

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

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Good morning Chairman Gibbs, Ranking Member Napolitano, and Members of the Subcommittee. I am Mathy Stanislaus, Assistant Administrator for the U.S. Environmental Protection Agency's (EPA) Office of Solid Waste and Emergency Response (OSWER). Thank you for the opportunity to appear today to discuss the proposed FY 2016 budget for OSWER programs falling under the Subcommittee's jurisdiction.

EPA works with states, tribes, local communities, and other federal agencies to protect public health and the environment. EPA's land cleanup programs track more than 541,000 sites, almost 23 million acres. Based on our analysis of EPA program and U.S. census data, approximately 156 million people live within 3 miles of a Superfund, Brownfields, or Corrective Action site that received EPA funding - that is 51 percent of the U.S. population. EPA found that the population living within 3 miles of these sites is more likely to be minority, low income, and linguistically isolated, and less likely to have a high school education than the U.S. population as whole.

To help clean up our communities, the President's budget request is proposing investments that clean up contamination and promote economic development and job creation. The Fiscal Year 2016 Budget proposes \$187.5 million for OSWER's Brownfields program which represents a nearly \$36 million

increase from FY 2015 enacted levels to support state and tribal cleanup programs and to support planning, cleanup, job training, and redevelopment of brownfields properties, especially in underserved and disadvantaged communities. Included within this request are the following categories: (1) \$49.5 million in categorical grants awarded directly to the states, tribes, and territories to support their own response programs; (2) \$110 million for the brownfields projects account supporting competitive grant competitions including; assessment, revolving loan funds, cleanup, area-wide planning, and environmental workforce and job training grants; and (3) \$28 million in other technical assistance, program operations, and sustainable development through OSWER's Environmental Programs and Management (EPM) account.

The EPA's Brownfields program uses its funding to successfully leverage economic investment. On average, nearly \$18 is leveraged in private and public funding for every EPA dollar expended. More than 104,000 jobs have been leveraged and \$22.1 billion in cleanup and redevelopment leveraged through brownfields project funding since the inception of the Brownfields program. In FY 2016, Brownfields program grantees are projected to assess more than 1,300 properties, clean up more than 120 properties, help create at least 5,000 cleanup and redevelopment jobs, and leverage more than \$1.1 billion in cleanup and redevelopment funding. The assessment and cleanup of brownfields properties is essential to community revitalization in economically disadvantaged urban and rural areas. In FY 2014 nearly 55% of the EPA assessment, revolving loan, and cleanup grant (ARC) funding was allocated to small and mid-size communities of 100,000 population or less and of that funding, approximately 25% went to smaller communities of 20,000 population or less.

Examples of brownfields development and reuse include the 54-acre site located on East Xenia Drive in Fairborn, Ohio, which formerly produced cement, an ingredient that was critical to building infrastructure in the region. Today, the property has been reborn as a training venue for emergency first

responders. Funding for site remediation came from an EPA \$200,000 Brownfield Cleanup grant, \$1 million from Wright State University, and \$2.8 million from the Clean Ohio Fund. The cleanup process took about 2 years to complete. Some of the old buildings were demolished and asbestos was removed from inside and outside the remaining buildings. Today, the property is the home office for the National Center for Medical Readiness, along with a tactical training facility. The facility is the first-ever research and training facility focused on the medicine of emergency disaster response.

Another example of beneficial reuse is a former elevated freight railway track in New York City. New York's High Line was made possible in part by the EPA's \$200,000 Brownfields Cleanup Grant to the City of New York. Since opening in 2009, the High Line has become New York City's second most visited cultural venue, attracting some four million visitors a year. The EPA's \$200,000 Brownfields Cleanup grant funded the remediation of contaminants along the right-of-way, particularly lead paint, associated with the High Line's former use as a rail viaduct. The High Line landscape functions essentially like a green roof; porous pathways contain open joints, so water can drain between planks and water adjacent planting beds, reducing the amount of storm-water than runs off the site into the sewer system. The \$200,000 Brownfields Cleanup grant to the City of New York helped leverage 29 Cleanup jobs and \$47,567,000 in total leveraged funding.

A further example of development and reuse is the Lincoln Apartments that are the first permanent supportive housing for homeless veterans in Indianapolis, Indiana. Located on the site of a former iron foundry property remediated by the City, the fully furnished apartments will serve 75 formerly homeless veterans. The City of Indianapolis donated the land for this project after addressing environmental problems by utilizing grants from the EPA, the U.S. Department of Housing and Urban Development (HUD) and the State's brownfield program. The development was further supported through a public

and private partnership including the Indiana Housing and Community Development Authority and Great Lakes Capital Fund.

The Brownfields program also provides funds for environmental workforce development and job training. Through a recent grant awarded to the Fortune Society in Queens, New York, 85 unemployed individuals completed training, and of those, 83 were placed in full-time employment in the environmental field. The EPA grant funding to the Fortune Society has helped support the placement of trained workers for brownfields assessment and cleanup, leaking underground storage tank removal, stormwater management, Hurricane Sandy response and cleanup, solar installation, and Superfund site cleanup within the Greater New York Metropolitan Area.

Other grants awarded throughout the country include a grant to Northern Arizona University to facilitate the hiring of unemployed Navajo residents with employment in uranium mine tailing cleanup; a grant to Mott Community College in Flint, Michigan to facilitate hiring of graduates to clean up hazardous waste at a former auto manufacturing plant; a grant to Florida State College at Jacksonville where graduates were ultimately employed in the response and cleanup of the BP Oil Spill; and a grant to Northwest Regional Workforce Investment Board in Waterbury, Connecticut which is placing local, unemployed residents at brownfields cleanup projects, including abandoned textile mills. Since 1998, more than 13,700 unemployed and severely under-employed, predominantly low-income individuals from brownfields-affected communities, have been trained through the Environmental Workforce Development and Job Training program, and of those, more than 9,900 have been placed in full-time employment within the environmental field and brownfields revitalization activities, equating to a cumulative 72% placement rate and an average hourly starting wage of \$14.17.

Our program also supports Brownfields Area-Wide Planning grants to encourage community-based involvement in brownfields reuse planning and neighborhood revitalization. Using a brownfields area-wide planning approach, a community identifies a specific project area that is affected by a single large or multiple brownfield site(s), and then works with residents and other stakeholders to develop reuse plans and identify opportunities for implementation funding for catalyst, high priority brownfield sites and the surrounding areas. By focusing on economically disadvantaged communities suffering from economic disinvestment, brownfields properties can be cleaned up and redeveloped to help meet the needs for jobs, housing, and infrastructure investments that would help rebuild and revitalize these communities as a whole, as well as identify opportunities to leverage additional public and private investment.

Beginning with a pilot program in FY 2010, the EPA has awarded funding for 43 projects across the country. The EPA continues to support the 23 pilot communities and grantees from 2010 as they seek resources and leverage funds for plan implementation. On Monday, March 9, 2015, we were pleased to announce the selection of 20 new brownfields area-wide planning projects. More than \$418 million in federal, state, local, and private investments have been leveraged from the initial 23 Brownfields Area-Wide Planning grantees to help clean, redevelop, and revitalize community brownfields project areas.

The EPA's Targeted Brownfields Assessment program is designed to help states, tribes, and municipalities, particularly those without EPA Brownfields Assessment Grants, minimize the uncertainties of contamination often associated with brownfields. Targeted Brownfields Assessments supplement and work with other efforts under EPA's Brownfields Program to promote the cleanup and redevelopment of brownfields. The EPA will continue to recognize that the nation's wide-ranging small and rural areas can benefit from brownfields funding and technical assistance by emphasizing these

areas through Targeted Brownfields Assessments. The EPA will also provide funding for assessment and cleanup of underground storage tanks and other types of petroleum contamination on brownfields sites.

The FY 2016 budget also requests \$1.154 billion for Superfund cleanup efforts across the country, which represents a \$65 million increase from FY 2015 enacted levels. The majority of this increase will support the Superfund Removal, Federal Facilities and Remedial programs. A \$9.4 million dollar increase to the Superfund Removal program will enable the agency to quickly respond to multiple emergencies and to assist with more resource intensive cleanup actions. Increases totaling \$43.7 million to the Superfund Remedial program and our Federal Facilities program will allow the EPA to address the impact of prior year budget reductions. Specifically, the Superfund Remedial increase will enable the agency to begin up to 10 new EPA-lead construction project starts in FY 2016. The EPA will continue its effort to balance the Superfund Remedial pipeline with ongoing projects and new construction starts.

We will continue to respond to environmental emergencies, clean up the nation's most contaminated hazardous waste sites, and maximize the participation of liable and viable responsible parties in performing and paying for cleanups. We are committed to continuing the Superfund program's success in protecting human health and the environment and providing local communities opportunities for economic development by cleaning up our nation's worst hazardous waste sites.

Superfund cleanups help produce demonstrable health benefits. Blood lead monitoring at five Superfund sites (Bunker Hill, Idaho, Joplin, Missouri, Tar Creek, Oklahoma, Omaha, Nebraska, and

Midvale Slag, Utah) have shown a reduction in the average blood lead levels in children following Superfund cleanup and environmental education efforts.

Recent academic research, from the study¹ Superfund Cleanups and Infant Health, demonstrated that investment in Superfund cleanups reduces the incidence of birth defects for those living within 5,000 meters (or 5,468 yards) of a site. Another academic study² found that residential property values within three miles of Superfund sites increased 18 to 24 percent when sites were cleaned up and deleted from the National Priorities List. As of the end of fiscal year 2014, 450 of the 850 sites where some type of reuse is occurring indicate that the ongoing operations of approximately 3,470 businesses are generating annual sales of more than \$65.1 billion and employing more than 89,000 people, who are earning a combined income of \$6.0 billion.

The Universal Oil Products (Chemical Division) Superfund site in East Rutherford, New Jersey, is an example of how cleanup can lead to beneficial use of a Superfund site. The 75-acre site is a former chemical and solvent recovery facility that now supports several shopping areas and a rail line extension. The rail extension, known as the Sports Line, connects the commuter rail line on site with nearby MetLife Stadium, home of the New York Giants and New York Jets and site of the 2014 Super Bowl. Collaboration among EPA; state agencies, including the state transit authority; the site's potentially responsible party, Honeywell International, and local developers have made the site's cleanup and reuse possible.

¹ Currie, Janet, Michael Greenstone, and Enrico Moretti. 2012. "Superfund Cleanups and Infant Health." *American Economic Review*, 101(3):435-441

² Gamper-Rabindran, Shanti and Christopher Timmins. 2013. "Does cleanup of hazardous waste sites raise housing values? Evidence of spatially localized benefits," *Journal of Environmental Economics and Management* 65(3): 345360, <http://dx.doi.org/10.1016/j.jeem.2012.12.001>.

Another example of cleanup and beneficial use is the Sullivan's Ledge Superfund site in New Bedford, Massachusetts, which now supports 13 acres of restored wetlands providing habitat for many wildlife species, including the great blue heron, great egret, red-tail hawk and spotted turtle. In addition, EPA approved the installation of a 1.75-megawatt solar project on the site. Over the course of 20 years, New Bedford will accrue about \$2.7 million in energy savings through the purchase of solar net metering credits. The 10-acre system includes more than 5,000 solar panels and recently received a Solar Energy Industries Association and Solar Electric Power Association Project of Distinction Award.

Improper on-site waste handling practices at the 120-acre Reilly Tar & Chemical Corp. Superfund site in Indianapolis, Indiana, led to groundwater and soil contamination. In February 2014, a 10.8 megawatt solar energy generation facility began operations at the site. The facility operator estimates that the facility produces enough electricity to help reduce carbon dioxide equivalent emissions by 13,235 metric tons per year – equal to the amount of annual carbon produced for energy use in more than 1,800 residential homes. The total cost of the project was about \$30 million. Of that amount, about \$4 to \$6 million was invested in the local economy in the form of labor, construction costs and materials. The project created approximately 75 to 100 jobs during construction and will continue to have a positive impact on the economy through ongoing contracts for equipment and labor with local firms.

In addition, the cleanup of the Southside Sanitary Landfill in Indianapolis, Indiana, has been so successful that a beneficial use includes fieldtrips from local schools as part of their science and civics curriculum in order to see firsthand the three “Rs”; Reduce, Reuse and Recycle. The landfill now provides alternative energy production and green space for the community in addition to an operating landfill. Crossroads Greenhouses, one of the largest methane-powered greenhouses in the United States, has pulled more the 2.2 million cubic feet of methane gas each day from the site since 1998. The nearby

Rolls Royce Allison Aircraft Engine Plant has used methane gas from the site's landfill since 1998 and in 1999, a public nine-hole golf course opened on the site.

The budget request will also help support the cleanup and beneficial use of federal facility sites through EPA's Superfund program oversight role. The Superfund budget for federal facility oversight has been particularly challenged with significant decreases in funding. In both FY 2014 and FY 2015 the enacted budgets were respectively 21% and 15% lower than the President's budget requests. These budget reductions have occurred at a time when significant, complex, work remains to be addressed at federal facility sites such as munitions, groundwater, and radiological waste cleanup. The FY 2016 budget request includes a \$3.9 million dollar increase to meet EPA's current NPL site oversight obligations. The budget request also includes \$1.2 million dollars specifically to support EPA technical assistance to other Federal Agencies and States at non-NPL sites.

In fiscal year 2016, the EPA will continue to place a priority on achieving its goals for two key environmental indicators, Human Exposures Under Control (HEUC) and Groundwater Migration Under Control (GMUC). While continuing to rely on the agency's Enforcement First approach to encourage PRPs to conduct and/or pay for cleanups, the Superfund Remedial program will focus on completing ongoing projects and maximizing the use of site-specific special account resources.

In this regard, the EPA has successfully leveraged scarce appropriated funding through the use of responsible party settlements to establish site-specific special accounts. Through the end of fiscal year 2014, the EPA had collected approximately \$5.0 billion (including interest) in more than 1,200 site-specific special accounts. Of this amount, the EPA has disbursed or obligated more than \$3.0 billion for site response actions and developed multi-year plans for nearly 100 percent of the remaining funds in

special accounts available to fund response actions. In total, through fiscal year 2014, the EPA has secured more than \$39 billion in responsible party commitments for site cleanup and reimbursement of past costs. Of this amount, more than \$33 billion is from settlements for cleanup and approximately \$6 billion is from settlements for cost recovery.

The EPA will continue to efficiently utilize every dollar and resource available to clean up contaminated sites and to protect human health and the environment. In FY 2014, the EPA obligated approximately \$367 million for Superfund Remedial cleanup activities, including funding from the Superfund appropriation, state cost-sharing funding, and potentially responsible party settlement funding for Superfund construction and post-construction projects. The agency will also continue to emphasize cleaning up sites to support site reuse, which reflects the high priority that the EPA places on land revitalization as we protect human health and the environment. In addition, the Superfund Remedial program will continue to conduct optimization activities at all stages of site cleanup. Finally, the EPA will continue to implement the technical and program management improvements recommended in the Superfund Program Review (a comprehensive review of the Remedial program's operations which builds on concepts from the EPA's Integrated Cleanup Initiative) so they are incorporated into the normal business practices of the Superfund program.

The Superfund removal and emergency response program conducted or provided oversight for more than 300 EPA-lead and responsible party removal cleanup actions in FY 2014. Each year, on average, more than 30,000 emergencies are reported in the U.S. Over the past six years, EPA on average, has performed or provided oversight on more than 360 responses a year. The EPA's emergency response program will continue to maintain capability to respond to imminent threats to human health, including incidents of national significance. The EPA is the lead federal agency under the National Response

Framework for Emergency Support Function (ESF) 10, which addresses the response to discharges or uncontrolled releases of oil and hazardous materials.

The EPA's Oil Spill program is designed to protect inland waterways through oil spill prevention, preparedness, and enforcement activities associated with the more than 600,000 non-transportation related oil storage facilities that the EPA regulates. Recognizing the importance that this sector has both to our economy and to our environment, the FY 2016 Budget requests a \$4.1 million increase for OSWER's oil spill program which will fund efforts to broaden and expand prevention and preparedness activities, particularly with respect to the inspection of high risk facilities. Approximately 20,000 oil spills are reported each year to the federal government. The severity of these spill reports varies, and the EPA evaluates as many as 13,000 spills to determine if its assistance is required. On average, one spill of greater than 100,000 gallons occurs every month from EPA-regulated oil storage facilities and the inland oil transportation network. The EPA works closely with the U.S. Coast Guard and generally either manages the oil spill response or oversees response efforts of private parties at approximately 250 to 300 sites per year. The FY 2016 Budget request for OSWER's oil spill prevention, preparedness, and response program is \$18.5 million with a total agency oil spill appropriation request of \$23.4 million which includes funding for oil spill research and enforcement efforts.

The President's FY 2016 EPA budget request maintains the commitment to protect human health and the environment, while promoting economic development and job creation, and making a visible difference in communities throughout the country.