



**United States
Environmental Protection Agency**

FISCAL YEAR 2020

**Justification of Appropriation
Estimates for the Committee
on Appropriations**

Tab 00: Introduction

EPA's Mission

The mission of the Environmental Protection Agency (EPA) is to protect human health and the environment. This mission resonates with all Americans; we can all agree that we want a clean, healthy environment that supports a thriving economy. The Agency works to ensure future generations will inherit a better and healthier environment. In carrying out its mission, EPA works to ensure that all Americans are protected from exposure to hazardous environmental risks where they live, learn, work, and enjoy their lives. The Agency guides national efforts to reduce environmental and human health risks, based upon on-going research and scientific analysis.

EPA's FY 2020 Budget provides core environmental protections with respect to statutory and regulatory obligations. This budget provides the direction and resources to return EPA to its core mission of protecting human health and the environment. This can be accomplished by engaging with state, local, and tribal partners to create and implement sensible regulations that also work to enhance economic growth.

This strategy will be realized through the three strategic goals that guide EPA's approach to protect human health and the environment:

- **Goal 1 – Core Mission:** Deliver real results to provide Americans with clean air, land, and water, and ensure chemical safety.
- **Goal 2 – Cooperative Federalism:** Rebalance the power between Washington and the states to create tangible environmental results for the American people.
- **Goal 3 – Rule of Law and Process:** Administer the law, as Congress intended, to refocus the Agency on its statutory obligations under the law.

Environmental stewardship that supports a growing economy is essential to the American way of life and key to economic success and competitiveness. Regulations and policies will incorporate robust input from the public through formal and informal mechanisms to ensure fuller understanding of the impacts on public health, the environment, the economy, jobs, families, and our communities.

EPA is proud to be a good steward of taxpayer resources and to deliver environmental protection efficiently. To learn more about how the Agency accomplishes its mission, including information on the organizational structure, please visit: <http://www.epa.gov/aboutepa/>.

FY 2020 Annual Performance Plan

EPA's FY 2020 Annual Performance Plan and Budget¹ of \$6.068 billion represents a \$2.76 billion, or 31 percent reduction from the Agency's FY 2019 Annualized Continuing Resolution (ACR) level. This resource level, including the Agency's requested 12,414.6 FTE, will enable EPA to support our highest priorities and fulfill our critical mission for the American people.

¹ The Budget includes a \$227 million cancellation of funds.

A major component of the FY 2020 Budget request is funding for infrastructure, including drinking water and clean water infrastructure, as well as for Brownfields and Superfund projects. Critical new grant programs are requested in FY 2020 to ensure the environmental safety of children in schools, and for work in maintaining essential water infrastructure for the American people. The Budget includes \$83 million and 19.6 FTE for new grant programs to begin implementing the recently enacted America's Water Infrastructure Act of 2018 (AWIA). The Budget also proposes a new \$50 million Healthy Schools Grant Program to target resources towards identifying, assessing and resolving environmental hazards in our Nation's schools. Ensuring the most vulnerable among us, especially children, are protected is a top priority of the Agency.

Acknowledging that environmental protection is a shared responsibility, funds are provided to our state and tribal partners through categorical grant programs. EPA recognizes states require flexibility in addressing their unique environmental priorities, and the Budget includes funding for Multipurpose Grants to enable states to implement core mission work in a flexible manner. This Budget also provides essential resources to equip EPA in delivering vital emergency response services in environmental disasters that no one state can handle alone.

The EPA is focused on providing certainty to the American people and our co-regulators. EPA will prioritize certainty in three primary areas: certainty to the states and local governments, including tribes; certainty within EPA programs, such as permitting and enforcement actions; and certainty in risk communication. Risk communication goes to the heart of EPA's mission and the Agency must speak with one voice when explaining to the American people the environmental and health risks they face in their daily lives. EPA's efforts are guided by scientific data, tools, and research that alert the American people to emerging issues and inform decisions on managing materials and addressing contaminated properties.

A priority area for EPA is to create consistency and certainty for the regulated community and to remove unnecessary or redundant regulations. Removing unnecessary regulatory burdens allows the EPA to be a catalyst for economic growth while strengthening our focus on protecting human health and the environment. This Budget supports implementation of Executive Order 13783, Promoting Energy Independence and Economic Growth, which directs all agencies to identify and propose measures to suspend, revise or rescind regulatory barriers that impede progress towards energy independence.

The FY 2020 Budget highlights actions that will enable EPA to reduce costs and effectively utilize limited resources. The Agency will work across all our programs to unite varied interests and stakeholders to focus attention and leverage federal, state, local, and non-governmental resources in a coordinated effort to address the Nation's greatest environmental and human health challenges.

FY 2018-2019 Agency Priority Goals

The budget highlights EPA's six FY 2018-2019 Agency Priority Goals² (APGs) that advance EPA priorities and the *FY 2018-2022 EPA Strategic Plan*.

Improve air quality by implementing pollution control measures to reduce the number of non-attainment areas. By September 30, 2019, EPA, in close collaboration with states, will reduce the number of nonattainment areas to 138 from a baseline of 166.

Empower communities to leverage EPA water infrastructure investments. By September 30, 2019, EPA will increase by \$16 billion the non-federal dollars leveraged by EPA water infrastructure finance programs (Clean Water and Drinking Water State Revolving Funds and the Water Infrastructure Finance and Innovation Act program).

Accelerate the pace of cleanups and return sites to beneficial use in their communities. By September 30, 2019, EPA will make an additional 102 Superfund sites and 1,368 Brownfields sites ready for anticipated use (RAU).

Meet new statutory requirements to improve the safety of chemicals in commerce. By September 30, 2019, EPA will complete in accordance with statutory timelines (excluding statutorily-allowable extensions): 100% of required EPA-initiated Toxic Substances Control Act (TSCA) risk evaluations for existing chemicals; 100% of required TSCA risk management actions for existing chemicals; and 80% of TSCA pre-manufacture notice final determinations.

Increase environmental law compliance rate. Through September 30, 2019, EPA will increase compliance by reducing the percentage of Clean Water Act (CWA) National Pollutant Discharge Elimination System (NPDES) permittees in significant noncompliance with their permit limits to 21% from a baseline of 24%.³

Accelerate permitting-related decisions. By September 30, 2019, EPA will reduce by 50% the number of permitting-related decisions that exceed six months.

FY 2020 Funding Priorities

Infrastructure

The infrastructure of the Nation is not limited to roads and bridges. The infrastructure needs of our communities are broader and include making improvements to drinking water and wastewater infrastructure as well as cleaning up contaminated land. In FY 2020, EPA will focus on making infrastructure and public health protection investments in communities by working with and through our state and tribal partners.

² Agency Priority Goals reflect the top two-year priorities that the Agency will implement to advance progress towards the three strategic goals.

³ EPA is updating the baseline and related targets due to the discovery of facilities erroneously included in the universe of regulated entities counted in the denominator. The Agency will update the APG baseline and targets in FY 2019 based on these revisions.

A priority for the Agency is modernizing the aging water infrastructure on which the American public depends every day. This Budget supports the President's commitment to infrastructure repair and replacement and would allow states, municipalities, and private entities to finance high-priority infrastructure investments. The FY 2020 Budget includes \$1.98 billion for the State Revolving Funds (SRF), \$83 million to begin implementation of the new America's Water Infrastructure Act of 2018 (AWIA) legislation, and \$25 million for the Water Infrastructure Finance and Innovation Act (WIFIA) program.

The SRF funding directly supports infrastructure repair and replacement and would allow states, municipalities, and private entities to continue to finance high-priority infrastructure investments that protect human health. These resources additionally help to bring national, state and local water systems into compliance with environmental rules and regulations. SRF resources also provide critical funding to help replace lead pipes that may leach lead into the Nation's drinking water supply.

Clean and safe drinking water is critical to the health of communities across the Nation. While most systems consistently provide safe and reliable drinking water, many small systems face challenges with aging infrastructure, increasing costs and decreasing rates bases. To address the needs of a more robust water infrastructure framework, President Trump signed the bipartisan AWIA legislation on October 23, 2018. AWIA strengthens EPA's ability to invest in water infrastructure in communities in every state, so that all Americans can continue to have access to safe drinking water and our Nation's waterways can remain clean and free from pollution. The Budget includes five new programs to support the AWIA legislation, including: Drinking Fountain Lead Testing, Drinking Water Infrastructure Resilience, Sewer Overflow Control Grants, Technical Assistance for Treatment Works, and Water Infrastructure and Workforce Investment. These programs will enable EPA to begin implementing the new law passed by Congress.

With \$25 million in FY 2020 WIFIA appropriations, EPA could potentially provide over \$2 billion in credit assistance, which, when combined with other funding sources, could spur over an estimated \$4 billion in total infrastructure investment.⁴ The WIFIA program is designed to offer credit assistance with flexible terms in order to attract private participation, encourage new revenue streams for infrastructure investment, and allow increased overall infrastructure investment. This makes the WIFIA program's credit assistance a powerful tool to help address a variety of existing and new water infrastructure needs.

Given that EPA's infrastructure investments are catalysts for economic growth and environmental protection in communities across America, the Agency will continue to support private and public investment in economic revitalization that improves environmental outcomes across the country. EPA will identify opportunities to link infrastructure and community assistance program resources to spur similar, non-Agency investments with the goal of enhancing the collective impact those resource have in communities. Through the combined work of the SRFs, AWIA, and WIFIA, EPA will ensure that it is serving disadvantaged communities, leveraging private investment to improve the economy, and protecting human health and the environment.

⁴ This approximation is based on notional calculations. Subsidy cost is determined on a loan-by-loan basis.

Improving Air Quality

In FY 2020, the EPA will continue to advance activities in support of the National Ambient Air Quality Standards (NAAQS) and implementation of stationary source regulations to support state, local, and tribal air quality programs. The Agency will continue its Clean Air Act (CAA) mandated responsibilities to administer the NAAQS and will provide a variety of technical assistance, training, and information to support state clean air plans. EPA will continue to prioritize statutorily mandated responsibilities and court-ordered actions. A focus will continue to be placed on states achieving attainment, with an emphasis on improved processes for State Implementation Plans (SIPS) and implementation options. EPA will continue to conduct periodic “technology reviews” and conduct risk assessments to determine whether Maximum Achievable Control Technology based National Emission Standards for Hazardous Air Pollutants (MACT-based NESHAP) appropriately protect public health.

In FY 2020, the Federal Vehicle and Fuels Standards and Certification program will focus its efforts on certification decisions, which directly support environmental protection and commerce. The Agency will perform its compliance oversight functions on priority areas, where there is evidence to suggest noncompliance, and conduct testing activities for pre-certification confirmatory testing for emissions and fuel economy for passenger cars.

The Budget includes a proposal to authorize EPA to establish user fees for entities that participate in the Energy Star program. By administering the Energy Star program through the collection of user fees, EPA would continue to provide a trusted resource for state and local governments, consumers, businesses, and other interested parties to save money and help protect the environment.

Air monitoring, which provides information to states used to develop clean air plans, for research, and for the public, will continue to be a focus of the Agency. In FY 2020, EPA will provide grants to state, local, and tribal air pollution control agencies to manage and implement their air quality programs. We will work with our state and tribal partners to approve their implementation plans for attaining air quality standards to reduce contaminants that cause or exacerbate health issues.

Clean and Safe Water

EPA will continue to provide scientific water quality criteria information, review and approve state water quality standards, and review and approve state lists of impaired waters. In FY 2020, the Agency will continue to work with states and other partners on Total Maximum Daily Loads (TMDLs) as required by the Clean Water Act, as well as on waterbody restoration plans for listed impaired waterbodies. The EPA also will continue to implement and support core water quality programs that control point-source discharges through permitting and pre-treatment programs.

EPA will continue to partner with states, drinking water utilities, and other stakeholders to identify and address current and potential sources of drinking water contamination. These efforts are integral to sustainable infrastructure efforts, as source water protection can reduce the need for additional drinking water treatment and the associated costs. On February 14, 2019, EPA announced a new Per- and Polyfluoroalkyl Substances (PFAS) Action Plan to help states and local

communities address PFAS and protect our nation’s drinking water. In FY 2020, the Agency will continue to emphasize efforts on small and rural community water systems. EPA will coordinate and support the protection of the Nation’s critical water infrastructure from terrorist threats and all-hazard events through ongoing Homeland Security programs.

Revitalizing Land

The cleanup and reuse of contaminated lands often can play an important role in economically revitalizing a community. EPA’s cleanup programs, including Superfund and Brownfields, protect human health and the environment and return sites to productive use, which is important to the economic wellbeing of communities. Working collaboratively with partners across the country, EPA engages with communities in site cleanup decisions, fosters employment opportunities in communities during and after remedy construction, promotes the redevelopment of blighted areas, and protects human health and the environment.

The FY 2020 Budget includes \$1.056 billion to revitalize land and prevent future contamination. In FY 2020, emphasis will be placed on the Agency’s top priority list of Superfund sites.⁵ These sites are targeted for immediate and intensive action to accelerate cleanup and promote site reuse, while addressing risks to human health and the environment. The Agency will accelerate cleanup by re-prioritizing some resources to focus on remedial actions, construction completions, ready-for-anticipated use determinations, and National Priorities List (NPL) site deletions. Further, the Agency will focus efforts to clean up and propel development at Superfund sites that offer the greatest expected redevelopment and commercial potential, as outlined in the recently released Superfund Redevelopment Focus List⁶, and will promote additional private investment in cleanup activities as recommended by the Superfund Task Force⁷.

EPA also will invest in communities through Brownfields grants so they can realize their visions for environmental health, economic growth, and job creation. As of November 2018, grants awarded by the program have led to over 77,000 acres of idle land made ready for productive use, with over 141,300 jobs created and \$26.8 billion leveraged. In FY 2020 alone, Brownfields program activities will leverage approximately 5,500 more jobs and \$1 billion in other funding sources.

Ensuring the Safety of Chemicals

In FY 2020 resources will support the Agency’s significant continuing and new responsibilities under the Toxic Substances Control Act (TSCA) for ensuring that new and existing chemicals are evaluated in a timely manner and that any unreasonable risks are addressed. EPA will focus on meeting its statutory requirements and mandatory deadlines under TSCA and ensuring reviews are efficient, effective, and transparent to stakeholders.

For chemicals in commerce, EPA will maintain an ambitious schedule for initiating and completing chemical risk evaluations and, where risks are identified, for initiating and completing

⁵ <https://www.epa.gov/superfund/superfund-sites-targeted-immediate-intense-action>

⁶ <https://www.epa.gov/superfund-redevelopment-initiative/superfund-redevelopment-focus-list>

⁷ <https://semsub.epa.gov/work/HQ/197209.pdf>

regulatory actions to address those risks. EPA will work aggressively to complete the 10 chemical risk evaluations initiated in December 2016 and continue prioritization efforts to identify future chemicals for evaluation.

New chemicals will be evaluated before they are allowed to commercialize, and decisions will be based on best available science and the weight of evidence. EPA's toxics program will maintain its 'zero tolerance' goal for preventing the introduction of unsafe new chemicals into commerce. EPA also will implement the new mandates related to determinations on claims for confidentiality for chemical identities. In addition to fees, \$66.4 million is requested in FY 2020 for the TSCA Chemical Risk Review and Reduction program to support this high priority work. EPA will focus on meeting its statutory requirements and mandatory deadlines.

In FY 2020, the Agency will also continue to provide firm and individual certifications for safe work practices for lead-based paint abatement and renovation and repair efforts, as well as provide for the operation and maintenance of the online Federal Lead-Based Paint program database (FLPP) that supports the processing of applications for training providers, firms and individuals.

Identifying, assessing, and reducing the risks presented by the pesticides on which our society and economy rely is integral to ensuring environmental and human safety. In FY 2020, EPA will continue to meet its statutory requirements for pesticide registration and registration review, and will invest resources to improve the compliance of pesticide registrations with the Endangered Species Act. A portion of the funding also will ensure that pesticides are correctly registered and applied in a manner that protects water quality. Pesticides help provide for effective pest control for homes, schools, gardens, highways, utility lines, hospitals, and drinking water treatment facilities, while also controlling vectors of disease and supporting food production. EPA ensures pesticides available in the U.S. are safe when used as directed.

Protecting our Children

EPA is committed to aggressively addressing lead issues across America, working with communities and partners to further identify and reduce lead exposure, especially for children who are most vulnerable. Through the Federal Action Plan to Reduce Childhood Lead Exposure, EPA is coordinating with other federal agencies to reduce exposure to lead with the aim of ultimately improving children's health. However, children may be exposed to additional environmental hazards beyond lead, particularly in outdated schools and educational centers. To address this multifaceted issue, the FY 2020 Budget proposes \$50 million to establish a new Healthy Schools Grant Program that is intended to address these potential gaps in school environmental health by working with and through our state, tribal and community partners. This flexible grant program will enable our implementing partners to target their highest-priority efforts to protect human health and the environment in school settings. Funding would be available to identify and help prevent, reduce and resolve environmental hazards and reduce childhood lead exposure, reduce asthma triggers, promote integrated pest management, and reduce or eliminate childhood exposure to one or more toxics in schools across all environmental media.

Regulatory and Permitting Priorities

The Budget provides resources to ensure EPA is able to meet pressing demands in priority areas, including reviewing and revising regulations, improving the permitting process, and enhancing collaboration with state, tribal and federal partners. Efforts to identify and address potential hold-ups in the permitting process will continue to ensure that unnecessary delays do not get in the way of environmental protection or economic growth. In FY 2020, \$28 million is requested to advance deregulation, permitting work, and technical assistance for our co-regulatory partners.

Establishing New Fees

EPA continues to propose several new fees in FY 2020 to better align appropriated resources to the Agency's core mission, to provide dedicated funding sources for specific activities and to better align program costs with beneficiaries. By administering select EPA programs through the collection of user fees, entities benefiting from those programs would directly pay for the services and benefits that the programs provide. EPA is proposing two voluntary user fees that will enable the Agency to provide compliance assistance services to both Risk Management Plan facilities, and Facility Response Plan and Spill Prevention Control and Countermeasure facilities. EPA also is proposing to establish Energy Star as a fee-funded program in FY 2020. This fee would allow the Agency to continue to provide a trusted resource for state and local governments, consumers, businesses, and other interested parties, helping them to save money and protect the environment. In addition, EPA will continue to work with OMB, other Agencies, and key stakeholders to review potential areas where fee-funding may be an appropriate mechanism to reduce the burden on taxpayers.

Eliminated Programs

Programs and activities eliminated in the FY 2020 Budget total over \$650 million compared to FY 2019 Annualized Continuing Resolution levels. Details are found in [www.epa.gov/cj]. The Administration is committed to creating a leaner, more accountable, less intrusive, and more effective Government.