



## TODAY'S CALL TOPIC

### Federal Showdown on Local Energy & Sustainability Grants: FY 2011 and FY 2012 Budget Outlook

#### Speakers:



**Andrew Seth**  
Executive Director  
Climate Communities



**Jon Wisbey**  
Policy Associate  
Climate Communities

#### Next Call:

Thursday, March 3 – Creating Regional Sustainability Plans

February 24, 2011

For more information: [www.climatecommunities.us](http://www.climatecommunities.us)

### Upcoming Events

**MARCH 4-5, 2011**

Local Clean Energy  
Thought-Leaders Retreat  
Washington, DC

*RSVP today; Space limited*

**JUNE 15-17, 2011**

Local Clean Energy  
Leadership Summit  
Washington, DC

[www.localenergysummit.org](http://www.localenergysummit.org)



## Upcoming Events

### Local Clean Energy Thought Leaders Retreat

Washington, DC

March 4-5, 2011

- Convening of 30-40 local government officials (elected, city/county managers and sustainability directors) and select private sectors leaders.
- Develop new clean energy blueprint for the 112<sup>th</sup> Congress that empowers cities and counties to create thousands of new green jobs through federal investments in energy efficiency, renewable energy and local sustainability.
- Blueprint developed by local leaders for 111<sup>th</sup> Congress led to \$3.2 billion for the EECBG program, the creation of the Climate Showcase Communities program and inclusion of local government resources in major climate bills.
- Meet with key allies in the Obama Administration and Congress to share local government priorities for 112<sup>th</sup> Congress.
- Space is limited and available on a first-come, first-served basis.
- To register, visit [www.climatecommunities.us](http://www.climatecommunities.us) and fill out online registration form.



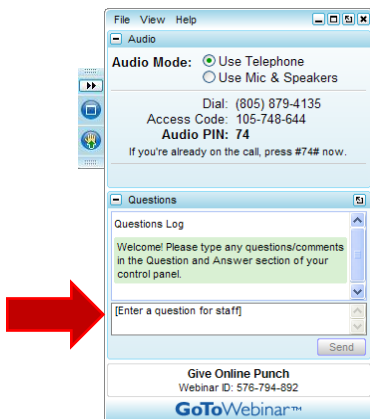
## Upcoming Events

### Local Government Clean Energy Summit Washington, DC June 15-17, 2011

- Major energy efficiency and renewable energy conference for local government sector.
- Demonstrate success of EECBG and other federal investments in local clean energy projects
- Share best practices.
- Urge Congress and the Obama Administration to make further clean energy investments in local governments.
- For more information, visit [www.localenergysummit.org](http://www.localenergysummit.org).



## Asking questions



At any point during the presentation, you can type your question into the question text box and click send. All questions will be read aloud and answered at the end of the presentations, as long as time permits.



## Agenda

- i. **Recap of FY 2011 Budget Situation**
- ii. **Overview of House-Passed FY 2011 Bill**
- iii. **Review of President Obama's FY 2012 Budget Proposal**
- iv. **Outlook for Local Sustainability and Energy Funding in FY 2011 and FY 2012**



## FY 2011 Budget

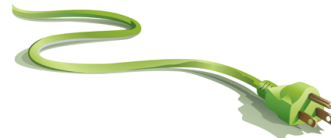
- Congress failed to pass FY 2011 omnibus before recessing last December
- Instead passed Continuing Resolution to keep government functioning through March 4<sup>th</sup> at FY 2010 funding levels
- Congress will need to pass a short-term extension of CR or a CR through end of fiscal year by March 4<sup>th</sup> or risk a government shutdown





## H.R. 1 Overview

- On February 9<sup>th</sup>, House Appropriations Committee unveils Continuing Resolution that cuts \$74 billion from FY 2011 budget request
- Under pressure from conservative House Republicans, withdraw bill and introduce new legislation proposing \$100 billion in cuts
- Last week, during marathon sessions, House considers 583 amendments and passes 67, producing an additional \$620 million in cuts
- On February 19<sup>th</sup>, House passes H.R. 1 by vote of 235-189 – essentially a party line vote



## FY 2010 Rescissions

- All unobligated ARRA funding
- \$600 million in unobligated TIGER funding
- \$75 million in unobligated TIGGER funding
- FY 2010 HUD BEDI funding rescinded
- \$130 million in unobligated HUD Sustainable Communities
- \$11.2 million in unobligated EERE funding
- \$300 million in unobligated EPA funding





## FY 2011 Funding - Energy

- \$775 million cut from DOE Energy Efficiency and Renewable Energy (\$1.4 billion)
- EPA Climate Showcase Communities Program not funded
- DOE Weatherization Assistance Program not funded
- DOE State Energy Program not funded
- EECBG not funded



## FY 2011 Funding - Sustainability

- Full FY 2010 funding for EDA (\$255 million)
- HUD Sustainable Communities not funded
- TIGER grant program not funded
- TIGGER grant program not funded
- LWCF Stateside program eliminated
- Cut \$30 million from EPA Brownfields (\$70 million)
- HUD BEDI not funded
- \$1.4 billion cut from Clean Water SRF (\$690 million)
- \$557 million cut from Drinking Water SRF (\$830 million)
  - Green project reserve eliminated





## H.R. 1 and the EPA

- Cuts \$3 billion from EPA budget, or 30% below FY 2010 levels
- Cuts funding for EPA Greenhouse Gas Registry
- Prohibits any funds from being used by EPA to implement, administer or enforce any statutory or regulatory requirement pertaining to emissions of GHGs, including NOx from stationary sources for post-1/1/2011 rules
- Prevents EPA from approving increase in gasoline ethanol content from 10% to 15%
- Bars EPA from listing coal ash as RCRA-regulated hazardous waste
- Bars EPA from changing national primary ambient air quality standards for coarse particulate matter



## President Obama's FY 2012 Budget Request

### Overview

- On Monday, February 14, President Obama released his proposed budget for federal fiscal year 2012
- The President's proposed budget is approximately \$3.7 trillion
  - \$273 billion above federal spending for FY 2010
  - Approximately \$100 billion below projected spending levels for fiscal year 2011
- Includes a 5-year freeze on all discretionary spending outside of security
- Not an across-the-board cut, but rather an overall freeze with investments in areas critical for long-term economic growth and job creation, including clean energy technologies





## President Obama's FY 2012 Budget Request

### Analysis of Key Federal Agencies

- U.S. Department of Energy
  - EECBG
  - Better Buildings
  - Alternative Fuel Vehicles
- U.S. Environmental Protection Agency
  - Climate Showcase Communities
  - Sustainable Communities Initiative
- U.S. Department of Housing and Urban Development
  - Sustainable Communities Initiative
- U.S. Department of Transportation
  - Sustainable Communities Initiative
  - Transit
  - Infrastructure Bank
- Economic Development Administration
  - Global Climate Change Mitigation Incentive Fund



## President Obama's FY 2012 Budget Request

### U.S. Department of Energy

- Total request: \$29.5 billion (12% increase over FY 2010 enacted)
- No budget request for **EECBG**
- **Better Buildings Program**
  - Goal: reduce energy usage in commercial buildings by 20 percent by 2020
  - \$100 million in loan guarantees to increase financing opportunities for schools, universities, and hospitals; provides credit support for up to \$2 billion in loans
  - \$100 million "Race to Green" competition for states and localities to implement innovative approaches to building codes, standards and performance measurements
- **Vehicle Technologies Deployment** (includes Clean Cities program)
  - \$229 million FY 2012 request
  - Includes \$200 million in competitive grants for communities to become early adopters of electric drive vehicles through regulatory streamlining, infrastructure planning and development, and other investments





## President Obama's FY 2012 Budget Request

### U.S. Environmental Protection Agency

➤ Total request: \$9 billion (\$1.3 billion below FY 2010 enacted)

➤ No budget request for **Climate Showcase Communities**

➤ **Sustainable Communities Initiative**

- \$9.9 million FY 2012 request (\$4.2 million above FY 2010 enacted)
- Increase allows EPA to more fully implement the Partnership for Sustainable Communities with DOT and HUD
- Increases technical assistance provided to tribal, state, regional, and local governments in integrating smart growth



## President Obama's FY 2012 Budget Request

### U.S. Department of Housing & Urban Development

➤ Total request: \$48 billion (\$900 million above FY 2010 enacted)

➤ **Sustainable Communities Initiative**

- \$150 million FY 2012 request (same as FY 2010 enacted)
- Creates incentives for communities to develop comprehensive housing and transportation plans that spur jobs, reduce the combined cost of housing and transportation and attract more private investment
- Includes \$100 million for Sustainable Communities Regional Planning Grants to catalyze integrated metropolitan transportation, housing, land use, energy, and disaster mitigation planning, using state-of-the-art data, analytic tools, community engagement strategies and Geographic Information Systems
- Includes \$40 million for Community Challenge Planning Grants to enable communities to update policies, codes, tools and critical capital investments that better integrate transportation, housing and economic development to support local real estate markets





## President Obama's FY 2012 Budget Request

### U.S. Department of Transportation

➤ Total request: \$128 billion (66% increase over FY 2010 enacted)



#### ➤ **Livable Communities Program**

- \$4.1 billion FY 2012 request
- Funds formula and competitive grant programs to establish place-based planning, policies and investments to help communities increase transportation choices and access to transportation services

#### ➤ **Transit Expansion and Livable Communities Program**

- \$3.5 billion FY 2012 request
- Includes \$3.2 billion in the Capital Investment Grants program and \$50 million for new Livable Communities demonstration grants

#### ➤ **Infrastructure Bank**

- \$5 billion FY 2012 request
- Provide grants and loans using new innovative financing approaches that will leverage transportation dollars more efficiently



## President Obama's FY 2012 Budget Request

### Economic Development Administration

➤ Total request: \$325 billion



#### ➤ **Sustainable Economic Development**

(Successor to Global Climate Change Mitigation Incentive Fund)

- \$16.5 million FY 2012 budget request (\$8.5 million below FY 2010 enacted)
- Used to fund projects in which a building or structure is developed or redeveloped using green building techniques
- Finances a wide range of projects, from strategy development to construction, that foster jobs and private investment by limiting the nation's dependence on fossil fuels, enhancing energy efficiency, curbing greenhouse gas emissions and protecting natural systems
- Investment in diverse portfolio of innovative projects ranging from clean tech to renewable energy



## FY 2011/2012 Outcomes

### FY 2011

- Likely extension of continuing resolution for several weeks beyond March 4
- Likely scenarios
  - Compromise between FY 2010 levels and House Republican's \$61.5 billion in discretionary cuts
  - Across the board spending reductions (~10%)
  - Obama veto? Government shutdown?

### FY 2012

- FY 2011 spending battle will set the precedent
- Stand-offs again expected between the House and Senate



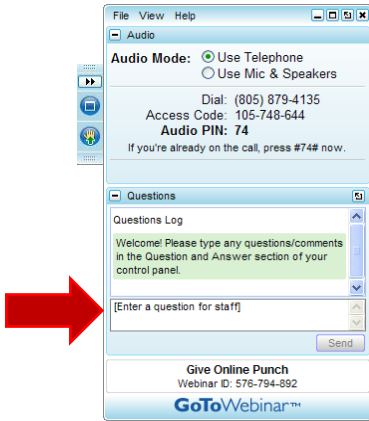
## FY 2011/2012 Outcomes

### **Local governments need to be a loud voice for the federal sustainability programs that are important to them**

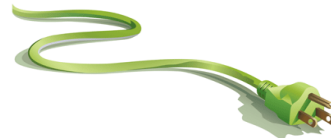
- Localities need to contact their Senators and Representatives and tell them about the programs that are meaningful to your community
  - Sample letter of support available at [www.climatecommunities.us](http://www.climatecommunities.us)
- Local Government Clean Energy Leadership Summit, June 15-17
  - Right in the middle of FY 2012 funding debate
  - Meetings with Administration, Congress give local governments an opportunity to speak directly and with one vote in support of local energy and sustainability funding



## Asking questions



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# Questions?