



Compliance | Appendix E: Compliance Budget Overview

The Compliance Program includes resources that enable the Department of Defense's (DoD's) day-to-day operations to comply with federal, state, and local environmental laws and regulations. Under the Compliance Program, DoD has environmental projects to replace and upgrade wastewater treatment plants to comply with Clean Water Act (CWA) standards, manage hazardous waste, test and remediate underground storage tanks (USTs), and monitor wastewater treatment systems.

DoD's recurring compliance costs are for those relatively constant activities that installations must perform to support the mission and maintain compliance with environmental regulations and permit requirements. Recurring activities include routine sampling and analysis of discharges to air and water, and hazardous waste disposal. While all recurring costs associated with Manpower, and Education, and Training were reported separately under compliance in previous years, these costs were distributed across the appropriate environmental program budgets beginning in Fiscal Year (FY) 2007.

The Compliance Program also funds nonrecurring projects, or one-time events, such as projects to upgrade wastewater treatment facilities or install air pollution controls to meet current standards. Generally, the largest nonrecurring investment is compliance with CWA regulations, which requires substantial infrastructure investment in wastewater treatment plants and storm water management. Nonrecurring investments in CWA projects fluctuate each year due to changing infrastructure requirements.

Figure E-1 DoD Compliance Budget Summary (millions)*

Compliance Recurring Costs†						
	FY2004 Actual	FY2005 Actual	FY2006 Actual	FY2007 Actual	FY2008 Estimated	FY2009 Requested
Manpower	--	--	--	\$432.8	\$450.4	\$464.5
Education and Training	--	--	--	\$21.5	\$21.4	\$23.6
Permits and Fees	\$21.5	\$21.9	\$22.5	\$21.2	\$20.4	\$21.9
Sampling, Analysis, Monitoring	\$64.4	\$58.8	\$58.4	\$58.9	\$60.2	\$62.0
Waste Disposal	\$91.4	\$97.7	\$88.2	\$92.3	\$93.0	\$94.9
Other Recurring Costs	\$221.7	\$236.8	\$212.2	\$215.8	\$197.3	\$211.3
Total	\$398.9	\$415.1	\$381.4	\$842.5	\$842.7	\$878.3

Compliance Nonrecurring Costs						
	FY2004 Actual	FY2005 Actual	FY2006 Actual	FY2007 Actual	FY2008 Estimated	FY2009 Requested
Hazardous Waste	\$68.6	\$65.0	\$60.0	\$64.8	\$67.4	\$76.6
Solid Waste	\$16.6	\$18.4	\$15.4	\$12.2	\$54.2	\$24.6
UST	\$22.0	\$29.2	\$24.6	\$24.5	\$25.0	\$28.6
Clean Air Act	\$68.9	\$59.3	\$49.8	\$47.4	\$43.3	\$48.7
Clean Water Act	\$209.3	\$233.4	\$181.8	\$211.1	\$301.6	\$266.2
Planning	\$66.2	\$41.5	\$40.6	\$42.3	\$53.0	\$77.6
Safe Drinking Water Act	\$54.6	\$36.6	\$28.4	\$28.9	\$33.6	\$86.4
Other	\$209.0	\$212.4	\$190.7	\$157.3	\$175.9	\$173.2
Total	\$715.2	\$695.9	\$591.3	\$588.4	\$754.1	\$782.0

Compliance Program Costs†						
	FY2004 Actual	FY2005 Actual	FY2006 Actual	FY2007 Actual	FY2008 Estimated	FY2009 Requested
Manpower	\$511.9	\$547.4	\$542.8	--	--	--
Education and Training	\$28.9	\$26.6	\$26.9	--	--	--
Recurring	\$398.9	\$415.1	\$381.4	\$842.5	\$842.7	\$878.3
Nonrecurring	\$715.2	\$695.9	\$591.3	\$588.4	\$754.1	\$782.0
Total	\$1,654.9	\$1,684.9	\$1,542.5	\$1,430.8	\$1,596.8	\$1,660.3

* Due to rounding, subtotals may not equal fiscal year totals.

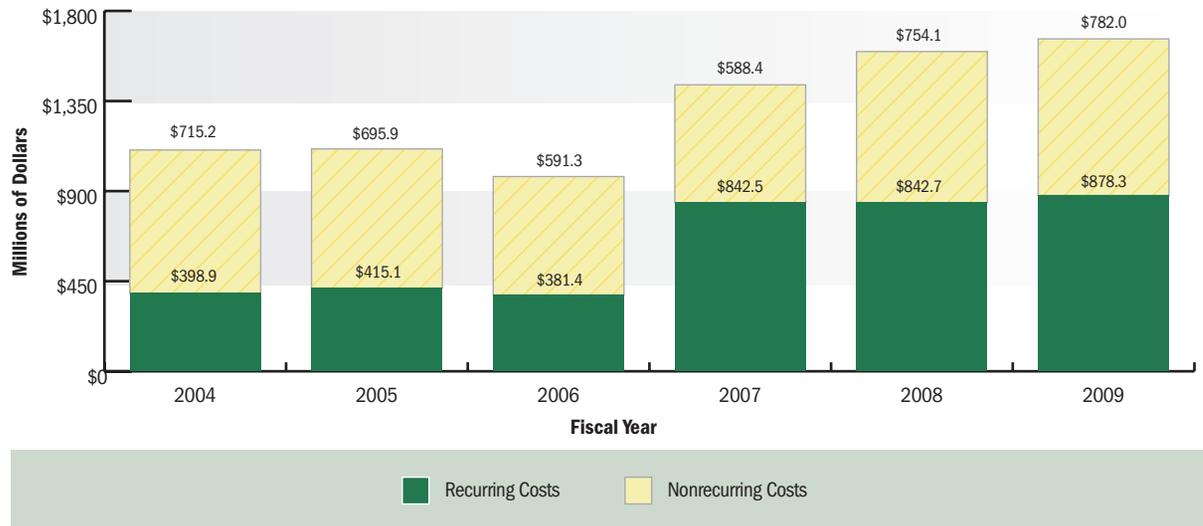
† Beginning in FY2007, recurring costs include Manpower, and Education and Training.

DoD

DoD manages compliance with federal, state, and local environmental laws and regulations. As depicted in Figure E-1, DoD invested approximately \$1.4 billion in compliance activities during FY2007. Of this total, \$842.5 million were recurring costs and \$588.4 million were nonrecurring costs. As depicted in Figure E-2, DoD's compliance recurring costs increased from FY2006 to FY2007 due to the inclusion of Manpower, and Education and Training in recurring costs. The majority of recurring costs are classified as other recurring costs, which includes costs for supplies (e.g., spill team equipment, labels, and drums); updating spill response plans; manifests; National Pollution Discharge Elimination System (NPDES) permit records and reporting; biannual hazardous waste reporting (Resource Conservation Recovery Act Subtitle C); Clean Air Act (CAA) inventories (routine and recurring reporting); Federal Insecticide, Fungicide, Rodenticide Act (FIFRA) reporting; and environmental self-assessments.

DoD's compliance nonrecurring costs decreased in FY2007 as illustrated in E-3. The large increase in CWA costs is driven by large projects undertaken to repair and replace waste water treatment plants and construct petroleum, oil, and lubrication storage facilities in compliance with the CWA. Other nonrecurring compliance costs remain high and include costs for radon and asbestos investigations and mitigation (including facility demolition if greater than 50 percent of the cost is required to meet environmental compliance standards), spill response plans, action to prevent pollution from ships, Toxic Substance Control Act and FIFRA compliance, and addressing munitions constituents on operational ranges.

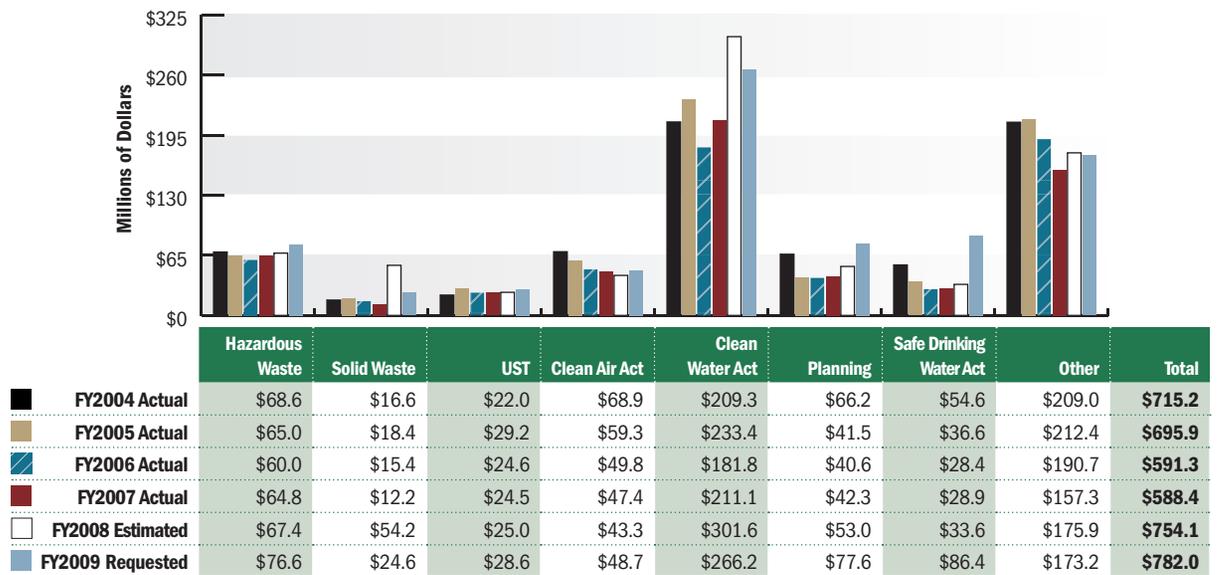
Figure E-2 DoD Compliance Recurring and Nonrecurring Costs*†



* Due to rounding, subtotals may not equal fiscal year totals.

† Beginning in FY2007, recurring costs include Manpower, and Education and Training. These costs for prior years are not included, but can be found in Figure E-1.

Figure E-3 DoD Compliance Nonrecurring Costs*



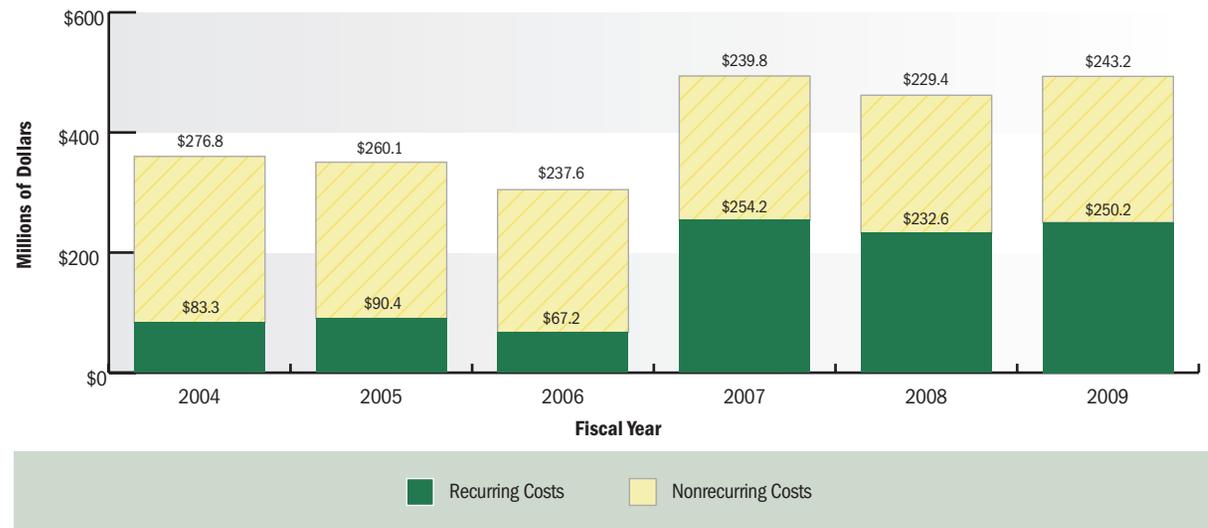
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Army

Army environmental Compliance Programs are a vital element of its sustainability ethic as these programs build trust with the American public. While many factors influence the environmental budget, the Army is committed to spending funds in a way that provides the most comprehensive protection of human health and the environment. In FY2007, the Army invested approximately \$494.0 million in compliance activities, which was \$189.2 million more than FY2006, as depicted in Figure E-4. Beginning in FY2007, recurring costs include Manpower, and Education and Training activities, accounting for the \$187.0 million increase compared to FY2006. Although similar costs were incurred in previous years, they are not reflected in Figure E-4. Overall, the Army's allocated nonrecurring compliance funding represents a stable trend from FY2006 through FY2008.

The Army's allocated compliance funding shows a stable trend outside of the CWA category in Figure E-5. The decreases in CWA costs in FY2005 and FY2006 were the result of improved management techniques and decreased operations at Army Bases ready to close. Nonrecurring projects include upgrading wastewater treatment facilities and installing air pollution controls to meet current standards.

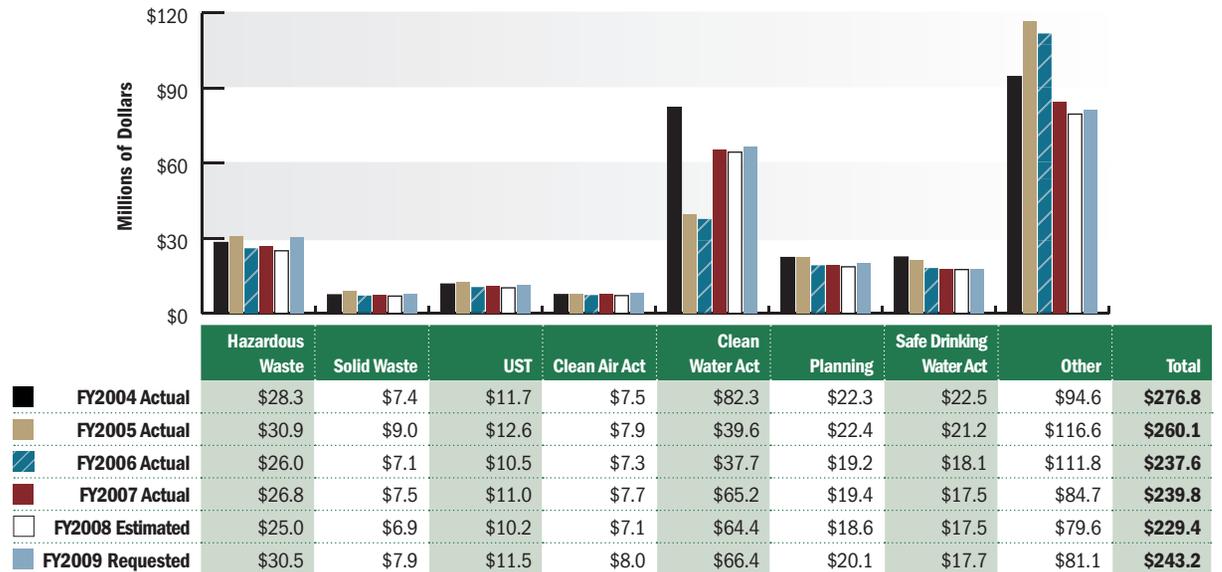
Figure E-4 Army Compliance Recurring and Nonrecurring Costs**



* Due to rounding, subtotals may not equal fiscal year totals.

† Beginning in FY2007, recurring costs include Manpower, and Education and Training. These costs for prior years are not included, but can be found in Figure E-1.

Figure E-5 Army Compliance Nonrecurring Costs*



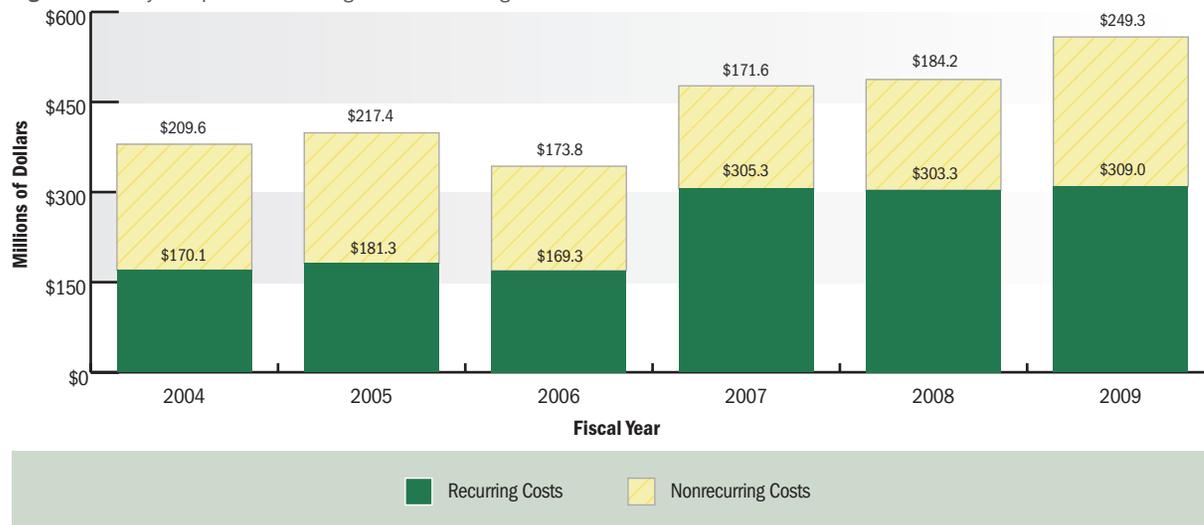
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Navy

The Department of the Navy's (DON's) compliance budget, which includes the Navy and Marine Corps, funds the following efforts: maintaining clean air and water, managing solid and hazardous wastes, conducting required compliance training, and managing salaries for environmental staff. In FY2007, DON invested approximately \$476.9 million in compliance activities as shown in Figure E-6. While \$305.3 million was invested in recurring compliance costs, \$171.6 million went towards nonrecurring costs. Navy's recurring costs for FY2007 are relatively stable, with Other recurring costs beginning to decline due to the completion of efforts addressing range management.

As depicted in Figure E-7, DON's funding for nonrecurring projects decreased in FY2007. The continued decrease in CAA funding is due to the completion of projects to install compliant refrigeration systems. The large increase in FY2009 requested funds for the SDWA is directly related to the construction of a drinking water plant for the Marine Corps. Increases in other recurring costs are mostly due to remediation requirements in La Maddalena, Italy.

Figure E-6 Navy Compliance Recurring and Nonrecurring Costs**

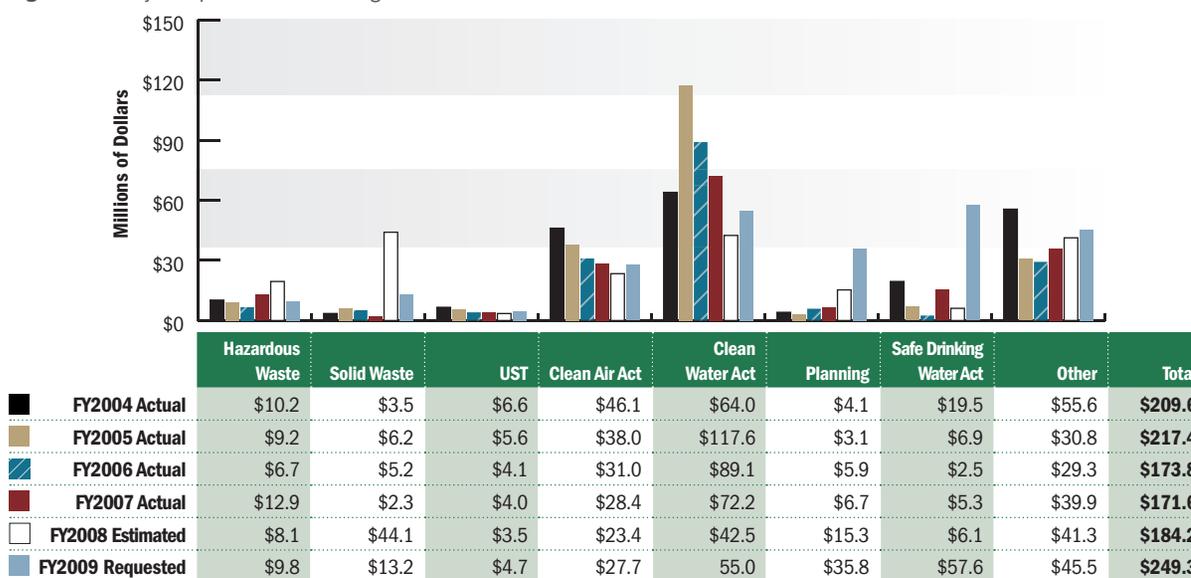


* Department of the Navy includes Navy and Marine Corps.

† Due to rounding, subtotals may not equal fiscal year totals.

‡ Beginning in FY2007, recurring costs include Manpower, and Education and Training. These costs for prior years are not included, but can be found in Figure E-1.

Figure E-7 Navy Compliance Nonrecurring Costs*†



* Department of the Navy includes Navy and Marine Corps.

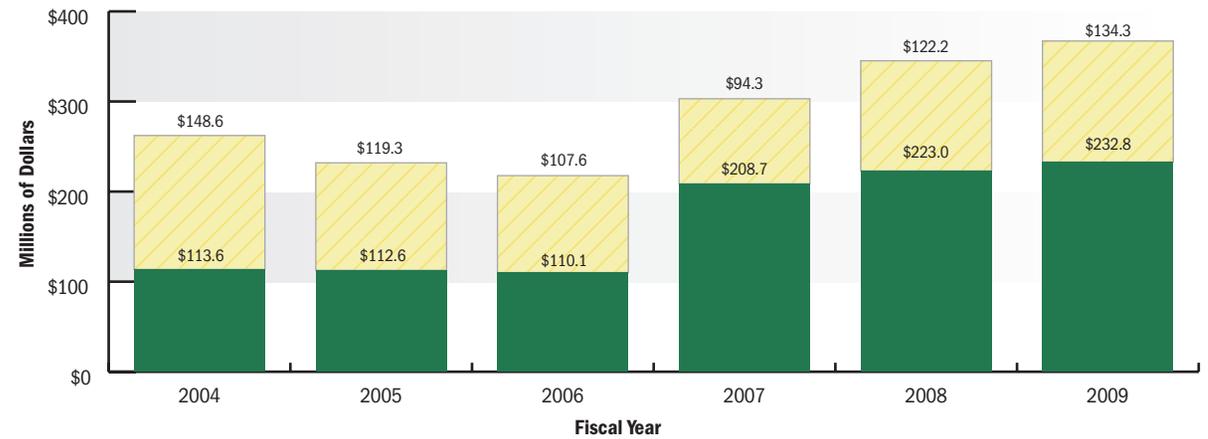
† Due to rounding, subtotals may not equal fiscal year totals.

Air Force

The Air Force's compliance budget includes funds to comply with federal, state, and local environmental laws. Figure E-8 illustrates the distribution of recurring and nonrecurring costs. Of the total \$303.0 million, the Air Force allocated \$208.7 million in recurring efforts. The remaining \$94.3 million was invested in nonrecurring projects. Recurring compliance costs include routine sampling and analysis of discharges to air and water, hazardous waste disposal, and managing NPDES permits and CAA inventories.

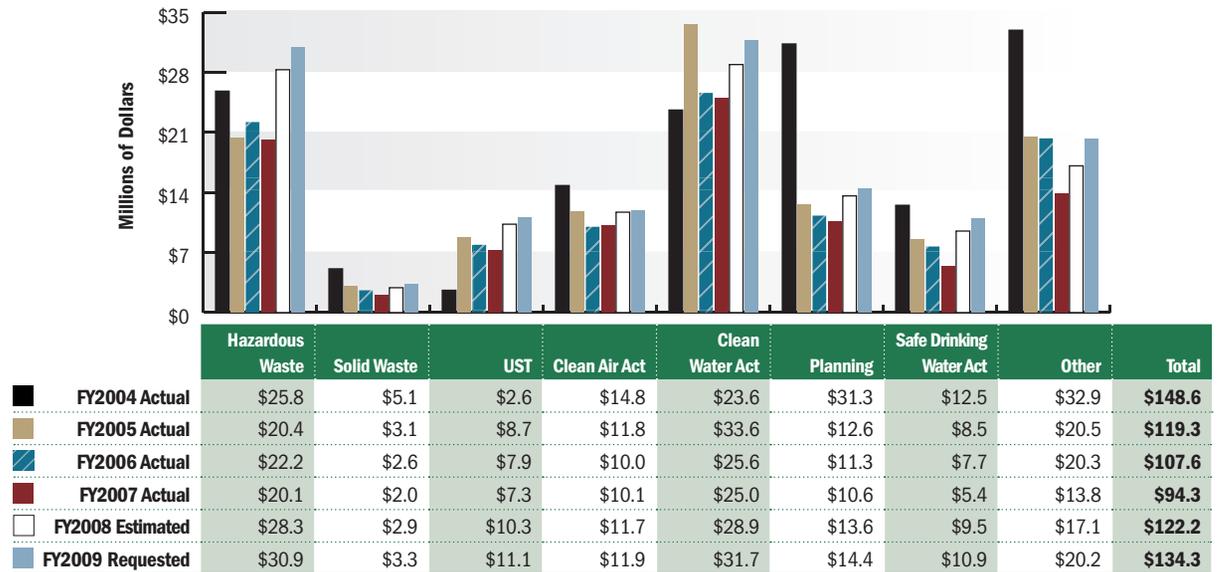
In FY2007, funding allocations for nonrecurring projects allow the Air Force to sustain natural infrastructure to meet operational needs and applicable laws, regulations, Executive Orders, DoD policies, and international standards. Air Force CWA costs continue to increase and reflect the costs associated with maintaining an aging infrastructure and complying with stricter requirements.

Figure E-8 Air Force Compliance Recurring and Nonrecurring Costs**



* Beginning in FY2007, recurring costs include Manpower, and Education and Training. These costs for prior years are not included, but can be found in Figure E-1.
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Figure E-9 Air Force Compliance Nonrecurring Costs*



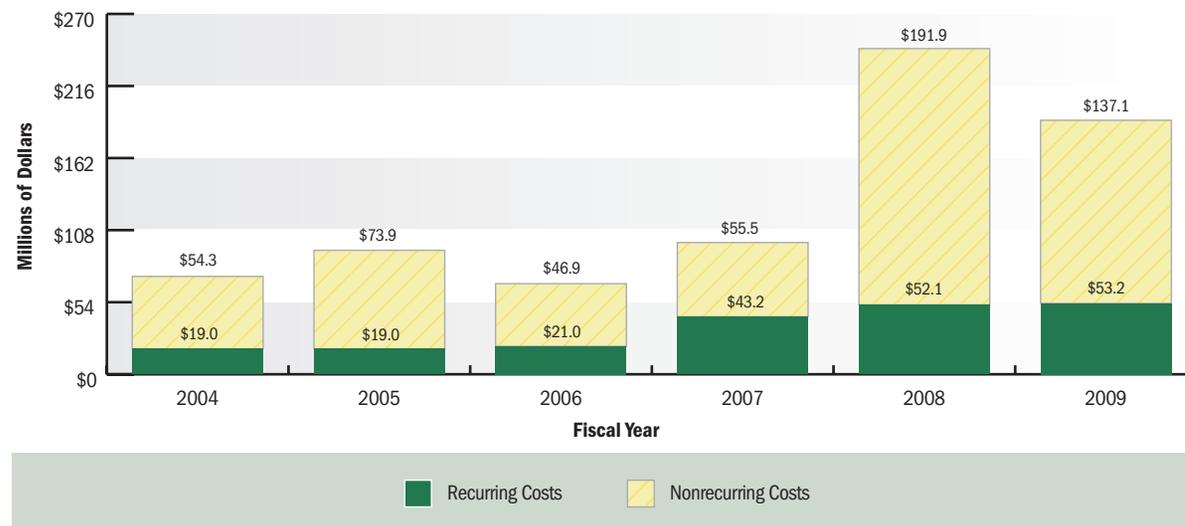
* Due to rounding, subtotals may not equal fiscal year totals.

DLA

The Defense Logistics Agency (DLA) is committed to protecting human health and the environment by achieving full and sustained compliance with all federal, state, and local environmental laws and regulations. The Compliance Program encompasses performance metrics, including requirements of the CWA, Safe Drinking Water Act (SDWA), and all other environmental regulations. Compliance activities also include monitoring enforcement actions, fines, and penalties as measures of performance. Figure E-10 illustrates recurring and nonrecurring costs for DLA's compliance efforts. In FY2007, DLA invested approximately \$98.8 million in compliance activities with \$43.2 million for recurring costs and \$55.5 million in nonrecurring costs. DLA's projected funding requirements for recurring compliance efforts increased to include Manpower, and Education and Training costs. Any variation in funding between FY2005 through FY2009 is due to MilCon requirements to support Defense Energy Support Center projects.

As shown in Figure E-11, DLA anticipates CWA costs to increase significantly in FY2008 due to MilCon projects. Other compliance costs are low compared to other Components as DLA is a smaller agency.

Figure E-10 DLA Compliance Recurring and Nonrecurring Costs**



* Beginning in FY2007, recurring costs include Manpower, and Education and Training. These costs for prior years are not included, but can be found in Figure E-1.

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Figure E-11 DLA Compliance Nonrecurring Costs*



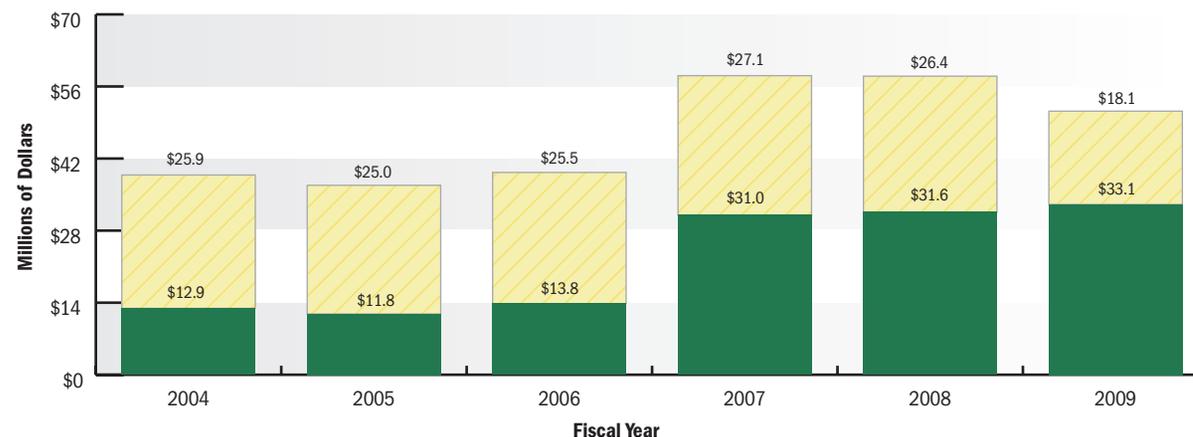
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Other Defense-Wide Programs

Other Defense-wide programs include the Under Secretary of Defense for Acquisition, Technology, and Logistics; the Missile Defense Agency; the Defense Health Program, and other small agencies. As depicted in Figure E-12, DoD invested approximately \$58.1 million in other Defense-wide compliance activities in FY2007. Of this amount, \$31.0 million of the compliance budget was invested in recurring activities and \$27.1 million was invested in nonrecurring activities. Recurring compliance costs include routine sampling and analysis of discharges to air and water, hazardous waste disposal, and managing NPDES permits and CAA inventories.

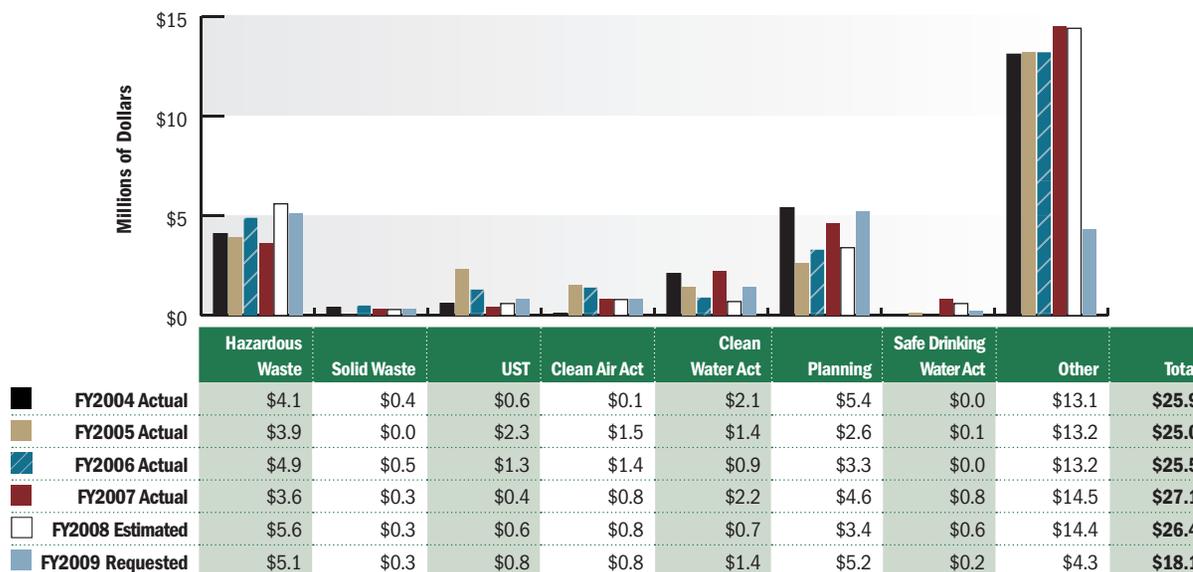
As shown in Figure E-13, the nonrecurring costs are relatively stable; however, the high other compliance costs through FY2007 reflects the Congressional addition of the Native American Land Environmental Mitigation Program. Other nonrecurring compliance costs are expected to decrease from \$14.5 million in FY2007 to \$4.3 million in FY2009. In addition, most other Defense-wide activities are tenants on other military department installations, reflecting low SDWA costs.

Figure E-12 Other Defense-Wide Programs Compliance Recurring and Nonrecurring Costs**



* Beginning in FY2007, recurring costs include Manpower, and Education and Training. These costs for prior years are not included, but can be found in Figure E-1.
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Figure E-13 Other Defense-Wide Programs Compliance Nonrecurring Costs*



* Due to rounding, subtotals may not equal fiscal year totals.