

US EPA ARCHIVE DOCUMENT

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**BEFORE THE SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
U.S. HOUSE OF REPRESENTATIVES**

March 4, 2010

Chairwoman Johnson, Ranking Member Boozman, and Members of the Committee, thank you for the opportunity to appear before you to discuss the Environmental Protection Agency's proposed budget. Let me first say that I am particularly proud of the Fiscal Year 2011 budget as it reflects President Obama's continuing commitment to providing the environmental protection that keeps our communities healthy and clean and his commitment to fiscal responsibility. Families across America are tightening their budgets; the President has directed us to do the same.

Environmentalism is a conversation that we all must have because it is about protecting people in the places they live, work and raise families. In FY 2011, the Agency is focused on expanding the conversation to include new stakeholders and involve communities in more direct ways. Over the years, EPA has worked to prevent pollution at the source and promoted the principles of responsible environmental stewardship, sustainability, and innovation. EPA works to improve and encourage sustainable practices and help businesses and communities move beyond compliance to become partners in protecting natural resources, managing materials more wisely, reducing greenhouse gas emissions, and improving the environment and public health. Today's challenges require renewed and refocused efforts to address old pollution and prevent new pollution. The \$10 billion proposed for EPA in the FY 2011 President's budget will support key priorities during this time of fiscal challenges. These priorities are: taking action on climate change; improving air quality; assuring the safety of chemicals; cleaning up our communities; protecting America's waters; expanding the conversation on environmentalism and working for environmental justice; building strong state and Tribal partnerships; and maintaining a strong science foundation.

These themes are aligned with a government-wide effort to identify near term high priority performance goals. For EPA, such goals include reducing Greenhouse Gas emissions, improving water quality, and delivering improved environmental health and protection to our communities. EPA will work toward meeting these goals over the next 18 to 24 months.

Madame Chairwoman and Members of the Committee, let me touch on some of the highlights of this budget and the targeted investments that will protect our health and the environment, and advance creative programs and innovative solutions.

Taking Action on Climate Change & Improving Air Quality

EPA continues to take meaningful, common sense steps to address climate change. Making the right choices now will allow the agency to improve health, drive technology innovation, and protect the environment; all without placing an undue burden on the nation's economy. The budget includes a requested increase of more than \$43 million for additional regulatory efforts aimed at taking action on climate change. This includes \$25 million for state grants focused on developing technical capacity to address greenhouse gas emissions under the Clean Air Act and \$13.5 million for implementing new emission standards that will reduce Greenhouse Gas (GHG) emissions from mobile sources and for analyzing the potential need for standards under petitions relating to major stationary sources – all through means that are flexible and manageable for business. In addition, \$21 million will support continued implementation of the Greenhouse Gas Reporting Rule to ensure the collection of high quality data.

To improve air quality we'll continue our support of enhanced monitoring and enforcement efforts already underway. We are also requesting \$60 million for state grants to address new and expanded National Ambient Air Quality Standards (NAAQS) as well as air monitoring requirements. Through the Healthy Communities Initiative we will provide \$6 million to improve air toxics monitoring capabilities and address compliance and enforcement issues in communities.

Assuring the Safety of Chemicals

Assuring the safety of chemicals in our products, our environment and our bodies is of utmost concern, as is the need to make significant and long overdue progress in achieving this goal. Last year, the Administrator announced principles for modernizing the Toxic Substances Control Act (TSCA). At the end of 2009, we released our first ever chemical action plans for four groups of substances, and more plans are in the pipeline for 2010. Using our streamlined process for Integrated Risk Information System assessments (IRIS), we will continue strong progress toward rigorous, peer reviewed health assessments. Additionally, we will continue focus on high-profile IRIS assessments on dioxins, arsenic, formaldehyde, trichloroethylene (TCE) and other substances of concern. We are proposing \$56 million for chemical assessment and risk review, including continued development of chemical management plans, to ensure that no unreasonable risks are posed by new or existing chemicals. Further, this budget invests \$29 million in the continuing effort to eliminate childhood lead poisoning. Specifically, the Agency will implement the Renovation, Repair and Painting (RRP) Rule to address lead hazards created by renovation, repair and painting activities in homes and child occupied facilities with lead based paint. In FY 2011, \$6 million would support national efforts to mitigate exposure to high risk legacy chemicals, such as mercury and asbestos.

Cleaning Up Our Communities

Among our highest priorities in this budget are investments in new and innovative strategies for cleaning up communities, especially to protect sensitive populations, such as children, the elderly, and individuals with chronic diseases. We will continue to focus on making safer, healthier communities. To clean up our communities, we're proposing investments that will get dangerous pollution out, and put good jobs back in.

The President's 2011 budget proposes \$215 million for brownfields, an increase of \$42 million to support planning, cleanup, job training and redevelopment of brownfields properties, especially in underserved and disadvantaged communities. In FY 2011, brownfields grantees are expected to assess 1,000 properties, clean up 60 properties, leverage 5,000 cleanup and redevelopment jobs, and leverage \$900 million in cleanup and redevelopment funding. EPA encourages community development by providing funds to support community involvement and is adding area wide planning efforts to enhance the positive impacts associated with the assessment and cleanup of brownfields sites. Through area wide planning, particularly by focusing on economically disadvantaged communities suffering from economic disinvestment, brownfields properties can be redeveloped to help meet the needs for jobs, housing, and infrastructure investments that would help rebuild and revitalize these communities, as well as identify opportunities to leverage additional public and private investment. EPA has identified area wide planning as one of its High Priority Performance goals and by 2012, plans to have started 20 Brownfields area wide planning projects as part of the Agency's efforts to serve economically disadvantaged communities. EPA will also provide funding for assessment and cleanup of underground storage tanks and other petroleum contamination on brownfields sites.

This budget proposes \$1.3 billion for Superfund cleanup efforts across the country. We will continue to respond to emergencies, clean up the nation's most contaminated hazardous waste sites, and maximize the participation of liable and viable parties in performing and paying for cleanups. EPA will initiate a multiyear effort to integrate and leverage our land cleanup authorities to address a greater number of contaminated sites, accelerate cleanups, and put sites back into productive use while protecting human health and the environment. The new Integrated Cleanup Initiative represents EPA's commitment to bring more accountability, transparency and progress to contaminated site cleanups. As a first step, EPA has committed to a new publicly reported performance measure in FY 2011 which will track the number of Superfund Remedial Action Project completions. This new measure will augment EPA's site wide construction completion measure and provide data help improve program management and provide communities with additional site information.

In FY 2009, EPA completed remedy construction at 20 sites throughout the country. The FY 2011 target for construction completions is 25. To date, cleanup construction has been completed at 1,082 NPL sites, which represents 67 percent of sites listed on the NPL. In addition, the Superfund removal and emergency response program conducted 368 EPA-lead and responsible party removal cleanup actions in FY 2009. The FY 2011 target for removal actions is 340. The Superfund program also continues to prepare for future cleanup efforts and in FY 2009 the Agency listed 20 new sites on the NPL and proposed an additional 23 new sites.

Finally, EPA has continued its effort to efficiently utilize every dollar and resource available to clean up contaminated sites and to protect human health and the environment. In FY 2009, EPA obligated more than \$1.2 billion, including funding from the Recovery Act, regular Superfund program appropriation, state cost-share funding, and potentially responsible party settlement funding for the Superfund Remedial program. Approximately \$965 million of the FY 2009 Superfund Remedial resources were used to conduct cleanup construction and post-construction work at Superfund sites, which included more than \$247 million to begin construction on 26 new Superfund projects at 26 NPL sites. EPA funded all of the projects that were ready for new construction funding in FY 2009.

The FY 2011 budget also provides \$18.5 million for EPA's oil spill program. The oil spill program is designed to protect inland waterways through oil spill prevention, preparedness, and enforcement activities associated with the more than 600,000 non-transportation related oil storage facilities that EPA regulates. EPA and the U.S. Coast Guard evaluate thousands of spills annually to determine if assistance is required. On average, EPA either manages the oil spill response or oversees response efforts of private parties at approximately 250 to 300 sites per year.

This budget also requests \$27 million for a Healthy Communities Initiative which covers clean, green, healthy schools; community water priorities; sustainability and the air toxics monitoring in at risk communities I mentioned earlier. This initiative includes an increase of \$5 million for Smart Growth work, including the Interagency Partnership for Sustainable Communities with the Departments of Transportation and Housing and Urban Development. The Smart Growth program works with federal partners and stakeholders to minimize the environmental impacts of development.

This relatively modest investment in healthy communities will make real, measurable, improvements in a small number of pilot communities. In addition, the strategies that will be developed could be used in communities across the nation.

Protecting America's Waters

Protecting America's waters is a top priority and EPA has an ambitious vision for the nation's waters in the years ahead. Water quality has tremendous impacts on quality of life, on economic potential, and on human and environmental health. EPA and states began significant increases in public health and protection by placing under contract \$6 billion in new water and wastewater infrastructure projects within one year, meeting the requirements of the American Recovery and Investment Act. In FY 2011, the Federal government continues its commitment to upgrading drinking water and wastewater infrastructure with a substantial investment of \$2 billion for the Clean Water State Revolving fund and \$1.3 billion for the Drinking Water State Revolving Fund. EPA, the states, and community water systems will build on past successes while working toward the FY 2011 goal of assuring that 91 percent of the population served by community water systems receives drinking water that meets all applicable health based standards. EPA's partnership investments will allow states and tribes to initiate approximately 800 clean water and 500 drinking water projects across America, representing a major federal commitment to water infrastructure investment. These investments of over \$14 billion since fiscal year 2009 send a clear message to American taxpayers that our water infrastructure is a public health and environmental priority.

The FY 2011 budget request supports national ecosystem restoration efforts; \$300 million is requested for the Great Lakes, the largest fresh surface water system in the world. This multiagency restoration effort represents the Federal government's commitment to significantly advance Great Lakes protection, with an investment of over \$775 million over two years. The focus is on addressing critical environmental issues such as contaminated sediments and toxics, nonpoint source pollution, habitat degradation and loss, and invasive species, including Asian carp.

We're requesting \$63 million for the Chesapeake Bay program including increased funding to implement President Obama's Chesapeake Bay Executive Order. We are accelerating implementation of pollution reduction and aquatic habitat restoration efforts to ensure that water quality objectives are achieved as soon as possible. A centerpiece of EPA's FY 2011 Chesapeake Bay activity is the implementation of the

nation's largest and most complex Total Maximum Daily Load (TMDL) for the entire Bay watershed. The TMDL will involve interstate waters and the effects on water quality from the cumulative impact of more than 17 million people, 88,000 farms, 483 significant treatment plants, thousands of smaller facilities, and many other sources in the 64,000 square mile watershed.

In addition, the budget request includes \$17 million for the Mississippi River Basin. EPA will work with the Department of Agriculture and states to target nonpoint source reduction practices to reduce nutrient loadings. EPA will also work with other Federal partners to target two high priority watersheds in the Mississippi River Basin to demonstrate how effective nutrient strategies and enhanced partnerships can address excessive nutrient loadings that contribute to water quality impairments in the basin and, ultimately, to the hypoxic conditions in the Gulf of Mexico.

The budget request includes \$5 million to significantly reduce the harmful effects of Appalachian surface coal mining operations. EPA will continue to implement the Interagency Action Plan with the Department of Interior and the Army Corps of Engineers. EPA's goal is to ensure that Americans living in coal country are protected from environmental, health, and economic impacts. Our role, along with that of the Army Corps of Engineers, is to ensure that mining companies avoid environmental degradation and protect water quality so that Appalachian communities don't have to choose between jobs and their health.

Expanding the Conversation on Environmentalism and Working for Environmental Justice

We have begun a new era of outreach and protection for communities historically underrepresented in environmental decision making. We are building strong working relationships with tribes, communities of color, economically distressed cities and towns, young people and others, but this is just a start. We must include environmental justice principles in all of our decisions. This is an area that calls for innovation and bold thinking, and the Administrator is challenging all of our employees to bring vision and creativity to our programs. The protection of vulnerable subpopulations is a top priority, especially with regard to children. Our revitalized Children's Health Office is bringing a new energy to safeguarding children through all of our enforcement efforts. We will ensure that children's health protection continues to guide our path forward. The increased Brownfields investments I mentioned will target underserved and economically disadvantaged neighborhoods – places where environmental cleanups and new jobs are needed.

We're also proposing \$9 million for Community Water Priorities in the Healthy Communities Initiative; funds that will help underserved communities restore and benefit from their urban waterways and address water quality challenges. EPA will provide grants to local partnerships to advance community efforts to restore urban waters and demonstrate innovative approaches. EPA will also lead a Federal interagency working group to improve communities' access to resources, promote effective coordination, and support on-the-ground projects.

Furthermore, the FY 2011 President's Budget includes approximately \$615 million for EPA's enforcement and compliance assurance program. This request reflects the Administration's strong commitment to vigorous enforcement of our nation's environmental laws and ensures that EPA will have the resources necessary to maintain a robust and effective criminal and civil enforcement program and pursue violations that threaten vulnerable communities.

Building Strong State and Tribal Partnerships

Another hallmark of this budget is strengthening our state and tribal partnerships. The budget requests \$1.3 billion in categorical grants for state and Tribal efforts. State and local governments are working diligently to implement new and expanded requirements under the Clean Air Act and Clean Water Act. New and expanded requirements include implementation of updated National Ambient Air Quality Standards (NAAQS), for the first time addressing Greenhouse Gas (GHG) emissions, and addressing growing water quality issues, such as nutrient pollution. This increase includes the \$25 million for greenhouse gas permitting activities already mentioned, as well as increases of \$45 million for core work under air quality management grants and \$15 million for air monitors, all of which I mentioned previously.

We are also requesting \$274 million, a \$45 million increase over 2010, to help states enhance their water quality pollution control programs. This investment will strengthen state core programs including implementation and enforcement of National Pollutant Discharge Elimination System regulatory requirements. It will also further enhance state monitoring programs by providing funding for doing statistically-valid surveys and reporting on water quality conditions.

The request also includes increased support for our Tribal partners. In order to help tribes move beyond capacity building to implementation of their environmental programs, \$30 million is budgeted for a new competitive Tribal Multimedia Implementation grant program. These grants are tailored to address an individual tribe's most serious environmental needs through the implementation of Federal environmental programs, and will build upon the environmental capacity developed under the Tribal General Assistance Program (GAP). To further enhance tribal capacity, this budget also includes an additional \$9 million for GAP grants for a total of \$71 million. GAP grants develop capacity to operate an environmental program, and support a basic environmental office or circuit rider that can alert the tribe and EPA to serious conditions that pose immediate public health and ecological threats.

Maintaining a Strong Science Foundation

In FY 2011, the range of research programs and initiatives will continue the work of better understanding the scientific basis of our environmental and human health problems. We are requesting a science and technology budget of \$847 million to enhance – among other things – research on endocrine disrupting chemicals, air quality monitoring, and e-waste and e-design.

We are requesting \$10 million for green infrastructure research, more than doubling funding for this program. We will focus on urban watershed management practices and on the performance and costs of those practices. We are also more than doubling our research investment in hydraulic fracturing. This request of more than \$4 million is for research on the potential risks to water resources associated with hydraulic fracturing, which Congress has urged EPA to conduct.

It's important to highlight that most of the scientific research increase will support additional Science to Achieve Results (STAR) grants and fellowships to make progress on these research priorities and leverage the expertise of the academic research community. The \$26 million increase for STAR includes \$6 million for STAR fellowships in support of the President's priority for Science, Technology, Engineering, and Math (STEM) investments. This reflects a near doubling of the STAR fellowships

program. This budget also supports the study of computational toxicology, and other priority research efforts with a focus on advancing the design of sustainable solutions for reducing risks associated with environmentally hazardous substances.

These are the highlights of a budget that reduces costs while strengthening American communities and boosting the green economy. Responsible, targeted investments will protect our health and the environment, advance creative programs and innovative solutions, and help build a new foundation for our prosperity. Thank you again for inviting me to testify today and I look forward to answering your questions.