

6. PROTECTING THE ENVIRONMENT

"Every time we have taken a sensible, reasoned, but strong step to protect the environment, we have actually increased the diversity of our economy, the breadth and width of it, and increased jobs and strengthened the long-term economic prospects of our country. That is the lesson the whole world has to embrace now. We can only sustain economic growth if we can improve the environment ... if we can build a balanced future together."

President Clinton
April 1998

From the start, it has been a guiding principle of this Administration that the Nation does not have to choose between a strong economy and a clean environment. The progress of the past six years is the proof. Today our economy is the strongest—and our environment the cleanest—in a generation. The air is better, drinking water safer, and polluted toxic waste sites fewer, while our economy flourishes in ways that even the most optimistic of forecasters could not have projected just six years ago.

The Administration has made tremendous progress in protecting and restoring our environment. It has protected or enhanced tens of millions of acres of public and private lands including: creating the Grand Staircase-Escalante National Monument in Utah, which conserves 1.7 million acres of spectacular red rock canyonlands and artifacts from three cultures; protecting Yellowstone National Park by halting the massive New World Mine in Montana, which posed a severe environmental threat to Yellowstone's unique landscape and wildlife resources; reaching an historic agreement, partnering with the State of California, to purchase the Headwaters ancient redwood forest in northern California; and launching an initiative to designate more than a dozen American Heritage Rivers to revitalize and preserve both rivers and riverfronts, and to enhance public appreciation of the value of our rivers.

In its efforts to make day-to-day life safer for children and families, the Administration has helped set tough new clean air standards for soot and smog that will prevent up

to 15,000 premature deaths a year and improve the lives of millions of Americans who suffer from respiratory illnesses. The President signed legislation to strengthen food and water safety, so American families will know their children have safe food to eat and have healthy and clean tap water to drink. The Administration has also greatly accelerated the pace of cleaning up Superfund hazardous waste sites, completing nearly three times as many in the past six years as were completed in the previous twelve. The United States has negotiated an international treaty, the Kyoto Protocol, to reduce greenhouse gas emissions, which contribute to global warming, in an environmentally strong and economically sound way.

As the 21st Century approaches, our continued prosperity and accompanying population growth patterns present new challenges that call for a new conservation ethic—one that recognizes the intimate connection between land and livability, and seeks to preserve natural and open spaces in each community, within reach of all American families and their children.

To that end, the budget includes an inter-agency Lands Legacy initiative that establishes the Federal Government as a partner with States and local communities to advance the preservation of open spaces in every community. Through support of voluntary State and local efforts, the Administration will help address sprawl, air and water pollution, and other quality of life issues, while preserving critical habitat and other ecological values. To accomplish these goals,

the Administration requests full funding of the Land and Water Conservation Fund, which will help to preserve the next generation of Great Places, conserve open spaces, and support environmental protection and local growth management in urban, suburban, rural, and coastal areas.

As a complement to the Lands Legacy initiative, the Administration also proposes a separate Livability initiative to help communities maintain growth while preserving a high quality of life. The Livability initiative includes a new financing mechanism, Better America Bonds, to further the creation of open spaces in urban and suburban areas. These bonds will provide—through tax benefits to bondholders—additional funds to States, Tribes, and cities for land acquisition, reforestation and other restoration, watershed protection, and brownfields cleanup.

In order to encourage private sector advances in reducing pollution, the Administration proposes a new incentive, the Clean Air Partnership Fund, which will reward entities making early innovative investments in technology to reduce air pollution and greenhouse gas emissions. To address global warming, the Administration also is proposing a \$730 million increase for the Climate Change Technology Initiative, including research and development spending for energy efficiency and renewable energy, and tax credits for the purchase of energy-efficient cars, homes, and appliances.

The budget is designed to build on the successes of the past and to meet the challenges of the future by responding to the public's devotion to the environment and capturing the Nation's entrepreneurial spirit.

Approaches for Environmental Success

Protecting Our National Treasures: To protect Yellowstone National Park, one of the crown jewels of the National Park System, the Administration, in August 1998, acquired the proposed New World Mine in Montana. The Administration is working with the mine's former owner and other parties to complete the cleanup of contamination at the site from earlier mining activities. The Administration is also working with the State of California and others to acquire the Headwaters Forest

in northern California, the largest privately-owned stand of ancient redwoods in the United States. Other important acquisitions underway include bison winter habitat outside of Yellowstone, property on Cumberland Island in Georgia, the Backbone Trail in Santa Monica Mountains National Recreation Area, lands to complete the Maine-to-Georgia Appalachian Trail, and key Civil War battlefield sites.

Providing Safe Drinking Water: America's drinking water is significantly safer than five years ago, with 10 million more Americans receiving water from utilities reporting no violations of Federal health standards. Currently, 86 percent of this country's tap water fully meets tough Federal standards. During 1998, the Administration took further steps to strengthen public health protection. In August, the President announced that, under a new community right-to-know rule, water systems must give their customers regular reports on their tap water, including where the water comes from, whether it meets Federal standards, and what the health effects are if standards are violated.

In December, the President announced the first new health standards issued under the 1996 Safe Drinking Water Act Amendments, a bipartisan effort to improve public health protections. Those rules will protect against cryptosporidium (a microscopic organism that can contaminate drinking water), other disease-causing microbes, and potentially harmful byproducts of the water treatment process. A 1993 cryptosporidium outbreak in Milwaukee sickened 400,000 people, hospitalized 4,000 people, and caused 50 deaths among people with weakened immune systems.

Restoring Ocean Resources: In June 1998, at the National Ocean Conference in Monterey, California, the President and Vice President launched a series of major initiatives to explore, protect, and restore America's vital ocean resources. These measures will provide new scientific insight into the oceans, promote sustainable use of fisheries and other marine resources, open new opportunities for jobs and economic growth, preserve national security and freedom of the seas, and help preserve our oceans for all time. At the conference, the President and Vice President proposed an ad-

ditional \$224 million through 2002 to fund these efforts, which the budget supports.

Preserving Our Rivers: In July 1998, President Clinton designated 14 rivers as American Heritage Rivers. This followed a commitment in his 1997 State of the Union address to help communities revitalize their rivers and the banks along them—the streets, the historic buildings, the natural habitats, the parks—to help celebrate their history and their heritage. American Heritage Rivers is an umbrella initiative designed to use the Federal Government's many resources more effectively. The initiative creates no new regulatory requirements. Environmental, economic, and social concerns will be addressed through plans designed and implemented by local communities.

Restoring the Everglades: The budget supports the continued Federal, State, local, and Tribal efforts to implement the South Florida ecosystem restoration project, authorized in the 1996 Water Resources Development Act. In 1999, the Army Corps of Engineers will complete the Central and Southern Florida Comprehensive Review Study (the Restudy), providing long-term direction for the Everglades effort—the most extensive ecosystem restoration effort ever undertaken in the United States.

The Army Corps of Engineers released a draft of its Restudy in October 1998, developed by a team of more than 160 people from 30 different Federal, State, Tribal, and other entities. It proposes a comprehensive solution that would: store water for critical uses; manage water to improve the timing and quantity of flows to the Everglades; and create wetlands to filter runoff. Implementing the plan will cost an estimated \$7.8 billion over the next 20 years, with the Federal Government and south Florida each paying half.

Along with better water flows and water management, the budget recognizes the need for scientific guidance and land acquisition to restore the Everglades' hydrologic functions. Key land acquisitions include tracts north of the Everglades National Park and properties along the East Coast buffer. The budget proposes \$312 million for the Army Corps of Engineers, Department of the Interior,

and other agencies—35 percent more than Congress approved in 1999—for the Everglades effort.

Rehabilitating the Presidio: Using innovative authorities, the Presidio Trust has begun to rehabilitate and lease hundreds of unused buildings in the Presidio of San Francisco, once a military base and now within a national park. The Trust will restore these houses and offices and lease them to families and businesses. To cut taxpayer costs, the budget proposes that the Presidio Trust borrow \$20 million from the Treasury in 2000 to fund these improvements, and repay the money through future lease receipts.

Improving Park Management: Recent reforms are helping agencies manage national parks and other Federal lands more efficiently. Recreation fee receipts are now retained by land management agencies, giving visitors a chance to see how their money is being spent and allowing agencies to address unmet needs. As a result, revenues from fees have nearly doubled from \$93 million in 1996 to \$180 million in 1998. Parks also have stronger incentives to improve concessions management, now that they can retain concession fees and open new contracts up for more competitive bidding. The National Park Service is also reforming its facility maintenance and construction programs to target funds at top priority projects that have been selected using solid cost estimates and measurable ranking criteria.

Protecting Roadless Areas and Improving the Forest Road System: The 73 million acres without roads in our national forests have outstanding ecological, aesthetic, and social value. They are often the refuge of last resort for rare species and the source areas of municipal water supplies. The Forest Service will soon implement a moratorium on new road construction in roadless areas to meet public access needs in an ecologically sensitive manner, and ensure that we protect these critical areas for future generations. At the same time, the extensive Forest Service road system is rapidly eroding—risking public safety and contributing to environmental damage in some national forests. The budget proposes \$359 million, a 28-percent increase over the 1999 level, for investments in road maintenance and reconstruction, road closures and obliteration,

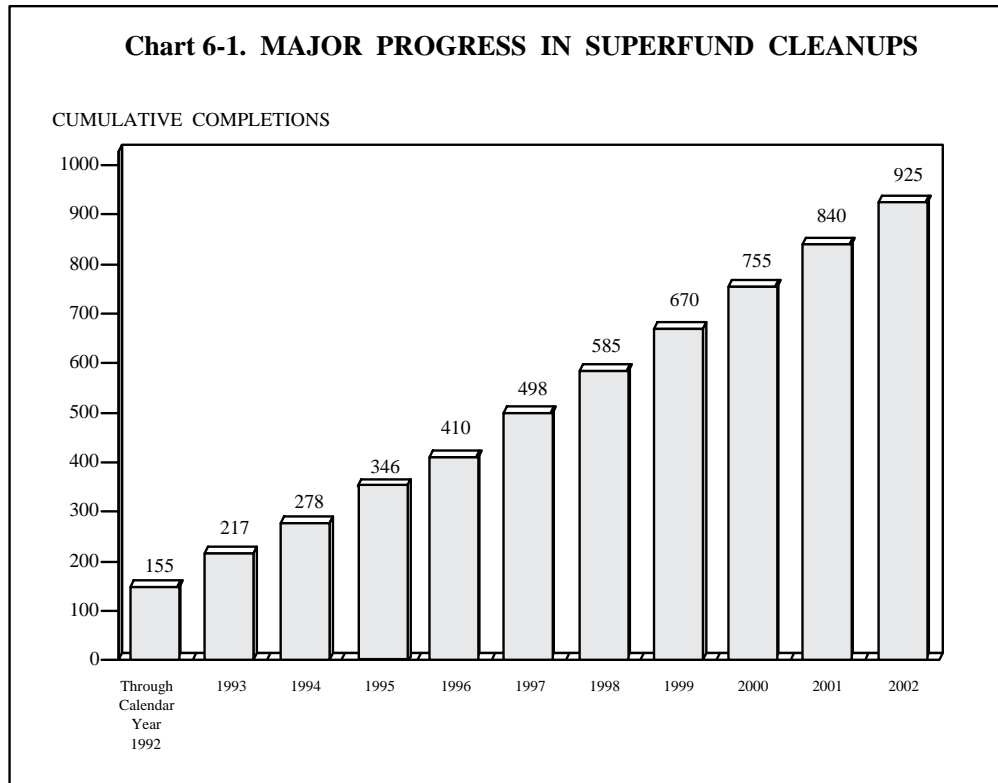
and watershed improvements that are critically important to salmon, water quality, and other resource management goals. In addition, the budget repropose a stable payment to counties that is not linked to timber harvest volume.

Targeting the Conservation Reserve Program (CRP): This Department of Agriculture (USDA) program enables landowners to establish long-term conservation practices on erodible and environmentally sensitive land in exchange for 10 to 15 years of rental payments. In 1998, 18.8 million acres of the most environmentally beneficial acres bid were accepted into the CRP, bringing total CRP enrollment to 30.3 million acres. Within the CRP, the Conservation Reserve Enhancement Program (CREP) is a new program that addresses conservation issues of State and national significance through cost-sharing and targeting of Federal and State funds. Each CREP agreement outlines a monitoring and restoration plan to help meet the State's specific conservation goals. By 1999, six States (Oregon, Washington, Maryland, Illinois, Minnesota, and New York) had signed CREP cost-sharing agreements totaling about 500,000 acres and \$1.2 billion over several years. USDA estimates that 25 States will have CREP agreements by the end of 2000.

Empowering Citizens with Knowledge: In the past five years, the President has empowered citizens with new knowledge about the chemicals being released into their communities and has created new partnerships with industry to find cleaner manufacturing processes. On Earth Day 1998, the Administration took another bold step to defend communities' right to know, announcing measures to make information about dangerous chemicals more widely available and more meaningful to families and communities. Known as the Chemical Right-to-Know Initiative, these measures will ensure that the public has basic public health data for industrial chemicals released in communities, via an unprecedented voluntary partnership with industry. Companies will voluntarily test the human health and environmental effects of the chemicals they manufacture. Testing of the 2,800 most widely used chemicals should be completed by 2004.

Reducing Air Pollution: In September 1998, the Environmental Protection Agency (EPA) finalized rules to reduce smog-causing emissions of nitrogen oxides (NOx) by 28 percent in 22 eastern States and the District of Columbia. EPA projects that these regional NOx reductions will allow the vast majority of areas in these States to meet EPA's new public health smog standard without having to implement any additional costly controls. This is a key component of the effort by EPA and the States to protect downwind States from smog and smog-causing emissions that cross their borders from other States. Even upwind, States can achieve significant clean air benefits for their local communities. Consistent with the President's July 1997 implementation memorandum for new smog and fine particle standards, EPA gives States flexibility to decide how reductions are to be achieved, and also recommends that reductions be achieved cost-effectively. To ensure that the reductions are as cost-effective as possible, EPA will work with States to encourage the development of a market-based emissions-trading system. A similar market-based trading program already in effect has proven successful in allowing power plants to trade sulfur dioxide credits to control acid rain.

Cleaning Up Toxic Waste Sites: EPA's Superfund program to clean up abandoned hazardous waste sites has become faster, fairer, and less expensive. Of the 585 sites cleaned up through the end of 1998, 430 sites were cleaned up since the Administration took office in 1993, while only 155 sites had been cleaned up during the previous 12 years. The Administration proposes to clean up another 340 sites within the next four years, meaning that about two-thirds, or 925, of the Nation's worst toxic waste dumps would be cleaned by the end of 2002 (see Chart 6-1). EPA's administrative reforms to the program have saved more than \$1 billion in future costs by updating cleanup remedy decisions at more than 210 sites, while streamlining the liability allocation process to reach settlement with more than 18,000 small parties at Superfund sites. The budget proposes \$1.5 billion to continue progress toward achieving the 900-site cleanup goal in 2002.



Redeveloping Contaminated Land: The Brownfields National Partnership is bringing together the resources of more than 20 Federal agencies to clean up and redevelop former industrial sites in economically disadvantaged areas. The initial two-year investment of \$300 million is expected to leverage \$5 billion to \$28 billion in private investment, help create up to 196,000 new jobs, and help preserve existing uses in thousands of acres of undeveloped land. The brownfields tax incentive, enacted as part of the 1997 Taxpayer Relief Act, will leverage another \$4 billion in private investment by allowing businesses to deduct certain clean up costs on environmentally contaminated lands. The Administration proposes to extend this tax incentive, which otherwise expires at the end of 2000.

Making the Endangered Species Act (ESA) Work: Administration reforms have improved the way the ESA works. Habitat Conservation Plans (HCPs) give State, local, and Tribal governments and the private sector the flexibility to protect endangered species and

conserve habitat, while allowing for development. HCPs will cover an estimated 250 species by the end of 1999. The Administration is also providing earlier protection for at-risk species, to prevent having to list them as endangered later on. For instance, in 1998 the Federal Government entered into 40 Candidate Conservation Agreements with private landowners or State and local governments. These and other efforts allowed 11 species to be approved for removal from the Candidate list.

Improving Rangeland Management: Interior's Bureau of Land Management (BLM) is reforming and improving rangeland management by implementing regional and local standards and guidelines to establish the condition, health, and uses of lands it administers for grazing. The new standards and guidelines have been developed in concert with innovative consensus-building Resource Advisory Councils (RAC) comprising local ranchers, recreationists, and experts in land management. Almost 4,500 grazing permits on BLM lands are expir-

ing and will be evaluated in 1999. Those permits will be evaluated based on the new RAC standards and guidelines, and renewed permits will use the new standards to evaluate rangeland health and grazing capacity.

Environmental and Natural Resource Investments

The budget proposes to boost funding for high-priority environmental and natural resources programs by five percent, compared to 1999 levels (see Table 6-1).

Preserving Great Places and Green Spaces, and Promoting Smart Growth: As we approach a new century, our Nation faces new challenges to preserving the natural heritage and green spaces that Americans have come to treasure. The budget proposes a new \$1 billion Lands Legacy initiative (see Chart 6-2), supported by full funding from the Land and Water Conservation Fund's dedicated Federal Outer Continental Shelf (OCS) revenues, to protect Great Places and provide the tools for States, localities, Tribes, and land trusts to plan for smart growth and open space preservation. This initiative provides funding for States and other entities to conserve important lands for recreation, open space and wildlife habitat, plus the preservation of forests, farmland, and coastal areas.

The initiative provides \$442 million for Federal land acquisition, preserving the next generation of Great Places, including national parks, national forests, refuges, and coastal areas with flexibility to use this funding to cost share non-Federal land conservation. It also will provide \$588 million targeted to State, local, and Tribal governments for land conservation, resources protection, and planning. This includes \$150 million in grants to promote open space acquisition; habitat conservation; and protection of coastal areas, forest lands, urban and suburban parks and greenways, riparian areas, and wetlands. A new \$50 million program to support State and Tribal planning for smart growth will be coordinated with similar activities being proposed under the Livability initiative. The Lands Legacy proposal also provides \$382 million for other programs to help private landowners and municipalities continue development while protecting endangered species,

preserving farmlands and forests, and providing urban green space.

Better America Bonds: As an additional feature of the Livability initiative, the Administration is proposing a new financing tool to preserve green space for future generations and provide attractive settings for economic development, which will generate \$9.5 billion for investments by State, local and Tribal governments over five years. The budget proposes tax credits, totaling almost \$700 million over five years, to support Better America Bonds, which can be used to preserve green space, create or restore urban parks, protect water quality, and clean up brownfields. The program will be administered jointly by EPA and the Department of the Treasury, in consultation with other agencies.

Recovering Pacific Coastal Salmon: The budget proposes a broad interdepartmental Pacific Coastal Salmon Recovery Initiative to bolster and deploy existing and new Federal capabilities to assist in the conservation and recovery of at-risk Pacific salmon runs in the western States of California, Oregon, Washington, and Alaska. This new initiative responds to the proposed listings of these runs under the ESA by forming lasting partnerships with State, local, and Tribal efforts for saving Pacific salmon and their important habitats. The initiative has four main components:

- A proposed \$100 million Pacific Coastal Salmon Recovery fund to help share the costs of State, Tribal, and local conservation initiatives in California, Oregon, Washington, and Alaska. The fund would be administered through Commerce's National Oceanic and Atmospheric Administration, with grants matched dollar-for-dollar with non-Federal contributions.
- Improved coordination of Federal activities that may affect salmon and their habitat, to ensure that Federal agencies and activities are part of a lasting solution.
- Better access to the extensive Federal scientific capabilities to ensure a broad and solid science foundation upon which to construct a lasting recovery effort.

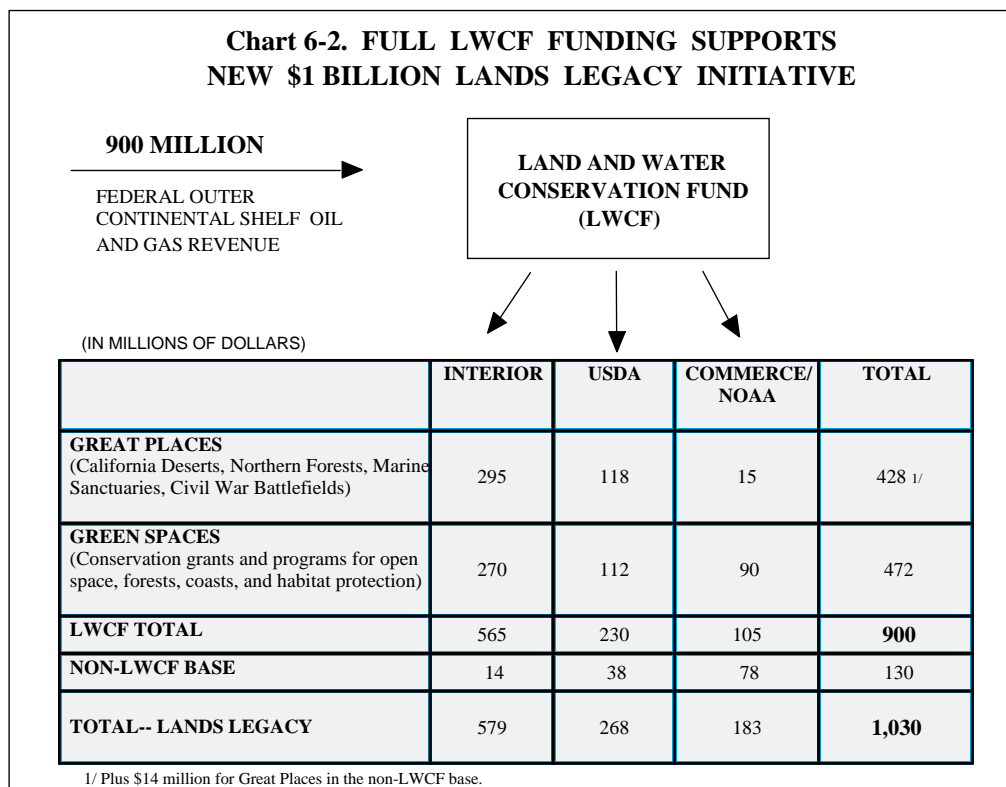
Table 6-1. HIGH-PRIORITY ENVIRONMENTAL AND NATURAL RESOURCES PROGRAMS

(Budget authority unless otherwise noted; dollar amounts in millions)

| | 1998 Actual | 1999 Estimate | 2000 Proposed | Dollar Change: 1999 to 2000 | Percent Change: 1999 to 2000 |
|--|----------------|------------------|------------------|--------------------------------------|---------------------------------------|
| Lands Legacy Initiative (LWCF-DOI, USDA, NOAA) ¹ | 386 | 459 | 1,030 | +571 | +124% |
| Salmon Habitat Restoration: | | | | | |
| Pacific Coastal Salmon Recovery (NOAA) | | | 100 | +100 | NA |
| Columbia/Snake River (Corps) | 108 | 95 | 100 | +5 | +5% |
| Climate Change Technology Initiative (DOE, EPA, USDA, DOC, HUD): | 819 | 1,021 | 1,751 | +730 | +71% |
| Spending | (819) | (1,021) | (1,368) | (+347) | (+34%) |
| Tax Incentives | | | (383) | (+383) | (NA) |
| Clean Water Action Plan (EPA, USDA, DOI, NOAA, Corps) | 1,436 | 1,643 | 1,975 | +332 | +20% |
| Department of Transportation (DOT): | | | | | |
| Congestion Mitigation and Air Quality (CMAQ) | 700 | 1,408 | 1,770 | +362 | +26% |
| Environmental Enhancements | 360 | 553 | 566 | +13 | +2% |
| Endangered Species Act (DOI/NOAA) | 107 | 129 | 181 | +52 | +40% |
| Department of the Interior (DOI): | | | | | |
| National Park Service Operating Program | 1,246 | 1,286 | 1,390 | +104 | +8% |
| Bureau of Land Management Operating Program | 681 | 716 | 743 | +27 | +4% |
| Fish and Wildlife Service Operating Program | 595 | 661 | 724 | +63 | +10% |
| Subtotal, DOI (Select programs) | 2,522 | 2,663 | 2,857 | +194 | +7% |
| Department of Agriculture (USDA): | | | | | |
| Forest Service Operating Program | 1,514 | 1,595 | 1,652 | +57 | +4% |
| Natural Resources Conservation Service Operating Program | 632 | 641 | 681 | +40 | +6% |
| Water/Wastewater Grants and Loans ² | 577 | 645 | 570 | -75 | -12% |
| Wetlands Reserve Program (mandatory) | 231 | 132 | 209 | +77 | +58% |
| Conservation Reserve Program (mandatory) | 1,760 | 1,576 | 1,597 | +21 | +1% |
| Environmental Quality Incentives Program (mandatory) | 200 | 174 | 300 | +126 | +72% |
| Subtotal, USDA (Select programs) | 4,914 | 4,763 | 5,009 | +246 | +5% |
| Environmental Protection Agency (EPA): | | | | | |
| Operating Program | 3,330 | 3,491 | 3,682 | +191 | +5% |
| Clean Air Partnership Fund | | | 200 | +200 | NA |
| Subtotal, All EPA (includes Superfund mandatory spending) ³ | 7,363 | 7,590 | 7,407 | -183 | -2% |
| Department of Energy (DOE): | | | | | |
| Energy Conservation and Efficiency (gross) | 612 | 692 | 838 | +146 | +21% |
| Solar and Renewable Energy R&D (net) | 272 | 336 | 399 | +63 | +19% |
| Federal Facilities Cleanup (Environmental Management Program) | 5,862 | 5,830 | 5,939 | +109 | +2% |
| Subtotal, DOE (Select programs) | 6,746 | 6,858 | 7,176 | +318 | +5% |
| Department of Defense (DOD): | | | | | |
| Cleanup | 2,140 | 1,962 | 1,972 | +10 | +1% |
| Environmental Compliance/Pollution Prevention/Conservation | 2,466 | 2,434 | 2,199 | -235 | -10% |
| Subtotal, DOD (Select programs) | 4,606 | 4,396 | 4,171 | -225 | -5% |
| National Oceanic and Atmospheric Administration (NOAA): | | | | | |
| Fisheries and Protected Species | 319 | 350 | 395 | +45 | +13% |
| Ocean and Coastal Management | 166 | 178 | 246 | +68 | +38% |
| Ocean and Atmospheric Research | 263 | 275 | 270 | -5 | -2% |
| Subtotal, NOAA (Select programs) | 748 | 803 | 911 | +108 | +13% |
| Partnership for a New Generation of Vehicles (DOE, NSF, others) | 220 | 240 | 264 | +24 | +10% |
| U.S. Global Change Research (NASA, DOE, NSF, DOC, USDA, others) ... | 1,677 | 1,681 | 1,786 | +105 | +6% |
| GLOBE—Global Environmental Education (NOAA, NASA, EPA, NSF) .. | 12 | 10 | 13 | +3 | +30% |
| Montreal Protocol (State/EPA) | 40 | 45 | 55 | +10 | +22% |
| Global Environment Facility (Treasury) | 48 | 193 | 143 | -50 | -26% |
| Multilateral and Bilateral Assistance (International Programs/USAID) | 268 | 309 | 321 | +12 | +4% |
| Total ⁴ | 30,840 | 32,223 | 33,929 | +1,706 | +5% |

NA = Not applicable.

¹ Includes non-LWCF base funding for certain programs—\$116 million in 1998; and \$130 million in both 1999 and 2000. Excludes \$699 million in one-time LWCF 1998 funding.² The program level (grant budget authority plus loan levels) is projected to be \$1.5 billion in 2000; 12-percent higher than in 1999.³ Includes Superfund orphan share mandatory spending of \$200 million in 2000.⁴ Total adjusted to eliminate double counts and climate change tax incentives.



- Enhancement of Federal, State, Tribal, and local coordinating capabilities to ensure close partnerships in recovery efforts, and promote efficiencies and effectiveness in the recovery effort.

This initiative is in addition to ongoing Columbia and Snake River (Washington, Oregon, Idaho) salmon restoration activities, including \$100 million requested for the Army Corps of Engineers in 2000.

Rewarding Early Pollution Reductions:

The Administration strives to implement environmental protection in a common sense, flexible, and cost-effective manner. The new Clean Air Partnership Fund will provide the opportunity for State, local, and Tribal governments to partner with other parties and the Federal Government to demonstrate the most creative ideas for cleaning the air. The Fund will enable the development of smart multi-pollutant strategies that reduce greenhouse gases, air toxics, soot, and smog to protect our climate and our health. The President is proposing \$200 million in 2000 for the Fund that will

capitalize revolving funds and other financing mechanisms to fund projects that achieve innovative and early air pollution and greenhouse gas emission reductions.

Addressing Global Climate Change Through Technology: The budget proposes \$1.8 billion for the second year of the Climate Change Technology Initiative (CCTI), which is designed to promote energy efficiency, develop low-carbon energy sources, and reduce greenhouse gas emissions. Led by the Department of Energy (DOE) and EPA, the effort also includes USDA, HUD, and the National Institute of Standards and Technology. Of the amount proposed, \$1.4 billion is for R&D spending on energy efficiency and renewable energy technologies, and \$0.4 billion is for tax credits to stimulate the adoption of energy efficient technologies in buildings, industrial processes, vehicles, and power generation.

Implementing the Clean Water Action Plan (CWAP): The President and Vice President announced the Clean Water Action Plan (CWAP) last February in honor of the 25th

anniversary of the Clean Water Act. The Action Plan focuses on three remaining challenges for restoring and protecting the Nation's waterways: (1) preventing polluted runoff; (2) protecting public health; and (3) ensuring community-based watershed management.

The budget provides \$2.0 billion in discretionary funding for the second year of this multi-agency initiative, a 20-percent increase over the 1999 level, and a \$126 million, or 72 percent, increase in mandatory funding for USDA's Environmental Quality Incentives Program to help farmers prevent polluted runoff. The budget also includes increases for the Forest Service and the Department of the Interior (DOI) to better address water quality problems on Federal lands; for DOI to help States address pollution from abandoned mines; USDA to help farmers reduce polluted runoff from animal feed lots; the National Oceanic and Atmospheric Administration (NOAA) to help States and local communities protect their coasts from the pollution that leads to degradation; and the Army Corps of Engineers to begin a new riverine ecosystem initiative—Challenge 21—to plan and implement projects that restore watersheds while providing flood hazard mitigation for communities.

Restoring the California Bay-Delta Watershed: As part of the CWAP, the budget proposes \$75 million for California Bay-Delta ecosystem restoration activities, the same level provided in 1999, and the Administration proposes to extend the funding authorization for these activities in order to secure the full \$430 million authorized in 1996. The budget also includes \$20 million for non-ecosystem components of the long-term Bay Delta restoration program. EPA anticipates that significant funding in Clean Water Act and Safe Drinking Water Act program grants provided to California could be used for the water quality portion of this program.

Enhancing the Stewardship of National Treasures: The budget provides funding for the second year of the Facilities Restoration Initiative (FRI). In 2000, FRI provides an increase of almost \$70 million, or five percent, for maintaining and restoring Bureau of Indian Affairs schools, as well as national parks, forests, refuges and other public lands, which

are the heart of the Nation's natural, cultural, and historical legacy. As custodians of these resources, Federal land management agencies face growing demands to invest more to restore lands and rehabilitate an aging infrastructure of public facilities and trails. These needed investments protect wildlife habitat, maintain historic sites, and preserve our many national treasures like Glacier Bay National Park in Alaska, Gettysburg in Pennsylvania, and the Cabo Rojo Salt Flats in Puerto Rico.

Mitigating Air Quality Impacts: As another component of the Livability initiative, the budget includes \$1.8 billion, a 26-percent increase over the 1999 level, for Transportation's Congestion Mitigation and Air Quality Improvement program, which supports transportation projects to reduce congestion and improve air quality. It is the principal source of Federal funding directed to address the air quality impacts of transportation in nonattainment and maintenance areas designated under the Clean Air Act. Typical projects include mass transit, high-occupancy vehicle lanes, vehicle inspection and maintenance programs, and bicycle and pedestrian paths, the majority of which can be used to help communities promote smart growth.

Funding the EPA Operating Program: The budget proposes \$3.7 billion, a five-percent increase over 1999, for EPA's operating program, which includes most of EPA's research, regulatory, and enforcement programs and partnership grants, with States and Tribes. The operating program, which has grown 33 percent during this Administration, represents the backbone of the Nation's efforts to protect public health and the environment through sound science, standard setting, enforcement, and other means, ensuring that our water is pure, our air clean, and our food safe.

Within the operating program, the budget fully funds the second year of EPA's part of the CCTI (\$216 million) and the CWAP (\$630 million). The budget also provides a \$29 million increase for children's environmental health activities, particularly relating to asthma and developmental disorders.

Financing Water Quality Infrastructure: The budget proposes \$825 million (\$50 million over 1999) in EPA capitalization grants for Drinking Water State Revolving Funds (SRFs),

which make low-interest loans to help municipalities meet the requirements of the Safe Drinking Water Act Amendments. These funds will help ensure that Americans have a safe, clean drinking water supply—our first line of defense in protecting public health. By the end of 1998, every State had successfully established a Drinking Water SRF and begun disbursing loans to its communities.

The budget also proposes \$800 million in capitalization grants to Clean Water SRFs to help municipalities comply with the Clean Water Act, thus helping to reduce beach closures and to keep our waterways safe and clean. Those levels for the two SRFs will keep the programs on track toward achieving the Administration's goal of providing sufficient capital for the two SRFs to offer \$2.5 billion a year in financial assistance to municipalities over the long run. The Clean Water SRFs are nearing full capitalization and are on schedule for reaching that goal in 2005.

Accelerating Endangered Species Act Efforts: The budget proposes a 40-percent increase, an additional \$52 million, for a total of \$181 million, in Interior's Fish and Wildlife Service and Commerce's National Marine Fisheries Service, for the endangered species program. These funds will support the Administration's efforts to encourage private landowners to protect species, and recover salmon in the Pacific Northwest. The Endangered Species program increases are designed to encourage cooperative partnerships between the Federal Government and States, localities, Tribes, and private parties to recover listed species and prevent the need to list more.

Supporting the Global Environment Facility (GEF): U.S. participation in the GEF is a cornerstone of our foreign policy on the environment. The GEF has become the world's leading institution for protecting the global environment and avoiding economic disruption from climate change, massive extinction of valuable species, and dramatic collapse of the oceans' fish population. The \$143 million proposal for 2000—less than last year's appropriation of \$193 million, which included payment of United States arrears to the GEF—includes \$107.5 million for the 2000 contribution to the GEF's second four-year replenishment pro-

gram, from 1999 to 2002, and \$35 million for contributions previously due. U.S. funding for this program is crucial if the Nation hopes to continue influencing GEF's policies and lending strategies.

Providing Multilateral and Bilateral Environmental Assistance: The budget proposes \$321 million for bilateral and multilateral environmental assistance. Bilateral assistance includes U.S. Agency for International Development (USAID) activities to address topics such as biodiversity, and implement USAID's five-year, \$1 billion commitment to address climate change issues in developing countries. Multilateral assistance funds U.S. voluntary contributions to the UN environmental system and other international organizations to address international environmental activities.

Expanding the Federal Facilities Clean-up and Compliance: The Federal Government continues to address the huge challenge of cleaning up Federal facilities contaminated with radioactive or hazardous waste. DOE faces the most complex and costly problems from over 40 years of research, production, and testing of nuclear weapons and reactors. By the end of 2000, an estimated 76 of the 113 contaminated DOE sites will be cleaned up.

The budget proposes \$5.9 billion for DOE's Environmental Management program, including \$1.3 billion to clean up quickly and return excess Federal property to beneficial use in local communities. The budget also proposes \$228 million to continue to privatize waste remediation at such sites as the Hanford, Washington, Oak Ridge, Tennessee, and Idaho facilities, for which DOE pays for the delivery of treated waste that meets approved specifications. Privatization will help speed cleanups, reduce health risks, and cut costs at these sites.

The Department of Defense (DOD), which operates one of America's most diverse and successful environmental programs, is focusing its efforts on reducing relative risk at its active and closing installations. As of early 1999, it is conducting studies or cleanups at nearly 700 military installations and 2,500 formerly-used properties. Moreover, it has determined that 15,265 sites require no further action. DOD also is making progress

in its compliance and pollution prevention, conservation, and environmental technology programs. The budget proposes \$4.2 billion for all DOD environmental activities, an amount that reflects a commitment to consist-

ent and wise stewardship of DOD lands. The Administration is committed to making all current and former DOD property safe and clean.