Understanding the Full Impacts of the Proposed FY 2019 EPA Budget March 14, 2018

Introduction

President Trump's proposed budget for fiscal year 2019 continues the ongoing effort to dismantle EPA program by program and undermine its ability to fulfill its responsibility to protect public health and the environment. The damage inflicted on EPA by the Trump proposed budget would be more punishing than for any other federal agency – slashing EPA's budget by 26% from 2017. It would severely damage programs that have protected America and its children for decades. The impacts would be felt by families and communities across America. The cuts to essential programs and staffing levels would make it increasingly difficult for federal and state environmental professionals to carry out their congressionally mandated responsibilities to protect public health and the natural environment – efforts that are essential for community well-being and long-term economic growth. EPA's protection provides tremendous benefits to society: a recent Trump administration draft report to Congress estimates the annual benefits of EPA regulations over the last decade at between \$196 and \$706 billion, against costs of \$54 to \$65 billion.

The 2019 budget would also eviscerate EPA science and research and eliminate virtually all of EPA's climate programs even as warming continues and climate change impacts worsen. It also slashes funding for state agency operations, despite the vital role played by the states in protecting our nation's environment. State funding cuts are especially disingenuous considering the Trump/Pruitt administration's stated intention of shifting more responsibility to the states.

The <u>proposal echoes the administration's FY 2018 budget</u> (except for increases to the Superfund program) and is likely, as it was last year, to be superseded by Congress. But by repeatedly suggesting cuts of this magnitude, it normalizes the expectation that EPA's budget should be reduced dramatically.

The budget for the 2019 fiscal year would cut EPA funding from 2017 (the last year for which actual numbers are available) by \$2.11 billion (26%) from \$8.26 billion to \$6.15 billion and its workforce by 17%. The Trump budget proposes a 33% cut in funds to pay for EPA's programs, including grants to states, excluding level funding for two large water infrastructure programs that do not affect EPA operations. These savage cuts would return EPA to funding levels not seen since the 1970s, before Congress enacted or strengthened laws expanding the agency's mission to ensure clean air, water and drinking water and protect the public from exposure to hazardous waste, pesticides and toxic substances. It continues an aggressive pattern of slashing EPA staff to historically low levels, draining off the skilled professionals whose knowledge and institutional memory are essential to making

¹ The administration was apparently planning on an even deeper 34% cut, but added funds at the last minute following the budget agreement that increased the allocation for non-defense spending. To compute percentage reductions this budget proposes, EPN uses FY 2017 rather than 2018 as a baseline because it is the last year in which there are authoritative "actual" – rather than estimated – budget numbers and it allows for comparisons to the last administration. This produces different percentage changes than the administration cites, but EPN believes a 2017 baseline provides more precise numbers that better reflect administration priorities.

environmental protection work. EPA's workforce around the country would shrink from 14,824 in FY 2017 to 12,250 in FY 2019, or 17%, giving EPA its smallest workforce since FY 1984 when EPA had significantly fewer congressionally mandated environmental responsibilities and drastically undermining the agency's ability to do its job of protecting human health and the environment.

For perspective, the "savings" of \$2.1 billion is a minuscule fraction of the Trump administration's overall proposed \$1.3 trillion budget for discretionary spending. That's a saving of roughly \$9 per person on average, at the cost of more damaging pollution and threats to people's health. EPA programs for climate protection, clean air and water, and safe pesticides and chemicals are eliminated or significantly cut. The budget cuts EPA's research funding nearly in half (by 48%), makes severe cuts to EPA enforcement, and eliminates nearly 50 programs that protect the air, water and land and people's health in communities across America.

EPA's Budget at Historic Low

The proposed massive cuts to EPA's budget affect an agency that is at a long-term low point after years of declining funding, reduced staffing and flat resources, coupled with rising costs and increased responsibilities. Indeed, the proposed funding of \$6.51 billion, adjusted for inflation, would be the lowest since the 1970s when the agency was founded, even though the needs have been growing and EPA's increased congressionally mandated responsibilities have significantly expanded the agency's role in protecting the environment.

To put even current funding levels in context, a useful benchmark is the period between 2003 and 2013. During that ten-year period, which straddles the Bush and Obama administrations, EPA's budget was roughly level at approximately \$8 billion (aside from a spike of stimulus funds in 2009-11) and the agency had an average staff level of 17,238 FTE. Compared to that baseline, the Trump administration's proposed FY 2019 budget, adjusted for inflation, would be almost 40% lower and staffing would be down by 28%.

Needless to say, the environmental challenges that EPA is responsible for addressing have not shrunk over this same period of time. To use just two rough indicators, since 2000, the population has grown by 15% and Gross Domestic Product has gone up 75%.

State agencies, which depend on EPA assistance, on average, for roughly 25% of their operating budgets, are in more dire straits; with EPA support flat and state budgets in substantial decline, the states have been "doing more with less" for over a decade. Many EPA programs are currently underfunded while the economy and population continue to grow and Congress imposes new demands on the agency. In sum, the budget is a massive cut to environmental programs when most objective indicators suggest that EPA and state agencies need additional resources to simply carry out their essential functions.

Cuts Would Cripple State Capacity and EPA-State Partnerships

The proposed budget calls for a 43% cut in grants to states and Tribes to support their environmental agencies and programs. States are the first line of defense against air, water and waste pollution affecting their residents and do much of the work to address such pollution; they rely on EPA funding to support that work.

States and <u>Tribes</u> do much of the actual implementation of our environmental laws. The administration argues that these entities should play a larger role and receive less oversight from EPA. In theory, this is possible but in fact, states and Tribes don't have the financial capacity to increase their environmental funding and they are highly dependent on technical and other support from the federal government. Federal funding provides, on

average, 25 percent of the operating budgets for state and tribal environmental programs. The Trump budget would cut grants that support the core air, water and other programs run by the states and Tribes, and eliminate many grant programs, including, despite a purported a "war on lead," funding for lead grants. These cuts would devastate state and tribal programs, including permitting, implementation and enforcement, especially when combined with deep cuts to EPA programs, including its 10 regional offices, fundamentally weakening state environmental agencies and the partnerships between EPA and state agencies that are the cornerstone of the Nation's system of environmental protection.

Under most federal environmental laws, EPA and the states work as partners, with EPA generally establishing national standards to ensure clean air, water and land, and states implementing those standards through such measures as issuing permits, carrying out inspections and enforcing laws and regulations. EPA's regional offices, which assist and undergird state programs, are geographically closer to and more familiar with states than EPA national offices, helping EPA to respond more quickly and effectively to state needs and issues. The budget cuts would undermine every piece of this partnership by draining staff and resources from EPA offices that set national policy and from regional offices that work closely with states in implementing environmental programs. The proposed 43% cut in state grants would reduce state resources to manage environmental programs; tailor implementation to local needs; respond to emergencies like hurricanes, floods and severe storms; clean up contaminated sites and take other measures to protect public health and the environment.

Climate Change Programs Targeted for Near Elimination

A lethal combination of unsound administration policies and associated funding cuts will effectively eliminate the EPA program that focuses on the most serious environmental threat we face today – the changing climate. According to a 2010 National Research Council report commissioned by Congress and confirmed by more recent assessments from other groups, "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." Greenhouse gases (GHGs) released to the atmosphere are already causing and will continue to cause average global temperatures to rise and the severe, dangerous consequences of a warming climate, from increased global temperature and sea level rise to greater storm surges and increased storm severity to more widespread and frequent droughts, wildfires and heavy rain and floods. These impacts, affecting public health and environmental conditions, were dramatically demonstrated for millions across the U.S. in 2017.

The budget provides virtually no funding for EPA climate change programs and research and <u>eliminates most voluntary climate programs</u>. This continues a pattern of attacks on EPA climate work, virtually identical to last year's, and starkly demonstrates the administration's and Administrator Pruitt's stubborn and fatuous denial of the overwhelming scientific consensus that human activities are causing dangerous changes to the earth's climate and that those changes must be addressed.

Most of the reductions of GHG pollution achieved by the federal government are the result of work carried out by EPA climate change programs. Notwithstanding that achievement and the devastating impacts already occurring from a warming climate, the 2019 budget eliminates or proposes dramatic reductions in funding for programs that will actually cost Americans tens of billions of dollars from increased risks to their lives, health and properties and the loss of ecosystems that protect communities from flooding and provide recreational benefits on which many community economies are based. As the impacts of climate change continue to grow, it will be critical to build our understanding of the magnitude and severity of those impacts, where they are most likely to occur, what they mean for communities and regions and how best to adapt to them. The budget provides no funding for such efforts and fails to support the Clean Power Plan, the centerpiece of EPA's climate change

programs. The Clean Power Plan aims to reduce GHG pollution by 30 percent and other pollutants that contribute to the soot and smog that make people sick by more than 25 percent. EPA estimates that the Clean Power Plan will lead to climate and health benefits worth between \$55 billion and \$93 billion in 2030 – far outweighing its costs of between \$7.3 billion and \$8.8 billion between 2018 and 2030.

EPA's vital work in understanding and addressing climate change, which the budget either undermines or eliminates, includes:

- Programs targeting existing power plants, the largest sources of GHG pollution (31% of total U.S. GHG pollution) and vehicle emissions (26% of total U.S. GHG pollution)
- Complementary voluntary programs that promote GHG reductions
- Research, data gathering and reporting on GHG issues, such as how climate change augments the impact of other air pollution like smog
- Technical assistance to states, localities and Tribes
- Public education about climate change
- Efforts that promote the reduction of GHG pollution internationally. EPA efforts to substantially reduce GHG pollution and help advance climate science have been key to persuading other countries, including those emitting more GHG pollution than the U.S., to reduce their GHG pollution.

Cuts Would Devastate EPA's Core Programs

Although the Trump/Pruitt administration professes to be emphasizing "basics," "traditional core programs" such as clean air and water, the budget cuts funds for implementing the public health laws that have served as the backbone of the Nation's environmental protection system. These are the programs that protect air, water and drinking water; address the harmful effects of pesticides, chemicals and hazardous waste; enforce environmental rules and regulations; advise on the legality of agency decisions; and many other functions.

These cuts threaten to reverse the remarkable progress EPA and the states have made over decades. Today it is easy to forget the visible and lethal air pollution, the lakes "dead" from algal blooms and fish kills and the burning rivers that led to the creation of EPA in 1970. Yet the Nation still faces serious public health and environmental challenges from air and water pollution, lead and other contaminants in drinking water and chemical contamination of our environment.

Cuts to Clean Air Act programs (43%)

Everyone breathes the air, and dirty air is unhealthy and contributes to serious, sometimes fatal health problems such as heart attacks, lung and heart disease, asthma attacks and other respiratory conditions and even premature births. Using the regulatory tools Congress gave the agency, EPA develops policies, programs and regulations to improve air quality and reduce exposure to radiation. These include measures to address industrial air pollution, pollution from vehicles and engines, indoor air quality, radon, radiation hazards, acid rain and climate change. Among the tools are pollution prevention and energy efficiency. The proposed cuts could slow or reverse progress in cleaning the air adults and especially children breathe, and addressing harmful pollutants that cause serious health effects. Specific cuts outlined in the budget include:

- Federal vehicle and fuels standards and certification programs that have reduced millions of tons of emissions and helped states meet health-based air quality standards would be cut 23% to \$75 million.
- Funds to support federal standards for mobile emissions sources that cross state lines, helping states meet air quality standards and establishing a level playing field for manufacturers, would be cut by 24% to \$96 million.
- Grants for state and local air quality management would be cut by 30% to \$152 million.

- Targeted airshed grants (\$19.8 million) would be eliminated.
- Support for federal air quality management would be cut 24% to \$96 million.
- A market-based clean air trading program that has dramatically cut acid rain and interstate pollution would be reduced by 5%.
- Two programs to protect the stratospheric ozone layer that would save millions of American lives from skin cancer, avoid hundreds of millions of non-fatal skin cancers and tens of millions of cases of eye cataracts would be cut by 71% to \$3.8 million.
- **Diesel grants** to retrofit highly polluting diesel engines would be cut 76% to \$10 million.

The budget also reduces funding for radon and indoor air protection programs that protect the public from radon, which causes about 21,000 lung cancer deaths each year, and educate the public about indoor air pollution threats, by 84% to \$4.2 million.

Cuts to Clean Water Act water pollution control programs (25%)

The budget would cut funds provided to states to protect against contamination of drinking water and pollution of rivers, streams, lakes and coastal waters, and funds for federal activities to support state pollution control and safe drinking water efforts. Specific cuts outlined in the budget include:

- Clean Water Act programs to protect surface water quality that help states address harmful pollutants in
 rivers, streams, lakes and coastal waters would be cut by 17% to \$175 million. These cuts include EPA
 activities to develop scientific information and criteria that support the work of states to set water quality
 standards that enable the states to address stormwater, nonpoint source pollution and other pervasive
 causes of water quality impairment.
- Marine pollution funding to support work on ocean discharges of dredged material would be cut to zero from \$11.7 million in FY 2017.
- National estuaries and coastal waterways activities funds that enable states to address harmful pollutants in rivers, streams, lakes and coastal waters cut to zero from \$26.8 million in FY 2017.
- Wetlands funding supporting EPA's review of dredging or fill permits issued by the Army Corp of Engineers
 under guidelines established by EPA would be cut by 38% to \$9.8 million. These cuts would likely delay these
 reviews and the issuance of permits.

Cuts in grants to assist state clean water and drinking-water programs (62%)

- State grants for water pollution control programs cut 33% to \$154 million. Federal grants provide on average 25% of the funding used by state programs to protect and restore water quality by issuing permits, monitoring water quality, developing water quality standards, conducting cleanup plans, identifying violators and taking enforcement actions.
- State grants for control of pollution from nonpoint sources. The budget completely eliminates support for a program to address the largest remaining source of unregulated pollutants such as contaminated runoff from a wide variety of sources. (\$170 million in FY 2017).
- State categorical grants to protect water quality at beaches (\$9.5 million) would be eliminated.
- State grants to supervise public drinking water supplies would be cut to \$68 million in 2019 from \$101 million in 2017 (33%) and to protect underground sources of drinking water by underground injection control would be cut to \$7 million in 2019 from \$10.6 million (34%).

Superfund – Overall funding for the **Superfund hazardous waste cleanup** program would be cut by 5% from 2017 levels.

Cuts in underground tank cleanups and brownfields development (38%)

- Brownfields Revitalization EPA brownfields funding for cleanup and redevelopment of contaminated properties cut by 37% from \$25 million to \$16 million. State grants in two accounts for brownfield projects, would be cut by 30% from \$137 million to \$94 million. These cuts will affect jobs and redevelopment and leave contaminated sites for future generations.
- The Leaking Underground Storage Tank program that enables EPA to address underground petroleum storage tanks that have seriously contaminated groundwater in many places would be cut 48% from \$92 million to \$48 million and state grants would be eliminated.

Cutbacks in hazardous waste management programs (29%)

Modern industrial activity generates huge amounts of hazardous waste. Under the Resource Conservation and Recovery Act (RCRA), EPA helps ensure that hazardous waste is managed safely from production to disposal. The budget cuts funds for EPA and states to implement RCRA. Specifics of the budget cuts include:

- General waste management activities would be cut 28% from \$58 million in FY 2017 to \$42 million.
- Hazardous waste financial assistance to states would drop 32% from \$97 million in FY 2017 to \$66 million, even though 80% of all U.S. residents live within three miles of a hazardous waste facility regulated under RCRA and 50% live within one mile of one of the 60,000 such facilities in the U.S.
- The corrective action program to clean up contamination from improper waste disposal would be cut 11% from \$36 million in FY 2017 to \$32 million.
- Waste minimization and recycling activities previously funded at \$9.3 million would receive no funding.

Cuts in toxic chemical risk and prevention programs (38%)

The FY 2019 budget deeply cuts funding for EPA and state programs to prevent and reduce toxic chemical risks. The federal Toxic Substances Control Act (TSCA) requires reporting, record-keeping and testing, restrictions on chemical substances in commerce that pose risks, and re-evaluation of the risks of existing chemicals. EPA has significant new responsibilities under major 2016 TSCA amendments, but instead of providing new funding to carry out those responsibilities, the budget reduces TSCA funding, including cuts in the following areas:

- Chemical Risk Review and Reduction funding for chemical reviews and voluntary toxic chemical pollution prevention programs would be cut 8% from \$64 million in FY 2017 to \$59 million.
- The **Pollution Prevention** (\$12.0 million) program would be eliminated.
- **Voluntary programs for toxic industrial chemicals** to prevent or reduce pollution at the source and reduce the use of toxic industrial chemicals would be eliminated.
- The **Right to Know (Toxic Release Inventory)** program would be cut 39% from \$12.6 million to \$7.7 million. This program collects and releases data from over 20,000 facilities on toxic chemical releases and waste generation for hundreds of toxic chemicals.
- Toxic substances compliance assistance state grants to fund state inspections to assure compliance with chemical substance laws would be reduced 33% from \$4.9 million in 2017 to \$3.3 million.
- **Pollution prevention state grants** under TSCA to support state pollution prevention outreach (\$4.5 million in FY 2017) would be eliminated.
- The **Endocrine Disruptors program** to evaluate chemicals that can interfere with the body's endocrine systems and damage human reproductive capacity, growth and development (\$6 million) would be eliminated.

Notwithstanding Administrator Pruitt's declaration of a "war on lead," the budget *eliminates* funding to address lead. Eliminated programs:

- Lead grants to address lead poisoning in buildings and protect lead paint abatement work (\$14.8 million)
- The **Lead Risk Reduction** program (\$12.8 million)

Cuts in protection from pesticides (21%)

EPA protects the public from the effects of toxic chemicals and pesticides using sound science to evaluate their risks to human health and the environment, reevaluate pesticides and assess the risks of emerging technologies such as genetically modified crops and nanotechnology and work to prevent or reduce pollution before it is created. Federal law requires that EPA register all pesticide products before they are sold and to set safe levels for pesticide residues in food. Specific cuts to this program include:

- Activities to Protect Human Health and the Environment from Pesticide Risks are cut by roughly 20% from \$94 million to \$75 million; the cuts will slow down the mandatory safety reviews of previously approved pesticides.
- Grants to States for Pesticide Program Implementation and Enforcement that support actions to reduce pesticide risks to workers would be cut 37% from \$30 million in FY 2017 to \$19 million.

Deep Cuts in EPA Scientific Research (48%)

Far from being theoretical, sound science is at the core of almost everything EPA does to protect the American public from harm. Many forms of science, from toxicology to engineering, are interwoven into standard setting, reviews of new chemicals, disaster relief and Superfund cleanups. EPA scientists conduct, assess and fund studies that provide the scientific and technological information needed for developing effective pollution standards, measuring and monitoring pollution and identifying new threats to public health and the environment. Sound science and technology are essential to meeting the agency's legal duty to ensure its actions, such as addressing clean air, clean water, safe drinking water, safe use of pesticides, toxics and hazardous waste and safe waste disposal rely on the best science available. EPA funds and operates laboratories and networks to support compliance monitoring, emergency response and public health research.

The administration's budget calls for a 37% cut in funding for the agency's Science and Technology account, which funds research and other activities, from \$714 million in 2017 to \$449 million. Total cuts to research itself across the agency are a draconian 48% from \$483 million to \$232 million and the agency's climate change research is eliminated. Cuts to science funding are the most severe cuts proposed in the budget and make a mockery of the goal adopted in EPA's budget submission to "prioritize robust science." Among other impacts, these cuts would:

- Impede the development of standards and the use of science in developing standards and science-based regulations
- Delay site-specific assessments used for cleaning up hazardous waste
- Reduce EPA's ability to fund and leverage outside research across the country to identify new environmental technologies and better ways to protect the environment
- Reduce EPA's ability to address complex environmental problems such as nonpoint source pollution, chemical interactions or emerging risk sources such as nanoparticles, chemical weapons, select agents and toxins
- Reduce funding for the Science Advisory Board, a panel of external experts that provides independent advice to the agency

The proposed cuts would weaken EPA's capacity to protect people's health and the environment and would also be felt by state and local governments, where science is an essential component of their decisions, which often rely on federal research. Specific cuts to scientific research programs include:

• 66% cut in the Air, Climate and Energy research program, which works to understand the effects of air pollution, which pollutants to control and at what levels and to prepare for responses to changes in climate and air quality, is cut from \$91 million in FY 2017 to \$31 million in FY 2019.

- 36% cut in the Safe and Sustainable Water research program, which uses science to ensure safe drinking
 water and restoration of surface water resources is cut from \$105 million in FY 2017 to \$67 million in FY
 2019.
- 63% cut in the Sustainable and Healthy Communities research program, which provides data and tools to help communities understand the benefits, including children's health benefits, of the "ecosystem services" that wetlands, urban tree cover, pollinators and green spaces provide. These include natural flood control, cleaner air and water, protections from heat and economic benefits. The program is cut from \$142 million in FY 2017 to \$53 million in FY 2019. Add to this a further \$2 million cut from research funded in other appropriations (Superfund, Oil spills and Leaking Underground Storage Tanks or LUST).
- 32% cut in the Chemical Safety and Sustainability research program that evaluates the potential impacts on human health and the environment of thousands of chemicals in existence and under development to create the scientific knowledge, tools and models needed to conduct integrated, timely and efficient chemical evaluations. The program is cut by 33% from \$129 million in FY 2017 to \$84 million in FY 2019.
- 45% cut in the Human Health Risk Assessment research program from \$41 million in FY 2017 to \$22 million in FY 2019. The program provides funding for EPA and state and local governments to assess the impacts of individual chemicals and chemical mixtures on human health. These assessments are needed to support priority risk management decisions.
- 15% cut in Homeland Security research from \$33 million to \$28 million in FY 2019 that provides the science and technology to respond to and remediate incidents involving chemicals such as sarin or mustard gas, biological hazards including anthrax and animal disease outbreaks such as H5N1 avian flu virus, radiological hazards such as dirty bombs and nuclear risks like emissions from the Fukushima disaster. Contamination from these types of disasters often results in sickness or death, disruption of drinking water and wastewater services and economic hardship in vulnerable communities.

Programs to Protect America's Greatest Water Bodies Virtually Eliminated

America's majestic waters – the Chesapeake Bay, the Great Lakes, the Gulf of Mexico, Puget Sound, San Francisco Bay and many more – are national treasures and part of our national identity. Sadly, the health of these ecosystems is jeopardized by pollution from a complex range of sources. The budget completely eliminates funding for most of EPA's geographic programs and pays lip service to keeping two by cutting their budgets by 90%. These programs have for decades provided federal leadership, working with states, Tribes, and local governments, to address the complex pollution problems that degrade America's great water bodies; these programs received a total of \$476 million in FY 2017. The cuts would leave the costs of protecting and restoring nationally significant waters to states, without federal leadership or financial assistance.

The budget would eliminate programs to protect and restore: **Puget Sound** (\$28 million), the **Gulf of Mexico** (\$3.6 million), **Lake Champlain** (\$4.4 million), **Long Island Sound** (\$8 million), **South Florida** (\$1.6 million), **San Francisco Bay** (\$4.5 million), and **South New England Estuary** (\$5 million).

The two largest programs, cut by 90%, are:

- The Chesapeake Bay Program (\$67 million to \$7 million). The bay is the country's largest estuary and its watershed is home to nearly 18 million people; this program works to coordinate bay restoration.
- The Great Lakes Restoration Initiative (\$353 million to \$30 million). This multi-state and international program works for comprehensive restoration of the world's largest group of freshwater lakes, with 21% of the world's surface water and more than 30 million people living in its basin. The lakes are a source of drinking water for over 40 million people.

Programs for Low Income and Minority Communities Severely Cut or Eliminated

Several proposed budget cuts are directed at programs providing environmental protection to **low income**, **minority and other vulnerable or overburdened communities** in a pattern that may reflect a deliberate effort to reduce support for those communities. These programs, include

- The <u>Environmental Justice program</u>, which addresses disproportionate environmental burdens on vulnerable low-income and minority communities and indigenous people, is cut 69% from \$6.4 million in FY 2017 to \$2 million. By focusing on overburdened communities that have historically borne a disproportionate share of environmental burdens and risks, the program helps the agency direct its resources where they are most needed.
- Two exceptions to the administration's policy of robust funding for critical drinking and wastewater infrastructure, are the 85% cut in such funding for the <u>Alaska Rural and Native Village program</u> (\$20 million in FY 2017 to \$3 million in FY 2019) and the *elimination* of the **US-Mexico border Infrastructure Grant program** (\$10.7 million in FY 2017). These programs support basic drinking water and sanitation infrastructure such as flushing toilets and running water for poor, isolated, predominantly Alaska Native rural villages and for desperately poor U.S. communities along the 2000 mile US-Mexico border that disproportionately lack such services.
- The budget also reduces protections for poor and vulnerable communities by eliminating the **US-Mexico border program** (\$2.9 million), a cooperative effort by the two nations to address the serious environmental threats on both sides of the border.

Finally, the proposed cuts to **Categorical Grants to Tribes** for developing environmental programs (29%) and for air quality management programs (31%) primarily serve poor and overburdened communities that suffer some of the worst poverty and health problems in the Nation. For Tribes still developing strong programs, these cuts would cripple environmental protection for tribal lands.

Enforcement Cuts Would Lead to More Pollution (11%)

Enforcement ensures the same level of protections across the country, undergirds a credible state enforcement program, drives compliance and innovation, pays for itself, saves lives, ensures health and prosperity and creates jobs. It is critical to the effectiveness of the laws that protect our Nation's health and environment that these laws be taken seriously and deliver results. While it may be tempting to think that in today's enlightened and responsible corporate culture, vigorous enforcement is no longer necessary, there is a continuing need for the deterrent effect of a strong watchdog with adequate enforcement funding, a credible threat of enforcement and consequences for breaking the law. Without effective enforcement to deter violations by penalizing them, many polluters will conclude they have no incentive to obey the law while conscientious companies are placed at a competitive disadvantage.

The budget proposes a \$53 million (16%) cut to EPA's enforcement budget (other than Superfund enforcement, which is largely protected). This includes a \$32 million (18%) cut to civil enforcement and a 14% reduction in criminal enforcement. To the extent that EPA charges the significant costs of the administrator's increased security detail to the criminal enforcement budget, it would divert funds from other uses. For reasons that are not apparent, cuts are even deeper (20%) to the program that provides advanced forensics support for enforcement efforts – EPA's "CSI". These enforcement cuts come on top of past reductions that have already shrunk EPA's enforcement office; the impact is magnified by cuts to grants that support state enforcement.

The proposed 14% reduction in **criminal enforcement**, which addresses the most serious violations and provides the greatest penalty for violating the law, is particularly troubling. Fewer cops on the beat mean a reduced threat of serious consequences for serious violations. While civil fines are an irritant to big companies, criminal fines and incarceration are a known and substantial deterrent. One example is Duke Energy, which pled guilty to criminal violations of the Clean Water Act and paid \$102 million, including a \$68 million criminal fine and \$34 million for environmental restoration for harm from a massive spill of coal ash into the Dan River, a North Carolina drinking water source.

The impacts of effective enforcement are demonstrated in thousands of successful cases that have resulted in improved environmental conditions and public health protections, including:

- Volkswagen, which paid \$4.3 billion in civil and criminal penalties for selling about 590,000 vehicles that violated emissions limits and will invest another \$14.7 billion for measures to reduce emissions and take polluting cars off the road.
- BP, which 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.
- GE, which agreed in 2005 to clean up PCB contamination in the Hudson River and reimburse the government for millions of dollars in cleanup costs and continuing costs of investigation and remediation of Hudson River contamination, including \$20.5 million paid in 2014.

In each of these cases, it is not the penalty alone that sends signals to others that they are at risk if they fail to comply, but the corrective actions, the cleanups and the reuse of vital resources that have been compromised that are at the heart of any enforcement effort.

Attachment A lists cuts to EPA core programs under the Trump budget Attachment B lists cuts to categorical grants under the Trump budget

For More information:

Read: <u>EPN's Overview of Fiscal Year 2019 EPA Budget Cuts</u> Visit our website: <u>www.environmentalprotectionnetwork.org</u>

Contact EPN: info@environmentalprotectionnetwork.org or call 202-656-6229

ATTACHMENT A CUTS TO EPA CORE PROGRAMS UNDER THE TRUMP BUDGET

Program				
(includes HQ offices and	FY 2017 Budget	FY 2019 Proposed		
related regional and	(Actual)	Budget	\$ Change	% Change
laboratory programs)	(\$s in 000s)	(\$s in 000s)	(\$s in 000s)	J
Air and Radiation	,	,	,	
Science and Technology	118,557	84,905	(33,652)	(28)
(S&T) , Clean Air	-,	,,,,,,,	(,,	(- /
S & T, Indoor Air and	6,512	4,666	(1846)	(28)
Radiation	•	,	, ,	, ,
Environmental Program	264,812	142,901	(121,911)	(46)
and Management (EPM),	•			
Clean Air				
EPM, Indoor Air and	26,698	4,221	(22,477)	(84)
Radiation			•	•
Hazardous Substance	1,834	1,972	138	8
Superfund, Indoor Air				
and Radiation				
Air and Radiation Total	418,413	238,665	(179,748)	(43)
Water Quality and				
Ecosystems				
EPM, Water Quality	210,239	174,975	(35,264)	(17)
Protection				
EPM, Water: Ecosystems	47,208	17,913	(29,295)	(62)
Water Quality and	257,447	192,888	(64,559)	(25)
Ecosystems Total				
Water: Drinking Water				
S & T, Drinking Water	3,517	3,595	78	0
Programs				
EPM, Water: Human	97,281	80,543	(16,738)	(17)
Health Protection				
Water: Drinking Water	100,798	84,138	(16,660)	(17)
Total				
Pesticides Licensing and				
Toxics Risk Review				
S&T, Pesticides Licensing	5,533	5,058	(475)	(9)
EPM, Pesticides Licensing	100,330	79,760	(20,570)	(21)
- EPM, Toxics Risk Review	94,455	58,626	(35,829)	(38)
and Prevention				

Pesticides and Toxics	200,318	143,444	(56,874)	(28)
Total				
Resource Conservation				
and Recovery Act,				
Underground Storage Tanks and Inland Oil				
Spill Programs	102 661	72 051	(20.910)	(20)
EPM, RCRA	103,661	73,851	(29,810)	(29)
EPM, Underground	10,654	5,615	(5,039)	(47)
Storage Tanks (UST)	02.442	47.522	(44.644)	(40)
UST, Leaking	92,143	47,532	(44,611)	(48)
Underground Storage				
Tanks ²	47.040	45.670	(2.267)	(4.2)
Inland Oil Spill Programs	17,940	15,673	(2,267)	(13)
RCRA, UST and Inland	224,398	142,671	(81,727)	(36)
Oil Spills Total				
Hazardous Substance	1,144,619	1,088,830	(55,789)	(5)
Superfund Total ⁴				
Enforcement				
S&T, Forensics Support	13,229	10,486	(2,743)	(21)
EPM, Compliance	98,284	86,374	(5,910)	(6)
Monitoring				
EPM, Civil Enforcement	172,310	140,677	(31,633)	(18)
EPM, Criminal	48,039	41,107	(6,932)	(14)
Enforcement				
Superfund, Compliance	1,029	988	(41)	(4)
Monitoring				
Superfund, Criminal	6,815	7,135	320	5
Enforcement				
Superfund, Forensics	1,544	1,097	(447)	(29)
Support				
Superfund: Enforcement	153,706	150,466	(3,240)	(2)
Superfund: Federal	5,595	5,993	398	7
Facilities Enforcement				
Inland Oil Spills,	145	0	(145)	(100)
Compliance Monitoring				•
Inland Oil Spills, Civil	2,343	2,219	(124)	(5)
Enforcement	·	, , , , , , , , , , , , , , , , , , ,		. ,
Enforcement Total	503,039	446,542	(56,497)	(11)
		ŕ	• •	• •

_

² Includes funds for research and enforcement, which are also listed elsewhere

³ Includes funds for research and enforcement, which are also listed elsewhere.

⁴ Includes funds for research and enforcement, which are also listed elsewhere.

Research				
S&T, Research: Air and	90,076	30,711	(59,367)	(71)
Energy				
S&T, Research: Safe and	104,688	67,261	(37,427)	(36)
Sustainable Water				
Resources				
S&T, Research:	142,429	52,549	(89,880)	(63)
Sustainable Communities				
S&T, Research: Chemical	129,699	84,004	(42,695)	(33)
Safety and Sustainability				
Superfund, Research:	3,021	5,021	2,270	66
Chemical Safety and				
Sustainability				
Superfund, Research:	12,718	10,885	(1,833)	(14)
Sustainable Communities				
Leaking USTs, Research:	358	320	38	(11)
Sustainable Communities				
Inland Oil Spill Program,	653	516	(137)	(21)
Research: Sustainable				
Communities				
Research Total	483,262	251,267	(232,095)	(48)

ATTACHMENT B CUTS TO CATEGORICAL GRANTS UNDER THE TRUMP BUDGET

Grant	FY 2017 Budget	FY 2019		
	(Actual)	Proposed Budget	Change	% Change
	(\$s in 000s)	(\$s in 000s)	(\$s in 000s)	
Clean Water Non-point				
Source pollution control	169,772	0	(169,772)	(100)
Drinking Water - PWS				
Supervision	101,126	67,892	(35,770)	(33)
Drinking Water –UIC	10,572	6,995	(3,577)	(34)
Air – State & Local Air				
Quality Management	214,181	151,961	(62,220)	(29)
Radon	7,963	0	(7,963)	(100)
Clean Water Pollution				
Control (including				
Monitoring funds)	227,686	153,683	(74,003)	(33)
Wetlands	13,562	10,243	(6,105)	(24)
Pesticides Program				
Implementation	12,402	8,457	(3,945)	(32)
Pesticides Enforcement	17,687	11,531	(6,156)	(35)
Lead	14,822	0	(14,822)	(100)
Hazardous Waste				
Financial Assistance	97,165	63,381	(33,784)	(35)
Pollution Prevention	4,505	0	(4,505)	(100)
Chem. Safety – Toxic				
Substances Compliance	4,983	3,276	(1,707)	(34)
Tribal General Assistance				
Program ("GAP")	68,186	44,233	(23,913)	(35)
Underground Storage				
Tanks	1,479	0	(1,479)	(100)
Tribal Air Quality				
Management	14,028	8,963	(5,065)	(36)
Environmental Info	9,289	6,422	(2,867)	(31)
Beaches Protection	9,540	0	(9,540	(100)
Brownfields	46,995	31,791	(15,204)	(32)
Multipurpose	1,629	27,000	25,371	1499
TOTAL	1,048,367	597,347	(451,020)	(43)

PWS – public water systems

UIC – underground injection controls - preventing injection wells from contaminating underground sources of drinking water