



**United States
Environmental Protection Agency
Fiscal Year 2026**

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

Tab 00: Overview

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FY 2026 Budget Overview

EPA's Mission

The United States Environmental Protection Agency (EPA) has a clear mission: to protect human health and the environment. The Agency also has a duty to fulfill this mission in an accountable and efficient manner. President Trump's Fiscal Year (FY) 2026 Budget for EPA signals a return to common-sense environmental policy that works *for* the American people. The President's Budget (PB) will ensure that the Agency can carry out its core mission and statutory responsibilities, while eliminating wasteful spending, resetting a proper balance between the federal government and states, and *Powering the Great American Comeback*.¹

The FY 2026 President's Budget for EPA totals \$4.16 billion, a 54 percent decrease from the FY 2025 Enacted Budget level. The Budget supports 12,856 full-time equivalents (FTE), a decrease of 1,274 FTE from the 2025 level, aligning with the President's goal of streamlining the federal workforce.² These resources reflect the Administration's commitment to environmental stewardship, cooperative federalism, and delivering results that make a real difference in Americans' lives. The EPA is focused on a back-to-basics approach that will lower the cost of living, remove unnecessary barriers for business and industry, empower states, and return the Agency to administering core statutory obligations as Congress intended.

The Agency is currently developing the FY 2026-2030 EPA Strategic Plan, and the FY 2026 Budget will advance the Administrator's five strategic pillars: *Clean Air, Land, and Water for Every American*; *Restore American Energy Dominance*; *Engage in Permitting Reform, Cooperative Federalism, and Cross-Agency Partnership*; *Develop Artificial Intelligence (AI) Capabilities*; and *Protect American Auto Jobs*. This framework ensures that the Agency is looking to the future and prioritizing economic growth and environmental remediation rather than ideologies or ineffective passthrough funding that does not directly protect the environment. Action across the Agency will be realigned to work *with* partners such as states, tribes, and industry to achieve these goals. In too many instances the federal government has retained control of implementing laws from its perch in the Nation's capital, a case of overreach that this Budget rectifies. States and local governments will instead be empowered, promoting innovative, localized solutions.

In FY 2026, EPA will focus on realigning resources to emphasize operational efficiencies, rightsizing the federal workforce with a staff not one FTE more or less than what is necessary, fully executing executive orders, and adhering to statutory responsibilities to complete our mission. The Budget reduces support for areas that deviate from EPA's core mission and advances common-sense deregulations that will drive the economy forward and make it more affordable to own a car, heat a home, operate a business, and bring manufacturing back to local communities.

¹ For additional information, please visit: <https://www.epa.gov/newsreleases/epa-administrator-lee-zeldin-announces-epas-powering-great-american-comeback>.

² The FY 2025 FTE total of 14,130 includes 779 Superfund tax FTE, and the FY 2026 President's Budget FTE total of 12,856 includes 1,655 Superfund tax FTE. The Agency also notes throughout that FY 2025 levels are estimates and subject to refinement based on Administration priorities.

EPA is committed to delivering real results with greater accountability and a stronger environmental return on investment per taxpayer dollar spent.

FY 2026 Priorities

Pillar One: Ensure Clean Air, Land, and Water for Every American

Delivering clean air, land, and water for all Americans is at the center of EPA's mission. The FY 2026 President's Budget clearly demonstrates the Administration's commitment to common-sense environmental stewardship that provides a healthy and clean environment for Americans. With a renewed focus on the core statutory responsibilities Congress has imparted to the Agency, EPA will utilize FY 2026 resources to simultaneously revitalize the American economy while upholding this pillar. Programs and activities that hinder economic growth have been reduced or eliminated, allowing for greater investment in those that have a tangible, direct impact on everyday life and affordability. The FY 2026 Budget will advance work to implement Executive Order 14154: *Unleashing American Energy*³ and Executive Order 14162: *Putting America First in International Environmental Agreements*.⁴

Clean Air

In FY 2026, the Agency will focus on reducing air pollutants and toxics that can cause or exacerbate health issues by working more effectively with states and tribes. This includes reviewing and approving State Implementation Plans (SIPs) for attaining air quality standards, redesignating areas to attainment of air quality standards, and streamlining air permitting. By focusing on EPA's statutory obligations, the Agency will be better able to deliver on their responsibilities to the American public. In FY 2026, EPA will continue reviewing the National Ambient Air Quality Standards (NAAQS) and retain or revise, as appropriate, while taking public health, environmental stewardship, and common-sense regulatory approaches into account. This is in addition to planned revisions to the Exceptional Events Rule, the Good Neighbor Plan, and the Regional Haze Program, examples of unlawful overreach that hinder economic progress.

EPA also is improving the efficiency and effectiveness of the SIP process with a goal of maximizing timely processing of SIP actions and reducing the significant backlog. Funding within the Federal Support for Air Quality Management Program has been set aside specifically to address and resolve the backlog of SIPs and to focus on the reconsideration of regulations on power plants, the oil and gas industry, NAAQs, and National Emission Standards for Hazardous Air Pollutants.

The Agency will take steps to ensure that the efficient carrying out of environmental law, not ideologies, drives our work. In March 2025, EPA issued guidance to review and revise the National Enforcement Compliance Initiatives (NECIs) as appropriate, to ensure alignment with Administration directives and policies.⁵ In doing so, the Agency will target enforcement and compliance assurance on pollution, ensuring a fair approach to environmental remediation. Additionally, EPA's enforcement community will focus on critical national security actions, such

³ Executive Order 14154: <https://www.whitehouse.gov/presidential-actions/2025/01/unleashing-american-energy/>.

⁴ Executive Order 14162: <https://www.whitehouse.gov/presidential-actions/2025/01/putting-america-first-in-international-environmental-agreements/>.

⁵ For additional information, please visit: <https://www.epa.gov/system/files/documents/2025-03/necimemo-20250312.pdf>.

as stopping illegal imports at the border to protect our citizens and using reasonable and effective enforcement tactics in the Agency's engagement.

In FY 2026, EPA will use its resources to focus on the core goal of providing clean air for Americans, while advancing fiscal stewardship, conservation, and enhancing national security by addressing transboundary pollution at the border. Programs such as Indoor Air Quality Tools for Schools and Wildfire Preparedness Grants help remediate and prepare buildings and communities that face air quality hazards. To further increase efficiency and empower state and local governments to take control of their own environmental programs, the FY 2026 Budget has proposed for elimination of a number of redundant programs, or programs that encourage federal overreach. These include the State & Local Air Quality Management Categorical Grant Program, the Diesel Emissions Reduction Act (DERA) Grant Program, the Radon Program, and the Radon Categorical Grant Program.

Clean and Safe Land

Ensuring that all Americans live, recreate, and work on land that is clean and safe is a priority for EPA. The Agency will continue to focus on expediting cleanup of Superfund and brownfields sites, concentrating efforts on a list of top priority sites to advance progress on areas of concern. Advancing cooperative federalism, EPA, working in tandem with states, tribes, and local partners, will clean up and return contaminated sites to productive use through the Superfund, Brownfields, Underground Storage Tanks (UST), and Resource Conservation and Recovery Act (RCRA) programs. These programs produce tangible benefits to working Americans and are the cornerstone of the FY 2026 President's Budget goal to ensure clean land across the Nation.

In FY 2026, EPA's land cleanup programs will utilize funding strategically, as good stewards of taxpayer dollars. EPA is fully transitioning the Superfund Remedial Program to Superfund taxes to conduct critical pre-construction projects, continue ongoing construction projects, and initiate new remedial work at National Priority List (NPL) sites to address contaminants including lead and per- and polyfluoroalkyl substances (PFAS). The Superfund Federal Facilities Program and the Superfund Emergency Response and Removal Program also will receive support from Superfund tax receipts.

The FY 2026 President's Budget will continue to advance the goal of clean land through its Brownfields programs. The Brownfields Projects Program will award grants and provide technical assistance to states, tribes, local communities, and other stakeholders to work together to plan, inventory, assess, safely clean up, and reuse brownfields, helping ensure clean land for communities across the Nation. As of April 2025, grants awarded by the Program have led to over 159,814 acres of idle land made ready for productive use and over 221,352 jobs and \$42 billion leveraged.⁶

Clean and Safe Water

The FY 2026 Budget focuses EPA's attention on implementing the core environmental statutes of our Nation, including Clean Water Act (CWA), Safe Drinking Water Act (SDWA), and Marine

⁶ 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 Assessment, Cleanup and Redevelopment Exchange System (ACRES) database.

Protection, Research and Sanctuaries Act (MPRSA), while also recognizing the need for efficiencies. In FY 2026, EPA will focus on actions that improve quality of life for Americans such as addressing 40 different PFAS compounds in surface water, groundwater, and wastewater through cutting-edge methods, providing greater regulatory clarity and certainty to landowners in alignment with the Supreme Court decision in *Sackett*, and working to permanently end the Tijuana River sewage crisis that has plagued Southern California for decades. The Trump Budget for EPA resets the proper balance between federal and state responsibilities while ensuring our Nation's waterways and drinking water are clean, and our water infrastructure is secure from malicious actors.

In FY 2026, EPA will provide resources for Clean Water (CWSRF) and Drinking Water State Revolving Fund (DWSRF) Programs that reflect a renewed emphasis on federalism, removing the overhead lost with the federal government acting as a passthrough. There has been significant historical federal funding, exceeding \$243.9 billion, invested in the State Revolving Funds (SRFs) and EPA is returning the responsibility of infrastructure funding to the states to leverage the strongest return on investment towards these projects per taxpayer's dollar, while retaining funding to allow for an offramp as states prepare during this transition period. Some states may be able to utilize the repayments of loan principal and interest earnings to fund future infrastructure needs. Additionally, as a responsible partner, the Agency will provide \$31 million, an increase of \$27 million, to the Indian Reservation Drinking Water Program to fund projects on reservations that connect, expand, or repair existing public water systems, as well as ambient water quality or sanitation projects for treatment works. While the Budget rightfully returns responsibility for state infrastructure to the states, it also prioritizes funding for tribes to be able to maintain their water infrastructure.

The FY 2026 Budget provides \$124 million in funding to EPA's Drinking Water Programs to advance the critical drinking water mission at EPA, protecting Americans, and especially children, from unsafe or contaminated water. This \$9 million increase from the current level will properly equip EPA with funds to respond to drinking water disasters, directly helping people on the ground recover from such emergencies. The Budget also will support coordination and protection of the Nation's critical water infrastructure from foreign, domestic, and other national security and public safety threats, including cyberattacks. EPA will leverage its role as the lead federal agency for cybersecurity in the water sector and work with government partners to close vulnerabilities and mitigate risks to cyberthreats.

EPA is empowering its implementing partners through cooperative federalism with support for the Geographic Programs to accomplish environmental remediation to restore and improve water quality, while bolstering important regional economies. Clean and safe drinking water is critical to the health of communities across the Nation. 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 associated costs. The Agency will continue to support regulatory analysis, development, and technical assistance for state, tribal, and local communities to address drinking water contaminants in their efforts to ensure safe and clean water.

Chemical Safety

EPA is responsible for ensuring the safety and availability of chemicals and pesticides used in the United States. In FY 2026 the Agency will work to reduce backlogs in the chemical review process to provide regulatory certainty to industry, furthering the *Great American Comeback* and unleashing the greatness of the American economy. The FY 2026 President's Budget realigns resources and FTE to ensure chemical reviews are done in a timely manner, addressing a deficit in staff and funding that has had negative consequences for small businesses and larger industry partners alike.

In line with returning to core activities, EPA will emphasize the review and registration of new pesticides and new uses for existing pesticides, and other covered applications under the Pesticide Registration Improvement Act (PRIA) and its reauthorizations. Under President Trump's leadership, EPA will demonstrate its commitment to American workers by continuing to support the implementation of the Agricultural Worker Protection Standard (WPS) and the Certification of Pesticide Applicators (CPA) revised rules for reducing occupational exposure to pesticides.

Pillar Two: Restore American Energy Dominance

The United States has an abundance of energy and natural resources that have fueled its economic success and supported American prosperity. Restoring American energy independence and energy dominance will significantly decrease costs for everyday Americans. The Agency's investment in this pillar also will allow our Nation to stop relying on energy sources from adversaries, while lowering costs for hardworking families, farmers, and small business owners.

Achieving American energy dominance and independence requires innovative thinking and common-sense reform. The restoration of energy dominance is not only an economic and national security goal, but it also is best for the environment as America draws from its domestic energy supply in an environmentally responsible way.

In accordance with Executive Order 14154: *Unleashing American Energy*, EPA is systematically reviewing all of its actions, including regulatory requirements, orders, guidance documents, policies, settlements, and consent orders, to identify and eliminate barriers to domestic energy production. This review will ensure that EPA actions are grounded in clearly applicable law and based on sound technical, economic, and policy analysis. In FY 2026, the Agency will undertake 31 actions to fulfill the Administration's promise to unleash American energy, lower the cost of living for all Americans, restore the rule of law, and empower and encourage states to innovate and fund more efficient and effective methods to meet their responsibilities under delegated authority.⁷

EPA is committed to helping unleash American energy to *Power the Great American Comeback*. The lack of adequate energy supply and weak infrastructure has increased energy prices, which has impacted all Americans, particularly those in low-and fixed-income communities.⁸ A reliable and affordable supply of energy is critical to driving the Nation's industries and ensuring preparedness for national emergencies.

⁷ For additional information, please visit: <https://www.epa.gov/newsreleases/epa-launches-biggest-deregulatory-action-us-history>.

⁸ Executive Order 14156: <https://www.whitehouse.gov/presidential-actions/2025/01/declaring-a-national-energy-emergency/>.

The FY 2026 President’s Budget prioritizes actions that reduce barriers to achieving the goal of energy independence. EPA will reevaluate greenhouse gas (GHG) regulations imposed on power plants, commonly known as the “Clean Power Plan 2.0.”⁹ The Agency also will reconsider methane regulations throttling the oil and gas industry under the Clean Air Act (CAA) and the Greenhouse Gas Reporting Program (GHGRP). EPA will reexamine the Mercury and Air Toxics Standards (MATS) that improperly target coal-fired power plants, and undertake multiple CAA reviews and associated rulemakings,¹⁰ including all National Emission Standards for Hazardous Air Pollutants (NESHAP), to reflect developments in practices, processes, control technologies, and associated national guidance and outreach, in addition to proposing or promulgating more than 25 NESHAP rules.

In FY 2026, the Agency will reconsider wastewater regulations for oil and gas development and standards for the Steam Electric Power Generating industry to ensure reliable, affordable electricity. EPA will evaluate modern technologies and management strategies to provide regulatory flexibility for oil and gas wastewater—also known as produced water—to be treated for beneficial reuse, including for AI and data center cooling, rangeland irrigation, fire control, power generation, and ecological needs. Additionally, EPA will revise wastewater regulations from the 1970s that do not reflect modern capability to treat and reuse water. Through these efforts, the Agency will lower production costs for oil and gas extraction to boost American energy while increasing water supplies and protecting water quality. These actions will ensure that America’s oil and natural gas refineries as well as chemical facilities are safer and more competitive as concerns have been raised on national security and value of prescriptive requirements within the rule.

To enhance transparency and accountability, EPA will track costs and cost savings of its regulatory actions so that all actions are fully and appropriately estimated. This includes the development and deployment of EPA’s economy-wide model to track how regulatory costs and savings ripple through the economy and improve the cost of living for American households. The Trump EPA has launched 31 deregulatory actions to advance President Trump’s Day One executive orders and *Power the Great American Comeback*.¹¹

In FY 2026, EPA will establish the Office of State Air Partnerships to improve coordination with state, local, and tribal air permitting agencies. Consistent with the requirements of the CAA, EPA will work to address sources of air pollutants for multiple source categories, including those in the power plant and oil and natural gas sectors. EPA expects to propose or promulgate at least four New Source Performance Standards actions in FY 2026.

The Agency will reconsider the mandatory Greenhouse Gas Reporting Program that imposes significant costs on the American energy supply. The Program requires over 8,000 facilities and suppliers in the United States to calculate and submit their emissions reporting annually, which

⁹ For additional information, please visit: <https://www.epa.gov/newsreleases/trump-epa-announces-reconsideration-biden-harris-rule-clean-power-plan-20-prioritized>.

¹⁰ For additional information, please visit: <https://www.epa.gov/newsreleases/trump-epa-announces-reconsideration-air-rules-regulating-american-energy-manufacturing>.

¹¹ For additional information, please visit: <https://www.epa.gov/newsreleases/epa-launches-biggest-deregulatory-action-us-history>.

costs industries millions of dollars that could be reallocated to improve and upgrade environmental controls or other items at these facilities to have a clear and noticeable impact on the improvement of the environment.

The FY 2026 President's Budget will support a detailed analysis of the direct and indirect impacts of regulatory actions on employment, with the best available data and in a more consistent, transparent, and cost-effective manner to support innovation at EPA on a regular basis and to advance the Administration's policy goals to unleash clean, efficient, and affordable energy.

Pillar Three: Advance Permitting Reform, Cooperative Federalism & Cross-Agency Partnership

Permitting reform, cooperative federalism, and productive cross-agency partnerships are core components of *Powering the Great American Comeback*. Guided by President Trump's executive orders and directives, EPA is committed to partnering with state, tribal, and local governments, as well as businesses and industry, to streamline the permitting process and improve efficiencies so the Nation can unleash economic growth while providing cost savings to hardworking Americans.

The FY 2026 Budget realigns resources to improve efficiency and effectiveness across EPA programs and regions through innovation and best practices to streamline permitting processes, reduce chemical review backlogs, and enhance workforce productivity that ensure cost-effective use of taxpayer dollars. The Budget also provides support to ensure EPA is transparent and fair under the rule of law. Under the Trump Administration, EPA will safeguard clean air, land, and water and protect human health in a way that fuels economy growth and sparks American ingenuity. America is a land of rockets, smartphones, and cancer cures – a place where innovation drives both prosperity and progress. We don't have to choose between a strong economy and a healthy environment. With the same spirit that built Silicon Valley and reached the stars, we can achieve both, creating a future where people thrive.

Permitting Reform

The FY 2026 President's Budget supports innovative strategies and realigns resources to reform and streamline permitting operations, as well as other internal and external activities across the Agency. EPA's permitting and environmental review programs are implemented through statutory authorities such as the National Environmental Policy Act (NEPA). The FY 2026 Budget provides resources to ensure the Agency is prepared to conduct permitting and environmental reviews faster and more cost effectively while building capacity and improving testing on innovations to environmental reviews. This includes an increase for the NEPA Implementation Program to emphasize permitting and environmental review best practices, coordination with federal partners for timely authorizations and approvals, as well as streamlining and facilitating national oversight and automation. The Integrated Environmental Strategies Program will focus \$8 million exclusively on promoting economic growth through improvements to the permitting process. The Program will demonstrate new approaches to streamline and reduce unnecessary burdens and help communities meet their environmental and economic needs. The Agency will encourage policies and procedures that support process improvements, ideations, and problem-solving. EPA will continue to be a leader in data tracking, analysis, and problem-solving to support permitting reform initiatives such as implementing a continuous improvement project to reduce the time it takes for

EPA to issue Class VI well permits and standardize EPA’s Class VI permitting process across regions.

The Agency is committed to investing in improvements to the timeliness and quality of new chemical reviews and its related risk management actions. As mandated by the Toxic Substances Control Act (TSCA), EPA reviews approximately 500 submissions annually of new chemical substance for their stated uses to identify potential hazards and risks associated with those uses. Efficiency and timeliness of approval of new chemicals will spur innovation and allow for the manufacturing of newer, safer chemical substances, supporting the *Great American Comeback*. EPA also will implement improvements to the processes used to review and register new pesticides and new uses for existing pesticides, and other covered applications under PRIA, the Federal Insecticide, Fungicide, and Rodenticide Act, and the Federal Food, Drug, and Cosmetic Act (FFDC).

Cooperative Federalism

States, tribes, and local governments are best positioned to address the unique environmental challenges facing their communities. In FY 2026, the Agency will empower state and local governments to achieve environmental protection at a local level, encouraging more efficient and innovative ways to meet their responsibilities while EPA focuses on meeting core statutory requirements to protect human health and the environment where there is a unique federal role. The Budget recognizes that EPA has invested hundreds of billions of dollars over several decades building state and local capacity and many programs are mature or have accomplished their purpose.

In FY 2026, EPA will partner with environmental leaders from states and tribes through E-Enterprise for the Environment to streamline processes and optimize technologies to accomplish shared objectives for environmental program implementation.¹² By working together, states, tribes, and EPA regional offices will identify opportunities to digitize permit applications, automate and augment processes with AI, and share project analyses across jurisdictions to reduce duplication. EPA will emphasize tribal capacity-building, providing funding and technical assistance that encourage greater independence from federal oversight. Additionally, EPA will encourage tribes to establish environmental protection programs consistent with laws administered by EPA through the Indian Environmental General Assistance Program (GAP). GAP funding will encourage the development of technical, legal, enforcement, and outreach capacities tribes need to effectively administer environmental regulatory programs that EPA may delegate.

Cross-Agency Partnership and Internal Streamlining

The FY 2026 President’s Budget emphasizes greater efficiency of Agency processes and actions through internal and external realignments and partnerships. In support of Administration priorities of a leaner, more accountable federal government, EPA will implement numerous workforce reshaping initiatives and human capital processes across the Agency that are in line with Executive Order 14217: *Commencing the Reduction of the Federal Bureaucracy*¹³ and Executive Order 14210: *Implementing the President’s Department of Government Efficiency Workforce*

¹² For additional information, please visit: <https://e-enterprisefortheenvironment.net/>.

¹³ Executive Order 14217: <https://www.whitehouse.gov/presidential-actions/2025/02/commencing-the-reduction-of-the-federal-bureaucracy/>.

Optimization Initiative.¹⁴ EPA's workforce reshaping effort will eliminate non-essential functions and implement hiring restrictions to right size the government.

In FY 2026, EPA will be implementing an ambitious space consolidation plan that will reduce a number of occupied facilities, consolidate space, and reduce square footage, which will result in significant savings for the American public. EPA will vacate the Ronald Reagan Building in Washington, D.C. and a facility in Chapel Hill, NC by the end of FY 2025, expecting approximately \$22 million in rent savings for FY 2026.

The FY 2026 President's Budget marks a return to statutory enforcement and compliance work. This work will bring regulated entities into compliance with federal environmental law through administrative and judicial enforcement. EPA will achieve compliance more efficiently and appropriately by focusing enforcement on clear and substantial violations of the law that cause significant harm and that cannot be addressed by states.

Ensuring strong partnerships with other federal agencies, EPA will work with federal partners, including the Customs and Border Protection, to perform mission essential inspections, investigations, and sampling to stop illegal imports and ensure our borders remain secure. Much of the EPA's cost-cutting and efficiency agenda requires close cooperation with other federal entities, especially when it comes to permitting reform. These efforts include coordination agencywide, across 13 other federal agencies, the Permitting Council, the Council on Environmental Quality (CEQ), and the Office of Management and Budget (OMB).

Pillar Four: Make the United States the Artificial Intelligence Capital of the World

In FY 2026, EPA aims to contribute to the United States becoming the global leader in AI. This advances multiple executive orders, including Executive Order 14179: *Removing Barriers to American Leadership in Artificial Intelligence*,¹⁵ OMB Memorandum M-25-21: *Accelerating Federal Use of AI through Innovation, Governance, and Public Trust*,¹⁶ and OMB Memorandum M-25-22: *Driving Efficient Acquisition of Artificial Intelligence in Government*.¹⁷ To fulfill these directives, EPA will expand AI capabilities within the Agency and remove unnecessary regulatory barriers to foster growth in the American AI industry.

To modernize its operations and improve efficiency, EPA will significantly invest in expanding its internal AI capabilities. This involves sharing critical data sets with federal and state agencies, a move that empowers permitting reform and supports the development of smart regulations. Leading this charge is the Chief Information Officer and the Chief AI Officer, tasked with crafting a robust AI strategy, ensuring compliance, and overseeing governance to maximize AI's operational efficacy. EPA will make strategic adjustments to its programs and activities to better

¹⁴ Executive Order 14210: <https://www.whitehouse.gov/presidential-actions/2025/02/implementing-the-presidents-department-of-government-efficiency-cost-efficiency-initiative/>.

¹⁵ Executive Order 14179: <https://www.whitehouse.gov/presidential-actions/2025/01/removing-barriers-to-american-leadership-in-artificial-intelligence/>.

¹⁶ OMB Memorandum M-25-21: <https://www.whitehouse.gov/wp-content/uploads/2025/02/M-25-21-Accelerating-Federal-Use-of-AI-through-Innovation-Governance-and-Public-Trust.pdf>.

¹⁷ OMB Memorandum M-25-22: <https://www.whitehouse.gov/wp-content/uploads/2025/02/M-25-22-Driving-Efficient-Acquisition-of-Artificial-Intelligence-in-Government.pdf>.

align with these new priorities. In addition to the development of a comprehensive strategy to guide the use of AI and automation in a responsible and effective manner, the Agency will develop a Metadata Management Plan that will enable AI to effectively locate and utilize data.

In FY 2026, EPA will advance the modernization of administrative workflows to improve productivity and the result of a taxpayer's dollar. By leveraging AI to transition from paper-based and analog processes to digital ones, the Agency can speed up and automate administrative and operational tasks as well as improve data analysis and collection. Additionally, the Agency will undertake a concerted effort to enhance cross-agency interoperability, ensuring that data delivery to the public is seamless and that AI-driven solutions facilitate better communication between agencies.

Looking to the future, the widespread adoption of AI tools and platforms within EPA is expected to yield significant achievements. By improving financial data quality, accessibility, and governance, EPA is creating a foundation where AI can thrive and provide essential data to support mission needs. AI platforms have the potential to greatly improve the precision and speed of environmental assessments, leading to more effective resource allocation. The development and refinement of AI use cases with high operational impact will contribute to innovative solutions for pressing environmental challenges. As AI capacity continues to expand across the Agency, a culture of innovation and technological advancement is expected to flourish.

EPA is looking beyond internal processes to invest in key partnerships to bolster the production of data centers, chip manufacturing, and supply chain management to enable this vital technology across the United States. Moving forward, EPA will collaborate with lawmakers and industry leaders to ensure that it is easy to invest in and develop AI within the United States, and that the energy required to do so is reliable and affordable. EPA will prepare and support the transition of organizational major permitting programs into 21st Century automation and AI-ready form while strengthening engagement and coordination with coregulating partners to use AI/automation which will enhance permit quality, timelines, and integrity

These initiatives reflect EPA's commitment to making the United States the AI Capital of the World. By supporting cooperative federalism and promoting smart regulations, and through strategic funding and governance, EPA is well-positioned to harness AI for the betterment of the environment and public health.

Pillar Five: Protect and Bring Back American Auto Jobs

The American auto industry, a cornerstone of U.S. manufacturing and economic strength, has faced significant challenges in recent years. Under President Trump, EPA will focus on bringing back American auto jobs and invest in domestic manufacturing to revitalize a quintessential American industry. This pillar aligns with the President's proclamation to protect national security by incentivizing the return of domestic automobile production and reducing America's reliance on imports of foreign automobiles and their parts.¹⁸ Americans have the right to decide what vehicle is best for them: electric or gas-powered.

¹⁸ For additional information, please visit: <https://www.whitehouse.gov/fact-sheets/2025/04/fact-sheet-president-donald-j-trump-incentivizes-domestic-automobile-production/>.

To support the American auto industry, EPA will aid in assessing costs, benefits, and job impacts of Agency actions on businesses, communities, and government entities. This will better inform policies that protect human health and the environment without unduly burdening the economy. In FY 2026, EPA will establish a more detailed employment analysis of deregulatory and regulatory actions to identify options consistent with this goal and develop tools to evaluate regulatory job displacement, including through offshoring of production, and the benefits of avoiding those effects—with a focus on the electricity, oil, gas, and auto manufacturing sectors. These efforts will provide the Agency with useful data and information on how and where to invest in domestic manufacturing while lowering overall costs for households, energizing the economy, and continuing to support the Agency’s core mission of ensuring clean air for all Americans.

In FY 2026, EPA will continue the work begun in FY 2025 to reconsider and reevaluate three major on-road engine and vehicle regulations. Specifically, EPA announced on March 12, 2025, that the Agency would reconsider the 2024 light-and medium-duty vehicle multipollutant rule and the 2024 heavy-duty vehicle GHG “Phase 3” rule, and the 2022 highway heavy-duty engine Low Nitrogen Oxide (NO_x) rule.¹⁹ These actions will result in smart regulations that lower the cost of living for American families and make it more affordable to purchase the cars of their choosing and to bring manufacturing into local communities.

In accordance with Presidential Memorandum *Delivering Emergency Price Relief for American Families and Defeating the Cost-of-Living Crisis*,²⁰ EPA will pursue appropriate actions to reduce the cost of the transportation sector and create employment opportunities for American workers. In FY 2026, the Agency will conduct more regular and detailed employment analyses of regulatory actions to identify areas consistent with current policy goals and priorities, including the development of information and models to help conduct assessments that evaluate the impacts of regulatory job displacement and the benefits of avoiding those effects. To further this goal, EPA will update the Agency’s “Guidelines for Preparing Economic Analysis,” including a companion reference manual, model, and data for conducting analysis on impacts of regulations on domestic competitiveness and the costs of shifting production and jobs overseas. These actions will ensure that American workers are supported, and the Nation can reinvest in itself, maintain resilience, sustain its domestic industrial base, and thrive in a rapidly changing global economy.

¹⁹ For additional information, please visit: <https://www.epa.gov/newsreleases/epa-announces-action-implement-potuss-termination-biden-harris-electric-vehicle>.

²⁰ For additional information, please visit <https://www.whitehouse.gov/presidential-actions/2025/01/delivering-emergency-price-relief-for-american-families-and-defeating-the-cost-of-living-crisis/>.