

Budget, Appropriations and the Chesapeake Bay Program 2017-18

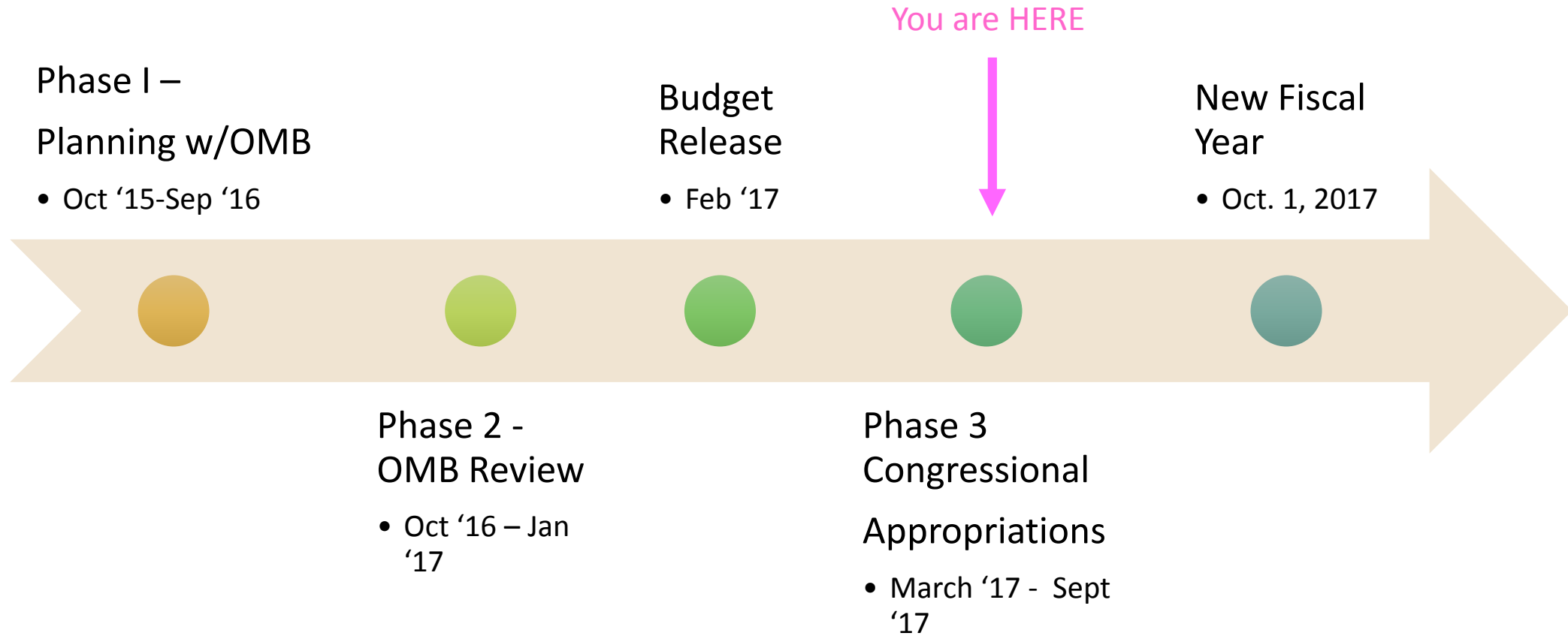
Principals' Staff Committee

April 25, 2017

Agenda

- Timeline
- CBP Authorization
- Budget Process
- Appropriations Process
- Where are we now?
- 2017
- 2018
- Possible Scenarios

FY2018 Budget-Appropriations Timeline



CBP Authorization and Appropriation

- Clean Water Act, Section 117, provides authority for the Chesapeake Bay Program and directs the EPA to maintain a Chesapeake Bay Program Office (CBPO) and to coordinate many of the activities of the program. It was last amended Nov. 7, 2000
- CBP's current maximum authorization level is set at \$40 million per year (through 2005).
- Okay to exceed that level – and has for years.
- CBP's current congressional appropriations funding level is \$73 million

SEC. 117. [33 U.S.C. 1267] CHESAPEAKE BAY

(a) DEFINITIONS—In this section, the following definitions apply:

(1) ADMINISTRATIVE COST—The term “administrative cost” means the cost of salaries and fringe benefits incurred in administering a grant under this section.

(2) CHESAPEAKE BAY AGREEMENT—The term “Chesapeake Bay Agreement” means the formal, voluntary agreements executed to achieve the goal of restoring and protecting the Chesapeake Bay ecosystem and the living resources of the Chesapeake Bay ecosystem and signed by the Chesapeake Executive Council.

(3) CHESAPEAKE BAY ECOSYSTEM—The term “Chesapeake Bay ecosystem” means the ecosystem of the Chesapeake Bay and its watershed.

(4) CHESAPEAKE BAY PROGRAM—The term “Chesapeake Bay Program” means the program directed by the Chesapeake Executive Council in accordance with the Chesapeake Bay Agreement.

(5) CHESAPEAKE EXECUTIVE COUNCIL—The term “Chesapeake Executive Council” means the signatories to the Chesapeake Bay Agreement.

(6) SIGNATORY JURISDICTION—The term “signatory jurisdiction” means a jurisdiction of a signatory to the Chesapeake Bay Agreement.

(b) CONTINUATION OF CHESAPEAKE BAY PROGRAM

(1) IN GENERAL—In cooperation with the Chesapeake Executive Council (and as a member of the Council), the Administrator shall continue the Chesapeake Bay Program.

(2) PROGRAM OFFICE

(A) IN GENERAL—The Administrator shall maintain in the Environmental Protection Agency a Chesapeake Bay Program Office.

(B) FUNCTION—The Chesapeake Bay Program Office shall provide support to the Chesapeake Executive Council by—

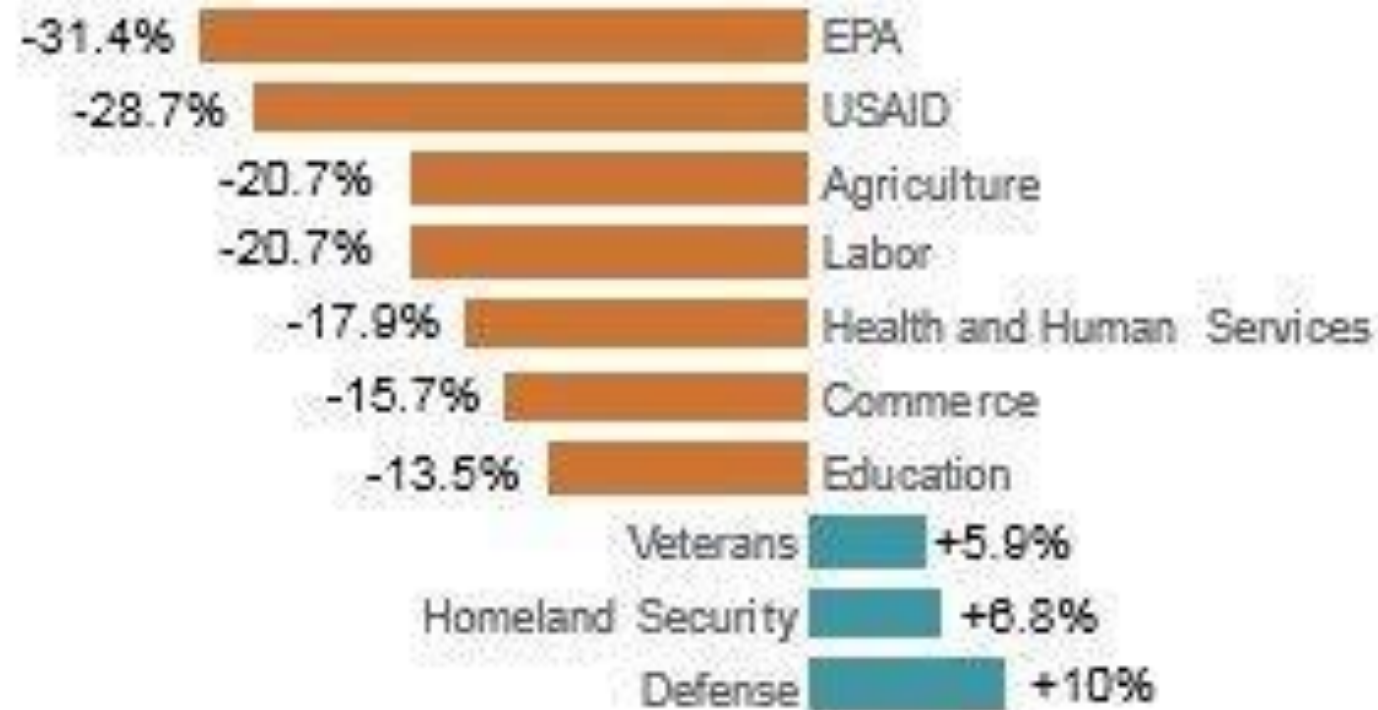
Current Conditions: *Complicated*



- FY 2017 Appropriations process never completed.
 - Current continuing resolution (CR) runs out April 28.
 - Congress on recess; no news expected until week of April 24.
- FY2018 President's Budget – Proposes eliminating CBP funding
- President's *Comprehensive Plan for Reforming the Federal Government and Reducing the Federal Civilian Workforce* issued April 2017
- Congressional Appropriations will have to address FY2017 and immediately (or concurrently) FY2018.

Pluses and Minuses

in the *Proposed* FY2018 Presidential Budget



FY2018 President's Budget

- **Proposed elimination** of funding in FY 2018 for:
 - CBP, Great Lakes Restoration Initiative, NEPs and other geographic programs
 - Sea Grant Program, Coastal Zone Management Program, and National Estuarine Research Reserve Program in NOAA.
- **Proposed reductions** in funding for:
 - Overall EPA funding by 31%; Sec. 106 funding, Sec. 319, etc.
 - Funding for the National Science Foundation, National Institutes of Health (-18%), EPA's Office of Research and Development (-48%), NOAA's extramural research grants, National Institute for Standards and Technology (NIST), NASA's Earth science portfolio, and the U.S. Geological Service (-15%)
- Some reductions would take place retroactively in 2017: NSF, Sea Grant, NOAA and NIST.

Appropriations

The President's Budget conveys the White House's *desired* funding levels. But, it is Congress that actually grants the funding through 12 appropriations bills which

- Step 1: Congress passes annual budget resolution which sets the overall framework for funding. It is not actually law, but essentially binds appropriation decisions later. They establish the top-line numbers for revenues, mandatory or direct spending, and discretionary spending. Should be completed by April 15, but often delayed.
- Step 2: House Appropriations Committees and subcommittees produce spending bills.

Possible Appropriations Scenarios

2017

- Omnibus or “mini bus” bill
- Continuing Resolution – with or without rescissions to help begin to implement President’s requests. Or government shutdown

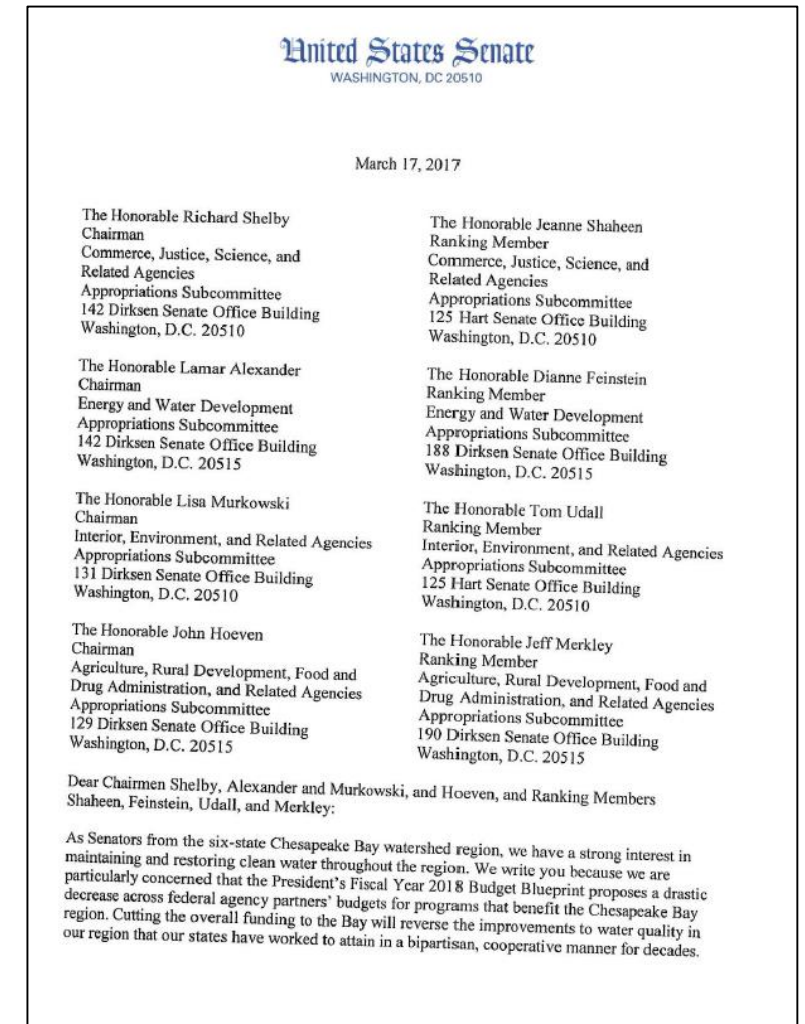
2018

- President’s Budget or similar reductions
- Congress ignores and enacts current level
- 31% reduction or some other % reduction

CBP staff looking at multiple scenarios for adjusting to possible reductions or a complete elimination of Section 117 funds.

Support for CBP Funding

- Bipartisan House letter in support of level funding (five Republicans and 12 Democrats)
- Senate letter in support of CBP appropriations of \$73 million for CBP, SRS, Sections 319 and 106, Land and Water Conservation Fund, NPS programs and Oyster Recovery Project. Bi-partisan support (9 senators)
- CBC support and request to meet with Administrator.
- NGO support: Choose Clean Water Coalition, Chesapeake Bay Foundation, etc.



FY2017 CBP Grants

- Partial funding of the CBRAP, CBIG, and Local Implementation funding for each jurisdiction at a 50% level. (BUT, grant applications should reflect full year funding)
- Partial funding of other grants and interagency agreements.
- Once FY2017 appropriations is resolved, CBP will notify all about plans to you on how we plan to move forward with the remaining requested FY2017 grant funds.

QUESTIONS?