

US EPA ARCHIVE DOCUMENT

**TESTIMONY OF ROBERT PERCIASEPE
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U.S. ENVIRONMENTAL PROTECTION AGENCY
BEFORE THE
HOUSE COMMERCE
SUBCOMMITTEE ON FINANCE AND HAZARDOUS MATERIALS
AND
SUBCOMMITTEE ON HEALTH AND ENVIRONMENT
March 30, 2000**

Chairman Oxley, Chairman Bilirakis and Members of the Subcommittees, I am pleased to be here today to present the Clinton-Gore Administration's FY 2001 budget request for the Environmental Protection Agency(EPA). I am joined today by Assistant Administrators for major programs in the Environmental Protection Agency. We appreciate the opportunity to discuss the FY 2001 request for our respective programs, present an overview of the accomplishments of these programs, and respond to questions.

I speak for all of my colleagues today when I express my thanks to your two Subcommittees for working with our respective Program Offices over the years. While we may not have agreed on every issue and policy, we know that the members of the Subcommittees do share our goal of protecting the public health and the environment.

EPA's \$7.3 billion request, and the \$2.15 billion Better America Bonds program, continue and strengthen the Administration's commitment to the environment and public health by providing our nation's families and communities with cleaner water, cleaner air and an improved quality of life.

The Clinton-Gore budget protects the health and the environment of the American public. Last year, however, Congress "earmarked" from EPA's budget some \$470 million for more than 320 special projects in individual congressional districts. These earmarks direct money from the Agency's core programs - the very programs that keep the environmental cops on the beat, use the best science to set standards to protect our children, and support the work of our partners, the states, tribes and local governments. That is why we are not carrying forward last year's earmarks, and that is why we will continue this year to oppose earmarks.

We also remain strongly opposed to any legislative riders that undermine our country's basic environmental laws. Our goal is to work with this Committee, and others in Congress with jurisdiction over this country's environmental laws, to provide real protections for the Nation. I strongly believe that the authorizing committees, the traditional forum for discussing these issues, should again guide the process.

By providing our children and our communities with cleaner air, cleaner water and an improved quality of life, this budget maintains the Administration's dedication to the protection of public health and the environment. This budget ensures that the EPA will aggressively build

on seven years of unprecedented environmental progress accomplished during the Clinton-Gore Administration.

Over the past seven years of unprecedented economic progress, this Administration, working with Congress, has distinguished itself through unprecedented environmental progress. While each of my colleagues present today will discuss the specifics of their FY 2001 budgets, as well as accomplishments, new investments, and long-term goals, I would like to highlight some of these areas.

Office of Air and Radiation

In 1990, Congress passed the Clean Air Act Amendments with overwhelming support, setting ambitious air pollution reduction goals. Since then, we have achieved unprecedented success in cleaning our nation's air and protecting public health. We have achieved these successes through rulemakings, voluntary measures, market mechanisms, state partnerships, and stakeholder negotiations.

From 1970 to 1997, U.S. Gross Domestic Product has grown by 114 percent, the U.S. population by 31 percent, and the number of miles traveled by on-road vehicles (VMT) by 127 percent. Yet, the aggregate emissions of criteria pollutants -- ozone precursors, particulate matter, carbon monoxide, sulfur dioxide and lead -- are down 31 percent. Emissions are down significantly for each of these pollutants except for nitrogen oxides (Nox), which have increased somewhat. Lead emissions have been cut 98 percent. Most of these declines in emissions can be attributed to implementation of the Clean Air Act. A few prominent examples of Clean Air Act successes since 1990 include the following:

In the Acid Rain program, electric utilities have reduced sulfur dioxide (SO₂) emissions by 22%, or 3.5 million tons, and have cut rainfall acidity in the East by up to 25%.

The U.S. and other developed countries have phased out production of many of the chemicals most harmful to the stratospheric ozone layer, including CFCs. We have estimated that, once completed, the worldwide phase out will prevent approximately 295 million skin cancers in the U.S. through 2075.

The air in our cities is cleaner than it has been in a long time. Nationally, average air quality levels have improved for all five of six common pollutants subject to air quality standards. There have been dramatic reductions in the number of areas violating these standards.

Through our voluntary climate change programs, the American people have enjoyed a significant return on their investment. For every dollar spent by EPA on its voluntary energy efficiency programs, the private sector and consumers

have been encouraged to invest more than \$15.00 in new more efficient technologies; businesses and consumers have saved over \$70.00; and greenhouse gases have been reduced by more than half a ton of carbon equivalent.

FY 2001 Budget Request: The Office of Air and Radiation is requesting a total of \$831 million for FY 2001. Of that total, \$308 million is for grants to states, tribes and localities. \$523 million is for the operating programs.

EPA is also requesting funding in FY 2001 for the Clean Air Partnership Fund. This is a priority for the Administration. We proposed the Fund for the first time last year and we still believe it provides an innovative, yet common sense approach for speeding reductions in pollution. The President's Budget requests \$85 million for the Partnership Fund. The Fund will support demonstration projects by cities, states and tribes that (1) control multiple air pollution problems simultaneously; (2) leverage the original federal funds; (3) facilitate meaningful public involvement, and (4) provide examples that can be replicated across the country. By stimulating innovative technology and policies, the Clean Air Partnership Fund will help communities provide clean, healthful air to local citizens.

To address global warming, the Administration is requesting \$227 million. We are proposing an increase of \$124 million above the FY 2000 enacted budget for the third year of the Climate Change Technology Initiative. Under this budget, EPA will expand its partnership efforts with businesses, organizations, and consumers to achieve greenhouse gas reductions by taking advantage of the many opportunities to reduce pollution and energy bills by fostering energy efficient programs, products, technologies, and cost-effective renewable energy. As a result of work already under way, EPA efforts with FY 2001 funding will:

Reduce greenhouse gas emissions annually by over 66 million metric on carbon equivalent, offsetting about 20% of the growth in greenhouse gas emissions above 1990 levels;

Reduce other forms of pollution, including reducing No_x emissions by about 170,000 tons;

Contribute to developing a new generation of efficient and low-polluting cars and trucks.

The opportunity to save on our nation's \$500 billion annual energy bill over the next decade while reducing air pollution is tremendous. The opportunity to reduce greenhouse gas emissions is also large. We currently expect that more than half of the nation's greenhouse gas emissions in 2010 will come from equipment that will be purchased over the next ten years. We should not forgo this opportunity by not funding expanded energy efficiency programs.

For air toxics, we are requesting \$23 million, an increase of \$6.6 million over FY 2000 operating plan levels, to address the final round of MACT standards by the May 2002 "hammer date" - the date by which states must determine controls for such sources if EPA has not acted.

The request for the Montreal Protocol Fund totals \$21 million, an increase of \$9 million over the FY 2000 enacted level. The funding to the Protocol is dedicated to paying our dues to the fund and to reduce accumulated arrearage.

To strengthen our relationships with our state and tribal partners, this budget provides \$215 million in state and tribal grants to help implement solutions to air pollution problems locally. Of these resources, a \$5 million increase will be targeted to regional planning bodies to combat the problem of regional haze - one of the most obvious effects of air pollution. Additionally, \$8 million is provided to our state and tribal partners to design, implement, and maintain radon programs.

Office of Water

EPA is in its 4th full year of implementation of the 1996 Safe Drinking Water Act Amendments, and we are very proud of the progress we have made in meeting the ambitious agenda laid out in the Act to ensure safe drinking water and protect public health. Substantial achievements have been made in terms of establishing protective, scientifically sound standards, promoting source water protection as an integral part of a comprehensive drinking water program, fostering the consumer's right-to-know, and increasing funding to states and communities. Among the examples are:

Promulgation of two health-based regulations that: 1) strengthen efforts directed to microbial contaminants and protect Americans from waterborne pathogens, such as cryptosporidium, and 2) address health risks associated with the byproducts of chemical disinfection.

Implementation of the Drinking Water State Revolving Fund (DWSRF) and expeditious actions by the states to award loans to local communities to build and upgrade their drinking water facilities. To date, so far, Congress has provided \$3.6 billion in funding for the Drinking Water SRF program.

We expect shortly that states will make their 1,000th loan under the DWSRF, representing nearly \$2 billion in loan assistance to local communities. By the end of FY 2001, we expect that 1,800 loans will have been made and some 450 SRF-funded projects will have initiated operations.

While our successes are indeed noteworthy, significant challenges lie before us as the drinking water community - EPA, the states and localities, drinking water systems and

stakeholders - strive to address and implement the remaining requirements of the SDWA amendments. For EPA, the most pressing long-term activities are to:

Make regulatory determinations on the first Contaminant Candidate List (CCL) - August 2001.

Issue a second regulation on byproducts of chemical disinfection - May 2002.

Review more than 80 existing National Primary Drinking Water Regulations - August 2002.

Develop the second Contaminant Candidate List (CCL2) - August 2003.

Compile and maintain complete, accurate, and timely data in the Safe Drinking Water Information System on states' implementation and compliance with existing and new regulations.

To meet these regulatory requirements, EPA must make sure that there is a solid scientific underpinning for setting new drinking water standards for contaminants identified on the Contaminant Candidate List that was issued in 1998, for controlling disinfection by-products, for reviewing and revising regulations for contaminants that are already being regulated, and for developing the CCL that is to be published in 2003.

FY 2001 Budget Request: A critical concern is to balance these research needs over the next several years to ensure that we have the science necessary to make sound regulatory decisions. To help address this need, the Agency is requesting an additional **\$5 million** for drinking water research, especially for research on CCL contaminants.

The States face the daunting task of: 1) adopting new regulations (more than ten by the end of 2000) that have been issued as well as maintaining compliance with existing regulations, and, 2) reporting comprehensive, accurate and timely data to the Safe Drinking Water Information System. To support the States in these activities, the FY 2001 President's budget includes a request of \$93 million for Public Water System Supervision (PWSS) grants to States. To address drinking water infrastructure needs, \$825 million is requested for the Drinking Water SRF, a **\$5 million increase** above the FY 2000 levels.

Office of Solid Waste and Emergency Response

The Superfund, Brownfields, Resource Conservation and Recovery Act (RCRA), Underground Storage Tank, Chemical Emergency Preparedness and Prevention, and Oil programs share an important common goal of ensuring that America's wastes will be managed and remediated in ways that prevent harm to people and to the environment. These programs

directly support the Administration's efforts to build strong and healthy communities for the 21st Century.

FY 2001 Budget Request: The Administration is requesting \$1.45 billion in discretionary budget authority and \$150 million in mandatory budget authority for fiscal year 2001 in support of the Superfund program to clean up the Nation's most serious hazardous waste sites. The Superfund program will continue to emphasize the completion of construction at NPL sites and the use of removal actions to protect human health and the environment. The President's goal of 900 construction completions is still on schedule to be achieved by the end of fiscal year 2002. Through three rounds of Administrative Reforms, the Administration has been successful in achieving a fairer, more effective, and more efficient Superfund program. More than three times as many NPL sites have had completed construction in the past seven years than in the prior twelve years of the program. Approximately 90% sites on the NPL now are either undergoing cleanup construction (remedial or removal) or are completed, and approximately 6,000 removal actions have been taken at hazardous waste sites to immediately reduce the threat to public health and the environment.

The Agency is requesting \$91.7 million in fiscal year 2001 to continue implementation of the successful Brownfields Initiative. EPA's Brownfields Initiative, announced by Administrator Browner in 1995, serves as a catalyst to empower states, local governments, communities, and other stakeholders interested in environmental cleanup and economic redevelopment to work together in preventing, assessing, safely cleaning up, and reusing hundreds of thousands of abandoned, idled, or under-used industrial and commercial properties (brownfields). To date, EPA has awarded 307 assessment pilots to local communities. These pilots have resulted in the assessment of 1,687 brownfields properties, generated nearly 6,000 cleanup and redevelopment jobs, and leveraged over \$1.8 billion. Beyond assessment, EPA has awarded 68 Brownfields Cleanup Revolving Loan Fund (BCRLF) pilots representing 88 communities to enable eligible states, tribes and political subdivisions to capitalize revolving loan funds for use in the cleanup and sustainable reuse of brownfields. Further, EPA and its federal partners have named 16 Brownfields Showcase Communities to serve as national models demonstrating the benefits of collaborative activity to clean up and redevelop brownfields. EPA also has awarded 21 Job Training Pilots to community-based organizations, community colleges, universities, states, tribes, political subdivisions and non-profit groups.

The Administration is requesting \$224 million to support the RCRA program in FY 2001. The RCRA program protects human health and the environment from hazardous wastes by: reducing or eliminating the amount of waste generated; encouraging waste recycling and recovery; ensuring that wastes are managed in an environmental safe manner; and cleaning up contamination resulting from past mismanagement of industrial wastes. The RCRA program is predominantly implemented by authorized states, and one of the Agency's highest priorities continues to be providing funding and assistance to state programs, and working with states to remove any federal barriers to making progress in state solid and hazardous waste programs.

EPA will continue to provide leadership, technical assistance and support for recycling and source reduction through voluntary programs such as our WasteWise and Jobs Through Recycling programs. In 1998, the fifth year of the program, WasteWise partners reduced over 7.7 million tons of waste through prevention and recycling. Under RCRA Corrective Action, the focus is on environmental goals at over 1,700 high priority facilities. In July of 1999, EPA announced a series of RCRA reforms that are already producing faster and more flexible cleanup actions. Specifically, the cleanup reforms reduce impediments to achieving effective and timely cleanups, enhance state and stakeholder involvement, and encourage innovative approaches. The Administration's fiscal year 2001 request includes additional resources that are absolutely necessary to implement these reforms, and to stay on track to meet the goals.

The Agency is requesting \$87.3 million in fiscal year 2001 to support the Underground Storage Tank (UST) and Leaking Underground Storage Tank (LUST) programs. EPA and states have made significant progress in addressing the UST problem. Since the inception of the UST program in the late 1980's, more than 1.3 million substandard USTs have been closed. EPA will continue to work with the States to increase the compliance rate with the spill, overfill, and corrosion (1998 upgrade requirements) portion of the regulations. EPA also will continue to work with the States to improve the compliance rate with the leak detection requirements. One of EPA's highest priorities for FY 2001 is, in conjunction with the states, to undertake a major multi-year effort to increase owners' and operators' compliance rates with the leak detection requirements.

Office of Enforcement and Compliance Assurance

EPA has fundamentally changed the Agency's compliance program to achieve better public health and environmental results. The basis of this program is a strong, well-targeted enforcement program that addresses very serious environmental violations. It is complimented by an equally strong compliance assistance and incentives program directed toward achieving greater compliance. This system of carrots and sticks has served us well and we believe it will continue to serve us well in the future.

I would like to share the results of these improvements to this program. Over the past four years, EPA has required reductions in emissions of nearly 5.9 billion pounds of NO_x, over 700 million pounds of PCB-contaminated material, and over 409 million pounds of CO. These actions have resulted in more than \$479 million in environmental improvements from supplemental environmental projects; \$8.7 billion (including \$2.7 billion in superfund) in environmental cleanups, installations of pollution control equipment, and improved monitoring; and \$849 million in fines.

OECA has also built an excellent compliance assistance program. Many in the regulated community, particularly small businesses and small communities, need assistance to comply with the law. EPA has ten compliance assistance centers on the Internet that are being visited over 700 times a day. In FY 1999, these centers were visited about 260,000 times. In addition, in FY

1999, compliance assistance activities and tools - seminars, on-site assistance, mailings and handouts - reached about 330,000 entities.

Though OECA has accomplished a lot to date, our compliance assistance program is not yet complete. Last year, the compliance assistance program worked with its stakeholders to identify remaining needs, and issued an action plan in January, 2000. A cornerstone of that plan involves the enrichment of OECA's compliance assistance program. We are in a unique position to deliver compliance assistance materials to a wide audience, including compliance assistance providers who work directly with the regulated community. In effect, EPA will take on more of a "wholesaler" role in the delivery of compliance assistance. Among other things, we will continue to create tools, such as compliance guides and Internet assistance centers. OECA is also developing a compliance assistance clearinghouse, a searchable web site that will give users access to compliance assistance materials developed by EPA, states, trade associations, and other assistance providers.

In the last few years, OECA has also put in place incentives for those who want to self-police and discover and disclose environmental violations. Many responsible companies are using the EPA's Self-Disclosure Policy. To date, almost 700 companies have disclosed violations at over 2700 facilities. Companies like GTE and American Airlines have recognized the benefit of the Self-Disclosure Policy by making multi-facility, multi-state disclosures. As a result of an initiative with the telecommunications industry that stemmed from the GTE disclosure, environmental violations have been corrected at 750 telecommunication facilities.

Finally, OECA has made ground-breaking progress in measuring the outcomes of performance. With input from the States, we developed state of the art methods to measure the impact of our enforcement and compliance activities. Beginning this year, these measures will, among other things, give this office a better understanding of significant noncompliance by high priority facilities and the improvements that result from compliance assistance.

FY 2001 Budget Request: To maintain this progress in Fiscal Year 2001, EPA has requested a total of \$474 million and 3,540 workyears for the Office of Enforcement and Compliance Assurance.

Of the amount requested, \$177 million and 1,137 workyears are from the Superfund Trust Fund to ensure that the parties responsible for contamination at Superfund sites continue to do the majority of the cleanups. EPA's "Enforcement First" strategy has resulted in responsible parties performing or paying for more than 70% of long-term cleanups since 1991, thereby conserving the Superfund Trust Fund for sites for which there are no viable or liable responsible parties. This approach has saved taxpayers more than \$16 billion to date - more than \$13 billion in response settlements and nearly \$2.5 billion in cost recovery settlements.

Another portion of the request, \$27 million, is to provide grants directly to States and Tribes to carry out pesticides and toxic substances enforcement programs. The State and Tribal

grant programs are designed to build environmental partnerships with States and Tribes and to strengthen their ability to address environmental and public health threats. These threats include contaminated drinking water, pesticides in food, hazardous waste, toxic substances and air pollution. The program will award more than \$25 million in State and Tribal enforcement grants in 2001 to assist in the implementation of the enforcement provisions of the Toxic Substances Control Act (TSCA) and the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA). These grants support state and tribal compliance activities to protect the environment from harmful chemicals and pesticides.

The bulk of the resource request provides the essential monies needed to continue the work that is being discussed today. This work includes inspections and monitoring, criminal and civil enforcement and training, compliance assistance, and compliance incentives. It also includes OECA's work in environmental justice, and our review of environmental impact statements and environmental assessments under the National Environmental Policy Act.

Office of Pollution, Prevention and Toxic Substances

Through the Office of Prevention, Pesticides and Toxic Substances, EPA is making substantial new investments in programs implementing the Food Quality Protection Act of 1996 (FQPA) as well as the Toxic Substances Control Act. FQPA brought comprehensive reform to our nation's pesticide and food safety laws - setting in motion many fundamental changes in our approach to protecting human health and the environment from risks associated with pesticide use. FQPA focuses on the registration of reduced risk pesticides to provide an alternative to the older versions on the market, and on developing and delivering information on alternative pesticides/techniques and best pest control practices to pesticide users. Under the Toxic Substances Controls Act, EPA identifies and controls unreasonable risks associated with chemicals.

Meeting FQPA's immediate and more stringent requirements for a single, health-based safety standard for new and existing pesticides, while also maintaining momentum for bringing new biologicals and safer products to market, has been an extraordinary challenge. EPA's activities have been guided by four principles: using sound science in protecting public health, developing a sufficiently transparent implementation process, providing a process for the reasonable transition of agriculture to new pest management strategies, and maintaining open consultation with the public and other agencies. EPA will continue to work closely with our federal, state and tribal partners, as well as with our many public stakeholders to seek guidance and meaningful public involvement in FQPA implementation activities.

Since enactment of FQPA, EPA has registered 89 new pesticide active ingredients, 56 of which are considered "safer" than conventional pesticides. FQPA also requires EPA to reassess all 9721 pesticide tolerances and tolerance exemptions that were in effect when the law was passed. As required by FQPA, EPA reassessed 3,290 tolerances by July 30, 1999, surpassing the 33% goal for August 1999.

FY 2001 Budget Request: EPA will address serious deficiencies in the availability of basic health and environmental hazard information for chemicals manufactured in, or imported into the United States in amounts greater than one million pounds per year. EPA will continue to invest in the High Production Volume (HPV) Challenge Program, which will provide information on over 2000 chemicals through a voluntary program with over 435 company partners. In addition, the 2001 request includes \$75 million to help meet the multiple challenges on the implementation of FQPA so that all Americans will continue to enjoy one of the safest, most abundant, and most affordable food supplies in the world. In 2001 EPA will:

Reassess an additional 1,200 of the 9,721 existing pesticide tolerances to ensure that they meet the statutory standard of "reasonable certainty of no harm." Support for tolerance reassessments will reduce the risks to public health from older pesticides.

Complete reassessment of a cumulative 66 percent (560) of the 848 tolerances of special concern in protecting the health of children.

Help farmers improve their pest management strategies through the Regional Strategic Agricultural Partnerships Initiative, and the Pesticide Environmental Stewardship Program.

Office of Environmental Information

The unprecedented change in information technology and the burgeoning public thirst for information have radically altered the information landscape in the course of just a few years. Just this past October, our Agency finalized a major reorganization aimed at consolidating and enhancing EPA's management of environmental information. This reorganization brings together in one organization various functions related to the collection, management, and use of EPA's information by the Agency, its State and Tribal partners, and the public. The creation of the Office of Environmental Information (OEI) resulted from Administrator Browner's view that information is an essential resource for environmental decision-making. This new centralized focus on information, under the leadership of an Assistant Administrator, adds additional authority to the Agency's Chief Information Officer position, and enables the Agency to provide better guidance and oversight of data integrity and quality issues. In response, EPA has taken major steps to improve and enhance its environmental information capabilities and its overall approach to information.

Our new Office of Environmental Information (OEI) is the first federal agency to recognize the critical inter-dependencies between the information the Agency collects and disseminates, and the policy and technology needed to support and secure it. The FY 2001 budget request of \$168M for OEI will support efforts to improve how the Agency collects, manages, integrates and provides access to environmental information.

Working with State and Tribal partners and stakeholders, OEI is striving to make data more useful and understandable for informing decisions, improve information management, reducing reporting burdens, measuring success, and enhancing public access. The Agency has seen the value of putting information in the hands of the American people, as their increased knowledge becomes a force for protecting public health and the environment. We have provided communities with increased access to more information about pollutants released into their communities by greatly expanding the public's right-to-know. Access to environmental information has led to creative and sustainable solutions to environmental risks and opportunities for preventing pollution.

The President's budget continues to enhance the public's right-to-know about environmental emissions in their local communities through several initiatives. One of the new efforts represents a fundamentally new approach to ensuring the efficient collection and management and broad public dissemination of high quality environmental data. Under the Information Integration Initiative, the Administration will work with the States to develop one of the Nation's greatest sources of shared environmental information. We are also stepping up our efforts to assure data accuracy, stakeholder involvement, information security, and information dissemination while balancing public interest in these emerging areas of public policy.

Office of Research and Development

The Agency's key priorities of clean air, clean water, healthy children, healthy ecosystems, and partnerships with stakeholders provide the structure for the Agency's ORD budget request for FY 2001. Over the last five years, ORD has undertaken an ambitious modernization and streamlining effort. We reorganized our National Laboratories and research portfolio along the Risk Assessment/Risk Management paradigm. We balanced our research activities across the two broad categories of Problem-Driven Research (to solve environmental problems of high risk and high scientific uncertainty) and Core Research (to improve the underlying scientific tools for understanding and protecting human health and the environment). We continue to enhance the linkages between these mutually reinforcing aspects of our scientific mission.

Recent work on an updated ORD Strategic Plan 2000 is reinforcing our organization's alignment around and attainment of our strategic goals. By planning our FY 2001 research program within the structure of EPA's Strategic Plan, we are ensuring that ORD's research program solidly supports EPA's National Program Offices. Our budget request will continue to assure that ORD will provide leading-edge science and engineering to support EPA's environmental decision-making.

Let me give you a few examples of the important research ORD is providing:

ORD evaluated the overall ecological conditions of estuaries in the Gulf of Mexico, which are critical for commercial fisheries, wildlife habitat, and

recreational opportunities. Results of this research (published in our report *Ecological Condition of the Estuaries in the Gulf of Mexico*) will assist resource managers and the public in focusing on solutions for the most serious problems.

ORD established five Airborne Particulate Matter (PM) Research Centers to advance the understanding of the health effects of particulate matter by drawing upon the expertise of some of the nation's leading researchers outside of the federal government. The Centers were established via competitive grants awarded to universities through the Science to Achieve Results (STAR) program.

An ORD scientist led the research that will support EPA decisions to protect lakes and streams from acid rain. The study examined trends in lake and stream recovery from acid rain in North America and Europe. The study, which was reported in Nature, involved investigators from nine countries, and found that recovery was occurring in some regions, with signs of likely recovery in others.

ORD effectively leverages the Nation's scientific resources by partnering with other Federal Agencies on the Committee on Environment and Natural Resources (CENR) and through our Science to Achieve Results (STAR) grants to scientists and engineers in universities and not-for-profit science organizations. Our partnerships are the result of multiple layers of careful integration that ensure that all external work complements and strengthens our in-house research. Partnering with Federal Agencies provides a common sense and cost-effective way for us to utilize the special expertise residing outside of our Agency, while also reducing overlapping and duplicative work.

ORD's FY 2001 budget request builds upon ORD's significant accomplishments, supports the Agency's mission, and provides the scientific and technical information that is essential for EPA to achieve its long-term goals. The research and development program outlined in this office's budget request reflects both ORD's highly effective in-house research program, and our efforts to partner and work with other research organizations. ORD is seeking \$107M in support of our Science to Achieve Results (STAR) grants program which leverages our research capabilities by tapping into expertise from the Nation's top academic and not-for-profit scientific organizations through a variety of competitive grants, investigator-initiated exploratory research awards, graduate fellowships and environmental research centers. Further, the office's long range program of hiring Postdoctoral scientists and engineers for three year appointments, boosts our state-of-the science expertise to ensure that we produce outstanding scientists and engineers in the field of environmental protection. ORD is focused on optimizing the delivery of timely RESULTS to our Agency customers, stakeholders, and the American public.

FY 2001 Budget Request: The Office of Research and Development's FY 2001 budget request supports the Agency's key priorities of clean air, clean water, healthy children, healthy ecosystems, and partnerships with stakeholders. The Agency's total FY 2001 request in the Science and Technology (S&T) account is \$674.3 million and 2464 total work years, an increase

of \$32 million and four work years from the FY 2000 enacted level. ORD's total FY 2001 request is \$530 million and 1972 work years. Of this total, ORD's FY 2001 request in the S&T account is \$492.5 million and 1848 work years. The Office of Research and Development's key research efforts will include:

- **Particulate Matter** - In 2001, EPA is requesting \$65.3M to support PM chronic epidemiology research to evaluate the role of chronic PM and co-pollutant exposure in producing death and disease, and to assess the most prominent PM health risks. This work continues to provide sound science in support of establishing NAAQS and builds upon an extensive network of ORD partnerships with other agencies under the auspices of the Committee on Environment and Natural Resources.
- **Drinking Water Research** - We are requesting \$48.9M, a \$5 million increase to support the Safe Drinking Water Act Amendments of 1996 which require EPA to publish a list of unregulated contaminants to aid in priority setting for the Agency's drinking water program. The existing Contaminant Candidate List (CCL) categorizes 60 chemicals and microbes where additional research in the areas of health effects, analytical methods and/or treatment is necessary to provide a sound scientific basis for regulatory decision making. This builds on important FY 2000 accomplishments in identifying drinking water disinfections byproducts and evaluating their relative toxicities.
- **Ecosystem Protection Research** - In requesting \$106.1M to continue our successful ecological assessment work in the Nation's coastal waters, we are increasing our understanding of their condition and how they can be protected. In particular, in 2001, we will focus attention on the second year of the Environmental Monitoring and Assessment Program (EMAP) Western Pilot to sample estuaries, streams and rivers, and landscapes in 12 western states. We will also enter the second year of our Regional Vulnerability Assessment project to combine modeled projections of changes in stresses (e.g. pollution deposition, land use change) with information on sensitive ecosystems to identify the greatest environmental risks in the next 5-25 years.

Again, I am pleased to have presented the highlights of EPA's Fiscal Year 2001 budget request, and we appreciate this opportunity to appear before the Subcommittees to discuss these highlights in depth.