

2. EPA:

Agency takes \$300M hit in Obama proposal that cuts budget for 5th consecutive year

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Even as President Obama vows to step up action on climate change across the government, the fiscal 2015 budget proposal he announced today would nonetheless cut U.S. EPA funding for the fifth straight year.

The budget proposal would provide \$7.9 billion for EPA, about \$300 million, or 3.7 percent, less than the \$8.2 billion enacted in fiscal 2014.

Obama made good on his pledge last month to include a \$1 billion "climate resilience fund" proposal in his fiscal 2015 budget, stepping up a focus on climate adaptation and resiliency in all federal agencies.

The adaptation plan would combine money for climate research, development of new technologies and climate-resilient infrastructure, and community incentives to upgrade infrastructure ([Greenwire](#), Feb. 14).

The proposed fund would be implemented by several agencies, but EPA's fiscal 2015 proposal calls for more cash for several clean air and climate activities, including some in the research and adaptation arenas. For example, the budget includes a small step up in science and technology funding -- \$249 million, an increase of \$2 million over fiscal 2014 levels.

It also promises to prepare water infrastructure for the effects of more storms "by increasing the national prominence" of programs to address those issues, including the Climate Ready Water Utilities initiative, which helps water agencies incorporate climate change into their planning.

The Department of Homeland Security and other agencies are also tasked with helping to implement the fund. DHS's budget overview calls on it to engage in "efforts to strengthen national resilience to the effects of climate change, including investments specifically for identifying and analyzing critical infrastructure vulnerabilities as well as funds for grants to support State and local level resilience planning and climate adaptation projects."

Those who have advocated for the fund were uncertain how much of the revenue requested in the budget would be new and additional. But Steve Winkelman, director of the Center for Clean Air Policy's adaptation and transportation programs, said this morning that it's still not clear whether there's new funding or a refocusing of existing money for adaptation and resiliency.

"My hope is that it's making the point that an ounce of prevention is worth a pound of cure," he said.

But like all aspects of Obama's budget, the resiliency funding would need to be appropriated by Congress, including a GOP-controlled House that has often balked at funding programs related to climate change.

Said Daniel Weiss, a senior fellow at the Center for American Progress: "President Obama is asking Congress to help communities better prepare for future extreme weather. It remains to be seen whether Congress will respond to this need."

EPA asked for a much larger hike in funding for climate and air quality environmental programs management: \$474 million compared with fiscal 2014's level of \$455 million. This funding will support agency rulemakings, including for greenhouse gas emissions.

By the time the new fiscal year begins in October, EPA should have proposed a guidance to limit carbon dioxide emissions from today's power plants and be working toward a final version in June 2015. The agency might also have finalized its proposal for future power plants, which is currently in the midst of a public comment period that will end Monday.

Few clues are available about the kind of guidance EPA will craft for today's fleet, but the agency hints in its budget that market-based approaches will be used to limit emissions "where permitted under the Clean Air Act."

Congressional Republicans have tried in recent years to roll back EPA's regulatory authorities -- but without success. Attempts by the GOP-controlled House to use must-pass spending legislation to curtail EPA rules for greenhouse gases, hazardous emissions and other restrictions have fallen flat, though the fiscal 2014 omnibus measure required the administration to present a report to Congress of all its climate activities.

What's up? What's down?

The \$300 million in cuts to EPA would come from a variety of sources, with the largest reductions from the Drinking Water and Clean Water state revolving funds. Collectively, the two funds -- which provide cash to states for water programs through revolving loans -- would lose \$581 million from the 2014 enacted levels, with funding set for \$1.8 billion in fiscal 2015.

In a controversial move, the budget would eliminate funding for the Diesel Emissions Reduction Act grant program, a popular initiative that offers money to states for retrofitting cars and trucks with dirty engines. The fiscal 2015 budget would cut \$20 million in funds for the program, although it's possible they could be restored by Congress, which has generally been in favor of the grants.

Last year's proposed 80 percent cut for DERA was largely criticized by green groups and on the Hill, with supporters saying the program was still creating clean air benefits.

The Obama budget asks for slightly less money to help states enforce environmental rules, including grants to help them collect, review and use greenhouse gas emissions data. It calls for \$260 million in fiscal 2015, compared with \$272 million the previous year.

The budget does include more money for chemical security following a pair of high-profile disasters over the past year. The independent Chemical Safety Board would get a \$1 million boost to \$12 million in fiscal 2015, following calls by Senate Democrats to raise the budget for the nonregulatory review board after the West, Texas, fertilizer plant explosion and the January chemical spill in West Virginia.

The administration has stepped up its work on chemical security with the funding boost and a multiagency task force on enhancing chemical safety. As part of the effort, the EPA budget adds \$13 million to the agency's Computer-Aided Management of Emergency Operations (CAMEO) system, which offers technical assistance and inspection support for emergency notification and planning.

The administration would limit new Superfund site cleanups through cuts to the Hazardous Substance Superfund Account, whose funding is proposed at \$992 million, down from the previously enacted level of \$1.1 billion.

According to the budget proposal, the agency will continue to maximize responsible parties' participation in site cleanups and recovery of EPA's costs and ensure funding to respond to emergency releases of hazardous substances.

The budget would also cut from other smaller environment programs, including zeroing out \$10 million in funding for beach grants and an \$8 million state grant program to reduce indoor radon emissions linked to lung cancer.

The budget would also cut \$5 million from the Superfund brownfields program, proposing funding at \$85 million compared to the \$90 million previously enacted. That program helps clean up lightly contaminated sites that could prevent more business or growth.

Previous cuts have proved controversial among both parties, but the administration has said that funding for brownfields cleanups can be leveraged through agencies including the Department of Transportation and the Department of Housing and Urban Development, as well as through state and local partnerships.

The budget contains several efforts to modernize the agency's workforce, including \$7 million to implement the e-Manifest program to replace a paper system for reporting hazardous waste shipments, which the agency said could save \$75 million a year when implemented.

[Click here](#) to read the EPA budget summary.

[Click here](#) to read the detailed EPA budget.