

# **United States Environmental Protection Agency**

# FISCAL YEAR 2022

# Justification of Appropriation Estimates for the Committee on Appropriations

**Tab 00: Introduction** 

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#### **United States Environmental Protection Agency**

#### FY 2022 Budget Overview

The United States Environmental Protection Agency (EPA) is guided by a clear and vital mission: to protect human health and the environment. While the Agency has made great progress in advancing this mission over the last fifty years, much work remains to guarantee that all Americans share in the benefits of clean air, clean water, and safe communities and are protected from the urgent threats posed by climate change while creating good paying jobs. The FY 2022 President's Budget for the EPA confronts these challenges with the largest top-line request in the Agency's history and emphasizes four cross-cutting priorities: Tackling the Climate Crisis through Science, Advancing Environmental Justice, Supporting State, Tribal and Local Partners, and Expanding the Capacity of EPA

The FY 2022 Budget request for EPA provides \$11.2 billion and 15,324 FTE to expand the capacity of EPA to safeguard human health and the environment for all communities. In today's dollars, the FY 2022 Budget returns EPA to similar levels from FY 2010 and the early 2000s. The Budget includes more than 1,000 new EPA FTE to address the Agency's priorities and work with our partners across the Nation to make a real difference in the lives of all Americans by meeting today's environmental challenges and preparing for tomorrow's. The FY 2022 Budget complements the transformational investments in the American Jobs Plan. The American Jobs Plan would address aging water infrastructure, replace all lead pipes and service lines in our drinking water systems, electrify 20 percent of our yellow school bus fleet, invest in monitoring and remediating PFAS (per- and polyfluoroalkyl substances) in drinking water, and accelerate the remediation and cleanup of contaminated land. The FY 2022 Budget and American Jobs Plan leverage existing programs at EPA to improve the environmental and public health challenges facing our Nation, while creating good paying jobs to rebuild America's infrastructure and support U.S. manufacturing.

The FY 2022 Budget request allocates \$1.8 billion to tackle the climate crisis and directs half of this investment toward advancing environmental justice. This investment recognizes that policies to tackle climate change also must clean up the legacy pollution that low-income communities and communities of color have suffered with for far too long. In the process of tackling the climate crisis there is a historic opportunity to make our communities more resilient to climate impacts, advance environmental justice, and create good paying jobs. The FY 2022 Budget commits to ensuring these communities benefit from the country's transition to a cleaner economy and more climate-resilient infrastructure.

The Agency is currently developing the new FY 2022 - 2026 EPA Strategic Plan to be issued in February 2022, which will establish a new framework- rooted in a commitment to science, adherence to the law, and environmental justice- to guide the Agency's priorities and progress. The plan will include the strategic goals, objectives, four-year long-term performance goals, and two-year agency priority goals that tether resource investments and strategies to the outcomes that will better protect human health and the environment.

#### **FY 2022 Funding Priorities**

#### **Tackling the Climate Crisis**

The FY 2022 Budget reprioritizes addressing climate change with the urgency the science demands. EPA's recently relaunched Climate Change Indicators website presents compelling and clear evidence of changes to our climate reflected in rising temperatures, ocean acidity, sea level rise, river flooding, droughts, heat waves, and wildfires. The Budget includes an increase of \$1.8 billion in programs to tackle the climate crisis while also delivering environmental justice to marginalized and over-burdened communities, investing in local economies, and creating good-paying jobs.

For FY 2022, EPA requests a \$100 million increase for air quality grants to states and tribes to help expand the efforts of air pollution control agencies to implement their programs and accelerate immediate on-the-ground efforts to reduce greenhouse gases. Every American deserves to know their exposure to air pollution. Toward that goal, and in concert with Section 222 of the Executive Order on *Tackling the Climate Crisis at Home and Abroad*, the Budget invests \$100 million to develop a community air quality monitoring and notification system to provide real-time data to overburdened and marginalized communities and enforcement officials. By maximizing the transparency of air pollution levels at the community scale, we can better ensure that places with the most significant exposure are being targeted for action and measurable progress.

The FY 2022 Budget includes an additional \$60 million to conduct research and deepen our knowledge of the impacts of climate change on human health and the environment. This investment more than doubles EPA's climate change research while providing additional investments to decrease emissions of methane and hydrofluorocarbons. Half of this increase will fund collaborative research in climate adaption and resilience with the new Advanced Research Projects Agency for Climate (ARPA-C) that will be located within the Department of Energy. The Budget also includes additional investments to decrease emissions of methane and hydrofluorocarbons (HFCs). The Agency is working to implement Executive Order 13990 on *Protecting Public Health and the Environment and Restoring Science to Tackle the Climate Crisis*. In FY 2022, EPA will ensure that policy is guided by the best science and is protected by processes that encourage integrity in the Agency's decision-making.

Both climate mitigation and adaptation are essential components of the strategy to reduce the threats and impacts of climate change. The FY 2022 Budget will enable EPA to address the climate crisis while creating good paying jobs in four key ways: adapting to the impacts of climate change through infrastructure investment; mitigating climate change by reducing greenhouse gas emissions; expanding our climate research and policy development; and partnering with the global community to respond to this shared challenge.

#### Adapting to Climate Impacts through Infrastructure Investment

Upgrading and adapting America's infrastructure to meet the demands of the changing climate is critical to keeping communities healthy and safe. As the climate warms, more extreme rainfall and flooding events can damage or overwhelm water systems, leaving entire communities without safe

water supplies for days or weeks. Flooding events also can disturb and circulate dangerous pollution from Superfund toxic waste sites, making remediation of these sites a priority for public health in a warming world.

In the FY 2022 Budget, EPA proposes a \$589 million increase in several existing water infrastructure programs, including the Clean Water State Revolving Funds (CWSRF), Drinking Water State Revolving Funds (DWSRF), the Water Infrastructure Finance and Innovation Act (WIFIA) program, and grant programs authorized in the America's Water Infrastructure Act of 2018 (AWIA) and the Water Infrastructure Improvements for the Nation Act of 2016 (WIIN). Together, these financing programs will advance the Agency's ongoing commitment to infrastructure repair and replacement and build climate resilience into the water sector. At the same time, these investments will create hundreds of thousands of good-paying jobs across the country.<sup>1</sup>

EPA estimates that the country needs to invest more than \$743 billion over the next 20 years to maintain, upgrade, and replace critical drinking water and wastewater infrastructure.<sup>2</sup> Today, up to 10 million homes in America and more than 400,000 schools and childcare centers rely on lead distribution lines—a clear and present danger to the health of children. EPA's State Revolving Fund (SRF) programs help states, municipalities, and other eligible borrowers to finance high-priority investments that improve water quality and protect human health. The FY 2022 Budget provides \$3.2 billion across the two SRF programs, a \$464 million increase above the FY 2021 enacted levels, representing nearly 30 percent of EPA's total resource request.

The FY 2022 Budget includes \$1.871 billion for the CWSRF Program, a \$232 million increase above the FY 2021 enacted level. The CWSRF Program capitalizes state revolving loan funds in all 50 states and Puerto Rico to finance infrastructure improvements for public wastewater systems and projects to improve water quality. It represents the largest source of federal funds for states to provide loans and other forms of assistance for water quality projects including construction of wastewater treatment facilities, water and energy efficiency projects, and green infrastructure projects. In addition to capitalizing the CWSRF Program, a portion of the request will provide direct grants to communities in tribal nations and territories. The sanitation infrastructure in these communities often lags the rest of the country, causing significant public health concerns.

EPA's DWSRF is designed to assist public water systems in financing the costs of drinking water infrastructure improvements needed to achieve or maintain compliance with Safe Drinking Water Act (SDWA) requirements, to protect public health, and to support state and local efforts to protect drinking water. The FY 2022 Budget requests \$1.358 billion for the DWSRF, a \$232 million increase, to help finance critical infrastructure improvements to public drinking water systems. States have considerable flexibility to tailor their DWSRF Program to their unique circumstances and needs, allowing each state to carefully and strategically consider how best to achieve the maximum public health protection and infrastructure development that benefits all Americans and is resilient to the impacts of climate change.

<sup>&</sup>lt;sup>1</sup> Jobs Created estimates are based on the <u>U.S. Water Alliance: The Value of Water Campaign: The Economic Benefits of</u> <u>Investing in Water Infrastructure</u>.

<sup>&</sup>lt;sup>2</sup> For more information on EPA's Clean Water and Drinking Water Needs Survey Reports, visit: <u>https://www.epa.gov/cwns</u> and https://www.epa.gov/dwsrf/epas-6th-drinking-water-infrastructure-needs-survey-and-assessment.

The WIFIA Program, created in 2014, is a critical tool to accelerate water infrastructure investments by leveraging public and private sources of funds to maximize the reach of federal funds. As of May 2021, the WIFIA Program had issued 50 loans to communities across the country totaling more than \$9 billion in credit assistance to help finance nearly \$20 billion for water infrastructure projects. WIFIA loans for these projects have saved communities more than \$4 billion, which they will use to accelerate additional infrastructure investment and keep rates affordable for water system users. These WIFIA financed projects support 49,000 jobs and serve more than 31 million people, demonstrating that WIFIA credit assistance is an effective tool to help address a variety of water infrastructure needs to support all manner of communities nationwide. The FY 2022 request expands the WIFIA credit subsidy by \$12.6 million, which would enable EPA to provide up to \$8 billion in direct credit assistance and help spur more than \$16 billion in total infrastructure investments.

A parallel goal of infrastructure repair and replacement is to advance agency efforts in addressing lead and other contaminants in drinking water, especially in small and underserved communities. AWIA strengthened many existing programs within EPA, including programs authorized by the Water Infrastructure Improvements for the Nation (WIIN) Act, while creating new programs to tackle significant public health and environmental concerns. The FY 2022 request expands the programmatic capacity to support small and disadvantaged communities, to reduce lead in drinking water, to provide lead testing in schools, to expand sewer overflow control grants, and to build drinking water resilience. In total, the FY 2022 Budget provides \$249.4 million in funding for the AWIA and WIIN grant programs.

Many communities also face the challenge of cleaning up contaminated lands so that they can be redeveloped and reused. The FY 2022 request enables the Agency to expedite the cleanup of hazardous waste sites that litter communities across the country, particularly low-income communities and communities of color. Of the total funding requested for Superfund, \$1.108 billion and 1,261 FTE would support Superfund cleanup programs, a \$299.4 million increase over last year. The cleanup programs include Superfund Remedial, Emergency Response and Removal, EPA Emergency Preparedness, and Federal Facilities programs. Federal data in a recent Government Accountability Office (GAO) report suggests that approximately 60 percent of Superfund sites overseen by EPA are in areas that are vulnerable to wildfires and different types of flooding—natural hazards that climate change will exacerbate.<sup>3</sup> The Agency is working to clean up these sites with climate change in mind to protect the populations most at risk of toxic chemical exposure, including children, the elderly, and low-income communities.

#### Tackling the Climate Crisis through Pollution Reduction

Cutting the pollution that causes climate change not only benefits the climate but also offers valuable co-benefits for human health. 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, while short-term exposure can exacerbate asthma and lead to other adverse health effects and economic costs.<sup>4</sup> The issues of highest importance for EPA's air program over the next decade will continue to be

<sup>&</sup>lt;sup>3</sup> For more information, please visit: <u>https://www.gao.gov/products/gao-20-73</u>.

<sup>&</sup>lt;sup>4</sup> For more information, please visit: <u>https://www.epa.gov/air-research/research-health-effects-air-pollution</u>.

reducing emissions of greenhouse gases (GHG), ozone-forming pollutants and particulate matter, and air toxics. Relying on the latest science, EPA will work to reduce the sources of these pollutants from mobile and stationary sources while creating good paying jobs. The FY 2022 request leverages several approaches including 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 plays a lead role in implementing a global phasedown in the production and consumption of hydrofluorocarbons (HFCs). These potent greenhouse gases, which are common in refrigerants and aerosols, have global warming potentials hundreds to thousands of times larger than carbon dioxide. This uniform federal phasedown approach led by EPA will decrease the production and importation of HFCs in the United States by 85 percent over the next 15 years. As a result, it will help promote American leadership in innovation and manufacturing of new climate-safe products and create new jobs in this emerging sector. A global HFC phasedown is expected to avoid up to 0.5 degree Celsius of global warming by 2100.

Another EPA effort to reduce GHGs and dangerous air pollution is the Diesel Emissions Reduction Act (DERA) grant program. The FY 2022 request expands this proven grant program by 67 percent, or \$60 million, to expand the availability of DERA grants and rebates to reduce harmful diesel emissions and tackle the climate change crisis, with a focus on priority areas including school buses, ports, and disproportionately affected communities. DERA helps remove older dirtier diesel engines from the roads via retrofits, rebuilds, and replacements; fuel switching and electrification; and strategies to reduce idling. Pollution emissions from the legacy diesel engine fleet will fall over time as portions of the fleet are replaced with new engines that meet modern emission standards. However, without additional action, the Agency estimates that approximately one million old diesel engines will remain in use in 2030.<sup>5</sup> These grants accelerate the pace at which dirty engines are retired or retrofitted and target resources in areas with poor air quality, especially those with significant emissions from ports and goods movement. These locations also often are where lower income communities and communities of color suffer from higher levels of pollution.

Extraction and processing of natural resources, including fossil fuels, biomass, minerals, and metals, make up approximately 50 percent of the total greenhouse gas emissions.<sup>6</sup> As world population and economies grow, global competition for these finite resources will intensify and could drive habitat destruction, biodiversity loss, overly stressed fisheries and desertification. Further, in the United States, materials management is associated with an estimated 42 percent of total U.S. greenhouse gas emissions.<sup>7</sup>

By investing in domestic recycling and solid waste infrastructure that builds a circular economy, a system of activities that enables resources to maintain their highest values and designs out waste while being restorative to the environment, the United States would be positioned to find more

<sup>&</sup>lt;sup>5</sup> DERA Fourth Report to Congress: <u>https://www.epa.gov/sites/production/files/2019-07/documents/420r19005.pdf.</u>

<sup>&</sup>lt;sup>6</sup> U.N. Environmental International Resource Panel, Global Resources Outlook, 2019, p. 8.

<sup>&</sup>lt;sup>7</sup> Sustainable Materials Management: The Road Ahead, <u>https://www.epa.gov/sites/production/files/2015-09/documents/vision2.pdf</u>.

productive and sustainable ways to extract, use, and manage materials. This will benefit the environment and the economy. According to the U.S. EPA Recycling Economic Information Report, the U.S. recycling industry provides more than 757,000 jobs and \$6.7 billion annually in tax revenues. In addition to these human resources, the materials themselves hold great value, as recent data indicate that materials worth \$9 billion are thrown away each year. The FY 2022 Budget includes \$10.2 million and 43.4 FTE in the Resource Conservation and Recovery Act Waste Minimization and Recyling Program to better support the sustainable management of resources, including managing materials that sustainably promote economic growth and reduce environmental impacts. The Budget also includes a \$10 million Solid Waste Infrastructure for Recycling (SWIFR) pilot grant program to build innovation in the recyling industry. Addressing climate change mitigation through investment in U.S. recycling and solid waste infrastructure is the cornerstone of the pilot program requested in FY 2022.

#### Tackling the Climate Crisis through Research and Policy

EPA's climate change research is guided by scientific integrity and rigor that supports optimal policy making and regulatory action. Climate change is a public health and environmental justice crisis that is already impacting air and water quality, as well as posing increasing risks for the future. While all Americans are at risk, some communities and sensitive populations are especially vulnerable to poor air quality and the impacts of climate change, such as low-income communities without the resources to evacuate before a hurricane or bounce back from property loss.

The scientific discoveries made through EPA's research will guide the Agency in developing policy and regulatory action to address the climate crisis. The FY 2022 request provides an additional \$60 million and 30 FTE above the FY 2021 enacted levels, more than doubling EPA's climate research resources. This funding will help assess the consequences of climate change and the vulnerability of communities and ecosystems to its impacts, including wildfires and other extreme events, and identify and evaluate strategies to adapt to and build resilience to these risks. Funding will support work to further characterize disproportionate impacts of climate change and air pollution in communities with environmental justice and equity concerns, identify and evaluate strategies to reduce impacts in those communities, and develop and evaluate innovative multipollutant and sector-based approaches to preventing pollution.

In FY 2022, EPA will invest in funding research on energy efficiency and renewable energy in disadvantaged communities and evaluate strategies to bring the benefits of clean modernization in transportation and energy systems to these communities. In coordination with the Department of Energy, EPA will apply \$30 million to the ARPA model of high-risk accelerated research focused on achieving transformational technology investments needed to address climate change. EPA's research will provide insights on climate change adaptation, resilience, and mitigation solutions for communities across the country.

Legal support and analysis is needed for every major Agency action and plays a central role in the interpretation of all statutes--new and existing--under EPA's environmental authorities. When the Agency acts to protect the public and the environment from harmful pollutants, EPA program and regional offices rely on legal advice to ensure they take the most effective and appropriate action. In this way, the legal support programs are essential to advancing the mission. The FY 2022 request

includes an additional \$24.8 million and 37.6 FTE to increase the capacity of EPA's legal advice programs, particularly for work related to climate change and regulatory development.

### Tackling the Climate Crisis Together

Environmental protection is a shared responsibility that crosses international borders, and climate change poses a threat that no one government can solve alone. Only through a collaborative, visible effort with our international counterparts can we make progress as a global society to abate pollution and tackle the climate crisis. On Earth Day 2021, President Biden held a two-day Climate Summit with leaders from the world's largest economies to galvanize efforts to reduce emissions during this critical decade. Together, we must combat the climate crisis with bold, progressive action that combines the full capacity of the federal government with efforts from our partners in every corner of our Nation to achieve our collective climate target of limiting the global average temperature increase to 1.5 degrees Celsius.

To this end, President Biden has ambitiously laid out a path that by 2030 the United States will cut emissions by at least half from 2005 levels. EPA is in a critical position to help demonstrate to our international partners that America is doing its part to reduce global emissions. The FY 2022 request contributes \$9 million in additional funding for EPA's contribution to the international Multilateral Fund (MLF) to support efforts related to the Kigali Amendment to the Montreal Protocol. In addition, the FY 2022 Budget includes \$6 million and 14 FTE to help implement provisions in the bipartisan American Innovation and Manufacturing (AIM) Act, efforts to implement the Kigali Amendment, and to build back staff capacity around efforts to tackle the climate crisis. EPA will continue to engage both bilaterally and through multilateral institutions to improve international cooperation on climate change. These efforts help fulfill EPA's commitment to Executive Order 14008, *Tackling the Climate Crisis at Home and Abroad*.

#### **Advancing Environmental Justice**

The communities hardest hit by pollution and climate change are most often communities of color, indigenous communities, rural communities, and communities of lower socioeconomic status. For generations, many of these communities, which also are amongst the most vulnerable, have been overburdened with higher instances of polluted air, water, and land. Neither an individual's skin color nor the wealth of their zip code should determine whether they have clean air to breathe, safe water to drink, or healthy environments for their kids to play in. And yet, the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income, have too often not been fully considered with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies. EPA is working to change that by centering environmental equity and justice in our mission and incorporating these values into the fabric of our environmental programs.

EPA recognizes the importance of embedding environmental justice principles in all agency programs and implementing Executive Order 14008, *Tackling the Climate Crisis at Home and Abroad*, and Executive Order 13985, *Advancing Racial Equity and Support for Underserved Communities Through the Federal Government*. To elevate environmental justice as a top agency priority, EPA proposes to create a new national environmental justice program office, headed by

a Senate-confirmed Assistant Administrator, to coordinate and maximize the benefits of the Agency's programs and activities for underserved communities.

The FY 2022 Budget reimagines how we implement our work by considering environmental justice impacts and benefits across programs. EPA will implement the President's Justice40 Initiative with the goal of delivering 40 percent of the overall benefits of relevant federal investments to disadvantaged communities. The FY 2022 Budget includes more than \$930 million in funding across programs to launch a new Accelerating Environmental and Economic Justice initiative and cement environmental justice as a core feature of EPA's mission.

The Accelerating Environmental and Economic Justice initiative, included in the broader climate change investment of \$1.8 billion, will significantly increase the number of new grant opportunities for community-based organizations, indigenous organizations, states, tribes, local governments, and territorial governments in pursuit of their ambitious environmental justice and climate goals. The Agency's initiative also will strengthen compliance with environmental laws, particularly in environmental justice communities, and revitalize communities by cleaning up Superfund sites and contaminated land. EPA also is looking at developing annual and internal measures to advance key programmatic areas and strategies. Specifically, EPA is currently evaluating its suite of measures and indicators related to environmental justice, including available data and programs where improved data sets are needed, in order to identify and/or develop useful performance measures for environmental justice programs.

## Enhance and Expand Environmental Justice Programmatic Efforts

In FY 2022 the Agency will leverage existing programs while increasing the resources and FTE dedicated to identifying and assisting communities with environmental justice concerns. The Accelerating Environmental and Economic Justice initiative invests \$936 million in new and existing EPA programs that would help create good-paying jobs, clean up pollution, implement the Justice40 initiative, advance racial equity, and secure environmental justice for communities who too often have been left behind, including rural and tribal communities. This includes more than \$100 million to develop and implement a new community air quality monitoring and notification system that will monitor and provide real-time data to the public on environmental pollution. The request includes resources to fulfill the President's commitment to engage meaningfully with overburdened and vulnerable communities during the entire rulemaking process, from pre-proposal through final promulgation and implementation.

The FY 2022 Budget makes historic investments in environmental justice programs to address the disproportionate health impacts of communities overburdened by pollution sources. In total, the FY 2022 request includes an increase of \$287 million and 171 FTE to create new environmental justice programs. These resources will provide new grant opportunities, including: (1) Environmental Justice Community Grants Program, to competitively award grants to non-profit, community-based organizations to reduce the disproportionate health impacts of environmental pollution in communities with environmental justice concerns; (2) Environmental Justice State Grant Program, to establish or support state environmental justice programs; (3) Tribal Environmental Justice Grant Program, to support work to eliminate disproportionately adverse human health or environmental effects on environmental justice communities in Tribal and

Indigenous communities; and (4) a competitive, community-based Participatory Research Grant Program to award competitive grants to higher education institutions that aim to develop partnerships with community entities to improve the health outcomes of residents and workers in communities with environmental justice concerns.

In FY 2022, the EPA Environmental Justice Program will establish an Environmental Justice Training Program to increase the capacity of residents of underserved communities to identify and address disproportionately adverse human health or environmental effects. The Program also will establish EPA outreach centers housed in EPA regional offices to connect directly with communities, hold hearings, and support environmental justice efforts at the local level and throughout the country. The Agency's environmental justice program will support the National Environmental Justice Advisory Council (NEJAC) and provide funding and support for the White House Environmental Justice Advisory Council (WHEJAC) to advise the White House Interagency Council on Environmental Justice and Chair of the Council on Environmental Quality (CEQ).

To further inform equitable decision making across the federal government and within EPA, more granular data is needed to effectively target communities in need. The FY 2022 Budget includes an increase of \$5.9 million for EJSCREEN to help the Agency prioritize programmatic work in communities with environmental justice concerns. In addition, the Budget provides resources to support the development of a geospatial Climate and Economic Justice Screening Tool to enable EPA and other federal agencies to focus resources and program design to benefit communities with environmental justice concerns and those most at risk of climate change.

# **Ensuring Enforcement and Compliance**

Ensuring compliance and enforcement of cornerstone environmental laws is paramount to a fair and just society. In FY 2022, EPA will provide tools and technical assistance to foster the regulated community's compliance with environmental laws. The Agency will hold bad actors accountable for their violations, with a particular focus in communities with multiple pollution sources. In FY 2022, EPA will develop and implement a comprehensive action plan for integrating environmental justice and climate change considerations throughout all aspects of its enforcement and compliance assurance work.

Within EPA's Compliance Monitoring program, \$31.9 million in additional resources will allow the Agency to incorporate environmental justice considerations into all phases of work without displacing other important enforcement and compliance assurance efforts. EPA also will provide targeted oversight and support to state, local, and tribal programs. The Agency will prioritize work with states to develop methods that successfully leverage advances in both monitoring and information technology. The Agency will maintain accessibility to the Integrated Compliance Information System (ICIS) for EPA, states, and tribes and make ICIS data available to the public via the internet-accessible Enforcement and Compliance History Online system (ECHO). As EPA's largest mission-focused data system, ICIS is a critical infrastructure used by the Agency, state, tribal, local and territorial governments, as well as the regulated community, to track compliance with and enforcement of all EPA statutes, which facilitates greater compliance and thus protection of human health and the environment. In FY 2022, EPA requests an additional 6 FTE and \$29.9 million to accelerate its efforts to modernize ICIS and support better integration with the public ECHO database. This modernization will enhance EPA's efforts to address compliance concerns, particularly in disadvantaged communities.

EPA's Civil Enforcement Program is designed to protect human health and the environment by ensuring compliance with the Nation's environmental laws. In FY 2022, EPA requests more than \$26 million in additional resources to develop and implement a comprehensive civil enforcement plan for addressing environmental justice, climate, per and polyfluoroalkyl substances (PFAS), and coal combustion residue (CCR) rule compliance. These new resources would support increasing climate and environmental justice-focused inspections and community outreach, prioritizing climate and environmental justice considerations in case-selection (to emphasize areas where greenhouse gas emissions can be reduced while providing co-benefits in underserved communities), and expanding inclusion of greenhouse gas mitigation and climate resilience remedies and prioritization of environmental justice concerns in case resolutions.

Overburdened and vulnerable communities are most often the victims of environmental crime. EPA's FY 2022 Budget supports the development of a specialized criminal enforcement task force to address environmental justice issues and casework in partnership with the Department of Justice (DOJ). This task force will include Special Agents and criminal justice analysts, as well as witness coordinators to identify and provide services to victims of environmental crimes in communities with environmental justice concerns. The FY 2022 request provides \$8 million and 32 FTE to expand EPA's capacity for criminal enforcement to hold illegal polluters accountable and enforce climate-related regulations, particularly in these vulnerable communities.

#### Supporting Site Cleanup and Reuse

In FY 2022, \$882.4 million is requested for the Superfund Remedial program, an investment of an additional \$293 million, which will enable the start of cleanup work at more than 20 National Priority List (NPL) sites with new remedial construction projects currently awaiting funding. This investment also will accelerate cleanup work at more than 15 NPL sites with large, ongoing construction projects, which require a substantial funding allocation over multiple years, and allow for enhanced engagement at lead sites. Cleaning up America's most contaminated land and reducing toxic substances are critical components for the Agency to bolster human health, particularly in underserved communities where many of these sites exist.

Approximately 73 million Americans live within three miles of a Superfund Remedial site, roughly 22 percent of the U.S. population. This includes 23 percent of all children in the U.S. under the age of 5.<sup>8</sup> Recent research shows Superfund cleanup actions lowered the risk of elevated blood lead levels by roughly 13 to 26 percent for children living within 1.24 miles of a Superfund NPL site where lead is a contaminant of concern.<sup>9</sup> Remediating contaminated land and restoring it to productive use is not only an environmental imperative but presents an economic opportunity as well. A study conducted by researchers at Duke University and the University of Pittsburgh found

<sup>&</sup>lt;sup>8</sup> U.S. EPA, Office of Land and Emergency Management 2020. Data collected includes: (1) site information as of the end of FY2019; and (3) population data from the 2015-2018 American Community Survey.

<sup>&</sup>lt;sup>9</sup> Details can be found at <u>https://www.epa.gov/environmental-economics/research-environmental-economics-ncee-working-paper-series</u>.

that residential property values within three miles of Superfund sites increased between 18.7 and 24.4 percent when sites were cleaned up and deleted from the NPL.<sup>10</sup>

Investing in brownfields cleanup and redevelopment can revitalize main streets, neighborhoods, and rural communities, increase property values, and create good-paying jobs. To advance this work, the FY 2022 Budget includes an additional investment of \$40 million to build on current work to provide financial and technical assistance to assess, cleanup, and plan reuse at brownfields sites. Since its inception, the EPA Brownfields Program has fostered a community-driven approach to the reuse of contaminated sites. As of April 2021, grants awarded by the program have led to more than 142,000 acres of idle land made ready for productive use and more than 176,800 jobs and \$34.5 billion leveraged.<sup>11</sup> With this increased investment, EPA anticipates leveraging approximately 13,400 jobs and \$2.6 billion in other funding sources.<sup>12</sup>

## Supporting State, Tribal and Local Partners

Addressing climate change and advancing environmental justice represent foundational challenges the Agency must tackle to deliver on its mission of protecting human health and the environment. A strong coordinated effort with our state, tribal and local partners will be critical for success. EPA will use all of its tools to support its partners, including providing targeted financial assistance to environmental programs, communicating clearly about the Agency's regulatory agenda, and lending technical support to areas of emerging environmental concern.

#### Increasing Support for EPA Partners

The Agency understands the difficulty many states face considering shrinking environmental budgets and rising environmental needs. Our partners rely on EPA assistance through a variety of financial vehicles such as grants, contracts, and low-interest loans to cover the shortfall and ensure that human health and the environment is prioritized in all corners of the Nation. Nearly 50 percent of the FY 2022 Budget request is specifically allocated to EPA's state and tribal partners through the State and Tribal Assistance Grant (STAG) appropriation. The FY 2022 request allocates \$1.242 billion to support our state and tribal partners through categorical grants, which represents a \$142 million increase above the FY 2021 enacted level. \$100 million of this increase is dedicated to the State and Local Air Quality Management and Tribal Air Quality Management programs to assist state governments and tribes in air monitoring, permitting, and pollution reduction efforts, specifically to accelerate immediate on-the-ground efforts to reduce greenhouse gases.

The Agency recognizes the important role federal assistance provides in protecting water bodies of special ecological and economic importance to our Nation. Through EPA's Geographic Water programs, the Agency assists state and multi-state partners and tribes in managing and accelerating the restoration of the ecological health of these water bodies. In total, the FY 2022 request provides an additional \$36.4 million above the FY 2021 enacted level to increase funding for all Geographic

<sup>&</sup>lt;sup>10</sup> Shanti Gamper-Rabindran and Christopher Timmons. 2013. "Does cleanup of hazardous waste sites raise housing values? Evidence of spatially localized benefits," Journal of Environmental Economics and Management 65(3): 345-360, http://dx.doi.org/10.1016/j.jeem.2012.12.001.

<sup>&</sup>lt;sup>11</sup> EPA's ACRES database.

<sup>&</sup>lt;sup>12</sup> U.S EPA, Office of Land and Emergency Management Estimate. All estimates of outputs and outcomes are supported by the data that is entered by cooperative agreement recipients via EPA's ACRES database.

Water programs and accelerate projects that target the most significant environmental problems in these important water bodies and watersheds. In FY 2022, EPA will provide resources to accelerate ecological restoration and sustainable management in the Chesapeake Bay, Columbia River, Gulf of Mexico, the Great Lakes, Lake Champlain, Lake Pontchartrain, Long Island Sound, Northwest Forest Watershed, Puget Sound, San Francisco Bay, South Florida, and Southeast New England. Funding will help monitor and restore these ecological treasures and enable sustainable use for years to come.

#### Communicating with Partners about EPA's Agenda

EPA's state, local, territorial, and tribal partners benefit from ongoing engagement and communication about the Agency's regulatory agenda. Successful rulemaking depends on this engagement in order to foster collaboration and stakeholder buy-in and support informed science-based policy decisions. This collaboration is a two-way street in which EPA needs to hear the views of all stakeholders as we work together to protect human health and the environment.

Throughout the FY 2022 request, the Agency provides the necessary resources to perform rule development and regulatory analysis. For example, through the Federal Support for Air Quality Management program, EPA will invest an additional \$17.3 million and 80 FTE to build back staff expertise, regulatory analysis, and capacity to implement climate change programs through the Clean Air Act. In EPA's Drinking Water program, an additional \$11.3 million and 53 FTE are included to support regulatory analysis, development and training, and technical assistance for state, tribal, and local communities in their efforts to ensure safe and affordable drinking water. This increase also supports development and implementation of the Lead and Copper Rule Revisions and the Unregulated Contaminant Monitoring Rule. The Agency will continue to improve the effectiveness and efficiency of regulatory programs for states and tribes, including working to implement Justice40 and advance racial equity and environmental justice for communities that too often have been left behind, including rural and tribal communities. Likewise, the Agency plans to engage with all groups that have a vested interest in rulemakings related to the interpretation of Waters of the United States (WOTUS) in the Clean Water Act. From small farmers to environmental advocacy groups, EPA will engage with all parties and use the best available science to set policy, communicate with our partners, and provide the regulatory clarity they and the public need.

#### **PFAS Technical Assistance to Help Communities**

State, tribal, territorial, and local partners also depend on strong federal leadership to address areas of emerging environmental concern that no one party can solve alone. One area that demands heightened attention and increased focus in the FY 2022 Budget is per- and polyfluoroalkyl substances (PFAS). Partners are looking to EPA for resources, research grants, technical assistance, and regulatory clarity on these so-called "forever chemicals."

As part of the Administration's commitment to addressing PFAS pollution, the FY 2022 request provides a more than a \$10 million increase for PFAS work. A total of \$75 million will accelerate toxicity studies and fund research to inform the regulatory developments of designating PFAS as hazardous substances while setting enforceable limits for PFAS under the SDWA. Additional

funds for technical assistance grants also have been set aside for state and local governments to deal with PFAS contamination in their communities. To provide the technical assistance needed to our partners, we have established a new EPA Council on PFAS composed of senior EPA career officials to strategize the best ways to use the EPA's authorities, expertise, and partnerships to mitigate and reduce PFAS pollution and protect public health and the environment. The Council will collaborate on cross-cutting strategies; advance new science; develop coordinated policies, regulations, and communications; and engage with affected states, tribes, communities, and stakeholders.

#### Expanding the Capacity of EPA to Fulfill Its Mission

The FY 2022 Budget serves as a critical inflection point to reverse the trend in recent years of a shrinking EPA workforce. Expanded capacity and growing the Agency is about achieving greater public health and environmental outcomes for the American people. EPA staff are public servants and include the front-line scientists, engineers, analysts, community coordinators, and program managers that implement EPA's mission each and every day. Without increases in full-time equivalent (FTE) and resources across EPA programs, the Agency will struggle to meet the multiple environmental challenges facing the country today and in the future. The FY 2022 Budget supports 15,324 FTEs for EPA, an increase of more than 1,000 compared to the current level of 14,297. Critically, the FY 2022 Budget also includes the payroll to support both existing and new FTE.

Expanding the capacity of EPA enables the Agency's staff to fulfill our mission more efficiently and effectively, leading to improved environmental and human health outcomes. Over the past four years, EPA has lost a significant number of career staff, impacting the Agency's ability to effectively carry out its core duties and functions to protect public health and the environment. The Budget invests in EPA's mission-critical capabilities needed to tackle climate change, bolster state climate programs, advance environmental justice, and prioritize the research and scientific integrity that guide agency efforts. Additionally, to reflect the changes to EPA's work over time, EPA is exploring the possibility of potential adjustments to the Agency's long-standing and complicated budget structure for future years.

Expanded capacity also extends to ensuring that rigorous scientific integrity guides policy and the Agency's regulatory process. Scientific and technological information, data, and evidence are central to the development and iterative improvement of sound policies and to the delivery of effective and equitable programs. Environmental challenges in the 21<sup>st</sup> century are increasingly complex. For example, the interplay between air quality, climate change, and emerging energy options require different thinking and solutions than those used in the past. These solutions require research that transcends disciplinary lines and involve EPA regions and programs working together with state, tribal and local partners, stakeholders, and communities. The FY 2022 request includes an additional \$72.2 million and 113.7 FTE to expand EPA's research programs.

Scientific integrity is imperative not only in the research the Agency conducts, but in the critical work of EPA advisory boards and committees. Going forward, EPA scientific experts will have freedom to provide independent scientific and technological advice and ensure that proper safeguards are instituted against potential conflicts of interest. To this end, the Agency has reset

memberships to the Science Advisory Board (SAB) and the Clean Air Scientific Advisory Committee (CASAC) to ensure the Agency receives the best possible scientific insights to support our work to protect human health and the environment. EPA's advisory committees, operating as catalysts for public participation in policy development, implementation, and decision making, have proven effective in building consensus among the Agency's diverse partners and stakeholders. In line with President Biden's Memorandum on *Restoring Trust in Government Through Scientific Integrity and Evidence-Based Policymaking*,<sup>13</sup> EPA remains committee to ensuring that highly qualified external experts serve on agency committees and that those members and future nominees of EPA advisory committees reflect the diversity of America in terms of gender, race, ethnicity, geography, and other characteristics.

The FY 2022 Budget provides additional resources to build agency capacity in managing chemical safety and toxic substances. EPA has significant responsibilities under amendments to the Toxic Substances Control Act (TSCA) for ensuring the safety of chemicals in or entering commerce and addressing unreasonable risks to human health or the environment. Chemicals and toxic substances are ubiquitous in our everyday lives and are often released into the environment from their manufacture, processing, use, and disposal. This work is particularly important to protect vulnerable populations, including low-income, minority, and indigenous populations, as well as children, who may be disproportionately affected by, and particularly at risk from, exposure to chemicals.

In FY 2022, the Agency is requesting an additional \$15 million and 87.6 FTE, a 35 percent increase from the FY 2021 enacted FTE level, to meet significant increased responsibilities imposed by the 2016 amendments to TSCA. Emphasis will be placed on quality, adherence to statutory intent and timelines applicable to pre-market review of new chemicals, chemical risk evaluation and management, data development and information collection, and review of Confidential Business Information (CBI) claims. The increased resources are essential for EPA to effectively build capacity and manage the workload associated with new requirements for chemical risk evaluations and risk management.

Expanding and building the capacity of EPA to handle the changing research, chemical safety, and programmatic needs that will ensure human health and environmental protection for years to come means prioritizing the Agency's support programs through increasingly efficient operations. All EPA employees, whether they work at headquarters, in one of the Agency's 10 regional offices, research labs, or finance centers, play a pivotal role in protecting human health and environment. The Agency has one of the oldest workforces in the federal government, with nearly 30 percent of the workforce eligible to retire today or in one year.<sup>14</sup> The number jumps to over 43 percent of employees eligible to retire in the next five years. To address this potential shortfall and loss of institutional knowledge, the FY 2022 request focuses on immediate action to bolster the EPA workforce and build capacity by facilitating knowledge transfer and planning for the environmental and human health challenges of the future.

<sup>&</sup>lt;sup>13</sup> <u>https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/27/memorandum-on-restoring-trust-in-government-through-scientific-integrity-and-evidence-based-policymaking/</u>.

<sup>&</sup>lt;sup>14</sup> Information regarding Federal employment statistics can be found through OPM's online data tool, FedScope, located at <u>http://www.fedscope.opm.gov/</u>.

One way in which the Agency plans to expand capacity is by attracting and retaining the best employees: experts in the field who are dedicated to public service. The Budget request includes an expansion of authority for the Agency's Title 42 program to recruit world class scientists and scientific leaders for term appointments. The proposal directly supports the Administration's focus on elevating the importance of science across government. The proposal also expands Title 42 hiring authority to EPA's Office of Chemical Safety and Pollution Prevention (OCSPP) to better support chemical safety work at the Agency.

EPA also is building capacity in critical mission support offices to manage the increased portfolio of acquisition contracts and grants proposed in the Budget request. The investment will support agency-wide capacity building, including oversight and tracking of new and increased grant investments, and support EPA's contract activities, including planning, awarding, and administering contracts for the Agency. These investments ensure that EPA can get resources out the door in a timely and accurate manner. Specifically, the Budget invests an additional \$8.5 million and 40 FTE in the Acquisition Management program, \$7.6 million and 21.8 FTE in the Human Resources program, and \$3.3 million and 20 FTE in the Financial Assistance Grants/ Interagency Agreement program. In FY 2022, EPA is committed to ensuring members of underserved communities have equitable access to agency procurement and contracting opportunities.

EPA believes that transparency and independent oversight of EPA work is more important now than ever. The public should know how EPA utilizes its resources to ensure we are making the best use of taxpayer dollars. The FY 2022 request provides an additional \$11 million and 31 FTE to ensure EPA's Office of the Inspector General (OIG) has the necessary resources to ensure independent oversight, promote good governance, and contribute to improved human health and the environment. This increase supports the investigation of cybersecurity intrusions, COVID-19 disinfectant fraud, and the need for robust program oversight in the light of an expanded budget request. Resources also provide for enhanced support for data analytics and program fraud detection. Funding also will assist with oversight of supplemental appropriations EPA received as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the American Rescue Plan Act of 2021.

The FY 2022 Budget makes investments needed for EPA and its partners to confront the urgent environmental challenges facing the country today, and for all of America to realize the return on these investments. We know that climate change is both a threat, and an opportunity to build a cleaner and healthier future. We know that for far too long the costs of pollution have been borne disproportionately in certain communities. We know that EPA will only succeed if we increase the support the Agency provides its state, tribal, and local partners who implement environmental laws alongside us. And we know that EPA will best deliver on our mission by fully leveraging the talents of a renewed and robust workforce of the 21<sup>st</sup> century. The FY 2022 Budget advances all of these areas and will strengthen EPA's and our partners' collective efforts in achieving the EPA's essential mission.