



FY 2015

EPA Budget in Brief



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Budget in Brief

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Mission

The mission of the Environmental Protection Agency (EPA) is to protect human health and the environment.

Budget in Brief Overview

The mission of the Environmental Protection Agency (EPA) is to protect human health and the environment. We achieve this by keeping pollution out of the air we breathe, the water we drink and swim in, and harmful chemicals out of the food we eat and the lands where we build our homes and our communities. The Agency's FY 2015 budget supports implementation of the EPA's priorities through focused efforts to develop and implement creative, flexible, cost-effective, common sense and sustainable actions to fight climate change, to protect public health, and to safeguard the environment. Today's environmental problems require critical thinking about the complex interactions of environmental pollutants and new tools that promote innovation, incentives and partnerships. To this end, the EPA's FY 2015 budget focuses on reinforcing that our work effects people's lives and wellbeing at the community level, advancing environmental justice and ensuring fair and effective enforcement of environmental laws, improving how the EPA's work is communicated to the public, and achieving transparency in agency decision making.

The FY 2015 budget reflects the EPA's commitment to increase our engagement with local communities and address what really matters to people, to make a visible difference with new approaches and tools to accelerate environmental progress. The EPA works to enhance the livability and economic vitality of neighborhoods; strengthen our relationship with America's agricultural community; support green infrastructure; reduce air pollution along roadways, railways and at ports; and take into consideration the impacts of our decisions on disproportionately disadvantaged communities through increased analysis, better science, and enhanced community engagement. Central to our strategy is modernizing and streamlining how we work and effectively leveraging technology. We will be able to provide all parts of society—communities, individuals, businesses, and federal, state, local, and tribal governments—access to accurate information so that they may participate effectively in managing human health and environmental risks. The EPA's work is guided by the best possible scientific information and a commitment to transparency and accountability.

The EPA strives to be a good steward of taxpayer resources and to deliver environmental protection in the most efficient way. To learn more about how the agency accomplishes its mission, including information on the organizational structure and regional offices, please visit: <http://www.epa.gov/aboutepa/>.

FY 2015 Annual Performance Plan

The EPA's FY 2015 Annual Performance Plan budget of \$7.89 billion is almost \$310 million, or nearly 4%, below the FY 2014 Enacted budget of \$8.2 billion. Very difficult decisions impacting the agency workforce and water infrastructure funding were made in developing this budget, but they are necessary to keep the EPA relevant and sustainable for the future. An essential aspect of the FY 2015 budget is our investment in maintaining a high performing environmental protection organization. We are redesigning the way we do business and focusing on achieving the greatest environmental benefits for our efforts. Making the greatest difference to communities, adapting and embracing opportunities for innovation and reinvention and ensuring our state and tribal partners are well positioned to adapt to the changes are important principles as we move forward. The budget identifies realignments needed to take the next steps and achieve more efficient ways to deliver environmental protection to the nation. Implementing this strategy will involve all the business lines of the agency, and each individual aspect of the plan is integral to the success of the whole.

As we redefine how we do our work, the agency requests 15,000 appropriated FTE in FY 2015 to support

our highest priorities and our critical mission. This budget highlights actions to reduce costs through implementing approaches such as strategic sourcing, redesigning long-standing processes to capture technological advances, and accelerating the pace of employee facilities reduction. Successfully implementing these changes to our facilities and our business processes requires a commitment in time and resources.

The EPA strives to connect the results we have achieved to our planning and budgeting decisions and to support our overall strategic direction and priorities. The FY 2015 President's Budget is presented following the anticipated structure of the FY 2014 - FY 2018 Strategic Plan. The EPA's FY 2013 performance information is highlighted throughout the budget.

FY 2014 - 2015 Agency Priority Goals

This budget highlights EPA's six FY 2014-2015 Agency Priority Goals that advance the Administrator's Priorities and the agency's Strategic Plan. Additional information on the EPA's Agency Priority Goals can be found at www.performance.gov and in subsequent chapters in this document.

Reduce greenhouse gas emissions from cars and trucks

Through September 30, 2015, the EPA, in coordination with the U.S. Department of Transportation's fuel economy standards program, will be implementing vehicle and truck greenhouse gas standards that are projected to reduce greenhouse gas (GHG) emissions by 6 billion metric tons and reduce oil consumption by about 12 billion barrels over the lifetime of those vehicles and trucks.

Clean up contaminated sites to enhance the livability and economic vitality of communities

By 2015, an additional 18,970 sites will be made ready for anticipated use, protecting Americans and the environment one community at a time.

Assess and reduce risks posed by chemicals and promote the use of safer chemicals in commerce

By September 30, 2015, EPA will have completed more than 250 assessments of pesticides and other commercially available chemicals to evaluate risks they may pose to human health and the environment, including the potential for some of these chemicals to disrupt endocrine systems. These assessments are essential in determining whether products containing these chemicals can be used safely for commercial, agricultural and/or industrial uses.

Improve environmental outcomes and enhance service to the regulated community and the public

By September 30, 2015 reduce EPA reporting requirements by one million hours through streamlined regulations, providing real-time environmental data to at least two communities, and establish a new portal to service the regulated community and public.

Improve, restore, and maintain water quality by enhancing nonpoint source program leveraging, accountability, and on-the-ground effectiveness to address the nation's largest sources of pollution

By September 30, 2015, 100 percent of the states will have updated nonpoint source management programs that comport with the new Clean Water Act Section 319 grant guidelines that will result in better targeting of resources through prioritization and increased coordination with the U.S. Department of Agriculture.

Improve public health protection for persons served by small drinking water systems, which account for more than 97% of public water systems in the U.S., by strengthening the technical, managerial, and financial capacity of those systems

By September 30, 2015, EPA will engage with an additional ten states (for a total of 30 states) and three tribes to improve small drinking water system capability to provide safe drinking water, an invaluable resource.

FY 2015 Funding Priorities

Support for Core Mission and Priorities

The FY 2015 Annual Performance Plan and Budget of \$7.89 billion invests in maintaining and strengthening a high performing environmental protection organization to better serve Americans. Our FY 2015 budget will advance our work to make a visible difference in communities across the country; address climate change and improve air quality; take action on toxics and chemical safety; protect the nation's waters; advance efforts to maintain and strengthen a high performing environmental organization; and work toward a sustainable future. Additional details and supporting information can be found in the program descriptions.

Making a Visible Difference in Communities across the Country

Community, as an organizing principle for our work, is well established, but resources to strengthen this integrated approach are essential. Within our budget proposal, we are realigning \$7.5 million and 64 FTEs toward efforts that will make a difference in people's everyday lives and make a visible difference in their communities. Resources will build on current work by providing green infrastructure technical assistance to up to 100 communities to help them more easily implement cost-effective and sustainable approaches to water management. This includes modeling and design assistance to demonstrate how green infrastructure can help to cost-effectively make progress on multiple water and combined sewer overflows goals. The resources also will allow the agency to obtain and disseminate information about successful approaches for adopting green programs. Research under this focus area will contribute to the development and application of new and enhanced technologies for large-scale green infrastructure in pilot communities. Finally, the agency will focus efforts on considering the impacts of our decisions on environmental justice communities through increased analysis, better science, and increased transparency of data and information to enhance community engagement.

Through realignments and existing core work, the EPA will continue to lead efforts to preserve, restore, and protect our land for both current and future generations. Hazardous and non-hazardous wastes on land can migrate to air, groundwater and surface water, contaminating drinking water supplies, causing acute illnesses and chronic diseases, and threatening healthy ecosystems. Local land use and infrastructure investments also can generate unanticipated environmental consequences, such as increased stormwater runoff, loss of open space, and increased greenhouse gas emissions. We will continue our work to prevent and reduce exposure to contaminants, accelerate the pace of cleanups, and reduce the environmental impacts associated with land use across the country. We also will partner with other federal, state and local governments to better coordinate and leverage resources to support community efforts.

Addressing Climate Change and Improving Air Quality

One of the most significant challenges of this and future generations is the threat from a changing climate. Building on existing efforts, the agency is realigning \$10 million and 24 FTE within our budget proposal to support implementation of the President's Climate Action Plan, to enhance education and outreach, and to foster state engagement and partnership. The Climate Action Plan tasks the EPA with setting carbon dioxide (CO₂) standards for power plants and applying its authorities and other tools to address hydrofluorocarbons (HFCs) and methane. Realigned resources will support the development of GHG standards, regulations, or guidelines, as appropriate, for modified, reconstructed, and existing power plants. This will require extensive engagement with the states as they develop and implement their plans. This realignment will also support developing and implementing the President's interagency methane strategy, which requires the assessment and collection of emissions and control technology data to inform our reduction programs and measures. In addition, Heavy Duty Vehicle GHG Phase 2 standards will require the development of new testing cycles and methods, and upgrades to the testing equipment and software at the National Vehicle and Fuel Emission Laboratory (NVFEL). The EPA also is implementing a range of activities in support of the President's call to cut energy waste in homes, businesses, and factories, including ENERGY STAR's efforts to increase energy efficiency in multifamily housing. Finally, resources are realigned to provide technical assistance and support tools to address adaptation planning. This includes technical assistance for water utilities at greatest risk from storm surge with emphasis on using the Climate Resilience Evaluation Awareness Tool (CREAT), which helps utilities

scope potential climate impacts and risks. Research and development efforts will focus on decision support tools for at-risk communities/tribes in preparing for the effects of climate change.

Taking Action on Toxics and Chemical Safety

Realignment of \$23 million and 24 FTE will support activities under the President's Executive Order on Chemical Safety¹, as well as agency efforts on chemical prioritization, air toxics, radon, and volatile organic compounds (VOCs) in drinking water. Chemicals and toxic substances are ubiquitous in our everyday lives and products. They are used in the production of everything from our homes and cars to the cell phones we carry and the food we eat. Keeping communities safe and healthy requires action to reduce risks associated with exposure to chemicals in commerce, our indoor and outdoor environments, and products and food. Continuing to oversee the introduction and use of pesticides, improve our Integrated Risk Information System (IRIS) program, screen chemicals already in commerce for potential risk, reduce radon risks, identify and address children's health risks in schools and homes, and improve chemical management practices will remain of central relevance to the EPA's mission, including maintaining incentive-based efforts and research to promote green chemistry. Chemicals often are released into the environment as a result of their manufacture, processing, use, and disposal.

The Executive Order on Chemical Safety seeks to expand tools, information and materials for State Emergency Response Commissions and Local Emergency Planning Committees. Realigned resources will be used to fund technical support, EPA/interagency data system enhancements, and outreach in the State and Local Prevention and Preparedness program. Computer Aided Management of Emergency Operations (CAMEO) enhancements will build more mobile device accessibility for easy use by first responders and provide hands-on technical assistance in the riskiest areas including towns and cities at risk due to local infrastructure and presence of high risk facilities.

Realigned resources for air toxics work will enhance the analytical capabilities required to develop effective regulations, to continue the progress in developing the National Air Toxics Assessment (NATA), to update methods for estimating area and mobile source emissions, and to update air dispersion modeling based on recent advances in the science. In the agency's chemical safety program, realignments will be used to develop and release 19 draft chemical risk assessments and complete 10 final chemical risk assessments. These actions are critical in achieving the agency's long-term chemical safety goals.

Also included in this realignment are resources in support of the Federal Radon Action Plan and work on the drinking water VOC rule. Regulating groups of drinking water contaminants, including volatile organic compounds (VOCs), more effectively addresses potential risks and demonstrates a predictable strategy for regulating similar contaminants and/or groups in the future. This group regulation requires more scientific input, complex analyses, and supporting documentation than a regulation for a single contaminant.

Protecting Water: A Precious, Limited Resource

The EPA and its federal partners along with states, tribes, municipalities, and private parties, will continue efforts to restore the integrity of the imperiled waters of the United States as part of the Agency's mission. We are reminded almost daily of the importance of clean water through natural disasters, industrial spills and outbreaks of illnesses. The nation's water resources are the lifeblood of our communities, supporting our economy and way of life. Our FY 2015 budget reflects this recognition of the expected long-term benefits of healthy aquatic systems as economic cornerstones vital to property values, tourism, recreational and commercial fishing, and hunting. We will need to build resiliency to deal with impacts from climate change and build new approaches for water quality management.

The agency is realigning \$8 million and 10 FTE to advance Clean Water. As we look to protect the nation's water, new approaches are needed to make progress. A centerpiece of this strategy is a water quality framework to improve return on investment, accountability and environmental results. Improvements in permitting in the stormwater energy sectors are also elements of the strategy.

Resources also are being realigned for the Municipal Separate Storm Sewer Systems (MS4) program for technical support to select communities with newly regulated MS4s that must develop effective stormwater permits for the first time. Resources will strengthen green infrastructure activities and make a

¹ Executive Order on Improving Chemical Facility and Security #13650

Overview

visible difference at the local level with an emphasis on sustainability. Realignment of resources also will help the agency to continue providing technical expertise for states and tribes as they manage their response to new requirements for hydraulic fracturing activities. Funding will also be used to conduct inspections of permitted wells to ensure ongoing compliance. Implementation support will ensure that authorized agencies are effectively managing and overseeing the rapidly growing energy sector while preventing endangerment of underground sources of drinking water.

Launching a New Era of State, Tribal and Local Partners

Supporting our state and tribal partners, the primary implementers of environmental programs on the ground, is a long-held priority of the EPA. Funding to states and tribes in the State and Tribal Assistance Grants (STAG) account continues to be the largest in the EPA's budget request, and prioritizes funding to state categorical grants.

The Clean Water and Drinking Water State Revolving Funds are provided \$1.775 billion in FY 2015, a nearly \$581 million reduction from the FY 2014 enacted budget. As part of the Administration's long-term strategy, the EPA is implementing a Sustainable Water Infrastructure Policy that focuses on working with states and communities to enhance technical, managerial and financial capacity, which also addresses "green infrastructure" options and their multiple benefits. Federal dollars provided through the State Revolving Funds will act as a catalyst for efficient system-wide planning and ongoing management of sustainable water infrastructure. New infrastructure improvement projects for public drinking water systems are supported by \$757 million for the Drinking Water State Revolving Fund and public water treatment systems are supported by \$1.018 billion under the Clean Water State Revolving Fund.

For Categorical Grants, a total of \$1.13 billion is provided, which is an increase of \$76 million from the FY 2014 enacted budget. Increases above FY 2014 levels are included for tribal grants and environmental information grants. Tribal environmental and health needs far outstrip available funding, and environmental information grants directly support the agency's E-Enterprise business model. Requested increases over enacted levels recognize the importance of state partners in the progress made to provide air that is safe to breathe, water that is safe to drink, cleaner land and safer chemicals.

Maintaining and Strengthening a High Performing Environmental Protection Organization

An integral component of the agency's FY 2015 strategy is the work to become a high performing organization. We are undertaking efforts to attract and retrain the workforce of the future, modernize our business practices and more fully employ new tools and technologies. We are implementing or accelerating a number of key efforts, including realigning our workspace, launching new collaboration tools, and leaning our business processes to bring about change and efficiency at the EPA. We are realigning resources and staff to ensure the success of these efforts. This is not an effort to just save money; the EPA is looking toward the future at ways to better serve the American people.

This complements our work in E-Enterprise, a major joint EPA and state initiative to modernize our business practices to increase accessibility, efficiency, and responsiveness. The agency is expanding efforts in the second year of the multi-year E-Enterprise business model including realigning people and resources to accelerate development of the E-Manifest system and associated rule-making work. Benefits of implementing the E-Manifest system include annual savings estimated at \$75 million for over 160,000 waste handlers.

In addition, we are making changes to long-standing business practices such as contracts and grants management and the regulation development process. One area of emphasis is in Freedom of Information Act (FOIA) and records management, where existing processes are not effective or efficient, and EPA is pursuing new approaches. Achieving the full potential of these new approaches and tools we are developing is only possible when the workforce has the skills to use them.

The EPA also has been focusing, as has most of the federal government, on reducing its physical footprint and achieving greater energy efficiency. Since 2006, the EPA has released approximately 428 thousand square feet of space at headquarters and facilities nationwide, resulting in a cumulative annual rent avoidance of over \$14.6 million. But space reconfiguration takes both time and resources. The agency will realign resources to accelerate the timeline to achieve long-term rent avoidance through

reducing and reconfiguring our space. These achieved savings and potential savings partially offset the EPA's escalating rent and security costs.

Working Toward a Sustainable Future

Sustainability is not a new program, but we are building it in to our day-to-day operations in partnership with businesses, government and other stakeholders. We must move beyond the traditional foundation of environmental protection that the EPA has built with our state, tribal, and community partners. As problems become more complicated we need new tools and approaches to meet the challenges. We need new ways to deal with threats to human health and the environment that cannot be effectively managed through regulations alone, or for which there are no existing regulations. Examples include household disposal of pharmaceuticals and other chemicals. Wherever possible, the agency is seeking to grow its capacity for local partnerships and engagement with local organizations, and for regionally-focused outreach to cities, towns, and businesses. These efforts will build on where we are and promote greater cross media collaboration and innovation to allow us to continue to move forward to a more sustainable future for all of us.

Maintaining Core Enforcement Strength

In FY 2015, the EPA seeks to maintain the strength of its core national enforcement and compliance assurance program. Our objective is to pursue civil and criminal enforcement that targets the most serious water, air, and chemical hazards in communities; assuring strong, consistent, and effective enforcement of federal environmental laws nationwide. Recognizing the tight fiscal climate at both the federal and state level, EPA will continue to focus federal enforcement on the most important environmental problems where noncompliance is a significant contributing factor and where federal enforcement attention can have a significant impact. EPA's top enforcement priorities will be pursuing large, complex cases that require significant investment and long term commitment.

As an important supplement to a strong enforcement program, EPA is investing in Next Generation Compliance strategies and tools to increase compliance with environmental laws. The EPA has achieved impressive pollution control and health benefits through vigorous compliance monitoring and enforcement, but the sheer number of regulated facilities, the contribution of large numbers of smaller sources of pollution, combined with federal and state budget constraints has made it necessary for the EPA to go beyond the traditional single facility inspection and enforcement approach to ensure widespread compliance. Next Generation Compliance is part of the agency's E-Enterprise business model and promotes advanced monitoring, electronic reporting and transparency. Next Generation Compliance incorporates multiple components using state-of-the-art monitoring technology to detect pollution problems, leverage electronic reporting, expand transparency, develop and implement innovative enforcement approaches, and structure regulations and permits to be easier to implement.

Priority Science and Research

Science and research continue to be the foundation of our work at the EPA. The Research and Development program's integrated and cross-disciplinary organization of the scientific research programs provides a systems perspective that leverages expertise to address the multi-dimensional challenges facing the agency, increasing the benefits from high-quality science. Superior science leads to shared solutions; everyone benefits from clean air and clean water. Rigorous science leads to innovative solutions to complex environmental challenges. In FY 2015, the EPA is focusing research on the most critical issues facing the agency, ensuring the best scientific underpinning for regulatory actions and finding more sustainable solutions for environmental issues. Realignments include efforts to minimize the impacts of climate change, and developing effective, systems-based watershed management approaches and forward-looking national, regional and community level strategies for green infrastructure, chemical safety and other innovative alternative practices.

Environmental Education

The EPA is committed to environmental education, a core part of our efforts to safeguard public health and the environment. Environmental education provides communities with the necessary skills and knowledge to make informed choices and take responsible action. The primary goals of the EPA's educational activities are to share information about how to protect the environment, and particularly how the EPA protects the water we drink and the air we breathe. Environmental education activities also aim to improve participation in advanced programs in science, technology, engineering, and mathematics fields and thereby foster the next generation of scientists and engineers to tackle current and future environmental challenges. The EPA fulfills its environmental education mission by connecting educators

Overview

with the most up-to-date, science-based information and research. Our programs also provide public funding for projects and activities that enable environmental education in communities across the nation. Moving forward, the EPA will ensure that there is an environmental education presence in every Regional Office so that our agency has voices for environmental education across the country, supported by a core staff at headquarters. These individuals will help develop and disseminate environmental education publications, curriculum, and training opportunities, and also manage related award programs and federal grant assistance. To assure that all EPA programs are participating and focused on environmental education, funds for the agency-wide effort are distributed, and a chart has been included in the appendix of this document. This distribution brings broader engagement both inside and outside the Agency.

FY 2015 Opportunity, Growth, and Security Initiative

Recognizing the importance of the two-year budget agreement Congress reached in December, which the President's Budget adheres to, levels are not sufficient to expand opportunity to all Americans or to drive the growth our economy needs. For that reason, the Budget also includes a separate, fully paid for \$56 billion Opportunity, Growth, and Security Initiative. The Opportunity, Growth, and Security Initiative, which will be split evenly between defense and non-defense funding, shows how additional discretionary investments in FY 2015 can spur economic progress, promote opportunity, and strengthen national security.

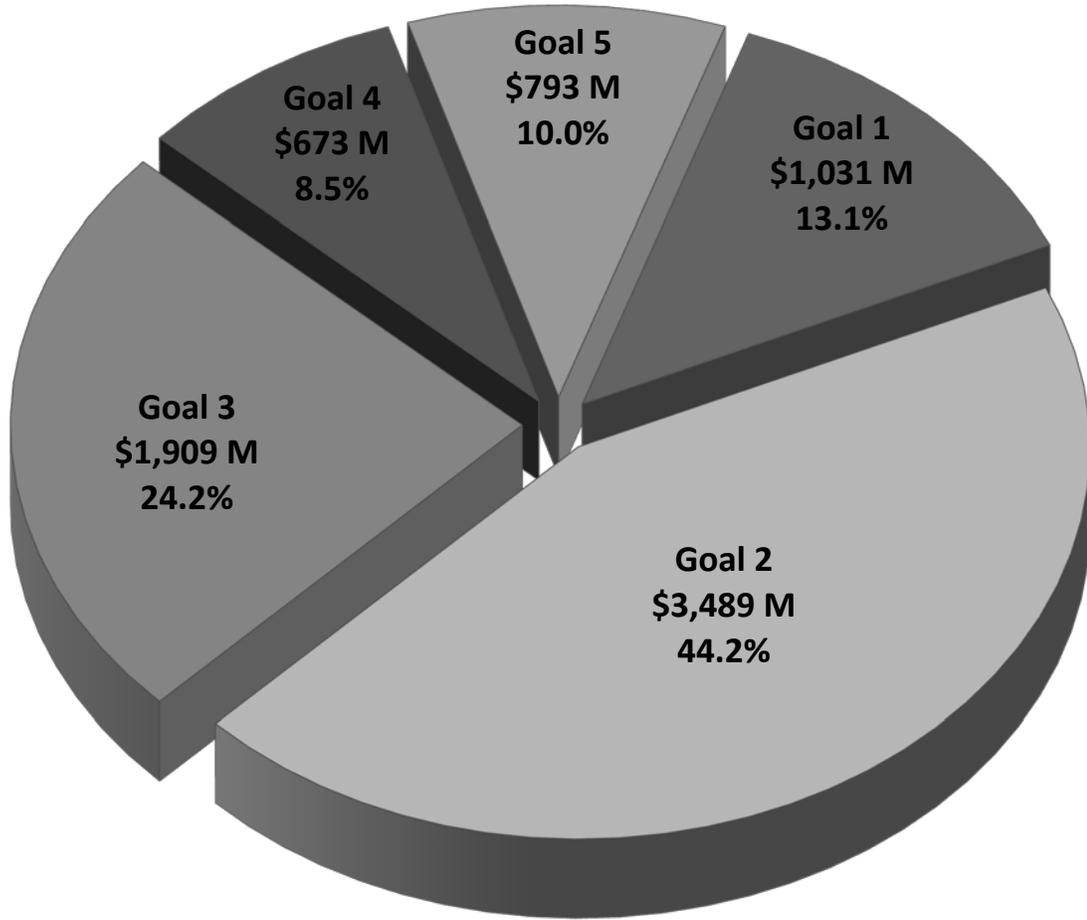
The Opportunity, Growth, and Security Initiative will support the efforts of the Climate Resilience Fund, through which the Budget will invest in research and unlock data to better understand the projected impacts of a changing climate, help communities plan and prepare for impacts, and fund breakthrough technologies and resilient infrastructure. Funding at EPA will support a nation that is better prepared for the impacts of climate change by protecting and enhancing coastal wetlands and supporting urban forest enhancement and protection.

Eliminated Programs

The EPA continues to examine its programs to find those that have served their purpose and accomplished their mission. The FY 2015 President's Budget eliminates a number of programs totaling nearly \$56 million including Beaches Protection categorical grants; State Indoor Radon Grants; and Diesel Emissions Reductions Assistance grants. Details are found in the appendix to the EPA FY 2015 Congressional Justification.

Environmental Protection Agency's FY 2015 Budget by Goal

Total Agency: \$7,890 Million

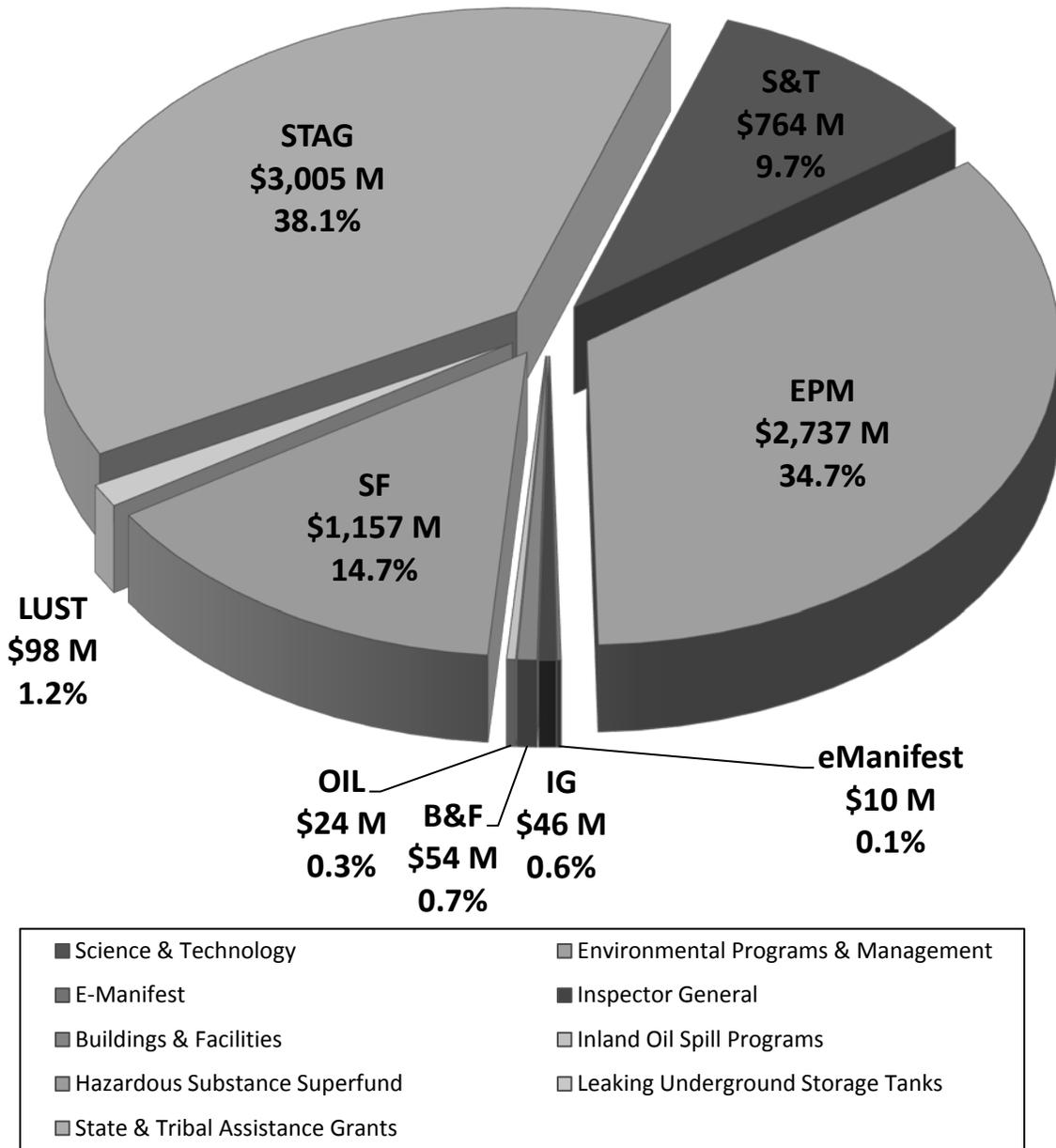


- Goal 1: Addressing Climate Change and Improving Air Quality
- Goal 2: Protecting America's Waters
- Goal 3: Cleaning Up Communities and Advancing Sustainable Development
- Goal 4: Ensuring the Safety of Chemicals and Preventing Pollution
- Goal 5: Protecting Human Health and the Environment by Enforcing Laws and Assuring Compliance

Notes: Dollar totals and percentages in chart exclude \$5 million rescission of prior year funds.
Totals may not add due to rounding.

Environmental Protection Agency's FY 2015 Budget by Appropriation

Total Agency: \$7,890 Million

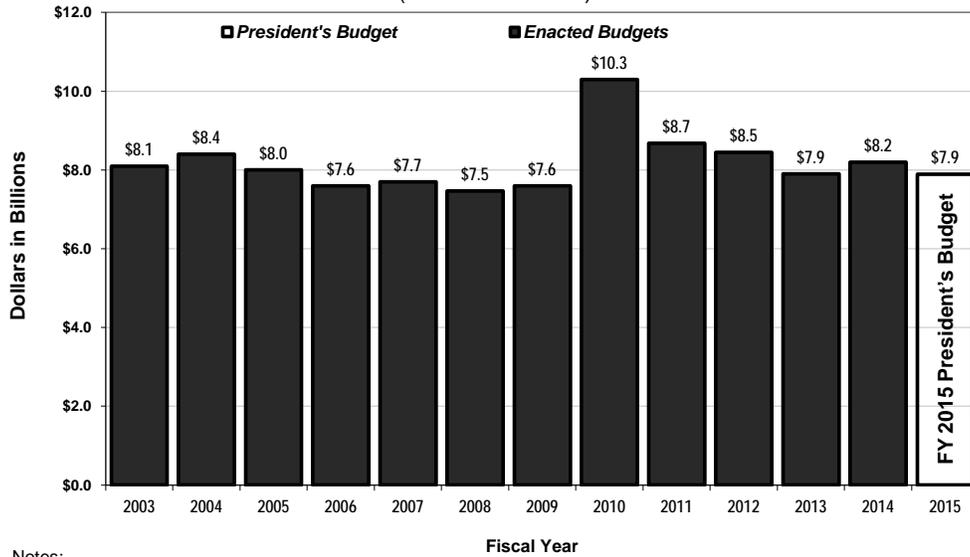


Notes: Dollar totals and percentages in chart exclude \$5 million rescission of prior year funds.
Totals may not add due to rounding.

Summary Resource Charts

EPA's Enacted Budget FY 2003 to 2015

(Dollars in Billions)



Notes:

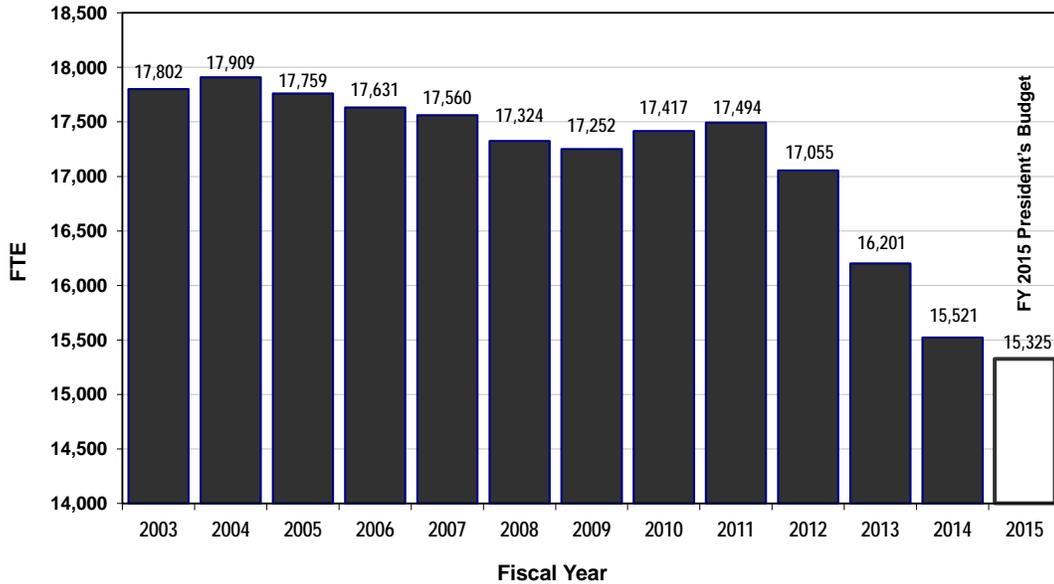
FY 2006 Enacted excludes hurricane supplemental funding.

FY 2009 Enacted excludes ARRA funding.

FY 2013 Enacted reflects operating levels after sequestration and excludes Hurricane Sandy Relief supplemental appropriation of \$608 million.

All Enacted Budgets include rescissions.

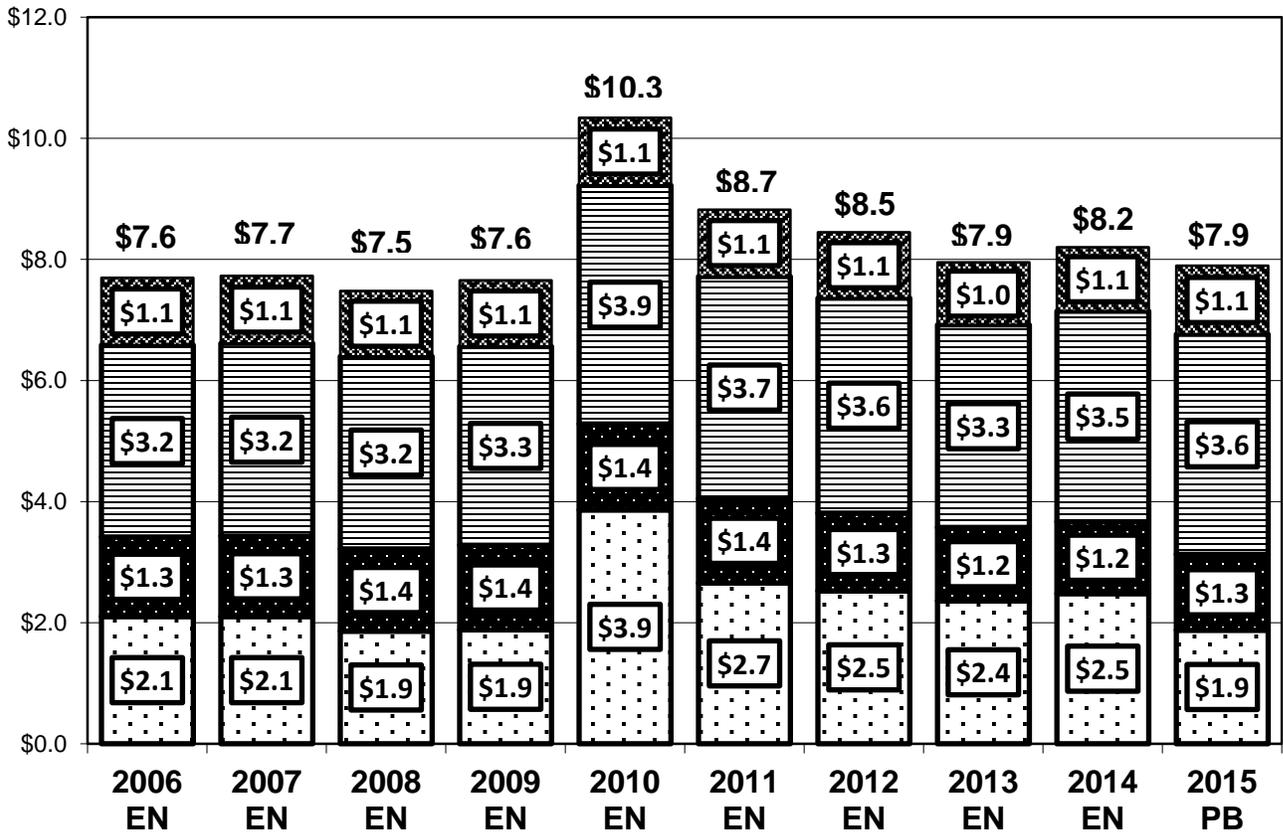
EPA's FTE* Ceiling History



* FTE (Full Time Equivalent) = one employee working full time for a full year (52 weeks X 40 hours = 2,080 hours), or the equivalent number of hours worked by several part-time or temporary employees.

Environmental Protection Agency's Resources by Major Category (Dollars in Billions)

- ▣ Infrastructure Financing
- Trust Funds
- ▤ Operating Budget
- ▨ Categorical Grants



Notes:

Totals may not add due to rounding

The Operating Budget includes funding provided for the Great Lakes Restoration Initiative.

FY 2006 Enacted reflects 0.476% rescission plus 1% additional rescission and \$80 M rescission to prior year funds
Excludes hurricane supplemental funding

FY 2008 Enacted includes a 1.56% rescission and \$5 M rescission to prior year funds

FY 2009 Enacted reflects a \$10 M rescission to prior year funds

FY 2009 Enacted excludes ARRA funding

FY 2010 Enacted reflects a \$40 M rescission to prior year funds

FY 2011 Enacted reflects a 0.2% rescission and \$140 M rescission to prior year funds

FY 2012 Enacted reflects a 0.16% rescission and \$50 M rescission to prior year funds

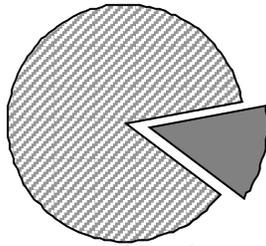
FY 2013 Enacted reflects operating levels after sequestration and excludes Hurricane Sandy Relief supplemental appropriation of \$608 million

Reflects a 0.2% rescission and \$50 M rescission to prior year funds

FY 2015 Enacted reflects a \$5 M rescission to prior year funds

Goal 1: Addressing Climate Change and Improving Air Quality

Strategic Goal: Reduce greenhouse gas emissions and develop adaptation strategies to address climate change, and protect and improve air quality.



13.1% of Budget

Resource Summary

(Dollars in Thousands)

| | FY 2013 Enacted | FY 2014 Enacted | FY 2015 President's Budget | Difference FY 2014 EN to FY 2015 PresBud |
|---|--------------------|--------------------|----------------------------------|---|
| 1 - Address Climate Change | \$183,773 | \$189,470 | \$234,678 | \$45,208 |
| 2 - Improve Air Quality | \$720,420 | \$744,419 | \$741,931 | (\$2,489) |
| 3 - Restore and Protect the Ozone Layer | \$16,725 | \$16,799 | \$17,319 | \$520 |
| 4 - Minimize Exposure to Radiation | \$34,730 | \$34,365 | \$37,252 | \$2,887 |
| Goal 1 Total | \$955,648 | \$985,053 | \$1,031,179 | \$46,126 |
| Workyears | 2,613 | 2,526 | 2,509 | (17) |

NOTE: Numbers may not add due to rounding.

Introduction

The EPA is dedicated to protecting and improving the quality of the nation's air to protect public health and the environment. The agency continues to partner with states, tribes, and local governments to implement programs and standards. Air pollution concerns are diverse and significant, and include: the changing climate, outdoor and indoor air quality, stratospheric ozone depletion, and radiation exposure.

Since passage of the Clean Air Act Amendments (CAAA) in 1990, nationwide air quality has improved significantly. Levels of those pollutants linked to the greatest health impacts continue to decline. From 2003 to 2012, population-weighted ambient concentrations of fine particulate matter and ozone have decreased 26 percent and 13 percent, respectively. Even with this progress, in 2012, approximately 45 percent of the U.S. population lived in counties with air that did not meet health-based standards for at least one pollutant. Long-term exposure to elevated levels of certain air pollutants has been associated with increased risk of cancer, premature mortality, and damage to the immune, neurological, reproductive, cardiovascular, and respiratory systems. Short-term exposure to elevated levels of certain air pollutants can exacerbate asthma and lead to other adverse health effects and economic costs.

The issues of highest importance facing the air program over the next few years will continue to be greenhouse gas (GHG) mitigation and climate change adaptation, ozone, and particulate air pollution and their precursors. The program also works to reduce interstate transport of these air pollutants, emissions

Goal 1: Addressing Climate Change and Improving Air Quality

from transportation sources, toxic air pollutants, and indoor air pollutants. The EPA uses a variety of approaches to reduce pollutants that include traditional regulatory tools; innovative market-based techniques; public- and private-sector partnerships; community-based approaches; voluntary programs that promote environmental stewardship; and programs that encourage adoption of cost-effective technologies and practices.

EPA's strategies to address climate change reflect the President's 2013 Climate Action Plan, which, among other initiatives, tasks the EPA with setting carbon pollution standards for power plants and applying its authorities and other tools to address hydrofluorocarbons (HFCs) and methane. Specifically, using authority under section 111(b) of the Clean Air Act, on September 20, 2013, the EPA issued a new proposal for carbon pollution from new power plants and will finalize that rule after consideration of public comment as appropriate. Using authority under sections 111(d) of the Act, the EPA will propose carbon pollution standards, regulations, or guidelines, as appropriate, for modified, reconstructed, and existing power plants by June 1, 2014, and finalize these standards, regulations, or guidelines by June 1, 2015.

The EPA also will promote the use of low global warming potential (GWP) alternatives to HFCs through application of the Significant New Alternatives Policy (SNAP) program. Specifically, the EPA will use authority under section 612 of the Act to list more environmentally friendly alternatives with lower GWPs, and review existing SNAP listings to consider whether any change to the status of currently acceptable higher-GWP alternatives is appropriate.

The EPA will continue to address the impacts of climate change through careful, cost-effective rulemaking and voluntary programs that focus on the largest entities and encourage businesses and consumers to limit unnecessary greenhouse gas emissions. The EPA will continue to implement its draft *Climate Change Adaptation Plan*, released to the public in February 2013, to meet the agency-wide priorities on climate adaptation.

Scientific consensus shows that as a result of human activities, GHG concentrations in the atmosphere are at record high levels and data shows that the Earth has been warming over the past 100 years, with the steepest increase in warming in recent decades. The evidence of human-induced climate change goes beyond observed increases in average surface temperatures; it includes melting ice in the Arctic, melting glaciers around the world, increasing ocean temperatures, rising sea levels, acidification of the oceans due to excess carbon dioxide, changing precipitation patterns, and changing patterns of ecosystems and wildlife.

As the number of days with extremely hot temperatures increases, severe heat waves are projected to intensify and lead to increased heat-related mortality and sickness. The increase in frequency and intensity of extreme weather events also has contributed to mortalities across the country. Additionally, with time, more Americans are likely to be affected by certain diseases that thrive in areas with higher temperatures and greater precipitation, including pest-borne diseases and food and water-borne pathogens. The costs of these climate change associated impacts include increased hospital visits, respiratory and cardiovascular diseases, and even premature death – especially for certain vulnerable populations like the elderly, and children.

The EPA continues to implement climate change programs that work with key industry sectors to reduce greenhouse gases and facilitate energy-efficiency improvements. As an example, the ENERGY STAR program introduced new and more rigorous requirements for homes to earn the ENERGY STAR label. These new home specifications represent a multiyear development process that redefined nearly every aspect of the program, which had already labeled more than 1.3 million homes and achieved a 26 percent national market share in 2011.

Among the most common and significant sources of air pollution are highway motor vehicles and their fuels. The EPA establishes national emissions standards to reduce air pollution from these sources. The agency also provides emissions and fuel economy information for new cars to educate consumers on the ways their actions affect the environment. The EPA's motor vehicle GHG and renewable fuels standards have already begun changing the cars Americans drive and the fuels they use. The diversity of biofuels in

Goal 1: Addressing Climate Change and Improving Air Quality

America grows every year, and new automobile technologies, including several new plug-in hybrids and all-electric vehicles, continue to “hit the road.” The EPA, in coordination with the National Highway Transportation Safety Administration (NHTSA), will continue to reduce GHGs from light-duty and heavy-duty mobile sources. In model year 2025, the EPA and NHTSA standards will require average fuel economy for cars and light trucks of approximately 54.5 miles to the gallon, a significant increase from current average vehicle fuel efficiency. The national program of fuel economy and greenhouse gas standards for model year 2012 through 2025 light-duty vehicles will save approximately 12 billion barrels of oil and prevent 6 billion metric tons of GHG emissions over the lifetimes of the vehicles sold through model year 2025. Under the Climate Action Plan, EPA and NHTSA will develop Phase 2 GHG and fuel efficiency standards for Heavy Duty Vehicles. A proposal will be issued in March 2015, and a final rule is expected to be issued in March 2016. The EPA will continue to implement the Renewable Fuels program, which requires a percentage of vehicle fuel sold in the country to be from renewable sources.

The EPA's air toxic control programs are critical to continued progress in reducing public health risks and improving the quality of the environment. The EPA will continue to focus efforts on communities with greater levels of industrial and mobile source activity (e.g., near ports or distribution areas), which, according to the 2005 National-Scale Air Toxics Assessment (NATA), often have greater cumulative exposure to air toxics than non-industrial areas. In 2014 and 2015, approximately 21 stationary source air toxics rules are on court-ordered deadlines and are in some stage of development. The EPA will focus its efforts on rules under section 112 of the CAA under court orders. To develop effective standards, the EPA needs accurate information about actual emissions, their composition, specific emission points, and transport into communities.

Because people spend much of their lives indoors, the quality of indoor air is a major concern. For example, indoor allergens and irritants play a significant role in making asthma worse and triggering asthma attacks. Over 25 million Americans currently have asthma, which annually accounts for over 500,000 hospitalizations, more than 10 million missed school days, and over \$50 billion in economic costs. In addition, indoor radon causes an estimated 21,000 lung cancer deaths annually in the U.S.

Major FY 2015 Changes

While continuing EPA's ongoing commitment to science, the rule of law and transparency, we have updated and refined our current direction to maximize our effectiveness and guide our agenda in the months and years ahead. Goal 1 resources includes extramural resources and FTE that have been realigned to enhance our core work in targeted areas and build on progress to date to advance priorities in FY 2015. In implementing these changes, we will seek to increase effectiveness and efficiency without undermining vital environmental protection activities or quality and financial management.

Address Climate Change

The FY 2015 budget addresses climate change and reflects the President's 2013 Climate Action Plan. The broad based plan will cut carbon pollution that causes climate change and affects public health. The EPA's Climate Protection Program promotes efforts to reduce greenhouse gas (GHG) emissions and will implement the President's Climate Action Plan through programs such as regulatory support for state programs, encouraging energy efficiency and renewable energy policies in the carbon pollution standards, voluntary partnerships with key industries, technical assistance and reporting, verification and publication of GHG data, and strengthening communities' ability and capacity to anticipate, prepare for, respond to, and recover from the impacts of climate change. \$19.8million is requested for state capacity development and implementation of the key work under the President's Climate Action Plan.

These programs complement and support the agency's implementation efforts across all elements of the President's Climate Action Plan. Key Climate Action Plan elements supported include:

- Cutting carbon pollution from power plants
- Cutting energy waste in homes, businesses, and factories
- Reducing methane and HFCs emissions

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- Reducing GHG emissions from the transportation sector
- Protecting our country from the impacts of climate change
- Leading international efforts to address climate change, including supporting efforts to control HFCs under the Montreal Protocol

In FY 2015, the EPA will continue to consider the results of scientific assessments to address the climate impacts of short-lived climate pollutants. These air pollutants, including black carbon, HFCs and ozone are having an immediate effect on climate, particularly in the Arctic region. Reducing emissions of these pollutants can reap near-term climate and public health benefits. The EPA will continue to identify the most significant domestic and international sources of black carbon and ozone precursor emissions by working through the multilateral Climate and Clean Air Coalition (CCAC), through collaboration with the Arctic Council and the Convention on Long-range Transboundary Air Pollution (LRTAP), and other related international efforts. Based on these findings and enhanced analytical capabilities, the EPA will pursue effective steps for reducing these emissions. The EPA will continue its collaboration with CCAC partners to develop a rapid assessment tool to enable countries to determine the benefits, particularly to human health, of mitigating short lived climate pollutants.

Improve Air Quality

Toxic air pollutants are known to cause or suspected of causing increased risk of cancer and other serious health effects, such as neurological damage and reproductive harm. Realigned resources will provide additional capabilities to enhance the analytical components required to develop effective regulations, to continue progress in developing the National Air Toxics Assessment (NATA), to update methods for estimating area and mobile source emissions, and to incorporate recent advances in the science into updated air dispersion modeling. The funding will allow the EPA to continue to coordinate actions to meet multiple CAAA objectives for controlling both criteria and toxic air pollutants while considering their cost effectiveness and technical feasibility, as well as providing greater certainty for the regulated industry.

In FY 2011, the EPA launched the Federal Radon Action Plan (FRAP). The Action Plan is designed to catalyze industry and nonprofit action to build on, leverage and amplify the impact that federal agencies make to reduce radon risk. During the next phase of the Action Plan, federal partners are focused on maintaining momentum, increasing impacts, and fostering relationships that will advance the ultimate goal of the Federal Radon Action Plan – the elimination of preventable, radon-induced cancer through increased testing and mitigation of high radon levels in existing homes and schools and construction of radon-resistant new homes. In FY 2015, the EPA will continue to lead and drive action on radon in collaboration with other federal agencies. Realigned resources will be targeted towards updating radon risk assessment and cost-benefit analyses, beginning work to improve radon data management, and providing support to drive sustainable changes in radon policy and action in health, medical, real estate, construction, and finance sectors.

Building a High Performing Environmental Protection Enterprise

E-Enterprise is part of an agency-wide effort to modernize our business processes and systems to reduce reporting burden on states and regulated facilities. In FY 2015, the agency will enhance its ability to collect electronic submissions of emissions data directly from sources subject to the Clean Air Act Amendments (CAAA). By requiring facilities to report emissions data electronically, over time, reporting burden and costs for industry, states, and tribes will be minimized. Electronic submissions also will reduce the need to develop information collection requests that are otherwise a part of the rule development process, and to expedite the development and revision of emissions factors and improve the quality of the data the agency uses for rulemakings. As part of the EPA's broad E-Enterprise business model, the agency is building a public portal for improved access to environmental data. As part of that effort, the EPA will upgrade its AirNow air quality data and system to provide the public with improved access and higher quality information for real-time air quality data and forecasts nationwide.¹

¹ For more information about AirNow, visit www.airnow.gov

Goal 1: Addressing Climate Change and Improving Air Quality

Agency Priority Goals

As part of the formulation of the FY 2015 budget, the EPA has developed FY 2014-2015 Agency Priority Goals that advance the Administrator's Priorities and the agency's Strategic Plan.

Through September 30, 2015, the EPA, in coordination with the Department of Transportation's fuel economy standards program, will be implementing vehicle and truck greenhouse gas standards that are projected to reduce greenhouse gas (GHG) emissions by 6 billion metric tons and reduce oil consumption by about 12 billion barrels over the lifetime of the affected vehicles and trucks.

Additional information on the EPA's Agency Priority Goals can be found at www.performance.gov.

FY 2015 Activities

Objective 1: Address Climate Change. *Minimize the threats posed by climate change by reducing greenhouse gas emissions and taking actions that help to protect human health and help communities and ecosystems become more sustainable and resilient to the effects of climate change.*

The EPA's strategy to address climate change supports the President's GHG reduction goals. Climate change poses risks to public health, the environment, cultural resources, the economy, and quality of life. Many impacts of climate change are already evident and will intensify in the future. Climate change impacts include increased temperatures and more stagnant air masses that make it increasingly challenging to achieve air quality standards for smog in many regions of the country. This adversely affects public health if areas cannot attain or maintain clean air and could increase costs to local communities.

The agency's budget includes nearly \$200 million that will allow it to work with partners and stakeholders to provide tools and information related to greenhouse gas emissions and impacts and will reduce emissions domestically and internationally through cost-effective, voluntary programs while pursuing additional regulatory actions as needed. In FY 2015, the agency will focus on core program activities including:

- Implementing the ENERGY STAR program across the residential, commercial and industrial sectors.
- Overseeing compliance with recently revised vehicle fuel economy labelling requirements, which provide consumers with GHG as well as fuel economy information. The new label enables consumers to compare the energy and environmental impacts of both traditionally- and alternatively-fueled vehicles, including those using renewable fuels, gaseous fuels, and electricity.
- Implementing the harmonized DOT and EPA fuel economy and GHG emission standards for light-duty vehicles (model years 2012-2016) and heavy-duty vehicles (model years 2014-2018). The EPA plans to propose a second phase of heavy-duty GHG regulations that incorporate a wider range of advanced technologies, including hybrid vehicle drive trains. The EPA is considering several petitions asking the agency to develop GHG emission standards for a wide range of non-road equipment, locomotives, aircraft, and transportation fuels.
- Supporting implementation and compliance with GHG emission standards for light-duty and heavy-duty vehicles and the National Highway and Transportation Safety Administration's (NHTSA) Corporate Average Fuel Economy (CAFE) standards. Under the CAA and the Energy Policy Act, the EPA is responsible for issuing certificates and ensuring compliance with both the GHG and CAFE standards.
- Finalizing standards for carbon dioxide (CO₂) emissions from existing power plants and evaluating petitions seeking the establishment of GHG emissions standards for a variety of industrial sectors and mobile source categories.
- Supporting reporting and verification in the GHG Reporting Program of emissions across 41 industry sectors and emission sources and approximately 8,000 reporters. Work in FY 2015 includes

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continued support for users on how to comply with the rule and how to report emissions using the electronic reporting tool. Continuing activities also will include expanding the database management systems to ensure alignment with regulatory amendments, verifying reported data and sharing data with the public, other federal agencies, state and local governments and reporting entities.

- Prioritizing and reviewing low GWP options for use in key consumer and industrial use sectors under SNAP, while carefully considering existing listings that may require reassessment based on the advent of new, more environmentally friendly options. Work in FY 2015 will involve continued SNAP listings, rulemakings and technical support for stakeholders and innovative firms with new alternatives.
- Leading the Global Methane Initiative (GMI) and enhancing public-private sector cooperation to reduce global methane emissions and deliver clean energy to markets.

Objective 2: Improve Air Quality. *Achieve and maintain health and welfare based air pollution standards and reduce risk from toxic air pollutants and indoor air contaminants.*

Clean Air

In FY 2015, the EPA will continue its CAA prescribed responsibilities to administer the National Ambient Air Quality Standards (NAAQS). The NAAQS improve air quality and reduce related health and welfare impacts and their costs to the nation. The EPA will continue to implement a strategy that, where appropriate, supports the development and evaluation of multiple pollutant measurements. This strategy includes changes, where the agency deems necessary, to effectively implement revised NAAQS monitoring requirements for ozone, lead, sulfur dioxide (SO₂), nitrogen dioxide (NO₂), carbon monoxide (CO), and Particulate Matter (PM). PM is linked to tens of thousands of premature deaths per year and repeated exposure to ozone can cause acute respiratory problems and lead to permanent lung damage. Short term exposure to elevated levels of SO₂ can result in adverse respiratory effects, including narrowing of the airways which can cause difficulty breathing and increased asthma symptoms, particularly in at risk populations including children, older adults, and people with asthma.

In FY 2015, the EPA will be continuing its reviews of several NAAQS, including NO₂, SO₂, and CO in accordance with the statutory mandate to review the standards every five years, and make revisions, as appropriate. In particular, the EPA will be working to complete the review of the lead standards by mid-2015. The EPA also will be working on the completion of the ozone NAAQS review. Implementation of the PM NAAQS, including the 2012 PM NAAQS revisions, is among the agency's highest priorities for FY 2015. The EPA will provide technical and policy assistance to states and tribes developing or revising attainment State Implementation Plans (SIPs) and Tribal Implementation Plans (TIPs) and will designate areas as attainment or nonattainment, as appropriate. EPA will work with states to implement the 2010 1-hour SO₂ NAAQS, including finalizing the data requirements rule. The agency will continue consulting with states and tribes to determine additional methods to improve the SIP/TIP development and implementation process that are within current statutory limitations. The agency will also continue efforts to reduce the number of SIPs that the agency has not taken action upon within the CAAA mandated timeframe.

The EPA will continue to partner with states, tribes, and local governments to create a comprehensive compliance program to ensure that multi-source and multi-pollutant reduction targets and air quality improvement objectives, including consideration of environmental justice issues, are met and sustained. The budget includes \$223.4 million in state and local air quality management grants to support core state workload for implementing NAAQS, reducing exposure to air toxics to ensure improved air quality in communities, and for additional air monitors required by revised NAAQS. In FY 2015, the EPA will continue its work with states, tribes, and communities to implement the existing 2008 ozone standard. The EPA will provide technical and policy assistance to states developing or revising SIPs or regional haze implementation plans and will continue to review and act on SIP submissions in accordance with the CAAA. These objectives are supported by ongoing technical assistance to state, tribal and local agencies. This support includes source characterization analyses, emission inventories, quality assurance protocols, improved testing and monitoring techniques, and air quality modeling. The EPA also will work with the states to address the interstate transport of pollution that contributes to nonattainment or

Goal 1: Addressing Climate Change and Improving Air Quality

interferes with maintaining ozone and/or PM NAAQS in other areas. The agency is awaiting the outcome of the Cross State Air Pollution Rule (CSAPR) litigation and will be working with states to implement obligations to address the transportation of air pollution across state lines.

The EPA will continue to implement the new Renewable Fuel Standards (RFS2) program and carry out other actions required by the Energy Policy Act (EPAct) of 2005 and the Energy Independence and Security Act (EISA) of 2007. The EPA is responsible for establishing test procedures to estimate the fuel economy of new vehicles and for verifying car manufacturers' data on fuel economy. In FY 2015, the EPA will utilize its upgraded vehicle, engine, and fuel testing capabilities at the National Vehicle and Fuel Emissions Laboratory (NVFEL) to increase testing and certification capacity to ensure that new vehicles, engines, and fuels are in compliance with new vehicle and fuel standards. In 2015, the EPA anticipates reviewing and approving more than 5,000 vehicle and engine emissions certification requests for over 4,100 different types of engines – a workload that has quadrupled over the past decade. The EPA's workload will continue to grow, as the agency begins to implement new and more stringent GHG emission standards promulgated in 2012 and 2013 for additional classes of vehicles and engines. Also, FY 2015 resources will support increased oversight of credit trading under RFS2 and engine regulations and to manage critical data reporting systems.

Air Toxics

The agency will continue to work with state, tribal, and local air pollution control agencies and community groups to assess and address air toxics emissions in areas of greatest concern. Additionally, the program will focus on disproportionately impacted communities where the most vulnerable members of our population live, work, and go to school.

One of the top priorities for the air toxics program is to eliminate unacceptable health risks and exposures to air toxics in affected communities and to fulfill its CAAA and court-ordered obligations. The CAAA requires that all technology-based standards be reviewed and updated as necessary every eight years. In FY 2015, the EPA will continue to conduct risk assessments to determine whether the technology-based rules appropriately protect public health to comply with legal deadlines.

The EPA will continue development of its multi-pollutant efforts by constructing and organizing analyses around industrial sectors. By addressing individual sectors' emissions comprehensively and prioritizing regulatory efforts on the pollutants of greatest concern, the EPA will continue to identify ways to take advantage of the co-benefits of pollution control. In developing sector and multi-pollutant approaches, the agency seeks innovative solutions that address pollutants in the various sectors and minimize costs to the EPA, states, tribes, local governments and the regulated community.

The EPA will continue to improve the dissemination of information to state, tribal, and local governments, and the public, using analytical tools such as the NATA, enhancing quantitative assessment tools such as BenMAP, and improving emission inventory estimates for toxic air pollutants. The EPA anticipates that these improvements will increase the agency's ability to meet aggressive court-ordered schedules to complete rulemaking activities, especially in the air toxics program.

Indoor Air

The EPA will continue to build the capacity of community-based organizations to promote comprehensive asthma care that integrates management of environmental asthma triggers and health care services. The EPA will place a particular emphasis on improving asthma health outcomes for vulnerable populations, including children, and low-income and minority populations as well as improving indoor air quality (IAQ) in homes and schools. Over the past four years, at least 16,000 health care professionals, including school nurses and primary care physicians, have been trained by the EPA and its partners on environmental management of asthma triggers. Additionally, approximately one third of our nation's schools now have effective indoor air quality management programs in place, helping to ensure asthma-friendly school environments. The EPA will continue to co-lead the implementation of the Coordinated Federal Action Plan to Reduce Racial and Ethnic Asthma Disparities, an initiative under the auspices of the President's Taskforce on Environmental Health Risks and Safety Risks to Children.

Goal 1: Addressing Climate Change and Improving Air Quality

The EPA will deliver clear and verifiable protocols and specifications to ensure good indoor air quality in homes and schools through the Indoor airPlus program and protocols that protect IAQ during energy upgrades. The EPA will collaborate with public and private organizations to integrate these protocols and specifications into existing energy-efficiency, green-building and health-related programs and initiatives. FY 2015 activities include equipping the affordable housing sector with training and guidance to promote adoption of these best practices with the aim of creating healthier, more energy-efficient homes for low income families.

In FY 2015, the EPA will continue to lead on radon activities in collaboration with other federal agencies, as well as continue to implement the agency's own multi-pronged radon program. The EPA will drive action at the national level to reduce radon risk in homes and schools using partnerships with the private sector and public health groups, public outreach, and education activities. The agency will encourage radon risk reduction as a normal part of doing business in the real estate marketplace, will promote local and state adoption of radon prevention standards in building codes, and will participate in the development of national voluntary standards (e.g., mitigation and construction protocols) for adoption by states and the radon industry.

Objective 3: Restore and Protect the Ozone Layer. Restore and protect the earth's stratospheric ozone layer and protect the public from the harmful effects of ultraviolet (UV) radiation.

Restore the Ozone Layer

The stratospheric ozone program implements the provisions of the CAAA and the *Montreal Protocol on Substances that Deplete the Ozone Layer* (Montreal Protocol). Under the CAAA and the Montreal Protocol, the EPA is authorized to control and reduce ozone depleting substances (ODS) in the U.S., and to contribute to the Montreal Protocol Multilateral Fund. As of January 1, 2010, ODS production and imports were capped at 3,810 ODP-weighted metric tons, which is 25 percent of the U.S. baseline under the Montreal Protocol. In 2015, U.S. production and import will be reduced further, to 10 percent of the U.S. baseline, and in 2020, all production and import will be phased out except for exempted amounts. As ODS and many of their substitutes are potent GHGs, appropriate control and reduction of these substances also provides significant benefits for climate protection. As a signatory to the Montreal Protocol, the U.S. is committed to ensuring that our domestic program is at least as stringent as international obligations and to regulating and enforcing its terms domestically. In FY 2015, the EPA will focus its work to ensure that ODS production and import caps under the Montreal Protocol and CAAA continue to be met. Funding for the SunWise program, which provided awareness of health risks from UV radiation and sun safety behaviors, has been eliminated.

Objective 4: Minimize Exposure to Radiation. Minimize releases of radioactive material and be prepared to minimize exposure through response and recovery actions should unavoidable releases occur.

In FY 2015, the EPA Radiation program, in cooperation with federal agencies, states, tribes, and international radiation protection organizations, will develop and use voluntary and regulatory programs, public information, and training to protect the public from unnecessary exposures to radiation. In FY 2015 the EPA will complete its revisions to the Uranium Mill Tailings Radiation Control Act, Health and Environmental Protection Standards for Uranium and Thorium Mill Tailings (40 CFR 192), last reviewed in 1995, and the related Hazardous Air Pollutants, Subpart W Standard for Radon Emissions from Operating Uranium Mill Tailings (40 CFR 61). The Agency plans to begin work to ensure that the nation has generic, non-site-specific standards that protect public health and the environment from risks associated with geologic disposal of high-level radioactive waste.

The EPA's Radiological Emergency Response Team will maintain and improve the level of readiness to support federal radiological emergency response and recovery operations under the National Response Framework and the National Oil and Hazardous Substances Pollution Contingency Plan in FY 2015. The agency's national ambient radiation air monitoring system, RadNet, which includes the country's 100

Goal 1: Addressing Climate Change and Improving Air Quality

most populous cities, will continue to provide data to assist in protective action determinations. The EPA will continue to support waste site characterization and clean-up by providing field and fixed laboratory environmental radioanalytical data and technical support, radioanalytical training to state and Federal partners, and developing improved radioanalytical methods.

Research

Environmental challenges in the 21st century are complex. These challenges are complicated by the interplay between air quality, climate change, and emerging energy options, and they require different thinking and solutions than those used in the past. These solutions require research that transcends disciplinary lines and includes all stakeholders in the process -- the EPA's regional and program offices, states and communities -- that rely on the EPA's research.

The Air, Climate and Energy (ACE) program, funded at \$101.9 million for FY 2015, conducts high priority research on environmental and human health impacts related to air pollution, climate change, and biofuels. This work directly supports the EPA's goal of addressing climate change and improving air quality.

Human exposure to an evolving array of air pollutants is a considerable challenge to human health and the environment. By integrating air, climate and energy research, the EPA can better understand, define and address the complexity of these interactions. The agency will provide models and tools necessary for communities and for decision makers at all levels of government to make the best decisions.

The ACE research program will continue to address critical science questions under three major research themes.

Theme 1: Assess Air Quality and Climate Impacts – Assess human and ecosystem exposures and effects associated with air pollutants and climate change. Evaluate the effects of air pollution and climate change on individuals, ecosystems, communities, and regions.

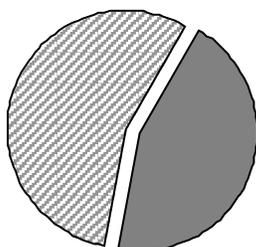
Theme 2: Prevent and Reduce Emissions – Provide the science needed to develop and evaluate approaches to preventing and reducing harmful air emissions. Decision makers and other stakeholders need such data and methods to determine which energy choices are most environmentally and economically appropriate.

Theme 3: Respond to Changes in Climate and Air Quality – Provide modeling and monitoring tools, metrics, and information on air pollution exposure. Individuals, communities, and governmental agencies will use these tools and information to make public health decisions related to air quality and climate change.

In addition, in 2012, the EPA signed a Memorandum of Agreement (MOA) with DOE and DOI, to develop a multi-agency program to focus on timely, policy relevant science to support sound policy decisions by state and Federal agencies for ensuring the prudent development of energy sources while protecting human health and the environment. Additional goals include minimizing potential risks in developing these resources, maximizing each agency's particular strength, and reducing interagency overlap. In particular the EPA's ACE and the Safe and Sustainable Water (SSWR) research programs, will undertake a coordinated effort to study the potential impacts of hydraulic fracturing on air, water quality, and ecosystems.

Goal 2: Protecting America's Waters

Strategic Goal: *Protect and restore our waters to ensure that drinking water is safe and sustainably managed, and that aquatic ecosystems sustain fish, plants, wildlife, and other biota, as well as economic, recreational, and subsistence activities.*



44.2% of Budget

Resource Summary

(Dollars in Thousands)

| | FY 2013 Enacted | FY 2014 Enacted | FY 2015 President's Budget | Difference FY 2014 EN to FY 2015 PresBud |
|--|--------------------|--------------------|----------------------------------|---|
| 1 - Protect Human Health | \$1,218,045 | \$1,273,076 | \$1,117,696 | (\$155,380) |
| 2 - Protect and Restore Watersheds and Aquatic Ecosystems | \$2,639,816 | \$2,771,692 | \$2,371,711 | (\$399,981) |
| Goal 2 Total | \$3,857,861 | \$4,044,768 | \$3,489,407 | (\$555,361) |
| Workyears | 3,308 | 3,190 | 3,138 | (52) |

NOTES: Numbers may not add due to rounding.

Introduction

As we work to protect the nation's water, new approaches and new partnerships are needed to make and sustain progress. While much progress to improve water quality has been made over the last two decades, America's waters remain imperiled. Increased demands, land use practices, population growth, aging infrastructure, and the impacts of climate change continue to pose challenges to our nation's water resources. The National Coastal Condition Report IV shows that although improvement has taken place since 1990, the overall condition of the nation's coastal resources continues to be rated fair¹. In addition, the latest national assessments² confirm that America's waters are stressed by nutrient pollution, excess sedimentation, and degradation of shoreline vegetation, which affect more than 50 percent of our lakes and streams. The rate at which new waters are listed for water quality impairments exceeds the pace at which restored waters are removed from the list. For many years, nonpoint source pollution—principally nitrogen, phosphorus, and sediments—has been recognized as the largest remaining impediment to improving water quality, and it is difficult to address the varied and widespread sources of this pollution.

¹ U.S. EPA. 2012. *National Coastal Condition Report IV*. EPA-842-R-10-003. Available at <http://water.epa.gov/type/oceb/assessmonitor/nccr/upload/NCCR4-Report.pdf>.

² U.S. EPA, 2006. *Wadeable Streams Assessment: A Collaborative Survey of the Nation's Streams*. EPA 841-B-06-002. Available at <http://www.epa.gov/owow/streamsurvey>. See also EPA, 2010. *National Lakes Assessment: A Collaborative Survey of the Nation's Lakes*. EPA 841-R-09-001. Available at http://www.epa.gov/lakessurvey/pdf/nla_chapter0.pdf.

Goal 2: Protecting America's Waters

Pollution discharged from industrial, municipal, agricultural, and stormwater point sources continue to cause a decline in the quality of our waters. Other significant contributors to degraded water quality include: loss of habitat; habitat fragmentation; and changes in the way water is infiltrated into soils, runs off the land, and flows down streams (hydrologic alteration).

We can no longer rely on traditional tools and approaches to protect our waters in urban and rural settings. We are focusing on developing new targeting tools, promoting green infrastructure and sustainable solutions and building resiliency to deal with the impacts from climate change, and strengthening our partnerships with federal agencies, non-government organizations and private companies committed to supporting local efforts to improve and protect waterways. From nutrient loadings and stormwater runoff, to invasive species, energy extraction, and drinking water contaminants, water quality programs face complex challenges that can be addressed effectively only through a combination of traditional and innovative strategies. The EPA will continue to work hand-in-hand with states and tribes to develop and implement nutrient limits and intensify our work to restore and protect the quality of the nation's streams, rivers, lakes, bays, oceans, and aquifers. We will continue the increased focus on urban and rural communities, particularly those disadvantaged communities facing disproportionate impacts, or that have been historically underserved. We also will use our authority to protect and restore threatened natural treasures such as the Great Lakes, the Chesapeake Bay, and the Gulf of Mexico; address our neglected urban rivers; ensure safe drinking water; and reduce pollution from nonpoint and industrial dischargers. The EPA will continue to address post-construction runoff, water-quality impairments from surface mining, and drinking water contamination.

As part of the agency's long-term strategy, the EPA is implementing a Sustainable Water Infrastructure Policy³ that focuses on working with states and communities to promote more effective management and enhance technical, managerial and financial capacity within the drinking water and wastewater sectors. Important to the enhanced technical capacity will be alternatives analyses to expand green infrastructure options and their multiple benefits. Federal dollars provided through the State Revolving Funds will act as a catalyst for efficient system-wide planning and ongoing management of sustainable water infrastructure.

The EPA continues to work with its partners across the Federal government to leverage resources and avoid duplication of efforts. The EPA and USDA continue to enhance existing coordination efforts in reducing nonpoint source pollution. The EPA, DOI, and DOE are working together to research the impacts of hydraulic fracturing activities to support the state and Federal agencies that oversee this growing energy extraction method.

Major FY 2015 Changes

The FY 2015 Congressional Justification builds from our core programs and identifies realignments to support our top priority work in six areas. In Goal 2, resources have been realigned to focus on Communities; Addressing Climate Change; Protecting Waters; Taking Action on Toxics and Chemical Safety; and Building a High Performing Environmental Protection Enterprise. Goal 2 resources include over \$2.9 billion in extramural resources and 1,868.3 FTE. Resources and FTE been realigned to focus in these targeted areas, building on progress to date and advancing these priorities in FY 2015. The total increase to the categorical grant funding for state in support of core environmental programs in Goal 2 is approximately \$22.2 million⁴. In FY 2015, the agency is requesting \$1.8 billion for the Clean Water and Drinking Water State Revolving Funds (SRFs), a reduction of approximately \$581 million from the FY 2014 operating level.

³ <http://water.epa.gov/infrastructure/sustain/upload/Sustainability-Policy.pdf>

⁴ \$7.7 M PWSS categorical grant dollar increase, \$18.4 Pollution Control (Section106) categorical grant dollar increase, \$5.7 Nonpoint Source grants increase for a total of \$31.8 million, minus Beaches categorical grant dollar decrease, \$9.9million.

Goal 2: Protecting America's Waters

Making a Visible Difference in Communities across the Country

The agency's budget realigns \$5.0 million extramural resources and 30 FTE to strengthen green infrastructure activities to further sustainability goals, particularly in urban, underserved and economically distressed communities. Incorporating green infrastructure and enhancing stormwater management helps to create livable urban communities and improve the quality of urban waters. Green Infrastructure is a cost-effective and resilient approach to our stormwater infrastructure needs that provides many community benefits: improving water and air quality; reducing energy use and mitigating climate change; improving habitat for wildlife; reducing a community's infrastructure cost and promoting economic growth.⁵ More information is available at http://water.epa.gov/infrastructure/greeninfrastructure/gi_costbenefits.cfm.

Protecting Waters

Most waters take years to recover fully, and although incremental improvements represent progress, these improvements are often difficult to measure. In FY 2015, the EPA will redirect \$4.5 million and 10 FTE in a new approach for measuring local improvements in water quality. This new tool builds upon efforts that the EPA has already made in coordinating with USGS on the National Hydrography Dataset Plus (NHDPlus), water quality monitoring, and providing information in a common format via the Water Quality Data Portal. This approach will provide data on water quality priority areas that will integrate with national and state-scale statistical surveys to provide a complete picture on water quality.

The agency's budget realigns \$2.5 million extramural resources for efforts directed toward Municipal Separate Storm Sewer Systems (MS4s). These efforts will assist MS4s, particularly newly regulated MS4s, and support clean water goals of protecting the Nation's waterbodies from the harmful effects of stormwater discharges.

In FY 2015, resources will be used to develop tools to identify priorities in support of the TMDL 10-year vision. The CWA 303(d) Listing and TMDL program has engaged with states to implement the new 10-year vision for the program. As part of this effort, the EPA will continue to encourage states to identify priority waters for assessment, development of TMDLs and other restoration plans for impaired segments and watersheds, and pursuit of protection approaches for unimpaired waters. The EPA will work with states and other partners to develop and implement activities and watershed plans to restore and protect these waters. This integrated approach will promote transparency, sharing of data and reduce reporting burden.

In FY 2015, the EPA is proposing a realignment of \$1 million to support states and tribes in making sound permitting decisions and providing oversight related to implementation of EPA's guidance on hydraulic fracturing with diesel fuels. On February 12, 2014, the EPA released an interpretive memorandum and technical recommendations for EPA regions and state and tribal Directors responsible for implementing the Underground Injection Control (UIC) Program Class II requirements under the Safe Drinking Water Act for oil and gas hydraulic fracturing activities using diesel fuels. This work supports the agency's priorities of safeguarding public health and environmental justice, while recognizing the important role that energy extraction, including natural gas development, plays in our energy future. These funds will help states and tribes review complex data. Funding will also be used to conduct inspections of permitted wells to ensure ongoing compliance. Implementation support will ensure that authorized agencies are effectively managing and overseeing the rapidly growing energy sector while preventing endangerment of underground sources of drinking water. In addition, this also will help address the increased volume of wastewater and produced water that comes from hydraulic fracturing activities.

Addressing Climate Change

In FY 2015, in support for the President's Climate Action Plan, the EPA is realigning \$2 million to advance the long-term sustainability of water sector infrastructure and supplies by incorporating climate change and resiliency considerations into effective utility management practices. Climate change and other extreme events, in the absence of adequate planning, directly threaten water systems' ability to fulfill their public health and environmental missions as is evident from the devastation from Superstorm Sandy. We

⁵ http://water.epa.gov/infrastructure/greeninfrastructure/gi_why.cfm#Community

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will continue working to ensure that water sector utilities have tools and information to prevent, detect, respond to, and recover from serious hazards including terrorist attacks, and extreme weather events. The EPA will promote more robust drinking water, wastewater, and stormwater (water sector) system adaptation by increasing the national prominence of the Climate Ready Water Utilities (CRWU) initiative and our emergency response (ER) and preparedness efforts. These redirected resources will improve the ability of drinking water and wastewater systems to continue to fulfill their public health and environmental missions despite unprecedented extreme weather events.

Taking Action on Toxics and Chemical Safety

As part of the Drinking Water Strategy, the agency is realigning \$1 million and 2 FTE to increase its focus on regulating groups of drinking water contaminants, including volatile organic compounds (VOCs). Grouping contaminants can more effectively address potential risks and demonstrates a predictable strategy for regulating similar contaminants and/or groups in the future. This group regulation requires more scientific input, complex analyses, and supporting documentation than a regulation for a single contaminant. The innovative nature of the group regulation also dictates the need for increased public/scientific outreach and comment in the form of webinars and/or public meetings.

Clean Water and Drinking Water State Revolving Funds

The Administration has strongly supported the SRFs. Including the FY 2015 request, federal capitalization totals over \$22 billion since 2009. Since their inception, the SRFs have been funded (including the FY 2015 request) at over \$59 billion. Going forward, the EPA will work to target assistance to small and underserved communities with a limited ability to repay loans, while maintaining state program integrity. The Administration strongly supports efforts to expand the use of green infrastructure to meet Clean Water Act goals. To further these efforts, the budget targets 20 percent of the CWSRF capitalization grants to green infrastructure projects including those to manage stormwater, which helps communities improve water quality while creating green space, mitigating flooding, and enhancing air quality. The CWSRFs have provided over \$2.6 billion for water and energy efficiency, green infrastructure, and environmentally innovative projects.

Agency Priority Goals

The EPA has developed new FY 2014-2015 Agency Priority Goals that advance the Administrator's Priorities and the agency's Strategic Plan. The EPA's two proposed goals to improve water quality are:

Improve, restore, and maintain water quality by enhancing nonpoint source program leveraging, accountability, and on-the-ground effectiveness to address the nation's largest sources of pollution. By September 30, 2015, 100 percent of the states will have updated nonpoint source management programs that comport with the new Section 319 grant guidelines that will result in better targeting of resources through prioritization and increased coordination with USDA.

Improve public health protection for persons served by small drinking water systems, which account for more than 97% of public water systems in the U.S., by strengthening the technical, managerial, and financial capacity of those systems. By September 30, 2015, the EPA will engage with an additional ten states (for a total of 30 states) and three tribes to improve small drinking water system capability to provide safe drinking water, an invaluable resource.

Additional information on the EPA's Agency Priority Goals can be found at www.performance.gov.

FY 2015 Activities

The EPA will continue to emphasize watershed stewardship, watershed-based approaches, water efficiencies, and best practices. In addition to the realignments highlighted above, the EPA will continue to implement its core water programs to maximize efficiencies and environmental results.

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Objective 1: Protect Human Health. *Achieve and maintain standards and guidelines protective of human health in drinking water supplies, fish, shellfish, and recreational waters and protect and sustainably manage drinking water resources.*

Drinking Water

To help achieve the agency's priority to protect America's waters, in FY 2015 the EPA will continue to implement its Drinking Water Strategy, an approach to expanding public health protection for drinking water. The EPA's goal is to streamline decision-making, expand protection under existing laws, and promote cost-effective new technologies to meet the needs of rural, urban and other water-stressed communities. The agency will focus on regulating groups of drinking water contaminants, improving water treatment technology and expanding communication with states, tribes and urban and rural communities. As part of the strategy, the agency is investing an additional \$1 million to increase its focus on regulating groups of drinking water contaminants which more effectively addresses potential risks and creates a framework for regulating similar contaminants and/or groups in the future.

In FY 2015, the EPA will invest an additional \$7.7 million in PWSS grants to augment state and tribal efforts in meeting existing drinking water regulations and prepare for implementation of new regulations, including the Revised Total Coliform Rule. States and tribes will work to ensure that systems can acquire and maintain basic implementation capabilities and can conduct sanitary surveys according to required schedules. These resources also will be used by states and tribes as they provide technical assistance and training to help meet the continued needs of the small water systems. The grants have been successful in helping public water systems achieve compliance with standards, as well as decreasing the number of small systems that have repeat health-based violations of standards. As of the end of FY 2013, 92 percent of the population served by community water systems (CWSs) received drinking water that met all applicable health-based drinking water standards. This result equaled the performance target.

To help ensure water is safe to drink and to address the nation's aging drinking water infrastructure, \$757 million for the Drinking Water State Revolving Fund will support new infrastructure improvement projects for public drinking water systems in FY 2015 and beyond. Getting these funds to where they are most needed in a timely manner is important. In FY 2015, appropriated DWSRF funds will again be allocated to the states in accordance with each state's proportion of total drinking water infrastructure need based on the new 2011 Needs Survey which was reported to Congress in April 2013.⁶ The EPA also published data concerning the drinking water infrastructure needs of water systems serving tribes and Alaskan Native Villages as a special focus of this survey.

These funds have been utilized effectively by the states. Since FY 2006, the fund utilization rate⁷ for the DWSRF has surpassed its target, and most recently in FY 2013, the DWSRF utilization rate of 91 percent exceeded the EPA's target of 89 percent. In concert with the states, the EPA will focus this affordable, flexible financial assistance to support utility compliance with safe drinking water standards. The EPA requests a funding floor for assistance provided to Tribes, and will reserve the greater of \$20 million or 2% of appropriated funds for the Indian Tribes and Alaska Native Villages. The EPA also will work with utilities to promote technical, financial, and managerial capacity as a critical means to meeting infrastructure needs and enhancing program performance and efficiency.

The responsibility for communities and public water systems to continuously provide safe drinking water is a key component of the nation's health and well being. The delivery of safe drinking water is often taken for granted and is extremely undervalued. More than 156,000 public water systems provide drinking water to the approximately 320 million persons in the U.S. More than 97% of these public water systems serve fewer than 10,000 persons. While most small systems consistently provide safe, reliable drinking water to their customers, many small systems are facing a number of significant challenges in their ability

⁶ Drinking Water Infrastructure Needs Survey and Assessment. April 2013.
http://water.epa.gov/grants_funding/dwsrf/upload/epa816r13006.pdf

⁷ Utilization rate is the cumulative dollar amount of loan agreements divided by cumulative funds available for projects. Cumulative funds available include the federal capitalization grant portion and everything that is in the SRF (state match, interest payments, etc.).

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to achieve and maintain system sustainability. These challenges include aging infrastructure, increased regulatory requirements, workforce shortages/high-turnover, increasing costs, and declining rate bases.

The EPA is emphasizing attention to the needs of these small communities/systems while balancing current fiscal realities as the state grant and state assistance programs are implemented. In FY 2012, the EPA re-energized its small systems focus by working more closely with state programs to improve public water system sustainability and public health protection for persons served by small water systems as part of an Agency Priority Goal. Again in 2014 and 2015, by continuing the Priority Goal, the EPA is building on its successful efforts to strengthen small system technical, managerial and financial capability through the implementation of the Capacity Development Program, the Public Water System Supervision state grant program and the Drinking Water State Revolving Fund. The Capacity Development Program establishes a framework within which states and water systems can work together to help these small systems achieve the SDWA's public health protection objectives. The state Capacity Development programs are supported federally by the Public Water System Supervision state grant funds and the set-asides established in the Drinking Water State Revolving Fund. Since the 1996 SDWA Amendments, states have implemented a variety of activities to assist small systems with their compliance challenges and enhance their technical, managerial, and financial capacity.

The EPA continues to increase public awareness of the risks to human health associated with the consumption of fish contaminated with mercury, an effort directly linked to the agency mission to protect human health. EPA analysis of data from the Centers for Disease Control and Prevention's (CDC's) National Health and Nutrition Examination Survey (NHANES) , show that the geometric mean of blood mercury levels decreased by 34 percent in women of childbearing age between the first survey cycle (1999 – 2000) and second survey cycle (2001-2002), and then remained fairly constant between 2003 and 2010. The study also found that there was a 65 percent decrease in the number of women of childbearing age with blood levels of mercury above the level of concern between the first and second survey cycles of NHANES. While the data do not indicate that women are consuming less fish, the analysis suggests that women have reduced their consumption of the types of fish that have higher mercury concentrations. Further information is available in the EPA study published in June 2013 entitled *Trends in Blood Mercury Concentrations and Fish Consumption among U.S. Women of Childbearing Age*; <http://water.epa.gov/scitech/swguidance/fishshellfish/fishadvisories/upload/Trends-in-Blood-Mercury-Concentrations-and-Fish-Consumption-Among-U-S-Women-of-Childbearing-Age-NHANES-1999-2010.pdf>

Objective 2: Protect and Restore Watersheds and Aquatic Ecosystems: Protect, restore, and sustain the quality of rivers, lakes, streams, and wetlands on a watershed basis, and sustainably manage and protect coastal and ocean resources and ecosystems.

Clean Water

In FY 2015, the EPA will continue to collaborate with states and tribes to make progress toward the EPA's clean water goals. Programs for controlling nonpoint sources of pollution are a key to reducing the number of impaired waters nationwide. The programs provide a multi-faceted approach to the problem, using innovative development strategies to help leverage traditional tools. The EPA will support efforts of states, tribes, other federal agencies, and local communities to develop watershed-based plans to achieve water quality standards. Working with states to more fully utilize the revolving fund capitalization grants will help build, revive, and "green" our aging infrastructure. In FY 2015, funding in categorical grants for clean water programs will enable the EPA, states, and tribes to implement core clean water programs and promising innovations on a watershed basis to accelerate water quality improvements.

In FY 2015, the EPA will continue to forge and strengthen strategic partnerships with other federal agency programs, in particular with the USDA Natural Resources Conservation Service, which implements Farm Bill conservation programs that can help control nonpoint source pollution. Agricultural sources of pollution in the form of animal waste, fertilizer, and sediments have a particularly profound effect on water quality. In FY 2015, the EPA will partner with USDA to focus federal resources on watersheds in every state. As part of our joint work, in FY 2014, 173 priority watersheds were selected in 51 states and areas

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for targeted USDA conservation investments. In FY 2014, the EPA worked with states as they stood up in-stream monitoring support in impaired watersheds to assess water quality progress from implemented conservation practices in 68 of the NWQI watersheds; this monitoring will continue in FY2015. Tackling nonpoint source pollution is an FY 2014-2015 Agency Priority Goal with quarterly milestones.

Building on 30 years of clean water successes, the EPA, in conjunction with states and tribes, will address the requirements of the Clean Water Act by focusing on two primary tools: Total Maximum Daily Loads⁸ (TMDLs) and National Pollutant Discharge Elimination System (NPDES) permits, built upon scientifically sound water quality standards and technology-based pollutant discharge limits. In FY 2015, the CWA 303(d) Listing and TMDL Program will continue to engage with states to implement the new 10-year vision for the program. As part of this effort, the EPA will continue to encourage states to identify priority waters for assessment and for completing TMDLs and other restoration plans to address impaired segments. The EPA will work with states and other partners to develop and implement activities and watershed plans to restore these waters.

The EPA also will work with states and other partners to improve our ability to identify and protect healthy waters/watersheds, and to pursue integration and application of core program tools. As part of an agency-wide effort to make regulations easier to implement, resources have been realigned to accelerate implementation of e-reporting, which will minimize burden for data entry and error resolution, reduce effort in responding to public requests for data, establish consistent requirements for electronic reporting across all states, and allow more timely access to NPDES program data in an electronic format for the EPA, states, regulated entities, and the public.

The EPA will continue to work with states to structure the permit program to better support comprehensive protection of water quality on a watershed basis. Progress has been steady in improving water quality conditions in impaired watersheds nationwide. Reductions in nutrient levels in sources of drinking water reduce treatment costs while strengthening public health protection. In 2008 there were only 60 watersheds that experienced improved water quality conditions, as identified by removal of one or more causes of impairment. By FY 2013, this number had risen to 376, exceeding the target of 370. Water quality conditions remain a significant challenge, with approximately 41,000 known impaired water bodies nationwide in 2013. In FY 2015, the EPA will focus on: promoting the use of green infrastructure and water quality-based effluent limits in stormwater permits; controlling discharges from concentrated animal feeding operations; and addressing issues of permitting for new waste streams, such as shale gas extraction; and steam electric power plants. To combat stormwater as a main contributor of nutrients and sediments, the agency issued a final 2012 NPDES general permit for stormwater discharges from large and small construction activities. The general permit will strengthen requirements for stormwater discharges from, at minimum, eligible existing and new construction projects in all areas of the country where the EPA is the NPDES permitting authority.

The EPA requests \$1.018 billion in capitalization to the Clean Water State Revolving Fund (CWSRF). As of June 2012, the CWSRF has offered over 33,000 assistance agreements to local communities, providing approximately \$100 billion in affordable financing for wastewater infrastructure, nonpoint source pollution control, and estuary management projects. In FY 2015, the Agency continues to provide an important tool for reaching underserved and disadvantaged communities by allowing the CWSRF to provide a portion of the federal funds as additional subsidy in the form of principal forgiveness, negative interest, or grants. In 2015, the Agency is requesting that not less than 10 percent but not more than 20 percent of the CWSRF appropriation made available to each state be used to provide additional subsidy to eligible recipients in the form of forgiveness of principal, negative interest loans, or grants (or any combination of these). The additional subsidy would apply to the entire CWSRF appropriation.

In FY 2015, the agency is requesting a Tribal set-aside of two percent, or \$30 million, whichever is greatest, of the funds appropriated from the CWSRF. The agency requests the establishment of a funding floor for the Tribes due to overall declining funding levels that have negatively impacted the

⁸ For more information, visit: <http://water.epa.gov/lawsregs/lawsguidance/cwa/tmdl/index.cfm>.

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Tribes. Resources for the tribes will provide much needed assistance to these communities whose sanitation infrastructure lags behind the rest of the country causing significant public health concerns.

The Section 106 Categorical State Grant Program supports prevention and control measures that improve water quality. In FY 2015, the agency is requesting an additional \$18.4 million in Section 106 funding for states and tribes to implement water pollution control programs and support state and tribal nutrient management efforts consistent with EPA guidance issued in March 2011. Nitrogen and phosphorus pollution is one of the costliest and most challenging environmental problems, but there are solutions for both point and nonpoint sources that can yield progress.

Through the Monitoring and Assessment Partnership, the EPA will work with states to develop and apply innovative and efficient monitoring tools and techniques to optimize availability of high-quality data to support Clean Water Act program needs and to expand the use of monitoring data and geo-spatial tools for water resource protection to set priorities and evaluate effectiveness of water protection. The EPA, states, and tribes will collaborate to plan and mobilize to conduct field sampling for the 2015 National Coastal Condition Assessment. In FY 2015, the EPA and states will release the 2012 National Lakes Assessment following partner and external peer review. The EPA and states will initiate data analysis and peer review of the second National Rivers and Streams Assessment, and the report will be completed in FY 2016. In FY 2015, the EPA/State Steering Committee for the National Wetlands Assessment will be planning the next survey targeted to be conducted in the field in calendar year 2016.⁹

The EPA, in cooperation with federal, state and tribal governments and other stakeholders will continue to make progress toward achieving the national goal of no net loss of wetlands under the Clean Water Act Section 404 regulatory program. In FY 2015, the agency is providing \$14.7 million for Wetlands Program Development Grants. In addition, in FY 2015, the EPA will be working with other federal and state partners to maximize the effectiveness of resources provided through the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act (RESTORE Act) and supporting the Natural Resource Damage Assessment associated with the Deepwater Horizon oil spill to restore the Gulf of Mexico.

Since 2002, almost one and a half million acres of habitat have been protected or restored within National Estuary Program study areas. The agency's FY 2015 budget requests \$26.7 million for National Estuaries Programs and Coastal Waterways that will enable the protection or restoration of more than one hundred thousand habitat acres.

The agency will continue in FY 2015 to assist communities - particularly underserved communities - in their local efforts to restore and protect the quality of their urban waters. By integrating water quality improvement activities with local priorities, the EPA will help to sustain local commitment for water quality improvement in urban watersheds. The EPA will provide grants and technical assistance and will partner with federal, state, local, and non-governmental organizations to support community stewardship of local urban water restoration efforts, helping communities revitalize their waterfronts and accelerate measurable water quality improvements. This work supports the President's American's Great Outdoors (AGO) initiative. In FY 2015 the EPA will continue to co-lead the Urban Waters Federal Partnership to deliver technical assistance to 18 Federal Partnership locations to help advance their water restoration and community revitalization goals. In FY 2015 the Partnership will continue to align federal resources to meet local needs more effectively and to advance shared multi-agency priorities. For example, the partnership will help address storm water management and promote green infrastructure through identification and transfer of best practices and successful local approaches. Also in FY 2015, the Partnership will continue to support public-private partnerships that leverage additional resources to support local efforts to restore watersheds.

⁹ National Water Quality Assessment Report. http://www.epa.gov/waters/ir/about_integrated.html

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Climate Change- Management of Sustainable Resources

Climate change contributes to changes in water quality and poses significant challenges to water resource managers. Impacts of climate change include too little water in some places and too much water in others, while some locations are subject to both of these conditions during different times of the year. Water cycle changes are expected to continue and will adversely affect energy production and use, human health, transportation, agriculture, and ecosystems. In 2012, the National Water Program published the second *National Water Program 2012 Strategy: Response to Climate Change*, which describes a set of long-term goals for the management of sustainable water resources for future generations in light of climate change and charts the key “building blocks” that would need to be taken to achieve those goals. It also reflects the wider context of climate change-related activity that is underway throughout the nation. The *2012 Strategy* is intended to be a roadmap to guide future programmatic planning.

WaterSense, Climate Ready Estuaries, Climate Ready Water Utilities, and Green Infrastructure are examples of programs that will help stakeholders adapt to climate change in FY 2015. The Climate Ready Water Utilities initiative will help water systems of all sizes integrate climate variability considerations into their long-range planning. Efforts to incorporate climate change considerations into key programs will help protect water quality and the nation’s investment in drinking water and wastewater treatment infrastructure. The Opportunity, Growth, and Security Initiative would support additional preparation for the impacts of climate change by protecting and enhancing coastal wetlands.

Geographic Water Programs

The Administration has expanded and enhanced numerous cross-agency efforts to promote collaboration and coordination among agencies, which include a suite of large aquatic ecosystem restoration efforts. Four prominent examples of the EPA of cross-agency restoration efforts are the Puget Sound, the Great Lakes, the Chesapeake Bay, and the Gulf of Mexico. Working with its partners and stakeholders, the EPA has established special programs to protect and restore each of these unique natural resources.

The EPA’s ecosystem protection programs encompass a wide range of approaches that address specific at-risk regional areas and larger categories of threatened systems, such as urban waters, estuaries, and wetlands. Locally generated pollution, combined with pollution carried by rivers and streams and through air deposition, can accumulate in these ecosystems and degrade them over time. The EPA and its federal partners along with states, tribes, municipalities, and private parties, will continue efforts to restore the integrity of these waters.

Puget Sound:

The Puget Sound program’s FY 2015 budget request of \$25 million will allow the EPA to continue supporting efforts to protect and restore the Puget Sound by implementing the Puget Sound Action Agenda. The Action Agenda emphasizes three areas: shellfish, stormwater, and habitat. The goal is for the estuary to support balanced indigenous populations of shellfish, fish and wildlife, and the extensive list of recognized uses of the Puget Sound, as well as to meet obligations under federal tribal treaties. In FY 2013 the Puget Sound was able to report 30,128 acres of near shore, riparian, and wetland habitat acres protected or restored, an increase of over 6,000 since 2012.

The EPA provides leadership for the Puget Sound Federal Caucus and co-chairs the overall federal effort to address Treaty Rights at Risk¹⁰. The EPA addresses its obligations under federal Tribal treaties by funding Puget Sound projects that support treaty-protected resources such as indigenous populations of shellfish, fish and other wildlife. By emphasizing these areas, the agency’s implementation of the EPA actions in the Federal Habitat Plan and its participation in the Tribal-Federal Habitat Forum further demonstrate its commitment to Tribal concerns in Puget Sound. In FY 2015, the EPA proposes to provide twenty-five percent of the total program funding directly to tribes. Additionally, fifty percent of the total funding will be directed to assistance agreements addressing salmon and shellfish recovery, and specifically riparian buffers and habitat protection.

¹⁰For more information, visit: <http://nwifc.org/wp-content/uploads/downloads/2011/08/whitepaper628finalpdf.pdf>

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Great Lakes:

In FY 2015, \$275 million in funding for the EPA-led Great Lakes Restoration Initiative will address priority environmental issues (e.g., toxic substances, nonpoint source pollution, habitat degradation and loss, and invasive species) in the largest freshwater system in the world. This carefully coordinated interagency effort involves the White House Council on Environmental Quality, U.S. Department of Agriculture, U.S. Department of Commerce, Department of Health and Human Services, Department of Homeland Security, Department of Housing and Urban Development, Department of State, Department of Defense, Department of Interior, and Department of Transportation and begins efforts under a new action plan beginning in 2015. This effort has contributed to the removal of 29 Beneficial Use Impairments at 13 different Great Lakes Areas of Concern through FY 2013, meeting the EPA's FY 2013 cumulative target of 41 for this measure.

The EPA expects to continue to achieve substantial public and environmental health results through both federal projects and projects conducted in collaboration with states, tribes, municipalities, universities, and other organizations. The EPA expects to continue remediating and restoring Areas of Concern, preventing and controlling invasive species, protecting nearshore areas and addressing nonpoint sources of pollution, protecting and restoring habitats and species, and addressing other crosscutting issues.

The EPA will place a priority on: 1) cleaning up and de-listing Areas of Concern; 2) reducing phosphorus contributions from agricultural and urban lands that contribute to harmful algal blooms and other water quality impairments; and 3) invasive species prevention. Expected outcomes include remediation of over 400 thousand cubic yards of contaminated sediment; completing management actions at additional Areas of Concern and delisting of one or more Areas of Concern; reduction or control of terrestrial invasive species on about 1,000 acres; and targeting of sources of excess nutrients in sub-watersheds of the western basin of Lake Erie, Saginaw Bay on Lake Huron, and Green Bay on Lake Michigan.

Chesapeake Bay:

The Chesapeake Bay program is funded in FY 2015 at approximately \$73 million which will allow the EPA-led inter-agency Federal Leadership Committee to continue to implement the President's Executive Order (EO) on Chesapeake Bay Protection and Restoration, to meet the EPA's broad responsibilities under Clean Water Act Section 117. Key initiatives include: completing and implementing a new partnership agreement to establish management strategies and outcomes for fisheries, water quality, habitat, and other key areas that are consistent with the EO; continuing to assist states in implementing their Phase II Watershed Implementation Plans (WIPs); preparing for a mid-point assessment of progress made under the Bay TMDL; assisting Bay jurisdictions in developing effective offset and trading programs; conducting assessments of jurisdictions' agricultural, stormwater and trading and offset programs; conducting permit reviews; continuing compliance and enforcement in accordance with the EO strategy; providing financial support and technical guidance for innovative environmental technologies, market mechanisms, and alternative financing approaches to more effectively achieve the goals of the TMDL; developing strategies to implement the goals to address toxics; improving the Bay monitoring system; implementing a basin-wide Best Management Practice verification framework; and improving the publicly available web-based accountability tools ChesapeakeStat and the Bay Tracking and Accountability System (BayTAS).

FY 2015 funding will help the Chesapeake Bay Program continue to implement pollution controls necessary to restore Bay water quality. The program met or exceeded its FY 2013 targets for pollution controls. Several of the Bay watershed jurisdictions have established or expanded water quality trading programs to support the goals of their WIPs and other milestones. By FY 2015, the program expects to achieve 37.5 percent of its goals for implementing nitrogen, phosphorus and sediment reduction actions to achieve final TMDL allocations (the FY 2010 baseline is 0 percent, and the long term goal is 100 percent goal achievement by 2025).

The Chesapeake Bay Program's grant programs are important tools for ensuring progress on the seven Bay jurisdictions' WIPs, and the EPA is working to ensure that the states provide support to local governments as they take the on-the-ground actions necessary to achieve the goals of the Chesapeake Bay TMDL. The EPA also will direct investments toward local governments and watershed organizations based on their ability to reduce nutrient and sediment loads under such key sectors as development and

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agriculture. In FY 2015, the EPA will continue to provide resources to Bay watershed jurisdictions working to improve the viability and integrity of their water quality offset and trading programs.

Gulf of Mexico Program:

The Gulf of Mexico program's FY 2015 budget request of \$3.8 million will allow the EPA to continue its support for Gulf restoration work, such as habitat conservation and replenishment and protection of coastal and marine resources. The EPA will actively support the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act (RESTORE Act) and other activities in the Gulf of Mexico. The coastal waters of the Gulf of Mexico received an overall health rating of 2.4 out of 5 in the National Coastal Conditions Report, meeting its FY 2012 target. The index is a compilation of 5 individual indices measuring a broad range of environmental conditions: water quality, sediment quality, benthic zone conditions, condition of coastal habitats, and fish tissue contaminants. During FY 2015, funding will support (through the competitive federal process) the development and implementation of comprehensive, stakeholder-informed coastal improvement projects and tools. The focus will be efforts that directly enhance community planning, risk assessment, green infrastructure and smart growth implementation. The Gulf Program works extensively and collaboratively with multiple agencies that share responsibility in this area, including the National Oceanic and Atmospheric Administration's Sea Grant Programs and the U.S. Geological Survey.

Homeland Security

In FY 2015, the EPA will focus on conducting extensive training and outreach on the recently completed electronic deployment tool, the Surveillance and Response System, that guides water systems through the process of designing and deploying drinking water contamination warning systems. The EPA also will continue to support the Water Alliance for Threat Reduction to protect the nation's critical water infrastructure and oversee the national laboratory network that forms the Water Laboratory Alliance. The Water Laboratory Alliance enables the water sector to rapidly analyze a surge of laboratory samples during a significant contamination event.

In FY 2015, the EPA will invest \$500 thousand in cybersecurity in order to fulfill its obligations under Executive Order (EO) 13636 – Improving Critical Infrastructure Cybersecurity – which designates the EPA as the lead agency responsible for cybersecurity in the water sector. Recent assessments by the Department of Homeland Security have supported the widespread concern that the primary threat to the nation's critical infrastructure is cyber-attack on Industrial Control Systems (ICS). Both drinking water and wastewater systems rely heavily on ICS that were designed in many cases decades ago with little or no consideration of cyber security. Any interruption of a clean and safe water supply would erode public confidence and could produce significant public health and economic consequences. As such, the EPA will increase its efforts in cybersecurity as consistent with the President's direction.

In FY 2015, the EPA will continue to build its capacity to identify and respond to threats to critical national water infrastructure. The EPA's wastewater and drinking water security efforts will continue to support the water sector by providing access to information-sharing tools and mechanisms that provide timely information on contaminant properties, water treatment effectiveness, detection technologies, analytical protocols, and laboratory capabilities for use in responding to a water contamination event.

Research

The Safe and Sustainable Water Resources (SSWR) research program, funded at \$114.2 million in FY 2015, conducts research and provides the information and tools to EPA, water resource managers, and other decision makers at all levels of government. Research integrates social, economic, and environmental sciences to support the nation's range of growing water-use and ecological requirements.

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The SSWR research program conducts research around two inter-related themes:

Theme 1: Sustainable Water Resources - Integrates environmental, economic, social, and sciences to provide effective and efficient tools to ensure safe and sustainable water quality and availability. Research focuses on protecting and restoring water resources for designated uses (e.g., drinking water, aquatic life, recreation, agriculture, industrial processes).

Theme 2: Sustainable Water Infrastructure Systems – Focuses on developing innovative water infrastructure management approaches and techniques for reducing barriers to improved water-resources management. Research encompasses system design, treatment alternatives and potential negative/positive health effects, life-cycle analysis, best management practices (BMP), resiliency and viability. SSWR is increasingly focusing on unique needs for small water systems.

In FY 2015, the EPA will shift the emphasis of its Green Infrastructure research efforts away from performance monitoring of best management practices (BMP) at individual sites to work with communities and to expand research efforts with constructed and natural green infrastructure to a more holistic, watershed approach. This will include reinvesting \$2.3 million for the pilot-testing of approaches for:

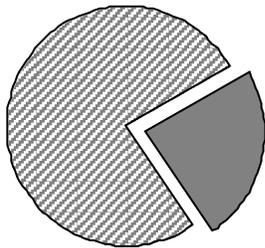
- Integrating the use and placement of natural green infrastructure (wetlands, riparian buffers) and constructed green infrastructure (permeable pavement, green roofs, etc.) within the watershed for maximum stormwater interception and mitigation;
- Mitigating flood events and “heat-island” effects that have associated public health and economic consequences, especially during extreme weather events and a warming climate; and
- Reducing sediment and nutrients in source water watersheds used for drinking water.

Research on long-term performance monitoring and new BMP development will continue through support for extramural research at academic institutions.

Energy and mineral extraction and production also have the potential to impact surface and subsurface water resources. The SSWR program is developing assessment techniques to assist our policy and decision makers at the local, state, and federal levels, in creating an environmentally responsible energy policy. In particular, in FY 2015 hydraulic fracturing (HF) research will focus on understanding any potential impacts of energy-associated activities on water resources. In conjunction with this, in 2012, the EPA signed a Memorandum of Agreement (MOA) with DOE and DOI, to develop a multi-agency program to focus on timely, policy relevant science to support sound policy decisions by state and Federal agencies for ensuring the prudent development of energy sources while protecting human health and the environment. Additional goals include minimizing potential risks in developing these resources, maximizing each agency’s particular strength, and reducing interagency overlap. Additionally, in a coordinated effort between the SSWR and the Air, Climate and Energy (ACE) research programs, the EPA will study potential impacts of hydraulic fracturing on air, water quality, and ecosystems. The EPA expects to publish the *Impacts of Hydraulic Fracturing on Drinking Water Resources* final synthesis report for peer review in December 2014. This synthesis report will outline the results of research focused on the potential impacts of hydraulic fracturing on drinking water resources, and, if so, what the driving factors are.

Goal 3: Cleaning Up Communities and Advancing Sustainable Development

Strategic Goal: Clean up communities, advance sustainable development, and protect disproportionately impacted low-income and minority communities. Prevent releases of harmful substances and clean up and restore contaminated areas.



24.2% of Budget

Resource Summary

(Dollars in Thousands)

| | FY 2013 Enacted | FY 2014 Enacted | FY 2015 President's Budget | Difference FY 2014 EN to FY 2015 PresBud |
|--|----------------------------|----------------------------|---|---|
| 1 - Promote Sustainable and Livable Communities | \$451,416 | \$455,794 | \$457,466 | \$1,672 |
| 2 - Preserve Land | \$219,421 | \$226,932 | \$236,298 | \$9,366 |
| 3 - Restore Land | \$1,035,216 | \$1,018,489 | \$1,094,801 | \$76,312 |
| 4 - Strengthen Human Health and Environmental Protection in Indian Country | \$83,756 | \$86,687 | \$120,273 | \$33,586 |
| Goal 3 Total | \$1,789,809 | \$1,787,902 | \$1,908,838 | \$120,936 |
| Workyears | 4,145 | 3,890 | 3,865 | (25) |

NOTE: Numbers may not add due to rounding.

Introduction

The EPA has made it a priority to work with other federal agencies, states, tribes and local communities to improve the health of American families and protect the environment one community at a time, all across the country. Resources in Goal 3 will: expand the work we do to enhance the livability and economic vitality of neighborhoods in and around brownfields sites and take into consideration the impacts of our decisions on environmental justice communities... Increased resources will support improvements to oversight of chemical storage and manufacturing, carried out by EPA in coordination with our interagency partners. These efforts will remain a key focus of attention. The EPA will continue to enhance the tracking and management of hazardous waste through modern e-Manifest tracking systems.

The EPA strives to protect and restore land, by cleaning up communities to create a safer environment for all Americans. Hazardous and non-hazardous wastes on land can migrate to air, groundwater and surface water, contaminating drinking water supplies, causing acute illnesses and chronic diseases, and threatening healthy ecosystems. Local land use and infrastructure investments also can generate unanticipated environmental consequences, such as increased stormwater runoff, loss of open space, and increased greenhouse gas emissions. By cleaning up contaminated sites and returning them to communities for reuse, assisting communities to use existing infrastructure and plan for more efficient and

Goal 3: Cleaning Up Communities and Advancing Sustainable Development

livable communities, and encouraging the minimization of environmental impacts throughout the full life cycle of materials, EPA programs promote sustainability. The EPA leads efforts to preserve, restore, and protect our land, for both current and future generations. We will continue our work to prevent and reduce exposure to contaminants, accelerate the pace of cleanups, and reduce the environmental impacts associated with land use across the country. The EPA works collaboratively with international, state, tribal, and local partners to achieve these aims. In addition, we will continue to work with communities to address risks posed by intentional and accidental releases of hazardous substances into the environment and ensure that communities have an opportunity to participate in environmental decisions that affect them. Our efforts are guided by scientific data, tools, and research that alert us to emerging issues and inform decisions on managing materials and addressing contaminated properties.

In FY 2015, the EPA will partner with state and tribes to prevent and reduce exposure to contaminants. For example, improved compliance at high-risk oil and chemical facilities through inspections will help prevent exposure and lower the risk of accidents. The EPA and its key state, tribal, and local partners, including affected communities, have matured in our collaborative approaches to identifying and cleaning up contaminated sites and putting these sites back into productive use for communities. The Integrated Cleanup Initiative (ICI) has moved into an implementation phase. This initiative integrates and leverages the full range of the agency's land cleanup authorities to accelerate the pace of cleanups, address a greater number of contaminated sites, and put these sites back into productive use while protecting human health and the environment. The agency will continue to apply lessons learned from conducting a series of project management pilots under the ICI which include practices that better integrate the remedial design and remedial action phases of site cleanup.

The Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA, or Superfund) and the Resource Conservation and Recovery Act (RCRA) provide legal authority for the EPA's work to protect the land. The agency and its partners use Superfund authority to clean up uncontrolled or abandoned hazardous waste sites, allowing land to be returned to productive use. Under RCRA, the EPA works in partnership with states and tribes to address risks associated with processes that generates, recycles, transports, treats, stores, or disposes of waste.

It is estimated that 27 million people in the U.S. live within a mile of hazardous waste management facilities.¹ In FY 2015, the agency is providing over \$1.1 billion to continue to apply the most effective approaches to preserve and restore land by developing and implementing prevention programs, improving response capabilities, and maximizing the effectiveness of response and cleanup actions under RCRA, Superfund, Leaking Underground Storage Tanks (LUST) and other authorities. This strategy will help ensure that human health and the environment are protected and that land is returned to beneficial use in the most effective way. Many communities across the country regularly face risks posed by intentional and accidental releases of hazardous substances into the environment.

In FY 2015, improvements to land cleanup programs (e.g., Superfund, Brownfields, RCRA Corrective Action, and Leaking Underground Storage Tanks) to address the cleanup needs at individual sites will be supported by scientific data, research, and cost-effective tools. The EPA is making significant progress in assuring that in advance of the full cleanup process, unacceptable human exposures are eliminated or controlled as soon as possible. The RCRA Corrective Action and Superfund programs have made significant progress in stabilizing exposure, while longer-term cleanup moves forward. Across all cleanup programs, the EPA will continue to take action to address any unacceptable exposures and eliminate acute risks while also pursuing long-term, permanent cleanups. This approach is exemplified by the EPA's goal to control contaminated groundwater migration at 1,133 final and deleted NPL sites and non-NPL sites through Superfund Alternative Approach (SAA) agreements; and to control human exposures

¹ Estimate drawn from OSWER Near Site Population Database, an internal EPA database that merges facility size and location information from RCRAInfo with population data, at the block and block group levels, from the U.S. Census Bureau's 2000 Census. The demographics were captured around the total number of facilities that have approved controls in place that result in the protection of this population (20 million people).

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to contamination at 1,421 final and deleted NPL sites and non-NPL sites through SAA agreements by the end of FY 2015.

The EPA also will continue to implement its Community Engagement Initiative to ensure transparent and accessible decision-making processes, deliver information that communities can use to participate meaningfully, and help the EPA produce outcomes that are responsive to community perspectives and that ensure timely cleanup decisions.

Under federal environmental statutes, the EPA has responsibility for protecting human health and the environment in Indian country. Under the EPA's 1984 Indian Policy, the agency works with tribes on a government-to-government basis in recognition of the federal government's trust responsibility to federally-recognized tribes and that the "EPA recognizes tribes as the primary parties for setting standards, making environmental policy decisions, and managing programs for reservations consistent with agency standards and regulations."

Major FY 2015 Changes

The FY 2015 request funds our top priority work in six areas. In Goal 3, resources are focused on Making a Visible Difference in Communities Across the Country; Taking Action on Toxics and Chemical Safety; Working Toward a Sustainable Future; and Building a High Performing Environmental Protection Enterprise. While continuing EPA's ongoing commitment to science, the rule of law and transparency, we have updated and refined our current direction to maximize our effectiveness and guide our agenda in the months and years ahead. Goal 3 resources include extramural resources and FTE will be focused to enhance our core work in these targeted areas and build on progress to date to advance these priorities in FY 2015. Further details are organized below by the Administrator's themes and found in the specific program project narratives.

Making a Visible Difference in Communities across the Country

Resources to strengthen an integrated approach to communities and tribes across multiple programs are essential. We are realigning and focusing resources and substantial FTE for the regional offices to further implement and coordinate activities and also to provide support to enhance program design, build new tools, and leverage the work of other partners. Redirected FTE will build on current efforts and support increased focus on enhancing the livability and economic vitality of neighborhoods in and around brownfields sites by furthering on-the ground implementation and coordination activities. The focus will be enhancing program design by including considerations of resiliency, adaptation, equitable development, and environmental justice, and leveraging the work of other partners.

Taking Action on Toxics and Chemical Safety

Protecting communities and improving safety is a key responsibility of the EPA. The President's Executive Order on Chemical Safety² (August 1, 2013) recognized the need to take some common sense steps now to improve safety and security and build on ongoing work across federal agencies to reduce the risks associated with hazardous chemicals. In FY 2015, resources aligned to this priority area will support activities to expand tools, information and materials for State Emergency Response Commissions and Local Emergency Planning Committees. Nearly \$12 million and 12 FTE in additional resources will be used to fund technical support, EPA/interagency data system enhancements, and outreach in the State and Local Prevention and Preparedness program.

Working Toward a Sustainable Future

We need to move beyond the foundation of environmental protection that the EPA has built with our state, tribal, and community partners. The EPA's budget proposal provides resources to multiple programs and regional offices to support integrated cross-program approaches, which focus on increasing sustainability.

² Executive Order on Improving Chemical Facility and Security #13650

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A redirection of 5 FTE for Sustainable Materials Management will improve regionally-focused outreach to cities, towns, and businesses.

Building a High Performing Environmental Protection Enterprise

Necessary to our strategic approach to the FY 2015 budget and constrained resources is redesigning the way we do business. Resources have been realigned to focus on the building blocks of a modern, more efficient EPA, in order to support and even accelerate the pace of better integrating technology, enhancing internal programmatic leveraging, and updating or implementing new approaches to core business processes. As part of the E-Enterprise business model, resources and FTE have been realigned to E-Manifest for system development and for support of on-going efforts to incorporate e-reporting and provide greater efficiency in implementation across the full range of the agency's of rules updates and targeting tools.

To meet the FY 2015 target and provide support to our top priorities, we will make fundamental changes to our long-standing business practices in contracts, grants and oversight of delegated programs, among others. Implementing these changes requires realigning resources and people to ensure that we increase effectiveness without undermining vital protections or quality and financial management.

Agency Priority Goals

As part of the formulation of the FY 2015 budget, the EPA has developed FY 2014-2015 Agency Priority Goals that advance the Administrator's Priorities and the agency's Strategic Plan.

Clean up contaminated sites to enhance the livability and economic vitality of communities. By 2015, an additional 18,970 sites will be made ready for anticipated use, protecting Americans and the environment one community at a time. All of OSWER's cleanup programs (Superfund, RCRA Corrective Action, Brownfields, and LUST) contribute to this goal and take positive action to protect human health and the environment through the cleanup and revitalization of contaminated properties.

Additional information on the EPA's Agency Priority Goals can be found at www.performance.gov.

FY 2015 Activities

In FY 2015, the EPA will work to preserve and restore the nation's land by ensuring proper management of waste and petroleum products, reducing waste generation, increasing recycling and by supporting its cleanup programs and oversight of oil and chemical facilities. These efforts are integrated with the agency's efforts to promote sustainable and livable communities. Work under Goal 3 supports four objectives: 1) Promote Sustainable and Livable Communities, 2) Preserve Land; 3) Restore Land; and 4) Strengthen Human Health and Environmental Protection in Indian Country.

Objective 1: Promote Sustainable and Livable Communities. Support sustainable, resilient, and livable communities by working with local, state, tribal, and federal partners to promote smart growth, emergency preparedness and recovery planning, redevelopment and reuse of contaminated and formerly contaminated sites, and the equitable distribution of environmental benefits.

The EPA supports the goals of urban, suburban and rural communities to grow in ways that improve the environment, human health and quality of life for their residents. With the support of partners across all levels of government, communities can grow in ways that also strengthen the economy, help them adapt to climate change, improve their resiliency to disasters, use public resources more efficiently, revitalize neighborhoods, and improve access to jobs and amenities. By making sustainable infrastructure investments, communities can successfully build innovative and functional systems on neighborhood streets and sidewalks to deal with the run-off from stormwater and still provide easy access for pedestrians, bicyclists, on-street parking and other beneficial uses. Under local planning and zoning codes that account for the environmental impacts of development, the private sector can more easily

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construct market-ready “green” buildings serving a range of housing needs. Communities also can benefit from tools, technology and research that better engage citizens and inform local decision making to support smart and sustainable growth.

In FY 2015, the EPA will continue to use several approaches to promote sustainable, healthier communities and protect vulnerable populations and disproportionately impacted low-income, minority, and Tribal communities. The agency especially is concerned about threats to sensitive populations, such as children, the elderly, and individuals with chronic diseases.

Brownfields:

The EPA’s Brownfields program is funded at nearly \$161 million, which includes related Smart Growth activities. This program supports states, local communities, and Tribes in their efforts to assess and cleanup sites that may be contaminated within their jurisdiction and return them to productive reuse. The Brownfields program also helps address climate change by ensuring that potential climate change impacts are taken fully into account when brownfield cleanups are planned and implemented.

The EPA plans to award approximately 119 assessment grants, 52 cleanup grants, 17 Environmental Workforce Development and Job Training grants, 20 area wide planning grants, and a variety of technical assistance, targeted assessment, and petroleum brownfields grants. Beginning in FY 2015, the agency plans to alternate the grant competition cycle and award Revolving Loan Fund (RLF) cooperative agreements to eligible recipients every other year. By holding this competition every other year, the program will be able to reduce the costs of the grant competition and will utilize the grant funds in off years to fund eligible high performing existing RLF grantees. Additionally, this alternating schedule will allow regional staff to provide more assistance and attention to managing existing grants and maximizing results and promoting timely implementation. This would have the additional benefit of reducing unliquidated obligations in existing RLF grants. The next RLF grant competition will occur in FY 2016.

In addition, the Brownfields program, in collaboration with the EPA’s Smart Growth program, will address critical issues for brownfields redevelopment, including financing, coordination with local government efforts to improve land use planning, and other factors that influence the economic viability of brownfields redevelopment. In FY 2015, the Brownfields program will continue to foster federal, state, local, and public-private partnerships to return 2,800 acres of brownfields properties to productive economic use in communities. The Brownfields program generally, and area-wide planning specifically, will continue to be a component of the *Investing in Manufacturing Communities Partnership (IMCP)* to advance manufacturing uses on redeveloped brownfield sites.

Chemical Safety:

In FY 2015, the EPA is providing \$27.5 million for the State and Local Prevention and Preparedness program, which includes an increase of over \$12 million to support additional high-risk chemical facility inspections, and activities related to the President’s Executive Order on Chemical Safety³. There is a critical need for the agency to continue efforts to prevent and respond to accidental releases of harmful substances by developing clear authorities and training personnel. Accidents reported to the EPA since 2005 by the current universe of Risk Management Program facilities have resulted in approximately 60 worker and public deaths, over 1,300 injuries, nearly 200 thousand people sheltered in place, and more than \$1.6 billion in on-site and off-site damages, including recent high profile incidents. States and communities often lack the strong infrastructure needed to prepare for and/or respond to these emergencies or to prevent them from happening in the first place.

Smart Growth:

The Smart Growth program helps community and government leaders protect the environment and public health, build the economy, and improve the quality of people’s everyday lives by making smart growth and sustainable design practices commonplace. Also, through the Partnership for Sustainable Communities, in its fifth year, EPA’s Smart Growth program works with the U.S. Department of

³Executive Order on Improving Chemical Facility and Security #13650

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Transportation (DOT) and the U.S. Department of Housing and Urban Development (HUD) to align housing, transportation, and infrastructure investments and policies, and build capacity in communities to grow in a more sustainable and resilient manner. The agency's Smart Growth program works across the EPA and with other federal agencies to help communities strengthen their economies and protect the environment through use of smart growth, resilient, and sustainable design approaches. This program focuses on streamlining, concentrating, and leveraging state and federal assistance in urban, suburban, and rural communities that offer the greatest opportunity for development that will deliver environmental and economic benefits, and offer protection against the impacts of climate change.

In FY 2015, the Smart Growth program, under the Integrated Environmental Strategies and the Brownfields program projects, will continue work to help community and government leaders meet environmental standards through sustainable community and building development, design, policies, and infrastructure investment strategies. The program does this by: providing technical assistance to states, regions, and local and Tribal governments; conducting research and developing tools that help communities see the connection between development and the environment, the economy, and public health; and, engaging, leveraging and aligning community-based activities and investments with other federal agencies. The program will continue to innovate and use new mechanisms to address the growing demand from communities for more direct technical assistance, including in rural areas, in areas that are disadvantaged, or in areas that have been adversely affected by contamination and environmental degradation.

Environmental Justice:

The EPA is committed to fostering public health in communities disproportionately burdened by pollution by integrating and addressing issues of environmental justice (EJ) in the EPA's programs and policies as part of its day-to-day business. The EPA's EJ program promotes accountability for compliance with Executive Order 12898, "Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations." The EPA's program offices implement the EPA's strategic plan on Environmental Justice, Plan EJ 2014⁴. The EJ Program facilitates this implementation by: (1) supporting and promoting the agency's efforts to address environmental justice issues; (2) supporting the EPA's outreach to other federal agencies through the interagency working group on environmental justice; and, (3) promoting opportunities for communities to be heard on environmental justice issues. In FY 2015, the EPA is providing \$8.5 million for the EJ program to continue its efforts to facilitate the integration of environmental justice considerations into planning and performance measurement processes. The agency will implement environmental justice activities consistent with the vision and commitments outlined in the agency's FY 2014-2018 Strategic Plan, the FY 2014 annual action plan for the Cross-Cutting Fundamental Strategy for EJ and Children's Health, and Plan EJ 2014.

Objective 2: Preserve Land. *Conserve resources and prevent land contamination by reducing waste generation and toxicity, promoting proper management of waste and petroleum products, and increasing sustainable materials management.*

RCRA Waste Management

The FY 2015 budget provides \$70.5 million to the RCRA Waste Management program. The RCRA program is critical to comprehensive and protective management of solid and hazardous materials for the entire lifecycle. In FY 2015, RCRA permits for approximately 20,000 hazardous waste units (such as incinerators and landfills) at 6,600 treatment, storage, and disposal facilities in the permitting universe will be issued, need to be updated or maintained. The EPA provides leadership, work-sharing, and support to the 50 states and territories authorized to implement the permitting program and directly implements the entire RCRA program in Iowa and Alaska.⁵ The EPA is facing an increasing amount of implementation support responsibility at the request of states, including addressing complex regulatory and statutory interpretation issues. Requests for this type of support are expected to continue through FY 2015.

⁴ Plan EJ 2014 can be found at <http://www.epa.gov/compliance/environmentaljustice/plan-ej/index.html>

⁵ <http://www.epa.gov/wastes/hazard/tsd/permit/pgprprpt.htm>

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The agency also will support national PCB cleanup and disposal activities by assessing emerging technologies and issuing approvals (no states can be authorized for PCBs), evaluating PCB wastes against the criteria specified in TSCA. This effort will be tracked by a new performance measure that will track all approvals issued by the EPA under TSCA. Beginning in FY 2014, the Agency will have annual targets to authorize approvals for cleanup, storage, and disposal activities. The EPA estimates approximately 20 disposal and storage approvals and 130 cleanup approvals are issued per year. The annual target for both FY 2014 and 2015 for the comprehensive measure for cleanups, disposal, and storage activities is 150.

Hazardous Waste Electronic Manifest:

On October 5, 2012, the President signed the Hazardous Waste Electronic Manifest Establishment Act, requiring the EPA to assemble and maintain the information contained in the estimated 5 million forms accompanying hazardous waste shipments across the nation. In FY 2013, the EPA initiated the effort to develop a program that provided for the submission of information electronically, as well as in paper form. This investment at the federal level will significantly reduce the time and costs for state regulators and regulated entities associated with submitting, maintaining, processing, and publishing data from hazardous waste manifests. When fully implemented, the electronic hazardous waste manifest (e-Manifest) program will reduce the reporting burden for firms regulated under RCRA's hazardous waste provisions by approximately \$75 million annually. The legislation contains aggressive deadlines for rulemaking and system development. In 2014, EPA completed the regulation that authorizes the electronic transmittal of manifest, began work under a new contract for development of the technical architecture of the system, and began work on the user fee rule. Once this system is in place, the legislation provides that fees collected through the program will be used to fund the operation of the program and reimburse system development costs.

In FY 2015, the EPA is providing a total of \$10.4 million within the RCRA Waste Management program, to continue work on the e-Manifest system. This funding will be used for system acquisition/development; development of the economic models to support the user-fee rule; and analyses to support further revision of EPA regulations needed to implement an e-Manifest system. E-Manifest remains a key component of the E-Enterprise business model.

Sustainable Materials Management (SMM):

In FY 2015, the EPA will continue to advance SMM practices and a cradle-to-cradle perspective representing an important emphasis shift from waste management to materials management. The agency's approach to SMM integrates the safe reuse of materials with economic opportunity. In FY 2015, the EPA will utilize SMM to offset the use of virgin resources by 8,603,033 tons of materials and products. In FY 2015, the EPA will continue to promote the SMM approach in high priority areas (e.g., Sustainable Food Management, Used Electronics, and Federal Government), which are selected based on an analysis of opportunities for reducing environmental impacts in *Sustainable Materials Management: The Road Ahead*.⁶ In FY 2015, the EPA will continue to lead by example, and will help other federal agencies adopt SMM approaches and promote the reduction of greenhouse gas emissions, which furthers the goals of Executive Order 13514 ("Federal Leadership in Environmental, Energy, and Economic Performance"), and also save money. For example, the EPA estimates that the national implementation of the Federal Green Challenge will save the taxpayers more than \$10 million by the end of FY 2014. The EPA will also explore the application of the SMM approach into other high priority sectors, based on lessons learned from the first two years of the national SMM program and re-evaluation of *The Road Ahead*.

LUST Prevention

There is a strong relationship between LUST clean up success and reducing the number of new releases through the prevention program. Since 2007, the EPA has placed an increased emphasis on monitoring compliance through increased frequency of inspections and other Energy Policy Act (EPAct) provisions. During this time, compliance rates have increased and there has been a significant decrease in new

⁶ U.S. EPA OSWER ORCR. Sustainable Materials Management: The Road Ahead. June 2009 <http://www.epa.gov/epawaste/conservesmm/pdf/vision2.pdf>.

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confirmed releases. The continued reduction in confirmed releases will remain a critical component in backlog reduction, but maintaining cleanup progress is essential as well.

In FY 2015, the EPA will continue to assist states in complying with release prevention activities authorized by the EPCRA. States rely primarily on federally funded assistance agreements to maintain inspection frequency and ensure compliance which will help prevent future confirmed releases. States may use money from LUST assistance agreements for inspections, other release prevention and compliance assurance activities for federally-regulated USTs, and enforcement activities related to release prevention.

Objective 3: Restore Land. Prepare for and respond to accidental or intentional releases of contaminants and clean up and restore polluted sites for reuse.

Land Cleanup and Revitalization

In addition to promoting sustainable and livable communities, the EPA's cleanup programs (e.g., Superfund Remedial, Superfund Federal Facilities Response, Superfund Emergency Response and Removal, RCRA Corrective Action, Brownfields, the Toxic Substances Control Act (TSCA) Polychlorinated biphenyl (PCB) Cleanup and Disposal, and LUST Cooperative Agreements) and its partners are taking proactive steps to facilitate the cleanup and revitalization of contaminated properties. To support the Land Revitalization Initiative, the EPA created the Land Revitalization Agenda⁷ to integrate reuse into EPA's cleanup programs, establish partnerships, and help make land revitalization part of EPA's organizational culture.

In FY 2015, the agency will continue to help communities clean up and revitalize these once productive properties by: removing contamination; helping limit urban sprawl; fostering ecologic habitat enhancements; enabling economic development; taking advantage of existing infrastructure; and maintaining or improving quality of life. There are multiple benefits associated with cleaning up contaminated sites: reducing mortality and morbidity risk; preventing and reducing human exposure to contaminants; making land available for commercial, residential, industrial, or recreational reuse; and promoting community economic development. A 2011 study suggests that Superfund cleanups reduce the incidence of congenital anomalies in infants by roughly 20-25 percent to mothers living within 2,000 meters of a site.⁸ In another case, the EPA contracted with researchers at Duke University and the University of Pittsburgh to conduct a study to determine the effects of Superfund site status on housing values. The study found that when sites are cleaned up and deleted from the National Priorities List (NPL), properties within three miles of the sites experience an 18.6 to 24.5 percent increase in value.⁹

A cumulative total of 1,694 sites have been listed on the Superfund National Priorities List (NPL), 366 of which have been deleted. Sites are placed on the NPL when the presence of contamination, often from complex chemical mixtures of hazardous substances, has impacted groundwater, surface water, and/or soil. The precise impact of many contaminant mixtures on human health remains uncertain; however, substances commonly found at Superfund sites have been linked to a variety of human health problems, such as birth defects, infertility, cancer, and changes in neurobehavioral functions. In FY 2015, the agency plans to achieve control of all identified unacceptable human exposures at 9 additional sites, bringing the program's cumulative total of Human Exposure Under Control (HEUC) sites to 1,408. Additionally, the agency expects to achieve Groundwater Migration Under Control (GMUC) at 13 additional sites, bringing the program's cumulative total to 1,119 sites.

The FY 2015 budget provides \$187 million for the Superfund Emergency Response and Removal program. The agency will continue to support all emergency actions and focus on encouraging viable

⁷ Additional information on this agenda can be found on http://www.epa.gov/landrevitalization/agenda_full.htm

⁸ Currie, Janet; Michael Greenstone, and Enrico Moretti. 2011. "Superfund Cleanups and Infant Health." *American Economic Review*, 101(3): 435-41.

⁹ S. Gamper-Rabindran, C. Timmins. 2013. "Does cleanup of hazardous waste sites raise housing values? Evidence of spatially localized benefits," *Journal of Environmental Economics and Management*.

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Potentially Responsible Parties (PRPs), when available, to conduct removal actions. In FY 2015, the EPA will oversee 275 removal actions for both Superfund-lead and PRP removals.

The Superfund Remedial program is funded at \$543 million in FY 2015. The agency will continue to give priority to completing projects at various stages in the response process, such as investigation, remedy design, and remedy construction. This strategy will help support community revitalization and economic redevelopment and will provide funding to initiate cleanup construction work at several construction projects. The program estimates accomplishing 105 remedial action project completions in FY 2015.

RCRA Corrective Action

The FY 2015 budget provides \$36 million for the RCRA Corrective Action program. The EPA works in partnership with states, having authorized 44 states and territories to directly implement the corrective action program.¹⁰ Resources for state implementation are provided through the Hazardous Waste Financial Assistance categorical grant. This program is responsible for overseeing and managing cleanups that protect human health and the environment at active RCRA sites. The agency provides leadership and support to its state partners and serves as lead regulator at a significant, and increasing, number of facilities. States have been challenged in the cleanup area due to downsizing and are looking to the federal program for assistance. As a result and at the request of states, the EPA has resumed work previously agreed to by states under work-sharing agreements and this trend has been increasing, particularly for sites that have complex issues¹¹ or for more specialty components such as ecological risk assessments.

Through its RCRA Corrective Action program, the EPA and its state partners will issue, update, or maintain RCRA permits for 3,779 hazardous waste facilities. The facilities are a subset of approximately 6,000 sites with corrective action obligations and include some of the most highly contaminated, technically challenging, and potentially threatening sites the EPA confronts in any of its cleanup programs.¹² As of the end of FY 2013, a total of 3,212 RCRA facilities are designated as having with human exposures to toxins under control.

In FY 2015, the EPA will focus resources on those sites that present the highest risk to human health and the environment and implement actions to end or reduce these threats. The EPA will also place additional focus on identifying facilities where the corrective action process can be considered completed (i.e., where cleanup performance standards have been met, or no further cleanup action is necessary). These activities will be consistent with the programmatic response developed by the agency after a 2011 GAO report on the RCRA corrective action program, which also is reflected in revisions to targets for 3 RCRA Corrective Action performance measures.¹³ In FY 2015, the EPA has also developed a new performance measure to account for the last step in the cleanup process and will increase the number of RCRA facilities with corrective action performance standards attained to 22 percent.¹⁴

LUST Cleanup:

The EPA's goal is to prevent future releases of wastes in the environment. The agency understands that accidents can happen but proper prevention leads to fewer and fewer releases. For example, the number of annual confirmed releases from Underground Storage Tanks (USTs) has dropped 25 percent, from 7,570 in FY 2007 to 5,674 in FY 2012. The number of active tanks over that period dropped 6 percent, from 629,866 to 583,508.

¹⁰ State implementation of the CA Program is funded through the STAG (Program Project 11) and matching State contributions.

¹¹ For example, vapor intrusion, wetlands contamination or extensive groundwater issues.

¹² There are additional facilities that have corrective action obligations that the EPA does not track under GPRA, as they are typically smaller, less significant facilities or sites. The EPA recognizes that the total universe of such facilities or sites "subject to" corrective action universe is between five and six thousand facilities or sites.

¹³ Hazardous Waste: Early Goals Have Been Met in EPA's Corrective Action Program but Resource and Technical Challenges Will Constrain Future Progress (GAO-11-514), July 2011.

¹⁴ Hazardous Waste: Early Goals Have Been Met in EPA's Corrective Action Program but Resource and Technical Challenges Will Constrain Future Progress (GAO-11-514), July 2011.

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The LUST program has achieved significant success in closing releases since the beginning of the program. Of the 507,540 total confirmed releases, by the end of FY 2012, 84 percent (or 424,637) were closed. The LUST program continues to make progress decreasing the overall backlog; however, the pace of cleanups is declining. In FY 2012, the program completed 97 percent of the annual cleanup goal of 11,250 sites by finishing 10,927 cleanups. Achieving these cleanup rates in the future will be more challenging due to the complexity of remaining sites, an increased state workload, a decrease in available state resources and the increasing costs of cleanups. In FY 2011, the LUST program completed a study of its cleanup backlog. The EPA's backlog study helped identify potential strategies to address the approximately 83 thousand UST releases remaining¹⁵. The EPA is working with states to develop and implement specific strategies and activities applicable to their particular sites to reduce the UST releases remaining to be cleaned up.

Oil Spills Prevention:

The discharge of oil into U.S. waters can threaten human health, cause severe environmental damage, and create financial loss to businesses and the public. The Oil Spill program helps protect U.S. waters by effectively preventing, preparing for, responding to, and monitoring oil spills. The EPA serves as the lead responder for cleanup of all inland zone spills, including transportation-related spills from pipelines, trucks, and other transportation systems, and provides technical assistance and support to the U.S. Coast Guard for coastal and maritime oil spills. In FY 2015, the EPA will continue to focus efforts on oil spill prevention, preparedness, compliance assistance, and enforcement activities associated with the more than 600 thousand non-transportation-related oil storage facilities that the EPA regulates through its Spill Prevention Control and Countermeasure (SPCC) Program. In addition, the agency will finalize development and begin implementation of the National Oil Database including identifying requirements for electronic submission of Facility Response Plans (FRP) in order to create reporting efficiencies for the agency, states, local government and industry.

In FY 2015, the EPA is providing a total of \$20.5 million for the Oil Spill Prevention, Preparedness and Response program which include a \$2 million increase to improve the federal capacity to prevent oil spills by conducting up to 34 additional high-risk facility inspections. The EPA will perform inspections of regulated high-risk oil facilities to better implement prevention approaches and to bring 60 percent of SPCC and FRP inspected facilities found to be non-compliant during the FY 2010 through FY 2015 inspection cycle into compliance.

Homeland Security:

The EPA's Homeland Security work is an important component of the agency's prevention, protection, and response activities. The FY 2015 President's Budget includes \$33.8 million to: maintain its capability to respond effectively to incidents that may involve harmful chemical, biological, and radiological (CBR) substances; maintain the Environmental Response Laboratory Network (ERLN); develop and maintain agency expertise and operational readiness for all phases of consequential management following a CBR incident, specifically environmental characterization, decontamination, laboratory analyses and clearance; maintain the Emergency Management Portal (EMP); and conduct CBR training for agency responders to improve CBR preparedness.

Objective 4: Strengthen Human Health and Environmental Protection in Indian Country. Directly implement federal environmental programs in Indian country and support federal program delegation to tribes. Provide tribes with technical assistance and support capacity development for the establishment and implementation of sustainable environmental programs in Indian country.

The EPA works under two important Tribal infrastructure Memoranda of Understandings (MOU) amongst five federal agencies¹⁶. The EPA, the Department of the Interior, the Department of Health and Human Services, the Department of Agriculture, and the Department of Housing and Urban Development work as

¹⁵ For more information, please see *The National LUST Cleanup Backlog: A Study of Opportunities at* <http://www.epa.gov/swerust1/cat/backlog.html>

¹⁶ <http://www.epa.gov/tribal/trprograms/2013-ift-memorandum-of-understanding.pdf>

Goal 3: Cleaning Up Communities and Advancing Sustainable Development

partners to improve infrastructure on Tribal lands and currently focus efforts on providing access to safe drinking water and basic wastewater facilities to tribes.

The first, or umbrella MOU, promotes coordination between federal Tribal infrastructure programs, including financial services, while allowing federal programs to retain their unique advantages. Under the umbrella MOU, for the first time, five federal departments joined together and agreed to work across traditional program boundaries on Tribal infrastructure issues. The efficiencies and partnerships resulting from this collaboration will directly assist tribes with their infrastructure needs. The second MOU, addressing a specific infrastructure issue, was created under the umbrella authority and addresses the issue of access to safe drinking water and wastewater facilities on Tribal lands. Currently, the five federal agencies are working together to develop solutions for specific geographic areas of concern (Alaska and the Southwest), engaging in coordination of funding, and promoting cross-agency efficiency. These activities are completed in coordination with federally recognized tribes. For more information, please see the web link: <http://www.epa.gov/tribalportal/mous.htm>.

The EPA continues to work closely with other federal agencies as well as the Domestic Policy Council to implement the President's directive regarding the Tribal consultation process. The President's November 5th, 2009 Memorandum directs each executive department to develop a detailed plan to implement Executive Order (EO) 13175, "Consultation and Coordination with Indian Tribal Governments"¹⁷. Under EO 13175, "...all departments and agencies are charged with engaging in regular and meaningful consultation and collaboration with Tribal officials in the development of federal policies that have Tribal implications, and are responsible for strengthening the government-to-government relationship between the United States and Indian tribes." On May 4, 2011, the EPA released its final policy on consultation and coordination with Indian tribes. The EPA is among the first of the federal agencies to finalize its consultation policy in response to President Obama's first tribal leaders summit in November 2009 and, following the issuance of Executive Order 13175, to establish regular and meaningful consultation and collaboration with tribal officials in the development of Federal policies that have tribal implications.

The EPA recently partnered with the Corporation for National and Community Service to leverage AmeriCorps grant resources, announcing that Indian General Assistance Program (GAP) grants may be used as match funding for tribally-sponsored AmeriCorps programs. More than \$3 million worth of AmeriCorps funding is dedicated to support tribal communities every year, but often, tribal governments face financial challenges that prevent them from providing the required matched funding. The combination of AmeriCorps grants and EPA program funding, such as GAP, enable tribal governments to bring in energetic, committed people to help build an environmental program. Examples of activities eligible for funding include conducting environmental education, performing assessments of indoor air quality or household pesticide usage, and assessing baseline environmental conditions. Additionally, the EPA has entered into a MOU¹⁸ with the Department of Energy and the Department of the Interior and formed an inter-agency work group to understand the implications of hydraulic fracturing on tribal lands.

Research

In FY 2015, the Sustainable and Healthy Communities (SHC) research program, funded at \$158.6 million, will continue to support the EPA's program offices, state, and Tribal partners in protecting and restoring land, and providing community decision makers with decision tools to support community health. The work of the SHC research program falls into four inter-related themes:

- *Decision Support and Innovation* will use decision science, interactive social media, spatial analyses, and sustainability assessment methods to provide communities with tools to frame their decision options, outcomes and potential costs and benefits.

¹⁷ <http://www.whitehouse.gov/sites/default/files/omb/memoranda/2010/m10-33.pdf>

¹⁸ http://unconventional.energy.gov/pdf/oil_and_gas_research_mou.pdf

Goal 3: Cleaning Up Communities and Advancing Sustainable Development

- *Community Well-being: Public Health and Ecosystem Goods and Services* will utilize the sciences of ecosystem services and human health to enable communities to assess how the natural and built environment affects the health and well-being of their residents. This research will address impacts in all communities including communities and tribes that are at risk for disproportionate environmental and health impacts;
- *Sustainable Approaches for Contaminated Sites and Materials Management* will build upon federal, regional and state experiences. This research aims to improve the efficiency and effectiveness of mechanisms that address land and groundwater contamination. This research also will review and characterize innovative approaches that communities can use to:
 - Reduce new sources of contamination,
 - Enable recovery of energy, materials, and nutrients from waste, and
 - Enable brownfields sites to be put to new, economically productive uses that benefit communities; and
- *Integrated Solutions for Sustainable Outcomes* research will develop methods and data that will allow communities to consider the full costs and benefits of their decisions. For example, SHC will review and characterize systems modeling approaches that communities can use to account for the linkage among:
 - Waste and materials management,
 - Building codes and zoning for land use planning,
 - Transportation options, and
 - Provision of infrastructure, including water and energy.

The SHC research program will invest \$7.8 million in ongoing research to develop models, data bases, metrics and other decision-support tools that will empower communities to make decisions regarding sustainable approaches to environmental protection. These additional funds will allow EPA to increase its capacity to provide community based decision support tools which consider ecosystem goods and services, contaminated sites, multimedia pollutants within environmental justice communities, and the beneficial use of sustainable materials. In addition, the SHC program will realign \$1.3 million to develop tools for at risk communities and tribes to examine the impacts of climate change adaptation on ecosystems goods and services to support the agency's goal of working with communities to address climate change.

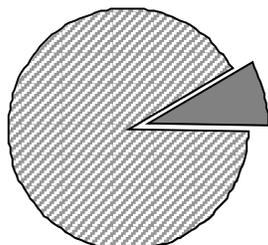
Consistent with Administration priorities, EPA's Science to Achieve Results (STAR) and the Greater Research Opportunities (GRO) fellowship programs, and all funds, will be consolidated across the government as part of a comprehensive reorganization to facilitate a cohesive national strategy of STEM education programs to increase the impact of Federal investment in four areas: K-12 instructions; undergraduate education; fellowships and scholarships; and information education.

The SHC research program will continue to address many facets of site contamination and cleanup. This includes source elimination of contaminated ground water and migration at Superfund sites and plume management to reduce exposures via drinking water. This science will be used to develop guidance on site assessment, remedial investigations, and to provide technical support resources to agency programs and regional offices.

The SHC research program will continue to develop or revise protocols to test oil spill control agents or products for listing on the National Contingency Plan Product Schedule, including dispersants' performance and behavior in deep water. Additional research outcomes include improved characterization and remediation methods for fuels released from leaking underground storage tanks.

Goal 4: Ensuring the Safety of Chemicals and Preventing Pollution

Strategic Goal: Reduce the risk and increase the safety of chemicals and prevent pollution at the source.



8.5% of Budget

Resource Summary

(Dollars in Thousands)

| | FY 2013 Enacted | FY 2014 Enacted | FY 2015 President's Budget | Difference FY 2014 EN to FY 2015 PresBud |
|----------------------------------|--------------------|--------------------|----------------------------------|---|
| 1 - Ensure Chemical Safety | \$556,186 | \$578,592 | \$618,877 | \$40,285 |
| 2 - Promote Pollution Prevention | \$52,279 | \$51,797 | \$54,041 | \$2,244 |
| Goal 4 Total | \$608,465 | \$630,388 | \$672,918 | \$42,530 |
| Workyears | 2,481 | 2,412 | 2,412 | 0 |

NOTE: Numbers may not add due to rounding.

Introduction

Chemicals are ubiquitous in our everyday lives and products. They are used in the production of everything from our homes and cars to the cell phones we carry and the food we eat. Chemicals often are released into the environment as a result of their manufacture, processing, use, and disposal. Vulnerable populations, including low-income, minority, and indigenous populations, may be disproportionately impacted by, and thus particularly at risk from, exposure to chemicals^{1,2,3}. In addition, research shows that children receive greater relative exposures to chemicals because they inhale or ingest more air, food, and water on a body-weight basis than adults do.^{4,5,6,7} The agency's FY 2015 funding level for Ensuring the Safety of Chemicals and Preventing Pollution is \$672.9 million, an increase of \$42.5 million over the FY 2014 enacted operating plan.

¹ Holistic Risk-based Environmental Decision Making: a Native Perspective

(<http://www.ncbi.nlm.nih.gov/pmc/articles/PMC1241171>)

² Executive Order 12898: Federal Actions to Address Environmental Justice in Minority Populations and Low Income Populations

³ Interim Guidance on Considering Environmental Justice During the Development of an Action

(<http://www.epa.gov/compliance/ej/resources/policy/considering-ej-in-rulemaking-guide-07-2010.pdf>)

⁴ Guide to Considering Children's Health When Developing EPA Actions: Implementing Executive Order 13045 and EPA's Policy on Evaluating Health Risks to Children

([http://yosemite.epa.gov/ocephweb.nsf/content/ADPguide.htm/\\$File/EPA_ADG_Guide_508.pdf](http://yosemite.epa.gov/ocephweb.nsf/content/ADPguide.htm/$File/EPA_ADG_Guide_508.pdf))

⁵ Holistic Risk-based Environmental Decision Making: A native Perspective

(<http://www.ncbi.nlm.nih.gov/pmc/articles/PMC1241171>)

⁶ Executive Order 13045: Protection of Children from Environmental Health Risks and Safety Risks

⁷ Guide to Considering Children's Health When Developing EPA Actions: Implementing Executive Order 13045 and EPA's Policy on Evaluating Health Risks to Children

([http://yosemite.epa.gov/ocephweb.nsf/content/ADPguide.htm/\\$File/EPA_ADG_Guide_508.pdf](http://yosemite.epa.gov/ocephweb.nsf/content/ADPguide.htm/$File/EPA_ADG_Guide_508.pdf))

Goal 4: Ensuring the Safety of Chemicals and Preventing Pollution

Under existing Toxic Substances Control Act (TSCA) authorization, the EPA is charged with the responsibility of assessing the safety of commercial chemicals and to act upon those chemicals if they pose significant risks to human health or the environment. The \$62.7 million provided in FY 2015 for the Chemical Risk Review and Reduction Program will allow the EPA to sustain its success in managing the potential risks of new chemicals entering commerce without impacting progress in assessing and ensuring the safety of existing chemicals. In FY 2015, the approach focuses on: 1) using all available authorities under TSCA to take immediate and lasting action to eliminate or reduce identified chemical risks and develop proven safer alternatives; 2) using regulatory mechanisms to fill remaining gaps in critical exposure data, and increasing transparency and public access to information on TSCA chemicals; and 3) using data from all available sources to conduct detailed assessments of priority chemicals to determine whether risk management action is warranted and, if so, what type of action.

In FY 2015, the EPA's pesticide licensing program will continue to evaluate new pesticides before they reach the market and ensure that pesticides already in commerce are safe when used in accordance with the label. As directed by the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), the Federal Food, Drug, and Cosmetic Act (FFDCA), and the Food Quality Protection Act (FQPA), the EPA will register pesticides to protect consumers, pesticide users, workers who may be exposed to pesticides, children, and other sensitive populations. The EPA also will review potential impacts on the environment, with particular attention to endangered species.

The EPA has a long history of collaboration to address a wide range of domestic and global environmental issues. The EPA envisions that environmental progress in cooperation with international partners can catalyze even greater progress toward protecting our environment. Examples include, ensuring that trade-related activities sustain environmental protection, enhancing the ability of our trading partners to protect their environments and develop in a sustainable manner, enhancing opportunities through effective consultation and collaboration related to environmental issues of mutual interest. To advance all of these efforts, the EPA continues to focus on the following international priorities: building strong environmental institutions and legal structures, improving air quality, expanding access to clean water, reducing exposure to toxic chemicals, and cleaning up e-waste.

Pollution prevention is central to the EPA's sustainability strategies. In FY 2015, the EPA will enhance cross-cutting efforts to advance sustainable practices, safer chemicals, sustainable lower risk processes and practices, and safer products. The combined effect of community-level actions, geographically-targeted efforts, attention to chemicals, and concern for ecosystems — implemented through the lens of science, transparency, and law — will bring real environmental improvements and protections.

Major FY 2015 Changes

To meet the FY 2015 target and provide support to our top priorities we will make fundamental changes to our long-standing business practices in contracts, grants and oversight of delegated programs, among others. Implementing these changes requires realigning resources and personnel to ensure that we increase effectiveness without undermining vital protections or quality and financial management. The FY 2015 President's Budget funds our top priority work in six areas. In Goal 4 resources are focused on Taking Action on Toxics and Chemical Safety; Sustainability; and Building a High Performing Environmental Protection Enterprise. While continuing EPA's ongoing commitment to science, the rule of law and transparency, we have updated and refined our current direction to maximize our effectiveness and guide our agenda in the months and years ahead.

Taking Action on Toxics and Chemical Safety

The EPA has evaluated its priorities and made necessary adjustments to focus FY 2015 resources on the most significant efforts that help protect health and the environment from chemical risks. The EPA's budget represents an increase in FY 2015 of approximately \$4 million above the FY 2014 Enacted Budget for critical work in the objective of Ensuring Chemical Safety under the Chemical Risk Review and Reduction program. In FY 2015, EPA will be following up on its projected early-achievement in FY 2014 of its FY 2015 goal to complete reviews and, where appropriate, challenge all of the more than 22,000

Goal 4: Ensuring the Safety of Chemicals and Preventing Pollution

TSCA CBI claims in health and safety studies in existence as of August 2010. The agency has been simultaneously reviewing and, where appropriate, challenging all new TSCA CBI claims for chemical identity in health and safety studies as they are submitted, consistent with the EPA's 2015 Strategic Plan goal of making all health and safety studies available to the public for chemicals in commerce, to the extent allowed by law. The EPA will continue this important work in FY 2015. In recent years, hundreds of such claims have been submitted annually.

Agency Priority Goals

The EPA has developed FY 2014-2015 Agency Priority Goals that advance the Administrator's Priorities and the agency's Strategic Plan.

By September 30, 2015, the EPA will have completed more than 250 assessments of pesticides and other commercially available chemicals to evaluate risks they may pose to human health and the environment, including the potential for certain of these chemicals to disrupt endocrine systems. These assessments are essential in determining whether products containing these chemicals can be used safely for commercial, agricultural and/or industrial uses.

Additional information on the EPA's Agency Priority Goals can be found at www.performance.gov.

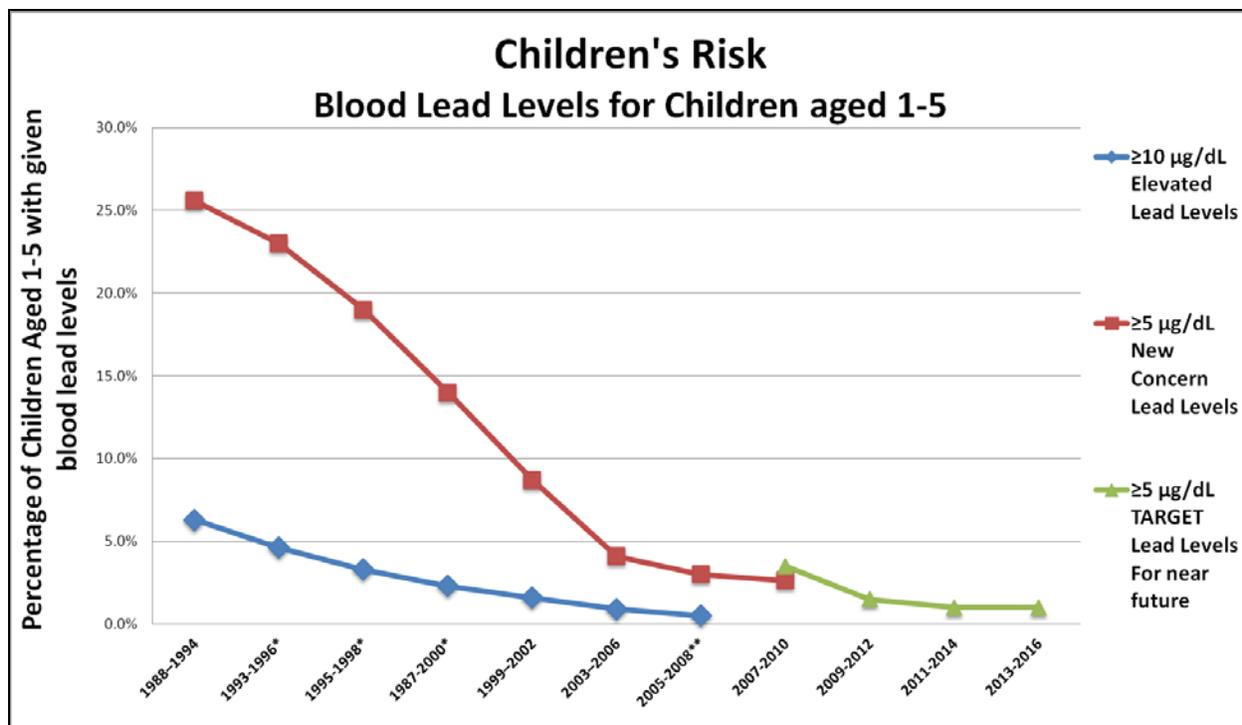
FY 2015 Activities

Objective 1: Ensure Chemical Safety. *Reduce the risk and increase the safety of chemicals that enter our products, our environment and our bodies.*

The TSCA chemical management program addresses new chemicals, existing chemicals and legacy chemicals. The major activity of the new chemicals program is premanufacture notices (PMN) review and management, which addresses the potential risks from approximately 1,000 chemicals, products of biotechnology, and new chemical nanoscale materials received annually prior to their entry into the U.S. marketplace. In FY 2015, EPA's toxics program will maintain its 'zero tolerance' goal for preventing the introduction of unsafe new chemicals into commerce.

The greatest challenge is to address existing chemicals already in use but where available information is limited. Existing chemicals activities fall into three major categories: 1) obtaining, managing, and making chemical information public; 2) screening and assessing chemical risks; and 3) taking action to manage chemical risks. Progress will be made to address existing chemicals already in commerce under the EPA's comprehensive approach to enhance the agency's existing chemicals management program, giving particular emphasis to assessing the 83 TSCA Work Plan Chemicals identified by the agency in March 2012.

In FY 2015, the agency will continue to implement the chemicals risk management program to further eliminate risks from high-risk "legacy" chemicals, albeit at a substantially reduced level. The EPA will continue to maintain a base resource level to enable the agency to meet any continuing obligations under statutes associated with PCBs and other long-standing chemical risks. The budget request sustains the lead program at historic levels. As illustrated in the figure below, the EPA will build on the successful national effort to reduce childhood blood lead levels and continue ongoing implementation of the Lead Renovation, Repair and Painting (RRP) Rule through outreach efforts and targeted activities to support renovator certifications.



* Values are not CDC data; interpolated for graphical display only

** ≥10 µg/dL estimate is considered unreliable (relative standard error greater than 40 percent).

Note: 2007-2010 data is the most currently available data.

During FY 2015, the agency will fulfill several key milestones in the Endocrine Disruptor Screening Program including:

- Prioritizing and selecting additional chemicals for Tier 1 screening using a scientific process informed by a combination of scientifically peer-reviewed, in silico, structure activity, expert judgement, physiochemical properties based, read across, chemical categorization, and other computational toxicology-based approaches, (e.g., high throughput technology);
- Continuing to issue additional Tier 1 Test Orders for select chemicals in the EDSP universe of chemicals informed by a combination of scientifically peer-reviewed, in silico, structure activity, expert judgement, physiochemical properties based, read across, chemical categorization, and other computational toxicology-based approaches, (subject to obtaining an approved Information Collection Request; without an approved ICR, test orders cannot be issued to registrants, manufacturers or importers for Tier 1 assay data for chemical screening);
- Continuation of the multi-year transition away from the traditional assays used in EDSP through efforts to validate and use computational toxicology and high throughput screening methods. This will allow the agency to more quickly, efficiently, and cost-effectively assess potential chemical toxicity.
- Continued collaboration with the EPA's Research and Development program on computational toxicology-based approaches to support more refined chemical prioritization and continue efforts to increase scientific confidence in these approaches so they can expedite and streamline the scientific methods used by the EDSP for screening chemicals for the potential to interact with the endocrine system.
- Coordination and collaboration with the Research and Development program to determine the applicability of computational toxicology-based approaches for developing more targeted testing approaches that better assess a chemical's potential to interact with the estrogen, androgen, and thyroid systems.

Goal 4: Ensuring the Safety of Chemicals and Preventing Pollution

- The EPA will continue to evaluate endocrine-relevant ToxCast high throughput assays to increase coverage for known endocrine toxicity pathways through the scientific understanding of adverse outcome pathways.

The agency also will continue to collaborate with international partners, through the Organization for Economic Cooperation and Development (OECD), to maximize the efficiency of the EPA's resource use and promote adoption of internationally harmonized test methods for identifying endocrine disrupting chemicals. The EPA represents the U.S. as either the lead or a participant in OECD projects involving the improvement of assay systems including the development of non-animal prioritization and screening methods and validation of Tier 2 assays.

Identifying, assessing, and reducing the risks presented by the pesticides on which our society and economy depend are integral to ensuring environmental and human safety. Chemical and biological pesticides help meet national and global demands for food. They provide effective pest control for homes, schools, gardens, highways, utility lines, hospitals, and drinking water treatment facilities, while also controlling vectors of disease. The program ensures that the pesticides available in the U.S. are safe when used as directed. In addition, the program places priority on reduced risk pesticides that, once registered, will result in increased societal benefits.

In FY 2015, \$128.8 million is provided to support the EPA pesticide applications review and registration program. The EPA will focus this funding on improving pesticide registrations' compliance with the Endangered Species Act. A portion of the funding will ensure that pesticides are correctly registered and applied in a manner that protects water quality. The EPA will continue registration and reregistration requirements for antimicrobial pesticides which differ somewhat from those of other pesticides. The EPA will continue to emphasize the protection of potentially sensitive groups, such as children, by reducing exposures from pesticides used in and around homes, schools, and other public areas. In addition, the agency worker protection, certification, and training programs will encourage safe application practices. Together, these programs will minimize exposure to pesticides, maintain a safe and affordable food supply, address public health issues, and minimize property damage that can occur from insects, pests and microbes.

Objective 2: Promote Pollution Prevention. *Conserve and protect natural resources by promoting pollution prevention and the adoption of other sustainability practices by companies, communities, governmental organizations, and individuals.*

In FY 2015, the funding level of \$18.3 million for the EPA's pollution prevention (P2) program will target technical assistance, information, and assessments to encourage the use of greener chemicals, technologies, processes, and products. The P2 program's efforts advance the agency's priorities to pursue sustainability, take action on climate change and reduce chemical risks. The interplay between different media and different statutes requires renewed attention to improve "synergy" to achieve long-term solutions.

The Pollution Prevention Program accomplishes its mission by fostering the development of P2 solutions to environmental problems that eliminate or reduce pollution, waste and risks at the source, such as: cleaner production processes and technologies; safer, "greener" materials and products; and improved practices such as conservation techniques and reuse and remanufacturing of hazardous secondary materials in lieu of their discard, including offsite reuse/remanufacturing under appropriate conditions. The program promotes the adoption, use and market penetration of those solutions through such activities as providing technical assistance and demonstrating the benefits of P2 solutions. The EPA will continue to support the Green Suppliers Network and the Economy, Energy, and Environment (E3) Partnership among federal agencies, local governments, and manufacturers to promote energy efficiency, job creation, and environmental improvement. In FY 2015, the EPA will continue to work with its federal partners and state pollution prevention programs to conduct facility-specific assessments for small and medium-sized suppliers and increase the implementation rate of E3 final report recommendations to help suppliers reduce business costs, improve productivity and efficiency, and measure greenhouse gas

Goal 4: Ensuring the Safety of Chemicals and Preventing Pollution

(GHG) emissions. The E3 Initiative and GSN have conducted more than 600 assessments, by leveraging existing resources across the E3 federal agency partners. In FY 2015, the EPA will leverage expertise from other EPA programs to enhance new sustainability and pollution prevention education and outreach resources. Through an intra-agency working group, each program office will disseminate educational resources and information to the public.

International Priorities

To achieve our domestic environmental and human health goals, international partnerships, including those with the business community and entrepreneurs, are essential. Pollution is often carried by winds and water across national boundaries, posing risks to human health and ecosystems many hundreds and thousands of miles away.

Through these partnerships, the EPA will maintain focus on several priorities. In FY 2015, the EPA will work with other nations to build strong environmental institutions and legal structures with the goal of combating climate change by limiting pollutants and improving air quality in the U.S. and around the world. The EPA will work to expand access to clean water, and protect vulnerable communities from toxic pollution that impacts North America and nations worldwide. Through joint efforts with partners from around the world, the EPA is working to facilitate commerce, promote sustainable development, protect vulnerable populations and engage in environmental issues. The agency's international priorities will guide collaboration with Commission on Environmental Cooperation (CEC) and all international partners.

In FY 2015, the EPA will enhance sustainability principles through expanded partnership efforts in multilateral forums and in key bilateral relationships. In addition, we will strengthen existing and build new international partnerships to encourage increased international commitment to sustainability goals and to promote a new era of global environmental stewardship based on common interests, shared values, and mutual respect. And finally, the EPA will continue to focus on technical and policy support for global and regional efforts such as strengthening the EPA leadership in the Arctic Council and with other governments to improve policies and implement cooperative projects that address climate change and reduce contamination of the arctic.

Research

The EPA's Chemical Safety and Sustainability, Human Health Risk Assessment, and Homeland Security Research programs underpin the analysis of risks and potential health impacts across the broad spectrum of EPA programs and provide the scientific foundation for chemical safety and pollution prevention. In FY 2015, the EPA will further strengthen its planning and delivery of science by continuing an integrated research approach that tackles problems systematically instead of individually.

In FY 2015, the EPA will continue the multi-year transition away from the traditional assays used in the endocrine disruptor screening program through efforts to validate and use computational toxicology and high throughput screening methods. This is expected to allow the agency to more quickly, efficiently, and cost-effectively assess potential chemical toxicity. In FY 2015, the EPA will continue to evaluate endocrine-relevant ToxCast high throughput assays to increase coverage for known endocrine toxicity pathways through the scientific understanding of adverse outcome pathways.

In FY 2015, EPA will accelerate EPA's expansion of the risk-based prioritization effort for application to TSCA chemicals, across toxicological endpoints and exposure scenarios beyond those used with endocrine disruptors. Specifically, these funds would be used to: (1) model and generate exposure data; (2) evaluate background exposure levels and biological relevance of environmental exposures; and (3) translate for fit-for-purpose risk-based prioritization. This effort supports the agency's priority of taking action on toxics and chemical safety. This will complement efforts of the Chemical Safety and Pollution Prevention program to apply high throughput and other 21st Century exposure information to TSCA

Goal 4: Ensuring the Safety of Chemicals and Preventing Pollution

chemical prioritization. This directly supports the EPA's efforts to take action on toxics and chemical safety.

In FY 2015, the Agency's Human Health Risk Assessment Research Program will continue to develop assessments and scientific products that are used extensively by EPA program and regional offices and the risk management community to estimate the potential risk to public health from exposure to environmental contaminants. These include:

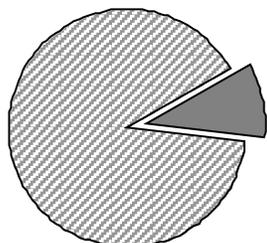
- Integrated Risk Information System health hazard and dose-response assessments;
- Integrated Science Assessments of criteria air pollutants;
- Community Risk and Technical Support; and
- Methods, models, and approaches to modernize risk assessment for the 21st Century.

The Homeland Security research program (HSRP) will continue to enhance the nation's preparedness, response, and recovery capabilities for homeland security incidents and other hazards by providing stakeholders and partners with valuable detection and response analytics for incidents involving chemical, biological, or radiological agents. The program will continue to emphasize the research needed to support response and recovery from wide-area attacks involving radiological agents, nuclear agents, and bioterror agents such as anthrax.

The EPA will allocate \$162.6 million to the Chemical Safety and Sustainability, Human Health Risk Assessment, and Homeland Security Research programs in FY 2015.

Goal 5: Protecting Human Health and the Environment by Enforcing Laws and Assuring Compliance

Strategic Goal: *Protect human health and the environment through vigorous and targeted civil and criminal enforcement. Use Next Generation Compliance strategies and tools to improve compliance with environmental laws.*



10.0% of Budget

Resource Summary

(Dollars in Thousands)

| | FY 2013 Enacted | FY 2014 Enacted | FY 2015 President's Budget | Difference FY 2014 EN to FY 2015 PresBud |
|---|--------------------|--------------------|----------------------------------|---|
| 1 - Enforce Environmental Laws to Achieve Compliance | \$739,321 | \$751,889 | \$792,678 | \$40,789 |
| Goal 5 Total | \$739,321 | \$751,889 | \$792,678 | \$40,789 |
| Workyears | 3,655 | 3,503 | 3,400 | (103) |

NOTE: Numbers may not add due to rounding

Introduction

The EPA's civil and criminal enforcement programs assure compliance with our nation's environmental laws. A strong and effective enforcement program is essential to ensuring compliance with our laws and regulations and to maintaining a level economic playing field, and to realizing the public health and environmental protections our federal statutes were created to achieve. The EPA is committed to supporting public health in communities disproportionately burdened by pollution by integrating and addressing issues of environmental justice (EJ) in the EPA's programs and policies as part of its day-to-day business. The EPA's EJ program promotes accountability for compliance with Executive Order 12898, "Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations."

On January 18, 2011, President Obama issued a "Presidential Memoranda – Regulatory Compliance"¹ which reaffirms the importance of effective enforcement and compliance with regulations. It states "[s]ound regulatory enforcement promotes the welfare of Americans in many ways, by increasing public safety, improving working conditions, and protecting the air we breathe and the water we drink. Consistent regulatory enforcement also levels the playing field among regulated entities, ensuring that those that fail to comply with the law do not have an unfair advantage over their law-abiding competitors."

In FY 2015, the EPA seeks to maintain the strength of its core national enforcement and compliance assurance program. Recognizing the tight fiscal climate at both the federal and state level, the agency will implement strategies that use resources more efficiently and find opportunities to focus and leverage

¹ Please see: <http://www.whitehouse.gov/the-press-office/2011/01/18/presidential-memoranda-regulatory-compliance>

Goal 5: Protecting Human Health and the Environment by Enforcing Laws and Assuring Compliance

efforts to assure compliance with environmental laws. Our objective is to pursue vigorous civil and criminal enforcement that targets the most serious water, air, and chemical hazards in communities; assure strong, consistent, and effective enforcement of federal environmental laws nationwide; and use modern, streamlined and data-rich techniques, strategies and tools to improve targeting and transparency and increase compliance with environmental laws. The EPA will continue to focus resources on the most important environmental problems where noncompliance is having a significant impact. This strategy means EPA's top enforcement priority will be pursuing large, complex cases that require significant investment and a long-term commitment.

The EPA has achieved impressive pollution control and health benefits through vigorous compliance monitoring and enforcement, but the sheer number of regulated facilities, the contribution of large numbers of smaller sources of pollution, combined with federal and state budget constraints has made it necessary for the EPA to find ways to go beyond the traditional single facility inspection and enforcement approach to ensure widespread compliance. In light of fiscal constraints, the need to innovate is even greater in order for the EPA to reduce pollution and increase compliance over the long-term. The EPA is developing and implementing new methods based on advances in both monitoring and information technology benefitting government and business alike that will improve compliance and our ability to focus on the most serious violations, and through electronic reporting will reduce paperwork burdens on business and our governmental partners.

This initiative, Next Generation Compliance, incorporates multiple components: using state-of-the-art monitoring technology to detect pollution problems; leveraging electronic reporting to enhance government efficiency, reducing paperwork reporting burden and having more accurate, complete and timely information on pollution sources, pollution, and compliance; expanding transparency so the public is aware of facility and government environmental performance; developing and implementing innovative enforcement approaches; and structuring regulations and permits to be easier to implement with a goal of improved compliance and environmental outcomes.² Implementation of the Next Generation Compliance effort will enable the EPA to better evaluate the effectiveness of its enforcement and compliance strategies using evidence-based performance approaches. The agency is working to develop tools that will help collect data to establish a baseline level of environmental compliance information. More complete, timely information will allow the agency to evaluate compliance, experiment with new approaches and to identify what works. This more complete data can be made publicly available, with transparency itself serving as a compliance driver.

In FY 2015, the agency proposes to accelerate its Next Generation Compliance approaches to harness state-of-the-art technology making this program more efficient and effective. In particular, the burden of monitoring and compliance reporting will be reduced for the EPA and others by investing in state-of-the-art monitoring technology and supporting electronic interaction with the regulated community. This will allow the EPA and others to more effectively deploy its inspection resources. In July 2013, the EPA proposed a new rule to convert the NPDES paper based reporting systems to a more effective and efficient national electronic based system. The final rule, expected in FY 2015, will benefit the public regulated facilities, states, and the EPA by providing high quality, complete, and timely data for the NPDES program.

Efforts already being implemented have shown that these approaches will have meaningful benefits. For example, the EPA's Region 6 implemented the first federal General Permit in the nation that required electronic submission of data through EPA's electronic reporting tools. Implemented for the Offshore Oil & Gas NPDES General Permit program, the effort uses electronic reporting to reduce reporting burden on permitted entities and the EPA, while allowing for automated tracking of permit limits and reporting requirements, enhancing data quality, and increasing transparency for regulators and the public. The agency estimates that without deployment of the electronic reporting tools, data entry alone would have cost the EPA's Region 6 approximately \$2.6 million over a five year permit cycle. This demonstrates that

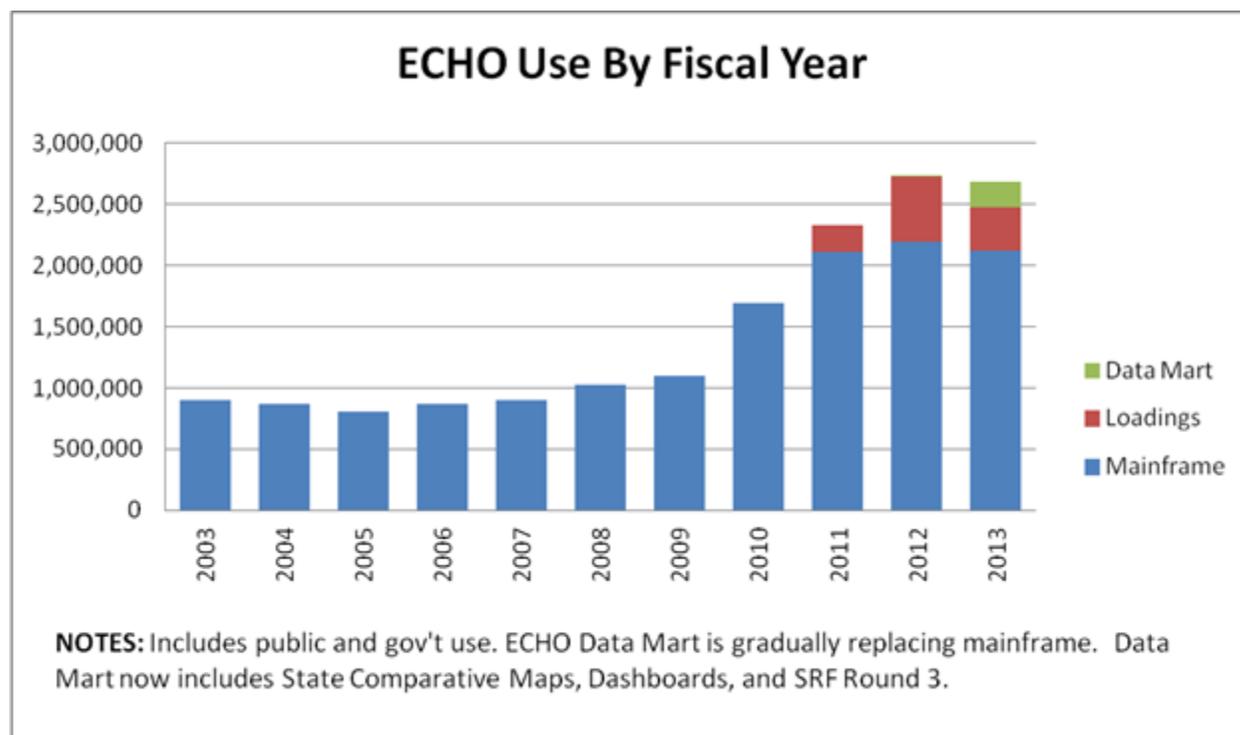
² See September/October 2013 article in the Environmental Forum on Next Generation Compliance. <http://www.eli.org/pdf/forum/30-5/30-5nextgenerationcompliance.pdf>

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the benefits from requiring electronic reporting in other programs (such as Ohio's NPDES program and the EPA's TRI program) are likely to be expanded as electronic reporting becomes the norm. The EPA also is developing an exporter interface to enable exporters of hazardous waste to submit notification data electronically to the EPA, in order to avoid the expense and errors associated with manual entry and to facilitate more effective compliance monitoring.

Next Generation Compliance is part of the agency's E-Enterprise business model which promotes advanced monitoring, electronic reporting and transparency. E-Enterprise supports all of the agency's goals and programs, and will make Next Generation Compliance easier to implement and should result in higher compliance. E-Enterprise resources in the Enforcement and Compliance Assurance program will support a variety of projects, including: 1) developing a field collection, evidence management, and reporting system for conducting compliance monitoring inspections; 2) partnering with states to develop and implement fillable e-forms for electronically reporting NPDES information; 3) supporting e-reporting rule development and program evaluation; 4) purchasing advanced monitoring equipment; and 5) supporting transparency through modernization of Integrated Data and Enforcement Analysis (IDEA)/Enforcement and Compliance History Online (ECHO).

Data transparency is a key foundation of ECHO and the EPA believes making compliance information publicly available to better serve the American people and provide an incentive to promote greater compliance with environmental laws. ECHO is the EPA's premier web-based tool that provides public access to compliance and enforcement information for approximately 800,000 EPA-regulated facilities. The EPA, state and local environmental agencies collect/report data from facilities and from their own activities and submit that data to EPA databases. ECHO usage has grown to more than 2 million queries in FY 2013.



Major FY 2015 Changes

In FY 2015³, the key changes to the enforcement and compliance budget reflect efforts to reshape and realign the workforce to support the Administrator's themes and priorities and to reflect changes in programmatic direction and efficiencies gained from modernizing our business processes. The EPA is accelerating our efforts under both E-Enterprise and Next Generation Compliance to reflect advances in pollutant monitoring and information technology. These advances, combined with a focus on designing rules and permits that are easier to implement, will result in reduced pollution and improved environmental results. In addition to the realigned resources supporting the EPA as a High Performing Environmental Protection Enterprise, resources across Goal 5 will be focused on advancing efforts in the Administrator's priorities: Addressing Climate Change and Improving Air Quality; Cleaning Up Our Communities and Advancing Sustainable Development; and Ensuring the Safety of Chemicals and Preventing Pollution.

Addressing Climate Change and Improving Air Quality:

In FY 2015, the EPA will help improve air quality in communities by targeting large pollution sources, especially in the coal-fired utility, acid, cement, glass and natural gas exploration and production industries that are not complying with environmental laws and regulations. Where the EPA finds non-compliance, the agency will take action to bring them into compliance, which may include installing controls that will benefit communities or improving emission monitoring. Enforcement activities which cut toxic air pollution in communities will improve the health of residents, particularly those overburdened by pollution. In FY 2015 the EPA will undertake an effort to examine the general deterrent effect of EPA enforcement actions on the pollution control practices of air toxics emitters. The EPA also will work to ensure compliance with climate change standards, including greenhouse gas rules effective in FY 2015.

Protecting America's Waters:

In FY 2015, the EPA will work with states to use compliance and enforcement approaches which more effectively and efficiently address the most important water pollution problems. Our focus will include getting raw sewage out of water, cutting pollution related to animal waste, and reducing pollution from stormwater runoff. The EPA also will continue to promote an integrated planning strategy for addressing municipal sewage and stormwater challenges, including the use of lower cost and innovative approaches and incorporation of green infrastructure in enforcement remedies where appropriate. These efforts will help to clean up great waters like the Chesapeake Bay and will focus on revitalizing urban communities by protecting and restoring urban waters. These options are proving attractive to communities that need to make changes to their CSO programs. Enforcement efforts also will support the goal of assuring clean drinking water for all communities, including small systems and in Indian country, and improving the quality of Safe Drinking Water Act data reported by states to ensure compliance.

Cleaning Up Our Communities and Advancing Sustainable Development:

In FY 2015, the EPA will continue to protect communities by ensuring that responsible parties conduct Superfund and other cleanups, saving federal dollars for sites where there are no viable contributing parties. Ensuring that responsible parties clean up the sites also reduces direct human exposure to hazardous pollutants and contaminants, provides for long-term human health protection, and ultimately makes contaminated properties available for reuse. We will continue to integrate environmental justice (EJ) considerations into the site remediation enforcement program by using EJ criteria when enforcing RCRA corrective action requirements to meet RCRA 2020 goals and ensuring that institutional controls are implemented at sites with potential environmental justice concerns.

Ensuring the Safety of Chemicals and Preventing Pollution:

In FY 2015, the EPA will strengthen chemical safety enforcement and reduce exposure to pesticides, improving the health of Americans. An active enforcement program reduces direct human exposures to toxic chemicals and pesticides and supports long-term human health protection. Ensuring compliance with the Toxic Substances Control Act (TSCA) lead based paint requirements is a top priority for the

³ EPA is providing a total of \$552 million for the National Enforcement and Compliance Assurance program. There are additional resources for the program under Goals 2, 3 and 4.

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TSCA monitoring and enforcement program. Lead exposure is particularly dangerous to children as even low levels of exposure have been associated with delays in physical and mental development, lower IQ levels, shortened attention spans, and increased behavior problems. An important remaining source of lead exposure in children is dust that accumulates on the floors and window sills of homes that were painted with pre-1970's lead-based paint.

Agency Priority Goal

The EPA has developed FY 2014-2015 Agency Priority Goals that advance the Administrator's Priorities and the agency's Strategic Plan. E-Enterprise is a state-EPA joint approach to environmental management across the agency, including regional offices. The State-EPA E-Enterprise leadership council has been convened and is actively working to prioritize and consolidate projects to maximize the benefits. The priority goal is housed in Goal 5, but E-Enterprise work will occur in agency programs that interact with states, tribes, and industry. The FY 2014-2015 Priority Goal is:

E-Enterprise: Use advanced monitoring, information technologies, optimized business processes, and increased transparency to improve environmental outcomes and enhance service to the regulated community and the public. By September 30, 2015 reduce reporting burdens to EPA by one million hours through streamlined regulations, provide real-time environmental data to at least two communities, and establish a new portal to service the regulated community and public.

Additional information on the EPA's Agency Priority Goals can be found at www.performance.gov

FY 2015 Activities

Objective 1: Enforce Environmental Laws. Pursue vigorous civil and criminal enforcement that targets the most serious water, air, and chemical hazards in communities to achieve compliance. Assure strong, consistent, and effective enforcement of federal environmental laws nationwide. Use Next Generation Compliance strategies and tools to increase compliance with environmental laws.

It is critically important that the EPA continually assess priorities and embrace new approaches that can help achieve the agency's goals more efficiently and effectively. The EPA's FY 2015 budget submission for the Enforcement and Compliance Assurance program continues to invest resources in high priority areas with the greatest impact on public health, while reducing resources where we have made significant progress (and therefore no longer require as active an enforcement presence), or that, while important, do not address the most substantial impacts to human health. The EPA carefully evaluated program activities and directed limited resources to where they can best protect public health, especially in disadvantaged communities; support core work of state and Tribal partners; and focus on the largest pollution problems. The EPA will continue to examine the areas most appropriate for reduction while implementing new enforcement approaches through Next Generation Compliance to make the program more efficient and effective.

The agency remains committed to implementing a strong enforcement and compliance program focused on identifying and reducing non-compliance and deterring future violations. To meet this commitment, the program employs a variety of activities, including data collection and analysis, compliance monitoring, assistance, civil and criminal enforcement efforts and innovative and evidence-based problem-solving approaches to identify and address the most significant environmental issues. In FY 2015 these efforts will be enhanced through Next Generation Compliance approaches that rely on modern reporting and monitoring tools to advance implementation of the agency's priorities and core program work.

Furthermore, in designing and implementing Compliance Monitoring program activities, the EPA tracks and assesses recent studies and evaluations regarding the effectiveness and limits of compliance monitoring and enforcement in promoting compliance and deterrence. The evidence in the literature

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consistently demonstrates that strong and active compliance monitoring and enforcement increases compliance and reduces pollution.^[1] EPA's Compliance Research Literature web page references many of these studies and reports.^[2] In addition, the EPA has commissioned its own studies of compliance and enforcement interventions, compliance, deterrence, and recidivism to better understand their relationship and to support measures development.

Compliance Monitoring - Targeting the Most Serious Hazards in Communities

The EPA's compliance monitoring program reviews and evaluates the activities of the regulated community to determine compliance with applicable laws, regulations, permit conditions and settlement agreements. The program also determines whether conditions at facilities present imminent and substantial endangerment exist.

In FY 2015, the EPA's compliance monitoring activities will be both environmental media-based and sector-based. The EPA's media-based inspections complement those performed by states and Tribes, and are a key part of the strategy for meeting the long-term and annual goals established for the air, water, pesticides, toxic substances and hazardous waste programs. The EPA will target its inspections to the highest priority areas and coordinate inspection activity with states and Tribes to better leverage resources and enhance collaboration. In FY 2013, the EPA conducted nearly 18,000 federal inspections and evaluations.

In FY 2015, as part of Next Generation Compliance, the agency will continue to enhance the efficiency and effectiveness of the compliance monitoring program by leveraging electronic reporting to reduce paperwork burdens, increasing transparency by enhancing systems to report, synthesize, utilize, and disseminate monitoring data, designing analytic tools to help understand and utilize data and deploying state of the art monitoring equipment to the field. Synchronizing data systems to utilize electronic transmissions from regulated facilities will benefit the compliance monitoring program by allowing the EPA to better apply evidence-based approaches to the program and determine what strategies achieve the best results.

Compliance monitoring also includes the EPA's management and use of data systems to oversee its compliance and enforcement programs under the various statutes and programs that the agency enforces. In FY 2015, the EPA will accelerate the process of enhancing its data systems to integrate with E-Enterprise and to support electronic interaction with regulated facilities, providing more comprehensive, accessible data to the public and improving integration of environmental information with health data and other pertinent data sources from other federal agencies and private entities. The agency will complete Phase III of the Integrated Compliance Information System (ICIS), the modernization of the Air Facility System (AFS). ICIS supports both compliance monitoring and civil enforcement. In addition, the EPA plans to work toward modernization of Integrated Data and Enforcement Analysis (IDEA)/Enforcement and Compliance History Online (ECHO). ECHO includes State Performance dashboards for the Clean Water Act (CWA), Clean Air Act (CAA) and Resource Conservation and Recovery Act (RCRA) to allow users to assess each state's performance in enforcing the various environmental statutes, as well as integrate facility information across media specific data systems. Through ECHO and its reports, users can now view this data in a comprehensive and organized manner, including a search function. ECHO reports provide a snapshot of a facility's environmental record, showing dates and types of any violations, as well as the state or federal government's response. The system allows the public to monitor environmental compliance in communities, corporations to monitor compliance across facilities they own, and investors to more easily factor environmental performance into their decisions.

In FY 2015, the proposed compliance monitoring budget is \$120.1 million.

^[1] For example: R. Hanna & P. Oliva; *The Impact of Inspections on Plant-Level Air Emissions under the Clean Air Act*; 10 B.E Journal of Economic Analysis and Policy 1 (2010). And J. Shimshack & M. Ward, *Enforcement and Over-Compliance*, J. Environ. Econ. 55(1): 90-105 (2008)

^[2] For more information, refer to:

<http://www.epa.gov/Compliance/resources/reports/compliance/research/index.html>

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Assuring Strong, Consistent and Effective Enforcement

Civil Enforcement

The Civil Enforcement program's overarching goal is to assure compliance with the nation's environmental laws and regulations in order to protect human health and the environment. The program collaborates with the Department of Justice, states, local agencies and Tribal governments to ensure consistent and fair enforcement of all environmental laws and regulations. The program seeks to protect public health and the environment and ensure a level playing field by strengthening partnerships with co-implementers in the states, encouraging regulated entities to rapidly correct their own violations, ensuring that violators do not realize an economic benefit from noncompliance and pursuing enforcement to deter future violations.

The Civil Enforcement program develops, litigates and settles administrative and civil judicial cases against serious violators of environmental laws. In FY 2013, the EPA's enforcement actions required regulated entities to invest more than \$7 billion in actions and equipment to control pollution (injunctive relief). Also in FY 2013, the enforcement program obtained a total of \$1.1 billion in federal administrative and civil judicial penalties primarily due to a record settlement of \$1 billion reached with Transocean for its liability for the Deepwater Horizon Gulf of Mexico oil spill. The EPA's enforcement actions required regulated entities to reduce pollution by an estimated 1.3 billion pounds per year. Sustained and focused enforcement attention to the Safe Drinking Water Act (SDWA) resulted in a 75 percent reduction in the number of public water systems with serious unresolved violations in the past three years; this was the result of combined federal and state actions and enforcement work.

In FY 2015, the EPA's civil enforcement program will focus on the national enforcement initiatives, especially in communities that may be disproportionately exposed to risks and harm from pollutants in their environment, including minority and/or low-income areas. The National Enforcement Initiatives were selected for FY 2014-2016 through a collaborative selection process completed in FY 2013. These national initiatives address problems that remain complex and challenging. Current initiatives keep raw sewage and contaminated stormwater out of our nation's waters, prevent animal waste from contaminating surface and ground waters, and address violations of the Clean Air Act New Source Review/Prevention of Significant Deterioration requirements and Air Toxics regulations, RCRA violations at mineral processing facilities, and multi-media problems resulting from energy extraction activities. Information on initiatives, regulatory requirements, enforcement alerts and EPA results will be made available to the public and the regulated community through websites.⁴

As with the compliance monitoring program, the EPA's enforcement program will benefit from synchronizing data systems to receive electronic transmissions from regulated facilities and by having more complete and timely data with which to evaluate which enforcement approaches are most effective. This utilizes the transformative information system-based work of the larger E-Enterprise business model. The EPA and states will be able to better prioritize enforcement resources in those areas where they are most needed such as complex industrial operations requiring physical inspection, repeat violators, cases involving significant harm to human health or the environment, or potential criminal violations.

The Civil Enforcement program also will focus on how tools, such as fence line monitoring can be applied in enforcement settlements, such as in the 2013 CAA settlement with Shell Deer Park, in order to make more data available, as well as using independent third parties to monitor compliance with the settlement (e.g., the 2013 CWA settlement with Transocean). Fence line monitoring can be used to monitor the environment immediately surrounding a regulated entity, thereby providing the community with information about local emissions.

The Civil Enforcement program also provides support for other priority programs, including the Environmental Justice program and the Chesapeake Bay program. For example, the civil enforcement

⁴ For more information, refer to <http://www.epa.gov/compliance/monitoring/index.html>

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program will help to implement a compliance and enforcement strategy for the Chesapeake Bay, providing strong oversight to ensure existing regulations are complied with consistently and in a timely manner, and making data on government and facility performance in the Bay watershed accessible and understandable to the public.

In FY 2015, the proposed budget for civil enforcement is \$183.8 million.

Criminal Enforcement

Criminal enforcement underlies the EPA's commitment to pursuing the most serious pollution violations. The EPA's criminal enforcement program investigates and helps prosecute environmental violations that involve intentional, deliberate or criminal behavior on the part of the violator. The Criminal Enforcement program deters violations of environmental laws and regulations by demonstrating that the regulated community will be held accountable through jail sentences and criminal fines. Bringing criminal cases to court sends a strong deterrence message to potential violators, enhances aggregate compliance with laws and regulations, and protects communities at risk. In FY 2013, the conviction rate for criminal defendants was 94 percent.

To maximize efficient use of resources, in FY 2015 the program will reduce case work in lower priority areas and will use its special agent capacity to identify and investigate cases with the most significant environmental, human health and deterrence impact. The EPA's criminal enforcement program will target cases across all media that involve serious harm or injury; hazardous or toxic releases; ongoing, repetitive, or multiple releases; serious documented exposure to pollutants; and violators with significant repeat or chronic noncompliance or prior criminal conviction.

In FY 2015, the proposed budget for Criminal Enforcement is \$58.3 million.

Forensics Support

The Forensics Support program provides specialized scientific and technical support for the nation's most complex civil and criminal enforcement cases, as well as technical expertise for agency compliance efforts. The work of the EPA's National Enforcement Investigations Center (NEIC) is critical to determining non-compliance and building viable enforcement cases. The NEIC maintains a sophisticated chemistry laboratory and a corps of highly trained inspectors and scientists with a wide range of environmental scientific expertise. In FY 2015, NEIC will continue to function under rigorous International Standards Organization 17025 requirements for environmental data measurements to maintain its accreditation.

In FY 2015, the proposed budget for Forensics Support is \$15.3 million.

Superfund Enforcement

The EPA's Superfund Enforcement program protects communities by ensuring that responsible parties conduct cleanups of hazardous waste sites, preserving federal dollars for sites where there are no viable contributing parties. Superfund enforcement uses an "enforcement first" approach that maximizes the participation of liable and viable parties in performing and paying for cleanups in both the remedial and removal programs. The EPA will focus Superfund enforcement resources to support Potentially Responsible Party (PRP) searches, cleanup settlements, and cost recovery. Similarly, the Superfund Federal Facilities enforcement program will take action to ensure that federal agencies actively and appropriately manage their own cleanup efforts with the legally-required EPA oversight. The agency will continually assess its priorities and embrace new approaches that can help achieve its goals more efficiently and effectively.

Enforcement authorities play a unique role under the Superfund program. The authorities are used to ensure that responsible parties conduct a majority of the cleanup actions and reimburse the federal government for cleanups financed by federal resources. In tandem with this approach, various reforms have been implemented to increase fairness, reduce transaction costs, promote economic development

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and make sites available for appropriate reuse.⁵ Ensuring that responsible parties cleanup sites ultimately reduces direct human exposures to hazardous pollutants and contaminants, provides for long-term human health protections and makes contaminated properties available for reuse.

The Department of Justice supports the EPA's Superfund enforcement program through negotiations and judicial actions to compel PRP cleanup and litigation to recover Trust Fund monies. The agency will provide \$21.8 million to the Department of Justice through an Interagency Agreement. This partnership to ensure polluters pay has been very effective. In FY 2013, the Superfund Enforcement program secured private party commitments exceeding \$1.6 billion. This amount includes three components: PRPs who committed to perform future response work with an estimated value of more than \$1.2 billion; who agreed to reimburse the agency for \$292.3 million in past costs; and who were billed by the EPA for approximately \$92.8 million in oversight costs. The EPA also works to ensure that required legally enforceable institutional controls and financial assurance instruments are in place and adhered to at Superfund sites and at facilities subject to RCRA Corrective Action to ensure the long-term protectiveness of cleanup actions.

In FY 2015 the proposed budget for Superfund enforcement is \$154.3 million.

Partnering with States and Tribes

In FY 2015, the Enforcement and Compliance Assurance program will sustain its environmental enforcement partnerships with states and Tribes and work to strengthen their ability to address environmental and public health threats. In FY 2015, the Enforcement and Compliance Assurance program will provide \$23.0 million in grants to the states and Tribes to assist in the implementation of compliance and enforcement provisions of the Toxic Substances Control Act (TSCA) and the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA). These grants support state and Tribal compliance activities to protect human health and the environment from harmful chemicals and pesticides. Under the Pesticides Enforcement Grant program, the EPA will continue to provide resources to states and Indian Tribes to conduct FIFRA compliance inspections and take appropriate enforcement actions. The Toxic Substances Compliance Grants protect the public and the environment from PCBs, asbestos, and lead-based paint.

⁵ For more information regarding the EPA's enforcement program and its various components, please refer to <http://www.epa.gov/compliance/cleanup/superfund/>

Appendices

Summary of Agency Resources by Appropriation

(Dollars in Thousands)

| Appropriation | FY 2013 Enacted | FY 2014 Enacted | FY 2015 PresBud | Delta FY 15 PB - FY 14 ENA |
|--|--------------------|--------------------|--------------------|----------------------------------|
| Science & Technology (S&T) | \$743,791 | \$759,156 | \$763,772 | \$4,616 |
| Environmental Program & Management (EPM) | \$2,511,406 | \$2,624,149 | \$2,737,156 | \$113,007 |
| Inspector General (IG) | \$39,740 | \$41,849 | \$46,130 | \$4,281 |
| Building and Facilities (B&F) | \$34,467 | \$34,467 | \$53,507 | \$19,040 |
| Inland Oil Spill Programs (Oil) | \$17,291 | \$18,209 | \$24,133 | \$5,924 |
| Hazardous Substance Superfund (SF) | \$1,113,268 | \$1,088,769 | \$1,156,603 | \$67,834 |
| - <i>Superfund Program</i> | \$1,082,118 | \$1,059,614 | \$1,126,689 | \$67,075 |
| - <i>Inspector General Transfer</i> | \$9,405 | \$9,939 | \$11,064 | \$1,125 |
| - <i>Science & Technology Transfer</i> | \$21,745 | \$19,216 | \$18,850 | (\$366) |
| Leaking Underground Storage Tanks (LUST) | \$98,695 | \$94,566 | \$97,922 | \$3,356 |
| State and Tribal Assistance Grants (STAG) | \$3,392,446 | \$3,535,161 | \$3,005,374 | (\$529,787) |
| - <i>Categorical Grants</i> | \$1,032,031 | \$1,054,378 | \$1,130,374 | \$75,996 |
| - <i>All Other STAG</i> | \$2,360,415 | \$2,480,783 | \$1,875,000 | (\$605,783) |
| E-Manifest | \$0 | \$3,674 | \$10,423 | \$6,749 |
| Rescission of Prior Year Funds | (\$50,000) | \$0 | (\$5,000) | (\$5,000) |
| Agency Total | \$7,901,104 | \$8,200,000 | \$7,890,020 | (\$309,980) |

Notes: S&T and IG totals do not include Superfund transfers—see the Superfund line items for annual amounts.

FY 2013 Enacted total reflects operating levels after sequestration and excludes Hurricane Sandy Relief supplemental appropriation of \$608 million.

E-Enterprise - FY 2014 Enacted vs FY 2015 President's Budget

(Dollars in Thousands)

| Program Project | FY 2014 Enacted | | | | FY 2015 President's Budget | | | | Delta FY 2015 PresBud - FY 2014 Enacted | | | |
|---|-----------------|----------------|----------------|-------------|----------------------------|----------------|-----------------|-------------|---|----------------|-----------------|-------------|
| | Dollars | | | FTE | Dollars | | | FTE | Dollars | | | FTE |
| | Nonpay | Pay | Total | | Nonpay | Pay | Total | | Nonpay | Pay | Total | |
| Categorical Grant: Environmental Information | \$0 | \$0 | \$0 | 0.0 | \$15,700 | \$0 | \$15,700 | 0.0 | \$15,700 | \$0 | \$15,700 | 0.0 |
| Civil Enforcement | \$0 | \$0 | \$0 | 0.0 | \$71 | \$1,759 | \$1,830 | 10.0 | \$71 | \$1,759 | \$1,830 | 10.0 |
| Compliance Monitoring | \$0 | \$2,009 | \$2,009 | 12.2 | \$12,541 | \$2,213 | \$14,754 | 13.2 | \$12,541 | \$204 | \$12,745 | 1.0 |
| Drinking Water Programs | \$0 | \$108 | \$108 | 0.7 | \$3,300 | \$109 | \$3,409 | 0.7 | \$3,300 | \$1 | \$3,301 | 0.0 |
| Exchange Network | \$0 | \$409 | \$409 | 2.5 | \$16,000 | \$507 | \$16,507 | 3.0 | \$16,000 | \$98 | \$16,098 | 0.5 |
| Federal Support for Air Quality Management | \$0 | \$236 | \$236 | 1.5 | \$2,430 | \$332 | \$2,762 | 2.0 | \$2,430 | \$96 | \$2,526 | 0.5 |
| Federal Vehicle and Fuels Standards and Certification | \$0 | \$15 | \$15 | 0.1 | \$400 | \$15 | \$415 | 0.1 | \$400 | \$0 | \$400 | 0.0 |
| IT / Data Management | \$0 | \$0 | \$0 | 0.0 | \$2,315 | | \$2,315 | | \$2,315 | \$0 | \$2,315 | 0.0 |
| Legal Advice: Environmental Program | \$0 | \$176 | \$176 | 1.0 | \$0 | \$178 | \$178 | 1.0 | \$0 | \$2 | \$2 | 0.0 |
| Pesticides: Protect Human Health from Pesticide Risk | \$0 | \$91 | \$91 | 0.6 | \$575 | \$92 | \$667 | 0.6 | \$575 | \$1 | \$576 | 0.0 |
| RCRA: Waste Management | \$2,414 | \$1,352 | \$3,766 | 8.5 | \$9,150 | \$1,492 | \$10,642 | 9.2 | \$6,736 | \$140 | \$6,876 | 0.7 |
| Regulatory/Economic-Management and Analysis | \$0 | \$0 | \$0 | 0.0 | \$200 | \$0 | \$200 | 0.0 | \$200 | \$0 | \$200 | 0.0 |
| Superfund: Remedial | \$0 | \$0 | \$0 | 0.0 | \$0 | \$32 | \$32 | 0.2 | \$0 | \$32 | \$32 | 0.2 |
| Toxic Substances: Chemical Risk Review and Reduction | \$0 | \$123 | \$123 | 0.8 | \$575 | \$124 | \$699 | 0.8 | \$575 | \$1 | \$576 | 0.0 |
| | | | | | | | | | | | | |
| Total | \$2,414 | \$4,519 | \$6,933 | 27.9 | \$63,257 | \$6,853 | \$70,110 | 40.8 | \$60,843 | \$2,334 | \$63,177 | 12.9 |

FY 2015 Environmental Education Funding

(Dollars in Thousands)

| Program Project Title | FY 2015 PresBud | |
|--|------------------------------|-------------|
| | Contracts and Grants Funding | FTE |
| Brownfields | \$125 | 0.0 |
| Drinking Water Programs | \$875 | 0.0 |
| Federal Support for Air Quality Management | \$1,500 | 0.0 |
| Pesticides: Protect Human Health from Pesticide Risk | \$1,000 | 0.0 |
| Pollution Prevention Program | \$250 | 0.0 |
| RCRA: Waste Management | \$375 | 0.0 |
| Surface Water Protection | \$875 | 0.0 |
| Executive Management and Operations | \$0 | 11.1 |
| Total Environmental Education* | \$5,000 | 11.1 |

*Payroll funding not displayed.

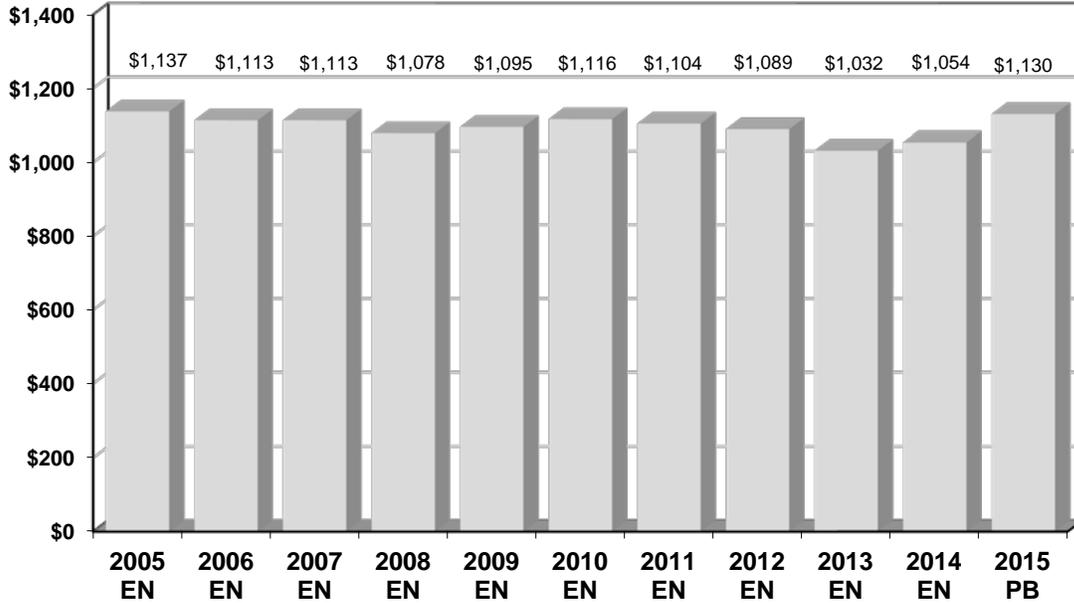
Categorical Grants
Categorical Program Grants (STAG)
by National Program and State Grant
(Dollars in Thousands)

| NPM / Grant | FY 2013 Actuals | FY 2014 Enacted | FY 2015 PresBud | Delta FY 15 PB - FY 14 EN | % Change |
|--|--------------------|--------------------|--------------------|---------------------------------|--------------|
| <u>Air & Radiation</u> | | | | | |
| State and Local Air Quality Management | \$224,384 | \$228,219 | \$243,229 | \$15,010 | 6.6% |
| Tribal Air Quality Management | \$12,285 | \$12,829 | \$12,829 | \$0 | 0.0% |
| Radon | \$7,322 | \$8,051 | \$0 | (\$8,051) | -100.0% |
| | \$243,992 | \$249,099 | \$256,058 | \$6,959 | 2.8% |
| <u>Water</u> | | | | | |
| Pollution Control (Sec. 106) | \$226,337 | \$230,806 | \$249,164 | \$18,358 | 8.0% |
| Beaches Protection | \$9,452 | \$9,549 | \$0 | (\$9,549) | -100.0% |
| Nonpoint Source (Sec. 319) | \$157,767 | \$159,252 | \$164,915 | \$5,663 | 3.6% |
| Wetlands Program Development | \$14,253 | \$14,661 | \$14,661 | \$0 | 0.0% |
| | \$407,808 | \$414,268 | \$428,740 | \$14,472 | 3.5% |
| <u>Drinking Water</u> | | | | | |
| Public Water System Supervision (PWSS) | \$99,681 | \$101,963 | \$109,700 | \$7,737 | 7.6% |
| Underground Injection Control (UIC) | \$10,060 | \$10,506 | \$10,506 | \$0 | 0.0% |
| | \$109,740 | \$112,469 | \$120,206 | \$7,737 | 6.9% |
| <u>Hazardous Waste</u> | | | | | |
| Hazardous Waste Financial Assistance | \$98,077 | \$99,693 | \$99,604 | (\$89) | -0.1% |
| Brownfields | \$45,871 | \$47,745 | \$47,745 | \$0 | 0.0% |
| Underground Storage Tanks | \$1,489 | \$1,498 | \$1,498 | \$0 | 0.0% |
| | \$145,436 | \$148,936 | \$148,847 | (\$89) | -0.1% |
| <u>Pesticides & Toxics</u> | | | | | |
| Pesticides Program Implementation | \$11,577 | \$12,701 | \$12,701 | \$0 | 0.0% |
| Lead | \$13,515 | \$14,049 | \$14,049 | \$0 | 0.0% |
| Toxics Substances Compliance | \$4,655 | \$4,919 | \$4,919 | \$0 | 0.0% |
| Pesticides Enforcement | \$17,370 | \$18,050 | \$18,050 | \$0 | 0.0% |
| | \$47,116 | \$49,719 | \$49,719 | \$0 | 0.0% |
| <u>Multimedia</u> | | | | | |
| Environmental Information | \$9,924 | \$9,646 | \$25,664 | \$16,018 | 166.1% |
| Pollution Prevention | \$4,894 | \$4,765 | \$4,765 | \$0 | 0.0% |
| Tribal General Assistance Program | \$66,494 | \$65,476 | \$96,375 | \$30,899 | 47.2% |
| | \$81,312 | \$79,887 | \$126,804 | \$46,917 | 58.7% |
| Total Categorical Grants | \$1,035,404 | \$1,054,378 | \$1,130,374 | \$75,996 | 7.2% |

- Notes: 1) Actuals refer to actual obligations.
2) 2013 totals reflect operating levels after sequestration and excludes Hurricane Sandy Relief supplemental appropriation of \$608 million.
3) Totals may not add due to rounding.

Categorical Grants Program (STAG)

(Dollars in millions)



*EN – Enacted, PB – President’s Budget. 2013 totals reflect operating levels after sequestration.

Categorical Grants

In FY 2015, the EPA requests a total of \$1.130 billion for 17 “categorical” program grants for state, interstate organizations, non-profit organizations, intertribal consortia, and Tribal governments. The EPA will continue to pursue its strategy of building and supporting state, local, and Tribal capacity to implement, operate, and enforce the nation’s environmental laws. Most environmental laws envision establishment of a decentralized nationwide structure to protect public health and the environment. In this way, environmental goals will ultimately be achieved through the actions, programs, and commitments of state, Tribal, and local governments, organizations, and citizens.

In FY 2015, the EPA will continue to offer flexibility to state and Tribal governments to manage their environmental programs as well as provide technical and financial assistance to achieve mutual environmental goals. First, the EPA and its state and Tribal partners will continue implementing the National Environmental Performance Partnership System (NEPPS). NEPPS is designed to allow states more flexibility to operate their programs, while increasing emphasis on measuring and reporting environmental improvements. Second, Performance Partnership Grants (PPGs) will continue to allow states and tribes funding flexibility to combine categorical program grants to address environmental priorities.

HIGHLIGHTS:

State & Local Air Quality Management, Radon, and Tribal Air Quality Management Grants

The FY 2015 request includes \$256.1 million for grants to support state, local, and Tribal air management programs, an increase of \$15.0 million from the FY 2014 Enacted Budget. Grant funds for State and Local Air Quality Management and Tribal Air Quality Management are requested in the amounts of \$243.2 million and \$12.8 million, respectively. These funds provide resources to multi-state, state, local, and Tribal air pollution control agencies for the development and implementation of programs for the prevention and control of air pollution and for the implementation of National Ambient Air Quality

Categorical Grants

Standards (NAAQS) set to protect public health and the environment. In FY 2015, the EPA will continue to work with state and local air pollution control agencies to develop or implement state implementation plans (SIPs) for NAAQS (including the 8-hour ozone standard, the fine particle (PM-2.5) standard, and the lead standard) and also for regional haze. In addition, the EPA will continue to support state and local operation of the National Air Toxics Trends Stations network. In FY 2015, states with approved or delegated permitting programs will continue to implement new greenhouse gas requirements as part of their permitting programs. Additionally, in FY 2015, states will begin to lay the ground work to support key portions of the Climate Action Plan. The EPA will work closely with the states in order to achieve the common goal of reducing carbon pollution from power plants.

The EPA will work with federally-recognized Tribal governments nationwide to continue development and implementation of Tribal air quality management programs. Tribes are active in protection of air quality for the land over which they have sovereignty and work closely with the EPA to monitor and report air quality information from over 300 monitors. Lastly, the FY 2015 budget eliminates funding for the State Indoor Radon Grant (SIRG) program. The SIRG program was authorized in 1988 to provide financial assistance to states to develop, implement and enhance state capacity for reducing radon risk. Now that most states have indoor radon programs in place, EPA will narrow support to States to technical assistance alone and eliminate financial assistance provided under the SIRG program.

Water Pollution Control (Clean Water Act Section 106) Grants

The FY 2015 EPA request includes \$249.2 million for Water Pollution Control grants. The \$18.4 million increase will strengthen the state, interstate and Tribal water quality programs. These water quality programs assist state and Tribal efforts to restore and maintain the quality of the nation's waters by strengthening water quality standards, improving water quality monitoring and assessment, implementing Total Maximum Daily Loads (TMDLs) and other watershed-related plans, strengthening the National Pollutant Discharge Elimination System (NPDES) permit program and implementing practices to reduce pollution from all nonpoint sources. EPA will work with states, interstate agencies and tribes to strengthen their nutrient management efforts consistent with EPA Water Program guidance issued in March 2011, including the development of numeric nutrient criteria. The EPA will work with states to implement the rules governing discharges from Concentrated Animal Feeding Operations (CAFOs) and will continue to revise the stormwater regulations to better protect the nation's waters from stormwater discharges. The EPA also will work with states as they implement individual and general pesticide permit programs.

States and authorized tribes will continue to review and update their water quality standards as required by the Clean Water Act. The EPA encourages states to continually review and update the water quality criteria in their standards to reflect the latest scientific information from the EPA and other sources. The EPA's goal for FY 2015 is that 67.9 percent of states will have updated their standards to reflect the latest scientific information in the past three years. In FY 2015, EPA requests \$18.5 million for monitoring to continue to be designated for states and tribes that participate in collecting statistically valid water monitoring data and implement enhancements in their water monitoring programs.

Wetlands Grants

In FY 2015, the request includes \$14.7 million for Wetlands Program grants, which provide technical and financial assistance to the states, tribes, and local governments. These grants support development of state and Tribal wetland programs that further the national goal of an overall increase in the acreage and condition of wetlands. The Wetland Program Development Grants are the EPA's primary resource for supporting state and Tribal wetland program development. Grants are used to develop new or refine existing state and Tribal wetland programs in one or more of the following areas: (1) monitoring and assessment; (2) voluntary restoration and protection; (3) regulatory programs including Section 401 certification; and (4) wetland water quality standards.

Categorical Grants

Public Water System Supervision Grants

In FY 2015, the EPA requests \$109.7 million for Public Water System Supervision (PWSS) grants. These grants provide assistance to implement and enforce National Primary Drinking Water Regulations to ensure the safety of the Nation's drinking water resources and to protect public health. This request includes an additional \$7.7 million to augment state and tribal efforts in meeting existing drinking water regulations and to prepare for implementation of new regulations, including the Revised Total Coliform Rule. These resources also will be used by states and tribes as they provide technical assistance and training to help meet the continued needs of the small water systems.

Underground Injection Control (UIC) Grants

In FY 2015, the EPA requests \$10.5 million for the Underground Injection Control grants program. Ensuring safe underground injection of waste materials and other fluids is a main component of a comprehensive source water protection program. Grants are provided to states that have primary enforcement authority (primacy) to implement and maintain UIC programs. In December 2010, a rule was finalized which established a new class of underground injection well—Class VI—with new federal requirements to allow the injection of CO₂ for the purpose of Geologic Sequestration (GS). On September 15, 2011, the EPA published a notice in the *Federal Register* indicating that the EPA will implement the Class VI GS program as no state has applied for, or received, approval for Class VI primacy either through a state UIC program revision, or a new application from states without any UIC primary enforcement authority. Therefore, in FY 2014, until states receive Class VI primacy approval, the EPA will continue to carry out regulatory functions for Class VI geologic sequestration wells in most states, along with other classes of wells for which the EPA has direct implementation responsibility. The EPA will continue to process primacy applications and permit applications for carbon sequestration projects related to Class VI wells. States and the EPA also will process Underground Injection Control permits for other nontraditional injection streams such as desalination brines and treated waters injected for storage and recovered at a later time.

Non-Point Source Program Grants (NPS – Clean Water Act Section 319)

In FY 2015, the EPA requests \$164.9 million for Nonpoint Source Program grants to states, territories, and tribes. These grants enable states to use a range of tools to implement their programs including: both non-regulatory and regulatory programs, technical assistance, financial assistance, education, training, technology transfer, and demonstration projects. The request also eliminates, for FY 2015, the statutory one-third of one-percent cap on Clean Water Act Section 319 Nonpoint Source Pollution grants that may be awarded to tribes, allowing the Agency to provide Tribal funding at the Agency's discretion in accordance with Tribal needs. In 2015, the EPA and the USDA will work collaboratively in high priority, focused watersheds to address agricultural nonpoint source pollution. The goal of our collaboration is to coordinate agency efforts, thereby increasing conservation on the ground to better protect water resources from nonpoint sources of pollution, including nitrogen and phosphorus.

Tribal General Assistance Program Grants

In FY 2015, the EPA requests \$96.4 million in General Assistance Program (GAP) grants to provide tribes with a stronger foundation to build their capacity to address environmental issues on Indian lands. It will further the EPA's partnership and collaboration with tribes to address a wider set of program responsibilities and challenges. The grants will assist Tribal governments in building environmental capacity to assess environmental conditions, utilize available federal and other information, and build and administer environmental programs tailored to their needs. This additional funding will increase the average level of grants made to eligible tribes and focus on mutually agreed-upon concerns in Indian country.

Pesticide Enforcement and Toxics Substances Compliance Grants

The FY 2015 request includes \$22.9 million to build environmental enforcement partnerships with states and tribes and to strengthen their ability to address environmental and public health threats. The enforcement state grants request consists of \$18.0 million for Pesticides Enforcement and \$4.9 million for Toxic Substances Compliance Grants. The Toxic Substance Compliance Grants protect the public and the environment from PCBs, asbestos, and lead-based paint. State and Tribal enforcement grants will be awarded to assist in the implementation of compliance and enforcement provisions of the Toxic Substances Control Act (TSCA) and the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA). These grants support state and Tribal compliance activities to protect the environment from harmful chemicals and pesticides.

Under the Pesticides Enforcement Grant program, the EPA provides resources to states and Indian tribes to conduct FIFRA compliance inspections and take appropriate enforcement actions and implement programs for farm worker protection. The program also sponsors training for state and Tribal inspectors through the Pesticide Inspector Residential Program (PIRT) and for state and Tribal managers through the Pesticide Regulatory Education Program (PREP). Under the Toxic Substances Compliance Grant program, "non-waiver" states inspect on behalf of the EPA and receive funding for compliance inspections of asbestos and polychlorinated biphenyls (PCBs) and "waiver" states inspect under their own regulations and receive funding for compliance inspections and enforcement of the asbestos program. States also receive funding for implementation of the state lead-based paint certification and training, abatement notification and work practice standards compliance and enforcement program. The funds will complement other Federal program grants for building state capacity for lead abatement, and enhancing compliance with disclosure, certification, and training requirements.

Pesticides Program Implementation Grants

The FY 2015 request includes \$12.7 million for Pesticides Program Implementation grants. These resources will assist states, tribes, and partners with outreach, training, technical assistance and implementation of various pesticide programs and issues, including, pesticide worker safety, protection of endangered species and water sources, bed bugs, pollinator protection, spray drift reduction and promotion of environmental stewardship approaches to pesticide use. The EPA's mission as related to pesticides is to protect human health and the environment from pesticide risk and to realize the value of pesticide availability by considering the economic, social, and environmental costs and benefits of the use of pesticides. Pesticides Program Implementation Grants help state programs stay current with changing requirements.

Lead Grants

The FY 2015 request includes \$14.0 million for lead grants. This funding will provide assistance to states, territories, the District of Columbia, and tribes to develop and implement authorized programs for the lead-based paint abatement program to operate in lieu of the federal program. Additionally, the program will provide support to those entities to develop and implement authorized Renovation, Repair and Painting (RRP) Programs. The EPA implements these programs in all areas of the country that are not authorized to do so. Activities conducted as part of this program include accrediting training programs, certifying individuals and firms, and providing education and compliance assistance to those subject to the abatement and RRP regulations and the general public.

Pollution Prevention Grants

The FY 2015 request includes \$4.8 million for Pollution Prevention grants. The program provides grant funds to deliver technical assistance to specific sectors and to address priority environmental problems aimed at reducing hazardous materials and hazardous pollution. The goal is to assist businesses and industries with identifying improved environmental strategies and solutions for reducing waste at the source. The program demonstrates that source reduction can be a cost-effective way of meeting or exceeding Federal and state regulatory requirements.

Environmental Information Grants

In FY 2015, the EPA requests \$25.6 million for the Environmental Information Exchange Network (EN) grant program. The EN grants provide funding to states, territories, federally recognized Indian tribes and tribal consortia to support their participation in the EN. These grants help EN partners acquire and develop the hardware and software needed to connect to the Network; use the EN to collect, report and access the data they need with greater efficiency; and integrate environmental data across programs. In collaboration with the EPA, the Environmental Council of the States accepts the EN as the standard approach for EPA and state data sharing. Tribes and territories have adopted it as well. The grant program has provided the funding to make this approach a reality. Specifically, grants will be used to develop publishing services, develop desktop and mobile applications that can send and receive data via the network, expand the network to new priority data systems, transition network services to an EPA-hosted cloud-based node, increase data sharing among partners, bring electronic reporting into compliance with the Cross-Media Electronic Reporting Rule (CROMERR) using EPA—hosted shared services as well as other priorities.

As part of the agency's E-Enterprise initiative, in FY 2015, the EPA requests an additional \$15.7 million in funding for our state, local and Tribal partners to achieve benefits that reach beyond the standardization and exchange of data. The grants will fund new efforts to streamline and harmonize the source environmental regulations and the services for implementing them with a goal toward enabling the public and the regulated community to do business with the environmental protection enterprise in the United States, just like they do with any other company. Specific funded efforts in FY 2015 will include participation in integrated project teams for regulatory analysis, business process reengineering, enterprise architecture analysis, performance measures, and communication efforts. Funded projects and outcomes will include pilot approaches for a single sign-on across federal and state programs with shared electronic credentials, cost for transitioning to reusable shared solutions offered by the EPA, and the joint development of new shared services and components. The return on investment will be measured in the numbers of legacy systems that are converted to shared approaches, the hours of reduced cumulative burden in paperwork and regulatory reporting, and the costs avoided by avoiding the redundant development and maintenance of technology services and infrastructure. This work will build on the successful state/EPA collaboration with the Environmental Information Exchange Network, a partnership which is enabling the exchange and sharing of critical environmental data, leading to enhanced analysis of environmental conditions and improved decision making.

State and Tribal Underground Storage Tanks Program

The FY 2015 request includes \$1.5 million for Underground Storage Tank (UST) grants. In FY 2014, the EPA will make grants to states under Section 2007 of the Solid Waste Disposal Act, available to support core program activities as well as the leak prevention activities under Title XV, Subtitle B of the Energy Policy Act of 2005 (EPAAct).

In FY 2015, the EPA will continue to focus attention on the need to bring all UST systems into compliance with release detection and release prevention requirements and continue to implement the provisions of the EPAAct. States will continue to use the UST categorical grant funding to implement their leak prevention and detection programs. Specifically, with these UST categorical grants, states will fund such activities as: seeking state program approval to operate the UST program in lieu of the Federal program, approving specific technologies to detect leaks from tanks, ensuring that tank owners and operators are complying with notification and other requirements, ensuring equipment compatibility, conducting inspections, and implementing operator training.

Hazardous Waste Financial Assistance Grants

In FY 2015, the EPA requests \$99.6 million for Hazardous Waste Financial Assistance grants. Hazardous Waste Financial Assistance grants are used for the implementation of the Resource Conservation and Recovery Act (RCRA) hazardous waste program, which includes permitting, authorization, waste

Categorical Grants

minimization, enforcement, and corrective action activities. In FY 2015, the EPA will work with states to meet the annual target of 110 hazardous waste facilities with new or updated controls.

By the end of FY 2015, the EPA and the authorized states also will control human exposures to contamination at 90 percent of the 2020 universe of 3,779 facilities that may need cleanup under the RCRA Corrective Action Program. The EPA also will control migration of contaminated groundwater at 79 percent of these facilities and complete the construction of final remedies at 60 percent of these facilities.

Brownfields Grants

In FY 2015, the EPA requests \$47.7 million for the Brownfields grant program that provides assistance to states and tribes to develop and enhance their state and Tribal Brownfields response programs. This funding will help states and tribes develop legislation, regulations, procedures, and guidance, to establish or enhance the administrative and legal structure of their response programs.

Clean Water State Revolving Fund (CWSRF) Resources

Drinking Water State Revolving Fund (DWSRF) Resources

State-by-State distribution of Actual and Estimated Obligations

Fiscal Years 2013 to 2015 – Dollars in Thousands

The following tables show state-by-state distribution of resources for EPA's two largest State and Tribal Grant Programs, the Clean Water State Revolving Fund and the Drinking Water State Revolving Fund. These tables do not reflect total resources that EPA provides to individual states.

SRF Obligations by State

**Infrastructure Assistance:
Clean Water State Revolving Fund (SRF)**
(Dollars in Thousands)

| STATE | FY 2013 ACT. OBLIG. | FY 2014 EST. OBLIG. | FY 2015 EST. OBLIG. |
|----------------------------------|------------------------|---------------------------|---------------------------|
| Alabama | \$15,080 | \$15,836 | \$11,048 |
| Alaska | \$8,071 | \$8,476 | \$5,913 |
| American Samoa | \$7,306 | \$7,693 | \$5,353 |
| Arizona | \$14,812 | \$9,566 | \$6,673 |
| Arkansas | \$8,819 | \$9,265 | \$6,463 |
| California | \$98,111 | \$101,290 | \$70,662 |
| Colorado | \$10,787 | \$11,329 | \$7,903 |
| Connecticut | \$16,521 | \$17,350 | \$12,104 |
| Delaware | \$6,620 | \$6,953 | \$4,850 |
| District of Columbia | \$6,620 | \$6,953 | \$4,850 |
| Florida | \$45,521 | \$47,806 | \$33,350 |
| Georgia | \$22,801 | \$23,946 | \$16,705 |
| Guam | \$9,133 | \$5,566 | \$3,873 |
| Hawaii | \$10,095 | \$10,969 | \$7,652 |
| Idaho | \$6,620 | \$6,953 | \$4,850 |
| Illinois | \$60,992 | \$64,052 | \$44,684 |
| Indiana | \$32,514 | \$34,131 | \$23,811 |
| Iowa | \$11,176 | \$19,168 | \$13,372 |
| Kansas | \$12,173 | \$12,784 | \$8,918 |
| Kentucky | \$17,316 | \$18,025 | \$12,575 |
| Louisiana | \$14,822 | \$15,569 | \$10,861 |
| Maine | \$10,439 | \$10,963 | \$7,648 |
| Maryland | \$32,617 | \$34,253 | \$23,896 |
| Massachusetts | \$45,786 | \$48,084 | \$33,545 |
| Michigan | \$57,986 | \$60,896 | \$42,482 |
| Minnesota | \$24,787 | \$26,031 | \$18,160 |
| Mississippi | \$21,286 | \$12,760 | \$8,902 |
| Missouri | \$37,709 | \$39,261 | \$27,389 |
| Montana | \$6,620 | \$6,953 | \$4,850 |
| Nebraska | \$13,812 | \$7,244 | \$5,054 |
| Nevada | \$6,622 | \$6,953 | \$4,850 |
| New Hampshire | \$13,477 | \$14,153 | \$9,874 |
| New Jersey | \$55,109 | \$248,980 ¹ | \$40,374 |
| New Mexico | \$6,617 | \$6,953 | \$4,850 |
| New York | \$149,066 | \$439,413 ² | \$109,056 |
| North Carolina | \$49,846 | \$25,560 | \$17,831 |
| North Dakota | \$6,620 | \$6,953 | \$4,850 |
| Northern Mariana Islands | \$3,396 | \$3,575 | \$2,488 |
| Ohio | \$75,919 | \$79,729 | \$55,621 |
| Oklahoma | \$10,892 | \$11,442 | \$7,982 |
| Oregon | \$15,234 | \$15,999 | \$11,161 |
| Pennsylvania | \$53,539 | \$56,100 | \$39,137 |
| Puerto Rico | \$17,190 | \$18,472 | \$12,886 |
| Rhode Island | \$9,055 | \$9,510 | \$6,634 |
| South Carolina | \$24,204 | \$14,509 | \$10,122 |
| South Dakota | \$6,620 | \$6,953 | \$4,850 |
| Tennessee | \$19,590 | \$20,574 | \$14,353 |
| Texas | \$61,142 | \$64,731 | \$45,158 |
| Utah | \$7,106 | \$7,462 | \$5,206 |
| Vermont | \$6,620 | \$6,953 | \$4,850 |
| Virgin Islands, U.S. | \$3,249 | \$4,465 | \$3,107 |
| Virginia | \$27,599 | \$28,984 | \$20,220 |
| Washington | \$23,482 | \$24,629 | \$17,182 |
| West Virginia | \$21,023 | \$22,077 | \$15,402 |
| Wisconsin | \$36,458 | \$38,288 | \$26,710 |
| Wyoming | \$6,620 | \$6,953 | \$4,850 |
| Tribal Resources | \$18,644 | \$28,978 | \$30,000 |
| Undistributed National Resources | \$439 ³ | \$4,122 ⁴ | \$0 |
| TOTAL: | \$1,422,330 | \$1,923,595 | \$1,018,000 |

Notes:

1. Includes \$191.1 million from P.L. 113-2, the Disaster Relief Appropriations Act of 2013.
2. Includes \$283.1 million from P.L. 113-2, the Disaster Relief Appropriations Act of 2013.
3. Includes \$62 thousand for a SEE employee supporting SRF activities in Region 7s states, \$336 thousand for an award to the Indian Health Service overseeing a project in the St. Regis Mohawk Tribe, and \$41 thousand from P.L. 113-2 for the Management and Oversight of Sandy Supplemental funds.
4. Includes \$500 thousands for the Management and Oversight of Sandy Supplemental funds, PL 113-2. and \$3,622 million for Buy American Set Aside, P.L.113-2.

SRF Obligations by State

**Infrastructure Assistance:
Drinking Water State Revolving Fund (SRF)**
(Dollars in Thousands)

| STATE | FY 2013 ACT. OBLIG. | FY 2014 EST. OBLIG. | FY 2015 EST. OBLIG. |
|----------------------------------|------------------------------------|------------------------------------|------------------------------------|
| Alabama | \$10,438 | \$16,892 | \$14,037 |
| Alaska | \$8,421 | \$8,845 | \$7,350 |
| American Samoa | \$1,287 | \$1,542 | \$1,282 |
| Arizona | \$21,274 | \$15,969 | \$13,270 |
| Arkansas | \$12,743 | \$13,534 | \$11,246 |
| California | \$79,040 | \$83,221 | \$69,154 |
| Colorado | \$14,937 | \$15,394 | \$12,793 |
| Connecticut | \$8,421 | \$8,962 | \$7,448 |
| Delaware | \$8,421 | \$8,845 | \$7,350 |
| District of Columbia | \$8,421 | \$8,845 | \$7,350 |
| Florida | \$27,496 | \$32,350 | \$26,883 |
| Georgia | \$19,899 | \$19,284 | \$16,025 |
| Guam | \$5,158 | \$3,958 | \$3,289 |
| Hawaii | \$7,971 | \$8,845 | \$7,350 |
| Idaho | \$8,421 | \$8,845 | \$7,350 |
| Illinois | \$32,116 | \$36,911 | \$30,672 |
| Indiana | \$14,046 | \$14,348 | \$11,923 |
| Iowa | \$29,697 | \$13,229 | \$10,993 |
| Kansas | \$10,302 | \$10,080 | \$8,377 |
| Kentucky | \$12,372 | \$13,770 | \$11,443 |
| Louisiana | \$8,421 | \$12,127 | \$10,077 |
| Maine | \$8,421 | \$8,845 | \$7,350 |
| Maryland | \$13,066 | \$15,012 | \$12,475 |
| Massachusetts | \$15,699 | \$16,441 | \$13,662 |
| Michigan | \$25,579 | \$27,530 | \$22,877 |
| Minnesota | \$14,131 | \$15,827 | \$13,152 |
| Mississippi | \$8,773 | \$9,159 | \$7,611 |
| Missouri | \$16,303 | \$17,855 | \$14,838 |
| Montana | \$8,421 | \$8,845 | \$7,350 |
| Nebraska | \$8,500 | \$8,845 | \$7,350 |
| Nevada | \$8,421 | \$12,614 | \$10,482 |
| New Hampshire | \$8,421 | \$8,845 | \$7,350 |
| New Jersey | \$17,990 | \$55,049 ¹ | \$13,984 |
| New Mexico | \$10,463 | \$8,845 | \$7,350 |
| New York | \$55,485 | \$99,076 ² | \$35,280 |
| North Carolina | \$42,918 | \$20,695 | \$17,197 |
| North Dakota | \$8,421 | \$8,845 | \$7,350 |
| Northern Mariana Islands | \$3,829 | \$3,389 | \$2,816 |
| Ohio | \$27,058 | \$24,586 | \$20,431 |
| Oklahoma | \$15,914 | \$14,251 | \$11,842 |
| Oregon | \$8,421 | \$12,563 | \$10,439 |
| Pennsylvania | \$24,673 | \$28,280 | \$23,501 |
| Puerto Rico | \$8,421 | \$8,845 | \$7,350 |
| Rhode Island | \$8,421 | \$8,845 | \$7,350 |
| South Carolina | \$17,396 | \$8,845 | \$7,350 |
| South Dakota | \$8,729 | \$8,845 | \$7,350 |
| Tennessee | \$9,359 | \$8,845 | \$7,350 |
| Texas | \$53,517 | \$63,953 | \$53,144 |
| Utah | \$8,421 | \$9,229 | \$7,670 |
| Vermont | \$8,421 | \$8,845 | \$7,350 |
| Virgin Islands, U.S. | \$9,021 | \$4,378 | \$3,638 |
| Virginia | \$14,275 | \$14,654 | \$12,177 |
| Washington | \$21,499 | \$19,741 | \$16,404 |
| West Virginia | \$8,421 | \$8,845 | \$7,350 |
| Wisconsin | \$14,518 | \$15,425 | \$12,818 |
| Wyoming | \$8,421 | \$8,845 | \$7,350 |
| Tribal Resources | \$14,371 | \$18,138 | \$20,000 |
| Undistributed National Resources | \$13,279 ³ | \$4,767 ⁴ | \$2,000 ⁵ |
| TOTAL: | \$926,699 | \$1,002,238 | \$757,000 |

Notes:

1. Includes \$38.2 million from P.L. 113-2, the Disaster Relief Appropriations Act of 2013.
2. Includes \$56.6 million from P.L. 113-2, the Disaster Relief Appropriations Act of 2013.
3. Includes 13.24 million for Unregulated Contaminant Monitoring (UCM), which is EPA is required by Section 1452(o) of the Safe Drinking Water Act (SDWA), as amended, to annually set-aside \$2 million of State Revolving Funds to pay the costs of small system monitoring and sample analysis for contaminants for each cycle of the UCMR, and \$36 thousand from P.L. 113-2 for the Management and Oversight of Sandy Supplemental funds.
4. Includes \$2 million for UCMR set aside, and \$500 thousand from P.L. 113-2 for the Management and Oversight of Sandy Supplemental funds.
5. UCMR set aside.

Infrastructure / STAG Project Financing
(Dollars in Thousands)

| Type / Grant | FY 2013* Enacted | FY 2014 Enacted | FY 2015 PresBud | Delta FY 15 PB – FY 14 EN |
|--|---------------------|--------------------|--------------------|---------------------------------|
| Clean Water State Revolving Fund | \$1,376,082 | \$1,448,887 | \$1,018,000 | (\$430,887) |
| Drinking Water State Revolving Fund | \$861,326 | \$906,896 | \$757,000 | (\$149,896) |
| <u>State Revolving Funds</u> | \$2,237,408 | \$2,355,783 | \$1,775,000 | (\$580,783) |
| Mexico Border | \$4,732 | \$5,000 | \$5,000 | \$0 |
| Alaska Native Villages | \$9,463 | \$10,000 | \$10,000 | \$0 |
| <u>Special Needs Projects</u> | \$14,195 | \$15,000 | \$15,000 | \$0 |
| <u>Diesel Emissions Reduction Grant Program</u> | \$18,911 | \$20,000 | \$0 | (\$20,000) |
| <u>Brownfields Projects</u> | \$89,901 | \$90,000 | \$85,000 | (\$5,000) |
| Infrastructure Assistance Total | \$2,360,415 | \$2,480,783 | \$1,875,000 | (\$605,783) |

*FY 2013 Enacted excludes Hurricane Sandy Relief supplemental appropriations.

Infrastructure and Special Projects Funds

The FY 2015 President's Budget includes a total of \$1.9 billion for the EPA's Infrastructure programs in the State and Tribal Assistance Grant (STAG) account. This budget funds the SRFs at \$1.8 billion total.

Infrastructure and targeted projects funding under the STAG appropriation provides financial assistance to states, municipalities, interstates, and tribal governments to fund a variety of drinking water, wastewater, air, and brownfields environmental projects. These funds help fulfill the federal government's commitment to help our state, tribal and local partners obtain adequate funding to construct the facilities required to comply with federal environmental requirements and ensure public health and revitalize contaminated properties.

Providing STAG funds to capitalize State Revolving Fund (SRF) programs, the EPA works in partnership with the states to provide low-cost loans to municipalities for infrastructure construction. All drinking water and wastewater projects are funded based on state developed priority lists. Through SRF set-asides, grants are available to Indian tribes and U.S. territories for infrastructure projects.

The resources included in this budget will enable the agency, in conjunction with the EPA's state, local, and tribal partners, to achieve important goals. For example: 92 percent of the population served by community water systems will receive drinking water meeting all health-based standards.

Capitalizing Clean Water and Drinking Water State Revolving Funds

The Clean Water and Drinking Water State Revolving Fund programs demonstrate a true partnership between states, localities, and the federal government. These programs provide federal financial

Infrastructure Financing

assistance to protect the nation's water resources by providing funds for the construction of drinking water and wastewater treatment facilities. The state revolving funds are two important elements of the nation's substantial investment in sewage treatment and drinking water systems, which provides Americans with significant benefits in the form of reduced water pollution and safe drinking water.

This federal investment also will support the continued work of the SRFs in ensuring that small and underserved communities have ready access to funding that helps address their pressing wastewater infrastructure and other water quality needs.

The EPA will continue to provide financial assistance for wastewater and other water projects through the Clean Water State Revolving Fund (CWSRF). CWSRF projects include nonpoint source, estuary, stormwater, and sewer overflow projects. The dramatic progress made in improving the quality of wastewater treatment since the 1970s is a national success. In 1972, only 78.2 million people were served by secondary or advanced wastewater treatment facilities. As of 2008 (from the most recent Clean Watersheds Needs Survey), over 99 percent of Publicly Owned Treatment Works, serving 222.6 million people, use secondary treatment or better. Water infrastructure projects supported by the program contribute to direct ecosystem improvements by lowering the amount of nutrients and toxic pollutants in all types of surface waters. While great progress has been made, many rivers, lakes and ocean/coastal areas still suffer a significant influx of pollutants after heavy rains resulting in beach closures, infected fish, and degradation of the ability of watersheds to sustain a healthy ecosystem.

The FY 2015 request includes \$1.018 billion in funding for the CWSRF. Total CWSRF funding available for loans from 1988 through June 2012 exceeds \$97.4 billion. This total reflects loan repayments, state match dollars, as well as other funding sources. The EPA estimates that for every federal dollar contributed, more than two dollars are provided to municipalities.

Since its inception in 1997, the Drinking Water State Revolving Fund (DWSRF) program has made \$28.3 billion available to finance 10,652 infrastructure improvement projects nationwide, with an average of \$1.75 made available to localities for every \$1 of federal funds invested. As of June 30, 2013, \$15.7 billion in capitalization grants have been awarded, amounting to loans/assistance of \$25.8 billion. The DWSRF helps address the costs of ensuring safe drinking water supplies and assists small communities in meeting their responsibilities.

Through both SRFs, the EPA will work to target assistance to small and underserved communities with limited ability to repay loans.

For FY 2015, the EPA requests that not less than 10 percent but not more than 20 percent of the CWSRF appropriated funds and not less than 20 percent but not more than 30 percent of the DWSRF funds be made available to each state to be used to provide additional subsidy to eligible recipients in the form of forgiveness of principle, negative interest loans, or grants (or a combination of these). The CWSRF additional subsidy would apply to the entire CWSRF appropriation thereby effectively increasing the amount from recent years when the subsidy only applied to appropriated funds above \$1 billion. For FY 2015, the EPA will encourage states to utilize the subsidy to assist small drinking water systems with standards compliance. The EPA also is requesting, to the extent there are sufficient eligible project applications, that not less than 20 percent of a portion of a CWSRF capitalization grant be made available for green infrastructure projects. For funds made available to each State for Drinking Water State Revolving Fund capitalization grants may, at the discretion of each State, be used for projects that address green infrastructure, water or energy efficiency improvements, or environmentally innovative activities.

As part of the Administration's Sustainable Water Infrastructure Policy, the EPA focuses on working with federal partners, states, and communities to develop sustainable systems that employ effective utility management practices to build and maintain the level of technical, financial, and managerial capacity necessary to ensure long-term sustainability. The policy emphasizes the need to build on existing efforts to promote sustainable water infrastructure and to employ robust, comprehensive planning processes to deliver projects that are cost effective over their life cycle, resource efficient, and consistent with

community sustainability goals. Through this policy, the EPA is helping to ensure that federal investments, policies, and actions support water infrastructure in efficient and sustainable locations to best aid existing communities, enhance economic competitiveness, and promote affordable neighborhoods. The policy encourages that Federal dollars provided through the SRFs will act as a catalyst for efficient system-wide planning and ongoing management of sustainable water infrastructure. Overall, the Administration requests a combined total of \$1.8 billion for the SRFs.

Set-Asides for Tribes and Territories

To improve public health and water quality on tribal lands, the agency is requesting to increase the tribal set asides in the CWSRF to 2 percent, or \$30 million, whichever is greater, and to 2 percent, or \$20 million, whichever is greater, in the DWSRF. The EPA also is requesting to maintain the SRF set aside for territories at up to 1.5 percent for both the CWSRF and the DWSRF.

Alaska Native Villages

The President's Budget requests \$10 million for Alaska native villages for the construction of wastewater and drinking water facilities to address serious sanitation problems. The EPA will continue to work with the Department of Health and Human Services' Indian Health Service, the State of Alaska, the Alaska Native Tribal Health Council, and local communities to provide needed financial and technical assistance.

Brownfields Projects

The President's Budget requests \$85 million for Brownfields projects. With the FY 2015 request, the EPA plans to fund at least 119 assessment cooperative agreements and approximately 52 direct cleanup cooperative agreements. The EPA also will support cleanup of up to 90 sites contaminated by petroleum or petroleum products and award an estimated \$3.4 million in environmental workforce development and job training grants. In FY 2015, the funding provided is expected to result in the assessment of 1,200 brownfields properties. Using EPA grant dollars, the brownfields grantees will leverage 4,750 cleanup and redevelopment jobs and \$1.1 billion in cleanup and redevelopment funding.

During FY 2015, the Brownfields program will continue to support the agency's ongoing brownfields area-wide planning efforts. The cooperative agreements and technical assistance provided for brownfields area-wide planning will assist approximately 20 communities to identify viable reuses of brownfields properties, as well as associated infrastructure investments and environmental improvements needed, which will help lead to site cleanup and area revitalization.

The EPA will continue to provide technical assistance for brownfields redevelopment in cities in transition which are struggling with high unemployment as a result of structural changes to their economies. In addition, the Brownfields program will continue to work closely with the EPA's Sustainable Communities program to address critical issues for brownfields redevelopment, including land assembly, development permitting issues, financing, and accountability to uniform systems of information for land use controls, greener development practices, and other factors that influence the economic viability of brownfields redevelopment. The best practices, tools, and lessons learned from the Sustainable Communities program will directly inform and assist the EPA's efforts to increase area-wide planning for assessment, cleanup, and redevelopment of brownfields sites. In FY 2015, the Brownfields program will continue to foster federal, state, local, and public/private partnerships to return properties to productive economic use in communities. The Brownfields projects funding also supports participation in the Administration-wide initiative, the America's Great Outdoors (AGO), by promoting the planning of urban parks and greenways on once abandoned or scarred lands.

Mexico Border

The President's Budget requests a total of \$5 million for water infrastructure projects along the U.S.-Mexico Border. The goal of this program is to reduce environmental and human health risks along the U.S.-Mexico Border. The EPA's U.S.-Mexico Border program provides funds to support the planning,

Infrastructure Financing

design, and construction of high priority water and wastewater treatment projects along the border. The agency's goal is to provide protection to people in the U.S.-Mexico border area from health risks by connecting homes to potable water supply and wastewater collection and treatment systems.

Trust Funds

(Dollars in Millions)

| Trust Funds Program | FY 2013 Enacted Budget ¹ | | FY 2014 Enacted Budget ¹ | | FY 2015 President's Budget ¹ | |
|---|-------------------------------------|--------------|-------------------------------------|--------------|---|--------------|
| | \$ | FTE | \$ | FTE | \$ | FTE |
| Superfund ² | \$1,082 | 2,794 | \$1,060 | 2,630 | \$1,127 | 2,542 |
| Inspector General (Transfers) | \$9 | 59 | \$10 | 60 | \$11 | 59 |
| Research & Development (Transfers) | \$22 | 99 | \$19 | 79 | \$19 | 75 |
| Superfund Total | \$1,113 | 2,952 | \$1,089 | 2,769 | \$1,157 | 2,676 |
| Base Realignment and Closure³ | \$0 | 20 | \$0 | 14 | \$0 | 9 |
| LUST⁴ | \$99 | 64 | \$95 | 55 | \$98 | 55 |
| Trust Funds Total⁵: | \$1,212 | 3,036 | \$1,184 | 2,838 | \$1,255 | 2,740 |

¹ Totals may not add due to rounding.

² FTE numbers include all direct and reimbursable Superfund employees, excluding Base Realignment and Closure which is discussed below.

³ Funding for reimbursable FTE provided by the Department of Defense via an Interagency Agreement.

⁴ EPA Grants for Prevention activities are included in the FY 2012 Enacted, FY 2013 Enacted, and FY 2014 President's Budget.

⁵ Trust Funds Total includes reimbursable FTE for Base Realignment and Closure as well as other Superfund reimbursable FTE.

Superfund

In FY 2015, the President's Budget requests a total of \$1,157 million in discretionary budget authority and 2,676 FTE for Superfund. This funding level will address environmental and public health risks resulting from releases or threatened releases of hazardous substances associated with any emergency site, as well as the over 14,100 active Superfund National Priorities List (NPL) and non-NPL sites. It also provides funding to pursue responsible parties for cleanup costs, preserving federal dollars for sites where there are no viable contributing parties. As of February 2014, there are 1,694 sites on the NPL. 1,157 sites (68 percent) are construction completed or are deleted, 310 sites (18 percent) are undergoing cleanup construction, 215 sites (13 percent) are pending investigation or being investigated. The EPA will continue to give attention to all phases of the investigation and cleanup of NPL and non-NPL sites, including post-construction completion activities to ensure that Superfund response actions provide for the long-term protection of human health and the environment. A significant statutorily required post-construction activity is a Five-Year Review¹, which generally is necessary when hazardous substances

¹ Five-Year Reviews are used to evaluate the implementation and performance of all components of the implemented remedy and to determine whether the remedy remains protective of human health and the environment. The Five-Year Review includes not only the physical remedy itself, but also institutional controls necessary to manage the use of the site. The EPA develops an annual Report to Congress describing the protectiveness of

Trust Funds

remain on-site above levels that permit unrestricted use and unlimited exposure. In FY 2015, the EPA plans to conduct over 200 Five-Year Reviews.

Of the total funding requested for Superfund, \$763 million and 1,257² FTE are for Superfund cleanups which include the Superfund Remedial, Emergency Response and Removal, EPA Emergency Preparedness, and Federal Facilities programs. The Superfund program protects the American public and its resources by cleaning up sites which pose an imminent or long term risk of exposure and harm to human health and the environment. In FY 2015, the agency will continue to respond to emergency releases of hazardous substances, stabilizing sites and mitigating immediate threats to keep our communities safe and healthy. The Superfund Remedial program will continue to maintain focus on completing projects at various stages in the response process and maximizing the use of site-specific special accounts. The EPA and its partners will focus on completing construction activities at 13 site wide construction completions as well as 105 individual project completions by the end of FY 2015, while achieving human exposure and groundwater migration under control at 9 and 13 sites, respectively. This strategy will help create jobs and reduce the growth in the number of new sites that are ready to begin construction of the remedy but are waiting for funding by the end of FY 2015.

The agency works with several federal agencies that provide essential services in areas where the agency does not possess the specialized expertise. Over the last 30 years of operations, the relationship between the federal agencies for cleanup activities has become more defined and the agencies that received automatic transfers from the EPA have developed their own mission-specific funding for the purposes that the EPA had previously subsidized. In FY 2013, the agency eliminated the last remaining automatic transfers to other federal agencies, including the United States Coast Guard (USCG), the National Oceanic and Atmospheric Administration (NOAA), and the Department of the Interior (DOI). Funding for the other federal agencies may be pursued by Superfund-related support services, on an as-needed basis.

Of the total funding requested, \$171 million and 853 FTE are for Superfund enforcement-related activities. One of the Superfund program's primary goals is to have responsible parties pay for and conduct cleanups at abandoned or uncontrolled hazardous waste sites. The agency focuses on maximizing all aspects of Potentially Responsible Party (PRP) participation; including reaching a settlement with or taking an enforcement action by the time of a Remedial Action start for at least 99 percent of non-federal Superfund sites that have viable, liable parties. The agency has reached a settlement or taken an enforcement action on 100 percent of non-federal Superfund sites with viable, liable parties in FY 2013.

CERCLA authorizes the agency to retain and use funds received pursuant to an agreement with a potentially responsible party (PRP) to carry out the purpose of that agreement. The EPA retains such funds in special accounts and uses them to finance site-specific CERCLA response actions in accordance with the settlement agreement, including, but not limited to, investigations, construction and implementation of the remedy, post-construction activities, and oversight of PRPs conducting the cleanup. Through the use of special accounts, the EPA pursues its "enforcement first" policy – ensuring responsible parties pay for cleanup – so that appropriated resources from the Superfund Trust Fund are conserved for sites where no viable or liable PRPs have been identified. Because response actions may take many years and the use of special account funding is limited by the terms of the settlement agreements, the full use of special account funds may also take many years. Since the inception of special accounts through the end of FY 2013, the EPA has collected approximately \$4.1 billion from PRPs and earned approximately \$412.9 million in interest. In addition, the EPA has transferred \$23.7 million to the Superfund Trust Fund. As of the end of FY 2013, over \$2.5 billion has been disbursed to finance site response actions and approximately \$270.1 million has been obligated but not yet disbursed. The EPA has spent more than 62 percent (\$2.8 billion) of all special account funds, an increase of 4

remedies as found through Five-Year Reviews including those conducted by federal agencies and reviewed by the EPA through the Superfund Federal Facilities Response program.

² This includes 9 Superfund reimbursable FTE.

Trust Funds

percent compared from FY 2012. Both special account resources and appropriated resources are critical to the Superfund program.

The EPA's Homeland Security work is an important component of the agency's prevention, protection, and response activities. The FY 2015 President's Budget requests \$33.8 million to: maintain its capability to respond effectively to incidents that may involve harmful chemical, biological, and radiological (CBR) substances; maintain the Environmental Response Laboratory Network (ERLN); develop and maintain agency expertise and operational readiness for all phases of consequential management following a CBR incident, specifically environmental characterization, decontamination, laboratory analyses and clearance; maintain the Emergency Management Portal (EMP); and conduct CBR training for agency responders to improve CBR preparedness.

The FY 2015 President's Budget also includes resources supporting agencywide resource management and control functions. This includes essential infrastructure, contract and grant administration, financial accounting, and other fiscal operations.

In addition, the agency provides funds for Superfund program research and for auditing. The President's Budget requests \$19 million and 75 FTE to be transferred to Research and Development. Research will enable the EPA's Superfund program to accelerate scientifically defensible and cost-effective decisions for cleanup at complex contaminated Superfund sites. The Superfund research program is driven by program office needs to reduce the cost of cleaning up Superfund sites, improve the efficiency of characterizing and remediating sites, identify effective remediation technologies, and reduce the scientific uncertainties for improved decision-making at Superfund sites. The President's Budget also requests \$11 million and 59 FTE to be transferred to the Inspector General for program auditing.

There are still sites where no viable PRP has been identified and there are many activities that the EPA performs that are not otherwise reimbursed. For this reason, the FY 2015 Budget supports reinstatement of the Superfund tax. The Superfund tax on petroleum, chemical feedstock and corporate environmental income expired in 1995. Since the expiration of Superfund tax, Superfund program funding (the "Superfund appropriation") has been largely financed from General Revenue transfers to the Superfund Trust Fund, thus burdening the general public with the costs of cleaning up hazardous waste sites. Reinstating the Superfund taxes would provide a stable, dedicated source of revenue for the Superfund Trust Fund and restore the historic nexus that parties who benefit from the manufacture and sale of substances found in hazardous waste sites contribute to the cost of cleanup. The reinstated Superfund taxes are estimated to generate a revenue level of approximately \$1.8 billion beginning in January 2015 to more than \$2.9 billion annually by 2024. Total tax revenue over the period 2015 to 2024 is predicted to be \$26.1 billion. The revenues will be placed in the Superfund Trust Fund and would be available for appropriation from Congress to support the assessment and cleanup of the Nation's highest risk sites within the Superfund program.

Base Realignment and Closure Act

The FY 2015 President's Budget requests 9 reimbursable FTE to conduct the Base Realignment and Closure (BRAC) program (BRAC I-IV). The EPA's participation in the first four rounds of BRAC has been funded by an interagency agreement which expires on September 30, 2016. Since 1993, the EPA has worked with the Department of Defense (DOD) and state environmental programs to make property environmentally acceptable for transfer, while protecting human health and the environment at realigning or closing military installations. Between 1988 and 2005, over 500 major military installations representing the Army, Navy, Air Force, and Defense Logistics Agency have been slated for realignment or closure. Under the first four rounds of BRAC (BRAC I-IV), 107 of those sites were identified as requiring accelerated cleanup. The EPA provided critical environmental support to DOD and participated in the acceleration process of the first four rounds of BRAC. The accelerated cleanup process strives to make parcels available for reuse as quickly as possible, by transfer of uncontaminated or remediated parcels, lease of contaminated parcels where cleanup is underway, or "early transfer" of contaminated property undergoing cleanup. Seventy-two Federal facilities currently listed on the NPL were identified under the fifth round of BRAC (BRAC V) as closing, realigning, or gaining personnel.

Trust Funds

The FY 2015 request does not include support for BRAC-related services to DOD at BRAC V facilities. Rather, the EPA services and resources to support the BRAC V installations may be requested from DOD, on an as-needed basis.

Leaking Underground Storage Tanks

The FY 2014 President's Budget requests \$98 million and 55 FTE for the Leaking Underground Storage Tank (LUST) Trust Fund program. The agency, working with states and tribes, addresses public health and environmental threats from releases through prevention and cleanup activities. As required by law (42 U.S.C. 6991c(f)), not less than 80 percent of LUST appropriated funds will be used for reasonable costs incurred under a cooperative agreements with any state to carry out specific purposes. The EPA will continue to work with the states to achieve more cleanups, and reduce the backlog of 78,717 cleanups not yet completed. Between 1986 and 2013, the LUST program addressed 85 percent (436,406) of all reported releases. In FY 2015, working with state partners, the LUST program will strive to achieve 8,600 cleanups, a decrease relative to the FY 2013 target. The FY 2015 target reflects a recalibration based on the expiration of this funding source, as well as an overall decrease in expected cleanups due to increasing costs of cleanups, and the complexity of remaining sites to be cleaned up.

The LUST Trust Fund financing tax expired on March 30, 2012 and was extended by Public Law 112-141 through September 30, 2016. While tank owners and operators are liable for the cost of cleanups at sites for which they have responsibility, EPA and State regulatory agencies are not always able to identify responsible parties and sometimes responsible parties are no longer financially viable or have a limited ability to pay. In those cases, the cost of the cleanup is distributed among fuel users through the targeted fuel tax, which is available for appropriation from Congress to support the prevention and cleanup of sites within the LUST program. For FY 2013, the Trust Fund received more than \$185 million in tax receipts.

Acronyms

***Environmental Protection Agency
List of Acronyms***

| | |
|----------|---|
| AA | Assistant Administrator |
| ACE | Air, Climate, and Energy |
| ACE/ITDS | Automated Commercial Environment/International Trade Data System |
| ACRES | Assessment Cleanup and Redevelopment Exchange System |
| ADR | Alternative Dispute Resolution |
| AFS | Air Facility System |
| ANCR | Annual Non-Compliance Report |
| AOP | Adverse Outcome Pathway |
| ARA | Assistant Regional Administrator |
| ARRA | American Recovery and Reinvestment Act |
| ASTM | American Society for Testing and Materials |
| ATSDR | Agency for Toxic Substances and Disease Registry |
| B&F | Buildings and Facilities |
| BFRs | Brominated Flame Retardants |
| BOSC | Board of Scientific Counselors |
| BRAC | Base Realignment and Closure |
| CAA | Clean Air Act |
| CAFO | Concentrated Animal Feeding Operations |
| CAIR | Clean Air Interstate Rule |
| CAPF | Clean Air Partnership Fund |
| CARE | Community Action for a Renewed Environment |
| CBEP | Community-Based Environmental Protection |
| CBP | Customs and Border Protection |
| CBR | Chemical, Biological and Radiological |
| CCAP | Climate Change Action Plan |
| CCS | Carbon Capture and Storage |
| CCTI | Climate Change Technology Initiative |
| CEIS | Center for Environmental Information and Statistics |
| CENRS | Committee on Environment, Natural Resources, and Sustainability |
| CERCLA | Comprehensive Environmental Response, Compensation, and Liability Act |
| CERFA | Community Environmental Response Facilitation Act |
| CMAQ | Community Multiscale Air Quality |
| CMDS | Content Management and Discovery Services |
| COOP | Continuity of Operations |
| CSI | Common Sense Initiative |
| CSO | Combined Sewer Overflows |
| CWA | Clean Water Act |
| CWAP | Clean Water Action Plan |
| DASEES | Decision Analysis for a Sustainable Environment, Economy & Society |
| DBP | Disinfection Byproducts |
| DFAS | Defense Finance and Accounting System |
| DfE | Design for the Environment |
| DMR | Discharge Monitoring Reports |
| ECHO | Enforcement and Compliance History Online |
| EDSD | Endocrine Disruptor Screening Program |
| EISA | Energy Independence and Security Act of 2007 |
| EJ | Environmental Justice |
| ELP | Environmental Leadership Project |
| EMP | Emergency Management Portal |
| EN | Enacted (Budget) |
| EPAct | Energy Policy Act of 2005 |
| EPCRA | Emergency Preparedness and Community Right-to-Know Act |
| EPM | Environmental Programs and Management |

Acronyms

| | |
|--------|--|
| EPP | Environmentally Preferable Purchasing Program |
| ERRS | Emergency Rapid Response Services |
| ESC | Executive Steering Committee |
| ETI | Environmental Technology Initiative |
| ETV | Environmental Technology Verification |
| EU | European Union |
| EWDJT | Environmental Workforce Development and Job Training |
| FAN | Fixed Account Numbers |
| FASAB | Federal Accounting Standards Advisory Board |
| FCO | Funds Certifying Officer |
| FFDCA | Federal Food, Drug, and Cosmetic Act |
| FIFRA | Federal Insecticide, Fungicide and Rodenticide Act |
| FLC | Federal Leadership Committee |
| FMFIA | Federal Managers' Financial Integrity Act |
| FQPA | Food Quality Protection Act |
| FSMA | Food Safety Modernization Act |
| FSMP | Financial System Modernization Project |
| FTE | Full-Time Equivalent |
| GAPG | General Assistance Program Grants |
| GHG | Greenhouse Gas |
| GHGRP | Greenhouse Gas Reporting Program |
| GPRA | Government Performance and Results Act |
| GSN | Green Suppliers Network |
| HPPG | High Priority Performance Goals |
| HPV | High Production Volume |
| HS | Homeland Security |
| HSWA | Hazardous and Solid Waste Amendments of 1984 |
| HWIR | Hazardous Waste Identification Media and Process Rules |
| IAG | Interagency Agreements |
| ICR | Information Collection Rule |
| IFMS | Integrated Financial Management System |
| IPCC | Intergovernmental Panel on Climate Change |
| IPM | Integrated Pest Management |
| IRM | Information Resource Management |
| ISA | Integrated Science Assessments |
| ISTEA | Intermodal Surface Transportation Efficiency Act |
| ITMRA | Information Technology Management Reform Act of 1995-AKA Clinger/Cohen Act |
| LUST | Leaking Underground Storage Tanks |
| M&O | Management and Oversight |
| MARL | Microarray Research Laboratory |
| MACT | Maximum Achievable Control Technology |
| MTM | Mountaintop Mining |
| NAAQs | National Ambient Air Quality Standards |
| NAFTA | North American Free Trade Agreement |
| NAPA | National Academy of Public Administration |
| NAS | National Academy of Sciences |
| NATA | National-Scale Air Toxics Assessment |
| NCDC | National Clean Diesel Campaign |
| NEA | Nuclear Energy Agency |
| NDPD | National Data Processing Division |
| NEP | National Estuary Program |
| NEPPS | National Environmental Performance Partnership System |
| NESCA | National Enforcement Strategy for Corrective Action |
| NESHAP | National Emissions Standards for Hazardous Air Pollutants |
| NIPP | National Infrastructure Protection Plan |
| NLIC | National Lead Information Center |
| NOA | New Obligation Authority |

Acronyms

| | |
|--------|---|
| NPDES | National Pollutant Discharge Elimination System |
| NPDWRs | National Primary Drinking Water Regulations |
| NPL | National Priority List |
| NPM | National Program Manager |
| NPR | National Performance Review |
| NPS | Nonpoint Source |
| NPSR | National Pesticide Standard Repository |
| NRCS | Natural Resource Conservation Service |
| NROC | Northeast Regional Ocean Council |
| NRT | National Response Team |
| NVFEL | National Vehicle and Fuel Emissions Laboratory |
| OA | Office of the Administrator |
| OAM | Office of Acquisition Management |
| OAR | Office of Air and Radiation |
| OARM | Office of Administration and Resources Management |
| OCFO | Office of the Chief Financial Officer |
| OCHP | Office of Children's Health Protection |
| OECA | Office of Enforcement and Compliance Assurance |
| OEI | Office of Environmental Information |
| OERR | Office of Emergency and Remedial Response |
| OFA | Other Federal Agencies |
| OFPP | Office of Federal Procurement Policy |
| OGC | Office of General Counsel |
| OIG | Office of Inspector General |
| OMTR | Open Market Trading Rule |
| OPAA | Office of Planning, Analysis and Accountability |
| ORD | Office of Research and Development |
| OSWER | Office of Solid Waste and Emergency Response |
| OTAG | Ozone Transport Advisory Group |
| OW | Office of Water |
| PB | President's Budget |
| PBTs | Persistent Bioaccumulative Toxics |
| PC&B | Personnel, Compensation and Benefits |
| PHEV | Plug-in Hybrid Electric Vehicles |
| PIP | Plant-incorporated Protectants |
| PM | Particulate Matter |
| PNGV | Partnership for a New Generation of Vehicles |
| POTWs | Publicly Owned Treatment Works |
| PPG | Performance Partnership Grants |
| PPIN | Pollution Prevention Information Network |
| PPRTV | Provisional Peer Reviewed Toxicity Values |
| PRC | Program Results Code |
| PRIA | Pesticide Registration Improvement Act |
| PRIRA | Pesticide Registration Improvement Renewal Act |
| PWSS | Public Water System Supervision |
| RC | Responsibility Center |
| RCRA | Resource Conservation and Recovery Act of 1976 |
| RGI | Regional Geographic Initiative |
| RLF | Revolving Loan Fund |
| RMP | Risk Management Plan |
| ROE | Report on the Environment |
| RPIO | Responsible Planning Implementation Office |
| RR | Reprogramming Request |
| RRP | Renovation, Repair and Painting |
| RWTA | Rural Water Technical Assistance |
| S&T | Science and Technology |
| SALC | Sub-allocation (level) |

Acronyms

| | |
|--------------|--|
| SAP | Science Advisory Panel |
| SAB | Science Advisory Board |
| SARA | Superfund Amendments and Reauthorization Act of 1986 |
| SBO | Senior Budget Officer |
| SBLRBRA | Small Business Liability Relief and Brownfields Revitalization Act |
| SBREFA | Small Business Regulatory Enforcement Fairness Act |
| SDWA | Safe Drinking Water Act |
| SDWIS | Safe Drinking Water Information System |
| SHC | Sustainable and Healthy Communities |
| SIRG | State Indoor Radon Grants |
| SITE | Superfund Innovative Technology Evaluation |
| SLC | Senior Leadership Council |
| SNEE | Southern New England Estuaries |
| SRF | State Revolving Fund |
| SRO | Senior Resource Official |
| STAG | State and Tribal Assistance Grants |
| STAR METRICS | Science and Technology in America's Reinvestment-Measuring Effects of Research on Innovation, Competitiveness, and Science |
| STORS | Sludge-to-Oil-Reactor System |
| SWP | Source Water Protection |
| SWTR | Surface Water Treatment Rule |
| TIM | Technology Infrastructure Modernization |
| TMDL | Total Maximum Daily Load |
| TRI | Toxic Release Inventory |
| TRIO | Taskforce on Research to Inform and Optimize |
| TSCA | Toxic Substances Control Act |
| TSD | Treatment, Storage and Disposal |
| UIC | Underground Injection Control |
| UST | Underground Storage Tanks |
| WCF | Working Capital Fund |
| WIF | Water Infrastructure Funds |
| WIPP | Waste Isolation Pilot Project |
| WSI | Water Security Initiative |
| WHO | World Health Organization |
| WTO | World Trade Organization |



United States Environmental Protection Agency
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