



Natural Resources and Environment

Grants & Contracts

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Tax Subsidies

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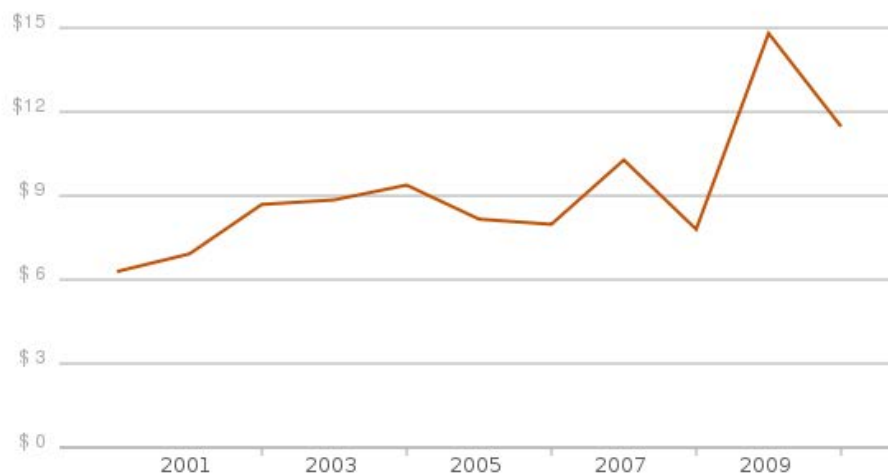
Direct Expenditures in the Natural Resources and Environment Sector

Grants in the Natural Resources and Environment Sector

The federal government spent approximately \$11.5 billion in fiscal year 2010 on grant programs that may provide a subsidy to the Natural Resources and Environment sector.¹ This funding, administered by eight agencies² across more than 280 active programs (Table 1), accounted for almost 1.5 percent of all government grants made that year (\$822.6 billion).³

Subsidyscope reports the total amount spent on grants and contracts that are most likely to contain any subsidy. Since not all the spending in these programs would properly be counted as a subsidy, the spending estimates presented here constitute the upper bound of government subsidies in a sector. For example, there is a distinction between *spending* on grants and contracts and the *subsidies* conveyed through that spending. Not all of the money obligated to a grant or contract ends up subsidizing the sector. Some funds are devoted to administering the grants or other activities that do not affect supply or prices. However, little data are available that would help estimate just the subsidy portion of spending on grants and contracts.

Figure 1: Expenditures on Grant Programs in the Natural Resources and Environment Sector, Fiscal Years 2000-2010 (\$ billions)



Source: Subsidyscope analysis of data from USASpending.gov. Estimates are in nominal dollars and reflect the data as they appear in USASpending.gov at the time of this analysis.

Note: Data presented are obligations to programs that Subsidyscope deems likely to contain a subsidy. All grant programs in

Subsidyscope's definition of the Natural Resources and Environment sector are included, despite the fact that some programs may not have reported dollar amounts. Changes in government reporting methods during fiscal year 2007 typically make the estimates for that year highly unreliable, yet the Natural Resources and Environment sector remains considerably more constant over time than other sectors analyzed. For more information about the quality of these data sources, visit Clearspending.org.

The direct expenditure totals presented on this Web page are compiled using government data from USASpending.gov and the Catalog of Federal Domestic Assistance (CFDA).⁴ As [previously noted](#), these data may not include some types of subsidies and may contain gaps that prevent allocating some published subsidy data to the Natural Resources and Environment sector. All of these limitations can result in omissions of federal support that may, nonetheless, influence markets. However, they are the best data available and they provide a baseline for comparing subsidies across economic sectors. By publishing these estimates, Subsidyscope makes these data more accessible and their shortcomings can be more easily identified and, ultimately, improved.

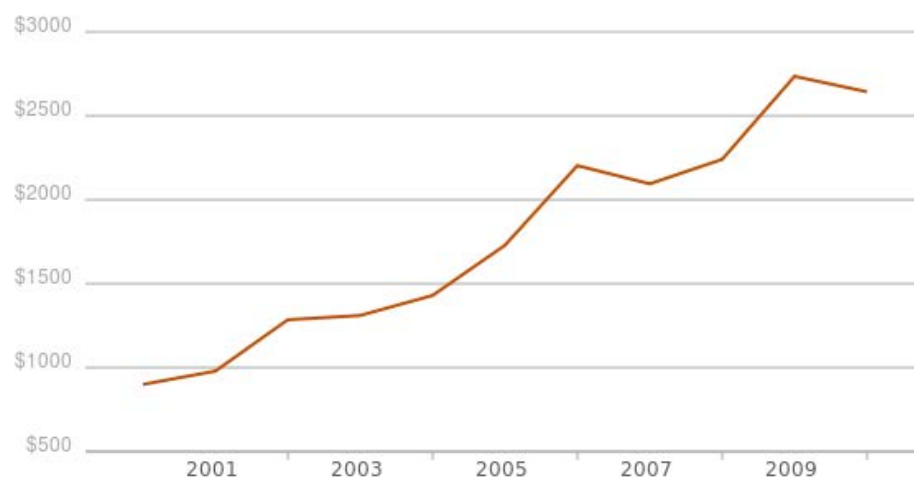
Contracts in the Natural Resources and Environment Sector

In addition to awarding grants, the government directly contracts with organizations to provide goods and services. During fiscal year 2010, all reported natural resources and environment-related contracts totaled \$7.2 billion, a little over 1 percent of all government contracts (\$537.8 billion).⁵ Of the \$7.2 billion in total natural resources and environment-related contracts, USASpending.gov reported \$2.6 billion, or 37 percent, were not competed.⁶ While not all contracts contain a subsidy, non-competed contracts are more likely to contain a subsidy than competed contracts.

Subsidyscope's focus on non-competed contracts reflects that the federal government generally prefers agencies to compete contracts because competition is expected to result in lower costs and/or better quality goods and services. In contrast, non-competed contracts generally are assumed to be more likely to cost the government higher than the fair market value.⁷

Subsidyscope presents spending on programs deemed likely to contain a subsidy, rather than the subsidy amount itself. Under a contract, a subsidy occurs when the government pays more than fair market value for a good or service. It is difficult to determine when and how much of a subsidy is included, as the fair market value may be open to interpretation. Subsidyscope does not differentiate between specific contracts that may or may not include a subsidy or measure the amount of the subsidy. However, competed contracts—contracts that are subject to an open bidding process—generally are less likely to have a subsidy component, even though the bidding process may include certain preferences. Therefore, Subsidyscope does not analyze competed contracts. This does not mean non-competed contracts contain a significant subsidy, only that they are more likely to do so. There may be various reasons why the government uses non-competed contracts, for example, there may be only one provider of the service, there may be unique experience required, or it may be more expedient or convenient. For more information on contracts, see Subsidyscope's [Contracts](#) page.

Figure 2: Expenditures on Non-competed Contracts in the Natural Resources and Environment Sector, Fiscal Years 2000-2010 (\$ millions)



Source: Subsidyscope analysis of data from USASpending.gov. Estimates are in nominal dollars and reflect the data as they appear in USASpending.gov at the time of this analysis.

Note: Government spending on non-competed contracts is likely more consistent during this time period than the figure represents. Any increases or decreases may reflect poor data resulting from reporting variation, in addition to actual spending increases or decreases in natural resources and environment-related contracts.

To search Subsidyscope's direct expenditures data from the federal government's USASpending.gov Web site, click [here](#) for grants and [here](#) for non-competed contracts. The table below provides an aggregate summary of the grants made by each program in the Natural Resources and Environment sector in fiscal years 2009 and 2010, retrieved from Subsidyscope's searchable database of grants.

Table 1: Natural Resources and Environment Sector Direct Expenditure Programs, Fiscal Years 2009 and 2010 (\$ thousands)

CFDA #	CFDA Program Title	FY 2009	FY 2010
10.069	Conservation Reserve Program	\$133,973	\$2,109,752
66.458	Capitalization Grants for Clean Water State Revolving Funds	\$4,592,062	\$1,630,225
66.468	Capitalization Grants for Drinking Water State Revolving Funds	\$2,741,277	\$1,142,286
10.760	Water and Waste Disposal Systems for Rural Communities	\$259,748	\$616,303
10.781	Water and Waste Disposal Systems for Rural Communities - ARRA [The American Recovery and Reinvestment Act of 2009]	\$541,424	\$544,063
66.605	Performance Partnership Grants	\$387,733	\$399,134
10.912	Environmental Quality Incentives Program	\$259,973	\$324,481
66.202	Congressionally Mandated Projects	\$185,551	\$247,660
10.664	Cooperative Forestry Assistance	\$285,831	\$177,557
10.923	Emergency Watershed Protection Program	\$134,142	\$177,116
66.469	Great Lakes Program	\$6,756	\$152,621
66.460	Nonpoint Source Implementation Grants	\$169,701	\$150,711
11.432	National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes	\$122,536	\$142,023
10.688	Recovery Act of 2009: Wildland Fire Management	\$209,077	\$124,541
66.818	Brownfields Assessment and Cleanup Cooperative Agreements	\$157,773	\$109,649

11.438	Pacific Coast Salmon Recovery_Pacific Salmon Treaty Program	\$82,830	\$102,325
11.419	Coastal Zone Management Administration Awards	\$92,782	\$102,090
66.802	Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements	\$164,937	\$95,734
15.504	Water Reclamation and Reuse Program	\$19,961	\$95,027
66.039	National Clean Diesel Emissions Reduction Program	\$231,863	\$94,028
10.913	Farm and Ranch Lands Protection Program	\$89,191	\$87,541
11.463	Habitat Conservation	\$183,175	\$84,560
66.419	Water Pollution Control State, Interstate, and Tribal Program Support	\$80,237	\$83,630
11.431	Climate and Atmospheric Research	\$59,813	\$80,334
10.904	Watershed Protection and Flood Prevention	\$32,662	\$77,610
66.001	Air Pollution Control Program Support	\$84,008	\$76,365
11.417	Sea Grant Support	\$35,616	\$73,958
10.921	Conservation Security Program	\$58,738	\$73,394
15.508	Providing Water to At-Risk Natural Desert Terminal Lakes	\$2,502	\$66,500
66.805	Leaking Underground Storage Tank Trust Fund Corrective Action Program	\$252,967	\$65,455
10.676	Forest Legacy Program	\$53,330	\$65,053
66.034	Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	\$55,068	\$58,529
66.432	State Public Water System Supervision	\$55,262	\$58,307
66.508	Senior Environmental Employment Program	\$55,103	\$57,507
10.072	Wetlands Reserve Program	\$87,171	\$54,499
15.426	Coastal Impact Assistance Program (CIAP)	\$64,884	\$53,184
66.926	Indian Environmental General Assistance Program (GAP)	\$48,087	\$51,809
10.916	Watershed Rehabilitation Program	\$28,122	\$50,703
66.509	Science To Achieve Results (STAR) Research Program	\$47,935	\$49,873
66.817	State and Tribal Response Program Grants	\$46,882	\$48,986
66.801	Hazardous Waste Management State Program Support	\$47,684	\$48,186
10.687	Recovery Act of 2009: Capital Improvement and Maintenance	\$65,957	\$44,824
11.472	Unallied Science Program	\$32,230	\$44,211
15.518	Garrison Diversion Unit	\$77,924	\$44,200
10.902	Soil and Water Conservation	\$29,849	\$43,238
10.770	Water and Waste Disposal Loans and Grants (Section 306C)	\$39,796	\$41,351
66.466	Chesapeake Bay Program	\$16,331	\$39,426
66.600	Environmental Protection Consolidated Grants for the Insular Areas - Program Support	\$5,740	\$38,764
66.804	Underground Storage Tank Prevention, Detection and Compliance Program	\$38,086	\$36,724
10.680	Forest Health Protection	\$43,076	\$36,011
15.608	Fish and Wildlife Management Assistance	\$17,691	\$34,175
11.441	Regional Fishery Management Councils	\$25,202	\$33,902

15.522	Mni Wiconi Rural Water Supply Project	\$15,951	\$33,575
11.440	Environmental Sciences, Applications, Data, and Education	\$22,102	\$31,396
11.473	Coastal Services Center	\$26,431	\$29,975
66.040	State Clean Diesel Grant Program	\$88,525	\$29,402
15.252	Abandoned Mine Land Reclamation (AMLR) Program	\$285,052	\$26,299
15.808	U.S. Geological Survey_ Research and Data Collection	\$30,952	\$24,489
10.914	Wildlife Habitat Incentive Program	\$19,623	\$24,197
11.436	Columbia River Fisheries Development Program	\$14,489	\$23,562
11.469	Congressionally Identified Awards and Projects	\$28,190	\$23,383
11.437	Pacific Fisheries Data Program	\$19,626	\$21,192
11.420	Coastal Zone Management Estuarine Research Reserves	\$17,538	\$21,118
66.456	National Estuary Program	\$26,451	\$20,085
66.120	Puget Sound Watershed Management Assistance	not reported	\$19,769
10.761	Technical Assistance and Training Grants	\$19,497	\$19,500
15.235	Southern Nevada Public Land Management	-\$11,291	\$19,434
66.454	Water Quality Management Planning	\$47,717	\$18,367
10.652	Forestry Research	\$21,804	\$18,300
11.400	Geodetic Surveys and Services (Geodesy and Applications of the National Geodetic Reference System)	\$16,512	\$17,410
11.467	Meteorologic and Hydrologic Modernization Development	\$18,188	\$16,793
15.807	Earthquake Hazards Reduction Program	\$15,661	\$16,071
15.517	Fish and Wildlife Coordination Act	\$20,701	\$15,376
11.468	Applied Meteorological Research	\$15,751	\$15,303
11.477	Fisheries Disaster Relief	not reported	\$15,166
10.920	Grassland Reserve Program	\$5,069	\$14,498
11.478	Center for Sponsored Coastal Ocean Research_Coastal Ocean Program	\$13,481	\$14,355
11.429	Marine Sanctuary Program	\$9,495	\$13,810
66.418	Construction Grants for Wastewater Treatment Works	\$29,364	\$13,801
66.461	Regional Wetland Program Development Grants	\$10,719	\$13,713
11.430	Undersea Research	\$14,339	\$13,402
11.454	Unallied Management Projects	\$6,477	\$13,127
10.678	Forest Stewardship Program	\$8,307	\$12,788
66.700	Consolidated Pesticide Enforcement Cooperative Agreements	\$11,532	\$11,948
11.481	Educational Partnership Program	\$12,666	\$11,479
11.452	Unallied Industry Projects	\$91,059	\$11,455
19.017	Environmental and Scientific Partnerships and Programs	\$2	\$11,008
11.434	Cooperative Fishery Statistics	\$1,738	\$10,812
66.608	Environmental Information Exchange Network Grant Program and Related Assistance	\$11,888	\$10,764

15.615	Cooperative Endangered Species Conservation Fund	\$9,628	\$10,407
15.231	Fish, Wildlife and Plant Conservation Resource Management	\$18,770	\$10,216
11.439	Marine Mammal Data Program	\$13,992	\$9,640
66.041	Climate Showcase Communities Grant Program	not reported	\$9,500
11.474	Atlantic Coastal Fisheries Cooperative Management Act	\$7,632	\$9,404
15.931	Conservation Activities by Youth Service Organizations	\$6,712	\$9,237
66.472	Beach Monitoring and Notification Program Implementation Grants	\$8,997	\$9,173
10.675	Urban and Community Forestry Program	\$7,911	\$9,154
10.690	Lake Tahoe Erosion Control Grant Program	\$9,852	\$9,131
15.916	Outdoor Recreation_Acquisition, Development and Planning	\$20,577	\$8,606
15.631	Partners for Fish and Wildlife	\$13,568	\$8,572
66.123	Puget Sound Action Agenda: Technical Investigations and Implementation Assistance Program	not reported	\$8,252
15.512	Central Valley Project Improvement Act, Title XXXIV	\$22,528	\$8,183
11.457	Chesapeake Bay Studies	\$11,074	\$8,176
66.707	TSCA Title IV State Lead Grants Certification of Lead-Based Paint Professionals	\$10,891	\$8,152
66.511	Office of Research and Development Consolidated Research/Training/Fellowships	\$13,352	\$7,792
66.478	Water Security Training and Technical Assistance and Water Security Initiative Contamination Warning System Pilots	\$11,500	\$7,485
66.032	State Indoor Radon Grants	\$7,114	\$7,436
15.507	WaterSMART (Sustaining and Manage America's Resources for Tomorrow)	\$13,067	\$7,236
66.121	Puget Sound Protection and Restoration: Tribal Implementation Assistance Program	not reported	\$7,175
66.809	Superfund State and Indian Tribe Core Program Cooperative Agreements	\$6,190	\$7,137
66.716	Research, Development, Monitoring, Public Education, Training, Demonstrations, and Studies	\$5,564	\$6,606
66.437	Long Island Sound Program	\$3,599	\$6,099
11.008	NOAA Mission-Related Education Awards	not reported	\$5,643
81.136	Long-Term Surveillance and Maintenance	\$833	\$5,567
15.810	National Cooperative Geologic Mapping Program	not reported	\$5,478
10.684	International Forestry Programs	\$4,460	\$5,469
66.433	State Underground Water Source Protection	\$5,522	\$5,464
11.460	Special Oceanic and Atmospheric Projects	\$16,962	\$5,422
66.510	Surveys, Studies, Investigations and Special Purpose Grants within the Office of Research and Development	\$5,159	\$5,375
66.514	Science To Achieve Results (STAR) Fellowship Program	not reported	\$5,103
11.426	Financial Assistance for National Centers for Coastal Ocean Science	\$6,984	\$5,079
10.679	Collaborative Forest Restoration	\$5,055	\$5,039
15.524	Recreation Resources Management	\$2,625	\$5,005
11.012	Integrated Ocean Observing System (IOOS)	not reported	\$4,815

66.038	Training, Investigations, and Special Purpose Activities of Federally-Recognized Indian Tribes Consistent With the Clean Air Act (CAA), Tribal Sovereignty and the Protection and Management of Air Quality	\$5,197	\$4,796
15.812	Cooperative Research Units Program	\$13,960	\$4,765
66.475	Gulf of Mexico Program	\$2,688	\$4,627
66.815	Brownfield Job Training Cooperative Agreements	\$7,751	\$4,408
66.808	Solid Waste Management Assistance Grants	\$2,466	\$4,344
66.931	International Financial Assistance Projects Sponsored by the Office of International and Tribal Affairs	\$2,743	\$4,333
11.435	Southeast Area Monitoring and Assessment Program	\$4,242	\$4,242
10.672	Rural Development, Forestry, and Communities	\$14,658	\$4,100
15.427	Federal Oil and Gas Royalty Management	not reported	\$4,073
10.665	Schools and Roads - Grants to States	\$235	\$4,052
66.708	Pollution Prevention Grants Program	\$4,269	\$3,878
66.951	Environmental Education Grants	\$3,034	\$3,805
10.693	Watershed Restoration and Enhancement Agreement Authority	\$358	\$3,747
10.762	Solid Waste Management Grants	\$3,353	\$3,586
15.650	Research Grants (Generic)	\$27	\$3,516
66.814	Brownfields Training, Research, and Technical Assistance Grants and Cooperative Agreements	\$5,171	\$3,464
15.229	Wild Horse and Burro Resource Management	\$4,275	\$3,432
11.407	Interjurisdictional Fisheries Act of 1986	\$3,182	\$3,196
66.436	Surveys, Studies, Investigations, Demonstrations, and Training Grants and Cooperative Agreements - Section 104(b)(3) of the Clean Water Act	\$10,092	\$3,018
10.682	National Forest Foundation	\$3,855	\$3,000
10.683	National Fish and Wildlife Foundation	\$4,900	\$3,000
15.236	Environmental Quality and Protection Resource Management	\$4,177	\$3,000
10.917	Agricultural Management Assistance	\$2,883	\$2,866
66.119	West Coast Estuaries Initiative	not reported	\$2,737
15.817	National Geospatial Program: Building The National Map	not reported	\$2,715
10.763	Emergency Community Water Assistance Grants	\$4,528	\$2,640
15.630	Coastal Program	not reported	\$2,544
15.937	Redwood National Park Cooperative Management with the State of California	not reported	\$2,503
15.532	Central Valley Project, Trinity River Division, Trinity River Fish and Wildlife Management	\$962	\$2,437
15.510	Colorado Ute Indian Water Rights Settlement Act	not reported	\$2,404
15.649	Service Training and Technical Assistance (Generic Training)	\$810	\$2,397
66.474	Water Protection Grants to the States	\$5,834	\$2,373
66.701	Toxic Substances Compliance Monitoring Cooperative Agreements	\$2,419	\$2,370
15.921	Rivers, Trails and Conservation Assistance	\$2,002	\$2,334
15.241	Indian Self-Determination Act Contracts, Grants and Cooperative Agreements	not reported	\$2,327
93.581	Improving the Capability of Indian Tribal Governments to Regulate	\$2,471	\$2,288

	Environmental Quality		
11.433	Marine Fisheries Initiative	\$2,074	\$2,190
10.694	Southwest Forest Health and Wildfire Prevention	not reported	\$2,000
66.122	Puget Sound Action Agenda Outreach, Education and Stewardship Support Program	not reported	\$2,000
66.035	Community Action for a Renewed Environment (CARE) Program	\$2,725	\$1,993
66.604	Environmental Justice Small Grant Program	not reported	\$1,928
10.922	Healthy Forests Reserve Program (HFRP)	\$494	\$1,893
15.636	Alaska Subsistence Management	\$2,988	\$1,868
66.611	Environmental Policy and Innovation Grants	\$1,556	\$1,781
15.242	National Fire Plan - Rural Fire Assistance	\$1,268	\$1,779
15.642	Challenge Cost Share	\$1,531	\$1,680
66.037	Internships, Training and Workshops for the Office of Air and Radiation	\$60	\$1,678
66.717	Source Reduction Assistance	\$1,181	\$1,647
15.228	National Fire Plan - Wildland Urban Interface Community Fire Assistance	\$1,459	\$1,611
66.513	Greater Research Opportunities (GRO) Fellowships For Undergraduate Environmental Study	not reported	\$1,582
15.530	Water Conservation Field Services Program (WCFSF)	\$50	\$1,555
15.657	Endangered Species Conservation Recovery Implementation Funds	\$434	\$1,551
15.904	Historic Preservation Fund Grants-In-Aid	\$5,009	\$1,529
66.813	Alternative or Innovative Treatment Technology Research, Demonstration, Training, and Hazardous Substance Research Grants	\$1,841	\$1,529
66.516	P3 Award: National Student Design Competition for Sustainability	\$1,004	\$1,521
15.629	Great Apes Conservation Fund	\$1,435	\$1,501
15.225	Recreation Resource Management	\$2,909	\$1,440
66.203	Environmental Finance Center Grants	\$667	\$1,400
66.424	Surveys, Studies, Investigations, Demonstrations, and Training Grants - Section 1442 of the Safe Drinking Water Act	\$1,980	\$1,385
10.681	Wood Education and Resource Center (WERC)	\$1,781	\$1,371
15.658	Natural Resource Damage Assessment, Restoration and Implementation	not reported	\$1,340
15.238	Challenge Cost Share	\$1,767	\$1,312
15.233	Forests and Woodlands Resource Management	\$660	\$1,276
10.903	Soil Survey	\$1,460	\$1,249
66.816	Headquarters and Regional Underground Storage Tanks Program	\$1,416	\$1,234
15.239	Management Initiatives	\$51	\$1,197
11.011	Ocean Exploration	not reported	\$1,177
66.709	Multi-Media Capacity Building Grants for States and Tribes	\$2,656	\$1,156
15.250	Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining	not reported	\$1,138
15.660	Endangered Species - Candidate Conservation Action Funds	not reported	\$1,034
66.125	Lake Pontchartrain Basin Restoration Program (PRP)	not reported	\$951

15.232	Wildland Fire Research and Studies Program	-\$274	\$901
66.473	Direct Implementation Tribal Cooperative Agreements	\$1,120	\$900
15.428	Marine Gas Hydrate Research Activities	not reported	\$900
11.459	Weather and Air Quality Research	\$693	\$888
15.224	Cultural Resource Management	\$3,091	\$879
66.462	National Wetland Program Development Grants and Five-Star Restoration Training Grant	\$1,342	\$876
66.806	Superfund Technical Assistance Grants (TAG) for Community Groups at National Priority List (NPL) Sites	\$1,112	\$876
15.637	Migratory Bird Joint Ventures	\$2,815	\$807
15.805	Assistance to State Water Resources Research Institutes	\$11,017	\$786
66.718	National Community-Based Lead Outreach and Training Grant Program	\$835	\$781
66.305	Compliance Assistance Support for Services to the Regulated Community and Other Assistance Providers	\$340	\$769
15.809	National Spatial Data Infrastructure Cooperative Agreements Program	\$1,304	\$759
15.234	Secure Rural Schools and Community Self-Determination	\$717	\$744
15.619	Rhinoceros and Tiger Conservation Fund	\$333	\$716
66.715	Lead Educational Outreach and Baseline Assessment of Tribal Children's Exposure and Risks Associated With Lead	not reported	\$657
11.455	Cooperative Science and Education Program	\$806	\$644
66.033	Ozone Transport Commission	\$639	\$639
10.905	Plant Materials for Conservation	\$1,079	\$564
15.647	Migratory Bird Conservation	\$860	\$513
15.230	Invasive and Noxious Plant Management	not reported	\$501
10.864	Grant Program to Establish a Fund for Financing Water and Wastewater Projects	\$496	\$497
66.481	Lake Champlain Basin Program	\$1,629	\$487
66.518	State Senior Environmental Employment Program	\$84	\$479
15.253	Not-for-Profit AMD Reclamation	\$538	\$466
15.621	Asian Elephant Conservation Fund	\$490	\$449
15.423	Minerals Management Service (MMS) Environmental Studies Program (ESP)	\$1,059	\$448
15.645	Marine Turtle Conservation Fund	\$308	\$440
15.934	Abandoned Mine Hazard Mitigation	not reported	\$407
11.462	Hydrologic Research	\$940	\$400
11.444	Hawaii Sustainable Fisheries Development (Aquaculture Program)	\$731	\$400
66.812	Hazardous Waste Management Grant Program for Tribes	\$550	\$395
66.610	Surveys, Studies, Investigations and Special Purpose Grants within the Office of the Administrator	\$110	\$337
15.514	Reclamation States Emergency Drought Relief	not reported	\$321
15.255	Applied Science Program Cooperative Agreements Related to Coal Mining and Reclamation	\$1,248	\$303
66.517	Regional Applied Research Efforts (RARE)	\$30	\$300

15.655	Migratory Bird Monitoring, Assessment and Conservation	\$552	\$298
66.110	Healthy Communities Grant Program	\$297	\$295
15.929	Save America's Treasures	\$1,000	\$291
15.237	Rangeland Resource Management	\$200	\$291
15.620	African Elephant Conservation Fund	not reported	\$290
15.936	Shenandoah Valley Battlefields National Historic District Battlefield Acquisition and Protection	not reported	\$257
66.952	National Network for Environmental Management Studies Fellowship Program	not reported	\$256
66.479	Wetland Program Grants - State/Tribal Environmental Outcome Wetland Demonstration Program	\$267	\$250
15.538	Lower Colorado River Multi-Species Conservation Program.	not reported	\$250
15.529	Upper Colorado and San Juan River Basins Endangered Fish Recovery Programs	\$6,778	\$244
66.042	Temporally Integrated Monitoring of Ecosystems (TIME) and Long-Term Monitoring (LTM) Program	not reported	\$241
15.222	Cooperative Inspection Agreements with States and Tribes	\$187	\$232
66.714	Pesticide Environmental Stewardship Regional Grants	\$229	\$221
66.612	Surveys, Studies, Investigations, Training Demonstrations and Educational Outreach Related to Environmental Information and the Release of Toxic Chemicals	\$210	\$220
10.666	Schools and Roads - Grants to Counties	\$89	\$219
15.424	Marine Minerals Activities	\$97	\$217
15.632	Conservation Grants Private Stewardship for Imperiled Species	\$2,675	\$195
15.978	Upper Mississippi River System Long Term Resource Monitoring Program	\$2,430	\$188
15.623	North American Wetlands Conservation Fund	\$35,379	\$163
15.651	Wildlife Without Borders-Africa Program	\$190	\$160
15.640	Wildlife Without Borders- Latin America and the Caribbean	not reported	\$157
15.813	Cooperative Research Units Training Program	\$150	\$150
15.519	Indian Tribal Water Resources Development, Management, and Protection	\$1,386	\$140
66.309	Surveys, Studies, Investigations and Special Purpose Activities Relating to Environmental Justice	\$15	\$133
15.643	Alaska Migratory Bird Co-Management Council	\$141	\$129
15.509	Colorado River Basin Salinity Control Program	\$3,492	\$129
15.935	National Trails System Projects	not reported	\$95
10.907	Snow Survey and Water Supply Forecasting	\$248	\$95
66.439	Targeted Watersheds Grants	\$8,930	\$90
15.614	Coastal Wetlands Planning, Protection and Restoration Act	\$9,805	\$90
15.912	National Historic Landmark	\$612	\$80
15.641	Wildlife Without Borders-Mexico	\$72	\$75
66.480	Assessment and Watershed Protection Program Grants	\$570	\$75
15.516	Fort Peck Reservation Rural Water System	\$2,856	\$71
66.810	Chemical Emergency Preparedness and Prevention (CEPP) Technical Assistance Grants Program	\$75	\$70

66.940	Environmental Policy and State Sustainability Grants	\$520	\$70
15.611	Wildlife Restoration	\$196,318	\$60
66.512	Regional Environmental Monitoring and Assessment Program (REMAP) Research Projects	\$1,149	\$60
66.463	Water Quality Cooperative Agreements	\$14	\$56
66.310	Capacity Building Grants and Cooperative Agreements for Compliance Assurance and Enforcement Activities in Indian Country and Other Tribal Areas	\$140	\$55
15.511	Cultural Resources Management	\$307	\$33
10.918	Ground and Surface Water Conservation_ Environmental Quality Incentives Program	\$342	\$29
10.901	Resource Conservation and Development	\$172	\$17
66.113	Region 3 Environmental Priority Projects	\$7	\$15
66.467	Wastewater Operator Training Grant Program	\$23	\$15
66.609	Protection of Children and Older Adults (Elderly) from Environmental Health Risks	\$210	\$15
10.691	Good Neighbor Authority	not reported	\$10
10.670	National Forest_Dependent Rural Communities	\$74	\$8
15.628	Multistate Conservation Grant Program	\$2,968	\$5
15.653	National Outreach and Communication Program	not reported	\$5
10.919	Klamath Basin _ Environmental Quality Incentives Program	not reported	\$2
15.644	Federal Junior Duck Stamp Conservation and Design	\$2	\$1
10.674	Forest Products Lab: Technology Marketing Unit (TMU)	\$4,505	-\$53
10.070	Colorado River Basin Salinity Control Program	not reported	not reported
10.689	Community Forest and Open Space Conservation Program (CFP)	not reported	not reported
10.695	Eastern Nevada Landscape Restoration Project (ENLRP)	not reported	not reported
10.906	Watershed Surveys and Planning	not reported	not reported
10.910	Rural Abandoned Mine Program	not reported	not reported
11.405	Anadromous Fish Conservation Act Program	not reported	not reported
11.413	Fishery Products Inspection and Certification	not reported	not reported
11.443	Short Term Climate Fluctuations	not reported	not reported
11.445	Hawaii Stock Management Program	not reported	not reported
11.449	Independent Education and Science Projects and Programs	not reported	not reported
11.450	Automated Flood Warning Systems (AFWS)	not reported	not reported
11.480	National Ocean Service Intern Program	not reported	not reported
11.482	Coral Reef Conservation Program	not reported	not reported
12.100	Aquatic Plant Control	not reported	not reported
12.101	Beach Erosion Control Projects	not reported	not reported
12.102	Emergency Rehabilitation of Flood Control Works or Federally Authorized Coastal Protection Works	not reported	not reported
12.103	Emergency Operations Flood Response and Post Flood Response	not reported	not reported

12.104	Flood Plain Management Services	not reported	not reported
12.106	Flood Control Projects	not reported	not reported
12.110	Planning Assistance to States	not reported	not reported
12.111	Emergency Advance Measures for Flood Prevention	not reported	not reported
12.118	North Dakota Environmental Infrastructure (Section 594) - ARRA	not reported	not reported
12.119	Northern Wisconsin Environmental Infrastructure (Section 154) - ARRA	not reported	not reported
12.120	Northeastern Minnesota Environmental Infrastructure (Section 569) - ARRA	not reported	not reported
12.121	Montana, Nevada, New Mexico, Utah, Idaho, & Wyoming Environmental Infrastructure (Section 595) - ARRA	not reported	not reported
12.122	Title VI - Cheyenne River Sioux Tribe, Lower Brule Sioux Tribe, and Terrestrial Wildlife Habitat Restoration, South Dakota - ARRA	not reported	not reported
12.123	South Central Pennsylvania Environmental Infrastructure (Section 313) - ARRA	not reported	not reported
12.124	Mississippi Environmental Infrastructure (Section 592) - ARRA	not reported	not reported
12.125	Southern WV Environmental Infrastructure (Section 340) - ARRA	not reported	not reported
12.126	Central WV Environmental Infrastructure (Section 571) - ARRA	not reported	not reported
12.127	Southern and Eastern KY Environmental Infrastructure (Section 531) - ARRA	not reported	not reported
12.128	Florida Keys Water Quality Improvement Program (Section 109) - ARRA	not reported	not reported
12.129	Title VI - Cheyenne River Sioux Tribe, Lower Brule Sioux Tribe, and Terrestrial Wildlife Habitat Restoration, South Dakota	not reported	not reported
15.035	Forestry on Indian Lands	\$12,564	not reported
15.037	Water Resources on Indian Lands	\$4,942	not reported
15.038	Minerals and Mining on Indian Lands	\$337	not reported
15.041	Environmental Management_Indian Programs	\$1,052	not reported
15.051	Endangered Species on Indian Lands	\$561	not reported
15.065	Safety of Dams on Indian Lands	\$7,793	not reported
15.214	Non-Sale Disposals of Mineral Material	not reported	not reported
15.240	Helium Resource Management	not reported	not reported
15.254	Summer Intern and Year-Long OSM/VISTA Watershed Support	not reported	not reported
15.406	National Park Service Centennial Challenge.	not reported	not reported
15.407	Keweenaw National Historical Park (NHP) and Keweenaw NHP Advisory Commission Partner Enhancement Grants	not reported	not reported
15.506	Water Desalination Research and Development Program	-\$45	not reported
15.513	Dutch John Federal Property and Disposition Assistance Act	not reported	not reported
15.515	Federal Resource Protection	\$71	not reported
15.520	Lewis and Clark Rural Water System	not reported	not reported
15.521	Lower Rio Grande Valley Water Resources Conservation and Improvement	\$3,677	not reported
15.523	Perkins County Rural Water System	\$7,054	not reported
15.525	Rocky Boy's/North Central Montana Regional Water System	not reported	not reported
15.526	San Gabriel Basin Restoration Project	\$3,410	not reported
15.527	San Luis Unit, Central Valley Project	\$234	not reported

15.528	St. Mary Storage Unit Facilities Rehabilitation Project	not reported	not reported
15.531	Yakima River Basin Water Enhancement Project (YRBWEP)	\$25,757	not reported
15.533	California Water Security and Environmental Enhancement	\$1,684	not reported
15.534	Miscellaneous Public Law 93-638 Contracts, Grants, and Cooperative Agreements	\$53	not reported
15.535	Upper Colorado River Basin Fish and Wildlife Mitigation Program.	\$90,730	not reported
15.536	Deschutes River Conservancy (DRC)	\$1,900	not reported
15.537	Middle Rio Grande Endangered Species Collaborative Program	not reported	not reported
15.539	Equus Beds Division Aquifer Storage Recharge Project	not reported	not reported
15.540	Lake Mead/Las Vegas Wash Program	not reported	not reported
15.541	Colorado River Basin Projects Act of 1968	not reported	not reported
15.542	Arizona Water Settlement Act of 2004	not reported	not reported
15.543	Lake Tahoe Regional Wetlands Development Program	not reported	not reported
15.544	Platte River Recovery Implementation Program	not reported	not reported
15.545	Bunker Hill Groundwater Basin, Riverside-Corona Feeder Project	not reported	not reported
15.546	Youth Conservation Program	not reported	not reported
15.547	San Jacinto Basin Restoration Fund	not reported	not reported
15.548	Reclamation Rural Water Supply Program	not reported	not reported
15.549	Integrated Regional Water Plan for the Central Valley of California	not reported	not reported
15.550	Increasing Public Awareness of Recreational Opportunities at Reclamation Reservoirs for Physically Challenged and Disadvantaged Children	not reported	not reported
15.551	Madera Water Supply Enhancement Project	not reported	not reported
15.602	Conservation Law Enforcement Training Assistance	not reported	not reported
15.605	Sport Fish Restoration Program	\$234,680	not reported
15.616	Clean Vessel Act	\$5,667	not reported
15.622	Sportfishing and Boating Safety Act	\$8,568	not reported
15.625	Wildlife Conservation and Restoration	-\$27	not reported
15.626	Enhanced Hunter Education and Safety Program	\$3,266	not reported
15.633	Landowner Incentive Program	\$4,466	not reported
15.634	State Wildlife Grants	-\$1,429	not reported
15.635	Neotropical Migratory Bird Conservation	\$800	not reported
15.638	Tribal Landowner Incentive Program	not reported	not reported
15.639	Tribal Wildlife Grants Program	not reported	not reported
15.648	Central Valley Project Improvement (CVPI) Anadromous Fish Restoration Program (AFRP)	not reported	not reported
15.652	Undesirable/Noxious Plant Species	\$62	not reported
15.654	Visitor Facility Enhancements - Refuges and Wildlife	not reported	not reported
15.659	National Wildlife Refuge Fund	not reported	not reported
15.661	Lower Snake River Compensation Plan	not reported	not reported
15.662	Great Lakes Restoration	not reported	not reported

15.663	National Fish and Wildlife Foundation	not reported	not reported
15.664	Fish and Wildlife Coordination and Assistance Programs	not reported	not reported
15.665	National Wetlands Inventory	not reported	not reported
15.666	Endangered Species Conservation-Wolf Livestock Loss Compensation and Prevention	not reported	not reported
15.668	Coastal Impact Assistance Program	not reported	not reported
15.669	Cooperative Landscape Conservation	not reported	not reported
15.670	Adaptive Science	not reported	not reported
15.811	Gap Analysis Program	\$513	not reported
15.814	National Geological and Geophysical Data Preservation Program	not reported	not reported
15.815	National Land Remote Sensing_Education Outreach and Research	not reported	not reported
15.816	Minerals Resources External Research Program	not reported	not reported
15.818	Volcano Hazards Program Research and Monitoring.	not reported	not reported
15.820	National Climate Change and Wildlife Science Center	not reported	not reported
15.914	National Register of Historic Places	not reported	not reported
15.915	Technical Preservation Services	not reported	not reported
15.918	Disposal of Federal Surplus Real Property for Parks, Recreation, and Historic Monuments	not reported	not reported
15.922	Native American Graves Protection and Repatriation Act	not reported	not reported
15.923	National Center for Preservation Technology and Training	\$135	not reported
15.926	American Battlefield Protection	\$33	not reported
15.927	Hydropower Recreation Assistance	not reported	not reported
15.928	Civil War Battlefield Land Acquisition Grants	not reported	not reported
15.930	Chesapeake Bay Gateways Network	not reported	not reported
15.932	Preservation of Historic Structures on the Campuses of Historically Black Colleges and Universities (HBCUs).	not reported	not reported
15.933	Preservation of Japanese American Confinement Sites	\$10	not reported
15.938	Boston African-American National Historic Site Cooperative Agreement with the Museum of African American History	not reported	not reported
15.939	National Heritage Area Federal Financial Assistance	not reported	not reported
15.940	New Bedford Whaling National Historic Park Cooperative Management	not reported	not reported
15.941	Mississippi National River and Recreation Area State and Local Assistance	not reported	not reported
15.942	Environmental Education and Conservation - North Cascades Bioregion	not reported	not reported
15.943	Challenge Cost Share	not reported	not reported
15.944	Natural Resource Stewardship	not reported	not reported
15.945	Cooperative Research and Training Programs Resources of the National Park System	not reported	not reported
15.946	Cultural Resources Management	not reported	not reported
15.947	Boston Harbor Islands Partnership	not reported	not reported
15.948	National Fire Plan- Wildland Urban Interface Community Fire Assistance	not reported	not reported
15.949	National Fire Plan - Rural Fire Assistance	not reported	not reported

19.087	International Fisheries Commissions	not reported	not reported
66.036	Clean School Bus USA	\$45	not reported
66.050	Potomac Highlands Implementation Grants	not reported	not reported
66.111	Regional Environmental Priority Projects	not reported	not reported
66.112	Surveys, Studies, Investigations, Training, Demonstrations, and Special Purpose Grants for Regional Geographic Initiatives	not reported	not reported
66.115	Surveys, Studies, Investigations, Training, Demonstrations, and Special Purpose Grants for EPA Region 10 Regional Geographic Initiative	not reported	not reported
66.116	Regional Geographic Initiative/Environmental Priority Projects	not reported	not reported
66.117	Region 9 Multi-Media and Geographic Priority Projects	not reported	not reported
66.124	Coastal Wetlands Planning Protection and Restoration Act	not reported	not reported
66.126	THE SAN FRANCISCO BAY WATER QUALITY IMPROVEMENT FUND	not reported	not reported
66.306	Environmental Justice Collaborative Problem-solving Cooperative Agreement Program (EJCPS)	not reported	not reported
66.312	State Environmental Justice Cooperative Agreement Program	\$800	not reported
66.313	International Compliance and Enforcement Projects	not reported	not reported
66.471	State Grants to Reimburse Operators of Small Water Systems for Training and Certification Costs	not reported	not reported
66.515	Greater Research Opportunities (GRO) Research Program	not reported	not reported
66.950	National Environmental Education Training Program	\$2,245	not reported
Grand Total		\$14,802,310	\$11,474,254

Source: Subsidyscope analysis of data from USASpending.gov. Program names are copied directly from USASpending.gov. For more information about the quality of these data sources, visit Clearspending.org.

Notes: Individual estimates may not sum to the reported total due to rounding. Some programs report negative totals for FY2009 and FY2010. This reflects a downward adjustment to obligations made in previous years. Table excludes loans and loan guarantees.

1. Subsidyscope analysis of USASpending.gov.
2. The eight agencies are the Department of Agriculture (CFDA # 10.**), the Department of Commerce (11.**), the Department of Defense (12.**), the Department of the Interior (15.**), the U.S. Department of State (19.**), the Environmental Protection Agency (66.**), the Department of Energy (81.**), and the Department of Health and Human Services (93.**). For the purpose of counting the number of agencies that administer funding in a sector, Subsidyscope relies on the CFDA's designation of what constitutes a federal agency.
3. Subsidyscope analysis of USASpending.gov. This total is the aggregate of grant spending in Subsidyscope's Agriculture, Education, Energy, Health, Housing, National Defense, Natural Resources and Environment, Science, Space, and Technology, and Transportation sectors. The Nonprofit sector is not included in this total, as it is not mutually exclusive in scope and cuts across all other sectors.
4. The Catalog of Federal Domestic Assistance (CFDA) captures domestic grant programs and thus does not include grants administered in a foreign capacity.
5. Subsidyscope analysis of USASpending.gov. This total is the aggregate of total contract spending (competed and non-competed) in Subsidyscope's Agriculture, Education, Energy, Health, Housing, National Defense, Natural Resources and Environment, Science, Space, and Technology, and Transportation sectors. The Nonprofit sector is not included in this total, as it is not mutually exclusive in scope and cuts across all other sectors.
6. Subsidyscope analysis of USASpending.gov. Subsidyscope has previously determined that there can be problems with the quality of the contracts data that are reported by agencies to USASpending.gov. In order to sort government contracts by economic sector, Subsidyscope uses North American Industry Classification System (NAICS) codes to match contracts to the appropriate economic sector, or Product Service Codes if NAICS codes are not available. (See Section C of Subsidyscope's [methodology](#) for more on how contracts are organized by sector.) Specifically, Subsidyscope found that there is significant variation in agencies' use of NAICS codes when reporting contracts to USASpending.gov over the 10-year period from fiscal year 2000 to 2010. For instance, despite there being a requirement that contracting officers identify NAICS codes for each contract, for fiscal year 2000, approximately 88 percent of all contract records are missing NAICS codes while in fiscal year 2010, only 3 percent of records are missing NAICS codes. This inconsistent application of NAICS codes as well as other reporting variations

may be responsible for some of the increase in natural resource and environment-related contracts spending in fiscal years 2000 to 2010, as presented in Figure 2 above.

7. U.S. Department of Energy (DOE). "[Competition in Contracting Guide](#)." p. 1.

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Natural Resources and Environment

[+ Grants & Contracts](#)
[Tax Subsidies](#)
[Loans & Loan Guarantees](#)

Tax Expenditures in the Natural Resources and Environment Sector

Tax expenditures are government revenue losses resulting from provisions in the tax code that allow an individual or business to reduce their tax liabilities by taking certain deductions, exemptions, exclusions, preferential rates, deferrals, or credits. Tax expenditures reduce the amount of revenue that would otherwise have been collected by the government, and thus have a similar effect on the federal budget as a spending program. They also can benefit recipients in much the same way as direct spending. Subsidyscope illuminates the budgetary costs of these programs; however, any use of these data for policy evaluation must weigh those costs against the benefits they provide. The costs of tax expenditures are estimated by two government entities: the US Department of the Treasury (Treasury), in the executive branch, and the nonpartisan staff of the Joint Committee on Taxation (JCT), a congressional committee. Each uses different methods and formats for calculating and presenting its estimates (see this [Methodology](#) page for more detail). Subsidyscope presents Treasury estimates below that are published by the Office of Management and Budget (OMB).

Table 1: Natural Resources and Environment Related Tax Expenditures for Individuals and Corporations, Fiscal Years 2009 and 2010 (\$ millions)

Tax Expenditure	FY 2009	FY 2010
Excess of percentage over cost depletion, nonfuel minerals	\$700	\$770
Exclusion of interest on bonds for water, sewage, and hazardous waste facilities	\$340	\$460
Tax incentives for preservation of historic structures	\$430	\$390
Expensing of multiperiod timber growing costs	\$210	\$230
Expensing of exploration and development costs, nonfuel minerals	\$50	\$110
Exclusion of gain or loss on sale or exchange of certain brownfield sites	\$40	\$70
Capital gains treatment of certain timber income	\$70	\$50
Deduction for endangered species recovery expenditures	\$0	\$20
Industrial CO2 capture and sequestration tax credit	\$0	\$20
Expensing of capital costs with respect to complying with EPA sulfur regulations	\$10	*
Total¹	\$1,850	\$2,120

Source: Subsidyscope analysis of data from OMB. Budget of the U.S. Government. Fiscal year 2009 figures are from [Analytical Perspectives, FY2011](#), p. 209; fiscal year 2010 figures are from [Analytical Perspectives, FY2012](#), p. 241.

*This tax expenditure was not recorded for fiscal year 2010 in the [FY2012 Analytical Perspectives](#).

As Table 1 illustrates, the largest tax expenditure in the Natural Resources and Environment sector

was the Excess of percentage over cost depletion for nonfuel minerals, in both fiscal year 2009 and fiscal year 2010. The estimated revenue loss for this tax expenditure is significantly more than the next largest tax expenditure in this sector, the Exclusion of interest on bonds for water, sewage, and hazardous waste facilities, in both years.

1. *Summing tax expenditures often provides a reasonably good estimate for the total cost of groups of tax expenditures, though it does not capture potential interactions among tax expenditures or behavioral responses if any single one is changed or repealed. For more on summing tax expenditures and their interaction effects, see Burman, Leonard, Eric Toder and Christopher Geissler. "How Big Are Total Individual Income Tax Expenditures, and Who Benefits from Them?" The Urban Institute. Washington, DC. December 2008. For more on why tax expenditure estimates are not exact estimates of the amount of federal revenue that would be raised if they were eliminated, see the [Methodology](#) page of Pew's Tax Expenditure Database.*

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Natural Resources and Environment

- + Grants & Contracts
- Tax Subsidies
- Loans & Loan Guarantees**

Loans and Loan Guarantees in the Natural Resources and Environment Sector

Natural Resources and Environment Direct Loan Programs

In the case of direct loans, the government lends money directly to the borrower and services the loan by collecting repayments. When the government offers direct loans at below market interest rates, or terms more generous than what private markets would provide, there is a subsidy. The government estimates the subsidy conveyed through such credit programs as the net cost to the government of a loan or loan guarantee, calculated by summing all the expected future cash flows to and from the government; this is the cost the government is required to present under the 1990 Federal Credit Reform Act (FCRA).¹

Many argue that there is also an implicit subsidy, not measured by the government under FCRA, that results from excluding the costs of program administration and market risk (which arises from volatility in the economy).² This implicit subsidy is generally the difference between the terms the recipient would get in a competitive market and those offered by the government. The estimates below do not include the implicit subsidy because the government does not measure it.

Tables 1 and 2 provide information about loan and loan guarantee programs. The "obligations" and "commitments" columns, respectively, illustrate the breadth of the government's role in the sector (the amount of loans disbursed or authorized and loan guarantees backed), but does not measure the subsidy costs that will ultimately be incurred. The "subsidy rate" column presents the government's reported subsidy rate for these programs, as required by FCRA, which can be defined broadly as the ratio of the subsidy to the disbursement.³

Table 1: Direct Loans in the Natural Resources and Environment Sector, Fiscal Years 2009 and 2010

Program	Agency	2009 Subsidy Rate (%)	2009 Obligations (\$ millions)	2010 Subsidy Rate (%)	2010 Obligations (\$ millions)
Water and Waste Disposal Loans	USDA - Rural Utilities Service	14.62	3,678	7.54	5,221

FISHERIES FINANCE

Individual Fishing Quota Loans	Department of Commerce - National Oceanic and Atmospheric Administration	-12.78	8	-12.00	16
Traditional Direct Loans	Department of Commerce - National Oceanic and Atmospheric	-6.43	59	-8.49	59

	Administration			
Total Obligations			3,745	5,296

Source: Subsidyscope analysis of data from the Federal Credit Supplement (FCS). 2009 figures are from the [FCS FY2010](#), Table 1; 2010 figures are from the [FCS FY2011](#), Table 1.

Subsidyscope's Natural Resources and Environment sector includes any programs related to wildlife preservation, fisheries management, habitat restoration, water and waste disposal, parks and recreation, climate research, and pollution control. Irrespective of the agency that houses a program, Subsidyscope determined that single programs related to water conservation or management fall into the Natural Resources sector, as opposed to Agriculture, because "water" is viewed first as a natural resource.

By far, the largest loans provided in this sector are through the Water and waste disposal loans administered through USDA's Rural Utilities Service, a program that increased five-fold between fiscal year 2008 and fiscal year 2010.⁴ USDA describes this program as loans for "water, sewer, storm water, and solid waste disposal facilities in cities and towns up to 10,000 people and rural areas with no population limits."⁵

All other direct loan programs pertain to fisheries and include those run by the Department of Commerce's National Oceanic and Atmospheric Administration (NOAA). These include Individual Fishing Quota Loans and Traditional Direct Loans for the financing of fisheries.

Natural Resources and Environment Loan Guarantees

In the case of a government loan guarantee, a private lender disburses the loan to the borrower, and the government acts as the guarantor of the loan by agreeing to make payments should the borrower fail to do so. Such a guarantee often allows a borrower to secure a loan at a lower interest rate than the borrower could otherwise obtain. Even if the interest rate is a market rate and the loan is repaid in full, there could be a subsidy if the borrower did not pay an upfront fee for the guarantee as may be the case with a private lender. In addition, a government guarantee encourages lenders to offer loans to borrowers to whom they might otherwise not extend credit because they are more of a credit risk. As with loans, the government does not include administrative costs or market risks in the subsidy calculation.

Table 2: Loan Guarantees in the Natural Resources and Environment Sector, Fiscal Years 2009 and 2010

Program	Agency	2009 Subsidy Rate (%)	2009 Commitments (\$ millions)	2010 Subsidy Rate (%)	2010 Commitments (\$ millions)
Water and Waste Disposal Loans	USDA - Rural Utilities Service	-0.82	75	-0.82	75
Total Commitments			75		75

Source: Subsidyscope analysis of data from the Federal Credit Supplement (FCS). 2009 figures are from the [FCS FY2010](#), Table 2; 2010 figures are from the [FCS FY2011](#), Table 2.

The only loan guarantee that falls under the Natural Resources and Environment sector is the USDA's Water and waste disposal loan guarantees. These guaranteed loans "are made and serviced by lenders such as banks, savings and loan associations, mortgage companies and other eligible lenders under the Guarantee Loan Program... [and] may be made in combination with direct loans."⁶

The amount allocated to this program from fiscal year 2009 to fiscal year 2010 remains unchanged at \$75 million per year.

1. Congressional Budget Office (CBO). "[Estimating the Value of Subsidies for Federal Loans and Loan Guarantees.](#)" August 2004. p. 1.
2. *Ibid.*
3. Federal Credit Supplement (FCS). FY2010. p.iii. *The Federal Credit Supplement includes four components that sum together to create the subsidy rate: defaults as a net of recoveries, interest accrued, fees, and an "all other" category. A positive subsidy rate indicates there is a net cost to the government, and that a subsidy is being provided to the borrower. A negative subsidy rate by contrast means that the government predicts it will receive more money than it pays out in a particular program. However, as noted at the top of this page, the government does not take into account the implicit subsidy in these calculations, potentially making government estimates an undercount of the subsidy. See [this page](#) for more on how the government calculates subsidy rates for loans and loan guarantees.*
4. 2008 figures are from the [FCS FY2009](#), Table 1, which totaled approximately \$1.0 billion.
5. U.S. Department of Agriculture (USDA), Rural Development. "[Water and Waste Disposal Programs.](#)" July 6, 2007.
6. USDA, Rural Development. "[Water and Waste Disposal Guaranteed Loans.](#)" August 18, 2011.

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