



ENVIRONMENTAL PROTECTION AGENCY

Established in 1970, the Environmental Protection Agency (EPA) broadly states its mission “to protect human health and the environment.”¹ With more than 18,000 employees,² the EPA distributes federal funding to states for various environmental programs and enforces dozens of environmental laws and regulations, ranging from air and water quality standards to the disposal of hazardous material.³

Despite historic budget deficits, Congress has increased EPA spending by record amounts in recent years. In fiscal year 2009 the agency received \$7.2 billion in stimulus funding, nearly double its annual appropriation of \$7.6 billion.⁴ In fiscal year 2010, its annual budget rose by an additional 35 percent to \$10.3 billion, “the highest funding level since its creation.”⁵

Unfortunately, wasteful, inefficient, and duplicative programs are costing tax payers billions of dollars and keeping EPA from effectively focusing on its core responsibilities.

Reduce Excessive Overhead Costs and Unnecessary Bureaucracy

There are a number of simple cost controls the agency could implement to save tax dollars without reducing or compromising its core mission.

Administrative Overhead

President Obama proposed cutting \$40 million from EPA’s administrative budget next year. The Office of Management and Budget (OMB) notes “the Federal Government spends extensive amounts on services or products that may be characterized as administrative or overhead. Over the past five years, spending on certain of these activities has grown substantially.” The Obama Administration has directed all federal agencies to cut unnecessary spending and, according to OMB, “agencies are busy putting in place the processes and policies during 2011 that will enable them to realize these savings in 2012.”⁶

¹ Environmental Protection Agency, “Our Mission and What We Do,” <http://www.epa.gov/aboutepa/whatwedo.html>, accessed July 15, 2011.

² Environmental Protection Agency, “Justification of Appropriation Estimates for Committee on Appropriations, Fiscal Year 2012,” accessed July 13, 2011, <http://nepis.epa.gov/Exe/ZyPURL.cgi?Dockey=P100A4HZ.txt>, accessed July 15, 2011.

³ CRS RL30798, “Environmental Laws: Summaries of Major Statutes Administered by the Environmental Protection Agency,” Congressional Research Service, October 8, 2010, <http://www.crs.gov/pages/Reports.aspx?PRODCODE=RL30798>, accessed July 15, 2011..

⁴ Environmental Protection Agency Press Release, “Stimulus Plan Will Create Sustainable Jobs that will Protect Public Health.” February 19, 2009. <http://yosemite.epa.gov/opa/admpress.nsf/de9ade70d6ffa90d8525757e005bf8b4/d43f5cd92b72197d85257562006fa2b2!OpenDocument>, accessed July 14, 2011.

⁵ Environmental Protection Agency, “FY 2012 EPA Budget in Brief,” <http://nepis.epa.gov/EPA/html/DLwait.htm?url=/Adobe/PDF/P100A5RE.PDF>, accessed July 15, 2011.

⁶ Office of Management and Budget, “Budget of the U.S. Government: Fiscal Year 2012 Terminations, Reductions, and Savings,” <http://www.whitehouse.gov/sites/default/files/omb/budget/fy2012/assets/trs.pdf> at 88.

Excessive Bureaucracy

The agency has a large, top-heavy bureaucracy that no longer matches its core responsibilities. Though the EPA has increasingly relied upon States and contractors to administer key enforcement responsibilities, agency staffing has more than tripled since its founding in 1970, with more than 18,000 today.^{7 8} While the actual work of protecting human health and the environment takes place in the field, nearly one of every three EPA employees works in the Washington, D.C. metropolitan area.⁹ By applying the recommendations of the National Commission on Fiscal Responsibility and Reform to reduce overall agency staffing by 10 percent (through attrition), the EPA could reduce its overall staffing levels by an estimated 1,800 employees over time.

Office Space

The EPA maintains 249 buildings with more than 4 million square feet of space across the nation.¹⁰ The EPA's Office of Inspector General (EPA-OIG) notes that the agency is spending an estimated \$300 million annually to operate these sites and that of the 140 primary facilities, 97 have five or fewer employees.¹¹ The EPA-OIG suggests that as states are increasingly assuming administrative responsibilities for key environmental statutes and regulations the "EPA might consider evaluating costs and benefits realized by those regions maintaining separate smaller operations offices in States versus maintaining large regional offices."¹² The EPA should conduct a review of its current organizational structure and reduce operational costs by at least ten percent, saving taxpayers \$30 million annually or \$333 million over the next ten years.



Unnecessary Conference Travel

The EPA continues to spend millions of dollars to send employees to conferences around the world, including trips to Paris, Cancun and Puerto Rico.¹³ While the agency is currently compiling updated statistics on conference expenses, for the most recent year available, the agency spent \$17 million on conference travel.¹⁴ Similarly concerning, the EPA-OIG has released an alarming report indicating serious mismanagement of agency travel policy. The IG noted that the travel program, "lacks necessary control procedures to assure all travel authorizations were necessary and in the best interest of the government." The report continues, "Poor internal controls also allow personnel to change the routing chain for travel approval

⁷ Environmental Protection Agency, Office of Inspector General, "EPA's Key Management Challenges for FY 2009," April 28, 2009, <http://www.epa.gov/oig/reports/2009/FiscalYear2009MgmtChallenges.pdf>.

⁸ Office of Personnel Management, "Employment and Trends, September 2010," <http://www.opm.gov/feddata/html/2009/September/table2.asp>.

⁹ *Id.*

¹⁰ General Services Administration, FY 2009 Federal Real Property Statistics, http://www.gsa.gov/graphics/ogp/FY2009_FRPR_Statistics.pdf.

¹¹ Environmental Protection Agency, Office of Inspector General, "EPA's Key Management Challenges for FY 2009," April 28, 2009, <http://www.epa.gov/oig/reports/2009/FiscalYear2009MgmtChallenges.pdf>.

¹² *Id.*

¹³ 155 Cong. Rec. S9942 (daily ed. Sept. 29, 2009).

¹⁴ *Id.* at S9943.

without notification of their supervisor of record.”¹⁵ The White House has proposed a reduction of \$25 million in conference spending over the next five years, proposing to make greater use of teleconferencing.

Reclaim Unspent Funds

The EPA, like many federal agencies, maintains billions of dollars in unobligated funds—“the amounts of budget authority that have not yet been committed by contract or other legally binding action by the government.”¹⁶ Despite this, Congress continues to send the agency more money than it can spend. The Obama Administration estimated the EPA has remaining unspent and unobligated funds of \$2.2 billion in fiscal year 2011.¹⁷

Congressional appropriators routinely tap agency unobligated balances to pay for their own priorities. For example, in the final continuing resolution funding federal agencies through the end of fiscal year 2011, Congress withdrew \$140 million from the EPA’s State and Tribal Assistance Grant program and reallocated it to other priorities.¹⁸

As the budget deficit is now our most urgent priority, at least half of these unspent funds, or \$1.1 billion should be reallocated towards deficit reduction.

Eliminate Unnecessary, Inefficient, and Duplicative Programs

The EPA was created “to consolidate in one agency a variety of federal research, monitoring, standard-setting and enforcement activities to ensure environmental protection.”¹⁹ Thanks in large part to Congress’ unwillingness to perform rigorous oversight, the agency remains plagued by many of the very problems of duplication and inefficiency it was created to solve.

Environmental Justice

The EPA’s Environmental Justice (EJ) program, within the Office of Enforcement and Compliance Assurance (OECA), exists to provide an environment that promotes “the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies.”²⁰ While the program’s name evokes positive feelings, a closer look reveals that EJ is poorly focused and duplicates not only other agency initiatives, but also considerable efforts of the Department of Justice (DOJ). For instance, recent EJ grants have focused on community recycling, weatherization, climate change, green jobs, and clean

¹⁵ Environmental Protection Agency, Office of the Inspector General, “EPA Travel Program Lacks Necessary Controls,” March 9, 2010, <http://www.epa.gov/oig/reports/2010/20100309-10-P-0078.pdf>.

¹⁶ Office of Management and Budget, “Balances of Budget Authority, FY 2012,” <http://www.whitehouse.gov/sites/default/files/omb/budget/fy2012/assets/balances.pdf>.

¹⁷ *Id.* at 4.

¹⁸ Department of Defense of Full Year Continuing Appropriations Act, 2011, Section 1740, April 15, 2011, <http://www.gpo.gov/fdsys/pkg/PLAW-112publ10/pdf/PLAW-112publ10.pdf>.

¹⁹ Environmental Protection Agency, “Our History,” <http://www.epa.gov/aboutepa/history/index.html>, accessed on July 15, 2011.

²⁰ Environmental Protection Agency, “Environmental Justice Home,” <http://www.epa.gov/environmentaljustice>, accessed July 15, 2011.

energy²¹—all functions heavily promoted and funded by other EPA, Department of Energy, Department of Labor and Department of Housing and Urban Development programs.

Discrimination of any sort must not be tolerated. Where the environment is concerned, the EPA's Civil Enforcement Division is already equipped to tackle any discrimination issues.²² Furthermore, the DOJ Civil Rights Division “enforces federal statutes prohibiting discrimination on the basis of race, color, sex, disability, religion, familial status and national origin.”²³ Given the existence of those offices, the EJ program's impact and need are highly questionable. Eliminating this program will save \$71 million over ten years.

Great Lakes Restoration Initiative (GLRI)

Begun in 2010, the GLRI bills itself as “the largest investment in the Great Lakes in two decades.”²⁴ It is not authorized by law and it duplicates existing federal Great Lakes restoration programs. The GLRI received \$300 million in fiscal year 2011. This is an addition \$670 million allocated for other Great Lakes restoration programs in the same year. Since fiscal year 2004, Congress has appropriated over \$6.8 billion to Great Lakes programs.²⁵

In reality, the EPA redistributes over half of GLRI appropriated funds to 16 federal agencies, including the Department of Health and Human Services, the Corps of Engineers, Department of Transportation, the Department of the Interior, the Department of Homeland Security, and the National Park Service. This has allowed agencies, including the EPA, to double dip on Great Lakes funding.



Worse, many of the funded efforts are of little actual consequence to the Great Lakes ecosystem, instead advancing existing priorities of other agencies. For instance in 2010, the EPA awarded eight “tribal capacity” grants to Indian tribes to enhance their ability to participate in GLRI meetings and initiatives.²⁶ These funds come in addition to regular funding for the Bureau of Indian Affairs (BIA) and an additional \$3.4 million the BIA was awarded specifically for GLRI efforts.²⁷

²¹ Environmental Protection Agency, Environmental Justice Small Grants Recipients: FY 2010,” <http://www.epa.gov/environmentaljustice/grants/ej-smgrants-recipients-2010.html>.

²² Environmental Protection Agency, “FY 2012 EPA Budget in Brief,” Page 70 <http://nepis.epa.gov/EPA/html/DLwait.htm?url=/Adobe/PDF/P100A5RE.PDF>.

²³ U.S. Department of Justice, Civil Rights Division. “About the Division.” <http://www.justice.gov/crt/index.php>, accessed July 15, 2011.

²⁴ Environmental Protection Agency, “Great Lakes Restoration Initiative,” <http://www.epa.gov/glnpo/glri/>, accessed July 15, 2011.

²⁵ Office of Management and Budget, “Great Lakes Restoration Crosscut, Report to Congress,” March 2010, http://www.whitehouse.gov/sites/default/files/omb/assets/legislative_reports/2010_great_lakes_report.pdf at 6, accessed July 15, 2011.

²⁶ Great Lakes Restoration Initiative, “Accountability System, GLRI Projects Funded By Federal Agency,” https://restore.glnpo.net/glas_pub/qadetailreport.htm?reportType=Organization&reportYear=All Years&subID=3

²⁷ Great Lakes Restoration Initiative, “Accountability System, GLRI Projects Funded By Federal Agency,” Search Bureau of Indian Affairs, https://restore.glnpo.net/glas_pub/qareport.htm.

Similarly, the GLRI awarded nearly \$100,000 to the Chicago Parks District for a Chicago Beaches Communication program. The additional “signage, expanded electronic communications, staff training, and a new volunteer Beach Ambassadors program” will alert beachgoers to any beach health issues.²⁸ The Chicago Parks District is the nation’s “largest municipal park manager” and already has an annual budget of nearly \$400 million.²⁹

The GLRI funds actually directed to legitimate ecosystem restoration efforts overlap with activities already heavily subsidized by other non-Great Lakes focused federal programs. For instance, GLRI has awarded millions of dollars for invasive species research and control despite the presence of dozens of existing federal invasive species programs funded in excess of \$1 billion annually.³⁰

GLRI is duplicative of other, better funded Great Lakes initiatives and other national environmental protection programs. Given its lack of legal authorization and the efforts of dozens of other federal programs, the GLRI should be eliminated, saving \$3.33 billion over ten years. Even without GLRI, it is important to note Great Lakes restoration activities will continue to receive more than \$600 million each year or \$6 billion over the next ten years.

Diesel Emission Reduction Program

Part of the “National Clean Diesel” campaign, this grant program was created in 2005 as a short term effort to assist states and local governments to meet new diesel emissions standards for older diesel engines. Set to expire at the end of 2011, the program received \$469 million from 2008-2010,³¹ all while state agencies received another \$119 million in stimulus funding for Emission Reduction Grants.³² According to President Obama, the overall impact of the program has been “marginal” and “any additional emissions reductions will occur even without DERA funding.”³³ Further, funding is available for the same purposes through the Department of Transportation’s (DOT) Congestion Mitigation and Air Quality Improvement program.³⁴ Elimination of the EPA grant will result in one year savings of \$60 million and \$66 million over ten years.

Airshed Grant Program

Similarly, the EPA administers \$20 million each year in “airshed grants” of which \$10 million is exclusively set aside for the state of California, and the remaining \$10 million is largely for

²⁸ Great Lakes Restoration Initiative, “Environmental Protection Agency, Project Information,” https://restore.glnpo.net/glas_pub/activitydetail.htm?activityID=86&fundingID=1050&mode=modifyFunding&myview=allV&fromview=report&reportType=Organization&reportYear=All Years&subID=3&sortBy=, accessed on July 15, 2011.

²⁹ Chicago Park District, “2011 Budget Summary,” <http://www.cpdit01.com/resources/budget.home/B2011/2011%20CPD%20Budget%20Summary.pdf>.

³⁰ Congressional Research Service request, documents include cross-cutting tables from the Departments of Agriculture, Interior, and Commerce, January 15, 2010

³¹ Office of Management and Budget, “Fiscal Year 2012 Terminations, Reductions, and Savings; Budget of the U.S. Government, Office of Management and Budget,” <http://www.whitehouse.gov/sites/default/files/omb/budget/fy2012/assets/trs.pdf> at 21.

³² U.S. Environmental Protection Agency, “Emission Reduction Projects State Grant.” <http://www.epa.gov/cleandiesel/projects/proj-state.htm>, accessed July 15, 2011.

³³ Office of Management and Budget, “Fiscal Year 2012 Terminations, Reductions, and Savings; Budget of the U.S. Government, Office of Management and Budget,” <http://www.whitehouse.gov/sites/default/files/omb/budget/fy2012/assets/trs.pdf> at 21.

³⁴ U.S. Department of Transportation, “Congestion Mitigation and Air Quality Improvement Program.” http://www.fhwa.dot.gov/environment/air_quality/cmaq, accessed July 15, 2011.

California as well. The funding was added by Congressional appropriators, and the California specific grant is not authorized by law. Like the Diesel Emission Reduction grant, the airshed grant is duplicative of a DOT funded program, and in this instance, also overlaps with funding programs of the State of California.³⁵ Elimination of the programs will result in \$20 million in annual savings, or \$221 million over ten years.

Science to Achieve Results (STAR) Program

Created in 1995, the STAR program is part of EPA's extramural research programs for academic and graduate student researchers, funding "scientific and engineering research that the agency lacks the resources to perform internally" and encouraging students "to obtain advanced degrees and pursue careers in environmentally related fields. It has grown to \$58 million a year program."^{36 37} Though noble, the program is duplicative and not able to demonstrate sufficiently unique results to merit continuation.



A 2003 Inspector General report on STAR fellowships indicated the agency "did not place emphasis on determining the results and achievements of its STAR Fellowship Program." The IG concluded that the program's "success cannot be measured."³⁸ The Congressional Budget Office points to a 2005 analysis by the Office of Management and Budget review that concluded "STAR's research on water quality, land use, and wildlife is similar to work done in other federal agencies. OMB also found the program's coordination with other EPA offices and other agencies was inadequate to ensure that the agencies had access to research findings; that the program had not shown "adequate progress toward achieving long-term goals."³⁹

The duplicative and wasteful nature of the STAR program is made obvious by some of its recent grant awards: \$111,000 for University of California-Berkeley study entitled "Energy Efficiency in K-12 Public Schools: Investigating Behavioral and Operational Factors,"⁴⁰ \$111,000 for a University of Minnesota study entitled: "From Arkansas to Ontario: Understanding Climate and Climate Change Impacts on Sugar Maple Range Limits,"⁴¹ \$10,000 for a Georgia Institute of Technology study to develop "a bicycle-mounted electronic smart-lock that can communicate with a central server;" and \$10,000 to the Department of Fashion and Apparel at the University

³⁵ Office of Management and Budget, "Fiscal Year 2012 Terminations, Reductions, and Savings; Budget of the U.S. Government, Office of Management and Budget,"

<http://www.whitehouse.gov/sites/default/files/omb/budget/fy2012/assets/trs.pdf> at 75.

³⁶ Congressional Budget Office, "Budget Options, Volume 2," <http://www.cbo.gov/ftpdocs/102xx/doc10294/08-06-BudgetOptions.pdf>, at 70.

³⁷ Environmental Protection Agency, Office of Inspector General, "Science to Achieve Results Fellowship Program Needs to Place Emphasis on Measuring Results," <http://www.epa.gov/oig/reports/2003/2003p00019-20030930.pdf>.

³⁸ Environmental Protection Agency, Office of Inspector General, "Science to Achieve Results Fellowship Program Needs to Place Emphasis on Measuring Results," <http://www.epa.gov/oig/reports/2003/2003p00019-20030930.pdf>.

³⁹ Congressional Budget Office, "Budget Options, Volume 2," <http://www.cbo.gov/ftpdocs/102xx/doc10294/08-06-BudgetOptions.pdf> at 70.

⁴⁰ Environmental Protection Agency, "STAR Graduate Fellowships,"

http://cfpub.epa.gov/ncer/abstracts/index.cfm/fuseaction/recipient.display/rfa_id/525/records_per_page/ALL

⁴¹ *Id.*

of Delaware for the “development of apparel and footwear from renewable sources;”⁴² The latter will utilize flaxseed, soybean oils, and chicken feathers to make a more sustainable shoe.⁴³ Eliminating the program will save \$643.8 million over the next decade.

Homeland Security Activities

In spite of the vast and comprehensive activities of the Department of Homeland Security (DHS), the EPA spends more than \$150 million on its own duplicative homeland security activities. The EPA believes it “has a major role in supporting the protection of the nation’s critical water infrastructure from terrorist threats.”⁴⁴ The agency also allocates homeland security resources for emergency preparedness and response.

These functions duplicate the combined efforts of the Federal Emergency Management Agency (FEMA) and the DHS Office of Infrastructure Protection, whose primary mission is “to reduce risks to the nation’s critical infrastructure posed by acts of terrorism, and to strengthen national preparedness, timely response, and rapid recovery in the event of an attack, natural disaster, or other emergency.”⁴⁵ In fiscal year 2011, DHS received nearly \$900 million in appropriations for infrastructure protection and information security.⁴⁶

President Obama, in making the case for reducing EPA homeland security activities, noted: “reductions in staffing and technology resources are proposed to reflect the increased capacity of other agencies to address certain environmental forensics work associated with potential homeland security incidents.”⁴⁷

These activities should be terminated altogether, while focusing key homeland security resources in existing DHS infrastructure programs. This will result in \$154 million in savings next year and \$1.709.5 billion over the next ten years.

Refocus Core Environmental Protection Efforts

International Programs Overlap Other Federal Efforts

Although its core responsibilities are in the U.S., the EPA is spending nearly \$40 million annually on activities in other countries, directly overlapping the efforts of the other federal programs and diluting resources that can better protect our communities.

The U.S.- Mexico Border Program is a bi-national program that targets assistance to towns along our shared border for water and wastewater infrastructure, “building greenhouse gas (GHG)

⁴²Environmental Protection Agency, “P3 Awards: A National Student Design Competition for Sustainability Focusing on People, Prosperity and the Planet,”

http://cfpub.epa.gov/ncer/abstracts/index.cfm/fuseaction/recipients.display/rfa_id/518/records_per_page/ALL

⁴³ University of Delaware, The Review, “Partnership Creates Sustainable Shoes,” March 22, 2011,

<http://www.udreview.com/news/partnership-creates-sustainable-shoes-1.2118519>.

⁴⁴ Environmental Protection Agency, “FY 2012 EPA Budget in Brief,”

<http://nepis.epa.gov/EPA/html/DLwait.htm?url=/Adobe/PDF/P100A5RE.PDF> at 33.

⁴⁵ http://www.dhs.gov/xabout/structure/gc_1185203138955.shtm

⁴⁶ <http://www.dhs.gov/xlibrary/assets/budget-bib-fy2012.pdf>

⁴⁷ Office of Management and Budget, “Budget of the United States, Fiscal Year 2012: Terminations, Reductions, and Savings,” <http://www.whitehouse.gov/sites/default/files/omb/budget/fy2012/assets/trs.pdf> at 108.

information capacity,” solid waste management, and emergency preparedness.⁴⁸ In fiscal year 2011, the EPA spent an estimated \$25 million on U.S. - Mexico border activities. Despite tens of millions of dollars and seven federal agencies operating related programs, the GAO recently warned that: “fragmented federal efforts to meet water needs in the U.S.-Mexico border region have resulted in an administrative burden, redundant activities, and an overall inefficient use of resources.”⁴⁹

Recent awards from the US-Mexico Border program include: 1) An Imperial County-Mexicali Air Quality project aimed at monitoring and reducing dust from nearby parking lots. Though the recipients predicted a reduction of 119,439 pounds of dust, “no reduction in PM was recorded by the region’s Calexico Belcher Street air quality monitors after the project implementation;”⁵⁰ and 2) A scrap “tire reduction program” for the City of Nuevo Laredo, Tamaulipas that will teach residents how to “carry out the correct disposition of tires” including those “tires stored in their houses.”⁵¹

In addition, the EPA spends another \$14.8 million on international programs aimed at: “building strong environmental institutions and legal structures; improving access to clean water; improving urban air quality; limiting global green house gas (GHG) emissions and other climate-forcing pollutants, reducing exposure to toxic chemicals, and reducing hazardous waste and improve waste management.”⁵² These are activities handled by other agencies, including the U.S. Agency for International Development.⁵³

The U.S. Mexico Border Program should be eliminated, while other international efforts should be consolidated into other federal agencies. This will result in a minimum savings of \$250 million over the next ten years.

SunWise

Despite many challenges threatening our natural environment from pollutants, the EPA has dedicated significant resources to SunWise, a program “to teach children and their caregivers how to protect themselves from over exposure to the sun through the use of classroom-, school-, and community based components.”⁵⁴ Focused primarily in schools, the program is not a core function of the agency and should be consolidated with existing efforts of the Centers for Disease Control (prevention)⁵⁵ and the National Weather Service (UV Index reporting).⁵⁶

⁴⁸ Environmental Protection Agency, “FY 2012 EPA Budget in Brief,” <http://nepis.epa.gov/EPA/html/DLwait.htm?url=/Adobe/PDF/P100A5RE.PDF> at 47.

⁴⁹ Government Accountability Office, “Opportunities to Reduce Potential Duplication in Government Programs, Save Tax Dollars, and Enhance Revenue.” March 1, 2011. GAO-11-318SP at 52.

⁵⁰ <http://www.epa.gov/usmexicoborder/success/project-status.html>

⁵¹ *Id.*

⁵² Environmental Protection Agency, “FY 2012 EPA Budget in Brief,” at 60. <http://nepis.epa.gov/EPA/html/DLwait.htm?url=/Adobe/PDF/P100A5RE.PDF>.

⁵³ United States Agency for International Development, “Environment,” http://www.usaid.gov/our_work/environment/, accessed on July 15, 2011.

⁵⁴ Environmental Protection Agency, SunWise, “About,” <http://www.epa.gov/sunwise/about.html>, accessed on July 15, 2011.

⁵⁵ Centers for Disease Control, “What CDC is Doing About Skin Cancer,” http://www.cdc.gov/cancer/skin/what_cdc_is_doing/index.htm, accessed on July 15, 2011.

⁵⁶ National Weather Service, Climate Prediction Center, “Current UV Index Forecast,” http://www.cpc.ncep.noaa.gov/products/stratosphere/uv_index/uv_current.shtml.

Make State Revolving Loan Funds Self Sufficient

Congress created the Clean Water and Safe Drinking Water Revolving Loan Fund programs in the 1970's to assist state and municipal government efforts to finance a broad variety of water infrastructure projects, ranging from wastewater treatment and drinking water source development, to estuary management initiatives.⁵⁷ Funding authorizations for the two loan programs ended in 1994 and 2003 respectively. Yet, Congress has appropriated more than \$9 billion to the drinking water fund alone since its authorization lapsed.⁵⁸

While onerous federal regulations are forcing many communities to upgrade their water infrastructure, the current State Revolving Fund (SRF) system remains highly inefficient, and can become self sufficient. In 2009 alone, the two funds made over \$5 billion from loan repayment, interest payments, and related investments.⁵⁹ Annual federal contributions to the loan program should be phased out over the next three years, a suggestion outlined in a March, 2011 report by the non-partisan Congressional Budget Office (CBO).⁶¹ According to the report, this will “[reduce] federal outlays by \$6 billion through 2016 and by \$25 billion over 10 years.”

PROGRAMS ELIMINATED

Environmental Justice
Great Lakes Restoration Initiative
Diesel Emission Reduction grant
Duplicative Airshed grants for California
Science to Achieve Results
Homeland Security
International Programs
Phase-Out of State Revolving Loan Appropriations

ADDITIONAL SAVINGS/PROGRAM REDUCTIONS

Adopt President Obama's administrative savings proposal
15 percent reduction in staff through attrition
Reform/reduction of scattered agency offices
Reducing unnecessary conference travel
Rescind 50 percent of unobligated balances
Consolidate SunWise Program

ENVIRONMENTAL PROTECTION AGENCY TEN YEAR SAVINGS

Discretionary: \$33.67 billion

Total: \$33.67 billion

⁵⁷ Environmental Protection Agency, “Drinking Water State Revolving Fund.”

http://water.epa.gov/grants_funding/dwsrf/index.cfm, accessed July 15, 2011.

⁵⁸ Congressional Research Service Report, “Drinking Water State Revolving Fund: Program Overview and Issues,” May 24, 2011, http://www.crs.gov/pages/Reports.aspx?PRODCODE=RS22037&Source=search#_Toc293987054.

⁵⁹ Environmental Protection Agency, “Drinking Water State Revolving Fund: 2009 Annual Report,”

http://water.epa.gov/grants_funding/dwsrf/upload/dwsrf-annualreport2009nov2010.pdf, at 30-31.

⁶⁰ Environmental Protection Agency, “Clean Water State Revolving Fund Programs: 2009 Annual Report,”

http://water.epa.gov/grants_funding/cwsrf/upload/2009_CWSRF_AR.pdf, at 25.

⁶¹ Congressional Budget Office, “Reducing the Deficit: Spending and Revenue Options,” March 2011,

<http://www.cbo.gov/ftpdocs/120xx/doc12085/03-10-ReducingTheDeficit.pdf>, at 103.