

Understanding the Full Impacts of the Proposed FY2020 EPA Budget April 8, 2019

Introduction

President Trump's proposed budget for fiscal year (FY) 2020 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 31% from 2019. 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 FY2020 budget would cut EPA funding from FY2019 by \$2,755,998 (31%), from \$8,824,488 to \$6,068,490, and slash the authorized workforce by nearly 2,000 in one year. The Trump budget proposes savage cuts that would return EPA in real dollars 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. Its proposed staffing cut 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 environmental protection work. EPA's workforce around the country would shrink by nearly 19%, from 15,408 (in FY2017) at the beginning of the Trump Administration to 12,451 in FY2020, giving EPA its smallest workforce since FY1985, 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.

The FY2020 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 nearly half a billion dollars in categorical grant funding for state programs, a 45% reduction, even though state environmental programs, on average, depend on federal funding for roughly 25% of their operating budgets and despite the vital role states play in protecting our nation's environment. State funding cuts are especially disingenuous considering the Trump/Wheeler Administration's stated intention of shifting more responsibility to the states, and providing them with less help to do so.

The proposal largely echoes the administration's <u>FY2018</u> and <u>FY2019</u> budgets and will likely be superseded by Congress as the previous two budgets were. But by repeatedly suggesting cuts of this magnitude, it normalizes the expectation that EPA's budget should be reduced dramatically.

EPA's "Budget in Brief," ostensibly showing how the budget supports the agency's mission, is laughable for the brazen disconnect between its stated "goals" and its devastating cuts to activities supporting those goals. Two "goals," to "improve air quality" and "provide for clean and safe water," face funding cuts of 46% and 39%, respectively. EPA cuts 30% in support for the "goal" of promoting cooperative federalism and increasing states' roles in protecting the environment, including an 83% cut for measures to "increase transparency and public participation," and the budget cuts 46%, or nearly half a billion dollars, for categorical grants to support state and tribal programs. Another goal to "prioritize robust science" is "supported" by a 45% cut in science funding. One wonders how large the cuts would be if EPA did not prioritize these goals. Indeed, not even the President takes the cuts seriously, as he indicated recently when, barely two weeks after submitting the budget to Congress, he disavowed his own proposal to cut support for the Great Lakes by \$300 million and promised full funding. But the unwitting humor should not obscure the fact that the Trump-Wheeler Administration is dead serious about attacking environmental protection.

The past two years, Congress rejected the proposed massive cuts to EPA and provided level funding. However, in real terms this has meant a continued decline from levels that were already historically low at a time when environmental needs are a national priority. EPN urges this Congress to take a serious look, for the first time in many years, at the level of investment actually needed for EPA to do its job and fund the agency accordingly.

For perspective, the "savings" of \$2.76 billion is a minuscule fraction of the Trump Administration's overall proposed \$4.75 trillion in spending for FY2020. 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 even eliminates roughly 50 programs that protect the air, water and land, and people's health in communities across America.

The budget provides virtually no funding for EPA climate change programs and research and eliminates most voluntary climate programs. This continues a pattern of attacks on EPA climate measures, including actively disputing climate science and acting to undo significant EPA measures to protect the climate, including the Clean Power Plan and vehicle emission standards.

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 \$6.068 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 10-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 FY2020 budget, adjusted for inflation, would be almost 40% lower and staffing would be down by 28%.

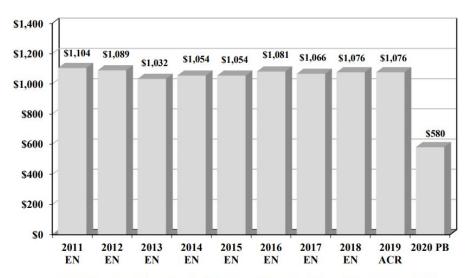
Needless to say, the environmental challenges that EPA is responsible for addressing have not shrunk over this same period of time. To use just two rough indicators, since 2000, the population has grown by 15% and Gross Domestic Product has gone up 75%.

State agencies, which depend on EPA assistance 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. Even so, EPA is proposing to expand the role states play in protecting the environment, even as it cuts nearly half a billion in support for state programs. 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 46% cut in categorical grants to support state and tribal 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.

Categorical Grants (Dollars in Millions)



Note: EN - Enacted, ACR - Annualized Continuing Resolution, PB - President's Budget

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. 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 funding for lead grants, despite a purported "war on lead." 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, which 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 46% cut in state program 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 into 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 temperatures 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 2019.

The budget provides virtually no funding for EPA climate change programs and research and eliminates most voluntary climate programs. This continues a pattern of attacks on EPA climate work, virtually identical to last year's, and starkly demonstrates the administration'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 in GHG pollution achieved by the federal government are the result of the work carried out by EPA climate change programs. Notwithstanding that achievement and the

devastating impacts already occurring from a warming climate, the 2020 budget eliminates nearly \$90 million in important climate programs. These "savings" will actually cost Americans tens of billions of dollars from increased risks to their lives, health and property, 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 aimed to reduce GHG pollution by 30% and other pollutants that contribute to the soot and smog that make people sick by more than 25%. EPA estimates indicated that the Clean Power Plan would have produced 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. Instead, the administration will be using its resources to attack climate programs, replacing the Clean Power Plan with an industry-friendly alternative, and eliminating future improvements in national vehicle mileage standards and prohibiting California and other states from setting their own standards.

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; and
- 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/Wheeler Administration professes to be emphasizing "basics," <u>traditional core programs</u> 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.

Reduced Air Protection

By EPA's own count, it is proposing to cut overall funding to "improve air quality" by 46%, from \$789 million to \$425 million. This includes 40% in proposed cuts to the air and radiation program from \$425 million to \$254 million.

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, two particular targets of the Trump budget. 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 fuel standards and certification programs that have reduced millions of tons of emissions and helped states meet health-based air quality standards would be cut from \$94 million to \$78 million (17%).
- Support for federal air quality management would be cut 18% from \$135 to \$111 million.
- 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 \$3.9 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%, from \$27.6 million to \$4.53 million.

Air and Radiation categorical grants to states would be cut \$88 million (35%), from \$249 million to \$161 million.

- Grants for state and local air quality management would be cut by 33%, from \$228 million to \$152 million.
- Grants for tribal air quality management would be cut 30%, from \$12.83 million to \$8.96 million.
- Radon grants, previously funded at \$8.05 million, would be eliminated.

Other grants to protect air quality would be reduced \$105 million or 87%.

- **Diesel grants** to retrofit highly polluting diesel engines would be cut \$65 million (87%), from \$75 million to \$10 million.
- Targeted airshed grants, previously funded at \$40 million, would be eliminated.

Cuts to Support for Clean and Safe Water

EPA budget documents identify cuts of \$1.69 billion (39%) in support for clean and safe water, including \$901 million in cuts for infrastructure assistance for water treatment programs, from \$2.887 million to \$1.986 million (31%).

Clean Water Act water pollution control programs would be cut by 19%, from \$258 million to \$210 million. 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 from \$210 million to \$188 million (11%). 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 \$11.1 million in FY2019.
- National estuaries and coastal waterways activities funds that enable states to address harmful pollutants in rivers, streams, lakes and coastal waters would be cut to zero from \$26.7 million in FY2019.

Cuts in grants to assist state clean water and drinking-water programs (56%)

- State grants for water quality protection cut by \$262 million (62%), from \$426 million to \$163 million
- On average, federal grants provide 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.
 - o State grants for pollution control cut 33% (\$77 million), from \$231 million to \$154 million.
 - o <u>State grants for control of pollution from nonpoint sources</u>: 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. This program was previously funded at \$171 million in FY2019.
 - o **State categorical grants to protect water quality at beaches,** previously funded at \$9.55 million, would be eliminated.
- State grants to protect drinking water would be cut by \$38 million (33%), from \$112 million to \$75 million.
 - o **Grants to supervise public drinking water supplies** would be cut from \$102 million to \$68 million (33%).
 - o Grants to protect underground sources of drinking water by underground injection control would be cut 33% to \$7 million from \$10.5 million.

Research: Safe and Sustainable Water Resources would be cut by \$36.3 million (34%), from \$106 million to \$70 million.

Cuts to Superfund, Brownfields and Hazardous Waste

Funding for the Superfund hazardous waste cleanup program, supposedly a high-priority area, would be cut by 15%, or \$116 million, from \$785 million to \$668 million.

Cuts in underground tank cleanups and brownfields development (36%)

- **Brownfields Revitalization** EPA brownfields funding for cleanup and redevelopment of contaminated properties cut by 35%, from \$26 million to \$17 million. State grants, in two accounts for brownfield projects, would be cut by 27%, from \$128 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 <u>hazardous waste management programs</u> from \$109 million to \$80 million (27%). 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 23%, from \$61 million to \$47 million.
- Hazardous waste financial assistance to states would drop 33%, from \$99.7 million to \$66.4 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 15%, from \$39 million to \$33 million.
- Waste minimization and recycling activities previously funded at \$9.53 million would receive no funding.

Cuts in toxic chemical risk and prevention programs (28%)

The FY2020 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:

- The **Pollution Prevention** (\$12.0 million) program would be eliminated.
- The **Right to Know (Toxic Release Inventory)** program would be cut 39%, from \$12.8 million to \$7.81 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 \$4.92 million to \$3.28 million.
- **Pollution prevention state grants** under TSCA to support state pollution prevention outreach (\$4.77 million in FY2019) 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 (\$7.55 million) would be eliminated.

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

- **Lead grants** to address lead poisoning in buildings and protect lead paint abatement work (\$14.0 million)
- The **Lead Risk Reduction** program (\$12.6 million)

Cuts in programs protecting the public from pesticides (22%)

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. These cuts include **Activities to Protect Human Health and the Environment from Pesticide Risks** by roughly 19%, from \$99 million to \$80 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 38%, from \$31 million in FY2019 to \$19 million.

Deep Cuts in EPA Scientific Research (45%)

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 that solid evidence supports and informs its actions in such critical areas as addressing clean air; clean water; safe drinking water; safe use of pesticides, toxics and hazardous waste; and safe waste disposal. EPA funds and operates laboratories and networks to support compliance monitoring, emergency response and public health research.

The administration's budget calls for a 35% cut in funding for the agency's Science and Technology account, which funds research and other activities, from \$714 million in FY2019 to \$463 million. Total cuts to research itself across the agency are a draconian 45%, 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." 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.

Even without cuts in EPA science funding, the agency has been waging a virtual war on science, replacing independent scientists with energy industry employees on science review bodies, ignoring science findings in shaping rules, and even proposing a rule requiring EPA to ignore some scientific evidence in rulemaking.

Specific cuts to scientific research programs include:

- 65% cut in the Air and Energy research (formerly Air, Climate and Energy) 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 \$92 million in FY2019 to \$32 million in FY2020.
- 34% 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 \$106 million in FY2019 to \$70 million in FY2020.
- 60% 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, protection from heat and economic benefits. The program is cut from \$134 million in FY2019 to \$54 million in FY2020. 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 from \$127 million in FY2019 to \$87 million in FY2020.
- 38% cut in the Human Health Risk Assessment research program, from \$37 million in FY2019 to \$23 million in FY2020. 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.

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; and
- Reduce funding for the Science Advisory Board, a panel of external experts that provides independent advice to the agency.

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 provided federal leadership for decades, 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 \$448 million in FY2019. The 92% in overall 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** (\$28.0 million in FY2019), the **Gulf of Mexico** (\$12.5 million in FY2019), **Lake Champlain** (\$8.39 million in FY2019), **Long Island Sound** (\$12.0 million in FY2019), **South Florida** (\$1.70 million in FY2019), **San Francisco Bay** (\$4.82 million in FY2019), and **South New England Estuary** (\$5.0 million in FY2019).

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

- The Chesapeake Bay Program (\$73 million to \$7.3 million, 90%). The Chesapeake 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 (\$300 million to \$30 million, 90%). 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.

<u>Programs for Low-Income and Minority Communities Severely Cut or Eliminated</u>

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 Environmental Justice program, which addresses disproportionate environmental burdens on vulnerable low-income and minority communities and indigenous people, is cut from \$7.50 million in FY2019 to \$2.74 million, 37%. 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 programs to support critical drinking and wastewater infrastructure for overburdened communities are targeted, with an 85% cut for the Alaska Rural and Native Village program (\$20 million in FY2019 to \$3 million) and the elimination of the U.S.-Mexico Border Infrastructure Grant program (\$10 million in FY2019). 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 2,000-mile U.S.-Mexico border that disproportionately lack such services.
- The budget also reduces protections for poor and vulnerable communities by eliminating the **U.S.-Mexico border program** (\$3.0 million in FY2019), 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 is \$65.5 million to \$44.2 million (32%) and for air quality management programs, \$12.8 million to

\$9.0 million (30%). These grants 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.

Civil Enforcement Cuts Would Lead to More Pollution (14%)

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.

Even without budget cuts, EPA has drastically reduced enforcement and penalties with 80% fewer civil investigations and the lowest fines and fewest criminal enforcement cases in a quarter century.

The budget proposes a \$24 million (14%) cut to civil enforcement. 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 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 of Mexico states, for violations caused by the Deepwater Horizon explosion; and
- 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.

ATTACHMENT A CUTS TO EPA CORE PROGRAMS UNDER THE TRUMP BUDGET

Program				
(includes HQ offices and	FY2019 Budget	FY2020		
related regional and	(Annualized CR)	Proposed	\$ Change	% Change
laboratory programs)	(\$s in 000s)	Budget	(\$s in 000s)	
		(\$s in 000s)		
Air and Radiation				
Science and Technology	116,541	87,341	-29,200	-25.06
(S&T), Clean Air	110,541	07,341	-29,200	-23.00
S&T, Indoor Air and	5,997	4,783	-1,214	-20.24
Radiation	3,777	4,763	-1,214	-20.24
Environmental Program and				
Management (EPM), Clean	273,108	155,814	-117,294	-42.95
Air	273,100	133,014	-117,274	-72.73
EPM, Indoor Air and	27,637	4,526	-23,111	-83.62
Radiation	21,031	7,320	-23,111	-03.02
Hazardous Substance				
Superfund, Indoor Air and	1,985	1,933	-52	-2.62
Radiation	ŕ			
Air and Radiation Total	<u>425,268</u>	<u>254,397</u>	<u>-170,871</u>	<u>-40.18</u>
Water Quality and				
Ecosystems				
EPM, Water Quality				
Protection	210,417	188,233	-22,184	-10.54
EPM, Water: Ecosystems	47,788	21,578	-26,210	-54.85
Water Quality and	<u>258,205</u>	209,811	-48,394	-18.74
Ecosystems Total	<u>230,203</u>	207,811	-40,574	-10.74
Water: Drinking Water				
S&T, Drinking Water				
Programs	3,519	4,094	575	16.34
EPM, Water: Human Health				
Protection	98,507	89,808	-8,699	-8.83
Water: Drinking Water	100.005	00.000	0.121	- 0 -
<u>Total</u>	<u>102,026</u>	93,902	<u>-8,124</u>	<u>-7.96</u>

Pesticides Licensing and Toxics Risk Review				
S&T, Pesticides Licensing	6,027	5,273	-754	-12.51
EPM, Pesticides Licensing	109,363	85,679	-23,684	-21.66
EPM, Toxics Risk Review and Prevention	92,521	66,418	-26,103	-28.21
Pesticides and Toxics Total	<u>207,911</u>	<u>157,370</u>	<u>-50,541</u>	<u>-24.31</u>
Resource Conservation and Recovery Act, Underground Storage Tanks and Inland Oil Spill Programs				
EPM, RCRA	109,377	80,015	-29,362	-26.84
EPM, Underground Storage Tanks (LUST/UST)	11,295	5,996	-5,299	-46.91
UST, Leaking Underground Storage Tanks (LUST) ¹	89,649	45,562	-44,087	-49.18
Inland Oil Spill Programs ²	18,209	15,962	-2,247	-12.34
RCRA, UST and Inland Oil Spills Total	<u>228,530</u>	<u>147,535</u>	<u>-80,995</u>	<u>-35.44</u>
Hazardous Substance Superfund Total ³	<u>1,154,947</u>	<u>1,045,351</u>	<u>-109,596</u>	<u>-9.49</u>
Enforcement				
S&T, Forensics Support	13,669	10,883	-2,786	-20.38
EPM, Compliance Monitoring	101,665	89,644	-12,021	-11.82
EPM, Civil Enforcement	171,283	147,647	-23,636	-13.80
EPM, Criminal Enforcement	44,995	44,582	-413	-0.92

¹ Includes funds for research and enforcement, which are also listed elsewhere.

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

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

Superfund, Compliance				
Monitoring	995	991	-4	-0.40
Superfund, Criminal				
Enforcement	7,502	8,198	696	9.28
Superfund, Forensics				
Support	1,824	1,144	-680	-37.28
Superfund: Enforcement	150,048	155,059	5,011	3.34
Superfund: Federal Facilities				
Enforcement	6,243	6,956	713	11.42
Inland Oil Spills,	420	0	420	100.00
Compliance Monitoring	139	0	-139	-100.00
Inland Oil Spills, Civil	0.412	0.272	40	1.66
Enforcement	2,413	2,373	-40	-1.66
Enforcement Total	<u>500,776</u>	<u>467,477</u>	<u>-33,299</u>	<u>-6.65</u>
Research				
S&T, Research: Air and				
Energy	91,906	31,707	-60,199	-65.50
S&T, Research: Safe and	404.5	40.044		
Sustainable Water Resources	106,257	69,963	-36,294	-34.16
S&T, Research: Sustainable	124 207	F2 (24	00.404	40.07
Communities	134,327	53,631	-80,696	-60.07
S&T, Research: Chemical	126,930	86,566	-40,364	-31.80
Safety and Sustainability	120,930	80,300	-40,304	-31.00
Superfund, Research:				
Chemical Safety and	2,824	5,338	2,514	89.02
Sustainability	2,02 1	3,330	2,311	07.02
Superfund, Research: Sustainable Communities	11,463	10,977	-486	-4.24
LUST/UST, Research:	<u>'</u>	,		
Sustainable Communities	320	424	104	32.50
Inland Oil Spill Program,				
Research: Sustainable				
Communities	664	511	-153	-23.04
Research Total	474,691	259,117	-215,574	<u>-45.41</u>

ATTACHMENT B CUTS TO CATEGORICAL GRANTS UNDER THE TRUMP BUDGET

Grant	FY2019 Budget (Annualized CR) (\$s in 000s)	FY2020 Proposed Budget (\$s in 000s)	Change (\$s in 000s)	% Change
Clean Water Non-point Source Pollution Control	170,915	0	-170,915	-100.00
Drinking Water – PWS Supervision	101,963	67,892	-34,071	-33.42
Drinking Water – UIC	10,506	6,995	-3,511	-33.42
Air – State & Local Air Quality Management	228,219	151,961	-76,258	-33.41
Radon	8,051	0	-8,051	-100.00
Clean Water Pollution Control (including Monitoring funds)	230,806	153,683	-77,123	-33.41
Wetlands Program Development	14,661	9,762	-4,899	-33.42
Pesticides Program Implementation	12,701	8,457	-4,244	-33.41
Pesticides Enforcement	18,050	10,531	-7,519	-41.66
Lead	14,049	0	-14,049	-100.00
Hazardous Waste Financial Assistance	99,693	66,381	-33,312	-33.41
Pollution Prevention	4,765	0	-4,765	-100.00
Chem. Safety – Toxic Substances Compliance	4,919	3,276	-1,643	-33.40
Tribal General Assistance Program ("GAP")	65,476	44,233	-21,243	-32.44
Underground Storage Tanks	1,498	0	-1,498	-100.00
Tribal Air Quality Management	12,829	8,963	-3,866	-30.13
Environmental Info	9,646	6,422	-3,224	-33.42
Beaches Protection	9,549	0	-9,549	-100.00
Brownfields	47,745	31,791	-15,954	-33.42

Multipurpose	10,000	10,000	0	0.00
TOTAL	<u>1,076,041</u>	<u>580,347</u>	<u>-495,694</u>	<u>-46.07</u>

PWS – public water systems

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

State and Tribal Assistance Grants (STAG):

Grant	FY2019 Budget (Annualized CR) (\$s in 000s)	FY2020 Proposed Budget (\$s in 000s)	<u>Change</u> (\$s in 000s)	% Change
Existing Programs				
Infrastructure Assistance: Alaska Native Villages	20,000	3,000	-17,000	-85.00
Brownfields Projects	80,000	62,000	-18,000	-22.50
Infrastructure Assistance: Clean Water SRF	1,693,887	1,119,772	-574,115	-33.89
Infrastructure Assistance: Drinking Water SRF	1,163,233	863,233	-300,000	-25.79
Infrastructure Assistance: Mexico Border	10,000	0	-10,000	-100.00
Diesel Emissions Reduction Grant Program	75,000	10,000	-65,000	-86.67
Targeted Airshed Grants	40,000	0	-40,000	-100.00
GKM Water Monitoring	4,000	0	-4,000	-100.00
Safe Water for Small & Disadvantaged Communities	20,000	0	-20,000	-100.00
Reducing Lead in Drinking Water	10,000	0	-10,000	-100.00
Lead Testing in Schools	20,000	10,000	-10,000	-50.00
Existing Total	3,136,120	2,068,005	<u>-1,068,115</u>	<u>-34.06</u>

New Programs				
Healthy Schools (not authorized by Congress)	0	50,000	50,000	> 100
Drinking Water Infrastructure Resilience and Sustainability	0	2,000	2,000	> 100
Drinking Fountain Lead Testing	0	5,000	5,000	> 100
Technical Assistance for Treatment Works	0	7,500	7,500	> 100
Sewer Overflow Control Grants	0	61450	61,450	> 100
Water Infrastructure and Workforce Investment	0	300	300	> 100
Subtotal, State and Tribal Assistance Grants (STAG) Non-Categorical Grants	<u>3,136,120</u>	<u>2,194,255</u>	<u>-941,865</u>	-30.03