



Highlights of [GAO-05-461](#), a report to congressional requesters

## Why GAO Did This Study

The Congress has required the administration to report annually on federal spending on climate change. The Office of Management and Budget (OMB) reports funding in four categories: technology (to reduce greenhouse gas emissions), science (to better understand the climate), international assistance (to help developing countries), and tax expenditures (to encourage reductions in emissions). The Climate Change Science Program (CCSP), which coordinates many agencies' activities, reports only on science. To measure funding, OMB and CCSP use budget authority, the authority provided in law to enter into financial obligations that will result in government outlays.

GAO was asked to examine federal climate change funding for 1993 through 2004, as reported by both agencies, including (1) how total funding and funding by category changed and whether funding data are comparable over time and (2) how funding by agency changed and whether funding data are comparable over time.

## What GAO Recommends

GAO recommends, among other things, that OMB and CCSP explain any changes in their reports' content or format. GAO also recommends that OMB include data on existing climate-related tax expenditures. OMB agreed with most of GAO's recommendations and is studying the others. CCSP agreed with all of GAO's recommendations.

[www.gao.gov/cgi-bin/getrpt?GAO-05-461](http://www.gao.gov/cgi-bin/getrpt?GAO-05-461).

To view the full product, including the scope and methodology, click on the link above. For more information, contact John B. Stephenson at (202) 512-3841, or [stephensonj@gao.gov](mailto:stephensonj@gao.gov).

# CLIMATE CHANGE

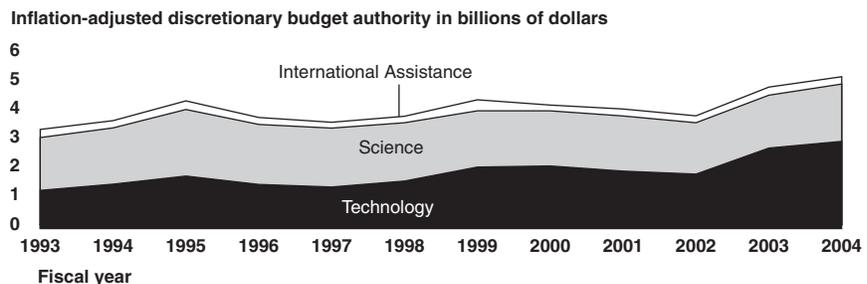
## Federal Reports on Climate Change Funding Should Be Clearer and More Complete

### What GAO Found

Federal funding for climate change increased from \$2.4 billion in 1993 to \$5.1 billion in 2004 (116 percent), as reported by OMB, or from \$3.3 billion to \$5.1 billion (55 percent) after adjusting for inflation. During this period, inflation-adjusted funding increased for technology and science, but decreased for international assistance. The share for technology increased (36 to 56 percent), while the shares for science and international assistance decreased (56 to 39 percent and 9 to 5 percent, respectively). However, it is unclear whether funding changed as much as reported because modifications in the format and content of OMB reports limit the comparability of funding data over time. For example, OMB reported that it expanded the definitions of some accounts to include more activities, but did not specify how it changed the definitions. Also, while OMB's totals for science funding were generally comparable to CCSP's totals, the more detailed data in CCSP reports were difficult to compare over time because CCSP introduced new categorization methods without explaining how they related to the previous methods. OMB officials stated that changes in their reports were due, in part, to the short timeline for completing them, and that it has not been required to follow a consistent reporting format from one year to the next. The Director of CCSP said that its reports changed as the program evolved. GAO was unable to compare climate-related tax expenditures over time because OMB reported data on *proposed*, but not on *existing* tax expenditures. For example, while OMB reported no funding for existing climate-related tax expenditures in 2004, GAO identified four such tax expenditures in 2004, including revenue loss estimates of \$330 million to develop certain renewable energy sources.

OMB reported that 12 of the 14 agencies that funded climate change programs in 2004 increased such funding between 1993 and 2004, but unexplained changes in the reports' contents limit the comparability of data on funding by agency. GAO found that OMB reported funding for certain agencies in some years but not in others, without explanation. For example, OMB reported funding of \$83 million for the Department of Defense in 2003, but did not list any such funding in prior reports. OMB told GAO that it relied on agency budget offices to submit accurate data.

### Reported Federal Climate Change Funding by Category, 1993-2004



Source: GAO analysis of OMB data.