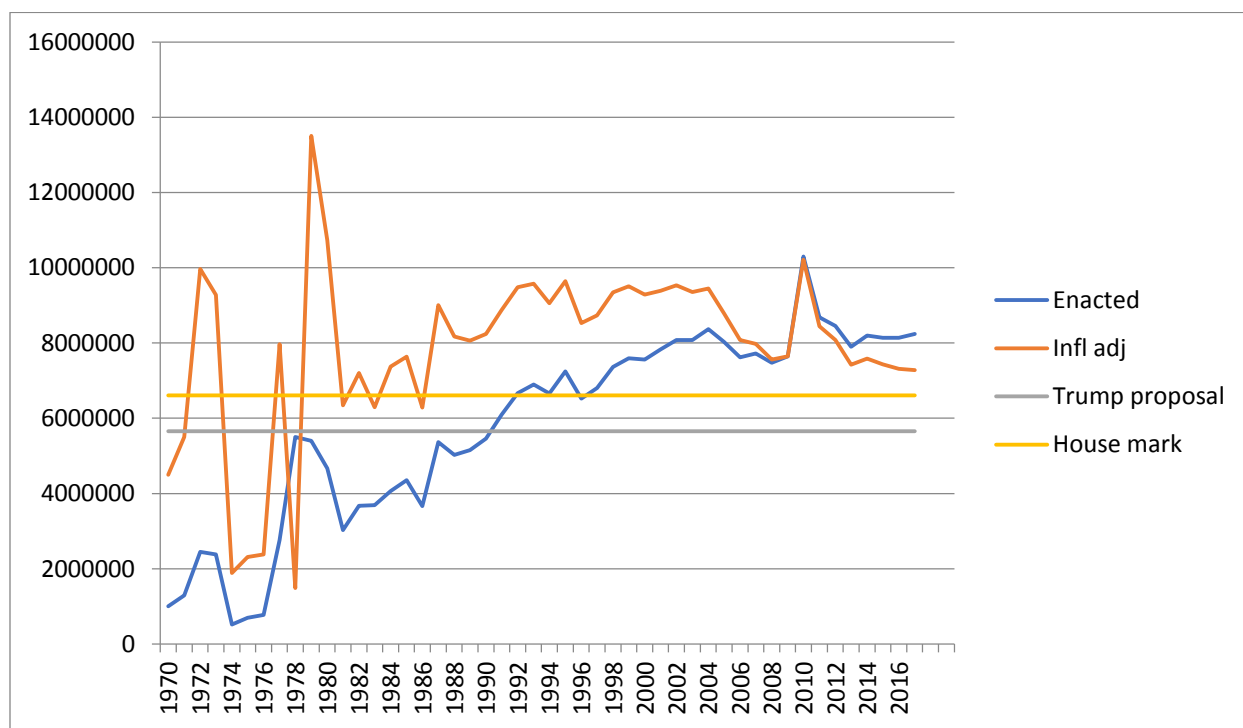


Update: House Appropriations Committee Passes Interior, EPA and Related Agencies Bill

During the week of July 16th, the House Appropriations Committee voted out a bill for Interior, EPA and Related Agencies, with a legislative report¹ with more precise and detailed figures for EPA and the other agencies' Fiscal Year 2018 resources. The Environmental Protection Network has prepared this revised summary based on this draft report.

The proposal would fund EPA at approximately \$7.53 billion, a reduction of \$528 million, or 7%, from the 2017 Fiscal Year. While this is an increase over the administration's outrageous proposal, which would have slashed EPA's budget by 31%, by any other measure it would be a draconian cut, especially for an Agency that has faced flat or declining budgets for years while facing growing health and environmental needs. It would be the smallest budget for EPA in decades (adjusted for inflation), only slightly higher than in the early Reagan administration, the last time that EPA's budget was targeted for deep reductions. As the graph below shows, EPA's budget has already been declining steadily since 2004 (except for a brief increase in 2010-11 that partially reflected stimulus funds, primarily for states' water/waste-water infrastructure).

EPA Budgets, 1970-2017 vs. Trump Proposal and House Bill



¹ Report link: <https://appropriations.house.gov/uploadedfiles/23918.pdf>

Key details of the House bill are listed in Attachment A. Highlights include:

- The bill cuts most EPA programs across the board to a significant degree. In particular, funds for science and technology, which are a key underpinning to EPA’s mission, are cut 14%. The Superfund program, on the other hand, received a 2% increase. The breakdown by major budget category is attached.
- Rejects deep cuts in state program funding grants, providing a total of \$1.066 billion (unchanged from the Fiscal Year 2017 enacted level).
- Suggests that the committee still anticipates deep cuts to EPA staffing.
 - \$58 million is provided for “workforce restructuring”, which refers to the cost of buyouts and other costs related to reducing the size of EPA’s staff. Although lower than the administration requested (\$68 million), this suggests that the committee plans (and is providing funds for) significant further reductions in EPA’s workforce.
 - One of the few areas in which cuts are made as deeply as in the President’s budget is Buildings & Facilities, which is 6% less than FY17’s level and may be based on an assumption that fewer staff require less space.
- Provides funding at the same level as in FY17 for the Great Lakes Restoration Initiative and the Puget Sound Program, both of which had been proposed for elimination in the administration budget. Reduces funding for the Chesapeake Bay Program by 18% from 2017, and still eliminates other geographic programs such as those for San Francisco Bay and Long Island Sound. The bill would maintain funding for the National Estuary Program at 2017 levels.
- Modestly reduces funding for clean water infrastructure, which had been increased in the administration proposal. (\$250 million less than FY17.) Funding for drinking water infrastructure is continued at the FY17 level.
- Appears to provide funding for 14 voluntary climate programs that were proposed for elimination in the administration budget, and rejects the administration proposal to privatize EnergySTAR. The committee also rejected proposals to terminate certain other programs including Indoor Air and Radiation, WaterSense, and the Pollution Prevention Program.
- The bill increases funding over FY17 for some of the programs scheduled for elimination in the President’s budget.
 - \$90 million for Brownfields grants (an increase from \$80 million in FY17)
 - \$75 million for implementation of the Diesel Emissions Reduction Act (vs \$60 million)
 - \$40 million for Targeted Airshed Grants (vs. \$ 30 million)
 - \$3.674 million for the program to allow electronic tracking of hazardous waste shipments (which the President’s budget would have shifted to user fees).
- Partial funding is provided for grants to Alaskan Native Villages (\$10 million, vs. \$20 million in FY17).

Policy riders

The draft bill also contains a number of policy riders. A few of the more significant riders include:

- Allowing EPA to withdraw the “Waters of the US” rule without going through public notice and comment as required under the Administrative Procedure Act.
- Protections for agribusiness, including a prohibition on permits for emissions from livestock production, a prohibition on reporting of greenhouse gas emissions from manure management

systems. (Reporting from such systems has been prohibited in previous years, and few if any such facilities are subject to permitting requirements relating to GHGs, so these riders do not significantly change current practice.) It also prohibits issuance of any new regulations under RCRA applying to large animal feeding operations, which appears to respond to a citizen suit rather than any proposed EPA action.

- A major delay in implementation of current air standards for ozone, which would codify the delay previously announced by the administration.
- A requirement that EPA, with the Energy and Agriculture Departments, adopt policies that favor the use of forest biomass for energy, including policies that treat biomass as carbon neutral and recognize it as a renewable energy source. This would use legislation to dictate the result of a complex scientific question over which industry and environmental groups strongly disagree.
- Prohibiting EPA from finalizing a rule requiring hardrock mining companies to provide financial assurance that would cover the cost of cleanup after mines are closed. Under current law, taxpayers cover the cost of mine site cleanups, which can be extremely expensive, if the companies become insolvent.

For further information see our website: www.environmentalprotectionnetwork.org

Or email EPN at: info@environmentalprotectionnetwork.org

ATTACHMENT A

Significant Details of the House Appropriations Action on the Budget for Interior, EPA and Other Related Agencies

Appropriations by Major Budget Category:

- Science and Technology (scientific, research, and program technical support): \$602.2 million (vs \$706.5m in FY17 and \$450.8m in the Trump proposal) – a 15% reduction.
- Environmental Program and Management (main regulatory program operations): \$2.3648 billion (vs \$2.598b in FY17 and \$1.7175b in the Trump proposal) – a 9% reduction.
- Superfund (cleanup of major hazardous waste sites): \$1.116b (vs \$1.089b in FY17 and \$762m in the Trump proposal) – a 2% increase.
- State and Tribal Program grants: \$1.066b (unchanged from FY17; increased from \$597m in the Trump proposal).

Significant program cuts

- **R & D:** 4 sub-programs = \$459.4 m, \$68.9 m (15%) less than FY17 enacted, \$153 m more than Pruitt request (= \$237.5 m)
- **Clean Air:** \$227.1 m, (vs 273.1 m, FY17 enacted) a 17% cut
- **Clean and Safe Water – (both drinking water and surface water quality):** \$262.6 m (vs 308.9m in FY17) a 15% cut)
- **Enforcement:** \$204.5m, an 8.5% reduction from 2017

Geographic programs

- Great Lakes: \$300 million (unchanged from 2017)
- Chesapeake Bay: \$60 m (18% reduction)
- Puget Sound: \$28 m (unchanged from 2017)
- Gulf of Mexico: \$6 m (30% reduction)
- Six other geographic programs eliminated

Programs Proposed for Elimination in the Trump Budget

All funded at the 2017 enacted level, except as otherwise noted

- Climate change (listed under budget line for “GHG Reporting System:” \$ 81.1m, a reduction of \$14.3m from 2017 but \$67.5m greater than the Trump proposal. This includes funding for voluntary programs proposed for elimination, including EnergySTAR.
- Environmental Justice: \$5.728m, a 15% reduction
- Indoor Air & Radiation operating programs: \$1.985m
- Endocrine Disruptors: \$7.553m

- National Estuary Program: \$26.723m
- Water Non-point Source program (§ 319) state grants: \$170.915
- Lead-abatement state grant program: \$14.05m
- Beaches program state grants: \$9.55m
- Pollution prevention program state grants: \$4.765m
- Radon program state grants: \$8.05m
- UST state program grants: \$1.5m

Amendments approved by the full committee:

- Prohibition on use of funds for activities related to wind turbines less than 24 nautical miles from the State of Maryland shoreline (Rep. Harris).
- Changes to bill language requiring that all iron and steel used in water infrastructure projects be sourced within the United States (Rep. Aderholt).

Amendments defeated:

- Deletion of 16 riders, including the WOTUS provision (Rep. McCollum)
- Require consultation with Committee on “staff restructurings,” office closures (Rep. Pingree)
- Forbid any regional office closures without Committee’s approval (Rep. Quigley)
- Restore \$250 m to the Clean Water State Revolving Fund (Rep. Kaptur)
- Add report language advising agencies in the Bill to plan for climate change mitigation (Rep. Cartwright)