

# CONTENTS

	<b>PAGE</b>
Overview of the 1997 Budget .....	3
Operating Programs:	
Environmental Programs and Management	
- Air .....	11
- Water Quality .....	15
- Drinking Water .....	19
- Hazardous Waste .....	21
- Pesticides .....	25
- Radiation .....	27
- Multimedia .....	29
- Toxic Substances .....	33
- Management & Support.....	37
State, Tribal and Local Grants (STAG) .....	41
Buildings and Facilities .....	45
Science and Technology .....	47
Inspector General .....	51
Oil Spills .....	53
Trust Funds:	
Superfund .....	57
LUST. ....	61
Water Infrastructure Financing (STAG) .....	65
Appendix: Budget Table .....	68

**NOTE:** References to workyears refer to total workyears rather than only "permanent" workyears. Additionally, some numbers may not add due to independent rounding.

***Cover Photos:*** Steve Delaney

## OVERVIEW OF THE 1997 BUDGET

In the 1996 State of the Union Address, President Clinton's fifth challenge for our Nation was to leave our environment safe and clean for the next generation. For the past 25 years, Americans of both parties have united to protect our health by protecting the air we breathe, the water we drink, and the land on which we live -- and together, we have made tremendous progress. However, there is still much to be done so our children may enjoy cleaner air, safer water, land less polluted with toxic chemicals.

The 1997 Budget advances EPA's efforts to protect the health of our land, our water, our air, and our communities by targeting the highest risk environmental problems and by strengthening our partnerships with states, tribes, communities, businesses, and the public. Sound science increasingly informs our decisions, and a vigorous enforcement program ensures compliance and provides a foundation for regulatory and voluntary activities. EPA's budget reflects the President's firm belief that within an era of limited federal resources, we must protect the health of our environment and our economy. We are going about the business of environmental protection in new ways that are cleaner for the environment, cheaper for businesses and taxpayers, and smarter for America's future.

As the President and American people continue to voice their support for a clean and safe environment, EPA is prepared to meet the challenge as demonstrated by the President's request for **\$7.0 billion and 17,951 workyears**. Through an emphasis on strengthening partnerships, addressing high risk, and working smarter and cheaper, EPA will endeavor to provide our Nation with a healthy environment for generations to come.

### HIGHLIGHTS

#### **Addressing High Risk**

The 1997 Budget strengthens the safety of the Nation's drinking water. It invests in the most serious health risks, including

disinfectant-by-products/microbials (DBP), one of the Agency's highest regulatory priorities. Research in this area will provide the scientific data necessary to provide a sound basis for promulgation of necessary regulation. It will involve development of exposure models and effects profiles for microbes and selected DBPs, characterization of virus movement and survival in groundwater, and guidance to small water systems on applying specific technologies for meeting drinking water standards. Investments are included in the Source Water Protection Program to target the highest risk groundwater and surface water sources of drinking water contamination.

Increased resources are provided to support the development and implementation of local and regional ozone attainment strategies. Efforts are needed to provide state and nonattainment areas assistance with urban airshed modeling support and with long-range transport issues. This effort is complemented by the regulatory reinvention efforts designed to address NOx issues, particularly in the Northeast and Midwest. Additionally, a multi-year effort in particulate matter research will be expanded to address a number of uncertainties, including those associated with mortality estimates, evaluation of biologic mechanisms of toxicity, and evaluation of innovative control strategies.

#### **Working With our Partners**

In 1997, EPA will expand its efforts to give strong state and tribal programs more leeway to manage their programs, while concentrating EPA technical assistance on developing the programs that are still evolving. EPA and state leaders have established a National Environmental Performance Partnership System which will allow states to operate their programs with less review by the Federal government, in return for increased emphasis on measuring and reporting environmental results. Performance Partnership grants, requested in 1996 and again in 1997, will permit states and tribes to combine 'categorical' grants into one or more consolidated grants, to be used for addressing the unique priorities of each state and tribe.

The 1997 Budget for EPA includes a significant investment for Indian General Assistance Program grants. These resources help tribes identify the scope of their environmental management needs, establish program development priorities and continue building environmental programs. These grants are one of the Agency's most significant means of building tribal capacity to make and implement their own environmental management decisions.

The 1997 Budget provides increased flexibility for our state and tribal partners through a proposal that would allow states and tribes flexibility to merge their Clean Water and Drinking Water State Revolving Fund allotments into a single capitalization grant. State Revolving Funds provide a source of low-cost funding for cities and towns to use in building the treatment systems necessary to keep their rivers, lakes and beaches clean and to ensure that their water is safe to drink. Funding requested for treatment plants along the U.S./Mexican border will help address very serious threats to human health and the environment in that area.

As part of the Environmental Technology Initiative (ETI), the Agency will continue to focus on eliminating barriers in the regulatory and permitting processes which inhibit the private sector from developing new technologies and fostering cleaner and cheaper solutions to environmental problems. Enlisting a greater number of American companies in meeting the global demand for environmental technologies and service -- a market currently estimated at more than \$400 billion a year -- will help solve pressing environmental problems and fuel economic growth. Fiscal Year 1997 will be a pivotal year for assessing the Nation's progress in achieving the goal of the President's Climate Change Action Plan (CCAP) to reduce emissions of greenhouse gases to 1990 levels by the year 2000. In 1997, EPA programs will continue to contribute significantly to the reductions being achieved, particularly through the use of voluntary partnerships with private and public organizations to increase energy efficiencies and thus prevent pollution.

In the Superfund program, the Agency is forging partnerships with communities through an expanded Brownfields initiative to redevelop

urban contaminated and industrial properties, providing communities with increased tax bases, additional jobs, and improved urban environments. The 1997 budget also empowers our state partners to begin aggressively taking over the program and continues the Agency's emphasis on completing cleanups at the Nation's worst hazardous waste sites.

### ***Working Better***

The 1997 Budget will include support for 25 high-priority reinvention activities, such as Project XL, the Common Sense Initiative and the Sustainable Development Challenge Grant Program. Under Project XL, companies, states and localities have an opportunity to redesign current EPA rules if they can formulate an alternative system that will be both cheaper and cleaner for the environment. Project XL will forge challenging partnerships between the Agency, businesses and communities who are interested in contributing innovative strategies for smarter and better environmental management.

The Common Sense Initiative (CSI) is a central aspect of EPA's efforts to improve the way it undertakes its environmental mission. Investments included in the 1997 Budget will help us to find 'cleaner, cheaper, smarter' strategies for tackling the environmental problems that continue to face the Nation. CSI is founded on the premise that EPA should be uncompromising regarding the accomplishment of its health and environmental objectives, but flexible in providing regulated entities many cost-effective means of meeting their environmental regulatory obligations. CSI invites a broad spectrum of stakeholders, including industry, environmentalists, state governments, communities and labor unions to look at the full range of environmental regulations affecting six specific industries to improve and simplify the permit system, identify more flexible ways of achieving compliance, and design integrated systems for reporting environmental data.

The Sustainable Development Challenge Grant Program will award funds to projects that leverage public and private community investment to develop comprehensive environmental management plans that improve

environmental quality and enhance economic prosperity. Through broad and open community involvement and investment, this program will challenge communities to meet their present needs without compromising the needs of future generations.

The 1997 Budget will invest in Small Business Compliance Assistance Centers which will offer a place for 'one-stop' shopping for small businesses and other regulated entities in a targeted sector, such as printing. The Centers contain plain-english guides to compliance requirements and technical assistance resources, assistance and training on treatment technologies, and methodologies for self-audits and compliance surveys.

Resource Conservation and Recovery Act (RCRA) reinvention activities will focus on speeding up and simplifying the cleanup, permitting and state authorization processes. In particular, the Hazardous Waste Identification Media and Process Rules (HWIR) and revisions to the RCRA Subpart S rule will yield significant savings for industry as well as states and the Agency. The HWIR rule will focus on methods to release low-risk hazardous wastes and contaminated media such as soil from regulation, and the Subpart S rule will encourage innovative approaches to safe waste management and clarify cleanup guidelines. This effort is a partnership with industry and state and local governments to free industry from a process-driven system, focusing instead on environmental results. Further, the Agency is now considering ways to improve work on safe waste management in the petroleum refining industry as part of the Agency Common Sense Initiative. The Agency will work with petroleum sector stakeholders to identify and improve overly complex or overlapping environmental regulations and standards. This critical to the Agency's effort to make all programs more efficient and to meet our environmental goals for waste minimization, safe management of wastes, and cleanup of contaminate sites.

The 1997 Budget includes investments for Community-Based Health and Ecological Research which will allow research to be conducted and applied for improved methods to both ecological and human health issues, and be

communicated to communities through training and information systems. The ecology component of this initiative will increase the Agency's capability to predict exposures or effects within a local watershed or ecoregion and provide local decision makers with more effective and appropriate management alternatives. The health component will focus on population exposures that are currently not well enough understood for adequate risk assessment.

### ***Working Smarter***

The 1997 Budget commits additional resources to strengthen the Agency's ability to characterize and quantify benefits of EPA programs through the establishment of an Economics Studies Center. The Center will operate as an information clearinghouse and technical assistance service center to improve applied research used in the development of regulatory options and economic analyses.

In 1997, the budget includes resources needed to meet the Agency's commitment to streamline programs and achieve management efficiencies. One component of this effort is a set of reforms to administrative activities. The reforms include consolidation of activities, increased use of automation, management process improvements, and outsourcing. Consolidation efforts will merge like functions across the Agency into one or a few locations to achieve economies of scale and reduce duplication of effort. Process improvement initiatives will focus on process streamlining/simplification that will save effort and improve quality. As a result, reductions in oversight and less burdensome accountability reporting would be realized.

The Agency's budget includes funds for the construction of a consolidated laboratory and office complex in Research Triangle Park (RTP), NC. The 1997 Request provides the balance of funds for construction of the RTP project. This and other investments in improving and renovating EPA laboratories and office space will dramatically influence the Agency's ability to address the complex environmental issues of the 1990s and beyond.

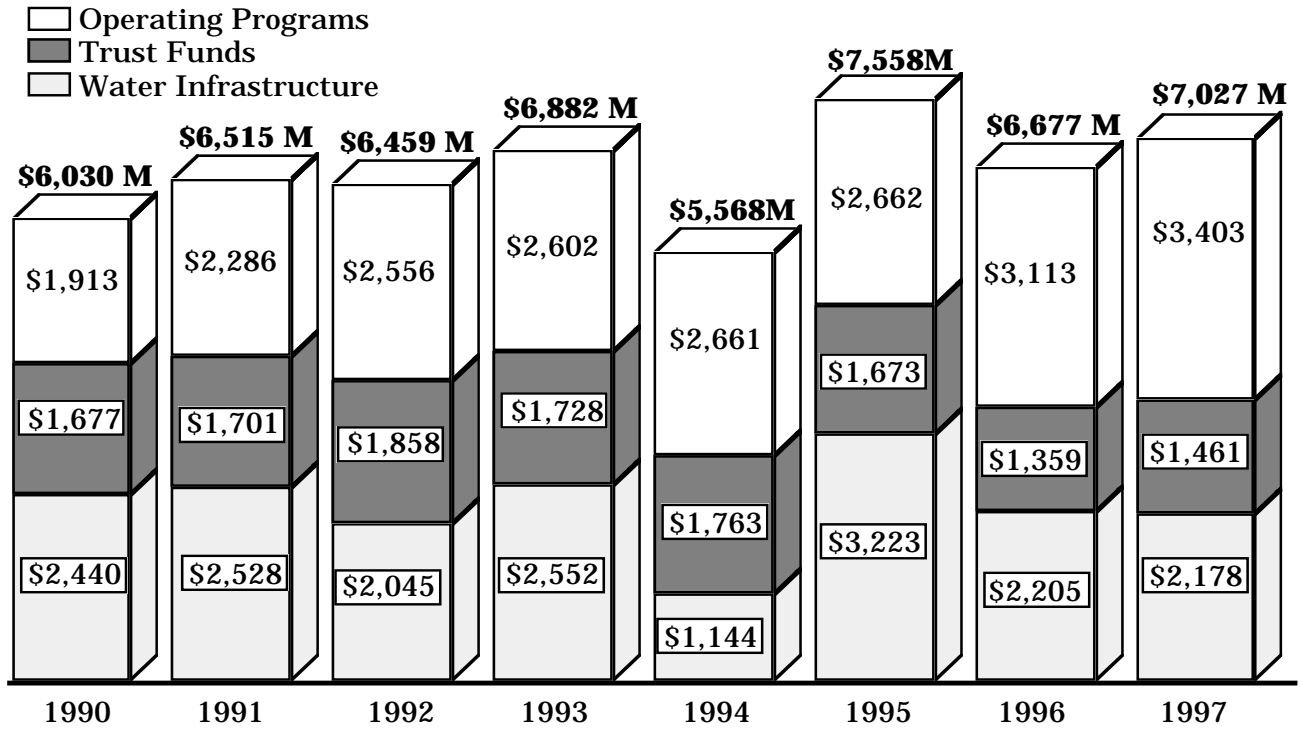
The 1997 Budget contains important investments to implement the Agency's Information Resources Management (IRM) Strategic Plan. These investments include a major project reduce reporting burdens for the regulated community, and work process re-engineering to make them more efficient and ultimately require fewer Agency resources.

## **Summary**

As a result of over a generation of bipartisan effort, the American public now has cleaner water, air, and land. Although much progress has been made, there is still much work to be done. It is our challenge to meet the demands of protecting public health and the environment in a low-cost, innovative manner. The 1997 Budget positions us to meet this challenge by addressing risk, working with our partners, working better, and working smarter.

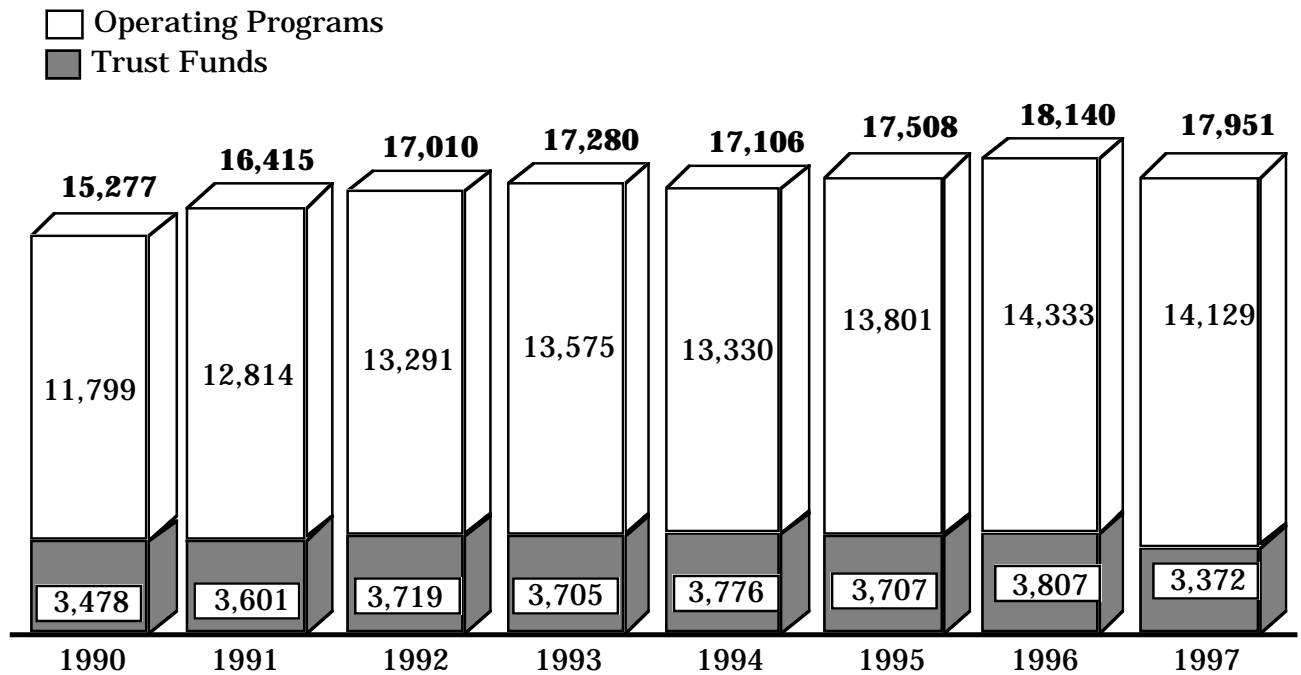
All of us at EPA, our private and public sector partners, and Members of Congress alike recognize the challenges that we face in an era of reduced federal resources. We are attempting to find the most efficient way to invest our resources, while at the same time, protecting the Nation's health -- the health of our families, the health of our communities, and the health of our economy. The Agency's 1997 Budget invests resources sufficient to enable us to protect the American public and "to ... leave our environment safe and clean for the next generation" (President Clinton, State of the Union Address, January 1996).

## In 1997, The Agency's Budget Totals \$7.0 Billion



Notes: 1996 resources reflect the Presidential Policy Level  
 \$0.5 billion State, Local, and Tribal grants previously captured in the Operating Programs  
 are accounted for in Water Infrastructure beginning in 1996

## The Agency's Workyear Ceiling Decreases Slightly in 1997







# **THE OPERATING PROGRAMS**



Over the last 25 years, great progress has been achieved in cleaning the Nation's air. Despite this progress, air pollution remains a widespread problem, contributing to human illnesses such as cancer, respiratory and reproductive problems, and mental impairment. Air pollution also reduces visibility, corrodes buildings, and damages natural resources and ecosystems through toxic accumulation and acidification of soils and lakes. By the end of 1995, 60 metropolitan areas, with a combined population of 120 million residents, were not in attainment with air quality standards for one or more of the six "criteria" pollutants for which EPA has established standards. The most difficult problem is ozone, caused by emissions from motor vehicles, industrial plants, and other mobile and stationary sources. Carbon monoxide, chiefly from cars and trucks, is the second-most common problem. Sulfur dioxide, nitrogen dioxide, lead, and particulate matter (PM-10) also continue to cause environmental and public health challenges, although most areas of the nation now meet the standards set for these pollutants. In addition to these six familiar pollutants, over one million tons of hundreds of other air toxic pollutants are released annually. These pollutants individually and interactively threaten the environmental and economic health of the country.

The primary law authorizing EPA to control air pollution is the Clean Air Act (CAA), which was updated in 1990 to give EPA expanded authority to control smog, air toxics, acid rain, and other health threats. The CAA of 1990 also gave EPA authority to implement provisions of the Montreal Protocol and to develop regulations for the phaseout of chemicals that destroy the earth's ozone layer. EPA is also involved in the activities of the Intergovernmental Panel on Climate Change, and EPA programs contribute significantly to greenhouse gas emission reductions accomplished under the Administration's Climate Change Action Plan (CCAP). EPA also addresses issues associated with indoor air environments authorized by the Indoor Radon Abatement Act and the Superfund Amendments and Reauthorization Act.

The 1997 President's Budget provides a total of **\$304.4 million** and **1,670 workyears** under the EPM account to support EPA's air

programs. For 1997, EPA has established a series of air program objectives. These include: 1) continue partnerships with states to attain National Ambient Air Quality Standards (NAAQS); 2) develop and implement an urban air toxics strategy; 3) expand the use of market-based approaches; 4) reduce energy consumption and prevent pollution through voluntary, public-private partnerships; 5) reduce stratospheric ozone depletion; 6) address indoor air environments; and 7) implement a national compliance and enforcement program.

## HIGHLIGHTS

### *Increasing The Number of Areas Meeting Air Quality Standards*

The 1997 President's Budget requests \$64.0 million and 555 workyears under the EPM appropriation to support EPA partnership efforts with states and other stakeholders to resolve complex issues affecting attainment of air quality standards, including those involving the long-range transport of ozone-forming compounds.

EPA will complete its review of the current ozone and particulate matter (PM-10) standards and propose new standards if necessary to protect public health in 1997. EPA will also issue seven national guidelines and standards for major stationary sources that contribute to ozone, sulfur dioxide, and nitrogen dioxide. EPA will assist state and local agencies improve air monitoring networks, continue multi-state efforts to coordinate the enhanced ozone monitoring network as well as provide analytic support for multi-state organizations such as the Ozone Transport Commission and the Ozone Transport Assessment Group. In 1997, EPA will work with states to assess whether areas have come into compliance with air standards and complete actions to redesignate them to "attainment" status as quickly as possible. Measurements of air quality for the past three years show that 65 of the 98 areas identified as nonattainment for ozone in 1991 now meet health standards, and 33 of the 42 carbon monoxide nonattainment areas also now meet health standards.

## **Implementing National Air Toxics Strategies and Standards**

In addition to the pollutants for which air quality standards have been established, there are hundreds of other hazardous air pollutants, generally called air toxics. Over one million tons of these air toxics are released annually to the atmosphere from industrial facilities, automobiles, and other sources. The 1997 President's Budget requests \$44.6 million and 219 workyears under the EPM appropriation for EPA's Air Toxics Program.

The CAA requires EPA by the year 2000 to issue technology based standards to control 189 toxic air pollutants emitted by major sources and small "area" sources. In 1997 EPA will devote a total of \$19.3 million and 83 workyears to development of Maximum Achievable Control Technology (MACT) standards to control these emissions. To complete these standards as efficiently as possible, EPA will form partnerships among industry, states, and the public to leverage their resources and expertise. Through 1996, EPA will have proposed 49 and promulgated 25 MACT standards. In 1997, EPA will propose 5 additional MACT standards and promulgate 19 of those proposed in 1996.

In 1997, EPA will also issue its urban air toxics strategy to reduce the health risk posed by urban toxic pollutants. Under the Clean Air Act EPA must develop a strategy to control 90 percent of the emission of the 30 or more air toxics from area sources that pose the greatest health risk in urban areas. EPA intends to develop a strategy that includes area sources, as well as mobile and other sources which significantly contribute to the overall urban toxics problem.

In 1997, EPA will also allocate \$1.5 million and seven workyears to evaluate the deposition of hazardous air pollutants into the Great Waters of the U.S. EPA expects to issue its second Report to Congress updating the state of the science provided in the first report issued in 1994 which raised significant concerns about the effects of toxics on the Great Waters ecosystems.

## **Implementing Clean Vehicles and Fuels Program**

The 1997 President's Budget requests \$14.4 million and 149 workyears under the EPM appropriation to support EPA's implementation of a Clean Vehicles and Clean Fuels program.

The Clean Vehicles and Fuels program is designed to help areas achieve attainment with air quality standards and to reduce emissions of air toxics from mobile sources like automobiles. Air pollution from mobile sources account for over half of the nationwide emissions of ozone-forming compounds and carbon monoxide. Because of this, reducing mobile source emissions holds the greatest potential for cleaning our nation's air.

In 1997 EPA will work in partnership with states to carry out vehicle inspection and maintenance (I/M) programs; oxygenated and reformulated fuels programs; clean fuel fleet programs; and other transportation control measures. EPA will also work in cooperative ventures with regional Federal Highway Administration offices and state and local transportation agencies to ensure that proposed highway and transportation projects are in conformance with air quality plans.

## **Establishing and Maintaining Market-Based Emissions Trading Systems**

The 1997 President's Budget requests \$12.4 million and 80 workyears under the EPM appropriation for market-based emissions trading programs.

In 1997 reductions in sulfur dioxide emissions will continue to be achieved through the Acid Rain program's innovative market-based emissions allowance trading program which provides affected sources flexibility in meeting required reductions. Implementation of this allowance trading system minimizes compliance costs, maximizes economic efficiency, and allows for growth. EPA's acid rain program is seen as a model for regulatory reform efforts here and abroad.

In partnership with interested states, EPA will help to establish a market-based, cap-and-trade program to reduce emissions of nitrogen oxides (NO<sub>x</sub>), a major contributor to ozone pollution. The expanded use of market-based approaches pioneered in the acid rain program exemplifies work process reinvention and will provide a highly cost-effective way of reducing risks to populations in some of the most polluted regions of the country.

To facilitate market-based approaches nationally, EPA will finalize in late 1996 its open market trading rule (OMTR), a model rule for emissions trading of smog-creating pollutants. This rule will be the first strictly voluntary compliance option for emissions trading of ozone precursors that does not require source-specific revisions to State Implementation Plans or operating permits. In 1997 EPA regional air offices will assist states that wish to adopt emissions trading programs under the OMTR.

### **Maintaining Voluntary Partnership Programs to Prevent Pollution**

The 1997 President's Budget requests \$82.0 million and 120 workyears under the EPM appropriation for the Climate Change Action Plan.

In 1997 EPA will maintain its key role in the Administration's broad strategy to reduce annual greenhouse gas (GHG) emissions to 1990 levels by the year 2000. The means for achieving this strategy are the programs of the Climate Change Action Plan. The heart of the Climate Change Action Plan will remain its reliance on voluntary partnerships between EPA and organizations or individuals that join (e.g., businesses, cities, states, farmers) to save energy and/or increase productivity while reducing GHG emissions. In 1997 EPA will continue to seek partners to work with the Agency to prevent pollution, including conventional and toxic air pollutants and greenhouse gases, by increasing the productivity of energy systems. Although EPA will provide strong assistance to partners to help them decide how to accomplish their goals, EPA will not dictate solutions or subsidize investments.

### **Reducing Stratospheric Ozone Pollution**

The 1997 President's Budget requests \$24.2 million and 27 workyears for EPA's Stratospheric Ozone Depletion Program. In 1997 EPA will continue to pursue its goal of stopping the decline in ozone levels in the stratosphere and allowing for restoration to levels found before the Antarctic "ozone hole" was observed.

In 1997 EPA will focus on four areas: phaseout of three ozone depleting chemicals (CFCs, halons, and methyl chloroform); place limitations on two other ozone depleters (methyl bromide and HCFCs); intensify recycling programs in the U.S. and abroad; and achieve earlier voluntary phaseout of CFCs and HCFCs from developing countries.

Included in the request for the Stratospheric Ozone program is \$19.0 million to support the Montreal Protocol Facilitation Fund. This fund supports developing countries' efforts to phaseout the use of ozone depleting substances. To date, the fund has financed over 400 activities in 56 developing countries. When fully implemented, these activities will result in the annual prevention of over 30,000 tons of ozone depleting substances.

### **Addressing Indoor Air Environments**

The 1997 President's Budget requests \$20.7 million and 112 workyears under the EPM appropriation for EPA's Indoor Environments Program.

In 1997, the Indoor Air Environments program will continue to implement activities authorized primarily by the Indoor Radon Abatement Act and the Superfund Amendments and Reauthorization Act. Activities include overseeing the national radon proficiency programs, working to reduce elevated radon levels in schools, and promoting model building standards. The program will also address sources of other indoor air pollutants to better understand the adverse health effects of poor indoor air quality.

In 1997 EPA will continue to acquire and analyze building performance data as part of the Building Assessment and Evaluation project. In addition, the Agency will continue to operate hotlines and clearinghouses to provide information to the general public and environmental health organizations that are interested in reducing indoor air and radon-related health risks. In 1997 Regional air offices will increase their focus on improving indoor environmental quality in schools. Other audiences targeted for public awareness campaigns, literature dissemination, training courses, and related outreach efforts will include homebuilders and buyers, real estate professionals, and other public health officials.

**Implementing Strong Compliance and Enforcement Efforts**

The 1997 President's Budget requests \$22.7 million and 308 workyears under the EPM appropriation for the stationary source enforcement program. This program will support a national air compliance and enforcement program primarily through operations in each of EPA's ten regional offices.

In 1997, air enforcement program priorities include: implementation of the Title V operating permit program, the hazardous air pollutant programs under Title III, and innovative enforcement program initiatives involving field citation, citizen awards, and open market trading under the Clean Air Act.

EPA will continue to support compliance assistance activities to educate state and local permitting authorities on new requirements; educate and provide technical assistance to aid industries in achieving compliance; and target enforcement actions to deter non-compliance. Regions will also continue to implement strategies for addressing multi-state and multi-program violators and for corporate-wide patterns of non-compliance.

Since the passage of the Clean Water Act in 1972, the United States has had tremendous success in reducing pollution entering our surface waters from factories and municipal sewage plants. However, in spite of the great strides that have been made, over six billion pounds of toxic industrial pollution is still being discharged annually into our rivers, lakes and streams. Only 71% of assessed rivers can support recreational activity without risk of adverse health effects. While this is a dramatic improvement over conditions thirty years ago, it is well short of our long-term goal. Moreover, in 1994 state authorities issued over 1,500 advisories warning consumers to either not eat or limit their consumption of fish and shellfish taken from polluted water.

The Water Quality program has broadened its emphasis over the years to consider all sources of water quality pollution by looking at entire watersheds. This broader "place-based" approach considers critical ecosystems affected, stakeholders involved, strong science and data available, and pollution prevention strategies in developing effective solutions. In this way, source and nonpoint source problems -- such as wet weather runoff from farms, streets, lawns and construction sites -- will be addressed. This is critical since nonpoint pollution has become the Nation's most significant remaining water quality problem.

The Water Quality program is mandated by the Water Quality Act of 1987 which amended the Clean Water Act. This 1987 Act enhanced water quality management and improved the Agency's partnerships with the states. This Act also authorized the development of new standards and guidelines to prevent and control water quality pollution and authorized new approaches to deal with nonpoint sources of pollution. Other statutory mandates for this program are in the Great Lakes Critical Programs Act; Water Resources Development Act; the Marine Protection, Research and Sanctuaries Act; the Shore Protection Act; and the Coastal Zone Act Reauthorization Amendments.

The 1997 President's Budget provides **\$274.2 million** and **1,856 workyears** for the Water Quality Program. This request emphasizes common sense, place-based approaches to

improving water quality. Built on the solid foundation of basic water programs and incorporating a risk-based approach to decision-making, the 1997 program focuses on improving wet weather flow controls, encouraging comprehensive place-based wetlands management, and overall streamlining of our program delivery to our customers.

## HIGHLIGHTS

EPA's Water Quality Program faces three main challenges; improving the quality of our surface water, protecting groundwater resources, and reducing wetlands loss. First, the Agency seeks to prevent or control pollution sources and adverse physical alteration, to restore degraded areas, and to gain a better understanding of the condition of our surface water resources. Second, the Agency must protect ground water from pollution and help the public better understand the ways in which to prevent the ground water from becoming polluted. Finally, EPA is seeking to continue the trend towards reduced wetlands loss, ultimately realizing a net gain in wetland acreage through efforts to create new wetlands and to protect, improve and better understand wetlands conditions.

### *Reinventing Environmental Regulation*

In 1997, EPA will support projects to reinvent environmental regulation, including Project XL pilots and the Agency's Common Sense Initiative. The Agency will continue to reinvent the ocean dumping program by focusing on long-term disposal site planning and management in advance of individual permit applications. EPA will encourage effluent trading in watersheds and promote the creation of wetland mitigation banks. EPA will continue working with stakeholders to reinvent the National Pollutant Discharge Elimination System (NPDES) Program (i.e., reduce permittee monitoring requirements, streamline application data requirements, and expand the use of general permits). The Agency will identify reporting burdens that can be reduced or eliminated. As part of the larger Agency-wide Environmental Technology Initiative, the Water Quality Program will develop technology

verification protocols to test the viability and performance of new water pollution prevention and control technologies and methods.

### **Supporting Local Efforts to Protect Watersheds**

EPA will continue orienting water quality programs to protect “places.” Drawing on the experience and successes of the Great Lakes, Chesapeake Bay, and Gulf of Mexico Program Offices and the National Estuary Programs (NEP), EPA will help states, local communities, and tribes use scientific tools to address their environmental problems. The Agency will facilitate cross-program support for implementing estuarine management plans and use the experience of the NEP to encourage other coastal watershed protection efforts. EPA will disseminate new and revised user-friendly computer models and databases including Geographic Information Systems (GIS).

The Agency will also assist states in continuing to integrate NPDES programs into this watershed approach. We will do this by allowing resources dedicated to developing permits to vary depending upon the environmental impacts of each source. New approaches such as tailored oversight practices, new performance measures, flexible use of funding, and simplified procedures will reduce cost and burdens to the EPA and the states. The Agency will coordinate with other environmental programs to address complex multimedia problems (such as air deposition of pollutants in U.S. waters). Finally, the Agency is looking at the future direction of its water quality criteria and standards program. EPA is focusing on specific waterbodies and working with states, communities, tribes, and other groups to help them tailor solutions to local environmental conditions and problems.

### **Improving the Flow of Information to Our Partners**

In 1997, EPA will better communicate water program actions and policies to assure that stakeholders understand and participate in Agency decision-making. We will help states use environmental indicators to measure progress

against watershed goals. The Agency will annually communicate the results of program activities to the general public and stakeholders and will extensively use new electronic technologies to communicate with other Federal, state, tribal, and local water programs and to distribute information to interested parties. EPA will continue working with states and other agencies to link national water quality databases through the Interagency Task Force on Water Quality Monitoring.

### **Preventing Polluted Runoff**

EPA will work with the urban wet weather advisory group to address both technical and policy issues for controlling urban runoff, storm water runoff, sanitary sewer overflows, and combined sewer overflows. The Agency will also streamline monitoring and storm water permitting requirements to reduce existing and potential burdens. Working with stakeholders, EPA will issue national guidance to help upgrade existing state Nonpoint Source (NPS) programs, encourage greater focus on priority watersheds and environmental results, and streamline the grants application process. Finally, the Agency will use pollution prevention, incentive-based volunteer efforts and outreach to address traditionally unregulated nonpoint sources.

### **Enhancing Wetlands Protection**

In 1997, the Agency will continue to enhance wetlands protection, making wetlands regulation more cost-effective and flexible. EPA will encourage states and tribes to develop and implement Wetlands Conservation Plans and promote state and tribal assumption of regulatory authority and other mechanisms that rely on local decision-making. EPA will increase the use of wetlands mitigation banking and support landowners interested in voluntary wetlands stewardship. Through stakeholder partnerships, the Agency will pursue voluntary and incentive-based measures throughout the Mississippi River watershed to address excessive nutrient runoff that contributes to hypoxia problems in coastal Louisiana and Texas.



## **Ensuring Environmental Accountability Through Better Compliance**

In 1997, EPA will promote a comprehensive approach for compliance and enforcement to ensure environmental accountability in protection of the nation's waterways. The Water Quality Enforcement Program will ensure compliance with permits issued under NPDES and for the discharge of dredged or fill material into navigable waterways. The program will concentrate activities in targeted high risk sectors, ecosystems, and populations. We will quickly identify violators and take swift action to ensure compliance.



Violations of national drinking water health standards have increased since the implementation of major new regulations under the 1986 Safe Drinking Water Act Amendments. In 1994, 23 million people were provided water that violated drinking water health standards at least once during the year. An additional 23 million people were placed at increased risk because they were served by systems that had inadequate or no filtration treatment.

The Drinking Water program was established to ensure that public water supplies are free of contaminants that may pose unacceptable human health risks and to protect our groundwater resources. The 1993 Milwaukee drinking water crisis and further outbreaks in Washington, D.C. and New York City reduced confidence in our drinking water quality.

The 1986 Amendments to the Safe Drinking Water Act (SDWA) impose nationwide safeguards for drinking water and establish Federal enforcement responsibility when necessary. EPA's goal is to ensure that every public water system will provide water that is consistently safe to drink. To meet this goal, two challenges must be met. First, EPA, in partnership with the states, must ensure that people already receiving high-quality drinking water continue to do so. Second, EPA and the states must continue to reduce the percentage of the population receiving drinking water from public water systems that are in violation of EPA standards and state health requirements.

The 1997 President's Budget provides **\$69.8 million** and **576 workyears** for the Drinking Water program.

## HIGHLIGHTS

For the past year, EPA has been conducting an extensive reassessment of its Drinking Water program in response to the need to focus on the highest risk reduction activities, implement stakeholder requested improvements, and be better prepared to deal with serious public health concerns caused by contaminated drinking water. The Agency held a series of public meetings, attended by over 500 stakeholders, to discuss EPA's approach to this reinvention/redirection

effort. The four primary objectives of this effort are: (1) risk-based priorities for setting high quality standards; (2) standards based on sound science and data; (3) strong, flexible partnerships with states and local governments in implementation; and (4) community-based source water protection.

### **Focusing on the Highest-Risks**

EPA will continue to implement the Administration's regulatory reinvention initiative that targets safety standards, research, and resources on contaminants that pose the greatest threats to human health. EPA will concentrate a major portion of its resources on developing safety standards for microbial contaminants, especially cryptosporidium, and the risks created from the treatment of microbial contaminants. These risks are being addressed in the Microbial-Disinfection-By-Products (M-DBP) cluster rule, one of the most comprehensive and complex set of rules under development in the Agency.

In addition to the contaminants addressed in the M-DBP cluster rule, EPA will initiate development of safety standards for other critical, high-risk threats to drinking water safety that are currently not being adequately addressed (e.g., total triazines).

### **Strengthening Data and Science**

EPA continues to emphasize the importance of quality data in setting drinking water standards and assessing progress of public water systems. The new Safe Drinking Water Information System (SDWIS) will be completed in 1997 and the installation of SDWIS is expected in approximately 15 states. EPA will provide training to state and Regional staff, to provide complete, accurate, and timely data.

The Information Collection Rule (ICR), a component of SDWIS, will be issued in the spring of 1996. The investment in the ICR, one of the rules under the M-DBP cluster, funds the Federal government's role in the collection and analysis of occurrence and treatment data by local public utilities for disinfectants, disinfection by-products, and microorganisms.

## **Engaging in Flexible Partnerships with the States**

EPA believes that strong, flexible partnerships with state and local governments are an effective way to reduce health risks. In an effort to make drinking water monitoring requirements more flexible and efficient, EPA is working on the simplification of monitoring requirements for chemical contaminants in drinking water. The chemical monitoring rule will provide flexibility to state and local governments in setting sampling frequencies based on the vulnerability of the drinking water system.

EPA has helped create the Safe Drinking Water Partnership, a voluntary partnership through which public water utilities pledge to reduce microbial contaminants beyond regulatory requirements through a series of good engineering practices. It is expected that by the end of 1997 over 500 water utilities across the nation will have joined with EPA and major water associations in this Partnership.

## **Supporting Partnerships with Small Systems**

EPA will continue to support the states in ensuring that small drinking water systems have the capability to attain and maintain compliance over the long term. EPA is working with states and small systems to provide additional flexibility for small systems wherever possible, including monitoring waivers, best available technology for smaller systems, and prevention approaches to streamline and tailor implementation.

EPA will also continue its partnership with rural water organizations to assist some 175,000 community public water systems. These rural water organizations will provide technical assistance to small communities, especially those systems identified as needing assistance to stay in compliance with SDWA.

## **Continuing Community-Based Source Water Protection**

EPA will continue to emphasize the implementation of “community-based” programs to protect the source waters — both surface and ground— that supply the drinking water for some 60,000 community public water systems. The Source Water Protection (SWP) program is a common-sense approach to preventing pollution of lakes, rivers, streams, and groundwater that serve as drinking water sources. EPA will provide technical assistance to communities implementing Wellhead Protection and SWP program activities and will implement a multi-partner effort in 20 states to assist communities in establishing citizen-led SWP programs.

EPA will continue to protect groundwater through regulation and management of Class I, II, III underground injection wells. The final UIC rule on Class V shallow injection wells will be promulgated in 1997. This rule will restrict the use of Class V injection wells for an estimated 120,000 industrial waste disposal concerns.

## **Providing Strong Enforcement**

EPA is committed to a strong enforcement presence to ensure that drinking water supplies meet SDWA requirements. EPA will enforce the Public Water System Supervision (PWSS) programs, with priority given to the Surface Water Treatment Rule (SWTR), total coliform, and Lead and Copper regulations, and the Underground Injection Control (UIC) programs. EPA has launched a pilot compliance assurance project called “Partners in Healthy Drinking Water”. The purpose of this project is to assist small public water systems in complying with the microbiological monitoring requirements for drinking water. EPA will continue to team public water systems that have excellent compliance records with systems that are regularly or intermittently not in compliance.

# HAZARDOUS WASTE

Hazardous and municipal solid wastes are an unavoidable part of modern life. Hazardous wastes are produced by over 180,000 large business and industries, such as chemical and manufacturing plants, and small businesses, such as dry cleaners and printing plants. Approximately 209 million tons, 4 pounds per person per day, of municipal solid wastes are produced annually. Improperly managed wastes can lead to fires, explosions, and contamination of the air, soil, surface water and underground drinking water supplies, and can cause harm to the health of workers and communities. The Hazardous Waste program was established to meet the overall goal of proper prevention, management and disposal of hazardous and municipal solid wastes generated nationwide.

The Resource Conservation and Recovery Act (RCRA) of 1976, as revised by the Hazardous and Solid Waste Amendments (HWSA) of 1984, provides the legislative mandate to ensure safe management and disposal of solid and hazardous wastes, minimize the generation of new wastes, and prevent and detect leakage from underground storage tanks (UST). Under the RCRA program, EPA has worked with our partners to establish regulations, national policies and provide guidance for regulated entities, including those who generate, treat, store, or dispose of waste. The Emergency Planning and Community Right-to-Know Act, Title III of the Superfund Amendments and Reauthorization Act of 1986, set up a framework to address risks posed by hazardous chemicals in communities.

The 1997 President's Budget provides **\$195.7 million** and **1,327 workyears** to meet the environmental goals of the Hazardous Waste program. The major direction for the hazardous waste program will be to focus private and public resources on efforts that address the greatest environmental risk including corrective action stabilizations and permits. For RCRA regulatory reinvention activities, the Agency will work to implement waste management standards based on levels of risk rather than a one-size-fits-all approach. EPA will also help tribal governments establish integrated waste management programs, including the safe management of solid waste, hazardous waste and underground storage tanks. Resources will also fund a comprehensive state and Federal review of current information

systems in order to streamline industry reporting, develop more effective measures of environmental results and complement the Agency's One Stop Reporting initiative.

## HIGHLIGHTS

In 1997, the Agency will increase the Hazardous Waste program's flexibility and effectiveness by strengthening our regulatory reinvention activities, streamlining permit writing, helping state and tribal governments meet their environmental mandates, encouraging safe waste management approaches that reflect relative risk, and providing a national outreach and education network.

### **Promoting Regulatory Flexibility and Innovation and Strengthening State and Tribal Partnerships**

A total of \$137.3 million and 828 workyears are provided to support the implementation of the RCRA program. The Agency's strategy is to ensure adequate and safe treatment of hazardous waste through the proper management of storage, treatment and disposal. Minimizing the volume and toxicity of wastes is one of the most effective means of protecting public health and the environment from exposure to hazardous waste. The priority in 1997 will be to increase regulatory flexibility by using the common sense approach to revising, implementing and enforcing regulations and standards. The Agency will focus resources on addressing immediate risks and taking actions to control the further spread of contamination, helping to ensure maximum protection of human health and the environment.

In addition, the Agency will continue ongoing initiatives to speed up and simplify the cleanup, permitting and state authorization processes. In particular, the Hazardous Waste Identification Media and Process Rules (HWIR) and revisions to the remediation waste rule (Subpart S) will yield significant savings for industry as well as states and the Agency. The HWIR rule will focus on methods to release low-risk hazardous wastes from regulation, and the Subpart S rule will encourage innovative

approaches to safe waste management and clarify cleanup guidelines. In combination with increased attention to the use of state and other cleanup authorities, these measures will continue the momentum toward environmental results rather than a process-driven program.

As part of our effort to promote flexibility and innovation in environmental regulations, the Agency will continue to work closely with states, tribal governments and local groups to strengthen waste management methods. For example, the Agency is now considering ways to improve work on safe waste management in the petroleum industry as part of the Common Sense Initiative. The Agency will work with petroleum sector stakeholders to identify and improve overly complex or overlapping environmental regulations and standards. This initiative is critical to the Agency's effort to make all programs more efficient as well as to meet our environmental goals for waste minimization, safe management of wastes, and cleanup of contaminated sites.

Improving solid waste management is a high priority for many tribal governments, and the Agency will offer more direct assistance and guidance to tribes. The Agency's partnership with specific tribal governments will center on identifying viable and affordable technologies that would be appropriate for small, remote communities. Other resources and technical support will be provided to bring together interested tribal governments, Native Alaskan Villages, other state/local governments and non-governmental organizations, to analyze the potential benefits of developing and implementing partnerships to improve tribal waste management. EPA will coordinate closely with our state partners, tribal governments and industry to establish safe, effective and efficient environmental goals in managing solid waste. The Agency will link safe waste management strategies with assistance to communities to prevent, assess, safely clean up and sustainably reuse industrial sites.

### **Improving Local-level Prevention Planning**

For the Emergency Planning and Community Right-to-Know Title III program, the 1997 President's Budget provides \$14.9 million

and 69 workyears to help states and local governments address risks posed by hazardous chemicals present in communities. The Agency's key priority in 1997 is to ensure states receive the support they need to build accidental release prevention programs. EPA will provide technical assistance and training to assist states develop legislative programs, establish funding mechanisms, develop accident prevention techniques, and register and review facility management plans. In addition, the Agency, along with the Occupational Safety and Health Administration (OSHA), will jointly investigate and determine the causes and effects of significant chemical releases into the environment and make recommendations to prevent further accidents, thereby protecting public health, safety, and the environment.

### **Eliminating Health Risks Posed by Underground Storage Tanks**

A total of \$7.3 million and 59 workyears are provided for the Underground Storage Tank (UST) program. The UST program addresses one of EPA's largest regulated communities, covering more than one million active USTs at over 400,000 facilities across the United States. The Agency will work with states to implement and enforce the 1998 tank deadline to upgrade, replace, or close tanks. EPA will also continue efforts to build and support strong state, local, and tribal programs, ensuring that another generation of leaking tanks is not created. Moreover, the Agency will pursue a long-term strategy to develop techniques that involve the private sector more directly in promoting good tank management by owners and operators, and will continue to focus on strengthening partnerships with states, local and tribal governments.

### **Focusing Enforcement Activities on Higher Risks**

The 1997 budget for Hazardous Waste enforcement is \$33.6 million and 364 workyears. In support of the Agency's goal to prevent waste and harmful chemical releases, EPA will work to ensure combustion facilities are in compliance with permit regulations. The Agency will continue to work with states to enhance inspection and

enforcement activities at these facilities and develop voluntary compliance programs. The Agency will continue compliance monitoring and enforcement actions against those handlers and non-notifiers presenting the greatest threat to human health and the environment. Resources will be provided to tribal governments to assist in building their capability to enforce solid waste regulations.





Pesticides are used in a remarkably diverse array of products, from insect repellents to crop weed killers to household disinfectants to swimming pool chemicals. They are often intentionally applied in the environment, rather than occurring as a by-product of industry or other human activity. They are found and used in nearly every home and business in the United States. However, acute and chronic human health and environmental risks can be associated with the use of many of these chemicals. At the same time, the use of pesticides in the United States contributes to increased and diversified agricultural production and improves public health through the control of disease-carrying pests. EPA is responsible for balancing the risks to the nation's health and environment posed by pesticides with the benefits from the use of pesticides.

The Pesticides Program derives its statutory authority from the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA) and the Federal Food, Drug and Cosmetic Act. The Agency's decision whether or not to register new pesticides and reregister existing pesticides reflects the balance between risks to public health and the environment and economic benefits. Registration and reregistration decisions prescribe permissible uses, conditions for application and other measures which are designed to ensure that the pesticide, when used as directed, will not pose an unacceptable risk to public health and the environment.

The 1997 President's Budget provides **\$82.1 million** and **862 workyears** for the Pesticides Program. The major goal of the program is to ensure the safety of the nation's food supply. This goal is accomplished by setting standards for the safe use of pesticides through registration and reregistration, and establishing tolerances for pesticide residues in food. At the same time, pesticides benefit the public's health by controlling potential disease-causing organisms found in food, water, and other settings. This program reduces risks from pesticides in food, the workplace, and other exposure pathways and prevents pollution by encouraging the use of new, safer pesticides and biologicals.

## HIGHLIGHTS

In 1997, the Administration will improve the safety of America's food supply by registering new pesticides, reregistering existing pesticides, and setting tolerance levels for pesticide residues in food and food crops. Efforts will be undertaken to allow public access to a larger quantity of the Agency's pesticide data and to allow easier access by individuals who live in economically disadvantaged areas. While new initiatives will help protect the health and environment of farmers, farm workers, tribes, and communities, a strong enforcement program will ensure enforcement and compliance with the nation's pesticide laws.

### ***Focusing on Registration/ Reregistration/Tolerance Setting***

The 1997 President's Budget provides \$37.4 million and 360 workyears for pesticide registration, reregistration, and tolerance activities. In registering new pesticides, EPA requires appropriate scientific tests to help determine whether a pesticide could cause adverse effects to humans, wildlife, fish, or plants. Scientific data on the fate of pesticides in the environment also allows the Agency to assess threats to surface and ground water and other environmental issues. In 1997, the Agency expects to issue approximately 40 new pesticide registrations.

The Reregistration Program encompasses over 400 active ingredients and 22,000 pesticide products. Many of these pesticides have not been tested and evaluated using current scientific technology and knowledge. The 1988 Amendments to FIFRA require EPA to thoroughly review and evaluate all pesticide products that contain active ingredients initially registered before November 1, 1984. This comprehensive reevaluation of pesticides under current scientific standards is critical to protecting human health and the environment. In 1997, the Agency anticipates that 40 pesticide Reregistration Eligibility Decisions will be issued.

The authority for pesticide maintenance fees that support the reregistration of existing pesticides will expire on September 30, 1997. The Administration will propose legislation to extend and increase maintenance fees. This will ensure that manufacturers of pesticide products continue to bear a fair share of costs to complete the Reregistration Program which ensures that up-to-date scientific methods have been used to determine that proper use of their products will not pose an unreasonable risk of adverse effects to human health or the environment. The Administration also supports the reinstatement of pesticide registration fees that were suspended by Congress in 1988.

In 1997, the Agency will continue to work and consult with the U.S. Department of Agriculture, the Food and Drug Administration, and the states in monitoring pesticide use and pesticide residues in food and animal feed. Increased emphasis will be placed on improving the government's food safety program to protect children. This emphasis responds to concerns raised in 1993 National Academy of Science report about pesticides in children's diets.

### **Enhancing Public Access to Pesticide Data**

The 1997 President's Budget provides \$0.8 million to improve public access to pesticide databases. Efforts will be increased to provide public access to an enormous volume of health and safety studies that EPA has collected. Economically disadvantaged areas will receive access to Agency information that answers questions asked by citizens about pesticides.

### **Strengthening Support for Communities, Farm Workers, and Tribes**

The 1997 President's Budget provides \$0.9 million and 2 workyears for a Design for the Environment for Farmers project. This project will complete a catalogue of existing tools for community-based environmental protection and

conduct a survey of potential users of such tools. An assessment of the needs of organizations actually conducting community-based environmental protection will be made available. Technical guidance and analytical tools will help communities evaluate their environmental problems.

The Worker Protection Standards affect three to four million pesticide handlers, as well as over one million agricultural establishments. In 1997, the Agency will work with the states in developing and distributing information for farm workers, training, and follow-up to local governments, growers, grower organizations, and agricultural workers. EPA's Regions will provide technical assistance to states, coordinate with affected agencies, and distribute materials.

EPA will increase activities supporting tribal governments as part of the Agency's goal of healthy terrestrial ecosystems. The initiatives include a course on pesticides for Indian colleges; a manual on Indians' use of plants for food; and a work-study program at Sinte Gleske University.

In 1997, projects in both the Toxic Substances and Pesticides medias will support community-based ecosystems activities. Technical assistance will be provided to the states, public, industry and others. Partnerships will be developed in the communities and tribes to keep EPA focused on issues of concern to these communities.

### **Focusing on Pesticide Enforcement**

The 1997 President's Budget provides \$4.1 million and 60 workyears for the Pesticide Enforcement Program. This program will focus on problems relating to urban pesticide misuse, ineffective hospital disinfectants, food safety, and worker safety protection. This program will develop and issue enforcement cases of FIFRA violations that pose high risks for which the states do not have delegated authority.

Radioactive materials are used or stored at thousands of federal facilities, over 100 nuclear reactors, and many thousands of other locations. EPA guidance and standards for the cleanup and management of radioactive materials will ensure that the federal government does not spend billions of dollars in unnecessary cleanup costs. Another key component of EPA's radiation program is oversight of the Department of Energy's (DOE) operation of the Waste Isolation Pilot Plant, a potential radioactive waste disposal site.

The EPA program to address radiation issues is derived from a number of statutes. These include the Clean Air Act of 1990, the Waste Isolation Pilot Plant (WIPP) Land Withdrawal Act, the Energy Policy Act of 1992, the Atomic Energy Act, the Uranium Mill Tailings Radiation Control Act, the Indoor Radon Abatement Act, and the Superfund Amendments and Reauthorization Act of 1986.

The 1997 President's Budget requests a total of **\$20.4 million** and **114 workyears** under the EPM appropriation to implement four major program objectives established for the Agency's radiation programs. These objectives include: reducing adverse effects from radiation exposure through a program of standards and guidelines; assessing and quantifying existing and emerging radiation problems and their potential impacts on health and the environment; responding to radiation issues of serious public concern; and responding to emergencies, if needed, and developing and testing Federal, state and local plans for emergency response.

## HIGHLIGHTS

### **Overseeing DOE Waste Disposal at the Waste Isolation Pilot Project**

The 1997 President's Budget requests \$6.4 million and 27 workyears for a variety of tasks associated with the WIPP, a disposal site in New Mexico for high-level waste from the production of nuclear weapons. Under the WIPP Land Withdrawal Act of 1992, EPA is responsible for establishing disposal standards, developing regulations to establish compliance criteria, and certifying Department of Energy's compliance. DOE, which operates WIPP, plans to submit its

application for this certification in October 1996. EPA must approve or disapprove this application within one year after receipt. If EPA certifies that the WIPP is in compliance with the radioactive waste disposal standards, the DOE will be required to submit a recertification application every five years to EPA for review in determining continued compliance.

### **Implementing Existing Standards and New Requirements**

The 1997 President's Budget requests \$10.1 million and 63 workyears under the EPM appropriation to establish standards for radioactive waste management and develop Federal guidance. EPA will continue to promote the transfer of implementation responsibilities for the radionuclide National Emission Standards for Hazardous Air Pollutants (NESHAPs) to the states. Videotape training will be supplemented with direct assistance to deal with unique problems raised by the states and local authorities. EPA will work closely with DOE as it continues to decontaminate and decommission buildings and facilities.

Radioactive materials are used at over 20,000 sites including DOE facilities and over 100 nuclear power plants. Billions of dollars could be potentially wasted by inadequate cleanup efforts. In 1997 EPA will continue development of cleanup criteria for sites contaminated with radionuclides that will provide clear and consistent groundrules for cleanup.

### **Supporting Emergency Preparedness**

The 1997 President's Budget requests \$1.5 million and 17 workyears for its emergency preparedness efforts. In 1997 EPA will continue its classroom and field training programs to maintain and improve the capabilities of the EPA Radiological Emergency Response Team. EPA will also continue to work with other Federal agencies and the international community on formal agreements dealing with communications, coordination of response efforts, and mutual assistance for responding to emergencies.



Effective response to environmental problems today requires a comprehensive cross-media approach. Environmental problems are complex by nature and require a broad base of knowledge to understand them and design effective solutions. Multimedia program activities promote an integrated approach to environmental protection and provide cross-media support to Agency media programs. The Multimedia program is developing and utilizing multimedia, sector-based, strategically targeted techniques to meet the requirements of environmental protection.

The Enforcement program will be representative of the Agency's efforts to both maintain an effective enforcement presence, and encourage voluntary compliance through compliance assistance and incentives. The Enforcement program provides civil and criminal investigations, technical forensic support and legal support for enforcement actions. The program will also foster compliance through voluntary partnerships, compliance incentives and compliance assistance efforts for small businesses.

The Multimedia media will also provide lead efforts for regulatory reinvention projects such as Project XL and the Common Sense Initiative (CSI). The Environmental Technology Initiative (ETI) will continue to focus on eliminating barriers in the regulatory and permitting process of new technologies through collaboration with public and private sector partners. The Multimedia media will also support specific U.S. Mexico Border activities, legal services and Information Resources Management.

In 1997, EPA requests a total of **\$331.8 million** and **1,749 workyears** for Multimedia programs in the Environmental Program and Management account.

## HIGHLIGHTS

### **Improving Environmental Protection in Tribal Lands**

In 1997, the Agency will continue to expand and improve its program delivery to tribal governments and to develop government-to-government relations with tribes in fulfillment

of its trust responsibilities. The American Indian program will coordinate and implement EPA's tribal environmental policies. The Agency will continue development of a national environmental strategy; develop and operate a clearinghouse for tribal environmental information; coordinate interagency cooperation for the improvement of environmental conditions on Indian lands; and support the Agency's tribal operations committee.

### **Maintaining Strong Enforcement and Expanding Compliance Assistance**

The 1997 request for multimedia Enforcement program activities is \$126.1 million and 1,079 workyears. The program will continue to place a priority on ensuring compliance with environmental statutes enacted by Congress. The program will preserve the strong enforcement program which was essential to the environmental and public health improvements of the past 25 years and which must remain in place if EPA is to fulfill its mandate to bring safe air, water and food to *all* Americans. This request will fully fund EPA's front line workforce of environmental inspectors and investigators. Keeping the environmental cop on the beat will mean that the vast majority of businesses which seek to comply with the law will be rewarded with a level playing field, that bad actors will not gain from violating the law, and that every American will have equal access to a clean environment in which to live and work.

At the same time, this budget supports the Agency's compliance assistance efforts. EPA will redirect additional resources from single media, single industry compliance problems to multimedia compliance assistance. The Enforcement program will pursue the strategy of providing compliance assistance to the regulated community by developing and implementing ways to encourage voluntary compliance with environmental regulations.

One example of developing assistance tools for the regulated community are the Small Business Compliance Assistance Centers. These Centers provide one-stop shopping for all regulations for a given industry sector such as printing or metal finishing. The Centers contain plain-english guides to compliance requirements

and technical assistance resources, assistance and training on treatment technologies, and methodologies for self-audits and compliance surveys.

The Enforcement program will also expand the Environmental Leadership Project (ELP). The project encourages corporations in partnership with EPA to develop individualized innovative auditing and compliance programs. One of the many successes of ELP to date involves the Gillette Corporation's implementation of a self-audit program at three of their facilities. The proactive program will allow Gillette to identify, correct and prevent environmental issues before a regulatory entity need be involved, saving Gillette, the government and the public time, money, and the quality of the environment.

### **Providing Opportunities for Decision-making at the Community Level**

EPA requests \$38.7 million and 29 workyears for unique multimedia programs that provide communities with decision-making opportunities regarding local environmental programs. In 1997, the Agency will launch the Sustainable Development Challenge Grant Program with \$10.0 million and 5 workyears. These grants will leverage public and private community investment to improve environmental quality while enhancing economic prosperity. This program will challenge communities to meet their present needs without compromising the needs of future generations through broad and open community involvement and investment.

The 1997 budget also includes \$15.8 million for the Regional Multimedia Program which is designed to fund projects based on comparative risk surveys and/or to meet local needs in a particular community or region of the country that are not addressed under traditional single media programs. Likewise, the Agency's environmental education program fosters educational partnerships among government, business, academic institutions and community groups to promote a better understanding of the interrelationships among environmental, economic, and social issues. Each of these investments demonstrates the Administration's commitment to help local governments and public

citizens resolve environmental problems in their communities.

### **Protecting U.S. Interests and Upholding International Agreements**

The Agency will continue to protect the public health and natural resources of U.S. citizens by upholding the La Paz Agreement and the environmental side agreement of the North American Free Trade Agreement (NAFTA). In 1997, EPA requests \$2.7 million and 13 workyears to operate two border offices and to implement the Border XXI Program. The Border XXI Program will address the complex, multimedia environmental problems facing communities along the U.S.-Mexican border. This program also funds community grants, emphasizes public participation, and promotes sustainable development. These efforts will be supported by the operation of two border offices in the cities of San Diego, California and El Paso, Texas. Both offices play important roles in coordinating EPA activities with the International Boundary and Water Commission, the Pan American Health Organization, the Border Environmental Cooperation Commission, and the North American Development Bank. These activities complement media-specific activities conducted along the U.S.-Mexico Border.

### **Promoting Multimedia Policy Development, Economics and Program Implementation**

1997 will be a pivotal year for assessing the Nation's progress and commitment to reducing greenhouse gas emissions. The Agency requests \$30.9 million and 33 workyears to carry out six components of the U.S. Climate Change Action Plan (CCAP). These six components, managed by the Multimedia Policy Development and Economics Program, contribute to the U.S. commitment to reduce greenhouse gas emissions to 1990 levels by the year 2000. These resources will complement the CCAP efforts under the Air media. As part of the Environmental Technology Initiative (ETI), the Multimedia Policy Development and Economics Program will continue to focus on eliminating barriers in the regulatory and permitting processes which inhibit the private sector from developing new

technologies and fostering cleaner and cheaper solutions to environmental problems. The Agency requests \$13.3 million and 25 workyears for this effort which complements ETI activities performed in other Agency programs.

Project XL has been introduced as a centerpiece of the Agency's commitment to reinvent environmental regulation. In 1997, the Multimedia Policy Development and Economics Program will lead the Agency's implementation and evaluation of Project XL with an investment of \$1.2 million and 15 workyears. This pilot program will provide a limited number of regulated companies, states, communities and federal facilities with the opportunity to replace existing environmental rules with alternative strategies of their own design that achieve superior environmental performance. Another regulatory reinvention effort being undertaken by the Agency is the Common Sense Initiative (CSI) which will work to overcome the problems that many sectors encounter in their efforts to manage industrial pollution. In 1997, the Agency requests \$1.8 million and 12 workyears for the Multimedia Policy Development and Economics Program which will focus on implementation of the metal finishing pilot and laying the foundation for future CSI industries and projects. The CSI effort is also underway in the media program offices.

In addition, the Agency will expand the ability to characterize and quantify benefits of EPA programs through the establishment of an Economics Studies Center. The Center will operate as an information clearinghouse and technical assistance service center to improve applied research used in the development of regulatory options and economic analyses. The 1997 budget includes \$1.0 million and 19 workyears for the Center. Finally, the Multimedia Regulatory and Community Based Environmental Protection Program will provide support for the Agency's Community Based Environmental Protection (CBEP) Program and the National Service Program (NSP). The 1997 budget requests for \$1.8 million and 27 workyears for the CBEP to pilot innovative programs with state and local governments and to develop and disseminate ecological, economic and social science tools needed by environmental practitioners. With \$2.0 million and 2 workyears in 1997, the NSP will work with

Americorps, VISTA, RSVP and other volunteers at the local level to correct environmental problems such as stream restoration, lead abatement, radon detection and solid waste management.

### **Continuing Legal Support Services**

The 1997 budget for the General Counsel includes \$26.5 million and 280 workyears to provide legal advice and assistance to both Headquarters and Regional managers. In 1997, the General Counsel will focus new resources on employment law and ethics in light of the Administration's streamlining and reinvention efforts, especially as they relate to the labor-management partnerships established under Executive Order 12871. In addition, the General Counsel proposes to redirect and invest workyears to accelerate the issuance of Clean Air Act rules and standards. Finally, the General Counsel will redirect existing workyears in support of the Agency's increased attention to Indian law issues, environmental justice, community-based environmental protection and endangered species.

### **Coordinating Our Information Resources Management**

The Agency requests a total of \$29.8 million and seven workyears for the Executive Steering Committee for Information Resources Management (ESC). In 1997 the ESC will focus on three key areas: Reinventing Environmental Regulations, Community-Based Environmental Protection, and Work Process Reinvention. The Reinventing Environmental Regulations effort will substantially reduce reporting burdens for the regulated community, integrate reporting requirements, and make environmental information more acceptable to the public. The Community-Based Environmental Protection effort will provide easy access to environmental information for state and local governments to allow them to act on local issues and protect ecosystems. The Work Process Reinvention initiative will automate reporting by industry and states through the use of Electronic Data Interchange.

## ***Promoting Pollution Prevention***

The Agency requests a total of \$23.4 million and 65 workyears for the multimedia Pollution Prevention program. The program's multimedia mission includes the development of multimedia pollution prevention strategies and their use through national, Regional, and state environmental programs. This program coordinates the Agency's activities to implement the requirements of the Pollution Prevention Act of 1990 and contains activities in the toxic substances media as well.

In 1997, the multimedia pollution prevention program will target its efforts to areas where prevention offers the greatest opportunity to reduce threats to the environment and public health. Because EPA believes that pollution prevention can benefit both the environment and the economy, the Agency's policy is designed to maximize private sector initiatives by challenging industry to achieve ambitious prevention goals such as through the Design for Environment program or the Green Chemistry program. This approach encourages more businesses to identify and profit from opportunities for prevention, which in turn yield significant public dividends in the form of increased environmental protection.

## ***Ensuring Environmental Justice***

The Agency requests a total of 3.4 million and 11 workyears for the Agency Environmental Justice program. The Agency program, distinct from the environmental justice initiatives in each office, will continue to coordinate the Regional and Headquarters organization's environmental justice programs. The program will support the National Environmental Justice Advisory Council which advises the Administrator on environmental problems in low income and minority communities. The program will also fund grants to community groups and universities to address environmental justice issues.



Human beings and the environment are exposed each year to a large number of chemical substances and mixtures. Among the many chemical substances and mixtures which are constantly being developed and produced, there are some whose manufacture, processing, distribution in commerce, use, or disposal may present an unreasonable risk of injury to public health or the environment. The United States chemical industry manufactures or imports more than 50,000 commercial chemicals. Each year approximately 2,200 new chemicals are developed and added to this list of existing chemicals. EPA is responsible for protecting the public and the environment from unreasonable risks associated with the manufacture, use, and disposal of all commercial toxic chemicals.

EPA's Toxic Substances Program relies on legislative authority under the Toxic Substances Control Act (TSCA), Asbestos School Hazard Abatement Act, Asbestos Hazard Emergency Response Act, Emergency Preparedness and Community Right-to-Know Act (EPCRA), Pollution Prevention Act, and the Residential Lead-based Paint Hazard Reduction Act. These laws focus on the prevention or elimination of unreasonable risks to public health and the environment from exposures to toxic chemicals. The program reduces unnecessary exposure, promotes pollution prevention, and encourages safer chemicals and use patterns.

The 1997 President's Budget provides **\$81.8 million** and **590 workyears** for the Toxic Substances programs. Increased emphasis will be placed on providing more effective, accurate and efficient information to the public to assist them in evaluating environmental risks and understanding the opportunities for pollution prevention. Industrial facilities are among the greatest sources of toxic chemicals released into the environment. EPA is shifting program emphasis from command and control to partnership, voluntary participation, market incentives and empowerment at the state and local levels.

## HIGHLIGHTS

In 1997, the Toxic Substances programs will respond to specific environmental concerns about lead, PCBs, and other existing chemicals, as well as concerns about new chemical products. EPA will prevent health and environmental risks from new chemicals and reduce risks from old chemicals. EPA will provide the public with information, through the Toxic Release Inventory, about chemicals emitted by companies. The Design for the Environment and Common Sense Initiatives will prevent and reduce pollution in specific industrial sectors, while a strong enforcement program will ensure enforcement and compliance with EPCRA and the toxic substances laws.

### **Addressing Chemicals of National Concern**

The 1997 President's Budget provides \$17.8 million and 96 workyears for the lead abatement program. Lead exposure disproportionately affects children of minorities and the poor in urban areas. EPA's Environmental Justice Program will assist minority and low income communities in addressing local lead problems. Working with states, EPA will assist in the development of lead-based paint abatement training programs, standards for abatement activities, and a model state program for compliance with training and accreditation requirements. EPA coordinates this effort with the Department of Housing and Urban Development and other Federal agencies. Since an important part of EPA's lead program is communicating the risks of lead to the general population, health professionals, lead-based paint abatement workers, and state and local governments, EPA will disseminate information through its lead hotline and lead clearinghouse.

Although PCBs are no longer produced in large quantities, exposure hazards persist from the more than 1.6 billion pounds of PCBs still in use in the United States. EPA issues permits to facilities for the storage and disposal of PCB wastes, and is proposing a change in PCB permitting. EPA will devolve PCB permitting responsibilities to the states; this will streamline Federal functions and further empower states to manage local environmental matters.

## **Building Community Self Reliance (Right-to-Know)**

The 1997 President's Budget provides \$25.7 million and 112 workyears for the Community Right-to-Know Program. This Program recognizes the right of citizens to be aware of chemicals released into their local environment. EPA will emphasize the importance of making information about significant chemical releases publicly available and allow informed public participation in discussions of potential risks from such emissions. This information is published annually in the Toxics Release Inventory (TRI) public data release. In 1997, technological changes will be implemented to assist industry in submitting TRI data. Under the terms of Presidential Executive Order 12969, EPA will consider expanding the number and types of facilities that are required to submit TRI data.

## **Assessing and Managing Chemicals**

The 1997 President's Budget provides \$29 million and 254 workyears for the Chemical Assessment and Management programs. These programs include chemical testing, the review of new chemicals and biotechnology products, and the management of risks posed by existing chemicals. These programs form the core of the Agency's TSCA regulatory program. In 1997, the chemical testing program will concentrate on chemicals of concern identified by the TSCA Interagency Testing Committee, chemicals for which other EPA program offices and other Federal agencies have identified data needs, and U.S. high production/importation volume chemicals for which testing needs exist. The new chemicals/biotechnology review program will review, for human health and environmental concerns, over 2,200 new chemical and biotechnology products submitted to the Agency. The Existing Chemicals program will identify risks, assess alternatives, and identify pollution prevention opportunities for chemicals that are currently sold and used in the United States.

## **Promoting Common Sense Activities**

EPA's Common Sense Initiative will achieve greater environmental protection at less

cost by addressing pollution on an industry-by-industry basis. As part of the larger Agency program, the Toxic Substances Program will work with the printed wiring board industry in the electronics sector to evaluate and implement alternative materials, processes, and technologies that reduce environmental risks and production costs. The Green Chemistry Program will promote the development of products and processes that reduce or eliminate toxic substances associated with the design, manufacture, and use of chemicals. In essence, the Green Chemistry Program will recognize and promote fundamental breakthroughs in chemistry that accomplish pollution prevention cost effectively.

## **Expanding Pollution Prevention**

Pollution prevention is EPA's first choice in environmental protection. Building upon the success of the 33/50 Program, EPA will develop a new voluntary industrial toxics reduction program that will encourage further reductions in the production, emission and use of toxic chemicals. The Agency will support the Pollution Prevention Information Clearinghouse and other information sources for the public. EPA will also help Federal agencies identify and procure environmentally preferable products, and assist businesses in adopting environmental accounting to help them identify how pollution prevention pays off financially.

## **Enforcing Toxic Substances and EPCRA Laws**

The 1997 President's Budget provides \$6.1 million and 87 workyears for the Toxic Substances Enforcement program. This program will conduct inspections addressing TSCA, with particular emphasis on worker protection and pre-manufacturing notification. In those states without cooperative enforcement agreements, the program will conduct risk-based compliance inspections for TSCA, including inspections for the high-risk PCB and asbestos in public/commercial buildings programs. The program will conduct compliance monitoring and enforcement activities in any states without cooperative enforcement agreements.

# TOXIC SUBSTANCES

---

The 1997 President's Budget provides \$1.4 million and 21 workyears for the EPCRA Enforcement program. This program will conduct approximately 700 compliance inspections of, and increase compliance assistance outreach to, chemical facilities that use, manufacture or process potentially harmful chemicals that are required to be reported under EPCRA. The program will target inspections and enforcement actions at companies with data quality and data reporting violations. The program will conduct compliance inspections to detect companies that have failed to report toxic chemical emissions.



As our understanding of complex environmental problems improves, there is a growing demand for sophisticated technology, analytical expertise, comprehensive matrix management and efficient support services. The Management and Support program ensures that executive direction, policy oversight, and a broad spectrum of administrative support services are provided to all Agency programs and facilities across the nation. These activities are carried out through the efforts of the Office of Policy, Planning and Evaluation; the Office of International Activities; the Office of Administration and Resources Management; and the Office of the Administrator.

Primary activities include planning and budgeting, program evaluation, financial management, health and safety, economic analysis, audit follow-up, intergovernmental and international relations, information and human resources management, and security. Key statutes being addressed in 1997 include the Government Performance and Results Act, the Chief Financial Officers Act, the Federal Managers' Financial Integrity Act, and Executive Orders on Customer Service and Labor-Management Partnerships.

The 1997 budget provides **\$534.3 million** and **2,651 workyears** for the Management and Support program.

## HIGHLIGHTS

### **Providing Leadership and Direction for the Agency**

The 1997 budget provides \$49.5 million and 508 workyears for the Office of the Administrator (OA) which provides essential executive policy direction, intergovernmental relations, public communication and outreach, and executive administrative functions on behalf of the Administrator, the ten Regional Administrators and other senior managers.

OA continues to strengthen current ways of work as it carries out essential legislative, judicial and management functions. In particular, OA will increase support for the Administrative Law Judges to provide timely review and judgment on cases brought before the Agency. This means that those guilty of environmental violations will

be identified sooner-- resulting in penalty assessments-- and those not guilty will be exonerated sooner-- resulting in fewer adverse consequences associated with violation charges.

### **Promoting the Use of Comparative Risk, Quality Data and Environmental Goals**

The Office of Policy, Planning and Evaluation (OPPE) requests \$17.2 million and 162 workyears in 1997 to provide policy direction and guidance on Agency-wide initiatives such as the Common Sense Initiative, Project XL and Community-Based Environmental Protection. In addition, resources will be used to strengthen and expand strategic planning and evaluation, comparative risk and data management systems.

OPPE will continue to help state, local and tribal governments with comparative risk projects and offer assistance to five additional states with \$1.9 million and 18 workyears in 1997. As a result, EPA will have increased the comparative risk capabilities in approximately 56% of the states in the U.S. This will help states and EPA articulate environmental priorities and set environmental goals through the National Environmental Performance Partnership Program. In support of the Administration's commitment to reinvent environmental regulation, OPPE will dedicate \$0.6 million and 10 workyears to create the Center for Environmental Information and Statistics. This Center will be responsible for development of 'Environmental Indicator Bulletins' and establishing an 'Official Statistics' information database linked to highly sophisticated software for public access on the Internet. OPPE will continue to lead the Agency in the development and implementation of national measurable environmental goals in support of the Government Performance and Results Act.

### **Protecting U.S. Citizens and Natural Resources Requires International Cooperation**

The 1997 budget provides \$19.4 million and 66 workyears for the Office of International Activities (OIA) to protect U.S. interests in the global environment. As the Agency's lead for

international negotiations and intergovernmental technical assistance, OIA supports numerous environmental programs in various countries. During 1997, OIA will continue to promote U.S. environmental technology and expertise overseas in an effort to meet the global demand for environmental technology and services--a market estimated at more than \$400 billion a year. The 1997 budget also includes \$3.0 million for the North American Commission on Environmental Cooperation to ensure Canada, Mexico and the U. S. develop and implement adequate environmental protection and enforcement policies. Other priorities for OIA in 1997 include new national environmental commitments to Egypt and to South Africa; reducing the international risks from PCBs, DDT, chlordane, mercury and heavy metals; phasing out leaded gasoline in Latin America, Eastern Europe, Russia and China; and promoting pollution prevention in the Americas, the Pacific Basin and India.

### **Streamlining and Re-engineering Is A Top Agency Priority**

The 1997 budget provides \$143.4 million and 1,659 workyears for the Headquarters and Regional management components of the Office of Administration and Resources Management (OARM).

OARM manages the systems and processes that provide the people, money, and information needed by the Agency and, in many cases, its Federal, State, tribal and local partners. In 1997, OARM will continue to realign resources in the management functions to improve the effectiveness of their processes and meet the needs of their customers. For example, in the human resources area OARM will move staff and resources from performing the transactional services of staffing and classification to helping managers in developing self-managed work teams, labor-management partnerships and workforce development.

In 1997, the Agency will focus on automation and process improvement. This effort will include broad-scale automation efforts aimed at reengineering our human resources function including the development of an automated personnel process, streamlining the process for

applying and managing grants to provide better information and reduce processing times, and implementing electronic improvements in time and attendance, travel, and payroll functions that will provide EPA financial services in a more efficient, businesslike manner.

The Agency will develop and put in place an integrated approach to Agencywide strategic planning, budgeting, financial management, and program evaluation that will guide the Agency's program and investment decisions and meets the mandates of the Chief Financial Officers (CFO) Act, the Federal Managers' Financial Integrity Act (FMFIA), and the Government Performance and Results Act (GPRA).

### **Improving Partnerships**

Under EPA's new system for federal oversight of state environmental programs, EPA plans to give states and tribes the option of combining funds received under several EPA categorical grant programs (e.g. air, water) into one or more performance partnership grants. States and tribes will have the flexibility to use those funds to address their most serious human health and environmental problems using community-based, geographic, pollution prevention, or cross-media strategies designed to meet specific local needs.

In 1997, our investments will allow us to develop a framework under which performance partnership grants (PPGs) would be awarded. Specifically, the investments will enable the Agency to develop guidance that will define the practical, logistical, administrative, and reporting requirements that would govern this new approach to grant making.

### **Ensuring Health and Safety**

The 1997 budget contains a request of \$271.4 million and 14 workyears for support services to the Agency's Operating Programs. The 1997 request includes significant investments to maintain essential Agency infrastructure support. These resources will address mandatory rate increases for rent paid to the General Services Administration and direct leases associated with

87 buildings at 45 different locations in 30 states. It also provides for anticipated rate increases in utilities costs and in support contracts including security, mail delivery and facilities maintenance.

The Agency will strive to provide all employees with a quality work environment that is safe, healthy and secure. The Agency is also committed to designing workplaces that incorporate the latest energy conservation technologies and improved access for the handicapped. Our 1997 Request includes funds for additional building security and guard services to ensure the safety of the public and EPA employees as outlined in the President's Executive Order regarding upgrading security at federal facilities.

### **Implementing A Working Capital Fund Will Begin in 1997**

An example of the Agency's new way of doing business is the Working Capital Fund. EPA's Working Capital Fund (WCF) will be a revolving fund to finance operations where the costs for goods or services provided are charged to the users. Until now EPA's administrative services have been centrally funded and managed. A WCF moves away from centralized control by giving customers a strong voice in determining the amount and type of services they receive. EPA's WCF concept will ensure increased efficiency of resource utilization through reliance on market force mechanisms and will also increase accountability through audited statements.

The Agency proposes to provide two services in 1997 under the WCF; computer and telecommunication services at the National Data Processing Division (NDPD), Research Triangle Park, NC, and postage services. These services are provided to all EPA offices. The Agency's 1997 budget request includes resources and justification for these two activities in each National Program Manager's submission. The operating expense target for NDPD operations is \$96,300,000; for Postage it is \$5,200,000. There are also 79 workyears associated with these activities.

### **Strengthening Executive Direction through Matrix Management of Key Initiatives**

The Agency is requesting \$29.5 and 240 workyears for this activity and includes executive direction, policy development, program development and oversight, planning, budgeting, financial management, human resource management, and information resources management for each of the Agency's major offices. These include the Offices of Air and Radiation; Water; Enforcement and Compliance Assurance; International Activities; General Counsel; Solid Waste and Emergency Response; Administration and Resources Management; Prevention, Pesticides and Toxic Substances; and Policy, Planning and Evaluation. These core services are essential for the overall management, coordination, and direction of these offices.





# STATE, LOCAL, & TRIBAL GRANTS

In 1997, EPA will continue to increase its efforts to give strong state and tribal programs more leeway to manage their programs, while concentrating EPA technical assistance on developing the programs that are still evolving. Two interrelated features of our 1997 program will give prominence to this strategy. First, EPA and state leaders have established a National Environmental Performance Partnership System (NEPPS) which recognizes the states' growing capacity to operate their programs, in return for increased emphasis on measuring and reporting environmental improvements. Second, Performance Partnership grants (for which authority has been requested) will permit states and tribes to combine "categorical" grants (e.g., air, water) into one or more consolidated grants, to be used for addressing the unique priorities of each state and tribe.

EPA will continue to support our state and Indian tribal partners environmental programs through grants and cooperative agreements. In 1997, the President's Budget provides **\$674.2 million** for 17 categorical environmental grants for the states and tribal governments. These grants are part of EPA's Operating Program. The major emphasis will be to maintain Federal financial assistance to the states and increase financial assistance to the Indian tribes who are beginning to address and manage their own environmental problems.

## HIGHLIGHTS

The State and Tribal Assistance Grants appropriation provides financial assistance to help the states develop the technical, managerial and enforcement capacity to operate the environmental programs that monitor drinking water systems, implement water quality standards, combat air pollution, promote the use of safer pesticides, manage hazardous waste, and assure compliance with Federal environmental laws. Funding also is directed toward multimedia programs that are designed to prevent or reduce pollution from all sources.

## *Bolstering State and Tribal Programs*

Through State and Tribal Program Assistance, EPA will continue to pursue its strategy of building state and local capacity to implement and enforce the nation's environmental laws. By fostering a decentralized nationwide approach to environmental protection, we are ensuring that our environmental goals will ultimately be achieved through the actions, programs, and commitments of local governments, organizations, and citizens. EPA's role will be to help those who need our assistance, and strive to make sure that our financial assistance brings the nation the best possible return on its investment in a cleaner, safer environment.

In the Air Program, state grants will focus on addressing ozone or smog abatement standards which include supporting state vehicle inspection and maintenance programs. Control programs for reducing public exposure to toxic air pollutants will be expanded such as in the "MACT Partnerships" Program with the states. Separate grants to Indian tribes will help them plan and implement air programs. Grants will also assist development and implementation of state radon abatement programs.

In the Water Program, state grants will help states ensure national water quality standards are being met. For example, grants will help states work with municipalities to implement storm water management programs. State high priority watersheds and nonpoint source management needs will also be targeted. In 1997, an emphasis will be to provide additional resources to tribal governments, especially for monitoring and assessing surface and groundwater conditions.

Increased support for Drinking Water programs will be provided as states monitor contaminants, handle permit waivers, and enforce the Lead and Copper Rule and Surface Water Treatment Rule. Support to states to protect groundwater from contamination through underground injection will continue.

## STATE, LOCAL, & TRIBAL GRANTS

Support to states' Pesticides and Toxic Substances programs will emphasize meeting Worker Protection Safety standards, protecting surface and ground water from pesticide contamination, conducting Certification and Training of pesticide applicators, and managing state lead risk reduction and abatement programs.

In the Hazardous Waste Program, support to the states and tribes will continue so they can issue and review hazardous waste permits, revise closure plans, and review corrective action plans at hazardous waste facilities. More emphasis will be on inspection of Federal hazardous waste facilities, especially those not in compliance with permit conditions and corrective action orders. Support will continue to the states and Indian tribes to oversee compliance with the 1998 deadline for owners to upgrade, replace, or close underground storage tanks.

The Agency will also continue to support programs that address all sources of pollution. For example, funding will help states implementing pollution prevention program strategies through demonstration projects. States will continue to conduct compliance monitoring inspections on pesticides and toxic substances requirements. In 1997, emphasis will be on developing partnerships with the states to establish comprehensive toxic substances enforcement authorities at the state level. Finally, increased support in 1997 will help Indian tribes develop capabilities to operate and manage their tribal environmental programs

The Agency requests a total of \$28 million for Indian General Assistance Program (GAP) grants. GAP resources help tribes identify the scope of their environmental management needs, establish program development priorities and begin building environmental programs. GAP grants are one of the Agency's most significant means for building tribal capacity to make and implement their own environmental management decisions.

# STATE, LOCAL, & TRIBAL GRANTS

(DOLLARS IN THOUSANDS)

	<b>1997 PRESIDENT'S BUDGET</b>
<b><u>AIR</u></b>	
STATE AND LOCAL ASSISTANCE	\$153,189.9
TRIBAL ASSISTANCE	5,882.2
INDOOR ENVIRONMENTS/RADON GRANTS	8,158.0
<b><u>WATER QUALITY</u></b>	
SECTION 106	80,700.0
NONPOINT SOURCE	100,000.0
WETLANDS PROGRAM IMPLEMENTATION	15,000.0
WATER QUALITY COOPERATIVE AGRMTS	20,000.0
<b><u>DRINKING WATER</u></b>	
PUBLIC WATER SYSTEM SUPERVISION GRANTS	90,000.0
UNDERGROUND INJECTION CONTROL	10,500.0
<b><u>HAZARDOUS WASTE</u></b>	
H.W. FINANCIAL ASSISTANCE	98,298.2
UNDERGROUND STORAGE TANKS	10,544.7
<b><u>PESTICIDES</u></b>	
PESTICIDES PROGRAM IMPLEMENTATION	12,814.6
<b><u>MULTIMEDIA</u></b>	
POLLUTION PREVENTION	5,999.5
PESTICIDES ENFORCEMENT	16,133.6
TOXIC SUBSTANCES ENFORCEMENT	6,486.2
TRIBAL GENERAL ASSISTANCE	28,000.0
<b><u>TOXIC SUBSTANCES</u></b>	
LEAD GRANTS	12,500.0
<b>TOTAL</b>	<b>\$674,206.9</b>



# BUILDINGS AND FACILITIES

This account funds the design, construction, repair, and improvement of buildings occupied by EPA. The Agency has ten Regional offices with associated Regional laboratories, several large research and development laboratories, program laboratories, a number of field stations with laboratory facilities and a Headquarters operation in nine locations in the Washington, DC area.

This program provides a safe and healthy work environment for EPA employees by providing for renovation and repair or replacement of our facilities. Through our facilities master plan, we continue to implement intermediate and long-range plans that assess alternative housing options for EPA operations and also continue a repair program that protects the Agency's investment in EPA real property holdings. We are modifying current facilities to more adequately and efficiently address the Agency's changing programs as well as implementing cost-effective energy and water conservation measures at EPA-occupied, federally-owned buildings. We will continue to emphasize environmental compliance and health and safety efforts in EPA facilities by removing asbestos and PCBs, upgrading fire and life safety systems, and upgrading heating, ventilation and air conditioning systems to meet the most current ventilation and CFC removal standards.

Ongoing new construction will be managed through the design and construction phases. Major construction in the Research Triangle Park (RTP) facility includes the main research and administrative building, the computer building, and the high bay research building.

The New Headquarters requires Buildings and Facilities resources to ensure that the facilities are functionally responsive, reflective of EPA's mission, and built in accordance with the quality standards of a national headquarters. Indoor air quality, adequate power and lighting, and flexibility of configuration are among the project priority issues.

The Agency requests a total of **\$209.2 million** for 1997 in the Buildings and Facilities Appropriation account.

## HIGHLIGHTS

### ***Investing in EPA's Building Infrastructure***

The Agency makes a substantial investment in improving and renovating EPA laboratories and office space. The investment in B&F will dramatically influence the Agency's ability to address the complex environmental issues of the 1990's and beyond.

The Agency is requesting \$182 million for the construction of a consolidated laboratory and office complex at Research Triangle Park (RTP), NC. This will provide the balance of funding to complete construction of the RTP project. The Agency is also requesting \$12.8 million in 1997 for the build-out of EPA's new Headquarters facility. This provides funding for requirements such as lighting efficiency and indoor air quality in the Federal Triangle, Customs and Interstate Commerce Commission (ICC) buildings.

Finally, the Agency requests \$14.4 million to continue the repair and improvement program at existing Agency laboratories and offices to ensure the health and safety of employees and funds energy conservation initiatives in EPA-owned buildings.



The Science and Technology (S&T) account, created in 1996, funds the operating programs of the Office of Research and Development (ORD) and the Program Office laboratories. These organizations provide significant scientific and technical expertise in meeting the Agency's broad array of environmental goals. The Agency's science program seeks to improve our understanding of risks to human health and ecosystems, and develop innovative cost-effective solutions to pollution prevention and risk reduction. As the Nation seeks to focus its limited resources on the most critical environmental problems, the role of science in identifying, understanding and addressing these problems will become more and more important. Specifically, the Agency's research objectives are:

- 1) Perform research and development to identify, understand, and solve current and future environmental problems;
- 2) Interpret and integrate scientific information and develop regulations and standards to help organizations at all levels make better decisions about improving the environment; and
- 3) Provide national leadership in addressing emerging environmental issues and in advancing the science and technology of risk assessment and risk management.

The knowledge and tools that result from these efforts are used by EPA, state and local authorities to assure credible environmental decision-making.

The President's 1997 Budget provides **\$621.3 million** and **2,462 workyears** for the Science and Technology appropriation account. Of this amount, \$42.5 million and 129 workyears are requested to be derived from the Hazardous Substance Superfund appropriation.

The S&T account also includes resources for cross-program research with resources that pertain to two or more distinct media; and infrastructure needs such as operating expenses and the working capital fund.

## HIGHLIGHTS

### **Strengthening Air Research and Regulatory Programs**

The Agency is requesting a total of \$152.2 million and 670 workyears in 1997 for Air Research. The outcomes of Air Research are necessary for setting air criteria and standards as well as public policy decisions required for EPA to implement the Clean Air Act. The components of this program include: Air Toxics Research, Criteria Air Pollution Research, Global Change Research, Mobile Source Emissions and Fuel Economy Research, and Indoor Air Research. In addition, program office laboratories directly support the Agency's regulatory programs.

Air Toxics Research develops control actions for major sources of toxics and conducts research to address urban toxics and air toxics deposition to Great Waters. In 1997, resources will be used to better assess the risks of hazardous air pollutants, to develop new risk assessment methods for community-based risk assessment of urban toxics and provide communities with control/prevention options.

The Criteria Air Pollution research program supports EPA in its mandatory review of National Ambient Air Quality Standards for ambient exposures to certain widespread air pollutants. The research emphasizes two major criteria air pollutants: particulate matter (PM) and tropospheric ozone. In 1997, the Criteria Air Pollution research program will conduct risk assessment and risk management research on PM and tropospheric ozone.

Indoor air pollution in residences, offices, schools, and other large buildings is one of the most serious potential environmental risks to human health. The Science Advisory Board has ranked indoor air pollution as one of the highest health risks meriting EPA's attention. In 1997, the Indoor Air Research program will concentrate on identifying, characterizing and comparing the health risks and enabling risk assessors and managers to make informed decisions.

The Global Change Research program supports the Agency by providing research into the magnitude, timing, and regional patterns of climate change. In 1997, Global Change research will focus on improving our understanding of global climate change. As part of the Regional Vulnerabilities and Impact Assessment (REVEAL) program, research is aimed at reducing uncertainties associated with understanding ecosystem vulnerabilities to climate change. Other research efforts include the areas of Stratospheric Ozone Depletion and the President's Climate Change Action Plan.

Three program laboratories support the Air program. The labs carry out a broad range of policy, regulatory, and compliance functions needed to implement the Clean Air Act and fuel economy statutes. In addition, they provide technical understanding related to Agency responsibilities under the Indoor Radon Abatement Act, the Waste Isolation Pilot Project Land Withdrawal Act, the Energy Policy Act, the Atomic Energy Act, and the Clean Air Act.

### **Reducing Uncertainties Through Waste/Site/Risk Characterization Research**

EPA is requesting a total of \$12.3 million and 55 workyears for Waste/Site/Risk Characterization Research in 1997. The Agency's research objective seeks to reduce uncertainties in the risk analyses used in environmental management decisions. Improved assessments of the potential threats to human health posed by each waste site is a goal prescribed by the Superfund Amendments and Reauthorization Act. In the Resource Conservation and Recovery Act program, research will be targeted at reducing uncertainties in exposure estimates and providing technical assistance.

In 1997, the primary functions of Waste/Site/Risk Characterization Research are: hazardous substances ecological research, exposure assessment, risk assessment, and technical assistance for exposure estimates. Emphasis will be placed on further understanding the impact of unremediated and uncontained waste sites on ecosystems.

### **Improving Science Through Waste Management and Site Remediation Research**

EPA is requesting a total of \$25.1 million and 86 workyears for Waste Management and Site Remediation Research in 1997. Waste Management and Site Remediation Research attempts to improve our understanding of the science controlling the dynamics of soil and groundwater contaminants. Risk management techniques, therefore, are utilized to focus on the remediation of both surface and subsurface contaminated soils, sludges, sediments, buildings, debris, and groundwater.

The focus of Waste Management and Site Remediation Research will be groundwater, bioremediation, and the Superfund Innovative Technology Evaluation program. These areas concentrate efforts on: fundamental research to understand the processes that influence soil and groundwater contaminants, initiating the development and testing of new remediation methods, and process evaluation research to evaluate the cost-effectiveness of full scale remediation technologies.

### **Addressing Vulnerabilities Through Drinking Water Research and Regulatory Analysis**

EPA is requesting a total of \$26.0 million and 177 workyears for Drinking Water Research in 1997. The occurrence of waterborne disease outbreaks has demonstrated that drinking water supplies are still vulnerable to contamination. Drinking water research evaluates the effects of the pathogenic bacteria, parasites and viruses that can cause serious illness or even death. In addition, the Safe Drinking Water Act (SDWA) mandates that the EPA identify and regulate contaminants which may threaten human health. The Drinking Water Program Laboratory is a vehicle for providing technical support for the implementation of drinking water regulations and the testing and assessment of drinking water samples.



In 1997, Drinking Water Research will focus on waterborne pathogens, disinfection by-products (DBPs) and arsenic, with the overall goal of addressing uncertainties associated with these risks. Exposure research, for example, will be an important vehicle for developing efficient methods related to DBPs and to evaluate the effectiveness of alternative treatment technologies.

### **Focusing On Ecosystem Protection Research**

EPA is requesting a total of \$107.4 million and 375 workyears for Ecosystem Protection Research in 1997. Ecosystem Protection research enables EPA to develop techniques for quantitative risk assessments which, utilizing decision-making based on sound science, consider the impact of multiple stressors on an ecosystem. In addition, risk reduction strategies are developed that take maximum advantage of pollution prevention and the self-purifying potential of natural systems.

Ecosystems Protection Research will focus on exposure and effects measurements, long term monitoring, and regional surveys, development of tools and methods to enable assessment and management of the greatest threats, and intensive research in selected ecoregions of national interest and concern such as the Pacific Northwest and Chesapeake Bay. The impact of chemical stressors (e.g., nutrients, toxic metals) and non-chemical stressors (e.g., climate change, regional vulnerability) on threatened ecosystems are primary areas for investigation. EPA's Environmental Monitoring and Assessment Program, for example, will be used as a vehicle for understanding ecosystem integrity and sustainability.

### **Reducing Exposure Through Human Health Protection Research**

The Agency is requesting a total of \$40.2 million and 200 workyears for Human Health Protection Research in 1997. People are exposed to a variety of potentially harmful agents in the air they breathe, the liquids they drink, the products they use, the foods they eat, and even the surfaces they touch. The Human Health

Protection research program's goal is to identify, reduce, and prevent exposures and risks from environmental contaminants that contribute to increased rates of disease, disability and premature death.

In 1997, the particular focus in Human Health Protection Research will be to address the uncertainties associated with human exposures to chemicals and the potential effects of a pollutant on human health. Research in health risk assessments will build on these efforts and provide the bases necessary to make risk assessment determinations. Additionally, the Pesticides in Children research program will continue to address the critical need for health research on infants and children.

### **Supporting Special Environmental Hazards Research and Regulatory Testing**

EPA is requesting a total of \$14.6 million and 90 workyears for Special Environmental Hazards research in 1997. This program primarily supports research on endocrine disruptors and research on lead. Research on endocrine disruptors investigates the health risks to humans and animals posed by exposure to chemicals in the ambient environment that mimic the actions of hormones. Lead research investigates the removal of lead from soils contaminated with lead-based paint by a chemical leaching process. The results of these efforts support the implementation of the Federal Insecticide, Fungicide and Rodenticide Act, and the Toxic Substances Control Act. In addition, the Office of Pesticides Program Laboratory performs testing and other activities to achieve the Agency's Safe Food environmental goal.

### **Supporting New Technology and Pollution Prevention Research**

The Agency is requesting a total of \$48.6 million and 86 workyears for the New Technology and Pollution Prevention Research programs. These funds reflect research support for the Administration's Environmental Technology Initiative (ETI); the Common Sense Initiative dedicated to finding 'cleaner, cheaper, smarter'

strategies to address environmental problems; and the Benefit Cost Initiative which initiates engineering and scientific research into tools to document the costs associated with new technologies and pollution prevention.

In 1997, EPA's goal is to take the lead among Federal research organizations in developing risk management strategies to move from controlling and cleaning pollution to reducing it at the source. The ETI program is designed to facilitate the development and use of innovative, cost effective environmental technologies through collaboration with the private sector, universities, non-profits, other Federal agencies, and states. ETI research will focus on environmental technology verification, partnerships for the 21st Century, community-based sustainable technologies, and will complement ETI activities performed through other Agency programs.

### **Developing Credible Evidence for Enforcement Actions**

EPA is requesting a total of \$9.5 million and 83 workyears for the National Enforcement Investigations Center (NEIC) in 1997. NEIC provides multimedia technical expertise to EPA, the Department of Justice, the Federal Bureau of Investigations, and the states for civil and criminal enforcement. NEIC uses science and technology to develop defensible evidence that meets all legal requirements. NEIC provides a broad range of technical expertise, including document control and chain-of-custody, fact and expert testimony, support of criminal and civil investigations, and comprehensive on-site facility inspections.

The Office of the Inspector General (OIG) is responsible for conducting audits and investigations of EPA's programs, administrative, and financial activities to ensure that the Agency's programs are delivered in an effective, efficient, and economical manner and in compliance with applicable laws and regulations. OIG audits and investigations assist the Agency in identifying areas of potential risk and necessary improvements that can significantly contribute to EPA fulfilling its complex mission.

The total 1997 budget for the OIG is **\$42.8 million** and **408 workyears**. A portion of this funding (\$4.5 million) is assigned to the Office of Administration and Resources Management to provide appropriate support services.

Operations of the OIG are funded through three appropriations: Inspector General; Hazardous Substance Superfund; and Leaking Underground Storage Tanks. The Inspector General account is appropriated from General Revenue funds and covers the activities of the Agency's operating and construction grants programs. The Superfund and LUST portions are appropriated from the Hazardous Substance and LUST trust funds, and are for OIG activities related specifically to those programs. The OIG will also continue to provide consultative services to assist EPA managers improve operations.

## HIGHLIGHTS

### **Inspector General**

In 1997, the general revenue fund request for the Inspector General is \$30.7 million and 297 workyears, of which \$27.8 million is for the program and \$2.9 million is for support costs. The OIG will continue to concentrate its workyears on areas that provide the greatest performance results to the Agency.

In 1997, the OIG will continue its audits and investigations in procurement and contracts management to include grants, cooperative and interagency agreements, and sub-contractors and

small contractors. The OIG's audits and investigations of procurement and contract/grant management will help ensure that EPA's contract dollars are used most effectively and efficiently. The OIG will also provide financial audit work supporting the Chief Financial Officers (CFO) Act of 1990 to ensure that the accounting systems and financial reports are accurate and reliable. The OIG will continue to provide a balanced and sustained audit presence in conducting performance audits in all major programs, strengthening internal controls, improving operational efficiency and effectiveness, and ensuring the integrity of Agency procurement to achieve the maximum environmental benefit with available resources.

The OIG will continue its audits of EPA's construction grants to help the Agency close out this program in 1997. In addition, the OIG will focus its resources on improving the integrity of scientific data, research, and analysis crucial to EPA. The OIG will emphasize investigations of procurement fraud and continue aggressively pursuing fraud in Agency funded research. The Office will also continue its efforts in fraud prevention by publicizing its activities, helping EPA employees identify areas sensitive to fraud, and developing new fraud detection tools and methods.

### **Superfund**

In 1997, the Hazardous Substance Superfund request for the OIG is \$11.5 million and 106 workyears, of which \$10.0 million is for the program and \$1.5 million is for support costs. The OIG will continue to focus its resources on financial and performance audits and investigations of the Superfund program, particularly in the area of procurement and acquisition management. The OIG will also comply with the audit requirements of the CFO Act and the Superfund Amendment and Reauthorization Act to ensure that Superfund programs are operated as efficiently as possible and that the risk of financial loss is minimized.

## ***Leaking Underground Storage Tanks***

In 1997, the LUST request for the OIG is \$577 thousand and 6 workyears, of which \$504 thousand is for the program and \$73 thousand is for support costs. These resources will support continued performance audits, contract and grant audits (covering financial and performance aspects), and financial audits with specific emphasis on the Agency's process for awarding LUST cooperative agreements and grants. Pursuant to the CFO Act, the OIG will also focus its resources on financial and internal control areas and audit the LUST trust fund financial statements.

On average, over 50 oil spills are reported to the Federal government every day. Also, an average of 100 spills larger than 10,000 gallons occur in the United States annually, with a dozen or more over 100,000 gallons. Oil spills can cause major fire and explosion hazards, shut down drinking water supplies, force citizens to evacuate their homes, and expose American families to toxic emissions. In addition, oil spills can devastate local economies by shutting down commercial water supplies, fishing businesses, and cultural and recreational resources. These spills can have disastrous impacts on the environment with residual effects for years, by killing marine life, birds, and wildlife, by reducing oxygen content to aquatic environments, and by killing vegetation for months or longer.

Catastrophic accidents began to change attitudes on the part of the government, industry, and the public. It became clear that environmental damage caused by major accidents could be long-term and, in some cases, irreversible. It became equally clear that future actions were needed to prevent such accidents. Under Section 311 of the Clean Water Act, as amended by the Oil Pollution Act of 1990 (OPA), EPA is responsible for responding to oil spills that effect or threaten the waterways of the United States. The Agency also regulates oil spills at certain onshore facilities that range from hospitals to large tank farms. The United States Coast Guard (USCG) is responsible for responding to actions in the coastal zone and the Great Lakes. The USCG manages the Oil Spills Liability Trust Fund which is financed through a five cents per barrel tax on domestic crude and imported oil.

The President's Budget provides **\$15.3 million** and **104 workyears** to meet the environmental goals of the Oil Spills program. Reduced resources in 1997 reflect our nearing completion of the initial review phase of the facility response plans (FRPs) and the completion of spill prevention, control and countermeasure (SPCC) regulation revisions, which focuses on facilities posing the greatest environmental risk. The OPA requires that certain higher risk facilities develop FRPs to ensure they have the capability to address a worst case discharge. From 1990 to

1995, EPA cleaned up 216 oil spills with reimbursement from the Oil Spill Liability Trust Fund Emergency Fund and monitored 915 responsible party lead cleanups.

## HIGHLIGHTS

In 1997, the Agency plans to fully implement the recommendations in the Liner Study Report to Congress to develop a partnership program to address problems associated with leaking above ground oil facilities. EPA will continue to work with state and local officials on revising area contingency plans. The Agency has published area contingency plans for all thirteen inland areas, and these plans need further refinement to ensure adequate response to specific geographic areas of the United States in the event of a spill. This up-front work is critical to enable more effective responses to major oil spills.

### *Responding Quickly to Spills*

In 1997, the President's Budget provides \$6.4 million and 41 workyears for response activities. One of the Agency's top priorities continues to be responding quickly to significant oil spills. The Agency will direct all response actions in incidents involving onshore facilities where the spill, or threat of a spill represents a substantial threat to the public health or welfare of the United States. OPA requires that parties who spill oil into waters of the United States report such spills to the National Response Center, and over 20,000 spills are reported annually. The Agency will continue to provide technical and response support to the United States Coast Guard on oil spills outside of EPA's jurisdiction through the Agency's emergency response team. This team consists of scientists and engineers that are available to provide technical expertise 24 hours a day to On-scene Coordinators, Remedial Project Managers, state and local responders, and foreign countries during the time of an environmental crisis.

## **Preventing Spills and Preparing for Response**

The President's Budget provides a total of \$5.5 and 46 workyears for prevention and preparedness activities. The 1997 request supports approximately 500 targeted reviews of oil storage facilities. EPA is responsible for reviewing FRPs for facilities with potential for a release that creates substantial harm to the environment. An FRP review entails evaluating each plan for completeness and accuracy, inspecting the facility's response equipment, verifying information in the response plan, and validating the facility's capability to respond to a worst case discharge.

Prevention and response planning are also supported through the Agency's SPCC inspection efforts. EPA plans to perform SPCC inspections at 500 regulated facilities in 1997 to ensure the plans and equipment at these above ground oil storage facilities are in compliance. This budget includes \$1.7 million and 8 workyears for regulatory activities. In 1997, the Agency expects to complete the SPCC regulation revisions which target facilities posing the greatest environmental risk. Specifically, the Agency will look at the criteria used to include and exclude facilities from the requirements of regulations, the different types of facilities regulated, and the effectiveness of some of the technical provisions of regulations to determine how to most effectively and efficiently implement the prevention program.

## **Taking Action Against Non-Complying Facilities**

In 1997, a total of \$1.8 million and 16 workyears are provided for Oil Spills enforcement. The Agency's primary focus will be on petroleum storage facilities that fail to comply with oil pollution spill prevention control and countermeasure regulations and facility response plan requirements.

## **Encouraging Innovative Research**

The President's Budget provides \$1.0 million and 1 workyear for Oil Spills research. The objective of the program is to use research to determine the risk management options appropriate for remediating spilled oil and encouraging innovative technologies such as bioremediation.

# **TRUST FUNDS**





Improper disposal of hazardous wastes has resulted in water that is unfit to drink, air that is dangerous to breathe and soil that is unsafe to live, work or play on. Contamination from these hazardous waste sites often migrates to groundwater and nearby lakes and streams, further damaging valuable public and private resources and putting public health and sensitive ecosystems at risk. In response to public concerns about health and environmental risks posed by these abandoned and uncontrolled hazardous waste sites, Congress established the Superfund program in 1980. The Superfund program is financed primarily through taxes on petroleum and certain chemicals as well as a corporate environmental income tax.

Today, one in four Americans lives within four miles of a Superfund National Priority list (NPL) site -- the Nation's worst sites. Since the problem of contaminated sites in the United States is so large and varied, no one solution can be applied everywhere, and decisions about cleanup must be made with community, public health, and environmental concerns in mind. EPA considers protection of public health and the environment to be the paramount concern, then accounts for, among other things, future land use plans and cost of cleanup in determining the appropriate remedy.

The Superfund program also responds to emergency releases, such as the recent Wisconsin trail derailment where several cars containing propane and liquid petroleum gas and a nearby building holding ammonia caught fire. The burning cars and building exposed nearby residents to toxic emissions and a threat of explosion, requiring an evacuation of the town and sending over 200 residents to seek medical attention. In incidents such as these, Agency on-scene coordinators are on the site immediately to work with and provide technical assistance to the responsible parties and state and local officials.

In cases of long-term cleanup and emergency situations, the Agency works with those responsible for the contamination to ensure that they conduct or fund appropriate cleanup action. If no responsible party can be found or they cannot perform or pay for the cleanup work, EPA cleans up the site. When the Trust Fund is used to finance a cleanup, responsible parties are

pursued to reimburse the fund if they can be identified and are financially viable. This "polluter pays" approach ensures that limited trust fund dollars are used for emergencies and abandoned sites.

EPA has made significant progress in addressing the risks posed by contaminated sites. To date, EPA has identified over 40,000 potential hazardous waste sites across the nation. Over 35,000 of these sites have been assessed to determine the need for further cleanup action, and EPA recently removed more than 24,400 sites from the list requiring no further action. Of the remaining sites, over 1,300 have been placed on the NPL.

Cleanup activities were completed at over 340 sites on the NPL as of the end of 1995. The Agency plans to complete cleanups at 65 sites annually to meet its goal of 650 NPL site completions by the year 2000, thereby reducing or eliminating public health risks posed by these sites. At NPL sites, EPA will conduct early cleanup actions, designed to prevent further contamination, while long term cleanups are evaluated and designed.

The President's Budget provides **\$1,394.2 million** and **3,728 workyears** to meet the environmental goals of this program. Of this amount, \$42.5 million and 129 workyears are transferred to the Science and Technology account for research and development efforts, and \$11.4 million and 106 workyears are transferred to the Inspector General account for audit activities. The remaining \$1,340.3 million and 3,493 workyears are provided to meet the response, enforcement and management and support needs of the Superfund program.

## HIGHLIGHTS

The President's Budget includes several high priorities for 1997. The Agency will expand the Brownfields program to redevelop contaminated urban and industrial properties, thereby providing communities with increased tax bases, jobs and improved urban environments. The Agency will also support state and tribal hazardous waste response programs and strengthen their roles, along with community

groups, in cleaning up Superfund sites. The Agency will continue to strengthen Superfund enforcement fairness by implementing various Superfund reforms such as expedited settlements to facilitate early settlements with small parties, settlements with parties with limited ability to pay, and a more effective and widespread use of alternative dispute resolution.

### **Strengthening Cleanup through Partnerships With Communities**

The 1997 President's Budget provides \$903.3 million and 1,695 workyears for the Response program implemented by EPA.

Economic redevelopment at contaminated sites, particularly through the Brownfields and base closure fast-track initiatives, will remain a high priority for the Response program. In 1997, the Agency will help communities, states and tribal governments assess and safely clean up contaminated Brownfield sites for reuse. By providing grants, outreach, technical assistance and information sharing, the Agency will help create the incentives and seed money to assess these properties and conduct cleanups. Additional funds will be available to establish voluntary cleanup programs nationwide to address Brownfield sites. The President's Budget also includes 148 workyears, funded by the Department of Defense, for environmental assistance to expedite base closures as part of the Base Realignment and Closure Act (BRAC). These 'fast-track' sites have been targeted for redevelopment in communities severely impacted by closing bases.

Early and effective citizen involvement improves Agency decision making, increases community acceptance and enhances fairness while reducing conflicts, grievances and litigation. The Agency will work to ensure that states, tribal governments and communities have an active and meaningful role in the cleanup process. The Agency will continue to award technical assistance grants and support Community Action Groups to help communities participate more fully.

The Agency is committed to bringing innovative management strategies, technology and experience to the response program. The Administration's efforts to strengthen the program, particularly the remedial site cleanup process, will continue in 1997. These efforts include promoting smarter, more efficient cleanup choices and protecting public health by reducing remedy costs; decreasing potential litigation by achieving common ground instead of conflict; and ensuring that states, tribes and communities have an active role in cleanup decisions. For example, to ensure that sites with the highest risks are addressed first, EPA has established a priority panel to make risk-based funding decisions regarding the pace and timing of cleanup efforts nationwide. These improvements are being applied not only to new site cleanups but also to existing remedies where review and modification is appropriate.

### **Making Polluters Pay While Emphasizing Fairness**

The 1997 President's Budget provides \$171.2 million and 1,224 workyears for the Enforcement program implemented by EPA. The priority for the Superfund enforcement program is to continue to maximize the number of cleanups financed by those responsible for the pollution. The Agency will place emphasis on monitoring existing settlements for compliance and in reaching fair settlements with small volume contributors at Superfund sites. The Agency will also continue to pursue violators and responsible parties to recover expenditures at Superfund sites. In 1997, EPA will determine final actions on 92 cost recovery statute of limitation cases.

EPA has piloted and is now implementing various Superfund initiatives to increase fairness and reduce transaction costs. The Agency will work with up to 1,800 small parties to enhance enforcement fairness and improve efficiency in achieving settlements with responsible parties. By doing this, the Agency anticipates significant decreases in third party litigation costs. In addition, alternative dispute resolution and third party allocators will be used to come to settlement with responsible parties more quickly, thereby minimizing transaction costs and promoting fairness.

## **Integrating Other Federal Agency Partners**

The Agency integrates the expertise of other Federal agencies to support site and spill response actions as well as activities that are not incident-specific. The 1997 President's Budget provides \$146.9 million to our Federal Agency Partners.

The Department of Health and Human Services, which receives 73% of Superfund resources allocated to other Federal agencies, contributes to the program through the work of the Agency for Toxic Substances and Disease Registry (ATSDR) and the National Institute for Environmental Health Sciences (NIEHS). ATSDR conducts health and risk assessments, maintains toxicology data bases for chemicals found at sites, and provides health consultations for emergency responses. NIEHS continues a grant research program to solve environmental and human health problems related to toxic waste and also maintains a worker safety training program for workers engaged in hazardous waste containment or response activities. The 1997 request reflects a reduction in the number of toxicological profiles required, and targeting research funds toward direct site applications.

The Department of Justice (DOJ) will continue to litigate and settle cleanup agreements and cost recovery cases. DOJ will also defend the Agency against citizen suits, pre-enforcement review cases, reimbursement claims, and challenges to EPA administrative civil penalty decisions. The remaining Federal agencies that receive funding under the Agency's Superfund appropriation include the U.S. Coast Guard, the National Oceanic and Atmospheric Administration, the Department of Interior, the Federal Emergency Management Agency, and the Occupational Safety and Health Administration.

## **Providing Support Services**

The 1997 President's Budget provides \$118.9 million and 574 workyears for management and support services essential to the operation and integrity of the trust fund. Most of these resources fund Superfund's portion of the mandatory support costs associated with rent, utilities, security, and telecommunication costs. The remaining amount funds a wide range of administrative, analytical, financial, and legal services for the Superfund program.



States have recently reported that leaking underground storage tanks (LUSTs) are the leading cause of groundwater pollution, and petroleum is the most prevalent contaminant. Over one million leaking underground storage tanks are regulated by EPA, and there are approximately 300,000 confirmed releases to date. Of the confirmed releases, over 130,000 cleanups have been completed. As the 1998 deadline approaches for owners and operators to upgrade, replace or close tanks, we estimate an additional 100,000 releases may be discovered.

The LUST Trust Fund, financed by a one-tenth of one cent per gallon tax on motor fuels, was established to provide resources for all activities related to and in support of the oversight and cleanup of petroleum releases from underground storage tanks. The goal of the LUST program is to ensure rapid and effective response to releases from underground storage tanks containing petroleum and to restore contaminated sites to their beneficial use. About 90% of Federal resources are provided directly to states or tribal governments. Many states use this money to provide technical oversight of responsible party cleanups. Currently, 49 states (Florida administers its own LUST program) have cooperative agreements with EPA. The Agency will work in partnership with the states and local and tribal governments to develop their capacity to effectively implement the LUST program. EPA will also work with the private sector to develop incentives for timely and cost effective cleanups.

The 1997 President's Budget provides a total of **\$67.1 million** and **94 workyears** for the Leaking Underground Storage Tank (LUST) Appropriation. Of this total, \$0.6 million and 6 workyears are transferred to the Inspector General Account to support audit activities. The remaining \$66.5 and 88 workyears are provided to meet the research, response, enforcement and management needs of the program.

## HIGHLIGHTS

The 1997 LUST Program will continue to operate as part of the Agency's pilot program for performance measures under the Government

Performance and Results Act of 1993. A high priority of the LUST program will be to assist states and tribal governments in implementing risk-based corrective actions. This risk-based approach to corrective actions will move sites forward to cleanup completion while focusing resources on those sites posing the highest risk. The Agency will also evaluate technologies for remediation of sites and provide technical support on proper selection and implementation of new and innovative cleanup technologies.

### **Strengthening Cleanup Partnerships**

The 1997 President's Budget provides a total of \$63.2 million and 66 workyears to implement the LUST response program. Of this amount, approximately 90% is provided directly to states and tribes to support the implementation of strong corrective action programs. The Agency will continue to work with our partners to build their capacity in addressing the growing number of underground tanks requiring response action.

Nearly 98% of tanks on Indian lands are located in 27 states. Through grants to Federally recognized Indian tribes, the Agency will strengthen compliance assistance. In addition, continued outreach will be provided to tribal governments through Regional technical assistance. Specific projects include developing and implementing a risk-based corrective action process and providing corrective action training.

The Agency will also pursue a strategy to actively involve the private sector in Federal and state programs. EPA will develop private sector incentives for good tank management and timely, cost effective cleanups. The Agency will undertake pilots in the banking, insurance and real estate industries to establish third-party service provider programs to review and approve correction action plans. This effort to privatize the program will support partnerships with state, local and tribal governments to develop licensed site professional programs.

## **Encouraging Voluntary Compliance Through Enforcement**

The 1997 President's Budget provides \$0.5 million and 6 workyears for LUST enforcement. The Agency will continue to target responsible parties to finance or conduct corrective actions. Agency staff will provide assistance to state personnel to enhance voluntary compliance with corrective actions and financial responsibility requirements.

## **Responding to Releases with Innovative Technologies**

The Agency requests a total of \$0.7 million and 2 workyears for LUST research and development. EPA's LUST corrective action research program will focus on evaluating technologies for remediation of sites where leaks have contaminated the soil. Technical support is provided to states and Agency staff for proper selection and implementation of technologies.

## **Providing Fundamental Support Services**

The 1997 President's Budget provides \$2.2 million and 14 workyears for essential administrative support services. These services include legal support for administration of the fund, financial services including contract and grants management and payroll processing, health and safety audits and other support services including space rental, employee services and utilities costs.

**WATER  
INFRASTRUCTURE  
FINANCING**





The State and Tribal Assistance Grants Appropriation provides financial assistance to states, municipalities and tribal governments to fund a variety of water and wastewater infrastructure projects. These funds are essential to fulfill the Federal government's commitment to help our state, tribal, and local partners obtain adequate funding to construct the facilities required to comply with federal environmental mandates. States and localities rely on a variety of sources of revenue to finance their environmental programs and to pay for the facilities needed to keep the water clean and safe from harmful contaminants.

With approximately \$137 billion in documented needs for wastewater infrastructure alone, the nation's cities are faced with an enormous price tag for keeping our rivers, streams, and beaches free from untreated sewage. Vast quantities of pollution contaminate residential areas and wildlife habitats along our border with Mexico. In Alaska Native Villages, more than 20,000 people lack even the most rudimentary 20th century sanitation technology. Moreover, new requirements imposed by the Safe Drinking Water Act to prevent the outbreak of serious disease require filtration equipment and other preventive measures to be installed at drinking water treatment plants across the country.

Through our State Revolving Fund (SRF) programs, EPA works in partnership with the states to provide low-cost financial assistance to municipalities for infrastructure construction. SRF funds are also provided as grants to tribal governments to help them address their wastewater needs. Our Special Needs programs provide focused grant assistance to areas facing extraordinarily high needs in relation to household income.

Our U.S./Mexican Border program provides funds to support the planning, design and construction of high priority wastewater treatment projects along the U.S./Mexican Border and in the U.S. Colonias (principally in the state of Texas). The goal of this program is to reduce the incidence of water borne diseases along the Mexican border and in the U.S. Colonias.

The President's Budget provides a total of **\$2.2 billion** in 1997 for the Water Infrastructure Programs. This assistance is a vital component of our efforts to accomplish the nation's environmental goals.

## HIGHLIGHTS

EPA is proposing that states and tribes receive the flexibility to merge their Clean Water and Drinking Water State Revolving Fund allotments into a single capitalization grant. The states and tribes could then distribute the financial assistance according to their highest priorities.

### **Capitalizing State Revolving Funds**

The President's Budget provides a total of \$1.9 billion for State Revolving Funds (SRFs) within the Water Infrastructure Media. This program provides Federal financial assistance to states, localities, and Indian tribes to protect the nation's water resources by providing funds for the construction of wastewater treatment facilities and financing the facilities needed to keep harmful contaminants from our drinking water.

The SRFs are two of the Agency's premier tools for building the financial capacity of our partners. Through these programs, state revolving funds provide financial assistance for wastewater, drinking water, and other infrastructure projects, including non-traditional activities related to nonpoint sources, estuaries, stormwater, combined sewer overflows, and sanitary sewer overflows. These environmental infrastructure projects contribute to ecosystem improvements through reduced loadings of conventional and toxic pollutants in surface waters. Through the DW SRF, states will provide loans (Indian Tribes will receive grants) to finance improvements to community water systems and to restructure small systems so that they can achieve compliance with the Safe Drinking Water Act.

## ***Continuing Mexico Border Efforts***

The President's Budget provides a total of \$150 million for Water Infrastructure projects along the U.S./Mexico Border. The communities along both sides of the Border are facing unusual human health and environmental threats because of the lack of adequate wastewater and drinking water infrastructure. Because many of the rivers in this area flow north, or in the case of the Rio Grande, form the international border, untreated domestic and industrial wastes contaminate both sides of the Border. The program provides support for wastewater treatment projects reviewed and approved by the Border Environmental Cooperation Commission. Funding is also being provided to bring wastewater treatment to the U.S. Colonias settlements along the border in Texas. These funds have to be matched by an equal amount of state funds.

# **APPENDIX: BUDGET TABLE**

**ENVIRONMENTAL PROTECTION AGENCY  
SUMMARY OF 1997 PRESIDENT'S  
BUDGET AGENCY RESOURCES**

(DOLLARS IN THOUSANDS)

<u>PROGRAM</u>	<u>DOLLARS</u>	<u>WORKYEARS</u>
Environmental Programs and Management		
- Air	\$304,405.3	1,669.7
- Water Quality	274,160.3	1,855.9
- Drinking Water	69,786.0	576.0
- Hazardous Waste	195,705.9	1,327.1
- Pesticides	82,052.9	862.3
- Radiation	20,416.4	114.5
- Multimedia	331,771.9	1,749.0
- Toxic Substances	81,780.0	589.7
Support	[271,351.8]	[0.0]
Management	[262,898.7]	[2,650.9]
- Subtotal Management & Support	534,250.5	2,650.9
State Grants (STAG)	674,206.9	0.0
Buildings and Facilities	209,220.0	0.0
Science and Technology	578,748.0	2,332.8
Office of the Inspector General (OIG)	30,743.7	296.6
Oil Spills	<u>15,305.0</u>	<u>104.4</u>
SUBTOTAL OPERATING PROGRAMS	\$3,402,552.8	14,128.9
Hazardous Substance Response	\$1,340,286.7	3,492.9
Trust Fund (Superfund)		
OIG Superfund	11,450.5	106.0
Superfund Research	<u>42,508.0</u>	<u>129.2</u>
SUBTOTAL SUPERFUND	\$1,394,245.2	3,728.1
Leaking Underground Storage	\$66,541.9	88.3
Tank Trust Fund (LUST)		
OIG LUST	<u>577.1</u>	<u>5.8</u>
SUBTOTAL LUST	\$67,119.0	94.1
Water Infrastructure Financing (STAG)	\$2,178,000.0	0.0
GRAND TOTAL	\$7,041,917.0	17,951.1