



**GREEN BUDGET**

**Fiscal Year 2007**

**National Funding Priorities for the Environment**



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## National Funding Priorities for the Environment

Chronic under-funding throughout the last six years has had a serious, and overwhelmingly negative, impact on our environment and the health of our communities. Federal agencies tasked with safeguarding the air we breathe, the water we drink, our treasured lands and wildlife, and many other precious resources have seen their budgets repeatedly chopped by about \$1.3 billion (with inflation) in recent years.

These draconian spending cuts hurt *all* Americans because it means the government will no longer have adequate resources to ensure we can breathe healthy air, drink clean water, appreciate our natural heritage and enjoy wildlife. A healthy environment is essential for public health, but sensible management of natural resources and encouraging energy independence are also vital for America's long-term security. Programs that have been especially targeted for egregious spending reductions include:

- The **Land and Water Conservation Fund** (LWCF) which was reduced to \$142.5 million – its fourth consecutive cut totaling \$430.3 million in the last 5 years.
- The **Clean Water State Revolving Fund** (SRF) suffered a \$213 million cut last year despite studies that estimate a shortfall for clean water infrastructure funding of at least \$350 billion over the next 20 years. This program has been cut by almost a half billion dollars since FY 2001.
- The **Weatherization Program** of the Low Income Energy Assistance Program (LIHEAP) was funded at a mere \$243 million this year despite the fact that, on average, weatherization reduces heating bills by 31% and overall energy bills by \$274 per year. Considering that every \$260 cut from appropriations represents one family that will go without heating assistance this winter, increased weatherization could increase the number of families who receive funding from the overall program.

- Over the past three years, Congress has consistently shortchanged **Farm Bill Conservation Programs** by up to 50%. In addition, the 2006 budget reconciliation bill will cut an additional \$3 billion, much of that from conservation programs.

Every government agency must deal with the financial strain of federal budget deficits, however environmental programs have borne the brunt of the impact. When the administration proposed an across the board reduction of less than one percent for all federal programs (excluding defense and homeland security) last year, environmental funding was singled out for a punishing 10.4% cut. Unfortunately, Congress followed the White House's recommendation and cut \$2.5 billion from the previous year's budget – a 7.6% drop from \$32.1 billion.

At the same time that programs to protect the environment are being unfairly targeted for reductions, programs that increase pollution, threaten our natural resources and waste taxpayer dollars are receiving additional funding. These destructive programs include subsidies for logging our national forests, incentives for grazing on public lands and handouts for oil and gas companies who are currently earning record profits. Eliminating these programs would choke off a source of funding for corporate interests that do not need federal assistance. It would also help reduce the deficit and make funding available for programs that protect--not threaten--our environment and public health.

The following report outlines critical needs for many important environmental programs. This is by no means a list of every single program that benefits the environment, but rather represents those most in need of immediate attention. We offer this guidance for the White House and Congress as funding priorities are set for the FY 2007 budget.

## **Emergency Rebuilding of the Gulf Coast**

Unfortunately, this document does not even begin to address the clean up and reconstruction needs of the Gulf Coast region as a result of the hurricanes in 2005. Hurricane Katrina was the greatest natural disaster in the history of the United States. Katrina and Rita wreaked havoc upon hundreds of aging, often under-funded and poorly designed drinking water, sewage, drainage, and levee systems. Additionally, the high winds, heavy rain and storm surge inflicted unprecedented damage on national wildlife refuges, parks and forests in the southeast and gulf. They hit scores of major industrial facilities, more than a dozen major Superfund waste sites, and countless other storage and other facilities, triggering at least 10 significant oil spills totaling more than 9 million gallons, and more than 565 other oil and hazardous chemical spills. Post-storm testing has confirmed serious contamination with pathogens, toxic chemicals, and mold. In addition, an estimated 100 million cubic yards of debris-much of it mixed with hazardous chemicals-will be incinerated, buried, dumped, or recycled. Furthermore, the storms highlighted the urgent need for a major investment in restoration of coastal Louisiana wetlands, which are essential to protecting New Orleans from future storms. The costs of cleanup, rebuilding and coastal restoration will be substantial and we support additional funds to address these obvious needs and the application of standards and healthy oversight to ensure the protection of the environment from added harm.

The purpose of this document is to address the chronic under-funding of current programs. We envision the costs of hurricane cleanup to be considered in a supplemental spending bill that will tackle these unique issues.

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*\* The organizations listed on the back-cover do not necessarily endorse or have expertise on every recommendation in this report. Please refer to the Program Contacts at the end of this document for more information on a particular program.*

*\*\* The FY 06 enacted numbers listed in this report assume that the across-the-board cuts called for in the FY 06 Interior, Environment and related agencies and the Department of Defense appropriations bills was applied evenly to all programs.*

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# DEPARTMENT OF THE INTERIOR

## LAND AND WATER CONSERVATION FUND

The Land and Water Conservation Fund creates parks and open spaces, protects wilderness, wetlands and refuges, preserves wildlife habitat, and enhances recreational opportunities for everyone from two complementary programs: a federal program and a state matching grants program. The federal program provides funds to purchase land and water resources for national parks, forests, wildlife refuges and other public lands, while the state matching grants program provides federal funds to states to assist in the planning, acquisition, and development of needed land and water areas and local recreation facilities. The success of the LWCF has helped create parks for people to enjoy in 98 percent of counties in America and has provided protection for more than five million acres of land and water areas across the country. From Denali National Park to the Grand Canyon and from the Everglades to the Appalachian Trail, LWCF has been the critical source of funding available to the federal agencies to protect key lands that make up our treasured natural resources.

Increasing population and expanding commercial and residential development threaten to undo America's conservation accomplishments. Every minute of every day America loses two acres of land to development. And while the need for land conservation increases, unfortunately, funding levels for LWCF have been in sharp decline for several years. The downward trend in funding reached a low last year when the President's FY 2006 budget zeroed out the stateside of LWCF and the House version of the Appropriations bill zeroed out both the federal and the stateside programs of LWCF. The final FY 2006 funding is the lowest it has been in a decade. Since 2001 alone, funding for LWCF has been cut by 75%. Restoring strong funding to the core federal and state LWCF programs must become a priority again. With ample funding, LWCF can continue to preserve America's natural places and create valuable public recreation areas and facilities for all Americans.

### ***FY 07 Recommendation:***

Land and Water Conservation Fund- \$900 million

*An increase of \$759.2 million over the FY 06 enacted level of \$140.8 million*

# DEPARTMENT OF THE INTERIOR

## FISH AND WILDLIFE SERVICE

### ***Endangered Species Program***

For more than 30 years, the Endangered Species Act has helped prevent the extinction of our nation's wildlife treasures including beloved symbols of America such as the bald eagle, the Florida manatee and the California condor. Only nine of the 1800 plants and animals currently protected by the act worldwide have been declared extinct, an astonishing success rate. The Endangered Species Act provides added benefits to people by maintaining healthy natural systems that provide us with clean air and water, food, medicines and other products that we all need to live healthy lives. We owe it to our children and grandchildren to be good stewards of the environment and leave behind a legacy of protecting endangered species and the special places they call home.

The Fish and Wildlife Service (FWS) is responsible for managing the Endangered Species Program through four main accounts: Candidate Conservation, Listing, Consultation, and Recovery. The Endangered Species Act's outstanding successes have been achieved despite severe and chronic funding shortfalls that plague the FWS programs. The Listing account, which supports the protection of new plants and animals under the Endangered Species Act and designation of their critical habitat, faces a backlog of more than \$150 million with more than 280 candidates still awaiting proposal for protection. Demand for efforts to conserve the long list of candidates while they await protection far exceeds funding. Moreover, in recent years, FWS biologists have estimated that about 200 currently listed plants and animals are on the verge of extinction, primarily because too little attention and funding is available for critical recovery activities. The number of projects reviewed under the consultation program has nearly doubled, from 40,000 in 1999 to about 77,000 in 2005. Finally, the development and implementation of Habitat Conservation Plans (HCPs), intended to allow non-federal activities to proceed while still protecting listed plants and animals, continues to grow, with funding critically needed to help ensure timely and effective development and monitoring of 440 existing and nearly 300 new HCPs. Increases requested for FY 2007 would take initial steps in addressing these needs.

#### ***FY 07 Recommendation:***

Endangered Species Program- \$215.8 million  
    \$13.6 million for Candidate Conservation  
    \$30 million for Listing  
    \$55.5 million for Consultation  
    \$113.6 million for Recovery

*An increase of \$68 million over the FY 06 enacted level of \$147.8 million*



# DEPARTMENT OF THE INTERIOR

## FISH AND WILDLIFE SERVICE

### ***National Wildlife Refuge System***

The National Wildlife Refuge System is our nation's only public lands system dedicated to wildlife conservation. The Refuge System, with its more than 540 refuges on nearly 100 million acres across the country is the key to protecting our nation's wildlife and ensuring that there are lands where wildlife protection is a priority. There is a refuge in every state and within an hour's drive of most American cities. In addition, our national wildlife refuges serve as economic engines for many local communities. The Fish and Wildlife Service estimates that, in FY 2004 alone, nearly 37 million people visiting refuges generated \$1.37 billion of sales in regional economies, helping to create nearly 24,000 jobs and about \$454 million in employment income.

Despite its crucial role in conserving our nation's wildlife heritage, the Refuge System has been crippled for years by severe funding shortfalls. The most recent information indicates that the operations and maintenance backlog totals \$2.46 billion – the operations backlog is \$1.06 billion while the maintenance backlog is \$1.4 billion. The Cooperative Alliance for Refuge Enhancement (CARE), a diverse coalition of 21 conservation, recreation and scientific organizations, representing a national constituency of 5 million Americans, has recommended gradual budget increments over the coming years to grow funding for the System from its current level to \$700 million.

While FY 2007 increases requested in this document are focused solely on ongoing operations and maintenance needs, it is important to note that more than 50 national wildlife refuges in ten states were damaged by hurricanes this year. The Fish and Wildlife Service estimates this year's hurricanes caused approximately \$260 million in facilities and natural resources damage. This amount is more than 65% of the National Wildlife Refuge System's annual nationwide budget, yet thus far only \$20 million in new money has been appropriated to meet this overwhelming need. EPA clean-up of hazardous materials deposited on refuges by the hurricanes could cost as much as an additional \$500 million. If funding is not provided to address these impacts, management of the entire Refuge System will be seriously harmed for years to come, as funds are shifted to meet the dire needs of the Southeast and Gulf.

#### ***FY 07 Recommendation:***

National Wildlife Refuge System- \$417.5 million

*An increase of \$35 million over the FY 06 enacted level of \$382.5 million*

# DEPARTMENT OF THE INTERIOR

## FISH AND WILDLIFE SERVICE

### ***Migratory Bird Management***

Migratory birds are integral to healthy natural systems in many ways, including as predators, prey, seed dispersers and pollinators, and are actively appreciated and enjoyed by millions of people across the country. Despite their importance as pollinators to agriculture and the \$40 billion annual birding economy, about 25% of our nation's migratory bird species are in serious need of conservation to assure their long-term survival.

The Service's Migratory Bird Management Program is multi-faceted and encompasses survey and monitoring, management of permits and hunting regulations, efforts on international treaties, habitat restoration, coordination of work to reduce direct bird mortalities, and implementation of the North American Waterfowl Management Plan and other efforts to conserve bird habitat through the Joint Ventures program. In an effort to make more demonstrable progress in on-the-ground conservation to restore bird species to healthy levels, the Service has developed a list of 139 focal species to receive greater attention in the coming years through development and implementation of specific action plans on each species. The first nine plans will be completed and ready for implementation by the end of 2006. Increases requested for FY 2007 are focused on beginning implementation of the nine plans, initiation of work on the next set of focal species plans, specific work needed to understand and address declines in populations of web-less migratory game-birds, and the Joint Ventures program.

#### ***FY 07 Recommendation:***

Migratory Bird Management - \$45.2 million

*An increase of \$7 million over the FY 06 enacted level of \$38.2 million*

### ***International Affairs***

Conservation of the Earth's wildlife and habitat is a global priority and requires nations to work together cooperatively – wildlife recognizes no political borders. With the development pressures and desperate economic situations in many foreign countries, international conservation efforts face a unique set of challenges. By the same token, the relative wealth of our country means that modest investments of U.S. conservation dollars can reap significant returns when invested in the developing world, especially when leveraged as matching contributions from private and nongovernmental partners. In recent years, international conservation programs have mobilized three dollars for every dollar invested by the U.S. government.

The Fish and Wildlife Service International Affairs Program works to meet our international treaty obligations and to protect and restore sustainable wildlife populations around the globe through its International Wildlife Trade and International Conservation programs. The program also administers the Multinational Species Conservation Fund. More than 20 years ago, the International Conservation program began to initiate a series of highly successful Wildlife Without Borders (WWB) initiatives with a mission to work with resident peoples and develop locally adapted and long-term wildlife management and conservation programs

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supported through broad partnerships. At this time, there are four WWB programs, each covering an extensive area: 1) Latin America and the Caribbean; 2) Mexico; 3) Russia and East Asia; and 4) the Near East, South Asia and Africa. Funding for these programs should be gradually increased toward an eventual target of at least \$1 million each. Increases requested for the International Affairs program for FY 2007 are focused on boosts to each WWB program and replacing key Service personnel.

***FY 07 Recommendation:***

International Affairs Program- \$12.9 million

*An increase of \$3 million over the FY 06 enacted level of \$9.9 million*

### ***Law Enforcement***

As our world grows increasingly complex, protection of wildlife faces escalating criminal threats, including illicit trade, unlawful commercial exploitation, illegal destruction of habitat, and environmental hazards. Growing populations and accompanying development pressure, expansion of international communication, shipping and travel, rising global commerce, and broadly proliferating access to computer technology along with the evolution of the internet and “e-commerce” all combine to create mounting challenges to enforcement of U.S. and international wildlife laws. The U.S. supports one of the largest markets for both legal and illegal wildlife and wildlife products, and intercepted contraband includes caviar, coral, elephant ivory, sea turtle eggs and live birds.

The Service’s Law Enforcement Program investigates wildlife crimes, regulates wildlife trade, helps citizens comply with the law and works with other international and U.S. government entities to carry out its mission. The program’s wildlife inspectors and special agents, supported by the National Fish and Wildlife Forensics Laboratory, the program’s Intelligence Unit and a new wildlife law enforcement data system, have achieved important successes in recent years in many arenas, including reduction of illegal harvest and trade in caviar and cases involving wolves, manatees and endangered migratory birds. Despite these successes, the program is severely understaffed to meet the rapidly proliferating threats, and needs additional special agents and inspectors. Increases requested for FY 2007 are focused on the hiring of approximately twenty additional special agents and wildlife inspectors and conducting needed security clearances for inspectors.

***FY 07 Recommendation:***

Law Enforcement Program- \$61.5 million

*An increase of \$5.4 million over the FY 06 enacted level of \$56.1 million*

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### ***National Fish Passage Program***

The National Fish Passage Program currently benefits 16 federally endangered and threatened fish species and is helping to prevent numerous other species from being listed as endangered. Working with local, state, tribal, and federal partners, the Fish Passage Program has used \$2.3 million, with partners matching \$6.2 million (73%) of total costs, to initiate projects opening more than 3,000 miles of river and 65,000 acres of wetlands for fish spawning and rearing habitat. There are about 75,000 dams over six feet tall plugging our nation's waterways; and each of these dams blocks fish migration. Willing landowners need to be provided with the resources necessary to aid in the restoration of our dwindling fish populations. Restoring fish migrations enhances entire watersheds and benefits birds and mammals, such as eagles, ospreys, herons, kingfishers, brown bears, otters, and mink.

#### ***FY 07 Recommendation:***

National Fish Passage Program- \$5 million

*An increase of \$1.3 million over the FY 06 enacted level of \$3.7 million*

### ***Coastal Program***

Healthy coastal wetlands provide many benefits to wildlife and people by supporting recreation, tourism, and fishing industries. Thousands of acres already have been lost or degraded by commercial and residential development, polluted runoff and waste disposal, shoreline modification, and over-harvesting of resources. The Fish and Wildlife Service's (FWS) Coastal Program is an effective partnership that brings together FWS scientists, land trusts, biologists, and other conservation partners to protect and restore habitat in coastal regions and coastal rivers. These partnerships allow the Coastal Program dollars to be matched at least two to one for on-the-ground work. Since 1994, the Coastal Program has reopened 3,450 miles of coastal streams for anadromous fish passages, protected 1,300,000 acres of habitat through conservation easements, and restored 112,000 acres of coastal wetlands, 26,100 acres of coastal upland habitat, and 1,118 miles of riparian habitat.

#### ***FY 07 Recommendation:***

Coastal Program- \$15 million

*An increase of \$2.7 million over the FY 06 enacted level of \$13.2 million*

### ***National Fish and Wildlife Foundation (NFWF)***

NFWF is a private, non-profit organization founded by Congress in 1984 to conserve fish, wildlife, and the habitat upon which they depend. Protecting these resources brings communities improved quality of life through promotion of healthier lifestyles and generation of outdoor recreation revenues. Each year NFWF undertakes significant river and watershed conservation projects. However the demand for restoration funding far outpaces the available funding. Every Congressionally appropriated dollar translates into an

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average of three dollars in on-the-ground conservation. NFWF has made almost 6,000 grants and committed more than \$305 million in federal funds. Matched with non-federal dollars, NFWF funds have delivered more than \$918 million for conservation.

***FY 07 Recommendation:***

National Fish and Wildlife Foundation- \$10 million

*An increase of \$2.3 million over the FY 06 enacted level of \$7.7 million*

***State and Tribal Wildlife Grants Program***

This important program gives states funding to develop and implement comprehensive conservation plans to protect declining wildlife and habitats before protection under the Endangered Species Act is necessary. Nearly 1300 U.S. plants and animals currently are under the Act's protection. Without proactive efforts to reverse declines, scientists estimate that more than 5,000 additional wildlife and plant species may need the protection of the Endangered Species Act. The State and Tribal Wildlife Grants Program is particularly important to future efforts to prevent habitat loss. States were required to develop State Wildlife Action Plans by October 2005 to ensure that program implementation would be strategic and cost-effective. As documented in the plans, most wildlife is declining in the U.S. because of habitat loss, fragmentation and degradation. This effort has emerged through the work of a broad national bipartisan wildlife coalition called Teaming With Wildlife which includes more than 3,000 organizations nationwide. This is a formula-based program and states benefit accordingly as funding levels are increased. Given the recent completion of the Action Plans, FY 2007 will be an extremely important year for funding increases to support their implementation.

***FY 07 Recommendation:***

State and Tribal Wildlife Grants Program- \$85 million

*An increase of \$17.5 million over the FY 06 enacted level of \$67.5 million*

***Partners for Fish and Wildlife Program***

With two-thirds of America's land privately owned, private landowners play an important role in maintaining diverse ecosystems and wildlife for future generations. Through the voluntary Partners for Fish and Wildlife program, the Fish and Wildlife Service provides financial and technical assistance to landowners to restore degraded habitat on their property. The need for Partners for Fish and Wildlife is great. We have lost approximately 70 percent of the nation's streamside habitat, 53 percent of wetlands in the continental United States, and 90 percent of the tallgrass prairie in the Midwest and Great Plains. We are losing not only important habitat for fish and wildlife, but the multitude of other essential functions these habitats provide –

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reduced floods, decreased sediment and nutrient loads, and protected and improved of water quality. This program has worked with more than 28,700 landowners to restore 639,550 acres of wetlands; 1,069,660 acres of native prairie, grassland, and other upland habitats; and 4,740 miles of riparian and in-stream aquatic habitat.

***FY 07 Recommendation:***

Partners for Fish and Wildlife program- \$55.6 million

*An increase of \$5 million over the FY 06 enacted level of \$51.1 million*

***Multinational Species Conservation Fund (MNSCF)***

The Multinational Species Conservation Fund is a small but highly successful grant program aimed at providing resources for on the ground conservation of endangered wildlife in foreign countries. Species like African elephants in the Serengeti, gorillas in Uganda, tigers in the forests of India, and sea turtles from Mexico to Indonesia have all benefited from critical conservation funding provided under this groundbreaking program. The Multinational Species Conservation Fund uses small amounts of money appropriated by Congress to leverage private dollars for on-the-ground wildlife conservation. On average, every government dollar contributed to these programs has been matched 3 to 1 by private donations. These dollars have funded anti-poaching patrols for rhinos in Indonesia, rebuilt wildlife reserves destroyed by war in the Congo, and helped foster community education programs to protect Asia's disappearing orangutans. Without increased support for this program critical species from all over the world could be lost to future generations. There are currently 5 accounts in this fund: 1) African Elephant; 2) Asian Elephant; 3) Rhinoceros and Tiger; 4) Great Apes; and 5) Marine Turtles.

***FY 07 Recommendation:***

Multinational Species Conservation Fund- \$8 million

*An increase of \$1.6 million over the FY 06 enacted level of \$6.4 million*

***North American Wetlands Conservation Fund***

More than half of the original wetlands in the U.S. have been lost. This has contributed to the steady decline of migratory birds as well as other fish and wildlife species dependent on wetlands and wetland associated habitat. With fewer wetlands, millions of dollars have been spent on erosion control, water treatment and flood protection that natural wetlands used to provide for free. These areas protect our safety and welfare without having to invest in costly projects, and provide innumerable opportunities for outdoor recreation. The grants program has already helped fund more than 1,100 wetland conservation projects and continues to play

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a major role in conserving North American wetlands, migratory birds, and other species of fish and wildlife that depend upon such ecosystems. More money is needed to restore and protect those wetlands which are vital to conserving fish and wildlife species dependent upon such habitat.

***FY 07 Recommendation:***

North American Wetlands Conservation Fund- \$75 million

*An increase of \$35.6 million over the FY 06 enacted level of \$39.4 million*

***Neotropical Migratory Bird Conservation Fund***

This Fund directly helps to restore and conserve the wintering habitats of neo-tropical migratory birds, helping to ensure that our migratory birds will safely return to our backyards in the spring. Monies support partnership programs to conserve birds in the U.S., Latin America and the Caribbean, where approximately 5 billion birds representing over 500 species spend their winters, including some of the most endangered birds in North America. Projects may include activities to benefit bird populations and their habitats, research and monitoring, law enforcement, and outreach and education. All grant requests must leverage at least a three to one match. The program, which is currently authorized at \$5 million per year, is up for reauthorization and efforts are focused at doubling the current level. While more than 100 worthy proposals are received each year, with the current funding provided, only 40 can be funded.

***FY 07 Recommendation:***

Neotropical Migratory Bird Conservation Fund- \$5 million

*An increase of \$1.1 million over the FY 06 enacted level of \$3.9 million*

***Cooperative Endangered Species Fund***

Non-federal lands are crucial to the conservation of rare species. At least 65% of federally listed plants and animals are found on non-federal lands, with many absolutely dependent upon these lands for their survival. The Cooperative Endangered Species Fund provides grants to states for wildlife and habitat conservation activities on non-federal lands for listed and candidate species. Without the proposed increases states will fall further behind in their ability to independently work to protect threatened species. Crucial conservation activities funded by these grants include: research, species status surveys, habitat restoration, captive propagation and reintroduction, planning assistance, and land acquisition by states for Habitat Conservation Plans and recovery. Twenty-six states are receiving funding under this program in FY 2006.

***FY 07 Recommendation:***

Cooperative Endangered Species Fund- \$100 million

*An increase of \$20 million over the FY 06 enacted level of \$80 million*

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## FISH AND WILDLIFE SERVICE

### ***Landowner Incentive Grants and Private Stewardship Grants***

Endangered and other at-risk wildlife depend upon private lands for their survival. The help of private landowners is essential for the conservation of these species. Landowner Incentive Grants and Private Stewardship Grants provide funding for voluntary conservation actions taken by landowners to conserve plants and animals at risk on private lands. The Landowner Incentive Program awards competitive grants to state and tribal conservation agencies for their work with private landowners and tribal lands, while the Private Stewardship Program allows the Fish and Wildlife Service to provide funding directly to individuals and groups implementing private land conservation actions. Need for these programs far outstrips available funding. For example, in Oregon alone for FY 2005, \$2.8 million in proposals for Landowner Incentive Program grants with a total project value of nearly \$6 million went unfunded.

#### ***FY 07 Recommendation:***

Landowner Incentive and Private Stewardship Programs- \$60 million

\$50 million for Landowner Incentive

\$10 million for Private Stewardship

*An increase of \$31.1 million over the FY 06 enacted level of \$28.9 million*



# DEPARTMENT OF THE INTERIOR

## BUREAU OF LAND MANAGEMENT

### ***National Landscape Conservation System (NLCS)***

The Bureau of Land Management's (BLM) 26 million acres of National Monuments, National Conservation Areas, and other distinctive lands and waters are a magnet for all who prize outdoor recreation, from hikers to hunters to river rafters. The Conservation System also provides critical wildlife habitat, clean water, wilderness and open space near fast-growing cities, and countless research opportunities thanks to its staggering cultural, historic, and paleontological resources.

Since the System's inception in 2000, insufficient funding has undermined the BLM's ability to address growing pressures like off-road vehicle use, and to tackle resource protection priorities, such as signing trails, closing illegal and unnecessary roads, and stabilizing ancient cultural sites. Additional funding in FY 07 would enable the BLM to hire essential law enforcement rangers and archaeologists, apprehend vandals, monitor natural resources, expand volunteer programs, educate visitors, and undertake much-needed habitat restoration projects. The Department of Interior should also include a cross-cut budget for the NLCS, to clarify the NLCS budget total as well as allocations by activity and NLCS area.

#### ***FY 07 Recommendation:***

National Landscape Conservation System- \$48 million

*An increase of \$5 million over the FY 06 enacted level of \$43 million*

### ***Grazing Management & Permit Renewal***

Livestock grazing represents the single largest utilization of BLM land, encompassing over 140 million acres of public rangeland. BLM's own budget analysis has established that nearly half of all BLM grazing allotments are suffering from harmful grazing practices. The current backlog of environmental reviews of permit renewals has allowed these harmful practices to continue, damaging natural resources and hampering the BLM's ability to correct grazing problems. Increased funding for environmental reviews is needed to prevent further destruction and degradation of public resources and to adequately comply with the National Environmental Policy Act.

#### ***FY 07 Recommendation:***

Grazing Management- \$54 million

*An increase of \$5 million over the FY 06 enacted level of \$49 million*

### ***Wildlife, Fisheries and Threatened and Endangered Species Management***

BLM manages more land, and more wildlife and fish habitat, than any other federal agency. BLM administers half of the remaining habitat for the imperiled sage grouse and almost 15 million acres of prairie grasslands vital to many declining grassland dependent species. The diverse habitat managed by BLM supports over 3,000 animal species, and more than 300 federally proposed or listed species. The Wildlife and Fisheries

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## BUREAU OF LAND MANAGEMENT

Management (WFM) program and the Threatened and Endangered Species Management (TESM) program fund inventory and monitoring, habitat restoration, and other proactive conservation activities vital to maintaining healthy, functioning ecosystems and fish, wildlife, and plant populations.

Unfortunately, the WFM program and TESM program are paying for the compliance activities of other understaffed programs. Traditionally funding for compliance work for other BLM programs has come from those programs. This increased emphasis on using the WFM and TESM programs' budgets for compliance work for other programs has eroded their ability to conduct proactive species and habitat conservation activities, where 30% of funds are allocated to non-WFM and non-TESM programs. In addition, over the last ten years, there has been an overall 10% decrease in permanent WFM and TESM program staff. Additional funding in FY 2007 would enable the BLM to expand its habitat restoration and species conservation programs to prevent future species listings and the aid in recovery of listed species.

### ***FY 07 Recommendation:***

Wildlife and Fisheries Management- \$45.5 million

Threatened and Endangered Species Management- \$23.8 million

*An increase of \$7.6 million over the FY06 enacted level of \$61.7 million*

### ***Challenge Cost Share***

BLM's Challenge Cost Share (CCS) program allows the BLM to partner with state and local governments, private individuals and companies, and nongovernmental organizations to restore habitat, monitor species, maintain archeological sites, repair trails, and other activities. The program, which requires a dollar for dollar match, averages a two-to-one match and for some projects, upwards of three-to-one match, providing tremendous leverage for federal funds. Wildlife and Fisheries Management program staff report that CCS partnerships were how most often proactive conservation work is being accomplished in field offices. Annually, the BLM has to turn away on average \$20 million of potential projects that could be leveraged into \$60 million for the total program. Additional funding in FY 2007 will allow the BLM to meet the public's demand for CCS partnerships and dramatically increase the number of proactive conservation projects. There are gaping needs for projects relating to sage grouse conservation, off-highway vehicle management, and invasive species control.

### ***FY 07 Recommendation:***

Challenge Cost Share- \$14.8 million

*An increase of \$5 million over the FY06 enacted level of \$9.8 million*

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## BUREAU OF LAND MANAGEMENT

### ***Native Plant Materials Development Program***

As part of the Burned Area Rehabilitation account, the BLM has been designating \$4 million to \$5 million annually to the Native Plant Materials Development Program. Providing native seeds and seedlings for restoration projects after wild fires and other disturbances is vital to preventing the spread of invasive plant species which degrade habitat and ecosystem functioning. The large-scale development of native seed stock is still in its infancy, and often federal agencies are not able to acquire enough plant materials to meet their demands. The BLM has completed a strategic plan for the development of this program which recommends increasing the program to \$9 million in FY 2005 and FY 2006 and to \$13 million in FY 2007. Since the program did not receive these earlier increases, meeting the earlier goal is the priority before reaching the original FY '07 projected need. Congressional direction is needed to ensure that increases go to the Native Plant Materials Development Program.

#### ***FY 07 Recommendation:***

Burned Area Rehabilitation- \$28.4 million, \$9 million allocated to Native Plants Materials Development Program

*An increase of \$4.4 million over the FY06 enacted level of \$24 million, specifically allocated to the Native Plant Materials Development Program, which received \$4.6 million in FY06*

# DEPARTMENT OF THE INTERIOR

## NATIONAL PARK SERVICE

### ***Operations of the National Park System (ONPS)***

The National Park Service protects and manages the nation's most treasured natural and cultural resources – our national heritage. Providing the Park Service with an adequate operating budget is critical to enabling the Service to protect the resources of, and provide visitor services to, the 388 units of the National Park System. Unfortunately, the budget for the national parks is not keeping pace with the needs and increasing demands placed on the Park Service, resulting in an annual shortfall in excess of \$600 million. After the across-the-board cuts were applied to the Park Service's FY 06 budget, the parks received the smallest increase in over a decade, despite increased needs such as those associated with hurricane damage to parks in the Gulf coast region.

#### ***FY 07 Recommendation:***

Operations of the National Park System - \$1.868 billion

*An increase of \$150 million over the FY 06 enacted level of \$1.718 billion*

### ***Wild and Scenic Rivers***

The Wild and Scenic Rivers Act protects free-flowing rivers with outstandingly remarkable scenic, recreational, geologic, fish and wildlife, historic, cultural, or other similar values. Unfortunately, the Department of Interior does not receive sufficient funding to adequately protect the Wild and Scenic Rivers System and ensure that it represents a broad diversity of river types, as Congress intended. Although 84,500 stream miles are potentially eligible for designation, only about 165 rivers covering almost 11,500 miles are currently designated. With increased funding, these agencies could complete management plans and studies to identify additional rivers that qualify for designation. Additional funding would also allow them to better manage and protect designated rivers and promote their values to the public.

#### ***FY 07 Recommendation:***

Natural Programs- Rivers and Trails Studies-

\$1 million for wild and scenic river studies

\$16 million for wild and scenic rivers managed as units of the National Park System

*An increase of \$16.6 million over the FY 06 enacted level of \$388,000*

Park Support- Partnership Wild and Scenic Rivers- \$1.846 Million

*An increase of \$0.746 million over the FY 06 enacted level of \$1.1 million*

### ***Rivers, Trails and Conservation Assistance Program***

The National Park Service's Rivers Trails and Conservation Assistance (RTCA) program has helped produce some of the best examples of conservation based on local-federal partnerships by providing communities with assistance to help revitalize riverfronts, protect open space, and build trails and greenways. The RTCA is a good taxpayer value because its projects help leverage substantial local funding. If funded at \$15 million, RTCA could expand to assist approximately 250 additional projects in some 25 new and currently underserved locations.

# DEPARTMENT OF THE INTERIOR

## NATIONAL PARK SERVICE

### ***FY 07 Recommendation:***

Rivers Trails and Conservation Assistance- \$15 million

*An increase of \$7.5 million over the FY 06 enacted level of \$7.5 million*

### ***Elwha River Restoration***

The Glines Canyon and Elwha dams located inside Olympic National Park in Washington state have nearly wiped out once abundant salmon and steelhead trout populations in the Elwha River; fisheries to which the Elwha Klallam Tribe are guaranteed rights in perpetuity through an 1855 treaty agreement. In 1992, Congress approved federal purchase of the dams and directed the Department of the Interior to study how the river and native fisheries could be completely restored. DOI reported that only dam removal could fully restore the ecosystem. Removal of the two Elwha dams will restore salmon access to the Elwha River's wilderness heart in the Olympic National Park for the first time in 100 years. This dam removal will produce a landmark in river restoration for our national parks and an unprecedented opportunity to study a large dam removal and its impact on the river and wild salmon populations

### ***FY 07 Recommendation:***

Elwha River Ecosystem Restoration- \$35 million

*An increase of \$30 million over the FY 06 enacted level of \$5 million*

### ***International Program***

As the originator of the national parks concept, the United States has a proud history of aiding other nations in establishing and managing park systems. This work has helped protect some of the world's most spectacular places, preserve cultural heritage, create opportunity for poorer countries to benefit from conservation, generate goodwill toward the United States, and allow the National Park Service to benefit from experience abroad. The National Park Service office of International Affairs (NPA/OIA) advances its mission of international cooperation through 16 bilateral agreements with counterpart national park agencies. NPA/OIA also manages the International Volunteers -in-Parks programs which brings individuals to the United States for training in park management, wildlife research and other skills; coordinates "sister park" relationships between U.S. parks and parks abroad; and supports the Park Flight Migratory Bird Program, a public private partnership to protect neotropical migratory birds. Sufficient funding must be provided for the program in order for it to adequately meet international demands that it is obligated to strive for.

### ***FY 07 Recommendation:***

International Program- \$2 million

*An increase of \$1.14 million over the FY 06 enacted level of \$860,000*

# DEPARTMENT OF THE INTERIOR

## U.S. GEOLOGICAL SURVEY

### ***Water Resources Investigations***

U.S. Geological Survey (USGS) water resource programs provide a strong and unbiased source of information for those making decisions that affect our water resources, including Congress; federal, state, and local agencies; conservation groups; and industry. The National Water Quality Assessment (NAWQA) program provides historical and current water quality conditions and identifies water quality trends in representative river basins and aquifers nationwide. The NAWQA program's unique design provides a consistent record of information on water resources in 42 important river basins and aquifer systems across the nation. The Toxic Substances Hydrology Program carries out long-term research to improve scientific understanding of river and groundwater contamination. Toxic contamination, whether from radioactive waste, petroleum products, sewage, or other sources, can cause considerable damage to rivers, groundwater, people and wildlife. The program has led to improvements in the ability of the government and private sector to clean up existing toxic contamination and protect against future contamination. Information regarding the quantity and timing of streamflow is of critical importance to protecting, restoring, and safely enjoying our nation's rivers. The nation's streamgaging network, primarily operated through the USGS National Streamflow Information Program (NSIP), provides essential data for habitat preservation, water quality, recreational safety and quality, agriculture, industry, municipal water supplies, navigation, and flood hazard identification. If streamgaging stations are discontinued, the consequences of inaccurate hydraulic data could result in a drastic loss of life during an unanticipated flood or bridge collapse. Stream gages become more valuable as their data records become longer; those that also record sediment loads and water quality are especially valuable.

#### ***FY 07 Recommendation:***

National Water Quality Assessment Program- \$70 million

*An increase of \$7.8 million over the FY 06 enacted level of \$62.2 million*

Toxic Substances Hydrology Program- \$17.4 million

*An increase of \$3 million over the FY 06 enacted level of \$14.4 million*

National Streamflow Information Program- \$28.4 million

*An increase of \$14.4 million over the FY 06 enacted level of \$14 million*

# DEPARTMENT OF THE INTERIOR

## U.S. GEOLOGICAL SURVEY

### ***Biological Research Programs***

U.S. Geological Survey (USGS) biological research programs provide unbiased data through research, inventory, and monitoring investigations that inform conservation and management of biological resources. USGS biologists develop methods to identify, observe, and manage fish and wildlife, including economically significant invasive species, and their habitats. The Biological Research Discipline (BRD) is the official biological research arm for the Department of the Interior. As such, the BRD conducts management-oriented research at 17 research centers and associated field stations, one technology center, and 40 Cooperative Research Units. The findings of BRD research and information dissemination efforts are an essential component of our nation's innovation enterprise stimulating new lines of inquiry in our nation's academic and private sector research laboratories.

The Biological Research and Monitoring program provides DOI bureaus and others with important scientific data through research, inventory, and monitoring investigations. The Biological Informatics Program makes data and information that are vital to scientific discovery and application available for use by decision-makers from all levels of government, the education community, and other non-governmental entities. The Cooperative Research Unit brings scientists from federal and state governments and academia together to work as a team providing them with scientific information and personnel to implement resource management that sustains biological communities on DOI managed and influenced environments. Importantly, the placement of CRU's at universities has enabled federal scientists to contribute to the training of the next generation of natural resource professionals.

#### ***FY 07 Recommendation:***

The Biological Research Programs (Research and Monitoring, Information Management and Delivery, Cooperative Research Units)- \$200 million

*An increase of \$22.5 million over the FY 06 appropriated level of \$177.5 million*

# DEPARTMENT OF THE INTERIOR

## BUREAU OF RECLAMATION

### ***Savage Rapids Dam Removal and Pump Replacement (Rogue River, OR)***

The Savage Rapids Dam, built in 1921, is the single largest killer of salmon on the Rogue River, including Coho salmon, which are listed as threatened under the federal Endangered Species Act. Removing Savage Rapids dam will provide an enormous boost to the Rogue River's imperiled salmon and steelhead populations. In July 2001, the U.S. District Court of Oregon issued a consent decree that calls for the dam to be removed by 2006 and a pumping system to be installed to better serve the Grants Pass Irrigation District's water diversion needs. (A one year extension was agreed to by all parties of the agreement as funding is secured.) The federal government must meet its obligation under the consent decree this year and fully fund this project.

#### ***FY 07 Recommendation:***

Savage Rapids Dam Removal and Pump Replacement- \$10 million

*An increase of \$8.5 million over the FY 06 enacted level of \$1.5 million*

### ***Yakima River Basin Enhancement Project***

The Yakima River Basin is home to Washington's largest Native American tribe and contains one of the largest Bureau of Reclamation (BOR) projects in the West. The various BOR projects in the basin have depleted and polluted river flows, and water rights conflicts in this basin are legendary. Partly as a result, Yakima River bull trout and steelhead are now listed under the Endangered Species Act. Phase II of The Yakima River Basin Water Enhancement Project, authorized by Congress in 1994, was designed to ameliorate these conditions for both fish and farmers. It aims to restore the river and make better use of the existing water supplies. This legislation was a compromise agreed to by the basin's disparate stakeholders, and the program it created is a model for water conservation and water rights acquisition. Though having limited success, increased funding is necessary to meet the goals of the law in a timely manner and avert a return to state of conflict that has dominated the region for so long.

#### ***FY 07 Recommendation:***

Yakima River Enhancement Project- \$14 million

*An increase of \$5.6 million over the FY 06 enacted level of \$8.4 million*



# DEPARTMENT OF THE INTERIOR

## BUREAU OF RECLAMATION

### ***Deschutes Resources Conservancy***

The Deschutes Resources Conservancy (DRC) is focused on restoring stream flow and improving water quality in the Deschutes Basin of Central Oregon. The DRC acts as a catalyst, bringing together all groups working to restore the Deschutes through its restoration grants program, enterprise programs creating markets for environmental services, and community development work aimed at developing a shared vision for basin-wide restoration smoothing the endangered species recovery process. Past federal funds appropriated for the Deschutes Ecosystem Restoration Project have been leveraged over three-to-one with non-federal and in-kind contributions by the DRC. A minimal increase in funding for this program will allow it to keep up with the demands that are placed on it in the region.

#### ***FY 07 Recommendation:***

Deschutes Resources Conservancy- \$2 million

*An increase of \$0.6 million over the FY 06 enacted level of \$1.4 million*

# NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

## ***Invasive Species Programs***

Invasive Species pose a huge threat to coastal environments and can cause millions of dollars in damage a year. Zebra mussels alone were estimated to have cost the United States \$750 million to \$1 billion from 1989 to 2000. The National Invasive Species Act was passed in 2000 in response to the zebra mussel invasion of the Great Lakes. Funding is essential to support scientific research and promote technological advances to reduce the impacts of invasive species through prevention.

### ***FY 07 Recommendation:***

Aquatic Invasive Species Program- \$2.5 million

*An increase of \$1.6 million over the FY 06 enacted level of \$990,000*

National Invasive Species Act/Ballast Water Demonstrations- \$3 million

*Same as FY 06 levels*

Aquatic Nuisance Species/Zebra Mussel Research under the National Sea Grant College Program- \$3 million

*An increase of \$2 million over the FY 06 enacted level of \$1 million*

## ***Pacific Coastal Salmon Recovery Fund***

Wild Pacific salmon and steelhead trout are national treasures of enormous environmental, economic, and cultural significance. These important species are in decline due to a variety of factors such as dams, unsustainable logging and agricultural practices, urban sprawl, and poor hatchery practices. Twenty-six of the 51 salmon and steelhead stocks along the West Coast from Washington to California are listed under the Endangered Species Act. The Pacific Coast Salmon Recovery Fund, funded through the National Oceanic and Atmospheric Administration, is aimed at restoring imperiled runs of fish. This program provides much-needed assistance to state, local, and tribal governments in Washington, Oregon, California, Idaho and Alaska. These funds are matched dollar-for-dollar at the state and local level, and can be used for habitat restoration, preservation, and acquisition, as well as for monitoring the health of salmon populations and watersheds.

Citizens, watershed groups, Native American tribes, and federal and state agencies from across the nation have been working to bring these species back from near extinction and set them on the road to recovery. With several new salmon recovery plans in effect or about to take effect, it is imperative to fund these plans at levels that will allow for full implementation of these plans to successfully recovering wild salmon and steelhead.

### ***FY 07 Recommendation:***

Coastal Recovery Fund- \$200 million

*An increase of \$133 million over the FY 06 enacted level of \$67 million*

# NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

## NATIONAL OCEAN SERVICE

### ***National Marine Sanctuary Program***

The National Marine Sanctuary Program, with 13 sanctuaries that encompass more than 18,000 square miles, protects our nation's most diverse marine ecosystems. The Program also undertakes important education and research projects. Areas such as the coral reefs and mangrove forests off the Florida Keys to the tide pools and kelp forests along the Olympic Coast are protected through the Sanctuary program. The Northwestern Hawaiian Islands Marine Sanctuary is the newest addition and creates an important coral reef ecosystem preserve. In past years, funding for the National Marine Sanctuary program has been funded at \$50 million or more. In FY 2006, only \$39.3 million was dedicated to this program. Increased funding is essential to fully implement the existing sanctuaries' management plans. Funding is also needed to provide additional management resources for the Northwestern Hawaiian Islands Marine Sanctuary

#### ***FY 07 Recommendation:***

National Marine Sanctuary Program- \$60 million

*An increase of \$21.1 million over the FY 06 enacted level of \$38.9 million*

### ***Coral Conservation***

Tropical reefs are often called the rainforests of the ocean because of the amount of rich biodiversity that these living reefs provide. Sensitive to human and environmental factors, these slow-growing reef systems need to be conserved for the health of our oceans. Corals reef systems are also found on the deep sea floor. These corals provide shelter for marine animals, protection from predators, nurseries for young fish, feeding areas, and spawning areas. Two thirds of all known coral species live in dark, cold waters. Unfortunately, these corals are not well understood. In fact, most of the deep sea corals of the U.S. coasts have not even been located. We do know that certain types of fishing gear destroy these slow growing corals. These coral gardens take hundreds of years to form and can be destroyed in a matter of minutes. Additional research is needed to identify and protect sensitive deep sea coral habitat. Increased funding should be provided for the National Undersea Research Program (part of NOAA's Office of Oceanic and Atmospheric Research) to assist in mapping of deep sea corals.

#### ***FY 07 Recommendation:***

Coral Reef Programs- \$46.2 million,

\$31.2 million for tropical corals

\$15 million for deep sea corals

*An increase of \$21.4 million over the FY 06 enacted level of \$24.8 million*

# NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

## NATIONAL OCEAN SERVICE

### ***Coastal and Estuarine Land Conservation Program***

The Coastal and Estuarine Land Conservation Program (CELCP) is a highly successful, albeit very oversubscribed, initiative created by Congress in the FY 2002 Commerce appropriations bill. CELCP funds pass-through matching grants to coastal states and local governments to fund land conservation projects in a state's coastal zone. Since its inception, CELCP has directed approximately \$184 million to 119 projects in over two-thirds of the nation's 35 coastal states. These federal funds have been matched by at least an equal amount of non-federal resources. In addition to making specific funding recommendations, the FY06 appropriations bill also directed NOAA to assemble a national list of CELCP projects in advance of the FY 2007 appropriations process based on priority coastal conservation plans and ranking processes being drafted by each coastal state. This program is at a critical juncture and it is crucial to maintain its momentum.

#### ***FY 07 Recommendation:***

Coastal and Estuarine Land Conservation Program- \$60 million

*An increase of \$21.05 million over the FY 06 enacted level of \$38.95 million*

# NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

## NATIONAL MARINE FISHERIES SERVICE

### ***Expand Annual Stock Assessments***

Due to a lack of funding for basic research, the National Marine Fisheries Service does not have adequate information about the status of many commercial fish stocks. Almost two-thirds of the nation's fish populations lack basic information to determine their status; there are 56 "major" stocks where the information about their status is classified as "unknown." Additional resources would allow the National Marine Fisheries Service to hire additional biologists to produce annual stock assessments, fund necessary charter days at sea to collect data, and ultimately significantly reduce the number of fish stocks with unknown status. Accelerating this information gathering will help rebuild over-fished stocks and improve fish management decisions.

#### ***FY 07 Recommendation:***

Expand Annual Stock Assessments– Improve Data Collection- \$30 million

*An increase of \$6.3 million over the FY 06 enacted level of \$23.7 million*

### ***Fishery Observer Program***

Fishery observers are scientists who collect important information by working alongside fishermen at sea. The information gathered by observers helps track how many fish, marine mammals, sea turtles, sea birds and other ocean wildlife are caught directly and as bycatch, thereby providing data to improve management of our fish populations. According to the National Marine Fisheries Service, observers are currently deployed to collect fishery data in less than 40 of the nation's 300 fisheries. Existing coverage levels for many of the fisheries with observers are inadequate. In its final report, the U.S. Commission on Ocean Policy concluded that "accurate, reliable science is critical to successful management of fisheries" and endorsed the use of observers as key to bycatch reduction efforts.

#### ***FY 07 Recommendation:***

Fishery Observers/Training- \$52 million

\$9.0 million for the National Observer Program

\$7.5 million for the Atlantic Coast Observer Program

\$20 million for Northeast observers

\$9.5 million for observers in the New England groundfish fishery

\$5 million in the South Atlantic/Gulf of Mexico program to establish a reef fish observer program and to expand the South Atlantic/Gulf of Mexico shrimp program

*An increase of \$28.7 million over the FY 06 enacted level of \$23.3 million*

# NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

## NATIONAL MARINE FISHERIES SERVICE

### ***Enforcement & Surveillance***

Successful fishery management relies upon fair enforcement of laws, regulations, and other requirements. Additional resources are needed to improve cooperative research programs with state fishery managers. In addition, the Vessel Monitoring System (VMS) is one tool that the National Marine Fisheries Service uses to improve monitoring and enforcement of areas closed for protection of ocean wildlife populations and important habitats.

#### ***FY 07 Recommendation:***

Enforcement and Surveillance- \$54.2 million

*An increase of \$4.5 million over the FY 06 enacted level of \$49.7 million*

### ***Bycatch Reduction***

One of the primary issues threatening the future of our fisheries is the catch and subsequent death or injury of unwanted fish and ocean life. Prominent fishery scientists recently completed a thorough examination of fish data and concluded that more than one million metric tons of fish and invertebrate bycatch are caught by U.S. commercial fishermen; this bycatch is 28 percent of the total catch. For the past few years, Congress has provided additional federal support to help address the challenges of bycatch. This initiative supports enhanced technical solutions and outreach to reduce bycatch and improved cooperative research activities with fishermen. It also promotes international transfer of technology, gear modifications, and fishing practices that often benefit domestic fisheries that target highly migratory fish species and can also be caught in other nation's ocean waters by their fishing vessels.

#### ***FY 07 Recommendation:***

Reducing Bycatch Initiative- \$5 million

*An increase of \$2.23 million over the FY 06 enacted level of \$2.77 million*

### ***Fishery Cooperative Research***

The cooperative research program reflects a partnership between the National Marine Fisheries Service, research scientists, and individual fishermen. This program funds research projects such as testing new fishing gear and technologies, as well as provides at-sea information on fish stocks, habitat and other information about ocean wildlife. The United States Commission on Ocean Policy recommended that Congress increase support for an expanded regionally based cooperative research program in NOAA that coordinates and funds collaborative projects among scientists and commercial and recreational fishermen.

#### ***FY 07 Recommendation:***

Cooperative Research- \$20 million

*An increase of \$700,000 above the FY 2006 enacted level of \$19.3 million*

# NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

## NATIONAL MARINE FISHERIES SERVICE

### ***Marine Mammal Protection***

Many populations of marine mammals have seen declines in the past years. Currently, 19 marine mammal species are listed as endangered under the Endangered Species Act. For example, there are less than 300 North Atlantic Right whales left. Resources need to be dedicated to marine mammal research and management activities to prevent marine mammals from experiencing even more declines. The National Marine Fisheries Service need resources to more fully assess and adopt measures to recover depleted marine mammal species, such as bottlenose dolphins, pilot whales, and common dolphins. The agency also needs funding to improve the knowledge of marine mammal populations; currently, the status of more than 200 protected and at-risk marine species is unknown. Activities that will be supported by these additional funds include funding top priority studies identified by the take reduction teams; consulting with other agencies and ocean users on activities that may affect endangered marine mammals; designing and implementing take reduction plans for certain depleted marine mammal populations; conducting research on population trends; working on recovery plans; and conducting critical research on health and respond to marine mammal die offs.

#### ***FY 07 Recommendation:***

Protected Resources Research & Management Programs- Mammals- \$82 million

*An increase of \$41.6 million above the FY 2006 enacted level of \$40.4 million*

### ***Sea Turtle Conservation***

All sea turtles in U.S. waters are officially protected as endangered or threatened species by the Endangered Species Act. Sea turtles are seriously injured or die from being entangled in commercial fishing gear. In FY 2006, sea turtle conservation was funded at \$18.4 million. An increase will help fund sea turtle research, recovery, and protection activities for imperiled sea turtles, including Endangered Species Act consultations. In addition, continued funding for the agency's Atlantic sea turtle bycatch reduction strategy that examines needed gear modifications for conservation is needed. The line item which funds sea turtle conservation also includes Endangered Species Act compliance for fish, crustaceans, and mollusks.

#### ***FY 07 Recommendation:***

Protected Resources Research & Management Programs-

Sea Turtles and Other Protected Species- \$20 million

*An increase of \$1.6 million above FY 2006 enacted level of \$18.4 million*

# NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

## NATIONAL MARINE FISHERIES SERVICE

### ***Community-Based Restoration Program***

The Community-Based Restoration Program, funded through the National Oceanic and Atmospheric Administration's (NOAA) Restoration Center, reaches out to local constituencies to accomplish on-the-ground, community-based projects to restore estuaries and coastal habitats. Partnerships and local involvement are fundamental to the success of this program. Partners typically match federal dollars one-to-one and leverage those dollars up to ten times more through state and local participation. To date, the program has funded more than 900 projects in 25 states, promoting fishery habitat restoration in coastal areas with a grassroots, bottom-up approach.

#### ***FY 07 Recommendation:***

NOAA Community-Based Restoration Program- \$24 million

*An increase of \$11 million over the FY 06 enacted level of \$13 million*

### ***Open Rivers Initiative***

Our nation's rivers are plugged with millions of dams, most still functional and benefiting society. Many others are either dilapidated having outlived their 50-year life expectancy, or are no longer providing the benefits for which they were built. These dams are unnecessarily degrading the riverine ecosystem and holding up economic development. The Open Rivers Initiative (ORI), a new Presidential initiative announced by the Secretary of Commerce in 2005, will provide grants to communities and local dam owners to remove their dams that no longer make sense. These restoration projects provide significant environmental improvements and offer noteworthy economic and societal benefits. They create new opportunities for recreational fishing, river rafting, and kayaking; provide cost savings by eliminating the need for dam repairs; and remove safety and liability risks associated with outdated structures.

#### ***FY 07 Recommendation:***

Open Rivers Initiative - \$10 million



# ENVIRONMENTAL PROTECTION AGENCY

## **Superfund**

The Superfund program was created in 1980 to locate, investigate, and clean up the worst hazardous and toxic sites nationwide. Although 62% of the National Priority List Superfund sites have been cleaned up to date, the Environmental Protection Agency (EPA) reports that human exposure is not under control at 149 final and proposed Superfund sites. At another 158 final and proposed Superfund sites, EPA has insufficient data to determine if human exposure is under control. The EPA reports that migration of groundwater pollution is not under control at 226 final and proposed Superfund sites. At another 224 final and proposed Superfund sites, EPA has insufficient data to determine if migration of groundwater pollution is under control. The under-funding of the Superfund program makes these statistics even more alarming; without adequate funding Americans will continue to be exposed to these dangerous toxic substances.

The EPA Inspector General (IG) and others have documented a significant and growing funding shortfall over the past several years limiting cleanup actions to less than half of that of the Clinton Administration. Funding shortfalls as defined by the IG have grown from \$114.8 million in FY2002 to \$174.9 million in FY2003 to a record \$250 million shortage in FY2004. This shortfall is exacerbated by the bankruptcy of the Superfund Trust Fund. In 2003, the Superfund Trust ran out of polluter-contributed funds because Congress and the Administration have refused to renew the policy that required a polluter-paid tax on the oil and chemical industries that formerly funded cleanups. American taxpayers now shoulder the costs of the entire program.

### ***FY 07 Recommendation:***

Superfund- \$1.692 billion

*An increase of \$451 million over FY 06 enacted level of \$1.241 billion*

## **Leaking Underground Storage Tanks**

In 1986, Congress established the Leaking Underground Storage Tank (LUST) Trust Fund to help the EPA and states pay the costs of cleaning up leaking petroleum underground storage tanks when owners fail to do so, and to oversee LUST cleanup activities. The Trust Fund is financed by a 0.1 cent tax on each gallon of motor fuel sold nationwide and had net assets of approximately \$2.5 billion as of August 31, 2005. However, Congress and the administration have repeatedly failed to appropriate sufficient funds from the LUST Trust Fund to pay for cleanups needed instead diverting them to the general treasury as “deficit reduction”.

Despite initial strides in addressing leaking petroleum underground storage tanks in the 1990s, a new problem emerged as the gasoline additive MTBE was detected at thousands of LUST sites and in numerous drinking water supplies. Even small amounts of MTBE can render water undrinkable because of its strong taste and odor. The cost to clean up MTBE as a result of leaking underground storage tanks is sizable. Two recent studies by water utilities place their best estimates of the costs of cleaning up MTBE in public drinking water supplies, given the limited data, at \$25 billion <sup>1</sup> and \$33.2 billion <sup>2</sup>.

### ***FY 07 Recommendation:***

Leaking Underground Storage Tanks- \$605 million

*An increase of \$533.1 million over the FY 06 enacted level of \$71.9 million*

<sup>1</sup> American Water Works Association, *A Review of Cost Estimates of MTBE Contamination of Public Wells*, June 2005

<sup>2</sup> Association of Metropolitan Water Agencies, *Cost Estimate to Remove MTBE Contamination from Public Drinking Water Systems in the U.S.*, June 20, 2005

# ENVIRONMENTAL PROTECTION AGENCY

## ***Enforcement***

The EPA's ability to enforce environmental laws is critical to our nation's efforts to fulfill objectives of protecting and enhancing the nation's air and water quality. The Clean Water Act (CWA) prohibits discharges of pollutants from point sources into U.S. waters without a National Pollution Discharge Elimination System permit. These permits limit what can be discharged and include monitoring and reporting requirements to ensure that the discharge does not harm water quality or human health. The Clean Air Act's new source review program requires installation of modern pollution control technology when industrial facilities undertake changes that increase air pollution by significant amounts. The EPA has uncovered widespread violations of this requirement that resulted in illegal air pollution releases totaling millions of tons from coal-fired power plants, oil refineries and other industrial sectors. In recent years as a result of legal settlements and court decisions arising from New Source Review enforcement cases against power plants and oil refineries, EPA has achieved air pollution reductions that dwarf any other Clean Air Act enforcement activities undertaken by the agency. EPA must maintain a strong enforcement presence, in concert with the states, to produce real improvements in environmental quality and protect public health.

### ***FY 07 Recommendation:***

Enforcement programs- \$535 million

*An increase of \$64 million over the FY 06 enacted level of \$471 million*

## ***State Revolving Funds***

With the passage of the Clean Water Act more than 30 years ago, Congress made a financial commitment to protecting and improving water quality through a "state revolving loan fund" (SRF) offering grants and low-interest revolving loans to municipalities for construction of wastewater and drinking water treatment systems. In 1996 the Safe Drinking Water Act created another state revolving fund for drinking water treatment and protection of source water and wellhead areas. The SRF programs have also been used to fund nonstructural projects that reduce non-point source pollution, protect estuaries, prevent contamination of drinking source waters, and reduce polluted runoff by protecting natural areas and other "green infrastructure," such as stream buffers. Investment in the SRFs are also good for the economy. According to the National Utility Contractors Association, the Clean Water SRF alone generates more than 400,000 jobs each year, not including those jobs that are dependent on clean and open beaches.

Various studies done by private and government stakeholders have projected that states and local governments will need at least \$350 billion over the next 20 years just for clean water infrastructure. A greater investment is needed in order to ensure that our waters are fishable, swimmable and drinkable.

### ***FY 07 Recommendation:***

Clean Water SRF- \$1.5 billion

*An increase of \$613 million over the FY 06 enacted level of \$887 million*

Drinking Water SRF- \$914 million

*An increase of \$76 million over the FY 06 enacted level of \$838 million*

# ENVIRONMENTAL PROTECTION AGENCY

## ***Drinking Water Program and State Drinking Water Grants***

EPA is now facing important new challenges in protecting the nation's drinking water. EPA must review and update its standards for bacteria in water supplies and distribution systems, update its standard for lead contamination, address widespread contaminated drinking water on aircraft, and address major unregulated contaminants such as the rocket fuel perchlorate and MTBE. EPA and states also are facing major new implementation and enforcement issues for the important new health standards for arsenic, for disease-causing microorganisms such as *Cryptosporidium*, and for cancer and possibly miscarriage and birth defect-inducing chemicals called disinfection byproducts

In 49 out of the 50 states, EPA has authorized the state to take over primary responsibility for implementation and enforcement of drinking water safety standards. Numerous reviews, including a Government Accountability Office review issued in 2000, and a more recent survey by the Association of State Drinking Water Administrators published in 2003, have repeatedly found that states are chronically under funded in providing assurance that drinking water is safe, threatening public health<sup>3</sup>. States need additional resources through the Public Water Supply Supervision state grant program to assure that the public's health is protected.

### ***FY 07 Recommendation:***

Public Water System Supervision Grants to States- \$124.7 million

*An increase of \$25 million over the FY 06 enacted level of \$99.7 million*

EPA Drinking Water Program- \$101.4 million

*An increase of \$4.8 million over the FY 06 enacted level of \$96.6 million*

## ***Pesticide Registration Programs***

The Pesticides Registration Improvement Act of 2003 was passed with the support of 30 industrial, environmental and agricultural stakeholders. The goal of the program is to provide a predictable agency evaluation process for pesticides while protecting public health and the environment. Stabilizing the Pesticides Registration program has been especially important in combating threats of insect-borne diseases such as West Nile virus, Lyme disease and hantavirus in recent years and has spurred widespread innovation in the industry to create new and safer products.

### ***FY 07 Recommendation:***

Pesticide Registration Programs– \$15 million

*As authorized under current law*

<sup>3</sup> GAO, Drinking Water: Spending Constraints Could Affect States' Ability to Implement Program Requirements, GAO/RDED-00-199 (2000); ASDWA, *Public Health Protection Threatened by Inadequate Resources for State Drinking Water Programs* (2003)

# ENVIRONMENTAL PROTECTION AGENCY

## ***Brownfields***

The Brownfields Revitalization Act was signed into law in 2002, providing a framework to clean up lightly contaminated properties and restore them for more widespread use. The program has the potential to turn unusable areas into engines of prosperity and positive local development. Despite broad support from many stakeholders including the U.S. Conference of Mayors, the National Association of Development Organizations, and the National Association of Industrial and Office Properties the program has continued to struggle with a lack of funding. In FY 2004, only 265 grants were awarded out of 755 applicants, meaning that hundreds of abandoned or underutilized industrial sites remain dirty and useless. The Government Accountability Office estimates that there are 500,000 Brownfields sites across the nation still waiting for funding.

### ***FY 07 Recommendation:***

Brownfields grants- \$200 million

*An increase of \$71.3 million over FY 06 enacted level of \$118.7 million*

## ***Energy Star***

Energy Star is a successful voluntary deployment program at the Environmental Protection Agency and Department of Energy that has made it easy for consumers to find and buy many energy-efficient products. For every federal dollar spent, Energy Star produces average energy bill savings of \$75 and sparks \$15 in investment of new technology. Last year alone, Americans, with the help of Energy Star, prevented 30 million metric tons of greenhouse gas emissions – equivalent to the annual emissions from 20 million vehicles, and saved about \$10 billion on their utility bills.

### ***FY 07 Recommendation:***

Energy Star- \$100 million

*An increase of \$50 million over the FY 06 enacted level of \$50 million*

## ***Water Efficiency***

EPA established a water efficiency market enhancement program in the FY 2005 budget similar to the *Energy Star* program that promotes energy efficient appliances and practices. Promoting water efficient products and practices would represent a significant step forward in moving the nation towards more efficient water use. The World Water Council has named the United States the most inefficient water user of 147 countries studied, including European countries that enjoy standards of living comparable to ours. Water conservation programs can produce significant results. For example, in 2001 the San Diego area conserved enough water with low-flow toilets to serve suburban Poway (population 80,000) for one year. Nationwide surveys indicate that over 80% of water utility customers would support some form of water conservation measure.

# ENVIRONMENTAL PROTECTION AGENCY

## ***FY 07 Recommendation:***

Water efficiency- \$2 million

*An increase of \$2 million over the FY 06 enacted level of \$0*

## ***Non-point Source Management Program, Clean Water Act Section 319***

The damage caused by non-point source pollution ruins habitat and aquatic life, contaminates drinking water, increases beach and swimming area closures, reduces recreational opportunities, increases fish kills, dilapidates aesthetic waterways, and causes many other severe environmental and human health problems. The Section 319 Non-point Source Management Program provides grant money that states, territories, and Indian tribes can use for a wide variety of pollution reduction activities including demonstration projects, technical and financial assistance, public education programs, professional training, technology transfers, and water quality monitoring.

## ***FY 07 Recommendation:***

Section 319 Non-point Source Management Program- \$250 million

*An increase of \$46 million over the FY 06 enacted level of \$204 million*

## ***Total Maximum Daily Loads***

The establishment of Total Maximum Daily Loads (TMDLs) under section 303(d) of the Clean Water Act is a sensible and necessary step in accounting for the range of activities and sources that damage and threaten water quality. TMDLs allow states and the Environmental Protection Agency (EPA) to identify all sources of water quality impairment to rivers, streams and lakes that do not meet water quality standards, develop specific goals for improvement, and design plans to reduce pollutant loads into receiving water bodies. TMDLs must be developed in a way that is consistent with the Clean Water Act, is compatible with related water quality programs and regulatory processes, and leads to real improvements, rather than more paperwork and delay. The development of strong TMDLs by the states requires a commitment of adequate resources.

## ***FY 07 Recommendation:***

State Program Management Grants (CWA section 106)- \$250 million

*An increase of \$34 million over the FY 06 enacted level of \$216 million*

## ***BEACH Act Grant Program***

Our nation's public beaches are popular destination spots for recreation. Unfortunately, many of our nation's public beach waters are polluted with bacteria and viruses that can make swimmers ill. Polluted urban storm water, sewage spills and combined sewer overflows are the major sources of beach water pollution. In 2004, beach pollution prompted at least 19,950 closing and swimming advisory days at ocean, bay, and Great Lakes beaches.

# ENVIRONMENTAL PROTECTION AGENCY

In 2000, Congress unanimously passed the Beaches Environmental Assessment and Coastal Health Act. The BEACH Act established a grant program for beach water testing and public notification programs. Regular information about beach water quality helps to protect the public from swimming in polluted waters and can help communities identify problems with their wastewater treatment systems.

***FY 07 Recommendation:***

BEACH Act Grant Program- \$30 million

*An increase of \$20.55 million over the FY 06 enacted level of \$9.45 million*

***National Estuary Program***

Estuaries are vibrant coastal zones where saltwater meets freshwater, creating some of the most biologically productive areas on Earth. The National Estuary Program protects and restores the nation's estuaries by creating partnerships with local communities. The program focuses not just on improving water quality in an estuary, but also on maintaining the integrity of the whole system – its chemical, physical, and biological properties, as well as its economic, recreational, and aesthetic values. Since its inception, the program has grown to include twenty-eight programs across the country, but funding levels have stagnated.

***FY 07 Recommendation:***

National Estuary Program- \$35 million

*An increase of \$11 million over the FY 06 enacted level of \$24 million*

***Office of Transportation and Air Quality Diesel Emission Reduction Program***

The Energy Policy Act of 2005 (P.L. 109-58) set out a program to achieve significant reductions in diesel emissions by reducing the tons of pollution produced by diesel and limiting emissions exposure, particularly from fleets operating in areas designated by the Administrator as poor air quality areas. This program provided grants to state and local governments to acquire new vehicles and retrofit older vehicles to reduce air pollution. Diesel emissions are clearly linked with health impacts, including increased asthma attacks and emergencies, bronchitis, cancer, heart disease and thousands of premature deaths annually.

***FY 07 Recommendation:***

Office of Transportation and Air Quality Diesel Emission Reduction Program- \$200 million

*An increase of \$200 million over the FY 06 enacted level of \$0.*

# ENVIRONMENTAL PROTECTION AGENCY

## ***Fuel Economy Testing***

Improved fuel economy testing procedures are needed in order to revise the process used to determine fuel economy values for labeling purposes. A new process should take into consideration real driving conditions including factors such as speed limits, acceleration rates, braking, variations in weather and temperature, vehicle load, use of air conditioning, driving patterns, and the use of other fuel consuming features. Right now, the accuracy of the fuel economy information told to consumers when considering the purchase of a new vehicle is dubious.

### ***FY 07 Recommendation:***

Fuel Economy Testing- \$4 million

*FY 06 budget for this activity is not specified in EPA's budget analysis*

## ***Mercury Monitoring Network***

In March 2005, the Environmental Protection Agency abandoned its Clean Air Act obligation to impose source-specific mercury controls on coal-fired power plants, and substituted a regulatory approach that allowed nationwide trading of this dangerous neurotoxin by the largest industrial source of this pollution. When the agency did so, it committed to monitor and evaluate whether any "hot spots" of mercury concentrations might arise from their approach. Yet the EPA and the states lack a mercury monitoring network to monitor dry deposition of mercury, and have an inadequate wet deposition monitoring network. EPA must monitor and analyze wet and dry mercury deposition in the local areas around coal-fired power plants.

### ***FY 07 Recommendation:***

Mercury Monitoring Network: \$10 million

*An increase of \$10 million over the FY 06 enacted level of \$0*

# DEPARTMENT OF AGRICULTURE

## FOREST SERVICE

### ***Forest Legacy Program***

The USDA Forest Service's Forest Legacy Program was authorized in the 1990 Farm Bill and provides matching funds to assist states in conserving private forestlands and maintaining traditional forest uses and values. Since its inception, the Forest Legacy Program has provided over \$220 million in matching funds to conserve over one million acres of forest valued at more than \$440 million. Currently 45 states and territories are active in the program, with four more in the planning stages. Identified demand for funds from participating states is well over \$200 million annually. The recent USDA Forest Service "Forests on the edge" report projected that over 40 million acres of private forests are likely to see increased housing density over the next three decades, so the need for funds to conserve threatened private forestlands has never been greater.

#### ***FY 07 Recommendation:***

Forest Legacy Program- \$100 million

*An increase of \$43 million over the FY 06 enacted level of \$56.5 million*

### ***State & Local Fire Assistance***

Comprehensive fire protection inherently transcends land ownership boundaries. As such, more sensible resource allocation must exist between appropriations for federal and non-federal land and fire managers. Accordingly, no less than 20% of the five year average National Fire Plan appropriations should be allocated to the State and Local Assistance<sup>4</sup> programs generally, and 50% of State and Local Assistance programs be allocated to the State Fire Assistance line-item in particular. By taking proactive steps towards fire prevention, far less funds will be required for fire suppression.

#### ***FY 07 Recommendation:***

State & Local Fire Assistance (State Fire Assistance)- \$570 million (\$285 million)

*An increase of \$287.4 million (\$206.1 million) over the FY 06 enacted level of \$282.6 million (\$78.7 million)*

### ***Economic Action Program***

The Economic Action Program (EAP) was designed to strengthen and diversify the economies of communities that are dependent on natural resources. EAP provides a critical source of funding for communities to add wildfire risk assessments and defensible space planning to their community action plans. Unfortunately, EAP has experienced consistent funding reductions since 2002. EAP should receive no less than two percent of average total National Fire Plan appropriations, \$57 million over the next three years. Beginning fiscal year 2007, EAP should be restored to its historical average over the last 5 years to \$25 million, where 30% of the total \$57 million EAP appropriations be directed specifically to National Fire Plan programs.

Page 34 <sup>4</sup> Specifically those line items under The National Fire Plan associated with state and local assistance budget heading, including Forest Health Management (Coop Lands), State Fire Assistance and Volunteer Fire Assistance under Wildland Fire Management and Forest Health Management (Coop Lands), State Fire Assistance, Volunteer Fire Assistance, Forests Stewardship, Forest Legacy Program, Urban & Community Forestry, Economic Action Program, and Forest Research & Information Analysis under State and Private Forestry Appropriations. Data source: USFA Budget Justifications 2004, 2005, 2006.



# DEPARTMENT OF AGRICULTURE

## FOREST SERVICE

### ***FY 07 Recommendation:***

Economic Action Program (National Fire Plan EAP)- \$25 million (\$7.5 million)

*An increase of \$15.4 million over the FY 06 enacted level of \$9.6 million*

### ***Roads Maintenance Program***

Logging and mineral extraction and increasing recreational use has caused our national forests to become home to an extensive system of roads. Road decommissioning and maintenance of existing high clearance and closed roads could significantly decrease the extent of the direct impacts on flora and fauna and the health of the forest's ecosystem. In FY 2006, the US Forest Service (USFS) will receive \$225.5 million for roads maintenance. The 2006 USFS Budget Justification states that annual roads maintenance costs \$613 million, in addition to \$5 billion of deferred maintenance<sup>5</sup>. Monies should be reprioritized to increase and reallocate funds in order to begin managing this accumulating problem, by doubling the FY 2006 annual maintenance budget *and* allocating an additional \$100 million to begin addressing the deferred maintenance backlog. In addition, ten percent of the roads that receive deferred maintenance should be decommissioned in 2007. Finally, no new taxpayer subsidies should be allocated to build new roads as long as this maintenance backlog exists.

### ***FY 07 Recommendation:***

Roads Maintenance Program— \$551 million (\$451 million for annual and \$100 million for deferred)

*An increase of \$328.8 million over the FY 06 enacted level of \$222.2 million*

*(Funding for deferred maintenance may be reallocated from the timber program, which is the major source and cause of new roads and increasing backlog.)*

### ***Accounting Program***

The USFS has a multiple decades long history of fiscal and accountability problems. USFS can ameliorate these problems by introducing improved, detailed accounting and reporting protocols across the Forest Service, and utilizing only those performance measures that can reasonably be accomplished based on capacity and technology. In addition, USFS should develop more precise performance measures that better links outputs and outcomes, and ensure that reporting is both consistent and accurate. Enough monies to achieve these objectives should be appropriated, especially with regards to the timber and roads programs.

### ***FY 07 Recommendation:***

Forest Products Program— accounting monies should be allocated from the timber program

<sup>5</sup> Deferred maintenance as defined in USFS 2006 Budget Justification: "maintenance that is not performed as needed or scheduled. Deferred maintenance causes deterioration of infrastructure asset performance, increased repair costs, and a decrease in the asset value. Repairs, rehabilitation to restore functionality, replacement, and decommissioning are actions that are taken to reduce or eliminate deferred maintenance."

# DEPARTMENT OF AGRICULTURE

## FOREST SERVICE

### ***Recreation, Heritage & Wilderness Programs***

Recreation makes up the largest of the forest uses and demand for outdoor recreation is fast growing. We recommend that USFS encourage recreation that is environmentally sound and that it use a sustainable funding model that would transfer funds derived from recreation towards restoration programs in order to meet the growing recreation demand.

Wilderness areas make up 20% of National Forest lands, and therefore deserve a budget line item separate from Recreation and Heritage. This would provide funds to manage human activities affecting those wilderness areas. Currently, only 12% of Wilderness areas meet the Forest Service standard for wilderness areas. To bring all 407 Wilderness areas to standard by year 2014, as outlined by the USFS 10-Year Wilderness Strategy, will require a substantial budgetary increase.

#### ***FY 07 Recommendation:***

Wilderness Programs- \$64 million

*An increase of \$32 million over FY 06 enacted level of \$32 million*

### ***Forest Service Grazing Management & Permit Backlog***

Livestock grazing represents one of the largest utilizations of Forest Service land, encompassing over 90 million acres of public rangeland. Despite being granted 900 grazing permit categorical exclusions, the Forest Service continues to carry an overwhelmingly large backlog of required environmental reviews for permit renewals. At the end of FY2005, the agency had completed less than half of the necessary reviews. The Service's lack of progress is baffling when compared to the progress achieved by the Bureau of Land Management, which receives less discretionary funding and reviews far more permits.

#### ***FY 07 Recommendation:***

The Forest Service should be required to properly account for their apparent lack of progress in reducing the grazing permit backlog. Congress should insist that the Forest Service provide an enforceable permitting schedule that commits the agency to comply with its obligations under NEPA.

### ***Wildlife and Fisheries Habitat Management***

Our national forests and grasslands play an essential role in the conservation of our nation's wildlife and habitat. More than 425 species listed under the Endangered Species Act and an additional 3,200 at-risk species are found on Forest Service lands. These lands encompass an amazing array of habitats, from alpine tundra to tropical rainforest, deciduous and evergreen forests, native grasslands, wetlands and various

# DEPARTMENT OF AGRICULTURE

## FOREST SERVICE

size streams, lakes, and marshes. National forests often contain significant headwaters and stream reaches important to freshwater creatures like fish, mussels and crayfish, a higher percentage of which are considered at-risk than other species. Many of the larger animals in the U.S. such as grizzly bear, wolverine, elk, Canada lynx and bighorn sheep persist because of Forest Service lands. In fact, because national forests often represent intact connected habitat, they become obvious places for recovery and reintroduction of rare creatures and form the backbone of many large-scale conservation plans. Fish and wildlife on our national forests are important to people all across the nation – about 40 million visits per year are primarily for hunting, fishing or wildlife viewing.

The Forest Service Wildlife and Fisheries Habitat Management program works with partners to inventory and monitor, manage, and restore habitat on national forests and grasslands in four program areas: 1) Threatened, Endangered and Sensitive Species; 2) Wildlife; 3) Fisheries; and 4) NatureWatch (wildlife viewing and education). In FY 2004, for example, (the most recent year for which final summary information is available) the Wildlife and Fisheries Habitat Management program invested \$122.8 million in 4,802 projects benefiting fish and wildlife and leveraged an additional \$33.4 million in contributions from partners. Each year, however, there is a far greater need than the level of funding provided. For FY 2006, although the final appropriation for this account was \$132.9 million, national forests had identified at least an additional \$17 million in needed projects that could be implemented with existing staff, for a total of \$149.9 million. For FY 2007, the level of identified needed projects is expected to rise to at least approximately \$186 million.

### ***FY 07 Recommendation:***

Wildlife and Fisheries Habitat Management - \$188.5 million

*An increase of \$55.6 million over the FY 06 enacted level of \$132.9 million*

### ***Office of International Programs***

The International Program assists other nations in their forest management and biodiversity conservation efforts. It draws on the diverse Forest Service workforce, represented by research scientists, managers of national forests and grasslands, and specialists in international work, conservation biology, forest health, and private land assistance. In this way, the Forest Service is able to directly link conservation investments at home with its international work. How other nations respond to the challenges of forest management and biodiversity conservation has important economic, environmental, and socio-political implications for the United States. USFS/IP builds long-term conservation partnerships to solve priority problems that require sustained efforts on the ground, including conservation of migratory species, prevention of invasive species, education in fire ecology and prevention, protected area management, landscape forest planning, forest certification, and reduced impact logging.

### ***FY 07 Recommendation:***

International Program- \$8 million

*An increase of \$1.1 million over the FY 06 enacted level of \$6.9 million*

# DEPARTMENT OF AGRICULTURE

## FARM BILL CONSERVATION PROGRAMS

### ***Natural Resources Conservation Services***

The 2002 Farm Bill made an unprecedented commitment to providing farmers and ranchers with the technical and financial assistance they need to enhance wildlife habitat, restore wetlands, and implement practices that improve air, water and soil quality. These voluntary conservation programs also help maintain open space in the face of urban sprawl, and can provide farmers and ranchers with an important income source.

Unfortunately, over the past three years, Congress has not lived up to the promises of the Farm Bill; instead, they have consistently shortchanged the conservation programs by up to 50%. In addition, the 2006 budget reconciliation bill will cut an additional \$3 billion, much of that from conservation programs. This pattern has real consequences both for environmental quality and for the farmers and ranchers who need assistance. In 2004 alone, nearly 152,000 qualified applications for farm conservation programs had to be turned away – an astonishing unmet conservation need of almost \$4.5 billion!

The conservation programs within the Farm Bill include: Wetlands Reserve Program (WRP), which provides farmers with cost-share assistance and easements to restore wetlands that have been degraded by agriculture; Wildlife Habitat Incentives Program (WHIP), which provides assistance to producers to improve and protect wildlife habitat; Environmental Quality Incentives Program (EQIP), which provides incentives to producers to help address a wide range of natural resource issues and to comply with environmental laws; the new Conservation Security Program (CSP), which provides income support to producers who implement and maintain stewardship practices on their working lands; Farmland Protection Program (FPP), which offers farmers payments for easements to keep their land in agricultural usage; the new Grasslands Reserve Program (GRP), intended to restore and protect up to 2 million acres of grasslands focusing on grazing lands, grasslands threatened with conversion, and native prairie; and the Conservation Reserve Program (CRP), which provides farmers with incentives to restore and protect highly erodible farmland, farmed wetlands, and riparian buffers.

#### ***FY 07 Recommendation:***

Fully fund all of the Farm Bill conservation programs at the funding levels mandated in the 2002 Farm Bill, *an increase of \$972 million over FY 2006 levels.*

Conservation Security Program: \$450 million

Wetlands Reserve Program: 250,000 acres (\$400 million)

Environmental Quality Incentives Program: \$1.3 billion

Wildlife Habitat Incentive Program: \$85 million

Farm and Ranchland Protection Program: \$97 million

Conservation Reserve Program: 39.2 million acres (\$2.271 billion)

Ground and Surface Water Conservation Program: \$60 million

Agriculture Management Assistance Program: \$20 million

**TOTAL: \$4.693 billion**

# U.S. ARMY CORPS OF ENGINEERS

## ***Project Modification for Improvement of the Environment***

The Project Modification for Improvement of the Environment program (Section 1135) allows the U.S. Army Corps of Engineers (Corps) to restore river systems degraded by existing Corps projects. Under Section 1135, the Corps can modify existing dams and flood control projects to increase habitat for fish and wildlife, and restore areas affected by Corps projects. Non-federal interests must provide for 25 percent of project costs, and modifications must not interfere with a project's original purpose. FY 06 included a one time increase to mitigate a project backlog due to the popularity of the program; in FY 07 the section 1135 should be funded at its fully authorized level to continue the progress that is being made mitigating the damage to the environment caused by the Corps projects.

### ***FY 07 Recommendation:***

Project Modification for Improvement of the Environment- \$25 million

*A decrease of \$5 million from the FY 06 enacted level of \$30 million*

## ***Aquatic Ecosystem Restoration***

Aquatic Ecosystem Restoration program, Section 206 allows the Corps to undertake small-scale projects to restore aquatic habitat, even in areas not directly harmed by past Corps projects. Projects carried out under this program must improve the quality of the environment, be in the public interest, and be cost-effective. Individual projects may not exceed \$5 million, and non-federal interests must contribute 35 percent of project costs. FY 06 included a one time increase to mitigate a project backlog due to the popularity of the program; in FY 07 the section 206 should be funded at its fully authorized level to continue the progress that is being made restoring these critical ecosystems.

### ***FY 07 Recommendation:***

Aquatic Ecosystem Restoration- \$25 million

*A decrease of \$5 million from the FY 06 enacted level of \$30 million*

## ***Upper Mississippi Environmental Management Program***

The Upper Mississippi River stretches across the Midwest for 1,300 miles, connecting the industrial agricultural economies of five states to the ports of the Gulf Coast. In addition to the immense economic benefits derived from the commercial shipping and recreational industries that use the River, the Upper Mississippi is a critical habitat for numerous species of native mussel, fish, waterfowl, and plant species. The Upper Mississippi River System Environmental Management Program (UMRS-EMP) is the leading initiative to monitor, restore, and preserve the Upper Mississippi River and its surrounding ecosystems. The program, a collaboration between federal and state agencies and headed by the USACE, currently focuses on Habitat Rehabilitation and Enhancement Projects and Long Term Resource Monitoring.

### ***FY 07 Recommendation:***

Upper Mississippi River Environmental Management Program- \$33 million

*An increase of \$13.2 million over the FY 06 enacted level of \$19.8 million*

# U.S. ARMY CORPS OF ENGINEERS

## ***Lower Mississippi River Resource Assessment***

The Lower Mississippi River Environmental Program (LMREP) provides environmental information to support the design, construction, and operation of the Mississippi River Levees and Channel Improvement features of the Mississippi River & Tributaries Channel improvement and Mississippi River Levees projects. The Lower Mississippi River Resource Assessment (LMRRA) was then authorized by Congress in section 402 of the Water Resources Development Act of 2000 as part of the LMREP. The goal of these programs is to develop general environmental inventory data for the Lower Mississippi River and floodplains, and to improve environmental engineering design for levees and channel training dike systems.

### ***FY 07 Recommendation:***

Lower Mississippi River Resource Assessment- \$1.5 million

*An increase of \$1.5 million over the FY 06 enacted level of \$0*

## ***Missouri River Fish and Wildlife Recovery Project: IA, NE, KS & MO***

The Missouri River Fish and Wildlife Recovery Project is the primary habitat restoration program for the lower Missouri River between Sioux City and St. Louis. Congress established it in 1986 with the primary purpose of helping reverse the long-term impact on habitat due to the federally sponsored channelization and stabilization projects of the Pick-Sloan era. Supporting the Missouri River Fish and Wildlife Recovery Project will help reverse the decline of river wildlife by restoring historic chutes, side channels, wetlands, backwaters, and other habitat that fish and wildlife need to survive.

### ***FY 07 Recommendation:***

Missouri River Fish and Wildlife Recovery Project- \$82.8 million

*An increase of \$28.9 million over the FY 06 enacted level of \$53.9 million*

## ***Flood Hazard Mitigation and Riverine Restoration (Challenge 21)***

Over the past 25 years, the federal government has spent more than \$140 billion for traditional structural flood control projects and flood damage recovery. Flooded communities are increasingly seeking and implementing non-structural solutions to reduce flooding which also help riverside communities improve the quality of their water, increase opportunities for recreation, and improve and restore wildlife habitat. When funded, Challenge 21 will support non-structural flood control solutions such as relocation of vulnerable homes and businesses in smaller communities, restoration of floodplain wetlands, increasing opportunities for riverside recreation, and improvement quality of life in riverside communities. Challenge 21 also authorizes the Corps to work with other federal agencies to help local governments reduce flood damages and conserve, restore, and manage riverine and floodplain resources with local communities providing 35 percent of project costs.

### ***FY 07 Recommendation:***

Flood Hazard Mitigation and Riverine Restoration Program- \$50 million

*An increase of \$50 million over the FY 06 enacted level of \$0*

# U.S. ARMY CORPS OF ENGINEERS

## ***Lower Columbia River Ecosystem Restoration OR & WA***

Coastal estuaries in the Pacific Northwest play a vital role in supporting healthy stocks of wild salmon and steelhead trout, provide critical habitat for other fish and wildlife, offer abundant recreational opportunities, and improve water quality by filtering out toxic contaminants, sediments, and other pollutants. The Northwest Coastal Estuary Program, run by the Army Corps of Engineers, is a stakeholder driven program that is designed to restore more than 16,000 acres of critical fish and wildlife habitat, augment existing monitoring efforts, and help citizens protect and manage resources on the Lower Columbia River and Tillamook Bay by bringing together local governments, state and federal agencies, environmental groups, ports, and citizens.

### ***FY 07 Recommendation:***

Lower Columbia River Ecosystem Restoration- \$3 million

*An increase of \$1 million over the FY 06 enacted level of \$2 million*

## ***Estuary Restoration Act of 2000***

For more than a century, development, alteration of natural flows, dredging, damming, mining and logging operations, and irrigation have all transformed the ecology of estuaries from San Francisco Bay to the Chesapeake Bay, in many instances severely damaging these vital ecosystems. The Estuary Restoration Act of 2000 created the Estuary Habitat Restoration Council to develop a strategy for coordinating and prioritizing estuary restoration while enhancing estuary monitoring, data sharing, and research capabilities. If fully funded at its authorized level, the Act would restore one million acres of estuary habitat by 2010.

### ***FY 07 Recommendation:***

Estuary Restoration Act of 2000- \$27.5 million

*An increase of \$26.5 million over the FY 06 enacted level of \$1 million*

## ***Individual Dam Removal River Restoration Projects***

Over the past 110 years, the United States has led the world in dam building for a variety of uses, including hydropower, irrigation, flood control and water storage. While dams can provide benefits to society, many dams have outlived their intended purpose and are now old, unsafe, and a threat to their river ecosystems. Several individual dam removal projects initiated by the Corps need federal appropriations to move forward. These projects will restore natural river functions, restore access to migratory fish habitat, and provide economic benefits to neighboring communities. Each of these projects has been endorsed by a wide range of stakeholders and approved for federal action.

### ***FY 07 Recommendation:***

Matilija Dam Removal- \$5 million for construction

*An increase of \$4.2 million over the FY 06 enacted level of \$0.8 million*

Rindge Dam Removal- \$595,000

*An increase of \$510,000 over the FY 06 enacted level of \$84,000*

# DEPARTMENT OF ENERGY

## OFFICE OF ENVIRONMENTAL MANAGEMENT

### ***Environmental Management Program***

The Department of Energy's (DOE) Environmental Management (EM) program is the world's largest and most expensive cleanup program at \$7.1 billion this year. The EM program has responsibility to clean up the toxic and radioactive legacy of Cold War nuclear weapons production at more than 130 sites around the country. The Administration has claimed that "accelerating cleanup" at some sites would still result in adequate funding for cleanup up the most contaminated sites. It seems that this will not be the case. At dozens of sites around the country, DOE's "accelerated cleanup plan" consists of "isolating" radioactive and toxic waste from the environment by piling dirt on top of it. Radioactive materials also continue to be dumped into unlined soil ditches that do not even meet the basic requirements for municipal landfills. And with assistance from allies in Congress, DOE is attempting to shirk its responsibility to clean-up the 239 underground tanks containing approximately 90 million gallons of high-level waste. The last two years DOE recommended withholding millions of cleanup dollars until affected states agree to accept lower cleanup standards for high-level waste – standards that would be inadequate to protect important water resources, such as the Snake River Aquifer, the Tuscaloosa Aquifer, and the Columbia River. Additionally, much of EM's budget does not go to real clean-up work. DOE has used the cover of environmental programs to fund billions of dollars of maintenance for the weapons complexes. For example, EM pays for reprocessing at the Savannah River Site, even though that activity increases the stockpile of separated plutonium while generating even more highly radioactive liquid wastes.

Congress must ensure adequate funding to meet all health, safety and environmental requirements and to comply with legal mandates. Money for work unrelated to clean-up, such as reprocessing, should be stripped from the budget.

#### ***FY 07 Recommendation:***

Environmental Management Program - \$ 7.3 billion

*An increase of \$200 million over the FY06 enacted level of \$7.1 billion*



# DEPARTMENT OF ENERGY

## OFFICE OF ENERGY EFFICIENCY AND RENEWABLE ENERGY

### ***Vehicle Technologies Program***

The United States needs to break its dangerous dependence on oil, but this cannot be done without increasing the fuel efficiency of motor vehicles. Federal research and development on technologies that improve motor vehicle efficiency are essential to achieving such an increase and are carried out by the Department of Energy (DOE) Vehicle Technologies Program. The technologies covered by the program include advanced lightweight materials, advanced batteries, improved power electronics, electric motors and advanced combustion engines.

#### ***FY 07 Recommendation:***

Vehicle Technologies Program- \$200 million

*An increase of \$18 million over the FY 06 enacted level of \$182 million*

### ***Building Technologies Program***

Energy use by residential and commercial buildings accounts for over one-third of the nation's total energy consumption, including two-thirds of the electricity generated in the U.S. Of all the DOE energy efficiency programs, the Building Technologies Program continues to yield perhaps the greatest energy savings. The National Research Council study found that just three small buildings research and development programs- in electronic ballasts for fluorescent lamps, refrigerator compressors, and low-e glass for windows- have already achieved cost savings totaling \$30 billion, at a total federal cost of about \$12 million.

#### ***FY 07 Recommendation:***

Building Technologies- \$350 million

*An increase of \$281 million over the FY 06 enacted level of \$69 million.*

### ***Industrial Technologies Program***

The Industrial Technologies Program partners with industry to conduct cost-shared energy saving research and provides technical assistance, tools, and training to improve industrial energy efficiency. One of the most effective Industrial Technologies Program initiatives conducts plant wide energy assessments, develops diagnostic software, conducts training, develops technical references, and demonstrates success stories. Oak Ridge National Laboratory reports that the Industrial Technologies program's BestPractices outreach saved \$492 million in 2002. University-based Industrial Assessment Centers have an immediate impact on the competitive performance of hundreds of smaller U.S. factories.

#### ***FY 07 Recommendation:***

Industrial Technologies Program- \$233 million

*An increase of \$176 million over the FY 06 enacted level of \$57 million*

# DEPARTMENT OF ENERGY

## OFFICE OF ENERGY EFFICIENCY AND RENEWABLE ENERGY

### ***Gateway Deployment Programs***

Even the best research and development will only meet our energy needs if it is commercialized. Energy efficiency deployment programs are especially critical right now to meeting our nation's immediate natural gas and oil situations. Key deployment programs have been cut in recent years, including building codes assistance and public education. Such cuts are inconsistent with achieving our national energy policy goals of reducing energy costs, promoting environmentally sound economic development, and reducing our reliance on imported oil. Additional funds are needed to reach out to consumers, cities, states, home builders, and others.

***FY 07 Recommendation:***

Gateway Deployment Programs - \$220 million

*An increase of \$194 million over the FY 06 enacted level of \$26 million*

### ***Federal Energy Management Program***

The federal government is the nation's largest consumer of energy. Federal agencies use one percent of all energy consumed in the U.S. DOE's Federal Energy Management Program (FEMP) has helped cut federal building energy waste by 24 percent from 1985-2001 – a reduction that now saves federal taxpayers roughly \$1 billion each year in reduced energy costs. FEMP advances energy efficiency at federal facilities by developing alternative financing options and providing technical assistance and training for federal agencies.

***FY 07 Recommendation:***

Federal Energy Management Program- \$35 million

*An increase of \$18 million over the FY 06 enacted level of \$17 million*

### ***Appliance Standards***

Federal appliance standards already save an estimated 2.5 percent of all U.S. electricity use; existing and draft standards are expected to save consumers and businesses \$186 billion by 2020. However, a number of standards are many years behind schedule and appear stalled. DOE has missed Congressionally-set legal deadlines for updating or establishing about twenty appliance standards. In fact, some standards are over a decade overdue. DOE has not issued a new energy-saving standard in more than four years. Developing standards is a costly process, and DOE needs adequate resources to carry out its responsibilities.

***FY 07 Recommendation:***

Appliance Standards- \$25 million

*An increase of \$15 million over the FY 06 enacted level of \$10 million*

# DEPARTMENT OF ENERGY

## OFFICE OF ENERGY EFFICIENCY AND RENEWABLE ENERGY

### ***Weatherization Assistance Program***

The Weatherization Assistance Program enables low-income families to permanently reduce their energy bills by making their homes more energy efficient. Such assistance is critical, especially with high home heating costs. During the last 27 years, the Weatherization Assistance Program has provided weatherization services to more than 5.3 million low-income families. In 2005, the goal was to weatherize 92,500 homes. By reducing the energy bills of low-income families instead of offering aid, weatherization reduces dependency and liberates these funds for spending on more pressing family issues. On average, weatherization reduces heating bills by 31% and overall energy bills by \$274 per year.

#### ***FY 07 Recommendation:***

Weatherization Assistance Program- \$600 million

*An increase of \$357 million over the FY 06 enacted level of \$243 million*

### ***State Energy Program***

The State Energy Program (SEP) provides grants to states to address their energy priorities and fund energy efficiency and renewable energy projects. States often combine these grants with funding from other sources to support such projects. According to a 2003 study by the Oak Ridge National Laboratory, each \$1 of SEP funding results in annual cost savings of \$7.23.

#### ***FY 07 Recommendation:***

State Energy Program - \$100 million

*An increase of \$64 million over the FY 06 enacted level of \$36 million*

### ***Wind Energy Program***

The Wind Energy Program focuses on continuing to develop a next-generation wind turbine capable of operating in areas with lower wind speeds, thus expanding wind development potential by twenty times, as well as allowing placement of turbines closer to existing transmission lines. The program is also studying the increased integration of wind energy into the nation's power grid.

#### ***FY 07 Recommendation:***

Wind Energy Program- \$55 million

*An increase of \$16 million over the FY 06 enacted level of approximately \$39 million*

### ***Solar Energy Technologies Program***

The Solar Energy Technologies Program supports research and development on technologies such as solar photovoltaics, concentrated solar power and solar heating and lighting. The program's research continues to bring costs down and performance up, fostering a domestic high-tech manufacturing base. However, the

# DEPARTMENT OF ENERGY

## OFFICE OF ENERGY EFFICIENCY AND RENEWABLE ENERGY

U.S. is losing market share to Japan and the European Union in this rapidly growing technology area.

The advances through the research, development and deployment (RD&D) program for electric power generation, absorption cooling and water and industrial process heating have shown immense promise and should be aggressively pursued. Continued work on energy storage for all concentrated solar power technologies, including solar power towers, should receive greater RD&D attention and deployment.

Solar heating and lighting technologies are utilized around the world in quantities far exceeding those in the U.S. Such systems can significantly reduce the consumption of electricity and natural gas - up to several percent in many countries. DOE research on solar heating and lighting emphasizes reducing the cost of solar water heating - the goal is to reduce the cost of solar water heating to 4¢/kWh in 2006.

### ***FY 07 Recommendation:***

Solar Energy Technologies Program- \$133 million

\$103 million for photovoltaics

\$25 million for concentrated solar power

\$5 million for solar heating and lighting

*An increase of \$47 million over the FY06 enacted level of approximately \$86 million*

### ***Biomass and Biorefinery Systems R&D Program***

Biomass power funding should support cleaner combustion, gasification, pyrolyzation and digestion technologies for electric generation with biomass. A variety of feedstocks should be tested for emissions within these technologies. Distributed generation with small biomass systems should be emphasized as well. The power and fuels programs should work together to develop a biorefinery plant that can be operated in the U.S. to produce clean fuel, power and chemicals. The biofuels program should add to the existing biomass options (e.g., corn fiber) with an expanded focus on cellulosic biomass for ethanol as well as biodiesel, but not municipal solid waste. The biofuels program should focus on cost reductions in the production of ethanol through the fermentation of sugars and the gasification or pyrolyzation of cellulosic biomass and biomass waste streams for the production of synfuels and their conversion into biofuels and biopower. The biomass power program should become less line-itemed and directed more towards industry commercialization partnerships.

### ***FY 07 Recommendation:***

Biomass and Biorefinery Systems R&D Program - \$100 million

\$45 million for biomass power RD&D

\$55 million for biofuels RD&D

*An increase of \$8 million over the FY 06 enacted level of approximately \$92 million*

# DEPARTMENT OF ENERGY

## OFFICE OF ENERGY EFFICIENCY AND RENEWABLE ENERGY

### ***Geothermal Technology Program***

Geothermal energy holds the promise to produce vast quantities of high quality baseload power. The U.S. urgently needs to develop the technology and resource knowledge necessary to tap its extensive geothermal resources base. The United States Geological Survey estimates the accessible resource base to be at least 95,000 MW, we are tapping only 2% of this potential. At one time the geothermal research budget was over \$150 million, but today the program struggles to maintain a bare-bones research program. The DOE research program lacks funding to support cost-shared research into advanced technologies, cannot support or undertake critical resource assessments, and fails to take the other measures needed to tap the huge identified potential of this resource.

In addition to continuing the base program funding, the following investments are needed: an additional \$1.5 million to update our 25-year-old geothermal resource assessment; \$3 million to expand the utilization of geothermal energy for agricultural, commercial, and other uses; \$5 million for an advanced power technology development solicitation, which will seek industry partners to develop the geothermal power system of the future; \$7.5 million for "enhanced geothermal systems" technology development, which is work that holds the promise of increasing the geothermal resource base ten-fold.

#### ***FY 07 Recommendation:***

Geothermal Technology Program - \$42.5 million

*An increase of \$19.5 million over the FY 06 enacted level of approximately \$23 million*

### ***Hydropower Program***

Funding for the Hydropower Program needs to be used for the DOE's Advanced Hydropower Turbine System (AHTS) program and related activities. The funding should also support broadening the DOE's hydropower program to study other operational and environmental issues related to hydropower production, including the potential of hydrokinetic hydropower (damless hydropower) technologies. Funding should also be made available to conduct research and development that will improve the environmental, technical, and societal benefits of hydropower. DOE should disperse appropriated money among these program areas as appropriate.

#### ***FY 07 Recommendation:***

Hydropower Program- \$10 million

*An increase of \$9.5 million over the FY 06 enacted level of \$500,000*

## **DEPARTMENT OF ENERGY**

### **OFFICE OF ENERGY EFFICIENCY AND RENEWABLE ENERGY**

#### ***Hydrogen Technology Program***

While hydrogen is not a fuel, it represents an important energy carrier. The Hydrogen Program RD&D should be focused on utilizing renewable resources, waste heat, and related clean processes to generate hydrogen, and not use coal and nuclear energy for this purpose. Hydrogen RD&D should focus in three prime areas: 1) infrastructure - to transport, store and safely utilize hydrogen at a maximum of \$40 million, 2) creation of hydrogen from renewable energy and waste heat utilizing the many options including novel concepts, at \$60 million, and 3) unique conversion of hydrogen to electricity including primarily fuel cells, but also heat engines and storage systems at \$20 million.

#### ***FY 07 Recommendation:***

Hydrogen Technology Program- \$120 million

*A decrease of \$37 million from the FY 06 enacted level of approximately \$157 million*

## **DEPARTMENT OF ENERGY**

### **OFFICE OF ELECTRICITY DELIVERY AND ENERGY RELIABILITY**

#### ***Distributed Energy Program***

The Distributed Energy Program performs research and development to advance a wide range of energy efficient technologies that generate energy on-site, utilize thermal energy that would otherwise be wasted, and strengthen energy infrastructure. These technologies can decrease our dependence on renewable energy, reduce air pollution and greenhouse gas emissions, and improve electric reliability by lowering the load on the electric grid.

#### ***FY 07 Recommendation:***

Distributed Energy Program- \$106 million

*An increase of \$46 million over the FY 06 enacted level of \$60 million*

# DEPARTMENT OF TRANSPORTATION

## FEDERAL RAILWAY ADMINISTRATION

### **Amtrak/Passenger Rail**

Cities, towns, and states need a variety of transportation options to help move people, goods, and services where they need to go. We can efficiently meet this need without traffic or pollution if we make sure our transportation choices are smart and balanced. In recent years, intercity travel on highways and airplanes has been steadily consuming more energy on fewer trip-miles. Meanwhile, gridlock on highways is increasing and our airports are becoming more crowded. With record ridership and significant reforms underway in Congress, Amtrak is well positioned to serve many of these frequent intercity travelers while easing congestion and pollution.

#### ***FY 07 Recommendation:***

Amtrak/Passenger Rail- \$2 billion

*An increase of \$700 million over the FY06 enacted level of \$1.3 billion*

### **Next Generation High Speed Rail**

While the current Amtrak system can meet the needs of a large number of today's travelers – over 25 million in 2004 – next generation high-speed rail is a necessary component of tomorrow's transportation system. The American economy is dependent on an efficient transportation system, and with fuel prices on the rise, we must ensure we can rely on state of the art rail technology to meet economic and security demands. Europe and Asia have developed systems that America must emulate to remain competitive.

#### ***FY 07 Recommendation:***

Next Generation High Speed Rail -\$50 million

*An increase of \$41 million over the FY06 enacted level of \$19 million*

### **Railroad Rehabilitation and Improvement**

The safety and convenience of rail riders is also an important aspect of America's transportation system, and we must continue to invest in it. Consistent with the Administration's desire to end corporate subsidies, we should be helping states to invest in their public rail infrastructure to help develop important corridors, relieve congestion, and ease transportation related pollution.

#### ***FY 07 Recommendation:***

Railroad Rehabilitation and Improvement- \$10 million in targeted grants to states or coalitions of states

*An increase of \$10 million over the FY 06 enacted level of \$0*

# DEPARTMENT OF TRANSPORTATION

## FEDERAL TRANSIT AGENCY

### ***Flex Funding Allowance***

Different areas of America are facing diverse transportation challenges and states must be able to address them in creative and innovative ways. Flexibility in spending transportation money where it is most useful is fundamental to meeting local and regional transportation needs. The Flex Funding Allowance helps states spend in the most appropriate place.

#### ***FY 07 Recommendation:***

Flex Funding Allowance-\$2 billion

*An increase of \$1 billion over the FY06 enacted level of \$1 billion*

### ***New Starts***

Bringing transit programs to new areas and cities is one of the most proactive steps we can take to increase mobility and transportation choice, preserve communities, reduce traffic, and ease air pollution. New Starts has been an extremely effective program that has brought transit to millions of un- or under-served Americans. Preservation of current projects along with expansion is a critical piece of the nation's transportation puzzle.

#### ***FY 07 Recommendation:***

New Starts- \$2 billion

*An increase of \$0.6 billion over the FY06 enacted level of \$1.4 billion*

### ***Intermodal Passenger Facilities***

Increasing the connectivity of the national transportation system increases its efficiency. Americans can save fuel and time if transitions between various modes of transportation are well-linked. The current Intermodal Passenger Facilities Program addresses intercity public transportation. The program should be expanded to address connectivity in suburban and rural public transportation as well.

#### ***FY 07 Recommendation:***

Intermodal Passenger Facilities Program- \$150 million

*An increase of \$75 million over the FY06 enacted level of \$75 million*



# DEPARTMENT OF TRANSPORTATION

## NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

### ***Fuel Economy Program***

National Highway Traffic Safety Administration's (NHTSA) work on fuel economy standards is terribly under funded, in spite of the fact that cars and trucks are responsible for about 40% of the oil Americans consume and more than a third of U.S. heat-trapping carbon emissions. The energy bill that passed last year authorized only \$3.5 million for NHTSA to proceed with its work on fuel economy standards in FY07. In contrast, NHTSA's fuel economy program was funded at \$10 million in 1977, when it helped to dramatically reduce the country's dependence on oil.

#### ***FY 07 Recommendation:***

Fuel Economy Program- \$32 million

*An increase of \$30 million over the FY06 budget request of \$2 million*

# CROSS-CUTTING RESTORATION PROGRAMS

## EVERGLADES ECOSYSTEM RESTORATION

The 18,000-square-mile Everglades ecosystem of central and southern Florida is one of the world's most diverse and productive wetlands, but is also one of the nation's most imperiled natural wetland ecosystems. Since 1900, more than half of the ecosystem has been drained and lost to urban and agricultural development, and the remaining marshes are crisscrossed by 1,400 miles of canals that alter natural water flows. Restoration of the Everglades is at a critical juncture. Keeping Everglades restoration on schedule and the Federal/Florida partnership strong requires significant federal investment in 2007. The long anticipated Modified Waters and Kissimmee River Restoration Projects will be completed by 2010, but only if fully funded over the next three years. It is time to begin implementation of the Comprehensive Everglades Restoration Plan (CERP), authorized 6 years ago.

### *Comprehensive Everglades Restoration Program*

The Comprehensive Everglades Restoration Program (CERP) is aimed at reversing the decline of the Everglades and loss of the many ecological and economic services it provides. The program will restore water flows throughout the ecosystem, clean up polluted waters, purchase privately owned lands to create a buffer between natural and urban areas, protect habitat, and enhance recreational opportunities.

### *Kissimmee River Restoration*

Upon completion of the Kissimmee River restoration project in 2010, over 40 square miles of river and floodplain ecosystem will be restored, including returning 43 miles of meandering river to its original course and re-creating 27,000 of the 35,000 acres of wetlands that were lost to past flood control efforts. The estimated \$494.8 million restoration project is being jointly implemented and equally cost-shared by the South Florida Water Management District and the Army Corps of Engineers.

# CROSS-CUTTING RESTORATION PROGRAMS

## EVERGLADES ECOSYSTEM RESTORATION

### ***FY 07 Recommendation:***

#### U.S. Army Corps of Engineers -

Comprehensive Everglades Restoration Program (CERP)- \$87 million  
*An increase of \$13.1 million over the FY 06 enacted level of \$73.9 million*

Kissimmee River Restoration- \$50 million  
*An increase of \$36.8 million over the FY 06 enacted level of \$13.2 million*

Everglades' Critical Projects- \$15 million  
*An increase of \$3 million over the FY 06 enacted level of \$12 million*

Modified Water Deliveries to Everglades National Park- \$35 million  
*Same as FY 06 enacted*

#### Department of the Interior -

CERP – National Park Service- \$6 million  
– Fish and Wildlife Service- \$4 million  
*An increase of \$1.4 million over the FY 06 enacted level of \$8.6 million*

NPS Modified Water Deliveries to Everglades National Park- \$18 million  
*A decrease of \$7 million over the FY 06 enacted level of \$25 million*

LWCF Land Acquisition Grants- \$20 million  
*An increase of \$20 million over the FY 06 enacted level of \$0*

# CROSS-CUTTING RESTORATION PROGRAMS

## GREAT LAKES RESTORATION PROJECTS

The Great Lakes hold one-fifth of the world's fresh surface water supply. More than 30 million people live within the watershed, the Great Lakes hold the key to economic health, recreation and irreplaceable family experiences. They support the economy through agriculture, industrial manufacturing, steel production, commercial and sport fisheries, and recreation and tourism. More than 150,000 Americans work in the Great Lakes' shipping industry, which provides passage for approximately 180 million tons of cargo annually. The economic benefits in the Great Lake states are more than \$15 billion for hunting, fishing, and wildlife watching.

Despite their overwhelming greatness and their vast expanse, the Great Lakes are fragile and in peril. Raw sewage contaminates beaches, invasive species threaten native fish, and toxic mercury makes fish unsafe to eat. These problems have reached a critical tipping point. Scientists say that action must be taken now or the entire Great Lakes ecosystem will be damaged beyond repair. Funding is needed to restore the health of the Great Lakes. Every day the problems intensify and the solutions become more costly.

In 2005, the Great Lakes Regional Collaboration produced a blueprint to protect and restore the Great Lakes. The GLRC, which was made up of over 1500 leaders from around the region, identified goals to restoring this fresh water resource. Some recommendations are outlined in other areas of this report, such as the Clean Water State Revolving Fund and Farm Bill conservation programs. The programs listed below are specific to the Great Lakes. Both are supported by the region's mayors, governors and families and need adequate funding to ensure the simple solutions identified in the GLRC strategic plan can be immediately carried out.

# CROSS-CUTTING RESTORATION PROGRAMS

## GREAT LAKES RESTORATION PROJECTS

### ***FY 07 Recommendation:***

U.S. Environmental Protection Agency

Great Lakes Legacy Act- \$54.0 million

*An increase \$24 million over the FY 06 level of \$30 million*

Great Lakes National Program Office- \$25 million

*An increase \$3 million over the FY 06 level of \$22 million*

U.S. Department of the Army, Army Corps of Engineers

Great Lakes Fishery and Ecosystem Restoration- \$3.3 million

*An increase \$2.925 million over the FY 06 level of \$375,000*

Chicago Ship and Sanitary Canal dispersal barrier- \$6.0 million

*An increase \$6 million over the FY 06 level of \$0*

U.S. Department of Commerce, National Oceanic and Atmospheric Administration

Great Lakes Environmental Research Laboratory- \$12.0 million

*An increase \$3.35 million over the FY 06 level of \$8.65 million*

U.S. Department of the Interior, Fish and Wildlife Administration

Great Lakes Fish and Wildlife Restoration Act- \$5 million

*An increase \$3.2 million over the FY 06 level of \$1.8 million*

U.S. Department of State

Great Lakes Fishery Commission- \$17.0 million

*An increase \$2.1 million over the FY 06 level of \$14.9 million*

# CROSS-CUTTING RESTORATION PROGRAMS

## COASTAL LOUISIANA RESTORATION

Where the Mississippi River meets the Gulf of Mexico it forms a complex of ecosystems that are drastically unique and vitally important to the economic, environmental, and the security related concerns of the gulf region and its citizens. The vast wetland complexes that previously covered acres of the Mississippi delta are disappearing at an alarming rate because the river cannot deposit its vital sediments into the surrounding wetlands. The loss of 2000 square miles of wetlands through the years has led to a dramatic decrease in the natural protection afforded by wetlands and barrier islands to coastal cities such as New Orleans. In the wake of Hurricane Katrina it is paramount to consider coastal restoration and conservation as an integral portion of the rebuilding of New Orleans and the Gulf Coast and to appropriate funds accordingly.

***FY 07 Recommendation:***

Coastal Louisiana Restoration- \$5 billion

(initial diversion, sediment pipeline, and barrier island projects)

*An increase \$4.993 billion over the FY 06 enacted level of \$7.4 million*

# CROSS-CUTTING RESTORATION PROGRAMS

## CALIFORNIA-FEDERAL BAY DELTA PROGRAM

The California-Federal Bay Delta Program (CalFed) is a partnership between federal and California agencies to provide a balanced, collaborative approach to the water resource demands on the San Francisco Bay and San Pablo Bay watersheds. The Ecosystem Restoration and Watershed program within CalFed works to restore and improve wildlife habitat through out the watershed, improve fish passage, integrate flood control and ecosystem restoration, and implement specific watershed restoration projects in conjunction with watershed plans. The Ecosystem Restoration program has funded over 400 projects restoring 100,000 acres of fish habitat, screening 68 water intake points and initiating 23 comprehensive watershed programs. The Watersheds Program has awarded 83 grants totaling \$25.5 million to 50 community-based organizations for projects addressing watershed health, drinking water quality, non-point sources of pollution and watershed protection.

### ***FY 07 Recommendation:***

CalFed Ecosystem Restoration and Watershed Program- \$35 million

U.S. Bureau of Reclamation- \$15 million

*A decrease of \$21.6 million over the FY 06 enacted level of \$36.6 million*

U.S. Army Corps of Engineers- \$5 million

*An increase of \$4.9 million over the FY 06 enacted level of \$0.1 million*

NOAA's National Marine Fisheries Service- \$10 million

*An increase of \$10 million over the FY 06 enacted level of \$0*

U.S. Fish and Wildlife Service- \$5 million

*An increase of \$5 million over the FY 06 enacted level of \$0*

# CROSS-CUTTING RESTORATION PROGRAMS

## PENOBSCOT RIVER RESTORATION PROJECT

The Penobscot River Restoration Project is an unprecedented approach to river restoration that will reconfigure hydropower facilities and maintain energy production while opening up more than 500 miles of habitat to 10 native species of anadromous fish, improve water quality, boost wildlife and create new opportunities in communities along New England's second largest river. The two lowermost Penobscot dams, Veazie and Great Works, will be removed and a state-of-the-art fish bypass will be installed at Howland Dam. The restoration project will reestablish the river's historic connection to the ocean, and help feed fisheries and wildlife in the river and the Gulf of Maine. The project's reconfiguration of dams will have a wide range of benefits to fish and wildlife populations, water quality and communities along the river. The restoration of the Penobscot River is the best last chance for the dwindling Atlantic Salmon populations in the country.

### ***FY 07 Recommendation:***

Penobscot River Restoration Project- \$25 million for purchase of the dams

NOAA's National Marine Fisheries Service- \$15 million

*An increase of \$14.5 million over the FY 06 enacted level of \$0.5 million*

Department of the Interior- \$10 million

*An increase of \$9 million over the FY 06 enacted level of \$1 million*

## LONG ISLAND SOUND RESTORATION ACT

The Long Island Sound Restoration Act strives to protect and restore the environmentally and economically vital resources of the Sound. In 1985, the Sound was one of the first estuaries recognized under the National Estuary Program because it provides feeding, breeding, nesting and nursery areas for a diversity of plant and animal life, and contributes an estimated \$5.5 billion per year to the regional economy from commercial fishing, sport fishing, and recreational activities. More than 8 million people live in the Long Island Sound watershed, and the resultant development has led to increasingly poor ecosystem health. Future funding will allow regional conservation groups to continue their implementation of programs aimed at restoring the health of the Sound through improvements in water quality, the control of invasive species, the restoration of and/or reclamation of natural areas, and the bolstering of native species populations.

### ***FY 07 Recommendation:***

Long Island Sound Restoration Act- \$40 million

*An increase of \$38.2 million over the FY 06 enacted level of \$1.8 million*



# CROSS-CUTTING RESTORATION PROGRAMS

## CHESAPEAKE BAY

The Chesapeake Bay is a national treasure. However, the ecological health of the largest estuary in the United States, whose 64,000 square mile watershed covers parts of six states and the District of Columbia, continues to be poor – only 27 on a 100 point scale according to the Chesapeake Bay Foundation’s annual State of the Bay report. Aggressive efforts undertaken over the past thirty years to limit pollution and restore the Bay’s incredible biological productivity are not keeping pace with population and development trends. Water pollution – mainly excess nitrogen and phosphorous - from sewage treatment plants, agriculture, and urban runoff, together with air pollution from power plants, vehicles, and industry, threaten the Bay’s future. A distinguished Blue Ribbon Panel convened by Governors of the six states and the Mayor of the District of Columbia in 2004 called for a \$12 billion federal investment in the long-term health of the Chesapeake Bay.

### ***FY 07 Recommendation:***

#### Environmental Protection Agency

Chesapeake Bay Program- \$25 million

*An increase of \$3 million over the FY 06 enacted level of \$22 million*

Chesapeake Bay Small Watershed Grants– \$10 million

*An increase of \$8.1 million over the FY 06 enacted level of \$1.9 million*

Targeted Watershed Program for Chesapeake Bay– \$10 million

*An increase of \$4.1 million over the FY 06 enacted level of \$5.9 million*

#### USDA Natural Resource Conservation Service

Support for Chesapeake Bay Activities on farms- \$6 million

*Same as FY 06 enacted*

#### US Army Corps of Engineers

Chesapeake Bay Environmental Restoration and Protection - \$10 million

*An increase of \$8.02 million over the FY 06 enacted level of \$1.98 million*

Chesapeake Bay Oyster Restoration- \$10 million

*An increase of \$7.77 million over the FY 06 enacted level of \$2.23 million*

#### National Oceanic and Atmospheric Administration

Chesapeake Bay Oyster Restoration - \$15 million

*An increase of \$7.1 million over the FY 06 enacted level of \$7.9 million*

# OFFSETS

## DEPARTMENT OF INTERIOR

### **Hardrock Mining Reforms**

Under the 1872 Mining Law, mining companies extract minerals from publicly owned lands without paying royalties to the federal government. This policy differs from federal policy toward the coal, oil and gas industries, all of which must pay royalties for extracting minerals from public lands. In 2003, mining corporations extracted \$818 million worth of minerals from public lands without any royalty payment to taxpayers. Adding insult to injury, the 134-year-old law also allows mining companies to patent, or buy, mineral-rich public land for \$5 an acre or less, paying 1872 prices for land worth billions of dollars. The archaic 1872 Mining Law not only distorts the minerals market, it promotes environmental destruction of public lands because it includes no provisions for environmental protection and elevates mining as the best use of the land, regardless of other potential uses.

#### ***FY 07 Recommendation:***

1) Require fair market returns to taxpayers for extraction of publicly owned minerals. A royalty of 8 percent could raise \$65 million annually, based on 2003 mineral estimates.

2) Make permanent, and also double, the fee mining companies pay to maintain their unpatented claims on public lands, from \$125 to \$200 per claim annually, to better reflect the value of these claims. Moreover, the fee should be doubled again to \$400 if no mining occurs within five years of filing a mining claim. Without adjustment for any decline in claims associated with an increased fee, a doubled fee would return approximately \$50 million per year to taxpayers.

A total savings of \$115 million compared to FY 06 levels

### **Public Lands Grazing**

The public land grazing program administered by the U.S. Forest Service (USFS) and the Bureau of Land Management (BLM) is highly subsidized and benefits only 2 percent of the nation's livestock operators in 2004. According to the Government Accountability Office, the grazing programs cost taxpayers roughly \$136 million to operate, but only earned \$21 million. Below-cost grazing fees encourage overgrazing and, along with other problematic features of the existing federal program, have resulted in extensive and severe environmental damage to public lands.

#### ***FY 07 Recommendation:***

Charge a grazing fee on federal lands that covers management costs, and eliminate program expenditures that neither protect nor restore resources to create a savings of \$115 million compared to FY 06 levels.

# OFFSETS

## DEPARTMENT OF AGRICULTURE

### ***Money Losing Timber***

The U.S. Forest Service's (USFS) "commodity" timber sales program funds subsidized logging on our National Forests. These sales cost the government money because the companies that buy the timber do not pay enough to cover the costs associated with preparing and administering the sales. According to two General Accounting Office (GAO) reports, the USFS lost more than \$2 billion of taxpayer money from the commodity timber sales program between 1992 and 1997.

#### ***FY 07 Recommendation:***

Cut the commodity timber sale programs in national forests to reduce taxpayer subsidies to the timber industry.

### ***US Forest Service Timber Roads Program***

U.S. Forest Service's timber program pays to construct logging roads that assist timber companies in cutting and removing timber from our national forests. Over the history of the program, the agency has paid for the construction of hundreds of thousands of miles of timber roads. Construction of these forest roads exploits tax dollars to pay the timber industry's business costs and leads to the degradation of wildlife habitat, soil, and streams.

#### ***FY 07 Recommendation:***

Cut all funding for construction, planning and design of new logging roads

### ***U.S. Forest Service Salvage Fund***

The USFS Salvage Fund was created to expedite the removal of insect-infested, dead, damaged or down timber. Salvage sale revenues are deposited in the Salvage Fund. The USFS can spend the monies in the Salvage Fund without an annual appropriations request. Lacking this congressional oversight, the Salvage Fund is currently financing approximately one third of the logging in the National Forests, with many sales failing to fully cover their costs.

#### ***FY 07 Recommendation:***

Abolish the U.S. Forest Service Salvage Fund and return the unspent balance to the U.S. Treasury. The current amount programmed for the fund in fiscal year 2006 is approximately \$70 million.

# OFFSETS

## ARMY CORPS OF ENGINEERS

### ***Beach Replacement***

Beach projects are the only projects that the Army Corps of Engineers (Corps) builds knowing that they will fail because large storms and the ocean will eventually move the redeposited sand down- or offshore. Far from "renourishing" or "replenishing" beaches, this sand pumping actually works counter to natural beach functions that are critical for plants, wildlife and storm protection. Beach renourishment promotes further development on fragile, high-risk barrier islands, increasing both federal emergency payments for flood damages and impacts upon coastal wildlife. A Duke University analysis estimated \$3 billion was spent in the 20th century to pump more than 650 million cubic yards of sand on to America's beaches, enough to fill up a 3 x 3-foot sand box from Miami Beach to the moon and halfway back.

#### ***FY 07 Recommendation:***

Increase the local cost-share for periodic beach renourishment from 35 to 65 percent, which would save taxpayers more than \$3 billion over coming decades.

### ***Flood Control***

The U.S. Army Corps of Engineers (Corps) spends upwards of \$1 billion annually on flood-control construction and repair projects. Rather than reducing flood losses, however, the projects have increased the potential for even more severe flood damage. Many of the projects encourage high-risk development in flood-prone areas, reduce incentives for strong state and local floodplain management, and eliminate the natural and beneficial functions of floodplains.

#### ***FY 07 Recommendation:***

Reduce funding for the Corps' flood control construction budget by \$250 million annually. Reduce standard federal cost-share for flood control projects from the present 75 percent level for already authorized projects and 65 percent level for future projects to 50 percent (or less). The hurricane- and flood-related devastation in the Gulf Coast presents a unique situation that will need to be addressed separately.

### ***Inland Waterways User Fee***

The 11,000-mile federal inland waterway system is by far the nation's most heavily subsidized commercial freight transportation mode, according to the Congressional Budget Office (CBO). According to CBO, in 2002, the federal government spent about \$800 million on the nation's system of inland waterways. About 40 percent of that spending was devoted to construction of new navigation channels, locks, and other infrastructure, and about 60 percent was used for the operation and maintenance (O&M) of existing infrastructure. A December 2002 National Academy of Sciences report placed the barge industry's contribution far behind those of other forms of transportation, with the federal government recovering less than 8% of overall infrastructure costs while contributing nothing to the \$600 million maintenance costs in 2001.

# OFFSETS

## ARMY CORPS OF ENGINEERS

In addition to the cost, the operation and maintenance of these waterways involves dredging and dumping 50 million tons of river bottom annually, destroying wetlands and aquatic habitat. This Army Corps of Engineers (Corps) program primarily benefits large barge companies and shippers, yet they pay less than eight percent of the cost, at the expense of the nation's taxpayers and the environment.

### ***FY 07 Recommendation:***

Reduce federal general fund expenditures for inland waterways by 50 percent and require waterway users to pay a portion of operation and maintenance (O&M) costs for the inland waterway system. Congress should authorize funds from the Inland Waterways Trust Fund to be made available on a matching basis to pay for O&M as well as new construction and rehabilitation.

A total savings of \$240 million.

### ***Harbor Maintenance Fee***

The federal government shares with states the burden of the cost of dredging and maintaining harbors around the country. Under current law, the federal share of the cost of deepening harbors ranges from 80 percent for shallow harbors to 40 percent for "deep-draft" harbors (those deeper than 45 feet). The federal government levied a maintenance tax on imported and exported goods, until the tax was struck down by the U.S. Supreme Court in 1998. According to the Congressional Budget Office, the federal government spends approximately \$625 million annually to operate and maintain the harbors.

### ***FY 07 Recommendation:***

Implement a "Harbor Services User Fee" that will link harbor maintenance costs to vessel "draft," the amount of water volume a ship displaces. Tying maintenance costs to vessel volume will ensure that the market encourages development in places where it is economically and environmentally justified. A similar proposal created by the Congressional Budget Office would raise \$87 million the first year.

# OFFSETS

## ARMY CORPS OF ENGINEERS

### ***Specific Wasteful and Harmful Projects***

The Army Corps of Engineers civil works programs include construction and maintenance of locks and navigable waterways, the protection of coastal areas and beaches, harbor dredging, and flood control construction projects. The agency is a key lever for members of Congress to pull pork-barrel funding back to their districts, and as a result, the Corps currently has a \$60 billion (30 to 40-year) construction backlog of authorized projects waiting for congressional funding. In recent years, the Bush administration has proposed to significantly reduce the amount of funding for Army Corps of Engineer construction projects, but has been rebuffed by Congress.

#### ***FY 07 Recommendation:***

We recommend eliminating funding for the following economically and environmentally harmful and damaging Army Corps of Engineer projects. Cutting these projects would save more than \$90 million next fiscal year and nearly \$10 billion over the lifetime of the projects:

Apalachicola River Navigation (GA, FL, AL)

Arkansas River Deepening (McClellan-Kerr)  
(AR,OK)

Big Sunflower Dredging (MS)

Chesapeake and Delaware Canal Deepening (MD)

Clear Creek Flood Control (TX)

Columbia River Channel Deepening (OR, WA) DIF N

Dallas Floodway Extension (TX)

Environmental Infrastructure

Great Lakes Navigation System Study

Industrial Canal Widening (Inner Harbor Canal Lock)  
(LA)

Lock & Dam #3 Embankment (MN, WI)

Locks and Dams at Minneapolis (MN)

Lower Snake River Navigation (WA, ID, OR)

Missouri River Master Water Control Manual (NE, et al)

Missouri River Navigation (Rulo to mouth) (IA, NE,  
KS, MO)

Missouri River Navigation (Sioux city to Rulo)  
(IA & NE)

Ohio River Navigation System Expansion  
(KY,IL,IN,OH,PA,WV)

Savannah Harbor Expansion (GA, SC)

St. Francis Basin (AR, MO) (MRT)

St. John's Bayou and New Madrid Floodway (MO)

The Delaware River Deepening Project  
(NJ, DE, PA)

The Grand Prairie Irrigation Project (AR)

Upper Mississippi Comprehensive Plan (IL)

Upper Mississippi River - Illinois Nav. Study

White River Navigation (AR)

Wichita River Basin Chloride (Red River) (TX, OK)

Yazoo Pumps (MS)

# OFFSETS

## ENVIRONMENTAL PROTECTION AGENCY

### ***Reinstate the Superfund Funding Mechanism (Taxes)***

The Superfund Trust Fund, created in 1980 and supported by Presidents Reagan, Bush, and Clinton, was sustained by three "polluter pays" taxes and congressional appropriations. The Fund pays for the clean up of the most toxic sites when those responsible cannot- or will not - deal with them. After the taxes sunset in 1995, the fund dwindled until it went bankrupt in 2004. Taxpayers are now responsible for cleaning up the messes of irresponsible polluters. At its height, the fund collected approximately \$1.5 billion in taxes every year. If reauthorized, funding that is going to pay for cleanups could be redirected to other worthy programs, saving the federal government millions of dollars. Congress should reinstate the "polluter-pays" principle and shift the burden of cleanup to those who are responsible for the mess.

#### ***FY 07 Recommendation:***

Reinstate the Superfund taxes creating additional revenue of at least \$1.5 billion in funding.

# OFFSETS

## DEPARTMENT OF ENERGY

### *Nuclear Energy Research and Development*

The federal government has historically spent astronomically on research and development of nuclear power and spent minimally on the development of renewable energy and more energy efficient products. Between 1948 and 1998, the federal government spent \$74 billion on nuclear power research. This pattern continues today with programs like The Department of Energy's (DOE) *Generation IV* program, which provides funding for up to half the cost of the development of new reactor designs. This program has already received more than \$147 million since FY2001. The research and development costs for a single design are estimated to range from \$610 million to \$1 billion, depending on the type of reactor.

DOE's *Nuclear Power 2010* program promotes the building of new nuclear power plants by paying for half of the cost to apply for license applications. Through this program, which has received more than \$186 million since FY 2001, the Early Site Permit applicants (Entergy, Exelon and Dominion) had combined profits of \$4 billion in 2004. The NuStart consortium, which has been granted for \$260 million, include some of the wealthiest corporations in the world, including Bechtel, General Electric, and Duke Power, with more than \$27.3 billion in combined profit in 2004.

The DOE's Advanced Fuel Cycle Initiative, will develop reprocessing, plutonium fuel, and transmutation technologies. Reprocessing is expensive and polluting, and poses a serious risk to the global non-proliferation regime. Globally, over \$100 billion has been spent trying to commercialize plutonium, resulting in 250 metric tons of separated plutonium that remains vulnerable to theft—equivalent to more than 30,000 nuclear bombs. Since FY 2001, this program, under various titles, has been authorized more than \$466 million.

### ***FY 07 Recommendation:***

Cut all funding for nuclear power research and development, saving approximately \$226 million.

Cut \$66 million for Nuclear Power 2010

Cut \$55 million for Generation IV Nuclear Energy Systems

Cut \$25 million for the Nuclear Energy Hydrogen Initiative

Cut \$80 million for the Advanced Fuel Cycle Initiative



# OFFSETS

## DEPARTMENT OF ENERGY

### *Civilian Radioactive Waste Management*

Numerous missed deadlines, continuing mismanagement, and unresolved questions about the validity of scientific work at the site, indicate that DOE is clearly wasting taxpayer and ratepayer money on its Yucca Mountain Project to license and construct a high-level waste repository at Yucca Mountain, in Nevada. Massive delays have succeeded massive delays in this project for every reason from unacceptable worker radiation exposure to quality assurance and design control problems.

#### ***FY 07 Recommendation:***

Congress should cut funding for the DOE high-level waste program and convene an independent investigation into the implications of data falsification on DOE's Yucca Mountain license application, and the waste of ratepayer and taxpayer money throughout the history of the program.

### ***Oil and Natural Gas Royalties***

The Department of the Interior's Mineral Management Service is responsible for collecting royalties when oil and gas companies drill on federal land or outer continental shelf waters. These proceeds go to the federal Land and Water Conservation Fund and state public education budgets, as well as to the general treasury. According to a recent *New York Times* article, royalty payments paid by oil and natural gas companies failed to rise with market prices during the last five years leading to an estimated \$700 million in less royalty revenues received by the federal government.

#### ***FY 07 Recommendation:***

Change the oil and natural gas royalty valuation rules to force companies to pay royalties on market prices. This would have raised \$700 million in additional revenue in fiscal year 2005.

### **Clean Coal Technologies**

Since 1984, the Department of Energy has been invested more than \$2 billion in so called "clean coal" technology research and development. The program subsidizes private industry in its effort to develop cleaner burning coal technologies by providing matching federal funds for research and development. The so-called "clean coal" projects waste millions of taxpayer dollars each year on duplicative research that the

# OFFSETS

## DEPARTMENT OF ENERGY

coal industry should conduct with private sector funding or that has already been done. The Government Accountability Office (GAO) has released at least seven reports documenting waste and mismanagement in the Clean Coal Technology Program. The fiscal year 2006 Energy and Water Appropriations bill contained \$50 million for the president's Clean Coal Initiative and \$18 million for the FutureGen program.

***FY 07 Recommendation:***

Eliminate funding for the president's Clean Coal Initiative and FutureGen program saving \$68 million.

### **Oil Research and Development Program**

The DOE Oil Technology Research and Development Program focuses on the exploration and production of crude oil in the United States. The program goals include the promotion and enhancement of oil drilling in the Alaskan Arctic and the Powder River Basin in Wyoming. This program uses millions of taxpayer dollars annually to subsidize research benefiting oil corporations that pollute the environment and threaten public health. The Office of Management and Budget reviewed the Oil Research and Development program in the fiscal year 2004 budget as part of their Program Assessment Rating Tool initiative and found the program ineffective.

***FY 07 Recommendation:***

Eliminate funding for the Oil Research and Development program saving \$32 million.

# PROGRAM CONTACTS

## **DEPARTMENT OF INTERIOR**

### **Land and Water Conservation Fund**

*The Wilderness Society*

Rebecca Knuffke

rebecca\_knuffke@tws.org

202-429-2643

*Defenders of Wildlife*

Mary Beth Beetham

MBeetham@defenders.org

202-772-0231

### **Fish and Wildlife Service**

*Defenders of Wildlife*

Mary Beth Beetham

MBeetham@defenders.org

202-772-0231

*National Wildlife Federation*

Sean McMahon

mcmahons@nwf.org

202-797-6602

*U.S. Public Interest Research Group*

Justin Tatham

jtatham@pirg.org

(202)546-9707

### **Bureau of Land Management**

*The Wilderness Society*

Sara Neimeyer

sarah\_neimeyer@tws.org

202-429-2681

*Defenders of Wildlife*

Mary Beth Beetham

MBeetham@defenders.org

202-772-0231

*National Wildlife Federation*

Sean McMahon

mcmahons@nwf.org

202-797-6602

### **National Park Service**

*National Parks Conservation Association*

Blake Selzer

bselzer@npca.org

202-223-6722 ext. 25

*World Wildlife Fund*

Beth Allgood

beth.allgood@wwfus.org

202-778-9767

### **U.S. Geological Survey**

*American Rivers*

Peter Raabe

praabe@americanrivers.org

202-347-7550

*National Wildlife Federation*

Sean McMahon

mcmahons@nwf.org

202-797-6602

### **Bureau of Reclamation**

*American Rivers*

Peter Raabe

praabe@americanrivers.org

202-347-7550

## **NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION**

*Oceana*

Ted Morton

tmorton@oceana.org

202-833-3900

*Oceana*

Beth Lowell

blowell@oceana.org

202-833-3900

*The Ocean Conservancy*

Erika Raitt

ERaitt@oceanconservancy.org

202-429-5609

*American Rivers*

Peter Raabe

praabe@americanrivers.org

202-347-7550

## **ENVIRONMENTAL PROTECTION AGENCY**

*Natural Resources Defense Council*

Heather Taylor

htaylor@nrdc.org

202-513-6241

*American Rivers*

Peter Raabe

praabe@americanrivers.org

202-347-7550

# PROGRAM CONTACTS

## *U.S. Public Interest Research Group*

Christy Leavitt  
cleavitt@pirg.org  
(202)546-9707

## *Alliance to Save Energy*

Lowel Urgan  
lurgar@asc.org  
202-530-2236

## **DEPARTMENT OF AGRICULTURE**

### **Forest Service**

*The Wilderness Society*  
Sara Neimeyer  
sarah\_neimeyer@twc.org  
202- 429-2681

## *Natural Resources Defense Council*

Heather Taylor  
htaylor@nrdc.org  
202-513-6241

## *World Wildlife Fund*

Beth Allgood  
beth.allgood@wwfus.org  
202-778-9767

## *Defenders of Wildlife*

Mary Beth Beetham  
MBeetham@defenders.org  
202-772-0231

## **Farm Bill Conservation Programs**

*Defender of Wildlife*  
Laurel Angell  
LAngell@defenders.org  
202-682-9400

## **U.S. ARMY CORPS OF ENGINEERS**

*American Rivers*  
Peter Raabe  
praabe@americanrivers.org  
202-347-7550

## **DEPARTMENT OF ENERGY**

*Natural Resources Defense Council*  
Heather Taylor  
htaylor@nrdc.org  
202-513-6241

## *Friends of the Earth*

Sara Zdeb  
szdeb@foe.org  
202-222-0728

## *U.S. Public Interest Research Group*

Anna Aurilio  
asquared@pirg.org  
(202)546-9707

## *Alliance to Save Energy*

Lowel Urgan  
lurgar@asc.org  
202-530-2236

## **DEPARTMENT OF TRANSPORTATION**

*Natural Resources Defense Council*  
Heather Taylor  
htaylor@nrdc.org  
202-513-6241

## **CROSS-CUTTING ECOSYSTEM RESTORATION PROJECTS**

*National Wildlife Federation*  
Malia Hale  
hale@nwf.org  
202-797-6800

*American Rivers*  
Peter Raabe  
praabe@americanrivers.org  
202-347-7550

*Chesapeake Bay Foundation*  
Doug Siglin  
DSiglin@savethebay.cbf.org  
202-544-2232/443-482-2171

## *National Parks Conservation Association*

Chad W. Lord  
clord@npca.org  
202-454-3385

## **OFFSETS**

*Friends of the Earth*  
Erich Pica  
epica@foe.org  
202-222-0739

*Public Citizen*  
Michele Boyd  
mboyd@citizen.org  
202-546-4996

**ALLIANCE TO SAVE ENERGY**  
**AMERICAN RIVERS**  
**AUDOBON**  
**CHESAPEAKE BAY FOUNDATION**  
**DEFENDERS OF WILDLIFE**  
**FRIENDS OF THE EARTH**  
**NATIONAL PARKS CONSERVATION ASSOCIATION**  
**NATIONAL ENVIRONMENTAL TRUST**  
**NATIONAL WILDLIFE FEDERATION**  
**NATURAL RESOURCE DEFENSE COUNCIL**  
**OCEANA**  
**PUBLIC CITIZEN**  
**THE OCEAN CONSERVANCY**  
**THE WILDERNESS SOCIETY**  
**U.S. PUBLIC INTEREST RESEARCH GROUP**

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