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COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
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INTRODUCTION

Good morning, Mr. Chairman and Members of the Subcommittee. I am pleased to have this opportunity to appear before you today to discuss the state of EPA programs. I will give a brief overview of the Agency's fiscal year 2001 budget and address the current status and future direction of the Superfund, Resource Conservation and Recovery Act (RCRA), Brownfields, and Underground Storage Tank (UST) programs.

EPA and its partners have made significant strides in providing some of the best environmental and public health protections in the world, while maintaining a strong economy. Building on this record of success, the fiscal year 2001 budget charts a course designed to meet the environmental challenges of the 21st century. The President's fiscal year 2001 budget for EPA requests a total of $7.3 billion to protect public health and the environment. It builds on environmental progress made under the Clinton-Gore Administration and addresses our country's greatest environmental challenges, such as, providing our children and communities with cleaner air, cleaner water, cleaner lands, and improved quality of life. Major environmental initiatives and on-going priorities include:

- **Cleaner Water**. The budget provides $762 million for the Administration's Clean Water Action Plan, with an additional $22 million in related spending, designed to finish the job of cleaning up America's waters. These funds will ensure that federal agencies, states, tribes, and local communities can work together in unprecedented ways to improve access to environmental information, enhance natural resource stewardship, protect public health, and restore the full use of America's lakes, rivers and bays

- **Cleaner Air**. The President is requesting $215 million in fiscal year 2001 to support partnerships with states, tribal governments and local communities so that we collectively can work together to improve air quality across the nation. $85 million is requested for the Clean Air Partnership Fund to provide a magnet for local innovation and investment in clean air. The President's request also includes $227 million for the Climate Change

Technology Initiative to expand voluntary programs that save energy costs and reduce global warming.

- **Protecting our Children**. The President's fiscal year 2001 budget for EPA provides $68 million for children's health, in order to target environmental threats to children such as lead contamination and air pollution that causes asthma. $75 million also is dedicated to implementation of the Food Quality Protection Act, which for the first time sets food safety standards designed specifically to protect children.

- **Providing for Communities**. The Information Integration Initiative, which is funded by $30 million in the President's fiscal year 2001 budget, represents a fundamentally new approach to ensuring broad and immediate public dissemination of environmental data through the Internet and by other means. The Better America Bonds initiative is an innovative financial tool to provide communities with the resources necessary to address problems like brownfields, threatened water quality, shrinking parkland, and traffic congestion. Through $690 million in tax credits over five years, Better America Bonds will support $10.8 billion in bond authority over 5 years for investments by state, local, and tribal governments.

These innovative and cost-effective approaches to the protection of public health and the environment for all Americans and their communities represent an important investment in the 21st century.

OFFICE OF SOLID WASTE AND EMERGENCY RESPONSE

EPA plays a critical role both in preventing and responding to waste-related or hazardous substance releases. The Superfund, Brownfields, RCRA and UST programs share an important common goal of ensuring that America's wastes will be managed and cleaned up in ways that prevent harm to people and to the environment. As EPA cleans up previously polluted sites, the Agency works to assist surrounding communities in restoring them to appropriate uses. I am pleased to report to the Subcommittee on the significant progress we have made in achieving our goals for these programs under the Government Performance and Results Act.

SUPERFUND PROGRAM

The Administration is requesting $1.45 billion in discretionary budget authority and $150 million in mandatory budget authority in support of the Superfund program for fiscal year 2001. The Agency and its state and tribal partners have achieved significant progress in cleaning up hazardous waste sites. More than three times as many Superfund sites have had construction completed in the past seven years than in all of the prior twelve years of the program combined. As of March 7, 2000, 92% of sites on the final NPL are either undergoing cleanup construction (remedial or removal) or are completed. More than 1,000 NPL sites have final cleanup plans approved, and approximately 6,000 removal actions have been taken at hazardous waste sites to immediately reduce the threat to public health and the environment. Responsible parties continue to perform approximately 70% of new remedial work at NPL sites, and more than

32,000 sites have been removed from the Superfund inventory of potentially hazardous waste sites in order to help promote the economic redevelopment of these properties.

Environmental indicators show that the Superfund program continues making significant progress, reducing both ecological and human health risks posed by dangerous chemicals in the air, soil, and water. The Superfund program has cleaned over 232 million cubic yards of hazardous soil, solid waste and sediment, and over 349 billion gallons of hazardous liquid-based waste, groundwater, and surface water.

The Superfund Administrative Reforms have been successful in ensuring a fairer, more effective, and more efficient program. Among the noteworthy achievements are: 43 site decisions have been reviewed by the National Remedy Review Board, resulting in an estimated savings of $70 million; 300 remedies have been updated based on changes in science and technology, resulting in a projected savings of over $1.4 billion; more than 300 projects have been evaluated since the establishment of the Risk-Based Priority Panel; and Community Advisory Groups have been established at 51 non-Federal sites (more than 100 already exist at Federal facilities).

In fiscal years 2000 and 2001, the Superfund program will continue to emphasize the completion of construction at NPL sites and the use of removal actions to protect human health and the environment. Although EPA will maintain its current construction completion goal of 85 sites for fiscal year 2000, the goal will be 75 sites in FY 2001. The cumulative cleanup target for construction completions by the end of 2001 is 830. The President's goal of 900 construction completions is still scheduled to be achieved by the end of fiscal year 2002. The fiscal year 2001 construction completion target is principally a consequence of the $100 million reduction (from $1.5 billion to $1.4 billion) in fiscal year 2000. The fiscal year 2001 budget request for Superfund reflects tough choices the Administration had to make in balancing its environmental priorities and fiscal responsibility.

The President's fiscal year 2001 budget requests reinstatement of all Superfund taxes (including excise taxes on petroleum and chemicals, and a corporate environmental tax). The Superfund tax authority expired December 31, 1995. The Trust Fund balance (unappropriated balance) was roughly $1.5 billion at the end of fiscal year 1999 and if the Superfund taxes are not reinstated, the Fund balance is projected to be $200 million at the end of FY 2001. The President's budget also requests $150 million in mandatory budget authority to pay for orphan shares at Superfund sites.

BROWNFIELDS INITIATIVE

The Agency is requesting $91.7 million in fiscal year 2001 to support the Brownfields Initiative. This initiative empowers states, local governments, communities, and other stakeholders interested in environmental cleanup and economic redevelopment to work together to prevent, assess, safely clean up, and reuse brownfields. Brownfields are abandoned, idled, or

under-used industrial and commercial properties where expansion or redevelopment is complicated by real or perceived contamination. The General Accounting Office has estimated that there are over 450,000 brownfields properties across America.

Since EPA Administrator Carol Browner announced the Agency's Brownfields Initiative on January 25, 1995, significant results have already been achieved. The Agency has awarded 307 assessment pilots to local communities. These pilots have resulted in the assessment of 1,687 brownfields properties, cleanup of 116 properties, redevelopment of 151 properties, and a determination that 590 properties did not need additional cleanup. The Brownfields Initiative has also generated significant economic benefit for communities across America. To date 1,580 cleanup jobs and 4,300 redevelopment jobs have been generated as a result of the program. In addition, pilot communities have already reported a leveraged economic impact of over $1.8 billion.

In fiscal year 2000, the Agency will fund as many as 50 additional Brownfields Site Assessment Demonstration Pilots for up to $200,000 each. In addition, EPA will provide funding to 50 existing Brownfields Site Assessment Demonstration Pilots for up to $150,000 each for continuation and expansion of their brownfields efforts. In fiscal year 2001, the Administration has requested $8 million to provide supplemental funding and technical support to 40 assessment pilots at up to $200,000 each. New and ongoing pilots will continue to provide EPA, states, local governments, and federally recognized Indian tribes with useful information and new strategies for promoting a unified approach to environmental site assessment and characterization, and redevelopment. These demonstration pilots are estimated to address 5 to 15 potentially contaminated properties in the participating communities.

The Agency has developed a "second-stage" type of brownfields pilot program, known as the Brownfields Cleanup Revolving Loan Fund (BCRLF) Pilots. These pilots are designed to enable eligible States, Tribes and political subdivisions to capitalize revolving loan funds for use in the cleanup and reuse of brownfields. To date, 68 BCRLF pilots have been awarded. These pilots represent 88 communities and include pilot awards to individual eligible entities and coalitions. Three BCRLF loans have been made. The Agency has requested funding to support more BCRLF pilots in FY2001

The centerpiece of the Brownfields National Partnership is the Brownfields Showcase Communities project. Under this program, the federal partners designated 16 communities in 1998 to serve as national models demonstrating the benefits of collaborative activity to clean up and redevelop brownfields. The Partnership is providing a range of technical, financial, and staffing support, depending on the particular needs of each community. These showcases are beginning to yield results, and the federal partners are planning to designate an additional 10 new Showcase Communities in fiscal year 2001.

In fiscal year 2001, EPA will continue to implement its Brownfields Job Training Pilot program to help local citizens take advantage of the new jobs created by assessment and cleanup of brownfields. To date, EPA has awarded 21 pilots to community-based organizations, community colleges, universities, states, tribes, political subdivisions and non-profit groups. The Agency plans to award 10 additional pilots in FY 2001.

RCRA PROGRAM

The Administration is requesting $224 million to support the RCRA program in FY 2001. The RCRA program protects human health and the environment from hazardous wastes by reducing or eliminating the amount of waste generated, and encouraging waste recycling and recovery; ensuring that wastes are managed in an environmental safe manner, and cleaning up contamination resulting from past mismanagement of industrial wastes.

Some of the efforts the Agency is planning for 2001 for waste minimization are to continue to provide leadership, technical assistance and support for recycling and source reduction through voluntary programs such as our WasteWise and Jobs Through Recycling programs. In 1998, the fifth year of the program, WasteWise partners reduced over 7.7 million tons of waste through prevention and recycling.

In 2001, EPA plans to remove barriers to recycling through efforts such as our streamlined regulations for recycling lead-contaminated cathode ray tubes found in many electronic products. The Agency will help improve the market for products made from recycled materials by developing guidelines for federal and state purchasing of these products. And, EPA will focus waste minimization on persistent, bioaccumulative and toxic (PBT) chemicals in hazardous wastes.

In the area of safe waste management, EPA has a number of efforts planned for 2001, such as examining whether to regulate certain wastes from the inorganic chemical and paint industries. The Agency is also developing concentration-based exemptions to exclude lower risk wastes from hazardous waste regulation, and is studying the impact of waste management units such as surface impoundments, and developing guidance for the management of non-hazardous industrial solid wastes. EPA is working to improve test methods and streamline permitting requirements, and is re-examining requirements for "hard-to-treat" wastes such as mercury, arsenic and other toxic heavy metals.

The RCRA Corrective Action Program is the cleanup program under RCRA, and is administered by EPA and authorized states. Approximately 3,500 facilities must undergo RCRA cleanup. The focus is currently on the 1,714 highest priority facilities, where people or the environment are likely to be at significant current or potential risk. In July of 1999, EPA announced a series of RCRA reforms that are already producing faster and more flexible cleanup actions. Specifically, the cleanup reforms reduce impediments to achieving effective and timely cleanups, enhance state and stakeholder involvement, and encourage innovative approaches. However, as progress is being made, the Agency is beginning to address increasingly complex cleanups. The Administration's fiscal year 2001 request includes additional resources that are absolutely necessary to implement these reforms, and to stay on track to meet the goals. Most of the increase will go to state implementors.

The Agency has been a leader in working with tribes on environmental issues. Waste management, particularly open dumps, is a significant environmental concern for tribes across the country. In fiscal year 2001, EPA will provide funding and technical assistance to at least 10

tribes to assist them in developing and implementing solid waste management programs, and closing their open dumps. EPA will also continue to provide assistance for hazardous waste management.

Finally, since the RCRA program is predominantly implemented by authorized states, one of the Agency's highest priorities continues to be providing funding and assistance to state programs, and working with states to remove any federal barriers to making progress in state solid and hazardous waste programs.

UNDERGROUND STORAGE TANK PROGRAM

The Agency is requesting $90.9 million in fiscal year 2001 to support Underground Storage Tank (UST) and Leaking Underground Storage Tank (LUST) programs. Of this amount, $18.8 million will support EPA, the states' and tribal UST programs in reducing the annual number of confirmed releases for USTs, and $72.1 million will support EPA, the states and tribes to clean up LUST contamination.

The Agency's goal is to prevent, detect, and correct leaks from USTs containing petroleum and hazardous substances. The strategy for achieving this goal is to promote and enforce compliance with the regulatory requirements aimed at preventing and detecting UST releases and taking corrective action where necessary.

EPA and states have made significant progress in addressing the UST problem. For example, since the inception of the UST program in the late 1980's, more than 1.3 million substandard USTs have been closed. As a result of those closures, these tanks are no longer sources of actual or potential leaks which could contaminate groundwater and soil. Currently, the federal UST requirements apply to approximately 760,000 active USTs. From the beginning of the program through the end of September 1999, approximately 400,000 releases have been discovered from tanks and approximately 230,000 cleanups have been completed. In fiscal year 2001, EPA expects to complete approximately additional 21,000 cleanups.

EPA will continue to work with the states in FY2001 to increase the compliance rate with the spill, overfill, and corrosion portion of the regulations which require all substandard USTs be upgraded, closed, or replaced. These regulations have improved the quality of USTs, which is leading to a reduction in the number of new releases, and the states and EPA are continuing inspections and enforcement efforts, striving to reach 90 percent compliance by the end of FY2000 and 99 percent by the end of FY2003.

EPA will also continue to work with the states to improve the compliance rate with the leak detection requirements. One of EPA's highest priorities for FY2001 is to work in conjunction with the states, undertaking a major multi-year effort to increase owners' and operators' compliance rates with the leak detection requirements. This will include compliance assistance, inspections, and enforcement.

CONCLUSION

EPA's priorities and budget request for fiscal year 2001 focus on the importance of building strong and healthy communities for the 21st century. I believe this goal holds particularly true for the cleanup programs described in my testimony today. The fiscal year 2001 budget reflects the Administration's continuing commitment to address environmental problems posed by Superfund sites, brownfields properties, RCRA facilities and LUSTs. Environmental problems don't just exist in the abstract; they affect thousands of communities across the Nation. While we have made great progress in addressing these environmental problems, more needs to be done.