

The Environmental Protection Network

Analysis of Trump Administration Proposals for FY2018 Budget for the Environmental Protection Agency

March 22, 2017

Executive Summary

President Trump's Budget Blueprint takes an ax to EPA, threatening severe damage to health and environmental programs that have protected Americans for decades. State agency funding is also slashed, even though the Trump Administration is proposing to simultaneously shift more responsibility to the states. The budget further calls for elimination of most EPA climate programs even as the earth continues to warm and climate change impacts grow worse.

There is no evidence that the cuts are based on any real analysis of changing needs. Steep cuts and elimination of many EPA programs seem to reflect ideological views about the role and value of government programs that protect public health and the environment. The Trump Budget Blueprint for EPA appears to be nothing less than a full-throttle attack on the principle underlying all U.S. environmental laws – that protecting the health and environment of all Americans is a national priority.

Introduction

The following budget analysis is provided by the Environmental Protection Network, a group of former employees of EPA and other federal and state agencies who have come together to help policy makers and the public better understand the nature and implications of Trump Administration proposals. Having worked for both Republican and Democratic Administrations over the years, we are fully aware that environmental issues can be complex and that there can be legitimate differences of opinion, including about the value of a program or the appropriate overall level of EPA funding.

We do not approach our analysis of the Trump Administration's budget proposal with the view that every program must continue as it exists today and that no priority can be reconsidered. However, we do believe that the immense and ill-conceived cuts that the Trump Administration has proposed would inflict severe harm to the system of environmental protection that the nation has built over the past half century. The unavoidable consequences of the cuts would be more pollution that causes illness, death and dangerous changes to the earth's climate and ecosystems on which Americans and people around the world depend.

Of all the large federal agencies targeted for cuts by the Trump Administration, EPA is hardest hit. After a decade of mostly flat or declining budgets, EPA is being handed cuts of 31% to its budget and 21% to its workforce. Clearly, the President is trying to keep his promise of reducing EPA to "little tidbits."¹

The backdrop to the proposed cuts is the quiet underfunding of EPA and many state and local environmental agencies that has taken place for years. A strong argument can be made that, although some programs may warrant review, others badly need new investment simply to carry out the missions that Congress gave EPA. Added resources are also needed to tackle newly recognized environmental

¹ https://www.washingtonpost.com/news/energy-environment/wp/2017/03/16/trumps-scorched-earth-epa-budget-draws-swift-reactions/?utm_term=.fb83f89e9cab

problems. The budget proposal does not even support the “essential” clean air and water mission that the Trump Administration has identified.² It cuts EPA funding for those essential programs *and* cuts nearly in half the grants that support state agencies, which are central to implementing these programs and ensuring environmental results on the ground.

In the following budget analysis, we summarize key elements of the proposed budget and its implications, including the history of past appropriations and its impacts on the partnership between EPA and States. We then discuss in more detail the impacts the budget would have on many specific EPA programs. We consider our analysis to be a work-in-progress that will be updated as additional information and insights become available and future developments in the budget process occur.

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² The Washington Post, “Trump Nominates Scott Pruitt, Oklahoma Attorney General Suing EPA on Climate Change, to head the EPA,” December 8, 2016. https://www.washingtonpost.com/news/energy-environment/wp/2016/12/07/trump-names-scott-pruitt-oklahoma-attorney-general-suing-epa-on-climate-change-to-head-the-epa/?utm_term=.0eb5b7b58f9c

I. Summary of the Proposed FY2018 EPA Budget

The Trump Administration's Budget Blueprint for the 2018 fiscal year would cut EPA's budget by 31% and its workforce by 21%. Overall, EPA's budget would be cut from \$8.2 billion to \$5.7 billion,³ returning EPA to inflation-adjusted funding levels not seen since the 1970s⁴, before Congress significantly expanded the agency's mission by enacting or strengthening environmental laws like the Clean Air Act, the Clean Water Act, the Resource Conservation and Recovery Act, the Superfund hazardous waste cleanup law, the Safe Drinking Water Act, the Oil Pollution Act, and, just last year, the Toxic Substances Control Act. The Budget Blueprint's proposal to cut EPA's workforce by 3,200, from 15,376 to 12,176, or by 21%, in one year would drastically undermine the agency's ability to implement these and other statutes. Cutting EPA's workforce by such a large percentage in one year would be unprecedented in the 47-year history of the agency.

For perspective, the Blueprint's "savings" of \$2.6 billion from EPA's current budget of \$8.2 billion is a tiny fraction of the Trump Administration's overall proposed \$1.15 *trillion* budget for discretionary spending. Reducing EPA's budget by \$2.6 billion would save Americans about \$9 per person on average, *if* the Administration returned the money to Americans in the form of lower taxes. The Administration has made clear, however, that the "savings" from cutting EPA's budget would be used to fund more military spending, so tax bills will not be lowered. Those "savings" would instead come at far higher costs to Americans' health, property and environment.⁵

The Budget Blueprint provides few details about how its draconian cuts would be distributed among EPA programs. Where details are lacking, however, more insight into the Administration's plans for the agency can be found in the earlier OMB "Passback," an internal document specifying line-by-line cuts and instructions to EPA.⁶ Many of the budget numbers in the Passback have become public. We have obtained additional information about the Passback, and we have used that information in this report.⁷

³ More specifically, the Trump Administration's Budget Blueprint would reduce EPA's total budget from \$8.14 billion in FY2016, and \$8.244 billion in FY2017,³ to \$5.7 billion. Congress has not yet provided a full-year appropriation for FY2017; the FY2017 figure is the annualized extension of the December 2016 continuing resolution (CR) that provided funding through April 2017 (but excludes one-time, non-continuing changes made in the CR).

⁴ See Section II.

⁵ Many investments in environmental protection pay huge dividends for the nation. For example, a 2011 peer-reviewed EPA study mandated by Congress estimates that pollution reductions from the Clean Air Act Amendments of 1990 – a single environmental law – will avoid 230,000 premature deaths and produce total benefits valued at \$2 trillion in 2020. This central estimate exceeds costs by more than 30-to-1. See *The Benefits and Costs of the Clean Air Act from 1990 to 2020*, U.S. Environmental Protection Agency Office of Air and Radiation, March 2011 available at <https://www.epa.gov/sites/production/files/2015-07/documents/summaryreport.pdf>

⁶ Readers may notice that this report compares FY2018 figures to FY2017 annualized continuing resolution levels for the Blueprint, but to FY2016 enacted levels for the Passback. The FY2016 and annualized FY2017 CR levels are close but not identical. The Blueprint itself makes comparisons using FY2017, so this report uses that information. For the Passback, which has much more line-by-line detail, FY2016 enacted figures are used because of availability of line-by-line detail for FY2016 enacted figures.

⁷ Many numbers in the Passback have been reported by numerous media outlets. The additional numbers used in this analysis were obtained from S. William Becker, Executive Director of the National

In considering the Passback's specific cuts, however, it is important to bear in mind that those cuts are likely to understate many of the cuts underlying the Budget Blueprint, since the Blueprint calls for even deeper overall cuts than the Passback (31% versus 25% cut in EPA's budget).⁸ But while the size of specific cuts may be in flux, the overall direction and purpose of the Administration's budget proposals are clear – to cripple the ability of EPA and states to deliver on congressionally mandated missions for protecting Americans' health and environment.

Impacts on EPA programs

Following are key observations from our analysis of the Budget Blueprint and Passback to date. Many of these points are further explained in separate sections of this analysis. As noted above, our analysis will be updated as further information becomes available and as the budget process proceeds.

- Most of EPA's budget cut 43%: The Budget Blueprint actually makes a slight increase in two of the largest items in EPA's budget – the state revolving funds for building clean water and drinking water infrastructure. Together they would receive \$2.3 billion.⁹ Because these funds represent a large proportion of EPA's budget, the proposed 31% cut to EPA's overall budget would actually amount to a 43% cut to the rest of EPA's budget, which funds its programs for clean air, water, and land and climate protection, and its grants to state environmental agencies.
- Most EPA's climate programs eliminated: The Budget Blueprint calls for elimination of most EPA climate programs, including climate research, despite the fact that climate is changing and its impacts are become increasingly worse. EPA's regulatory and voluntary programs are responsible for much of the greenhouse gas (GHG) reductions the U.S. government has worked to achieve to date. Those programs have also been key to persuading other countries to agree to reduce their own GHG pollution. Loss of EPA's climate programs without equally effective replacements soon would do incalculable harm to the world we inhabit and leave for future generations. Moreover, the harm inflicted by eliminating climate research -- including research on the ways that the climate is changing and the consequences for Americans – would reduce preparedness for changes already underway across the country. See Section IV.
- Clean air, water and land programs cut back: The Passback calls for significant cuts (many on the order of 10% to 35%) to EPA's programs for clean air and water, safe waste management and regulation of pesticides and other chemicals. This is the case even though the Trump Administration identified these programs as the appropriate focus of EPA's work (as opposed to addressing climate change). The Budget Blueprint's steeper overall cuts suggest that deeper cuts to these programs underlie the Blueprint. **See Section V.**
- Grants to states and tribes slashed: The Budget Blueprint calls for a 45% cut to grants to states, tribes and local governments to support their implementation of clean air, water and other programs would – even more than the 30% cut proposed by the Passback. The importance of these grants – and the impacts of drastically cutting them -- cannot be overstated. The U.S. system of environmental protection is based on a longstanding federal-state partnership established under the nation's

Association of Clean Air Agencies, who received a copy of the Passback from Administration sources. He has authorized us to name him as our source.

⁸ The Passback called for reductions of 25% to EPA's budget and 20% to its staff.

⁹ These figures are from the Budget Blueprint.

environmental laws. EPA sets national standards to provide every American a basic level of protection, and states implement the standards in ways tailored to their circumstances. This approach also recognizes that pollution crosses state boundaries and discourages states from competing with one another to attract businesses at the expense of their resident's health and environment. The Budget Blueprint itself proclaims "the important role of the States in implementing the Nation's environmental laws," but then proposes to slash the grants that help states and other jurisdictions meet their responsibilities. The Blueprint explains that its even deeper cuts to state grants "are in line with [the Administration's] broader strategy of streamlining environmental protection." Combined with its cuts to EPA programs, the Blueprint makes clear there will be far less implementation and enforcement of the laws requiring clean and safe drinking water, clean air, safe waste management and cleanup, and safe use of chemicals and pesticides. See Section III.

- Science research funding slashed: The Budget Blueprint cuts nearly in half EPA's already spare funding for the Office of Science and Development, which provides facts and analysis needed to make sound decisions about public health and environmental protection. Cutting \$233 million from \$483 million would mean a penny or two of "savings" for every American taxpayer – while depriving them of scientific knowledge that could save Americans' health, lives and property from the harmful effects of pollution. The Trump Administration claims current science is too uncertain to support action against climate change, but then cuts scientific research at EPA (and other federal agencies) that could provide an even more robust understanding of the problem and its world-changing consequences. See Section VI.
- Enforcement of environmental laws undermined: Under the Budget Blueprint, EPA's enforcement program would be cut by 23%, reducing resources for compliance assistance and enforcement. Even deeper proposed cuts in grant funding for state environmental agencies, which bring most enforcement cases, would reduce their capacity to monitor pollution and enforce against violators of pollution control requirements. The combined effect of these cuts would mean, quite simply, fewer environmental "cops" on the beat and potentially more pollution being released and fewer violators being held accountable. See Section IX.
- Geographic programs eliminated: The Budget Blueprint zeros out geographic programs that help clean up and protect important ecosystems such as the Great Lakes, the Chesapeake Bay, Lake Champlain, Long Island Sound, San Francisco Bay and the Florida Keys and other south Florida ecosystems. Most of these programs were developed because states could not solve cross-state and international issues alone. After decades of bi-partisan support for assisting states with difficult and often cross-boundary pollution problems, the Budget Blueprint states that it is returning "responsibility for funding local environmental efforts" to states and localities at a savings to the federal government of \$427 million. See Section VII.
- More than 50 other EPA programs eliminated: To save a grand total of \$347 million, the Budget Blueprint calls for eliminating 50+ programs based on the claim that they are "lower priority and poorly performing programs and grants" or "duplicative in function" or state or local responsibilities (without providing any evidence to back up those assertions). It does not list all these programs, but many appear to fall in three categories: voluntary climate-related programs (see Section IV); programs for nationally significant ecosystems such as Chesapeake Bay and the Great Lakes (see Section VII); and programs supporting the most environmentally vulnerable communities in the nation and in particular the entire Environmental Justice program (see Section VIII). Others range from the Endocrine Disruptors Screening Program, which conducts research on chemicals associated with many serious health

problems (see Section VIII), to Water Sense, a voluntary program established at industry urging to label products that use less water, and STAR research grants which go to graduate students to build the next generation of environmental scientists (see Section VI). A more detailed, although still incomplete, list of the programs that appear to be scheduled for elimination based either on the Blueprint or the Passback is contained in the Appendix.

- **EPA staffing slashed:** The Budget Blueprint's unprecedented 3,200-person cut would deprive EPA of the staff it needs to effectively protect Americans' health and environment. Making cuts of this size in one year would almost certainly involve layoffs or "reductions in force" (RIFs). Since government rules for RIFs generally protect older workers, the Administration's proposal will deprive EPA not only of the staff it needs now but many of the next generation of environmental professionals, crippling EPA for years to come. See Section II.
- **EPA regional offices consolidated:** The Passback calls for reducing the number of regional offices from 10 to eight, hurting EPA's ability to assist partner states. Together with the proposals for draconian staff and budget cuts, regional office consolidation would throw EPA into turmoil, making it extremely difficult if not impossible to get its remaining work done. The Passback indicates that planning for staffing cuts and regional office consolidation are already underway; EPA has been told to provide a first draft for staffing reductions to OMB on March 31. Other deadlines are fast approaching, as noted below. See Section III.

Other impacts on EPA operations

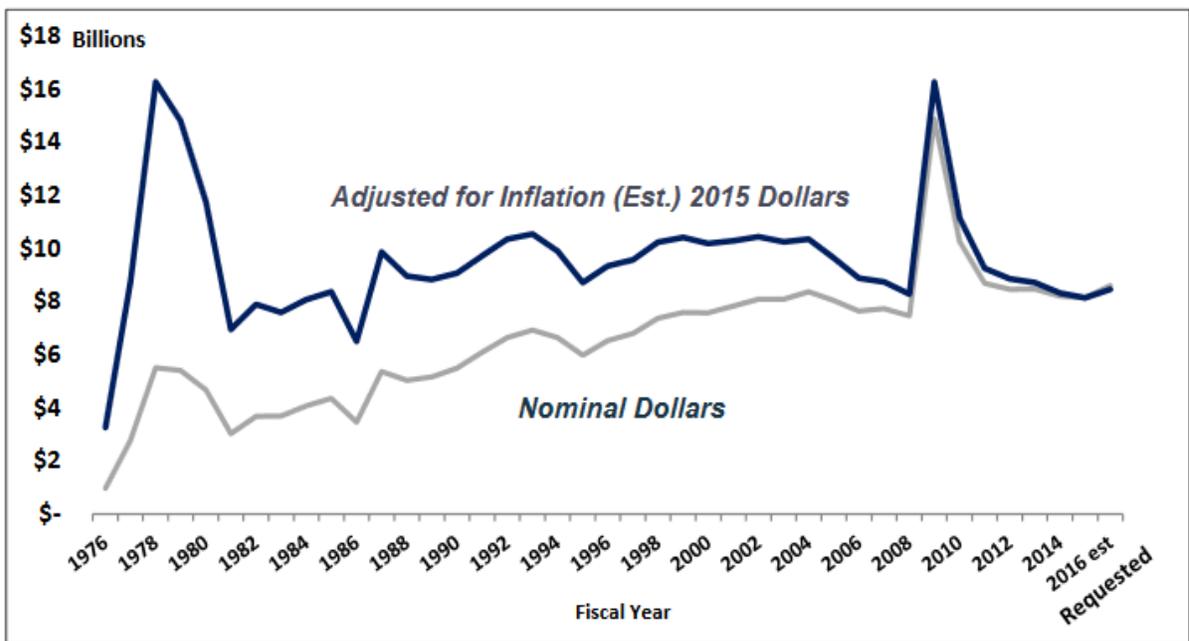
In addition to preliminary numbers, the Passback gives EPA instructions related to how to make certain budget cuts. Some of those instructions, which may have changed since the Passback was released, are included below.

- *Reduction in staffing:* Reductions are to be achieved through attrition, buyouts, or layoffs. EPA is to submit a reduction plan by March 31. The plan is to include buyouts and is to align capacity with Administration priorities. The Agency is to retain high performers and critical institutional knowledge, realize efficiencies, and avoid major disruptions to the agency's work.
- *Consolidation of 10 regional offices into eight:* EPA is to identify by June 15 two regional offices for elimination. EPA is to consider releasing costly rental space in favor of leasing space in less expensive locations.
- *Elimination of the "e-Enterprise,"* a joint EPA-state effort to improve operations through greater use of modern technology such as creating a single portal through which regulated businesses would interact with agencies instead of with multiple programs.
- *Elimination of funding for the "e-Manifest,"* which is intended to convert the system for tracking hazardous waste shipments from paper to electronic form.
- *Facilities:* EPA is to conduct a strategic review with OMB and GSA of office, warehouse and labs space needs to reflect changes in direction and future staffing levels.

II. EPA’s Budget Is Already Historically Low

The Trump Administration’s proposed massive cuts to EPA’s budget and staffing affect an agency already at a long-term low point in having the funds and workforce it needs to achieve its many missions under U.S. environmental laws. Operating funds and staff have been declining over the last three years. Even when budgets and staffing were relatively stable in earlier (see below), EPA had to cope with flat resources even as costs and responsibilities rose. States have been in even more dire straits, as EPA support stayed flat and state budgets substantially declined. States have been “doing more with less” for over a decade, with funding crises becoming particularly acute after the effects of the 2008-2009 recession. But the true sign of EPA’s crisis is in internal operations: since 2012 EPA has shrunk in size from 18,000 to 15,000 employees. As a result, many EPA programs are currently *underfunded* relative to their historic levels, while the U.S. economy and population have grown and Congress continues to impose new demands on the agency. If anything, it is time for environmental program budgets to be increased – not dramatically cut – to come into line with historic trends and new demands.

EPA Discretionary Budget Authority FY1976-FY2016 Requested (Est.)
(\$ in Billions)



Source: CRS based on the Office of Management and Budget (OMB), *Budget of the United States Government Fiscal Year 2016, Historical Tables*, Table 5.4—Discretionary Budget Authority by Agency 1976-2000, and Table 10.1—Gross Domestic Product and Deflators Used in the Historical Tables - 1940-2020, <http://www.whitehouse.gov/omb/budget/Historicals>.

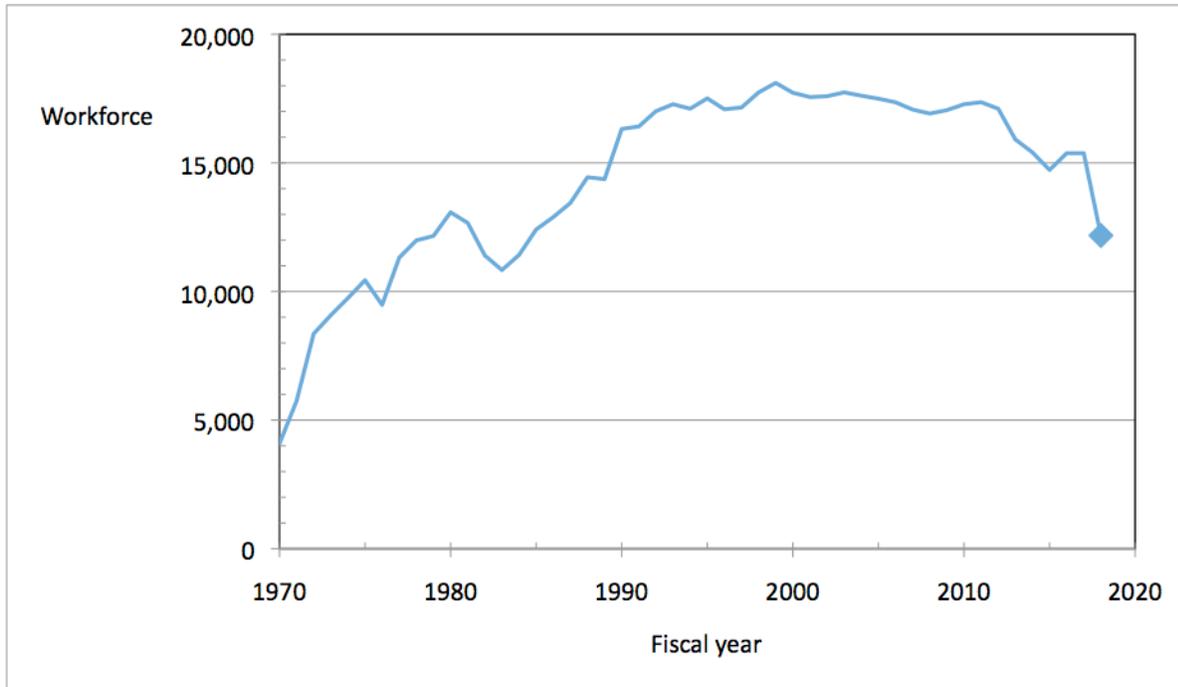
EPA’s budget would shrink to 1970s levels

As shown in the table above,¹⁰ as of 2016 EPA’s budget was already at its lowest point since 1986 (after adjusting for inflation). The administration’s proposed \$ 5.7 billion budget for FY2018 would cut it to an

¹⁰ Source: Congressional Research Service, “Environmental Protection Agency (EPA) FY2016 Appropriations” (Nov. 12, 2015), p. 7. NOTE: the most recent figure in this graph, for 2016, is based on

inflation-adjusted level not seen since the mid-1970s when the agency was just being formed.¹¹ The Trump Administration's FY2018 proposals slash personnel to their lowest level since 1984, before Congress expanded EPA's mandates in nearly every program.¹²

EPA Workforce, 1970-2017 And Under the FY2018 Budget Blueprint



At the same time, EPA is being told to do far more

As resources have dwindled in real terms, EPA has been required to operate a greater array of programs, introduce major new protection measures (regulatory and non-regulatory), adapt program operations to new technologies (e.g., sensors, real time compliance reporting, latest scientific innovations to assess and abate human-health & environmental risks), modernize facilities, information

the Obama administration's proposed budget. The actual budget for 2016, which was carried forward into 2017 (and slightly reduced) was lower. <https://fas.org/sgp/crs/misc/R44208.pdf>

¹¹ Analysis by Environmental Protection Network using U.S. EPA historical budget figures posted at <https://www.epa.gov/planandbudget/budget> and the consumer price index. See also Congressional Research Service paper in footnote 8 and Inside Climate News, "What Slashing the EPA's Budget by One Quarter Would Really Mean," (March 10, 2017); available at <https://insideclimatenews.org/news/09032017/environmental-protection-agency-scott-pruitt-donald-trump-climate-change>.

¹² For example, since 1990 legislative mandates to EPA have increased dramatically, imposing significantly more responsibilities. Climate-related programs were much smaller then as well. Some of the key legislation includes: the Clean Air Act Amendments of 1990; Safe Drinking Water Act Amendments (1996); the Food Quality Protection Act amending Federal Insecticide, Fungicide and Rodenticide Act/Federal Food Drug and Cosmetics Act (1996); Chemical Safety Information, Site Security and Fuels Regulatory Relief Act (1999); Beaches Environmental Assessment and Coastal Health (BEACH) Act (2000); and the recently passed Toxic Substances Control Act Amendments (2016).

technology and staff competencies, and much more. Many new statutes were enacted or strengthened between the mid-1970s and 1990. The pace of legislation has since dropped off but the latest significant new law, the Chemical Safety for the 21st Century Act, was adopted only last year. Twenty years ago, climate change was recognized as a problem but not the urgent problem that accumulating scientific evidence confirms it is now. All resources devoted to climate change by EPA have come out of the resources formerly dedicated to other important priorities.

What is the proper benchmark?

As dramatic as the proposed cuts are, they should be judged not against the most recently enacted budget but against a longer-term baseline from the Bush Administration and early Obama Administration years, before federal budgetary policy was overtaken by gridlock.

As shown above, EPA's spending rose gradually from the late 1990s into the early years of the new millennium, reflecting increasing mandates. During the George W. Bush Administration (responsible for budgets from FY2002 to FY2009), funding levels grew gradually at first and reached and exceeded \$8 billion, before declining to \$7.5 billion. During the same period, in-house staffing held steady at just under 18,000 "full-time-equivalents" (FTEs, otherwise known as staff), declining gradually in the latter years of the administration to a low of 17,250 by 2009.

After a sharp but brief resource infusion in the early Obama administration (in part reflecting the 2009 Stimulus which added one-time injections for infrastructure programs), EPA's budget retreated to more trend-normal levels in 2011 and beyond – oscillating right around \$8 billion. Likewise, staffing levels remained just under the 18,000 FTE mark until 2012.

Assessing the administration budget against historic trends

It would be appropriate to regard the relatively long period of stable funding and staffing from 2003 to 2011 as the "baseline" for modern EPA programs (excluding the "stimulus" uptick in 2009-11): roughly \$8 billion in appropriations and just under 18,000 FTE. To truly judge the calamitous impact of the latest budget proposal, it should be gauged against this nearly decade-long trend of stable resources.

Compared to that baseline, the past 3 years already represent a period of serious resource decline for EPA, even prior to this draconian proposal for 2018. As operating costs rose and budgets did not account for these increasing costs and inflation, EPA was forced to cut staffing levels from 18,000 to 15,000 in the last several years. Only some of these reductions reflect efficiencies from the use of new technology.

Even that baseline does not reflect growing needs that EPA is required to address or should be addressing. While it is difficult to measure the demand for environmental protection with any precision, it is worth noting that since 2000 the U.S. population has grown by 15% and GDP by 75%. As noted earlier, a significant new statute was enacted (with bipartisan support) just last year, and the need for action on climate change – the greatest environmental threat the U.S. and the world have ever faced – continues to grow.

State funding is also declining

Some commentators have argued that the true size of the federal budget is concealed because work is simply shifted to contractors and, especially, to states. However, in EPA's case, there are no "invisible" programs: funding for contractors and federal funding for states is contained within the agency's

budget. Moreover, most grants to states have been flat at best in recent years and are lower than they were in the last year of the George W. Bush Administration. As discussed in Section III, the proposed budget would dramatically cut state funding even farther.

Consequences

In short, the Trump Administration is proposing not simply a massive cut to environmental programs, it is seeking that cut at a time when most objective indicators suggest that EPA and state agencies need additional resources simply to carry out their essential functions. The cuts are so far-reaching that almost no activity will be spared: protection of air, water and climate from pollution, enforcement of environmental requirements, cleanup of Superfund sites, and analysis of chemicals and pesticides, among others. At a time when the U.S. should be stepping up its investment in environmental protection, the Trump Administration is in effect declaring that it is no longer taking pollution impacts on human health and the environment seriously.

III. State Environmental Agencies and the EPA-State Partnership Crippled

The Trump Administration's Budget Blueprint calls for a 45% overall cut to the grants provided to states and tribes to support their environmental agencies and programs.¹³ State, tribal and other agencies do much of the work implementing clean air, clean water and other important programs under U.S. environmental laws.¹⁴ These grants, listed at the end of this section, cover programs such as air quality management, supervision of public water systems, hazardous waste clean-ups and more.

Combined with deep cuts to EPA's own programs, including its regional offices, the Administration's proposed cuts to state grants would fundamentally weaken state environmental agencies and the partnership between EPA and state agencies that is the cornerstone of the nation's system of environmental protection. The Administration Budget Blueprint rightly extolls the "important role" states play in implementing the nation's environmental laws, yet simultaneously proposes draconian cuts to the grants that are a crucial source of state agency funding in the name of its "broader strategy" of "streamlining environmental protection."

The Federal-State Partnership

Most federal environmental laws are carried out by federal and state agencies playing interconnected roles. In general, EPA establishes national standards so that Americans in all parts of the country have clean air, water and land; states don't have to sacrifice the health and welfare of their residents in competing with one another for business; and businesses have a level playing field from one state to the next. EPA also helps protect residents of each state from pollution released in other states since pollution does not respect state boundaries.

State environmental agencies implement many of EPA's national standards so they can play a central role in protecting the health and environment of their residents. In this arrangement, state agencies do much of the work needed to meet federal standards, including issuing regulations and permits for pollution sources in their state, carrying out inspections and bringing enforcement cases. EPA also takes enforcement actions to help ensure compliance, but most enforcement is done by the states. EPA regional offices also play a key role in assisting and undergirding state programs, as well as working directly with many communities and businesses.

EPA carries out other important programs itself, including cleaning up many Superfund sites and regulating nationally-distributed products such as cars and trucks, pesticides and other chemicals. Even in the case of these programs, states often have a key role to play, such as testing vehicles for compliance with national emission standards.

The President's Budget Blueprint would undermine every piece of this partnership. It would drain staff and resources from EPA headquarters programs that set national policy for clean air, clean water, safe drinking water, safe use of pesticides, climate protection and other environmental protections. These cuts would also flow through to EPA's regional offices, which work closely with states agencies and inform national policy-making by providing information and insights drawn from their experience working with a diverse set of states. The Passback proposes to reduce their number from 10 to eight. The Budget Blueprint does not take any "savings" from cutting EPA and its regional offices to increase

¹³ These are called "categorical grants" in EPA budget documents.

¹⁴ In the rest of this section, we refer to state agencies as a shorthand for state, tribal and some local agencies that play a pivotal role in implementing federal environmental laws.

grants to states. Instead, it calls for *reducing* those grants by 45% overall. It is hard to overstate the cumulative harm of the Administration's proposed cuts to EPA and state agency funding would have on the public health and environmental protections that rely on a functioning federal-state system.

Massive Cut to States

The 45% overall cut in state grants would effectively cripple most state environmental agencies. State environmental agencies are the first line of defense against air, water and waste pollution affecting their residents. The list of steps they must take to implement federal programs is long. For example, state clean air programs must develop detailed plans tailored to their states for implementing national air quality standards. To develop their plans and put them in action, state programs monitor the level of pollutants in the air; conduct sophisticated modeling to understand the impacts of monitored pollution levels; inspect pollution sources; and take enforcement actions against sources that fail to comply with pollution control requirements. They also help businesses understand their obligations and respond to citizens' complaints. Moreover, state air programs provide support for EPA's national clean air programs by testing vehicles for compliance with emission standards and issuing permits that promote compliance with federal as well as state clean air requirements applicable to large facilities like power plants. State programs for clean water and safe drinking water and waste disposal have similar responsibilities and take many of the same steps.

Beyond harming state environmental programs, the Administration's proposal to cut state grants would set states up for costly failure. Under the Clean Air Act and other federal statutes, states are subject to sanctions if their agencies fail to meet federal standards or other requirements in a certain timeframe. These sanctions apply regardless of whether the state agency have been adequately funded.

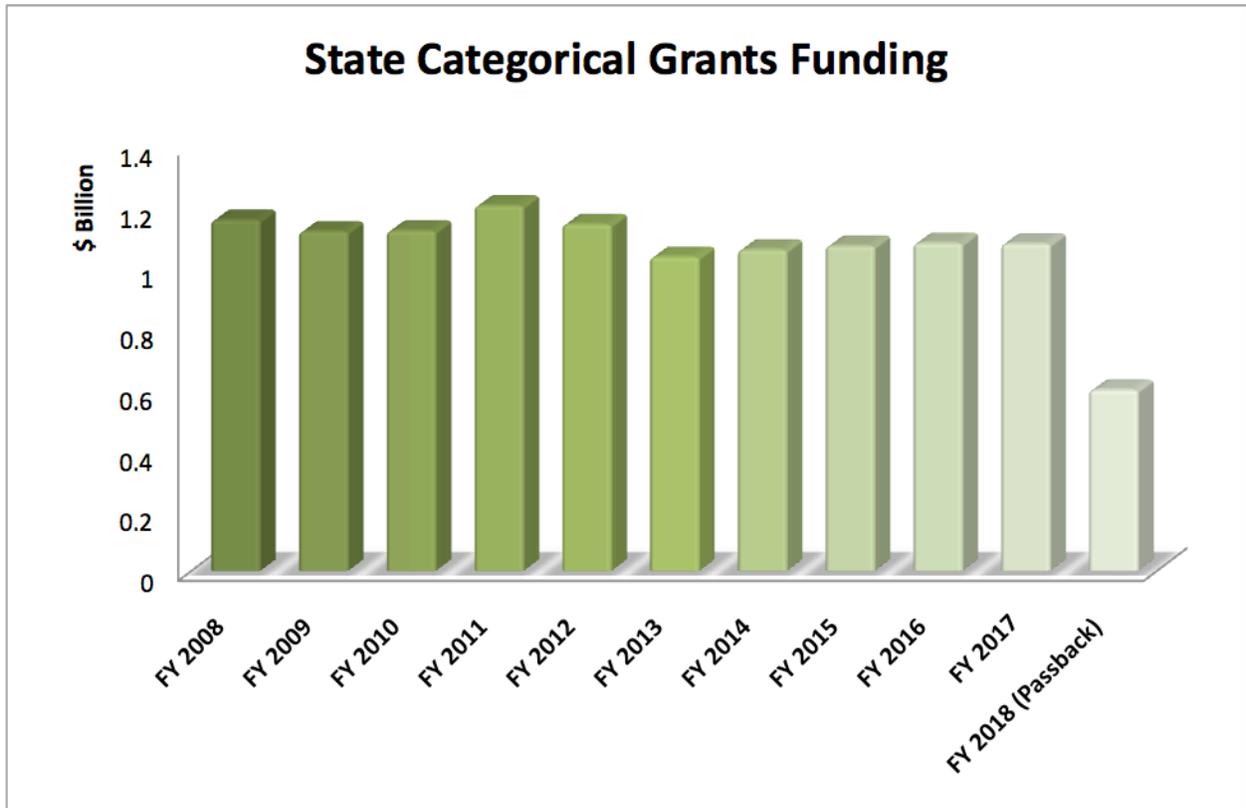
Overall, a 45% overall cut in state grants would mean fewer state staff and less money to respond to emergencies like hurricanes, floods and severe storms and the damage they do. It would also make it more difficult for state agencies to implement programs in ways best tailored to their state; issue the permits that businesses need to operate; conduct inspections to ensure that rules are not being violated; and bring enforcement cases when necessary. State agencies would also be hindered in their ability to clean up contaminated sites, slowing redevelopment. The grant program for brownfields projects, which is specifically intended to speed up economic development, is targeted for elimination in the Passback. Administrator Pruitt has publicly called for protecting brownfields funding,¹⁵ but the Budget Blueprint fails to indicate whether he was successful.

States Are Already Under Fiscal Pressure

It is important to note that state agencies are already under fiscal pressure. State grants have been flat for many years, and states often complain that the federal government is not paying its fair share. Moreover, just as EPA's workload has increased with strengthening amendments to virtually all environmental laws over the last three decades, the states' workload has increased as well. As the chart below shows, while total state grants have grown slightly since 2012, they are still well below the levels seen in the George W. Bush Administration.

¹⁵ <http://thehill.com/policy/energy-environment/321979-epa-chief-defends-grant-programs-wh-is-eyeing-for-cuts>

Even the small gains of the last few years are the result of modest growth in a few types of grants. Grants for many programs, including those for clean water, drinking water oversight, and hazardous waste, are below their historic levels.



EPA Regions Also Being Cut

EPA has 10 regional offices, each of which works with several states, sovereign Indian tribes in those state and, in the case of some regions, U.S. territories, each of which represent distinct political frameworks and diverse economies and environmental challenges. Regional offices are a key part of the federal-state partnership, because they are geographically closer to and get to know their state counterparts, enabling EPA to more quickly and effectively respond to state needs and issues.

An example of the kind of assistance regions can offer to states comes from EPA regional offices in Kansas City and Dallas. A few days before Thanksgiving 2016, a chemical plant exploded in Kansas. When the state was unable to run analysis of water samples, staff from EPA Regions 6 and 7, and EPA contract lab personnel, stepped up to run analysis until as late as 4 a.m. on the night before the holiday. This work was critical to determining if the drinking water intakes for the nearby community could treat water over the Thanksgiving holiday. Risk assessment experts from EPA and the federal Agency for Toxic Substances and Disease Registry also provided the Kansas governor and other state officials with vital information for making public health decisions. Other cases in which EPA's regional offices have stepped in to help states deal with circumstances that exceeded their own

capacities were recently described in a New York Times article, “With E.P.A. Cuts, States Would Lose Help in Emergencies.”¹⁶

The Administration’s Budget Blueprint would severely impact regional offices in several ways. First, part of the cuts to national programs would be passed through to the corresponding programs in regional offices. Second, the large reduction in EPA staffing will be borne in part by regions. Finally, the Passback directs EPA to plan for a consolidation of regions to reduce their total numbers from 10 to eight, which would reduce EPA’s accessibility to the affected states and compromise efficiency in addressing on-the-ground issues like responding to natural and other disasters.

Reducing staff in EPA programs and consolidating regional offices means that EPA cannot be as responsive when states need guidance on carrying out their programs. Fewer regional offices means that states in the affected regions would have to consult with federal officials who are farther away and less familiar with their local conditions. This is precisely opposite to the requests of states and communities that want EPA to put more federal staff closer to the problems that EPA’s statutorily mandated programs are intended to solve, and which have resulted in establishing key field offices in EPA’s regions.

Joint EPA-State Modernization Efforts Targeted for Elimination

The budget even eliminates programs designed to modernize both EPA and state programs, and make interaction with regulated parties and the public easier. For example, trucks carrying hazardous waste must maintain a manifest that records what is being shipped, its origin and its destination. Unlikely as it must seem, these manifests are still done on paper. To assist the E-Manifest program, Congress has funded a joint EPA-state effort to convert these reports to electronic form, which allows reports to be completed, submitted, stored and used more easily. For no apparent reason other than to save a relatively trivial amount of money, this efficiency-improving program is being eliminated.

Similarly, EPA and the states are engaged in an effort called “e-Enterprise,” aimed at bringing their systems into the 21st century. It is converting a variety of systems to modern technology, allowing information to flow more easily between states and EPA, and establishes a simplified portal through which citizens and regulated businesses can interact with the agency rather than having to go to several different EPA program offices. These are modernizations with an upfront cost that will save government, businesses and taxpayers time and money in the long run.

Disregard for Government at All Levels

The Budget Blueprint states that the reduced state grants “are in line with the broader strategy of streamlining environmental protection,” and “eliminates or substantially reduces federal investment in State environmental activities that go beyond EPA’s statutory requirements.” This explanation may apply, in part, to grants that would assist states in implementing EPA’s current programs on climate change, which the Trump Administration seems to believe does not have a statutory basis despite a Supreme Court decision to the contrary. In any event, the Passback showed cuts to grants for all programs. The Blueprint also justifies cutting EPA’s enforcement program as ending allegedly “duplicative” EPA and state efforts. However, since the reductions in state grants also cut funding for

¹⁶ <https://www.nytimes.com/2017/03/16/us/politics/trump-environmental-protection-agency-budget-cuts.html>

state enforcement, the reduction in duplication is not an efficiency – it simply means states would be asked to do more within their own already limited budgets.

Environmental protection in the United States depends on robust federal and state programs. The Trump Administration’s budget shows equal disregard for all levels of government.

Grants programs for states include:

Nonpoint source (water pollution)	Hazardous Waste Financial Assistance
Public Water System Supervision	Pesticides Enforcement
State and Local Air Quality Management	Pollution Prevention
Radon	Toxic Substances Compliance
Air Pollution Control Monitoring	Underground Storage Tanks
Air Pollution Control – Other Activities	Tribal Air Quality Management
Wetlands Program Development	Environmental Information
Underground Injection Control	Beaches Protection
Pesticides Program Implementation	Brownfields
Lead	Multipurpose

IV. Climate Protection Programs Eliminated

According to a 2010 National Research Council report commissioned by Congress, “Climate change is occurring, is caused largely by human activities, and poses significant risks for – and in many cases is already affecting – a broad range of human and natural systems.”¹⁷ Subsequent assessments by other national and international scientific groups have confirmed and strengthened the NRC’s 2010 conclusion in light of more recent data and research.¹⁸

Despite these scientific assessments, EPA Administrator Scott Pruitt does not believe the scientific consensus that human activities are the primary driver of recent climate change.¹⁹ The Trump Administration’s Budget Blueprint eliminates or cuts funding for most EPA climate programs, which account for much of the reductions in carbon and other greenhouse gas (GHG) pollution that the U.S. government has worked to achieve to date. Discontinuing these programs, according to the Blueprint, would save taxpayers over \$100 million dollars – but in reality, it would cost Americans *tens of billions* of dollars by increasing risks to their lives, health and property, and by irreparably damaging the world’s environment.^{20,21}

EPA’s current climate programs include several regulatory programs targeting the largest sources of GHG pollution; complementary voluntary programs; research and data gathering; technical assistance to states, localities and tribes; public education; and international work that reduces GHG pollution around the world. EPA’s efforts to substantially reduce GHG pollution and help advance climate science have been key to persuading other countries, including those which emit more GHG pollution than the U.S., to reduce their GHG pollution, as well.²²

Among other impacts, the proposed cuts would:

- eliminate funding for implementing the rule cutting power plant GHG emissions (the Clean Power Plan) and greatly reduce EPA’s ability to take additional action to minimize climate change and its impacts;
- eliminate funding for climate change research, including on how climate change worsens other air pollution like smog (see Section VI).

¹⁷ National Research Council (2010), “Advancing the Science of Climate Change,” National Academy Press, Washington, D.C., p.3. The NRC is the operating arm of the National Academies of Science.

¹⁸ See, for example, U.S. Global Change Research Program, Climate Change Impacts in the United States: The Third National Climate Assessment, May 2014; and IPCC, 2014: Climate Change 2014: Synthesis Report, Geneva, Switzerland.

¹⁹ <https://www.washingtonpost.com/.../on-climate-change-scott-pruitt-contradicts-the-epas-...>

²⁰ Just one of EPA’s climate programs, the Clean Power Plan for reducing GHG pollution from power plants, is projected to achieve climate protection benefits of \$20 billion and health benefits of \$14-34 billion. <https://www.epa.gov/cleanpowerplan/fact-sheet-overview-clean-power-plan>

²¹ Regulatory Impact Analysis for the Clean Power Plan Final Rule, October 23, 2015, Table 8-1, page 8-3. <https://www.epa.gov/sites/production/files/2015-08/documents/cpp-final-rule-ria.pdf>

²² www.eenews.net/stories/1060043400

- eliminate Energy Star and other unspecified voluntary climate partnership programs that encourage prevention of GHG and other pollution;
- undermine or eliminate EPA's ability to issue its periodic public reports on the human health impacts of climate change and on 33 indicators (for example, temperature, sea level, Antarctic sea ice, river flooding, drought) that over time indicate trends that reveal climate change and its impacts;
- reduce or eliminate the help that EPA provides states, localities and businesses for reducing GHG pollution; and
- eliminate EPA's ability to help other nations reduce their contribution to climate change.

Climate Change Regulatory Programs

By eliminating funding for Clean Power Plan implementation without providing funds for a replacement, the Budget Blueprint would sacrifice the large reductions in GHG pollution from power plants that the plan was designed to achieve (32% decrease from 2005 levels by 2030). A keystone to EPA's efforts to reduce GHG pollution, the Plan was also vitally important to persuading other high-emitting countries like China, India, Brazil and others to limit their own emissions.²³

The Passback proposes a 69% cut to EPA's climate programs, a cut that may have grown larger to help achieve the steeper overall cuts in the Budget Blueprint. Along with the Budget Blueprint's cuts to the agency's enforcement program (see Section XI), a cut of this magnitude would severely impair EPA's ability to implement other GHG control programs and take further action as may be legally required to reduce climate-damaging pollution.²⁴ Given the immense size of the cut, these impacts would occur regardless of how the cuts might be distributed across climate programs.

The Administration has already begun efforts to roll back the Clean Power Plan and another important climate action, a mid-term review of second-phase vehicle GHG standards that confirmed the feasibility of those standards. Those efforts will require funding since rulemaking is generally required to change existing rules and findings, and court challenges are sure to follow. To the extent EPA loses those challenges, more funding will be needed to take rulemaking or other action in line with the court's decision.

EPA will also need funding to respond to rulemaking petitions to reduce GHG pollution from unregulated sources. At least one rulemaking petition (for GHG standards for existing oil and gas sources) remains before EPA, and others are likely to be filed.

The Clean Air Act generally requires EPA to set standards when it finds that an air pollutant endangers public health and welfare. In 2007 the Supreme Court ruled in *Massachusetts v. EPA* that GHGs are

²³ www.eenews.net/stories/1060043400

²⁴ In the Passback, the 69% cut is in the Environmental Program Management account that provides most of the funding for climate programs. A 24% cut is also proposed in a much smaller Science and Technology account.

pollutants under the Act and that the agency must respond to a pending rulemaking petition by deciding whether GHG pollution from cars and light trucks endangers public health and welfare and, if so, what standards to set. In 2009 EPA found that GHG pollution from those vehicles meet the Clean Air Act's endangerment test and in 2010 set standards for them. Eight years later, the scientific evidence that GHG pollution endangers public health and welfare is even stronger.²⁵ It is extremely doubtful that the Agency could now decline to make an endangerment finding for any significant source of GHG pollution and so avoid regulating them. Setting standards in the wake of endangerment findings will require funding.

Given the expense involved in rolling back existing climate rules, defending those rollbacks in court and responding to adverse court decisions and petitions for new rules, the Passback's proposed 69% cut would leave little capacity for EPA to protect the climate consistent with its obligations under the Clean Air Act. Funding needed to meet those obligations could come at the expense of other EPA programs.

The current regulatory programs whose implementation would be undercut or, in the case of the Clean Power Plan, eliminated by the climate and enforcement program cuts in the Passback and Budget Blueprint include:

- Clean Power Plan standards expected to reduce GHG pollution from existing power plants by 32% over 2005 levels by 2030. Power plants release 31% of total U.S. GHG pollution.^{26,27}
- Vehicle GHG standards expected to achieve reductions of 6 billion tons of GHGs over the life of the program (through 2025).²⁸ EPA has set standards for both cars and trucks, which together released 26% of total U.S. GHG pollution in 2014.
- Oil and gas new source GHG standards expected to reduce emissions of methane, which is a much more potent GHG than carbon dioxide, by 300,000 tons in 2020 and by 510,000 tons in 2025, the equivalent of 6.9 million tons and 11 million tons, respectively of carbon dioxide, the most ubiquitous GHG. Oil and gas sources are the largest industrial emitters of methane in the U.S.²⁹
- Landfill GHG standards expected to reduce emissions of methane by 334,000 tons (or the equivalent of 8.2 million tons of carbon dioxide) beginning in 2025. Landfills are large emitters of methane.³⁰

²⁵ See examples of more recent reports in footnote 2.

²⁶ <https://www.epa.gov/cleanpowerplan/clean-power-plan-existing-power-plant>

²⁷ GHG pollution from existing power plants may also be subject to control when plants undergo Clean Air Act permitting. New power plants are subject to GHG standards for those sources.

²⁸ <https://www.epa.gov/regulations-emissions-vehicles-and-engines/final-rule-model-year-2012-2016-light-duty-vehicle>; <https://www.epa.gov/newsreleases/epa-and-dot-finalize-greenhouse-gas-and-fuel-efficiency-standards-heavy-duty-trucks-0>

²⁹ <https://www.epa.gov/controlling-air-pollution-oil-and-natural-gas-industry>

³⁰ <https://www.epa.gov/newsreleases/epa-issues-final-actions-cut-methane-emissions-municipal-solid-waste-landfills>

Ongoing development of GHG pollution controls that would be undermined, if not eliminated, by the Passback's proposed cuts include:

- Oil and gas existing source GHG standards to address significant emissions of GHG (methane) pollution emitted by these sources.³¹ Since EPA has already set standards for new oil and gas sources, the Clean Air Act requires it to set standards for existing sources, which emit much larger amounts of GHG pollution than new sources.
- Aircraft GHG standards to address the endangerment finding EPA issued last year in response to a rulemaking petition and to implement an international agreement on control of aircraft GHG emissions reached last year.³² Aircraft emissions are 3% of total U.S. GHG emissions. EPA is working with the FAA in developing standards.³³
- Regulation of hydrofluorocarbons (HFCs), which are extremely potent GHGs used in refrigeration and other systems. The U.S. recently participated in successful global negotiations for a new amendment to the highly successful Montreal Protocol for the Protection of Stratospheric Ozone. The new amendment calls for nations to phase out HFCs, which were developed as a substitute for stratospheric ozone-depleting chemicals but have extremely high global warming potential.³⁴

Climate Change Research Programs

The Budget Blueprint's elimination of funding for climate change research would drastically undermine EPA's ability to respond effectively to changes in climate and air quality and provide the information needed by individuals, communities and government agencies to make public health decisions about air quality and adapt to climate change impacts. See Section VI.

It is also important to note that the Administration is proposing heavy cuts to climate science research conducted by other federal agencies,³⁵ even as EPA Administrator Pruitt claims that currently available scientific evidence is not sufficient to determine how much human activities contribute to climate change.³⁶

³¹ The Administration recently rescinded a request for emissions information from existing oil and gas sources. The Clean Air Act authorizes EPA to make such requests to determine what, if any, reductions are needed and reasonable to require.

³² EPA is required to set aircraft GHG standards by the 2016 International Civil Aviation Organization agreement, independent of the endangerment finding it made.

³³ <https://www.epa.gov/regulations-emissions-vehicles-and-engines/regulations-greenhouse-gas-emissions-aircraft>

³⁴ <https://www.epa.gov/ozone-layer-protection/recent-international-developments-under-montreal-protocol>

³⁵ See Budget Blueprint sections on NOAA and NASA.

³⁶ <https://www.c-span.org/video/?421719-1/epa-nominee-scott-pruitt-testifies-confirmation-hearing&live>

Climate Change Voluntary Programs

The Budget Blueprint's proposal to eliminate Energy Star and other voluntary climate partnership programs would put at risk much of the progress that has been made – and the additional progress that still can be made – in preventing GHG and other air pollution. It would also break with a bi-partisan legacy of encouraging voluntary action to protect climate and clean air through pollution prevention.

The proposal for elimination is accompanied by a request that EPA transfer Energy Star and explore transfer of the other programs to the private sector.³⁷ However, the request is not supported by, or contingent on, any analysis showing that these programs could or would be successfully managed in the private sector or would maintain the gains in pollution prevention they have achieved. The Clean Air Act requires EPA to develop non-regulatory strategies and technologies for prevention of air pollution, including carbon dioxide (by far the most prevalent GHG), and these programs are examples of EPA meeting that requirement. The programs are popular with manufacturers because they recognize innovations that reduce pollution.

Energy Star, begun by EPA in 1992 and now implemented by EPA and the Department of Energy, is specifically targeted for elimination by the Budget Blueprint. The voluntary labeling program identifies and promotes energy efficient products to reduce GHG pollution and other air pollution. The Energy Star label is now on major appliances, office equipment, lighting, home electronics, and new homes, buildings and plants. Energy Star also provides tools like Portfolio Manager, an interactive tool that enables companies to track and assess energy and water use across their portfolio of buildings.³⁸ Since 1992, Energy Star has prevented more than two billion tons of GHG emissions and saved \$362 million in utility bills.³⁹

The voluntary climate partnership programs targeted for elimination by the Budget Blueprint were not specifically named. The Passback indicates that 14 programs would be eliminated but did specify them.

EPA's voluntary partnership programs have a long track record of reducing or avoiding air pollutants that contribute to dangerous ozone, particulate and stratospheric ozone-damaging pollution, as well as GHG pollution. Many also save consumers and businesses money. Among these partnership programs are:

- *Combined Heat and Power Partnership*, which encourages facilities that generate electricity on-site to capture heat that is otherwise wasted and use it to provide steam or hot water for space heating, cooling, domestic hot water and industrial processes to achieve efficiencies of over 80% compared to 50% for conventional technologies.⁴⁰
- *Green Power Partnership*, which encourages organizations to use renewable electricity to reduce GHG and other pollution associated with conventional electricity use.⁴¹

³⁷ Eliminating or transferring Energy Star would also require an amendment to the Energy Policy Act of 2005, which mandates the program.

³⁸ <https://www.energystar.gov/buildings/facility-owners-and-managers/existing-buildings/use-portfolio-manager/learn-how-portfolio-manager>

³⁹ <https://www.energystar.gov/about/newsroom/the-energy-source/achievements>

⁴⁰ <https://www.epa.gov/chp/what-chp>

⁴¹ <https://www.epa.gov/greenpower>

- *Smartway*, which helps companies assess and streamline shipping operations so they can use less fuel and generate less pollution. Experts project that by 2050, global freight transport emissions of CO₂ will surpass emissions from passenger vehicles.⁴²
- *AgStar*, which promotes the use of biogas recovery systems to reduce methane emissions from livestock waste.⁴³
- *Green Chill*, which works with food retailers to reduce HFC emissions and decrease their impact on stratospheric ozone and climate change.⁴⁴
- *Responsible Appliance Disposal*, which works with utilities, retailers, manufacturers, states, affiliates, and others to dispose of old refrigerated appliances using the best environmental practices available.⁴⁵
- *Coalbed Methane Outreach Program*, which works with the coal mining industry in the U.S. and other major coal-producing countries to reduce methane emissions.⁴⁶
- *High Global Warming Potential Voluntary Programs*, which work to substantially reduce U.S. emissions gases that are byproducts of industrial operations and extremely potent greenhouse gases. The programs involve several industries, including HCFC-22 producers, primary aluminum smelters, semiconductor manufacturers, electric power companies, and magnesium smelters and die-casters.⁴⁷

Climate Change Adaptation and Public Education Programs

Current levels of GHG (particularly carbon) pollution in the atmosphere are much higher now than they were over 150 years ago, before the industrial revolution.⁴⁸ As EPA explained in a 2008 public notice issued by the George W. Bush Administration,⁴⁹ a hallmark of GHGs is they remain in the atmosphere for decades to hundreds or even thousands of years depending on the particular gas, and they exert their warming and other effects over that length of time. The impacts of warming also play out over time as warming of the atmosphere leads to warming of oceans, melting of sea ice and glaciers, warming land and creation of “feedback loops” that makes warming worse, like release of methane from thawing permafrost.

The GHGs already released to the atmosphere, regardless of their source, will continue to increase average global temperatures for some time to come. With increasing temperatures, dangerous effects like sea level rise and higher storm surges, droughts and wildfires, and heavy rain and flooding, will get worse. Other effects of greenhouse gases will also get worse, like increasing ocean acidity that in turn

⁴² <https://www.epa.gov/smartway/learn-about-smartway>

⁴³ <https://www.epa.gov/agstar>

⁴⁴ <https://www.epa.gov/greenschill>

⁴⁵ <https://www.epa.gov/rad>

⁴⁶ <https://www.epa.gov/cmop>

⁴⁷ <https://www3.epa.gov/climatechange/highgwp/voluntary.html>

⁴⁸ <https://www.esrl.noaa.gov/gmd/news/7074.html>

⁴⁹ <https://www.gpo.gov/fdsys/pkg/FR-2008-07-30/pdf/E8-16432.pdf>

damages coral reefs that protect nearby land and support important fisheries and tourism. Adapting and building resilience to the already unavoidable effects of climate change are imperative, as is educating the public about those effects.⁵⁰

EPA's adaptation and resilience programs would likely to be severely harmed by the proposed cut to climate program funding. Those programs include the Climate Adaptation Resource Center,⁵¹ the Climate Portal⁵² and other activities to make resources available to cities and towns, including training, technical assistance and continued development of other resources.

EPA's public education tools would also likely be severely harmed. Those tools include website and other resources for students and teachers and the general public.⁵³

International work

It is essential that other countries control their GHG pollution for significant progress to be made on mitigating increasing GHG levels and climate change impacts. The international climate work done by EPA and other agencies has helped move high-emitting countries like China, India, Brazil and others to take action to reduce emissions.

Despite the importance of other countries reducing their GHG pollution, the Budget Blueprint eliminates funding for EPA's international climate programs. The Blueprint does name those programs.

EPA works with other countries to:

- implement the Paris climate agreement, including capacity building in other countries and reaching agreements for expectations and standards that all countries will follow, such as for tracking emissions;
- implement the HFC amendment to the Montreal Protocol;
- implement the international agreement on aircraft GHG standards; and
- provide technical assistance for reducing their GHG pollution, including from landfills and cook stoves, which pose other serious health threats to families in many developing countries.⁵⁴

⁵⁰ <https://www.nap.edu/catalog/12783/adapting-to-the-impacts-of-climate-change>

⁵¹ <https://www.epa.gov/arc-x>

⁵² <https://www.epa.gov/newsreleases/new-epa-web-portal-helps-communities-prepare-climate-change>

⁵³ <https://www.epa.gov/education> ; <https://www3.epa.gov/climatechange/links.html>

⁵⁴ <https://www.epa.gov/air-research/clean-cookstove-research>

V. Clean Air, Water, and Land Programs Jeopardized

Overview

The Trump Administration has said EPA should focus on clean air and water,⁵⁵ yet the Administration is proposing to cut funds for implementing the Clean Air Act, Clean Water Act, and other major federal public health laws that have served as the backbone of the nation's environmental protection system since the 1970s.

The Budget Blueprint for FY2018 provides limited information on how the 31% overall cut in EPA's budget⁵⁶ would be spread across specific programs. However, the preliminary Passback budget proposal that leaked earlier reveals recent Administration thinking on how a smaller overall cut of 25% could be achieved. The cuts in the complete Trump budget due in May will presumably be as large or larger than those discussed here in almost all cases.

The effects of the funding cuts would be amplified by the disruption created by the proposals to reduce EPA's staff by 3,200 positions, eliminate "more than 50" EPA programs, and consolidate offices and operations. The Passback would reduce the number of regional offices from 10 to eight, for example.

In addition to cuts for clean air and water, the Passback includes substantial reductions in funding for EPA and states to carry out federal laws designed to assure safe management of hazardous waste, fund waste cleanups, and protect the public from the hazards of pesticides and chemicals in commerce. The Blueprint calls for a 45% overall cut in categorical grants for state environmental programs, an even deeper cut than in the Passback.

As a result, the Administration proposal would slow or reverse the progress that the nation has achieved in protecting public health and ecosystems under our national environmental laws.

Great progress made, but challenges remain. Today, many forget that in the 1950s and 1960s, many U.S. cities suffered from visible, choking air pollution, with Los Angeles, Pittsburgh and New York City among the most dramatic examples. Studies found this pollution led to 20 excess deaths in Donora, PA, in 1948, 200 in New York City in November 1953, and 170 in New York City in November 1966. Lake Erie was declared "dead" in the 1970s due to algal blooms and fish kills, and the Houston ship channel and rivers such as the Cuyahoga, Chicago, and Buffalo caught fire. News reports in the 1960s and 1970s highlighted chemical hazards such as pesticide effects on birds and humans, asbestos causing lung cancer, chlorofluorocarbons depleting the stratospheric ozone layer, and suspected cancer incidences from hazardous chemicals improperly disposed of in places such as Love Canal in New York and the "Valley of the Drums" in Kentucky.⁵⁷

⁵⁵ The Washington Post, "Trump Nominates Scott Pruitt, Oklahoma Attorney General Suing EPA on Climate Change, to head the EPA," December 8, 2016. https://www.washingtonpost.com/news/energy-environment/wp/2016/12/07/trump-names-scott-pruitt-oklahoma-attorney-general-suing-epa-on-climate-change-to-head-the-epa/?utm_term=.0eb5b7b58f9c

⁵⁶ Relative to the FY2017 annualized continuing resolution level.

⁵⁷ EPA Alumni Association, "A Half Century of Progress," September 2016.

<http://www.epaalumni.org/hcp/>

In the decades since EPA's founding in 1970, EPA, state and local agencies, and more recently tribes have worked jointly to implement the nation's environmental laws along with the regulated community, citizen groups, and others. The result has been great progress in reducing the contamination of our air, water, and soil, and in banning or restricting use of dangerous chemicals -- even as the nation's economy has grown dramatically. Yet the nation still faces important public health and environmental challenges from air and water pollution, lead and other contaminants in drinking water, and chemical contamination of our environment.

Today's pollution often is less visible, yet still can present major public health threats. For example, studies suggest that fine particle and ozone air pollution together may result in tens of thousands of excess deaths annually.⁵⁸ Although municipal and industrial wastewater is much better controlled today, contaminated runoff from streets, farms, and other lands continues to pollute the nation's waters. Although 1160 hazardous waste cleanups have been completed, cleanups continue at 535 sites and hundreds of completed sites need continued operation to remain safe. Though many of the more toxic pesticides have been removed from the market, pesticides are suspected of contributing to the dramatic decline of butterflies, honeybees, frogs and other species. Concerns have arisen about effects of certain pesticides and other chemicals on endocrine systems that produce hormones affecting physical or intellectual growth, as well as reproduction. Growing use of new technologies such as biotechnology (e.g., genetic modification of plants) and nanotechnology (extremely tiny particles) in pesticides and other chemicals require new assessment techniques to identify and manage any risks.⁵⁹

Another challenge is that clean air and clean water protection efforts will become more difficult as climate change continues. For example, higher average temperatures and more frequent heat waves are anticipated to cause higher levels of ozone smog in many populated areas of the United States.⁶⁰ Heavier downpours and extreme weather will increase floods and runoff from cities, farms and other lands, which will lead to more non-point water pollution, and more sewage overflows into rivers and harbors from sanitary sewer systems that also drain urban stormwater. Rising waters and floods may inundate wastewater and drinking water treatment plants.⁶¹ In many ways, environmental quality and climate change are linked.

The rest of this section examines in detail the implications of the Administration's proposed budget for implementation of national laws intended to protect the environment for all Americans. Major cuts in research funding (see Section VI) to support these laws, and to conduct enforcement (see Section IX), are described in separate sections.

⁵⁸ <http://pubs.acs.org/doi/abs/10.1021/es304831q>

⁵⁹ EPA Alumni Association, "A Half Century of Progress," September 2016.

<http://www.epaalumni.org/hcp/>

⁶⁰ CCSP (2008), Analyses of the effects of global change on human health and welfare and human systems. A Report by the U.S. Climate Change Science Program and the Subcommittee on Global Change Research. Gamble, J.L. (ed.), K.L. Ebi, F.G. Sussman, T.J. Wilbanks, (Authors), U.S. Environmental Protection Agency, Washington, DC, USA.

⁶¹ U.S. Global Change Research Program, Climate Change Impacts in the United States: The Third National Climate Assessment, May 2014.

Cuts in air quality protection

In addition to dramatic cuts in climate protection programs (see Section IV), several other Clean Air Act programs are targeted for substantial cuts in FY2018 by the Passback. The cutbacks would slow or reverse progress by programs intended to clean the air that Americans breathe, reduce visibility impairment in natural parks, and protect the stratospheric ozone layer that protects people from cancer-causing ultraviolet rays.

The cuts would reduce the capability of both EPA and states to see that air quality in our nation meets and maintains national standards for common pollutants with serious health and environmental effects. For example, fine particles are linked to premature death in people with heart or lung disease, nonfatal heart attacks, irregular heartbeat, aggravated asthma, and respiratory symptoms such as irritation of the airways, coughing or difficulty breathing.⁶²

EPA and state efforts over the past 46 years have dramatically cut air pollution levels and helped many areas to meet national air quality standards. From 1970 to 2015, aggregate national emissions of the six common pollutants alone dropped an average of 70 percent while gross domestic product grew by 246 percent.⁶³ However, scientific advances have resulted in updating of most national air quality standards over the past dozen years, and many areas continue to have unhealthy air for one or more common pollutants. One of the most widespread air pollution problems is ground-level ozone, which is linked to increased asthma attacks, lung damage and premature death as well as damage to plants and ecosystems.

The proposed budget would slow or reverse progress to reduce current air pollution problems that damage the health and welfare of millions of Americans. Specific cuts outlined in the FY2018 Passback include the following:

- **EPA's federal vehicle and fuels standards and certification programs**, funded at \$93.2 million in FY2016, would be cut by 18%. Historically, these programs have achieved millions of tons of emissions reductions⁶⁴ by coordinating standards for vehicles and fuels, and have helped many areas of the country meet health-based air quality standards.⁶⁵ The proposed cuts would mean fewer funds for EPA to set updated national standards and to ensure that new cars, trucks, and non-road engines (e.g., farm and construction equipment, locomotives, ships) and planes are manufactured to meet those standards.

Federal standards for mobile emissions sources that cross state lines are critical to the states' ability to meet air quality standards, and establish a level playing field for manufacturers. The Volkswagen emission controls scandal illustrates the importance of the certification program to assure that cars and trucks actually meet those standards and achieve the federally required emissions reductions that states count on in crafting their clean air plans.

⁶² <https://www.epa.gov/pm-pollution/health-and-environmental-effects-particulate-matter-pm>

⁶³ U.S. EPA: <https://www.epa.gov/clean-air-act-overview/progress-cleaning-air-and-improving-peoples-health>

⁶⁴ See <https://www.epa.gov/clean-air-act-overview/benefits-and-costs-five-important-clean-air-rules-2030-vehicles-and-engines>

⁶⁵ See <https://www.epa.gov/clean-air-act-overview/progress-cleaning-air-and-improving-peoples-health>

- **Grants to help support state and local air programs** would be cut by 30% under the Passback -- from \$228.2 million in FY2016 to \$159.5 million in FY2018 – and likely are cut much more under the Blueprint. Tribal air grants also would be cut 30% from their FY2016 level of \$12.8 million. These cuts are significant because national air quality standards set by EPA under the Clean Air Act are achieved through a partnership between the EPA, state and local air agencies, and tribes. States, with EPA assistance, develop enforceable plans to cut emissions within their borders. EPA’s grants are an important component of state environmental agency budgets, especially after years of belt-tightening at the state level. The workload for air quality planning, permitting, inspection, enforcement has increased over the years due to tightening of science-based air quality standards and the regulation of additional pollution sources. Reducing toxic air pollution and reducing visibility impairment in national parks are among other major ongoing air program activities of the states and EPA.
- **Federal support for air quality management** in two accounts would be cut \$8.8 million (7%), compounding the negative impact of the state grant cuts. EPA assists the states in developing state plans through technical assistance with developing inventories of facility emissions, projecting future air quality with and without proposed controls, information on pollution control technologies, including costs and effectiveness, and design of plans to achieve and maintain clean air. States’ efforts to meet standards also are aided by separate EPA work to set emission standards for important categories of pollution sources. Funding in this category also includes work to reduce emissions of toxic air pollutants.
- **Market-based clean air trading program** funding in two accounts would be cut by 10% overall, down from \$24 million in FY2016. These programs reduce acid rain and interstate air pollution. EPA establishes each state’s responsibility for controlling emissions that harm air quality in other states, and states and EPA work together to implement budget trading programs for power plants and certain other sources to meet those targets. These programs have dramatically cut power plant emissions that cause acid rain and interstate air pollution, while being lauded as an advanced, efficient regulatory approach.⁶⁶ However, further air pollution challenges remain,⁶⁷ and additional work is needed to address them while administering current trading programs and measuring environmental results.
- **Domestic and international programs to protect the stratospheric ozone layer** would be cut by 10% in FY2018. In FY2016, domestic programs received \$4.9 million, and a multilateral fund to help developing countries to comply with control measures required by international treaty received \$8.9 million. A peer-reviewed EPA study found that actions to protect the ozone layer would, over several decades, save millions of American lives from skin cancer, avoid hundreds of millions of non-fatal skin cancers, and tens of millions of case of eye cataracts.⁶⁸ However, despite bans on key ozone-depleting chemicals, achieving these benefits will require continuing implementation of programs to prevent release of ozone-depleting chemicals still in use, require product labeling, and evaluate safe alternatives.
- **Diesel grants:** EPA has issued rules to reduce hazardous emissions from new diesel engines. However, old engines can be used for 30 years or more, so Diesel Emissions Reduction Act

⁶⁶ Ibid.

⁶⁷ <https://www.epa.gov/clean-air-act-overview/air-pollution-current-and-future-challenges>

⁶⁸ Ibid.

grants are provided for projects and state programs that retrofit diesel engines in older buses, trucks and other applications. The budget would eliminate this program entirely, even though Congress enacted the program with bipartisan support as part of the Energy Policy Act of 2005 to cut public health risk from exposure to hazardous diesel emissions. The program has continued to enjoy bipartisan support.

- **Indoor air:** EPA's radon and indoor air pollution programs would be cut severely under the Passback. Though not regulated under the Clean Air Act, a variety of indoor air pollutants poses public health threats. People spend nearly 90 percent of their time indoors.⁶⁹ Radon is the second leading cause of lung cancer, and is estimated to be responsible for the deaths of approximately 21,000 people each year.⁷⁰
- The **radon** program, which received \$2.9 million in program management funds in FY2016, would be cut by more than 80 percent and its staff eliminated. EPA partners with 11 organizations to implement a National Radon Action Plan, and works with states, tribes, to educate the public about radon testing and ways to avoid buildup of naturally occurring radon in homes and buildings. **State and tribal radon grants**, funded at \$8 million in FY2016, also would be eliminated.
- The **indoor air** program, which received \$13.7 million for program management in FY16, would be cut by 40 percent. EPA partners with other organizations to educate the public about all types of indoor pollution threats, creating tools for schools, offering cooperative assistance funding, creating public education materials, and running a voluntary partnership and labeling program that helps new home builders improve the quality of indoor air by requiring construction practices and product specifications.

Cuts in water quality protection

The Passback would cut funds for federal and state water pollution control efforts, and eliminate or severely cut programs to protect specific aquatic ecosystems such as the Chesapeake Bay. (See Section VII.)

Proposed increases for clean water and drinking water infrastructure contrast with dramatic cuts in funds for state environmental agencies to protect against contamination of drinking water and of rivers, streams, lakes and coastal waters.

Specific cuts outlined in the FY2018 Passback include the following:

- **Clean Water Act programs to protect surface water quality** (a separate account from others listed below) would absorb a cut of nearly 10% in FY2018, down nearly from the FY2016 level of \$200.3 million. A substantial funding cut would reduce EPA's ability to assist states and otherwise carry out its role in implementing the state-federal partnership established by

⁶⁹ <https://indoor.lbl.gov/sites/all/files/lbni-47713.pdf>

⁷⁰ <https://www.epa.gov/radon/health-risk-radon>

Congress for water pollution control. Water pollutants in rivers, streams, lakes and coastal waters can pose human health risks as well as damage aquatic ecosystems.

Water quality standards are set by states using scientific criteria established by EPA. States also use EPA scientific information to develop strategies to address storm water, nonpoint source pollution, and other pervasive causes of water quality impairment. EPA also has a statutory duty to approve cleanup plans for polluted waters (TMDLs), and reviews a small percentage of permits for consistency with Federal law.

- **Marine pollution** funding in FY2018 would be cut by more than 15% from the FY16 level of \$10.2 million. Funds are used to support EPA's statutory role in designating sites for discharges of dredge material in ocean waters, evaluating ocean discharge permits, working with states on designation of vessel no-discharge zones, and working with the Navy on uniform discharge standards for vessels of the Armed Forces.
- **National estuaries and coastal waterways activities**, which received \$26.7 million in FY16, would be cut 34%. The National Estuary Program provides funds for 28 estuaries nominated by Governors and designated by EPA. For each designated estuary, local entities – such as state and local governments, universities or NGOs – develop a management plan to restore it to fully support human uses and diverse biological communities. (For more, see separate paper on geographic programs.)
- **Wetlands** funding would be cut 10% from the FY16 level of \$21.1 million. EPA establishes the guidelines under which the Army Corps of Engineers issues dredge-or-fill permits. Cuts in this area could delay some reviews, and might also delay work to replace the Waters of the U.S. Rule.
- **Grants to assist state clean water programs** generally would be cut by 30% under the Passback (likely an underestimate given the Blueprint's 45% overall cut to state categorical grants):
 - **State grants for water pollution control programs**, funded at \$230 million in FY16. Federal grants comprise 20-30% of the resources most states have available to protect and restore water quality. This reduction would seriously impair the ability of states to issue permits to new and existing point sources, to monitor the quality of their waters, to develop water quality standards and cleanup plans (TMDLs), identify violators, and take enforcement action in cases of noncompliance.
 - **State grants for control of pollution from non-point sources** such as urban runoff, which received \$165 million in FY2016. These funds have been on a steady downward path even though pollution from these sources is the largest remaining category of poorly controlled pollution. Examples of nonpoint pollution include fertilizer and herbicide runoff; oil grease and toxic chemicals from urban runoff and energy production; salt from irrigation practices; acid drainage from abandoned mines; bacteria and nutrients from livestock and faulty septic systems; and atmospheric deposition of pollutants. Because these sources are not regulated under the Clean Water Act, non-regulatory strategies such as technology transfer, demonstration of successful approaches, and education to build awareness of problems and solutions are used to bring about reductions in non-point pollution.

- **State categorical grants for beach** protection would be eliminated.
- **Water infrastructure:** By contrast, the Administration proposes \$2.3 billion for state revolving funds for clean water and drinking water, a \$4 million increase from the annualized FY2017 CR level, according to the March 16 budget blueprint. It does not specify a separate figure for the Clean Water State Revolving Fund alone.

The Clean Water State Revolving Fund provides grants to states to capitalize state revolving fund programs that provide low-interest loans for municipal wastewater treatment plants, control of non-point pollution, green infrastructure projects, protect estuaries and fund other water quality projects. Also, funding for accelerating investment in water and wastewater infrastructure through credit subsidies under the **Water Infrastructure Finance and Innovation Act** of 2014 (WIFIA) is \$20 million, the same as the annualized FY2017 continuing resolution level.

- **Oil spill prevention, preparedness and response** would be cut from the FY16 level of \$14.4 million to approximately \$12 million in FY2018. A reduction in regulatory support and inspection staff drives the funding reduction for this program, the Passback states.

Cuts in state and federal drinking water protection

Funding for EPA's Safe Drinking Water Act programs would decrease nearly 7%, down from \$96.5 million in FY16, under the FY2018 Passback. The Safe Drinking Water Act is the federal law that protects public drinking water supplies throughout the nation. Under the law, EPA sets standards for drinking water quality to protect public health against both man-made and naturally-occurring contaminants. EPA, states and water systems work together to see that these standards are met. EPA provides guidance, assistance and public information about drinking water, collects drinking water data, and oversees state drinking water programs.

Under the Safe Drinking Water Act, EPA sets national standards for underground injection of wastes and other substances to protect drinking water from contamination, and provides grants to states to enforce the federal requirements. Grant money is provided to EPA regional offices to support these protection efforts on tribal lands.

By contrast, proposed funding is likely to increase slightly for the Drinking Water State Revolving Fund, as noted above. The Drinking Water SRF provides grants to states to capitalize state revolving fund programs that provide low-interest loans and other assistance to water systems for improving drinking water treatment, fixing water distribution pipes, and other infrastructure projects needed to protect public health.

Specific cuts outlined in the FY2018 Passback -- likely underestimates given the 45% overall cut to state categorical grants in the Blueprint -- include the following:

- **Federal grants to help fund state and tribal drinking water programs** that supervise public drinking water systems would be cut 30% under the Passback, relative to the FY2016 level of

\$102 million.⁷¹ States implement federal drinking water requirements within their jurisdictions, providing the most direct oversight of water systems.

- **State and tribal grants for protecting groundwater from underground injection of wastes and fluids** also would be cut 30%, down from \$10.5 million in FY2016. Injection wells are used for disposing of industrial, municipal and hazardous wastes, enhancing oil and gas production by injecting fluids in association with hydraulic fracturing (known as “fracking”), solution mining, storing CO₂, and preventing salt water intrusion.

Cuts in hazardous waste cleanups, underground tank cleanups, and brownfields development

The FY2018 Passback calls for substantial cuts in superfund hazardous waste cleanups, cleanup of underground gasoline tanks, and re-development of contaminated sites.

“Superfund” is the term commonly used for the cleanup program for hazardous substances – including both emergency actions and longer-term cleanups – that Congress authorized under the Comprehensive Emergency Response, Liability and Cleanup Act in 1980.

Specific cuts outlined in the FY2018 Passback include the following:

- Overall funding for the **superfund hazardous waste cleanup** program would drop from \$1.1 billion in FY2017⁷² to \$762 million in the Trump Budget Blueprint, a reduction of more than 30%. (This amount is a bit larger than the \$747 million figure in the Passback, which is the source of the more detailed numbers below.)
- **Superfund enforcement** in the Passback would be cut than 37%, a \$55 million reduction from the \$150.6 million allotted in FY2016. The vast majority of long-term site cleanups are performed by those responsible for the disposal of the hazardous substances. Consistent with the Superfund law, EPA’s enforcement program works to hold accountable those who are legally liable for cleanup (i.e., the “responsible parties”) whenever possible. Otherwise, the superfund, financed by special taxes on industry and other revenues, is available to pay the cleanup bill.
- **Superfund hazardous waste site cleanups**, which often must be funded by the federal superfund, would slow down due to a 31% cut from \$501 million to \$344 million. Many of the smaller, less complex sites have been cleaned up. A higher proportion of remaining sites are large-area, difficult-to-clean sites, such as mine tailing and river sediment cleanups. Many of these do not have responsible parties, or have recalcitrant responsible parties. A substantial cut in funds will lead to substantial slowdowns in cleanups. Given the large number of mining sites, it is noteworthy that the Passback includes a statement that none of funds shall be used to finalize or enforce the CERCLA rulemaking on the hard rock mining industry as that rule is

⁷¹ This figure is for one of three state grant accounts associated with CWA section 106; we lack figures for the other two accounts (“other activities” and “monitoring”).

⁷² Annualized FY2017 continuing resolution level, based on the \$330 million reduction specified by the Blueprint.

currently written. This would be likely to continue to let mining companies off the hook for contamination caused by their activities.

- **Superfund emergency response** capabilities would be cut from \$181.3 million in FY2016 to \$150 million in FY2018, a cut of 17%. EPA's ability to quickly respond to multiple simultaneous emergencies is crucial. According to the Passback, the funding reductions reflect the elimination of grants, significant reductions to non-time-critical removal actions, and reductions to non-cleanup support contracts.
- **EPA enforcement at federal facilities**, funded at \$7 million in FY2016, would be eliminated entirely. Federal agencies such as the Department of Energy and Defense Department are responsible for cleaning up large, complex legacy sites. Many involve radioactive or other hazardous wastes from the cold war era and have contaminated soil and groundwater. Federal sites such as Hanford in the state of Washington are among the most complex and hazardous sites in the country. EPA works with these agencies to ensure that the sites are appropriately addressed under federal waste laws. Eliminating these funds would leave external accountability of these agencies to the states – at the same time the Administration is calling for deep cuts in federal grants to assist the state environmental agencies.
- **Brownfields revitalization** – which refers to cleanup and redevelopment or reuse of contaminated properties -- would be limited by proposed cuts in EPA and state funding. EPA's program funding for this activity under multiple statutes would be cut by 40%, from \$25.6 million in FY2016 to \$14.7 million in FY2018. The program provides grants and technical assistance to communities, states, tribes and others to assess, safely clean up and sustainably reuse contaminated properties. State grants for brownfield projects, funded at \$80 million in 2016, would be eliminated, and state categorical grants for brownfields would be cut 30%, from \$47.7 million to \$33.4 million.⁷³ These cuts will affect jobs, redevelopment opportunities and leave contaminated sites for future generations. As of September 2015, EPA estimates that grants through the Brownfields program, authorized by the Brownfields Law signed by President George W. Bush, have cumulatively leveraged \$24.2 billion and 116,963 jobs and led to 56,442 acres of land made ready for reuse.⁷⁴
- **The Leaking Underground Storage Tank program** faces substantial proposed cuts for both EPA and states. Underground petroleum storage tanks, such as those at gas stations, have seriously contaminated groundwater in many parts of the country. Congress created a separate liability system and cleanup program for leaks from these tanks. The program, in which EPA and states are partners, works to inspect federally regulated tanks, minimize future releases, and clean up old and new leaks. EPA funding for the program would be cut nearly 25% from the FY2016 level of \$91.9 million. State grants for underground storage tank activities would be cut 30% from the FY2016 level of 1.5 million.

⁷³ Likely an underestimate given the Blueprint's 45% overall cut to state categorical grants.

⁷⁴ Superfund: A Half-Century of Progress. EPA Alumni Association, p. 8

<http://www.epaalumni.org/hcp/>

Cutbacks in hazardous waste management

Funds also would be cut for EPA and states to implement the federal solid and hazardous management law, the Resource Conservation and Recovery Act (RCRA). RCRA mandates “cradle-to-grave” tracking of hazardous wastes, and regulates their production, shipment, storage, treatment and disposal. The law also has provisions governing other solid wastes.

Other specific cuts outlined in the FY2018 Passback include the following:

- **EPA’s general waste management activities** would be cut 11% from the FY2016 level of \$59 million under the Passback. This might compromise the ability of EPA and states to carry out the congressional goal that hazardous waste be managed safely from the moment it is generated to its final disposal.
- **Hazardous waste financial assistance categorical grants to the states** would drop 30%⁷⁵ from \$99.7 million in FY2016 to \$69.7 million in FY2018. This is despite the fact that 80% of all U.S. citizens live within 3 miles of a RCRA-regulated hazardous waste generator or treatment, storage, or disposal facility (TSDF); 50% live within a 1 mile radius.⁷⁶ And roughly 60,000 such facilities exist in the U.S., generating and managing 30 to 40 million tons of hazardous waste annually.⁷⁷ Even back in 2011, a GAO report noted that funds had “not kept pace with inflation, increases in worker salaries, health insurance costs, and increasing workloads.”⁷⁸
- **The RCRA corrective action program** would be cut 12%, from \$36.9 million in FY2016. These cuts would limit EPA’s activity to ensure the cleanup of contamination from improper hazardous waste management practices. Responsible parties that are seeking a permit to treat, store or dispose of hazardous wastes are required to clean up environmental contaminants at their sites. Improper disposal could lead to the creation of additional Superfund sites.
- **Waste minimization and recycling activities** would be cut 20 percent, to \$7.1 million.

⁷⁵ Likely an underestimate, given the Blueprint’s 45% overall cut to state categorical grants.

⁷⁶ U.S. EPA, “RCRA’s Critical Mission and the Path Forward,” June 2014, p. 10.

https://www.epa.gov/sites/production/files/2015-09/documents/rcras_critical_mission_and_the_path_forward.pdf

⁷⁷ *ibid.*

⁷⁸ <http://www.gao.gov/assets/330/321743.pdf> HAZARDOUS WASTE: Early Goals Have Been Met in EPA’s Corrective Action Program, but Resource and Technical Challenges Will Constrain Future Progress GAO-11-514 RCRA Corrective Action Program p. 28

Cuts in toxic chemical risk and prevention programs

The FY2018 Passback would impose deep percentage cuts on accounts that fund EPA and state programs to prevent and reduce toxic chemical risks. These federal programs include voluntary programs for reducing use of toxic industrial chemicals, as well as regulatory programs.

One of the most important laws providing EPA with authority to reduce chemical risks is the Toxic Substances Control Act, originally enacted in 1976. TSCA provides EPA with authority to require reporting, record-keeping, and testing, and to impose restrictions relating to chemical substances and/or mixtures in commerce. The law covers a large and diverse array of industrial, commercial, and consumer chemicals.

Congress gave EPA significant new responsibilities in 2016 under major amendments to the Toxic Substances Control Act. The Frank R. Lautenberg Chemical Safety Act for the 21st Century passed both houses with bipartisan majorities. The new law set deadlines for EPA to evaluate existing chemicals in commerce against a risk-based safety standard. Unreasonable risks identified in the evaluation must be eliminated. In addition, EPA must review health risks of new chemicals, or significant new uses of existing chemicals before the chemical can enter the market.

Administrator Pruitt committed during his confirmation hearing that he would carry out the new law in a timely manner.⁷⁹ The amount of money that would be allocated to TSCA implementation is not specified in the Passback, leaving unclear whether implementation of the revised law would be adequately funded. To the extent that greater priority is placed on EPA's TSCA activities, this would mean larger cuts to voluntary programs that inform consumers about the chemical content of products they use.

Specific cuts outlined in the FY2018 Passback include the following:

- **Chemical Risk Review and Reduction** would be cut from \$58.6 million in FY2016 to \$45.9 million, a decrease of more than 21%. This would reduce the overall pool of funds available for chemical reviews under the Toxic Substances Control Act and voluntary toxic chemical pollution prevention programs, but it's unclear how cuts would be allocated among those programs.
- **Voluntary programs for toxic industrial chemicals:** The Pollution Prevention Act of 1990 created a national policy to prevent or reduce pollution at the source wherever possible. EPA's related initiatives focus on reducing the use of toxic industrial chemicals in products and manufacturing processes, ranging from cleaning products to electronics to chemical production. Safer Choice⁷¹ (formerly known as Design for the Environment) is a voluntary partnership helping consumers, businesses, and purchasers to find products that perform well and are safer for human health and the environment. This program also provides information about chemical safety to consumers and commercial buyers to help them make decisions about products in their daily lives. The Green Chemistry Program is a groundbreaking effort encouraging scientific solutions to real-world environmental problems through the design of products and processes

⁷⁹ See transcript of the Pruitt confirmation hearing on January 18, 2017, before Senate Environment and Public Works Committee: https://www.epw.senate.gov/public/_cache/files/1291a5e0-b3aa-403d-8ce3-64cb2ef86851/spw-011817.pdf

consistent with green chemistry principles. Over time, these technologies significantly reduced the hazards associated with designing, manufacturing, and using chemicals.

- The **Right to Know (Toxic Release Inventory)** program would be cut from \$13.9 million to \$10.7 million, a 23% decrease. Created by the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA), which was spurred by chemical disasters in Bhopal, India and in West Virginia, the Toxic Release Inventory is a public information program that EPA uses to encourage voluntary reductions in emissions and track progress over time. Under the program, EPA collects data annually from over 20,000 facilities on environmental releases and waste generation for hundreds of toxic chemicals. TRI provides tools that allow communities at the neighborhood level to learn about toxic chemicals that industrial facilities are using and releasing. The proposed funding cut would likely hinder the collection of chemical release data and publication of this information to assist in preventing and reducing the release of toxic chemicals to the environment.
- **State Grants:** The Passback would make a cut of approximately 30% in three state grant programs aimed at reducing toxic chemical risks under various federal laws ((likely an underestimate given the Blueprint's 45% overall cut to state categorical grants). Cuts in **lead grants**, funded at \$14 million in FY2016, would reduce efforts to educate and train individuals working with lead paint abatement and further risk exposing them and the occupants of the buildings to lead poisoning. Cuts in **toxic substances compliance assistance state grants**, funded at \$4.9 million in 2016, would likely reduce state inspections efforts to assure compliance with statutes and regulations in the manufacture (including import), processing, distribution in commerce, use, or disposal of chemical substances. Cuts in **pollution prevention state grants**, which received \$4.8 million in FY2016, would shrink state pollution prevention outreach efforts to businesses and individuals. Reduced activity and emphasis on preventing pollution is likely to result in increased costs of cleanup and increased risk of the population's exposure to toxic chemicals.

Cuts in protection from pesticides

EPA and state pesticides programs also would face substantial cuts under the FY2018 Passback.

The sale and use of pesticides is governed by the Federal Insecticide, Fungicide and Rodenticide Act. FIFRA requires that all pesticide products be registered by EPA before they may be sold, and covers products ranging from weed killers and bug sprays to chemicals that make apples grow crisper.

For pesticides used to grow food crops or animal feed, EPA establishes a "tolerance" – the maximum allowable amount of pesticide residue permitted to remain on a food. Unlike most other pesticide activities, EPA's authority to set tolerances is provided by the Federal Food, Drug and Cosmetics Act, rather than FIFRA.

Specific cuts outlined in the FY2018 Passback include the following:

- The FY2018 Passback would cut activities to **Protect Human Health and the Environment from Pesticide Risk** by roughly 13% from the FY2016 enacted level. This reduction would likely contribute to delays in licensing of new pesticides into the marketplace and in review and setting of tolerance levels for pesticides used on foods.

- Steeper cuts under **Pesticides Research and Development** could negatively impact important research underway to keep abreast of the latest science related to assessing the risk of pesticides to human health and the environment. Science advances relentlessly over time. The 1996 Food Quality Protection Act included a provision that all pesticides must be reevaluated on a staggered, but regular, basis (every 15 years) in a process called registration review. Additionally, emerging technologies, such as genetically modified crops and nanotechnology are being introduced into our environment without prior evaluation of the potential impact to human health and the environment. EPA has an obligation under existing laws to study and evaluate the risk and impacts of these new technologies.
- A proposed 30%⁸⁰ cut in **Grants to States for Pesticide Program Implementation and Enforcement** would likely reduce efforts to enforce EPA's Agricultural Worker Protection Standard (WPS), which is aimed at reducing the risk of pesticide poisoning and injury among agricultural workers and pesticide handlers. The standard offers occupational protections to over 2 million agricultural workers (people involved in the production of agricultural plants) and pesticide handlers (people who mix, load, or apply crop pesticides) who work at over 600,000 agricultural establishments (farms, forests, nurseries and greenhouses). Together, the two grant programs received \$30.8 million in FY2016.
- The **Endocrine Disruptors Screening Program** would be eliminated, the Passback states. This would eliminate the Office of Chemical Safety and Pollution Prevention's work to screen and test chemicals that can interfere with reproduction, growth and development. Established under authorities contained in the Food Quality Protection Act and the Safe Drinking Water Act, the program is designed to identify chemicals that are endocrine system disruptors, determine effects, assess risks, and ultimately control the chemicals under existing laws. The Passback says funding would drop from \$7.5 million in FY2016 to \$445,000 in FY2018, with the money devoted to close-out activities.
- There has been growing concern among scientists and the public about certain chemicals that may harm the endocrine system, a complex system of glands that produces hormones. Harmful effects have been observed on reproduction, growth and development in some aquatic and terrestrial wildlife. Increases in some human reproductive disorders and some cancers could be related to disturbance of the endocrine system. Also, adverse effects from some environmental chemicals known to act on the endocrine system have been observed in laboratory animals.
- Under the screening program, the EPA has introduced groundbreaking new technologies—alternative techniques that use computational toxicology (CompTox) to predict endocrine effects using computer models—which will enable the agency to move from screening dozens of chemicals per year to up to 1,000 per year, while moving away from animal testing.

⁸⁰ Likely an underestimate, given the Blueprint's 45% overall cut to state categorical grants.

VI. Science and Research Funding Cut in Half

Use of the best available science is at the heart of all EPA decision-making about public health and environmental protection. EPA scientists conduct, assess and fund studies that provide the scientific and technological information needed for developing effective pollution standards and measurement techniques. Advancing science and technology is essential to meeting the agency's statutory missions for clean air, clean water, safe drinking water, safe use of pesticides, toxics, and hazardous waste, and safe waste disposal. EPA provides grants and operates laboratories across the country to conduct high quality scientific and technical research needed to protect Americans and their environment.

The administration's Budget Blueprint calls for a 48% cut in funding for EPA's Office of Research and Development (ORD). ORD conducts or funds much, but not all, of the agency's research. The Blueprint also calls for the elimination of the agency's climate change research.

Impacts of Substantial Cuts in Science and Research Programs

Among other impacts, these cuts would:

- Impede the agency's capacity to provide science used in developing standards and regulatory protections, as directed by Congress;
- Delay site-specific assessments used for cleaning up hazardous wastes on properties across the United States;
- Reduce the EPA's ability to fund and leverage outside research done by labs and universities across the country to identify new environmental technologies and more efficient ways to protect the environment;
- Prevent the agency from better understanding and addressing complex environmental problems such as non-point source pollution, chemical interactions, or emerging sources of risk such as nanoparticles; and
- Reduce funding for the Science Advisory Board, a panel of external experts that provides independent advice to the agency.

The FY2018 proposed cuts would weaken ORD and EPA's capacity to protect the American public, but also would be felt in state and local governments, where science is an essential component of most environmental protection decisions. One example is Integrated Risk Information System (IRIS) assessments of chronic human health effects, in simple words systems for understanding human reactions to long, continued exposure to hazardous substances, such as contaminated ground water, drinking water, hazardous waste, and municipal waste.

Specific Cuts

The Budget Blueprint provides only the overall funding level for ORD, but additional details on cuts to specific science and technology programs is provided in the earlier Passback. Because proposes steeper overall cuts in EPA funding than the Passback, the cuts underlying the Blueprint are likely more severe than described below.

The Passback calls for an overall 32% cut, from \$735 million in FY2016 to \$498 million in FY2018, to EPA's Environmental Science and Technology (S&T) account, which funds ORD's research and other EPA offices' science, technology and other programs. The Passback also indicated the following cuts to specific ORD programs, subject to the caveat just mentioned:

50% cut in the Air, Climate and Energy research program from \$92 million in FY2016 to \$46 million in FY2018 would drastically reduce the EPA's ability to understand how humans and the environment in general are affected by air pollution; provide analysis and data to understand which pollutants to control and at what levels; and prepare the country and communities to respond to climate changes and air quality. This information is needed to help individuals, communities and governmental agencies make public health decisions essential to their health and well-being.

The air research program is one of the EPA's biggest success stories with estimated economic, social and environmental benefits far outweighing the estimated costs. Air quality protections set in place by EPA have provided health and economic benefits estimated to reach almost \$2 trillion for the year 2020,⁸¹ compared to estimated costs of roughly \$65 billion in the same time period. Past investment in the underlying science supporting this program has had enormous returns; compliance with the Clean Air Act requires continued investment.

35% cut in the Safe and Sustainable Water research program from \$107 million in FY2016 to \$70 million in FY2018 would prevent the EPA from developing and using the science needed to ensure safe drinking water and protect and restore water resources and their designated uses (e.g., drinking water, aquatic life, recreation, and industrial processes). Clean water is a basic precondition of life; EPA science helps guard that critical resource.

46% cut in the Sustainable and Healthy Communities research program from \$140 million in FY2016 to \$76 million in FY2018 would deal a fatal blow to a program that provides data and tools (data, methods, and indicators, and decision tools) to assist communities assess and address community and ecological health. The impacts will be felt in children's health studies and ecological research on the "ecosystem services" that wetlands, urban tree cover, pollinators, and green spaces provide human life in the form of natural flood control, cleaner air and water, protections from heat, and economic benefit. This research develops and demonstrates new and improved techniques for environmental protection, as EPA is required to do by law.

31% cut in the Chemical Safety for Sustainability research program from \$89 million in FY2016 to \$62 million in FY2016 would make it difficult for the EPA to fulfill one of its core missions – evaluating the potential impacts on human health and the environment of thousands of chemicals in existence and under development. EPA program offices depend on this research to develop the scientific knowledge, tools, and models needed to conduct integrated, timely, and efficient chemical evaluations.

28% cut in the Human Health Risk Assessment, within the Chemical Safety for Sustainability account, research program from \$38 million in FY2016 to \$27 million in FY2018 would prevent the EPA from

⁸¹ The Benefits and Costs of the Clean Air Act from 1990 to 2020, U.S. Environmental Protection Agency Office of Air and Radiation, March 2011 available at <https://www.epa.gov/sites/production/files/2015-07/documents/summaryreport.pdf> (accessed 03/15/2017)

supporting state and local governments, as well as EPA itself with timely, credible assessments of the impacts of individual chemicals and chemical mixtures on human health. These assessments are needed to support priority risk management decisions.

Elimination of Science to Achieve Results (STAR) Program

The Blueprint implies that STAR grants would be eliminated. This fellowship program has provided support since 1995 for graduate students pursuing advanced degrees in environmental science, promoting this important facet of education in science, technology, engineering and mathematics and developing the next generation of environmental scientists. This program also produces studies that assist EPA in its mission.

VII. Programs to Protect America's Greatest Water Bodies Zeroed Out

America's majestic great waters -- the Chesapeake Bay, the Great Lakes, the Gulf of Mexico, Puget Sound, the San Francisco Bay, and many more -- are part of our national identity. They are part of what makes America great, offering vistas to vacationers, recreation for boaters, fish and seafood for our dinner tables, ecosystems that support game and other wildlife, and in some cases, drinking water for our cities and towns. But the health of these ecosystems is jeopardized by pollution from a complex range of causes including urban runoff, farm runoff, atmospheric deposition of air pollutants, and other pollution sources.

For decades, EPA's geographic programs have provided federal leadership to help reduce the complex pollution problems that degrade the quality of America's great water bodies and harm wildlife habitat. EPA's programs for major bodies of water across the country are the unifying linchpin that brings together the energy and resources of federal, state, tribal and local governments, businesses and other organizations to clean up waterways and lands, prevent further pollution and restore habitat. These large collaborative efforts have far reaching benefits within their entire drainage basins and beyond, helping to clean up tributary rivers and waterways, and bolstering local economies.

All these geographic programs would be eliminated in President Trump's budget proposal. The programs, which received a total of \$427 million in FY2016, work to protect and restore the **Chesapeake Bay** (\$73 million in FY2016), **Puget Sound** (\$28 million), the **Great Lakes** (\$300 million), the **Gulf of Mexico** (\$4.5 million), **Lake Champlain** (\$4.4 million), **Long Island Sound** (\$3.9 million), **South Florida** (\$1.7 million), **San Francisco Bay** (\$4.8 million), **Lake Pontchartrain** in Louisiana (\$1 million), and **South New England Estuary** (\$5 million).

The FY2018 "Budget Blueprint to Make America Great Again" says that eliminating these programs "returns the responsibility for funding local environmental efforts and programs to State and local entities, allowing EPA to focus on its highest national priorities." This statement seems to imply that the United States does not have a national interest in helping states to protect our nation's greatest bodies of water, which have environmental and economic significance for states beyond those that they border. Most of EPA's geographic programs require government coordination across multiple states, if not across international boundaries, to solve large and complex problems -- a classic federal role. The effect of the proposal would reduce federal expenses by leaving the costs of protecting and restoring nationally significant waters to states.

Below are nutshell descriptions of a few geographic programs, as well as a list of 28 estuaries protected through by a related EPA program that works through local partnerships.

Chesapeake Bay Program. The Chesapeake Bay is the country's largest estuary; its watershed is home to nearly 18 million people. Through this \$73 million program EPA works with other federal agencies, states, nonprofit organizations and academic institutions to coordinate restoration of the Bay and watershed. The partnership includes six states and the District of Columbia, a tri-state commission, and multiple advisory groups. The work of the program includes non-regulatory, collaborative efforts as well as implementation of the "Total Maximum Daily Load" established under the Clean Water Act, which serves as the watershed's "pollution diet."⁸²

⁸² See <https://www.epa.gov/chesapeake-bay-tmdl>

After many years of hard work, the efforts to restore the Chesapeake Bay are beginning to pay off and it is seen by experts as reaching a tipping point. Measurable improvement is being seen in pollution levels, habitat and fisheries. According to the Chesapeake Bay Foundation, "We are seeing the clearest water in decades, regrowth of acres of lush underwater grass beds, and the comeback of the Chesapeake's native oysters, which were nearly eradicated by disease, pollution, and overfishing. ... [I]t is also important to note that the Bay is not saved yet and that progress is not consistent throughout the region."⁸³

With the help of the program, the Bay's iconic blue crabs have increased dramatically in just a few years. Results like these increase jobs in tourism, recreation, and fish/shellfish industries, renewing work opportunities for waterman, processors, packers, restaurant workers and other tourism related work and in many small businesses.⁸⁴ The program also generates environmental clean-up and monitoring jobs in Pennsylvania, Maryland, and Virginia through sewage and water system improvement projects.

Puget Sound Program. This program for restoration of the country's second-largest estuary, home to over 4 million people, is a collaboration involving federal, state and local governments as well as the Canadian environmental agency, as well as many other organizations.⁸⁵ It provides grants to support work led by seven lead organizations such as the Puget Sound Partnership (created by the Washington state legislature) and the Northwest Indian Fisheries Commission to oversee and coordinate work on ecosystem restoration, improvements to land practices and water quality monitoring. The work includes activities such as restoring salmon habitat and shellfish beds, managing stormwater runoff and restoring wetlands. The program benefits tribes through funding to help them exercise treaty rights to fish for subsistence and other purposes; its elimination is part of a pattern of devaluing assistance to particularly vulnerable populations (see Section VIII).

The Great Lakes Restoration Initiative. This multi-state and international program is a comprehensive restoration effort addressing problems ranging from industrial pollution to invasive species, habitat restoration and nonpoint runoff.⁸⁶ The program works across the world's largest group of freshwater lakes -- 21% of the world's surface water supply. More than 30 million people live in the basin, and the lakes serve as the drinking water source for over 40 million people. More than 140 different federal programs, eight states, municipalities, nearly 40 Tribal Nations, and countless organizations work together under the EPA-led effort.

The program is an international collaboration as well as an interstate one. Eliminating the program would threaten the ongoing efforts of the many U.S. and Canadian participants. The latter include the Province of Ontario, Canada, and many communities north of the border that contribute to the effort. These programs fund grants to states and tribes for their restoration efforts, grants to NGOs for informing and involving the public in related decision-making, cooperative agreements with universities, and contracts.

Gulf of Mexico. The Gulf boasts **33 major river systems (including the Mississippi)** and 207 estuaries emptying into the sea. The Gulf of Mexico Program, a multiparty collaborative effort with a budget of

⁸³ <http://www.cbf.org/about-the-bay/state-of-the-bay-report-2016>

⁸⁴ Debunking the "Job Killer" Myth: How Pollution Limits Encourage Jobs in the Chesapeake Bay Region, Chesapeake Bay Foundation, December 2011. <http://www.cbf.org/document.doc?id=1023>

⁸⁵ <https://www.epa.gov/puget-sound>

⁸⁶ <https://www.epa.gov/great-lakes-funding/great-lakes-restoration-initiative-glri>

\$5 million, works with states to maximize the efficiency and utility of water quality monitoring efforts for local managers. It focuses on voluntary, non-regulatory actions and solutions based on sound scientific and technical information. Its work to restore habitat -- especially related to wetlands, coastal prairies and stream banks corridors -- provides protection from storm damage, supporting commercial and recreational fisheries, providing nesting and foraging habitat for birds and other wildlife, protecting pollinators and improving water quality for recreational use, aquatic life and residents. For example, a goal for 2016, to restore 150 acres, resulted in restoring over 700 acres.⁸⁷

Smaller Geographically Focused Estuary Programs

Beyond these large geographic programs explicitly designated for elimination, EPA’s water program runs the 28 estuary programs listed below. Although generally smaller in scale, they are similar to the programs discussed previously in that they involve cooperation across federal agencies and with other levels of government to provide social, health, environmental and economic benefits in coastal communities. Although the Blueprint does not specify a funding level for these programs, the 34% cut in the preliminary Passback indicates that the Administration is likely to propose deep cuts to the National Estuary Program/Coastal Waterways account when the full budget is released in May. (For more program information, see Section V).

Albemarle-Pamlico National Estuary Program Barataria-Terrebonne National Estuary Program Barnegat Bay Partnership Buzzards Bay National Estuary Program Casco Bay Estuary Partnership Charlotte Harbor National Estuary Program Coastal Bend Bays and Estuaries Program Delaware Center for the Inland Bays Galveston Bay Estuary Program Indian River Lagoon National Estuary Program Long Island Sound Study Lower Columbia Estuary Partnership Maryland Coastal Bays Program Massachusetts Bays National Estuary Program Mobile Bay National Estuary Program	Morro Bay National Estuary Program Narragansett Bay Estuary Program New York-New Jersey Harbor Estuary Program Partnership for the Delaware Estuary Peconic Estuary Program Piscataqua Region Estuaries Partnership Puget Sound Partnership San Francisco Estuary Partnership San Juan Bay Estuary Partnership Santa Monica Bay Restoration Foundation Sarasota Bay Estuary Program Tampa Bay Estuary Program Tillamook Estuaries Partnership
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⁸⁷ <https://www.epa.gov/gulfofmexico/gulf-mexico-program-2016-annual-report>

VIII. Programs for Disadvantaged Communities Targeted for Elimination

Several of the Trump Administration's proposed budget cuts are directed at programs that provide environmental protection to low income, minority and other vulnerable or overburdened communities. No specific explanation for these cuts is given in the Budget Blueprint, but the cuts would so disproportionately affect those communities that there appears to be a conscious decision that they do not warrant EPA's attention. These programs, which have been maintained through several previous administrations, include the environmental justice program, funds for safe drinking and wastewater infrastructure for Alaska Native Villages and for the U.S.-Mexico Border environmental protection program. Grants to tribes that implement environmental programs and serve similar communities suffer the same deep cuts as those for states (discussed in Part III).

The Environmental Justice Program

The environmental justice (EJ) program is not mentioned in the Budget Blueprint, but the budget reflected in the Passback eliminates the Office of Environmental Justice, all of its staff positions and most of the program's funding. According to the Passback, the program would in theory continue in EPA's general Office of Policy, which does not have any institutional expertise in this area, with minimal resources and no dedicated staff. The plan clearly intends to eliminate the program in all but name. The amount of the reduction proposed in the Passback would be \$ 5.2 million, leaving only \$1.5 million in funding (and again, no dedicated staff). It should also be noted that the Budget Blueprint's steeper overall cut to EPA's budget (31% instead of the Passback's 25%) might come at the expense of what little funding the Passback proposes for an EJ program.

The focus of environmental justice is on addressing disproportionately high and adverse human health or environmental effects of EPA actions on minority and low-income communities and indigenous peoples.⁸⁸ EPA recognizes that such communities may be particularly vulnerable to environmental and public health challenges and have historically borne a disproportionate share of environmental harms and risk. Thus, as EPA carries out its mission to protect the health and environment of all people in every corner of our nation, its EJ program helps the Agency do its job fairly (and target its resources effectively) by focusing attention on the environmental and public health issues and challenges confronting the nation's minority, low-income, tribal and indigenous populations. This helps to make our vulnerable, environmentally burdened, and economically disadvantaged communities healthier, cleaner and more sustainable places in which to live, work, play and learn.

Consequences: EPA has worked for more than two decades to ensure that vulnerable and overburdened communities receive the same environmental protections as everyone else, consistent with EPA's EJ policy of ensuring that all people, regardless of race, color, national origin, or income, receive fair

⁸⁸ Further information on the program can be found at https://www.epa.gov/sites/production/files/2016-05/documents/052216_ej_2020_strategic_plan_final_0.pdf, and at <https://www.epa.gov/environmentaljustice>. Recent press coverage includes: <https://insideclimatenews.org/news/09032017/epa-environmental-justice-mustafa-ali-flint-water-crisis-dakota-access-pipeline-trump-scott-pruitt>; and https://www.washingtonpost.com/news/energy-environment/wp/2017/03/01/white-house-proposes-cutting-epa-staff-by-one-fifth-eliminating-key-programs/?utm_term=.0e7a446eb81b

treatment and equal environmental protection. For example, EPA's EJ program works with other offices to focus attention on problems facing EJ communities such as safe drinking water challenges in underserved communities, safe air for communities with poor air quality and low-income populations, human exposure to contamination at hazardous waste sites, with emphasis on minority, low-income and vulnerable communities, and protecting our nation's farm workers from harmful pesticide exposure. EPA's EJ program likewise recognizes that low-income and minority children tend to live in areas still facing tremendous risk from lead exposure, and works to eliminate disparities in childhood blood lead levels as an integral part of reducing lead exposure for all people. Without the EJ program, already overburdened low income and minority communities would again be at risk of disproportionate environmental burdens.

The EJ program also includes grant programs like the EJ small grants or Collaborative Problem Solving programs, which have assisted over 1,400 communities. Part of the environmental justice program's strategy has been to help leverage its relatively small grants into large programs. Spartanburg, South Carolina, for example, received a \$20,000 environmental justice grant to help clean up contaminated industrial sites. Spartanburg ultimately raised more than \$270 million from public and private sources and used the recovered land to build housing, a job training facility and health centers creating jobs and reinvigorating the community. EPA gave a small grant to Tonawanda, New York, to conduct ambient air monitoring. The grant ultimately led to a criminal case that EPA brought against Tonawanda Coke Corporation for high levels of dangerous benzene emissions. Without the EJ program, this kind of assistance would not be available to ensure full environmental protection for low income, minority, and indigenous communities.

Alaska Native Villages

The Administration's Budget Blueprint proposes to provide "robust funding for critical drinking and wastewater infrastructure" to further "the President's ongoing commitment to infrastructure repair and replacement," but nevertheless *eliminates* funding for the Alaska Rural and Native Village (ANV) infrastructure grant program, which received roughly \$20 million in FY2016.

This program funds infrastructure for drinking water and sanitation for ANV communities that lack access to these very basic services.⁸⁹ The State of Alaska then allocates the funds among the villages, using a risk-based prioritization process to direct funding to projects that will have the greatest public health and environmental benefit. Funds may also be provided for technical and financial training assistance to help communities maintain and protect their water infrastructure.

Consequences: Rural Alaska contains over 280 isolated villages scattered across an area more than twice the size of Texas. Populations in these communities are predominantly Native. Many of the communities receiving such assistance are low-income, have high rates of unemployment, frequently exceeding 50%, and are based in remote locations, in some cases only accessible by water and air.

The state estimates that one family in three still does not have access to a sanitary means of sewage disposal or an adequate supply of safe drinking water in their homes. For members of these families, buckets or pit privies are the only methods for disposing of human waste, and individuals must haul

⁸⁹ See <http://dec.alaska.gov/water/vsw/pdfs/vswbrief.pdf> and https://www.epa.gov/sites/production/files/2016-04/documents/2015annualreport_anv_final_3_31_15.pdf

water from community watering points or untreated sources such as creeks or rivers increasing human exposure to such waste. As a result, the age adjusted infectious disease hospitalization rate for Alaska natives has been 28 percent higher than the national average, with a higher disparity for infants. Infectious disease hospitalizations have accounted for approximately 22 percent of all Tribal and ANV hospitalizations, with lower respiratory tract infections, skin and soft tissue infections, and infections of the kidney, urinary tract, and bladder contributing to most of these health disparities.

The funding provided by this program supports basic drinking water and sanitation infrastructure (i.e., flushing toilets and running water) critical to protecting human health in vulnerable rural and Native Alaska communities that disproportionately lack such services. A 2008 study conducted by the Centers for Disease Control and Prevention found that health disparities associated with lack of in-home water service could be addressed through sanitation infrastructure. Both water borne disease rates and health care costs have decreased through the reduction of exposure to raw sewage and drinking water contaminants. Villages that receive funding from the ANV program for the construction of sanitation facilities have a lower risk of skin infections and respiratory illnesses and an overall improvement in daily well-being.

Until recently, the Kwethluk Community was the largest underserved community in Alaska, with limited access to drinking water and no wastewater infrastructure. A total of 181 homes lacked access to drinking water and wastewater infrastructure. Community members self-hauled potable water from a central distribution point and disposed of human waste using open buckets that were transferred in collection containers via ATV to a lagoon outside of town. These conditions presented major health risks, as spills were common and contamination was spread throughout the community by rain and airborne dust. In 2009, the ANV program and other partners funded the construction of water source, water treatment facilities, water storage, water distribution, sewer collection, sewer treatment and plumbing to each Kwethluk home.

U.S.-Mexico Border program and border infrastructure grants

The Budget Blueprint would eliminate the U.S.-Mexico Border Program (which has a current budget of approximately \$3 million, and, despite its stated goal of funding critical drinking and wastewater infrastructure, would also eliminate a program of infrastructure grants to the Border area (for which the FY2016 level was \$10 million).

The 2,000-mile border between the United States and Mexico faces high poverty rates, accounting for three of the ten poorest counties in the U.S., Twenty-one of the border counties have been designated as economically distressed areas, and the border region has an unemployment rate 250-300 percent higher than the rest of the United States. More than half the people in the border region live in the U.S., and over 430 thousand of the 14 million people in the region live in 1,200 colonias, which are unincorporated communities characterized by substandard housing and unsafe drinking water. A significant number of residents along the U.S.-Mexico border area are without basic services such as potable water and wastewater treatment and the problem was becoming progressively worse before the border program was established. The area is rapidly growing, which puts additional stress on the environment on both sides of the border, and, of course, environmental problems on one side of the border can cause serious harm on the other side.

Border 2020

The border program, called “Border 2020”, aims to cooperatively improve environmental conditions on both sides of the border, recognizing the serious environmental problems facing the border area.⁹⁰ Because environmental problems do not respect international boundaries, addressing problems on the U.S. side of the border may require actions in Mexico. The program aimed at protecting underserved communities and sensitive populations, on both sides of the border by working toward five specific goals: reducing air pollution; improving access to clean and safe water; promoting materials management, waste management, and clean sites; enhancing joint preparedness for environmental response; and enhancing compliance assurance and environmental stewardship.

Consequences: Some border area residents suffer health problems that may be closely linked to poor air and water quality, improper management of pesticides, and illegal or inadequate disposal of solid and hazardous waste. The elderly and children are especially at risk. Tribal communities, indigenous communities and the residents of settlements lacking infrastructure are also at considerable risk, as they are more likely to have inadequate water supply and treatment systems, and to lack mechanisms for the proper management of solid and hazardous waste. The Border Program developed cooperative measures to address such problems.

For example, the U.S. and Mexico have been pursuing the goal of clean air for the border area by working cooperatively to reduce air pollution in both countries through a wide range of measures to reduce vehicle emissions. The program also focused on progress toward attainment of national ambient air quality standards in transboundary airsheds, including areas where poor air quality in Mexico may make attainment difficult in the U.S.: San Diego/Tijuana, Imperial County/Mexicali, Ambos Nogales, and Paso del Norte (El Paso/Juarez/Sunland Park) and on maintaining effective air monitoring networks and providing real-time access to air quality data in transboundary airsheds. Eliminating funds to support these efforts will make it difficult for cities on the U.S. side of the border to address their air quality problems or meet air quality standards.

Transboundary water quality impairments that threaten human health and cannot be addressed solely through increased wastewater treatment and infrastructure are common throughout the border region. Under the Border Program, the U.S. and Mexico had been pursuing clean water by focusing on specific pollutants in high priority waterbodies and watersheds, pollution prevention, urban planning and stormwater-control best management practices on both sides of the border. The Program also helped drinking water and wastewater utilities implement sustainable infrastructure practices to reduce operating costs, improve energy efficiency, use water efficiently, and adapt to climate change; work to reduce surface water contamination in transboundary waterbodies and watersheds; and provide the public with timely access to water quality data. Eliminating border funding will set back these efforts to protect the environment in the U.S.

Border infrastructure grants

Infrastructure Grants are used to fund planning, design, and construction of high-priority water and

⁹⁰ See https://www.epa.gov/sites/production/files/documents/border2020-factsheet_0.pdf;
<https://www.epa.gov/border2020/what-border-2020>;
https://www.epa.gov/sites/production/files/documents/border2020summary_0.pdf

wastewater treatment facilities for underserved communities along the border to reduce exposure to raw sewage and drinking water contaminants. To be eligible for funding, all projects, whether in the U.S. or Mexico, must demonstrate that they will provide a positive public health and/or environmental benefit to the United States.⁹¹

Consequences: The close proximity and intermingling of border communities with poor quality drinking water and sanitation poses a serious risk of disease transmission. Untreated sewage flowing north into the U.S. from Mexico can pollute important U.S. and shared water bodies. The U.S. and Mexican governments have collaborated on water infrastructure projects that have reduced health risks to residents, including sensitive populations of children and elders, many of whom have lacked access to safe drinking water and sanitation. Wastewater projects in Mexico eligible for funding have addressed sewage that would otherwise contaminate a U.S. waterbody because it is easier to prevent contamination than to clean up a waterbody after it has become contaminated. This approach benefited the U.S. by improving the quality of U.S. water bodies and shared waters and reducing health risk to the U.S. population.

EPA investments in wastewater projects have protected public health from waterborne diseases and have been a key factor in significant water quality improvements in U.S. waterbodies. In both the New River (California) and the middle Rio Grande (New Mexico), for example, fecal coliform levels have dropped by over 80 percent due to construction of jointly-funded wastewater treatment plants built in Mexicali and Ojinaga, Mexico, respectively. California beaches in the border region that were once closed throughout the year due to wastewater pollution from Mexico now remain open throughout the summer, reducing health risks to beachgoers and providing an economic benefit for local governments. The Santa Cruz (Arizona) River now supports a healthy fish population where a few years ago only bloodworms thrived.

Grants for Tribal Environmental Programs

As discussed in Section III, the proposed budget reduces funding for categorical grants to states and tribes by roughly 45%. A closer look at the impact of these cuts on tribal programs is important because, like the other programs discussed here, they primarily serve disadvantaged communities. The bulk of categorical financial assistance to tribes is through the Indian Environmental General Assistance Program (GAP), which provides grants to help tribes develop the capacity to operate environmental protection programs, and Tribal Air Quality Management Grants. Together, these grant programs have a current budget of approximately \$ 78 million.⁹²

⁹¹ For further information see: https://www.epa.gov/sites/production/files/2015-02/documents/epa_fy_2016_congressional_justification.pdf at 838-841; <https://www.epa.gov/border2020/water-policy-forum>; <http://kpbs.media.clients.ellingtoncms.com/news/documents/2012/12/18/English-GNEB-15th-Report.pdf>; <https://www.epa.gov/border2020>; https://www.epa.gov/sites/production/files/2016-02/documents/us_mexico_border-annual_report_2014.pdf; <https://www.epa.gov/small-and-rural-wastewater-systems/us-mexico-border-water-infrastructure-grant-program>

⁹² See <http://govinfo.library.unt.edu/ngisc/reports/6.pdf>; <https://www.epa.gov/tribal>; <http://digitalcommons.law.seattleu.edu/cgi/viewcontent.cgi?article=1234&context=sjsj>

Consequences: According to U.S. government figures, the rates of poverty and unemployment among Native Americans are the highest of any ethnic group in the U.S., while per capita income, education, home ownership, and similar indices are among the lowest. A 1999 study reported that some 90,000 Native American families were homeless or living in substandard housing and that one out of five Indian homes lacked plumbing. While there is a general lack of comprehensive health care data on Tribes and their members, some reported statistics suggest an alarming disparity in the health status of AI/ANs compared to the general population in the United States, with much higher death rates for diabetes mellitus, tuberculosis, pneumonia and influenza.

Most tribes have not developed and implement strong regulatory schemes for the protection of the environment, and lack the resources to do so. The GAP program provides funding and technical assistance to tribes to cover costs of planning, developing, and establishing Tribal environmental protection programs to protect reservation environments. GAP currently supports Tribal capacity through financial assistance to more than 520 Indian Tribal governments and intertribal consortia. GAP has helped tribes receive 95 program delegations, approvals, and primacies for tribes to administer a variety of programs across a number of statutes, including the Clean Water Act, Safe Drinking Water Act, and the Clean Air Act. Tribes also have used GAP funds to build their capacity to assist the EPA in implementing federal environmental programs in the absence of an EPA approved Tribal program. As of FY2014, 24 tribes had active agreements to work in support of the EPA's direct implementation activities. Similarly, the EPA also has been able to certify Tribal inspectors for various federal compliance programs. GAP also supported tribes with the development of their waste management programs with over 147 tribes having established Integrated Waste Management Plans. Other grants provide funding for tribes to implement federal environmental programs on reservations in much the same way as state environmental agencies do elsewhere. For example, tribes can use assistance for tribal air quality management to develop and implement air pollution control programs for Indian country to prevent and address air quality concerns.

For agencies that are still developing strong programs, a 45% drop in this assistance would be crippling to the tribes' ability to protect the environment in Indian country and the vulnerable and overburdened communities who live there.

IX. Enforcement Cut at Cost of More Pollution and Less Accountability

The success of efforts in the U.S. to improve the public's health through clean air, clean water, and limits on exposure to a variety of hazardous materials is often contrasted with the dismal state of air and water in Beijing. The hazardous levels of fine particulates in the air and the fact that nobody can safely drink the water are as much or more a failure to enforce existing laws as a failure to pass more effective environmental protection laws.

The Trump Administration's Budget Blueprint proposes a 24% cut to EPA's enforcement budget. The Passback indicates that reductions may range from 13% in compliance monitoring functions to a complete elimination of the Superfund Federal Facility Enforcement program. These cuts would come on top of past reductions by Congress which have already shrunk the size of EPA's enforcement office. The impact of the proposed budget cuts to enforcement overall is even greater when the reductions in state categorical grants for the air, water and other programs are taken into account, as those grants support state enforcement.

Why is enforcement important?

Understanding the implications of these budget cuts requires an understanding of the importance of enforcement, and why an EPA enforcement program is critical, even when states carry out many federal environmental programs.

Many would like to think that today's enlightened corporate culture demands that companies subject to laws that protect the public from pollution will comply with those laws. The recent scandal involving Volkswagen, however, is a clear sign that's not always true and that there must be a strong watchdog. The temptation to pad the bottom line, to gain a competitive advantage, or to avoid investment that only returns health benefits, not profits, is a strong motivator to people up and down the corporate chain to violate environmental laws, especially if they think they will get away with it.

Why is EPA enforcement important?

EPA enforces the laws and regulations that control pollution under all the major federal environmental laws. In many cases, EPA shares enforcement responsibility with state or local agencies. Under this structure, while states carry out the majority of enforcement cases, EPA serves as a backstop to help ensure that there is a level playing field on a national scale. EPA also can provide technical and legal expertise, especially when smaller state or local agencies are overwhelmed by well financed, multi-national companies. EPA, because of its national scope, can discern trends and problem areas across industry sectors, and can investigate and take action across State lines. For example, the millions of tons of pollution reduced, via EPA's power plant enforcement initiative, from coal-fired power plants, owned by a few dozen, mostly multi-state companies, would have been difficult or impossible for any single state to achieve. States often join EPA in pursuing these cases.

In many other cases, EPA is the only government entity with the legal ability to enforce the law. For example, without EPA's enforcement, companies could avoid reporting, or minimize the reported amount of toxic materials released to the environment (such reporting is required by the Pollution Prevention Act). Many tribes don't have the capacity to enforce environmental laws, so, again, EPA

must engage in the whole gamut of enforcement activities, from compliance assistance, to inspection, to assessing fines for violations.

What laws does EPA enforce?

EPA currently spends significant resources enforcing the following statutes:

Clean Air Act

Clean Water Act

Safe Drinking Water Act

Superfund (CERCLA)

Resource Conservation and Recovery Act

EPA also enforces a number of other laws, including the Emergency Planning and Community Right to Know Act, the Toxic Substances Control Act, the Federal Insecticide, Fungicide, and Rodenticide Act, and the Oil Pollution Act.

What results have EPA's enforcement achieved?

- Under the Clean Air Act, Volkswagen agreed to pay \$4.3 billion in civil and criminal penalties for selling about 590,000 vehicles that emitted illegal amounts of smog-causing NOx. Volkswagen will also invest \$4.7 billion in activities to reduce emissions, and \$10 billion to take polluting cars off the road.⁹³
- Under the Clean Water Act and the Oil Pollution Act, BP agreed to pay over \$14 billion, most of which will go to restore the environment and communities in Gulf states, for violations caused by the Deepwater Horizon explosion.⁹⁴
- Duke Energy pled guilty to criminal violations of the Clean Water Act for actions that included the massive spill of coal ash into the Dan River, a drinking water source, in North Carolina. Duke paid \$102 million, which included a \$68 million criminal fine and \$34 million for environmental restoration.⁹⁵
- Under the Superfund law, GE agreed in 2005 to clean up PCB contamination it caused of the Hudson river and reimburse the government for millions of dollars in cleanup-related costs paid by taxpayers. GE also has also paid continuing costs of investigation and remediation of Hudson River Contamination, including a further \$20.5 million in 2014.⁹⁶
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In certain cases involving criminal behavior, the Department of Justice (DOJ), with EPA support, brings criminal cases against violators of environment laws. DOJ has filed criminal charges against some Volkswagen officials responsible for designing a system to mislead regulators and consumers.⁹⁷ EPA

⁹³ <https://www.epa.gov/enforcement/volkswagen-clean-air-act-civil-settlement>

⁹⁴ <https://www.epa.gov/enforcement/deepwater-horizon-bp-gulf-mexico-oil-spill>

⁹⁵ <https://www.justice.gov/opa/pr/duke-energy-subsiaries-plead-guilty-and-sentenced-pay-102-million-clean-water-act-crimes>

⁹⁶ https://www3.epa.gov/udson/consent_decree/2005factsheet.htm

⁹⁷ <https://www.nytimes.com/2017/01/11/business/volkswagen-diesel-vw-settlement-charges-criminal.html>

helped DOJ successfully prosecute people from companies that fraudulently claimed to make renewable fuels and sold worthless credits for that “fuel.”⁹⁸

What would these budget cuts do to enforcement?

Proposed reductions in EPA’s enforcement budget would severely impact the efficacy of U.S. public laws that protect public health and the environment. With fewer “cops on the beat,” civil and criminal violations will increase. If the civil enforcement budget is slashed across the board that will significantly reduce EPA’s ability to enforce the law. With fewer inspectors, compliance officers, and attorneys trained in enforcement, EPA will be limited in its ability to monitor compliance and bring necessary enforcement actions against polluters. Without a viable threat of enforcement, with the associated penalties and bad publicity, even the best companies will be tempted to reduce their funding for environmental compliance. In fact, well-run companies benefit from EPA’s enforcement program because it keeps the playing field level. Companies that comply will be put at a disadvantage if their competitors do not comply and no one is there to enforce.

The Passback’s proposed 20% reduction in criminal enforcement is especially troubling because criminal liability is what provides the greatest disincentive to those inclined to disobey the law, and addresses the most serious cases. If potential violators know that there are fewer cops on the beat, they will become more brazen. While civil fines are an irritant to a big company, criminal fines and incarceration are a known, substantial deterrent.

Equally troubling is the Passback’s proposed reduction in compliance monitoring. Much of what EPA does is monitor compliance and make this information available to the public so residents can find out what is happening in their communities.⁹⁹ If the proposed budget cuts take effect, this will likely reduce the amount of information EPA can collect and make public.

It is likely that the Trump Administration will argue that EPA’s enforcement program is unnecessarily large because it overlaps or intrudes on the efforts of the states (and some tribes) which have assumed responsibility for enforcement of many environmental laws. As discussed above, states often join EPA in its enforcement actions and EPA has abilities that states do not. Moreover, while the Administration proposes to shift more enforcement responsibilities to the states, it also calls for significant *reductions* in the grants that fund those state efforts.

In short, the Trump Administration’s proposed cuts to EPA’s enforcement budget are unwarranted and would substantially dial back the progress our nation has made since the early 1970s when President Nixon signed many of the federal environmental laws that have protected Americans for more than four decades and that make the U.S. one of the cleanest industrialized countries in the world.

⁹⁸ <https://www.justice.gov/opa/pr/owners-biofuel-company-plead-guilty-conspiracy-and-fraud-charges>

⁹⁹ <https://echo.epa.gov/>

APPENDIX

**PARTIAL LIST OF PROGRAMS PROPOSED FOR ELIMINATION
BY THE ADMINISTRATION
(Based on Budget Blueprint and OMB Passback Document)**

<p><u>Climate-Related Voluntary Partnership Programs</u> The Passback states that 14 programs will be eliminated; only two are identified in the Budget Blueprint: Diesel Emissions Reduction Program grants (DERA), and Energy Star (which is to be privatized). The others are not named, but among the current voluntary climate programs are:</p> <ul style="list-style-type: none"> • Agstar • Coalbed Methane Outreach Program • Combined Heat and Power • Green Power Partnership • Green Chill • Green Vehicle Guide • High Global Warming Potential Voluntary Programs • Responsible Appliance Disposal • Smartway 	
<p><u>Geographic programs</u> Chesapeake Bay Program Great Lakes Restoration Initiative Gulf of Mexico Program Lake Champlain Program Long Island Sound Program Puget Sound Program San Francisco Bay Program South Florida Program</p>	<p><u>State grant programs</u> Multipurpose grants Targeted airsheds U.S.-Mexico border targeted watershed Beach water quality testing Radon Brownfields project grants</p>
<p><u>Other programs</u> Alaska Native Villages E-Manifest E-Enterprise Endocrine Disruptor Screening Environmental education (largely defunded, zero staff) Environmental justice (largely defunded, zero staff)</p>	<p><u>Other programs (continued)</u> Federal Facilities Enforcement Office Indoor Air Radon Program Small minority business assistance U.S.-Mexico Border U.S. -Mexico Water Infrastructure Grants Water Sense</p>