standards for human exposure and groundwater migration.

Summary of Agency Resources by Appropriation
(Dollars in Thousands)

| | | |
|---|--------------------|--------------------|
| Science & Technology (S&T) ¹ | \$788,274 | \$754,506 |
| Environmental Programs and Management (EPM) Rescission of Prior Year's EPM Funds | \$2,306,617 | \$2,298,188 |
| Office of Inspector General ¹ | \$35,100 | \$38,008 |
| Buildings & Facilities | \$39,816 | \$34,801 |
| Oil Spill Response | \$16,506 | \$17,280 |
| Superfund (SF) | \$1,258,955 | \$1,244,706 |
| - <i>Superfund Program</i> | \$1,217,828 | \$1,211,431 |
| - <i>Inspector General Transfer</i> | \$13,316 | \$7,149 |
| - <i>Science & Technology Transfer</i> | \$27,811 | \$26,126 |
| Rescission of Prior Year's SF Funds | | |
| Leaking Underground Storage Tanks | \$72,759 | \$72,461 |
| State & Tribal Assistance Grants (STAG) | \$2,797,448 | \$2,744,450 |
| Rescission of Prior Year's STAG Funds | \$0 | -\$5,000 |
| Agency Total: | \$7,315,475 | \$7,199,400 |

¹ Does not include Superfund transfers--see the Superfund line items below for annual amounts.

**Environmental Protection Agency
Summary of Agency Resources by Goal**

(Dollars in Thousands)

| Goal | FY 2007 President's Budget | FY 2008 President's Budget | Difference |
|---|---|---|--------------------|
| 1 - Clean Air and Global Climate Change | \$933,691 | \$911,568 | (\$22,123) |
| 2 - Clean and Safe Water | \$2,729,396 | \$2,714,315 | (\$15,081) |
| 3 - Land Preservation and Restoration | \$1,690,386 | \$1,663,120 | (\$27,266) |
| 4 - Healthy Communities and Ecosystems | \$1,227,659 | \$1,171,565 | (\$56,094) |
| 5 - Compliance and Environmental Stewardship | \$734,343 | \$743,831 | \$9,488 |
| Rescission of Prior Year's Funds | | | (\$5,000) |
| Total | \$7,315,475 | \$7,199,400 | (\$116,076) |

Note: Totals may not add due to rounding.

Resources By Program Project

(Dollars in Thousands)

| Program / Project | FY 2007 PresBud | FY 2008 PresBud |
|---|----------------------------|----------------------------|
| Acquisition Management | \$49,293 | \$54,802 |
| Administrative Law | \$4,861 | \$5,260 |
| Alternative Dispute Resolution | \$2,117 | \$2,012 |
| Audits, Evaluations, and Investigations | \$48,416 | \$45,157 |
| Beach / Fish Programs | \$2,654 | \$2,830 |
| Brownfields | \$24,637 | \$23,450 |
| Brownfields Projects | \$89,119 | \$89,258 |
| Categorical Grant: Beaches Protection | \$9,900 | \$9,900 |
| Categorical Grant: Brownfields | \$49,495 | \$49,495 |
| Categorical Grant: Environmental Information | \$14,850 | \$12,850 |
| Categorical Grant: Hazardous Waste Financial Assistance | \$103,346 | \$103,346 |
| Categorical Grant: Homeland Security | \$4,950 | \$4,950 |
| Categorical Grant: Lead | \$13,563 | \$13,564 |
| Categorical Grant: Nonpoint Source (Sec. 319) | \$194,040 | \$194,040 |
| Categorical Grant: Pesticides Enforcement | \$18,711 | \$18,711 |
| Categorical Grant: Pesticides Program Implementation | \$12,969 | \$12,970 |
| Categorical Grant: Pollution Control (Sec. 106) | \$221,661 | \$221,664 |
| Categorical Grant: Pollution Prevention | \$5,940 | \$5,940 |
| Categorical Grant: Public Water System Supervision (PWSS) | \$99,099 | \$99,100 |
| Categorical Grant: Radon | \$8,074 | \$8,074 |
| Categorical Grant: Sector Program | \$2,228 | \$2,228 |
| Categorical Grant: State and Local Air Quality Management | \$185,180 | \$185,180 |
| Categorical Grant: Targeted Watersheds | \$6,930 | \$0 |
| Categorical Grant: Toxics Substances Compliance | \$5,099 | \$5,099 |
| Categorical Grant: Tribal Air Quality Management | \$10,940 | \$10,940 |
| Categorical Grant: Tribal General Assistance Program | \$56,925 | \$56,925 |
| Categorical Grant: Underground Injection Control (UIC) | \$10,890 | \$10,891 |
| Categorical Grant: Underground Storage Tanks | \$37,567 | \$22,274 |
| Categorical Grant: Wetlands Program Development | \$16,830 | \$16,830 |
| Central Planning, Budgeting, and Finance | \$110,104 | \$100,368 |
| Children and Other Sensitive Populations: Agency Coordination | \$6,064 | \$6,203 |
| Civil Enforcement | \$123,487 | \$129,594 |
| Civil Rights / Title VI Compliance | \$11,054 | \$11,240 |
| Clean Air Allowance Trading Programs | \$28,386 | \$27,647 |
| Climate Protection Program | \$104,393 | \$101,031 |
| Commission for Environmental Cooperation | \$4,137 | \$4,022 |
| Compliance Assistance and Centers | \$30,032 | \$30,548 |

Resources By Program Project
(Dollars in Thousands)

| Program / Project | FY 2007 PresBud | FY 2008 PresBud |
|---|--------------------|--------------------|
| Compliance Incentives | \$9,845 | \$9,930 |
| Compliance Monitoring | \$94,163 | \$94,610 |
| Congressional, Intergovernmental, External Relations | \$52,273 | \$49,902 |
| Criminal Enforcement | \$46,296 | \$48,855 |
| Diesel Emissions Reduction Grant Program | \$49,500 | \$35,000 |
| Drinking Water Programs | \$102,364 | \$100,383 |
| Endocrine Disruptors | \$7,985 | \$5,890 |
| Enforcement Training | \$3,126 | \$3,985 |
| Environment and Trade | \$1,861 | \$1,945 |
| Environmental Justice | \$4,616 | \$4,579 |
| Exchange Network | \$17,481 | \$16,797 |
| Facilities Infrastructure and Operations | \$468,791 | \$480,865 |
| Federal Stationary Source Regulations | \$25,678 | \$26,504 |
| Federal Support for Air Quality Management | \$98,339 | \$101,376 |
| Federal Support for Air Toxics Program | \$27,778 | \$26,963 |
| Federal Vehicle and Fuels Standards and Certification | \$68,325 | \$65,722 |
| Financial Assistance Grants / IAG Management | \$24,768 | \$26,488 |
| Forensics Support | \$17,369 | \$17,385 |
| Geographic Program: Chesapeake Bay | \$26,398 | \$28,768 |
| Geographic Program: Great Lakes | \$20,577 | \$21,757 |
| Geographic Program: Gulf of Mexico | \$4,311 | \$4,457 |
| Geographic Program: Lake Champlain | \$934 | \$934 |
| Geographic Program: Long Island Sound | \$467 | \$467 |
| Geographic Program: Other | \$9,050 | \$8,575 |
| Great Lakes Legacy Act | \$49,600 | \$35,000 |
| Homeland Security: Communication and Information | \$7,100 | \$6,906 |
| Homeland Security: Critical Infrastructure Protection | \$54,065 | \$35,230 |
| Homeland Security: Preparedness, Response, and Recovery | \$97,602 | \$89,429 |
| Homeland Security: Protection of EPA Personnel & Infrastructure | \$20,327 | \$15,403 |
| Human Health Risk Assessment | \$38,336 | \$42,828 |
| Human Resources Management | \$45,476 | \$45,214 |
| Indoor Air: Radon Program | \$5,961 | \$5,857 |
| Information Security | \$6,351 | \$6,375 |
| Infrastructure Assistance: Alaska Native Villages | \$14,850 | \$15,500 |
| Infrastructure Assistance: Clean Water SRF | \$687,555 | \$687,554 |
| Infrastructure Assistance: Drinking Water SRF | \$841,500 | \$842,167 |
| Infrastructure Assistance: Mexico Border | \$24,750 | \$10,000 |

Resources By Program Project

(Dollars in Thousands)

| Program / Project | FY 2007 PresBud | FY 2008 PresBud |
|--|----------------------------|----------------------------|
| Infrastructure Assistance: Puerto Rico | \$990 | \$0 |
| International Capacity Building | \$6,390 | \$5,311 |
| IT / Data Management | \$118,404 | \$111,067 |
| Legal Advice: Environmental Program | \$38,216 | \$39,972 |
| Legal Advice: Support Program | \$13,466 | \$13,986 |
| LUST / UST | \$22,304 | \$22,277 |
| LUST Cooperative Agreements | \$58,207 | \$58,207 |
| Marine Pollution | \$12,462 | \$12,851 |
| National Estuary Program / Coastal Waterways | \$18,417 | \$17,203 |
| NEPA Implementation | \$13,788 | \$14,366 |
| Oil Spill: Prevention, Preparedness and Response | \$12,965 | \$13,499 |
| Pesticides: Field Programs ¹ | \$24,926 | \$0 |
| Pesticides: Registration of New Pesticides ¹ | \$42,534 | \$0 |
| Pesticides: Review / Re-registration of Existing Pesticides ¹ | \$54,635 | \$0 |
| Pesticides: Protect Human Health from Pesticide Risk ¹ | \$0 | \$65,808 |
| Pesticides: Protect the Environment from Pesticide Risk ¹ | \$0 | \$43,865 |
| Pesticides: Realize the Value of Pesticide Availability ¹ | \$0 | \$12,586 |
| Pollution Prevention Program | \$21,292 | \$19,935 |
| POPs Implementation | \$1,809 | \$1,831 |
| Radiation: Protection | \$15,026 | \$14,679 |
| Radiation: Response Preparedness | \$6,275 | \$6,649 |
| RCRA: Corrective Action | \$40,372 | \$39,573 |
| RCRA: Waste Management | \$67,887 | \$69,158 |
| RCRA: Waste Minimization & Recycling | \$12,235 | \$13,666 |
| Reduce Risks from Indoor Air | \$24,293 | \$22,228 |
| Regional Geographic Initiatives | \$9,137 | \$9,553 |
| Regional Science and Technology | \$3,521 | \$3,574 |
| Regulatory Innovation | \$25,854 | \$23,866 |
| Regulatory/Economic-Management and Analysis | \$17,555 | \$20,104 |
| Research: Air Toxics ² | \$12,274 | \$0 |
| Research: Clean Air ³ | \$0 | \$81,054 |
| Research: Computational Toxicology | \$14,983 | \$15,103 |

¹ Restructured to better reflect pesticide activities related to protecting Human Health & the Environment

² Consolidated in Research: Clean Air

³ Consolidates Research: NAAQS and Research: Air Toxics

Appendix D: Budget Tables

Resources By Program Project
(Dollars in Thousands)

| Program / Project | FY 2007 PresBud | FY 2008 PresBud |
|--|--------------------|--------------------|
| Research: Drinking Water | \$49,243 | \$48,548 |
| Research: Economics and Decision Science(EDS) ⁴ | \$2,495 | \$0 |
| Research: Endocrine Disruptor | \$9,081 | \$10,131 |
| Research: Fellowships | \$8,383 | \$8,438 |
| Research: Global Change | \$17,456 | \$16,908 |
| Research: Human Health and Ecosystems | \$161,313 | \$145,046 |
| Research: Land Protection and Restoration | \$34,071 | \$32,379 |
| Research: NAAQS ² | \$65,456 | \$0 |
| Research: Pesticides and Toxics | \$26,224 | \$24,795 |
| Research: Water Quality | \$56,988 | \$56,454 |
| Research: Sustainability | \$21,405 | \$22,478 |
| Science Advisory Board | \$4,616 | \$4,790 |
| Science Policy and Biotechnology | \$1,754 | \$1,780 |
| Small Business Ombudsman | \$3,502 | \$3,261 |
| Small Minority Business Assistance | \$2,647 | \$2,466 |
| State and Local Prevention and Preparedness | \$12,508 | \$12,960 |
| Stratospheric Ozone: Domestic Programs | \$5,221 | \$4,489 |
| Stratospheric Ozone: Multilateral Fund | \$13,365 | \$9,865 |
| Superfund: Emergency Response and Removal | \$192,399 | \$191,880 |
| Superfund: Enforcement | \$163,651 | \$161,610 |
| Superfund: EPA Emergency Preparedness | \$8,863 | \$9,318 |
| Superfund: Federal Facilities | \$31,487 | \$31,879 |
| Superfund: Remedial | \$581,595 | \$584,836 |
| Superfund: Support to Other Federal Agencies | \$8,575 | \$6,575 |
| Superfund: Federal Facilities Enforcement | \$10,197 | \$9,843 |
| Surface Water Protection | \$191,587 | \$196,092 |
| Toxic Substances: Chemical Risk Management | \$7,737 | \$5,654 |
| Toxic Substances: Chemical Risk Review and Reduction | \$44,637 | \$45,046 |
| Toxic Substances: Lead Risk Reduction Program | \$11,368 | \$13,546 |
| TRI / Right to Know | \$15,243 | \$15,728 |
| Tribal - Capacity Building | \$11,436 | \$11,477 |
| US Mexico Border | \$6,061 | \$4,646 |
| Wetlands | \$20,992 | \$21,518 |
| Rescission to Prior Year Funds | \$0 | -\$5,000 |

² Consolidated in Research: Clean Air

⁴ Transferred to Regulatory/Economic Management & Analysis

Environmental Protection Agency List of Acronyms

| | |
|--------|---|
| AA | Assistant Administrator |
| ADR | Alternative Dispute Resolution |
| AEGL | Acute Exposure Guideline Levels |
| ARA | Assistant Regional Administrator |
| ATSDR | Agency for Toxic Substances and Disease Registry |
| B&F | Buildings and Facilities |
| BOSC | Board of Scientific Counselors |
| BTU | British Thermal Units |
| CAA | Clean Air Act |
| CAFO | Concentrated Animal Feeding Operations |
| CAIR | Clean Air Allowance Trading Program |
| CARE | Community Action for a Renewed Environment |
| CAP | Clean Air Partnership Fund |
| CBEP | Community-Based Environmental Protection |
| CCAP | Climate Change Action Plan |
| CCMP | Comprehensive Conservation and Management Plan |
| CCTI | Climate Change Technology Initiative |
| CEIS | Center for Environmental Information and Statistics |
| CERCLA | Comprehensive Environmental Response, Compensation, and Liability Act |
| CFO | Chief Financial Officer |
| CG | Categorical Grant |
| CSI | Common Sense Initiative |
| CSO | Combined Sewer Overflows |
| CWA | Clean Water Act |
| CWAP | Clean Water Action Plan |
| CWSRF | Clean Water State Revolving Fund |
| DBP | Disinfectant By Products |
| DfE | Design for the Environment |
| DFAS | Defense Finance and Accounting System |
| EDP | Environmental Leadership Project |
| EIS | Environmental Impact Statement |
| EJ | Environmental Justice |
| EN | Enacted Budget |
| EPCRA | Emergency Preparedness and Community Right-to-Know Act |
| EPAct | Energy Policy Act of 2005 |
| EPM | Environmental Programs and Management |
| ERP | Environmental Results Program |
| ERRS | Emergency Rapid Response Services |
| ESC | Executive Steering Committee |
| ETI | Environmental Technology Initiative |
| ETV | Environmental Technology Verification |
| FAN | Fixed Account Numbers |
| FCO | Funds Certifying Officer |
| FASAB | Federal Accounting Standards Advisory Board |
| FIFRA | Federal Insecticide, Fungicide and Rodenticide Act |

Environmental Protection Agency List of Acronyms

| | |
|--------|--|
| FMFIA | Federal Managers' Financial Integrity Act |
| FQPA | Food Quality Protection Act |
| FTE | Full-Time Equivalents |
| GAP | General Assistance Program (Grants) |
| GHG | Greenhouse Gas |
| GPRA | Government Performance and Results Act |
| GSN | Green Suppliers Network |
| HHRA | Human Health Risk Assessment |
| HSWA | Hazardous and Solid Waste Amendments of 1984 |
| HPV | High Production Volume |
| HS | Homeland Security |
| HWIR | Hazardous Waste Identification Media and Process Rules |
| IAG | Interagency Agreements |
| ICR | Information Collection Rule |
| IFMS | Integrated Financial Management System |
| IPCC | Intergovernmental Panel on Climate Change |
| IRM | Information Resource Management |
| ISTEA | Intermodal Surface Transportation Efficiency Act |
| ITMRA | Information Technology Management Reform Act of 1995-AKA Clinger/Cohen Act |
| LUST | Leaking Underground Storage Tanks |
| MACT | Maximum Achievable Control Technology |
| MCO | Mission Critical Occupation |
| NAAQs | National Ambient Air Quality Standards |
| NAFTA | North American Free Trade Agreement |
| NAPA | National Academy of Public Administration |
| NAS | National Academy of Science |
| NCDP | National Clean Diesel Program |
| NCEP | National Compliance and Enforcement Priorities |
| NDPD | National Data Processing Division |
| NEP | National Estuary Program |
| NEPA | National Environmental Policy Act |
| NEPPS | National Environmental Performance Partnership System |
| NESHAP | National Emissions Standards for Hazardous Air Pollutants |
| NOA | New Obligation Authority |
| NPDES | National Pollutant Discharge Elimination System |
| NPEP | National Partnership for Environmental Priorities |
| NPL | National Priority List |
| NPM | National Program Manager |
| NPR | National Performance Review |
| NPS | Non-Point Source |
| OAM | Office of Acquisition Management |
| OA | Office of the Administrator |
| OAR | Office of Air and Radiation |
| OARM | Office of Administration and Resources Management |
| OCFO | Office of the Chief Financial Officer |
| OCHP | Office of Children's Health Protection |

Environmental Protection Agency List of Acronyms

| | |
|-------|--|
| ODS | Ozone Depleting Substances |
| OECA | Office of Enforcement and Compliance Assurance |
| OEI | Office of Environmental Information |
| OERR | Office of Emergency and Remedial Response |
| OFA | Other Federal Agencies |
| OFPP | Office of Federal Procurement Policy |
| OGC | Office of General Counsel |
| OIA | Office of International Affairs |
| OIG | Office of the Inspector General |
| OMTR | Open market trading rule |
| OPAA | Office of Planning, Analysis and Accountability |
| OPPTS | Office of Prevention, Pesticides, and Toxic Substances |
| ORD | Office of Research and Development |
| OSWER | Office of Solid Waste and Emergency Response |
| OTAG | Ozone Transport Advisory Group |
| OW | Office of Water |
| P2 | Pollution Prevention |
| P3 | People, Prosperity, and Planet |
| PAB | Private Activity Bonds |
| PBTs | Persistent Bioaccumulative Toxics |
| PC&B | Personnel, Compensation and Benefits |
| PCB | Polychlorinated Biphenyls |
| PFOA | Perfluorooctanoic acid |
| PM | Particulate Matter |
| PNGV | Partnership for a New Generation of Vehicles |
| POTWs | Publicly Owned Treatment Works |
| PPG | Performance Partnership Grants |
| PRC | Program Results Code |
| PT | Performance track |
| PWSS | Public Water System Supervision |
| RC | Responsibility Center |
| RCRA | Resource Conservation and Recovery Act of 1976 |
| REDs | Record of Decisions |
| RFS | Renewable Fuel Standards |
| RGI | Regional Geographic Initiative |
| RMP | Risk Management Plan |
| ROD | Record of Decision |
| RPIO | Responsible Planning Implementation Office |
| RR | Reprogramming Request |
| PRP | Potentially Responsible Party |
| RWTA | Rural Water Technical Assistance |
| S&T | Science and Technology |
| SAB | Science Advisory Board |
| SALC | Sub-allocation (level) |
| SARA | Superfund Amendments and Reauthorizations Act of 1986 |
| SAV | Submerged Aquatic Vegetation |

Environmental Protection Agency List of Acronyms

| | |
|--------|--|
| SBO | Senior Budget Officer |
| SBREFA | Small Business Regulatory Enforcement Fairness Act |
| SDWA | Safe Drinking Water Act |
| SDWIS | Safe Drinking Water Information System |
| SITE | Superfund Innovative Technology Evaluation |
| SLC | Senior Leadership Council |
| SRF | State Revolving Fund |
| SRO | Senior Resource Official |
| STAG | State and Tribal Assistance Grants |
| STORS | Sludge-to-Oil-Reactor |
| STS | Science and Technology for Sustainability |
| SWP | Source Water Protection |
| SWTR | Surface Water Treatment Rule |
| TAS | To Act as State |
| TMDL | Total Maximum Daily Load |
| TRI | Toxic Release Inventory |
| TSCA | Toxic Substances Control Act |
| UIC | Underground Injection Control |
| UST | Underground Storage Tanks |
| VCCEP | Voluntary Children's Chemical Evaluation Program |
| WATR | Water Alliance for Threat Reduction |
| WCF | Working Capital Fund |
| WIF | Water Infrastructure Funds |
| WIPP | Waste Isolation Pilot Project |

