

# Past and Future Funding Challenges:

Background and History

Current Issues

The Future

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## The Budget Operates in Three Separate Fiscal Years

	<b>FY 2006 Calendar Year</b>	<b>FY 2007 Calendar Year</b>	<b>FY 2008 Calendar Year</b>
<b>FY 2006 Budget</b>	Budget Execution		
<b>FY 2007 Budget</b>	Congressional Review Operating Plan	Budget Execution	
<b>FY 2008 Budget</b>	Strategic Planning Budget Formulation	Congressional Review Operating Plan	Budget Execution

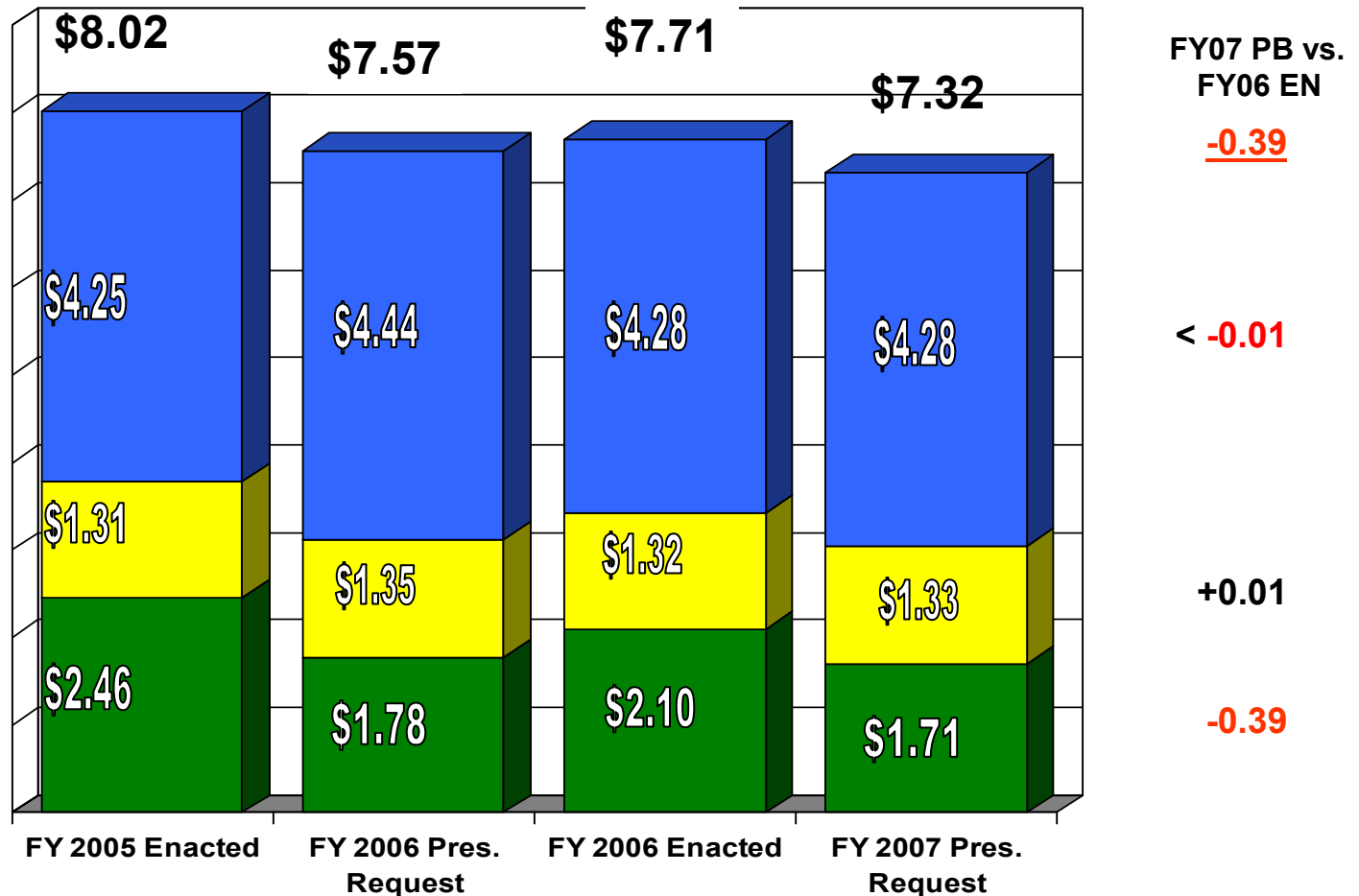
# EPA Resources by Major Category

## (Dollars in Billions)

**Operating Programs (EPM, S&T, B&F, Oil, IG, and STAG)** The Agency's core regulatory, research, enforcement activities and grants to States and other partners.

**Trust Funds (Superfund and LUST)** Support Superfund and LUST programs.

**Infrastructure Financing (STAG)** Includes Clean Water State Revolving Fund, Drinking Water State Revolving Fund, Clean School Bus and Special Projects.

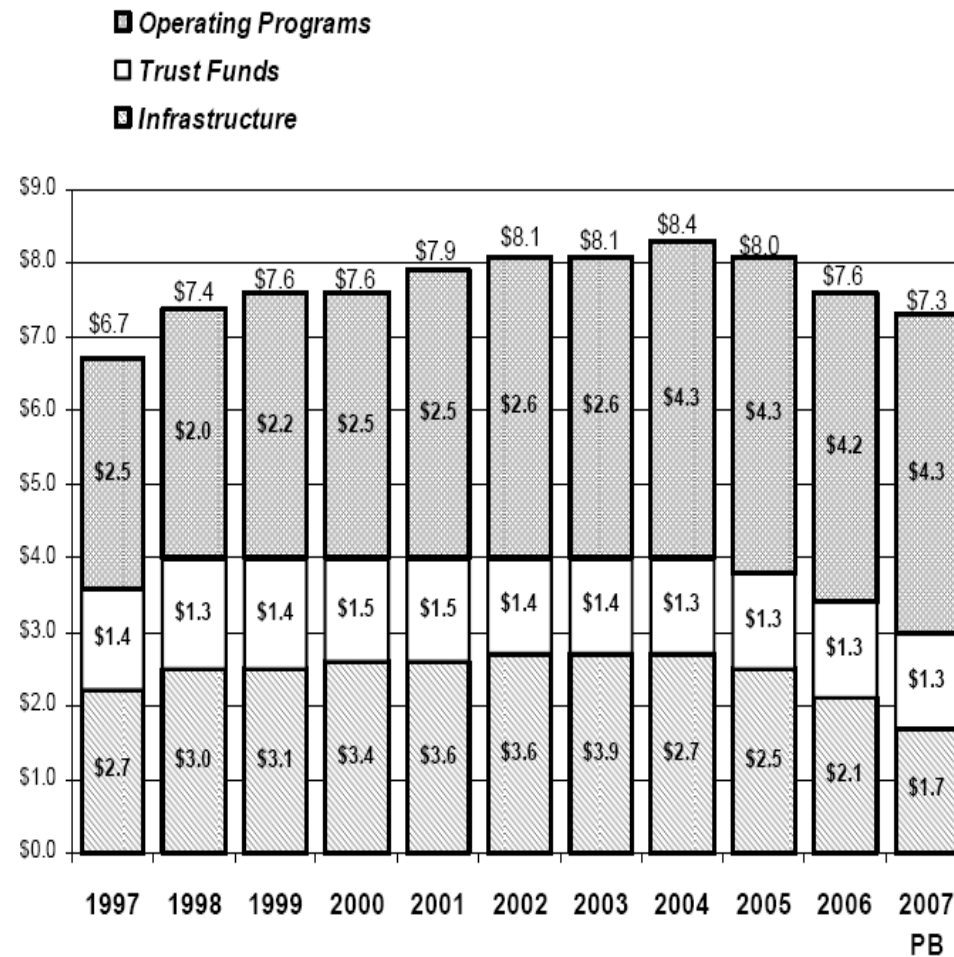


**Note:** Totals may not add due to rounding.

# Funding History – EPA Overall

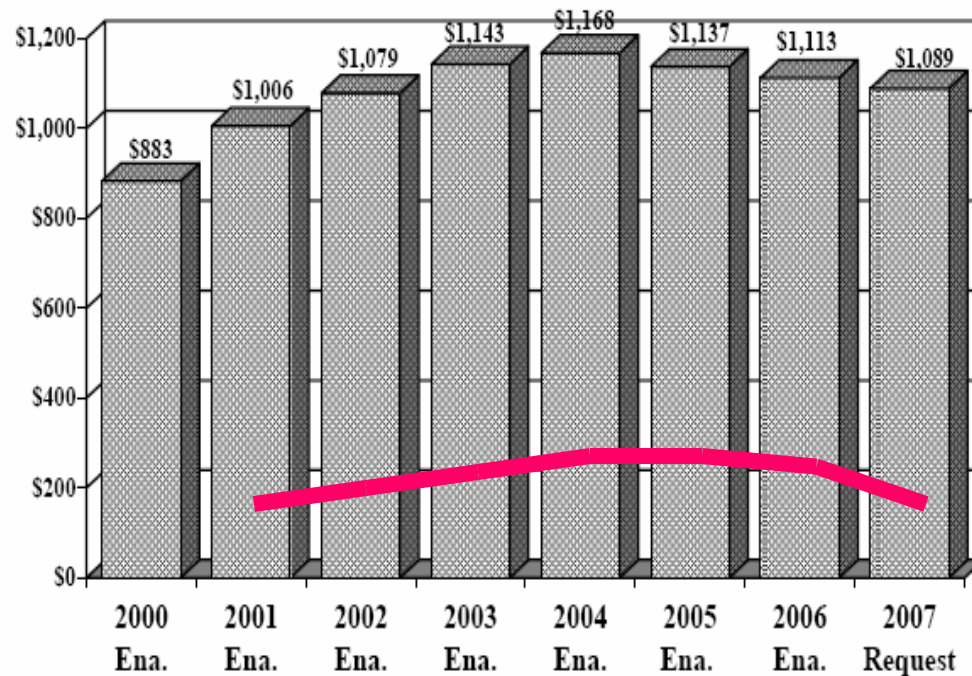
## Environmental Protection Agency's Resources by Major Category

(Dollars in Billions)



# Funding History – All STAG

**Categorical Grants Program (STAG)**  
(Dollars in Millions)



*Air Grants*

# Current Status of Grant Funds (11/3/06)

<b>STAG</b>	<b>FY 2006 Enacted</b>	<b>FY 2007 PB</b>	<b>FY 2007 House Mark</b>	<b>FY 2007 SAC Mark</b>	<b>FY07 PB - FY 06 Enacted</b>
Categorical Grant: State and Local Air Quality Management	220,261.0	185,179.5	220,280.0	200,180.0	-35,081.5
Categorical Grant: Tribal Air Quality Management	10,887.4	10,935.0	10,940.0	10,940.0	47.6
Diesel Grants		49,500.0	26,000.0	20,127.0	49,500.0
Diesel Retrofit Bus Grants	6,897.0				-6,897.0

# Important Distinctions

- §105 (ongoing AQ management, \$ match)
- §103 (new/research, PM2.5 and air toxics, no \$ match)
- These authorities cover funding for:
  - State/local AQ (S. 105)
  - PM2.5 (S. 103)
  - Air Toxics (S. 103)
- Tribal AQ

# Key Purposes of Monitoring

- Assess and assure compliance w/ CAA
- Demonstrate results of national & local control measures
- Show long-term trends in air quality
- Provide key data for health & ecosystem research
- Improve air quality (& related) modeling



## How Much Is EPA Contributing to Monitoring, Data Handling, and Grants Management?

<b>Work By</b>	<b>Annual Cost</b>
States, Locals, and Tribes	\$171 million
EPA Regional Offices	\$6.6 million
EPA Headquarters	\$5.1 million

# Comparing Air Monitoring with Other Environmental Monitoring

- Historical record
- Funding and coverage
- QA
- Data management

# The Immediate Future

- Air Toxics Monitoring and Tribal Air grants have had level funding
- FY2007 – Pending in Congress; currently on a Continuing Resolution
- FY2008 – President will submit budget in February to Congress

# In the Longer Term

- NCore sites – will take about 4% of the current annual cost of the monitoring program.
- Coarse PM
  - At NCore sites for now.
  - What, where, when, and how beyond that?
- Don't plan on being rescued. Instead:
  - Find efficiencies.
  - Make hard choices based on risk

# Discussion Topics

- Budget constraints
- Accountability: Performance-based program management
  - Using monitoring data to define goals and measure progress.
  - Defining goals and measuring progress for the monitoring program itself.
- Managing grants to increase accountability and results