



ENVIRONMENTAL PROTECTION AGENCY

Funding Highlights:

- Provides \$8.3 billion, a decrease of 1.2 percent, or \$105 million, below the 2012 enacted level. Funding is increased for priorities, such as the agency's operating budget, which includes funds for the enforcement of environmental and public health protections, and for grants to States and Tribes.
- Achieves savings largely through reductions in the Drinking Water and Clean Water State Revolving Funds and Superfund Remedial activities, and the elimination of outdated, underperforming, and overlapping programs within EPA.
- Increases support to States and Tribes by approximately \$93 million for implementation of delegated air quality management and water pollution control programs.
- Invests in 21st Century technology to establish electronic reporting for the National Pollutant Discharge Elimination System, which will improve oversight and reduce burdens on business. The Budget will also allow EPA to increase the number and frequency of inspections at high-risk oil and chemical facilities.
- Supports upgrades to the National Vehicle and Fuel Emissions Laboratory to implement the Renewable Fuel Standard and the light-duty and heavy-duty mobile source greenhouse gas standards. The Administration's national program of greenhouse gas and fuel economy standards for light duty vehicles alone will save approximately 12 billion barrels of oil and prevent 6 billion metric tons of greenhouse gas emissions over the lifetimes of the vehicles sold through model year 2025.
- Stimulates economic growth in local communities with abandoned industrial properties by integrating sustainable development with environmental remediation activities for the restoration of these areas.
- Enhances EPA and USDA coordination to reduce nonpoint source pollution, the largest cause of impaired waters, to achieve measurable improvements in water quality and ecosystem health by targeting resources and helping landowners implement voluntary stewardship practices.
- Continues efforts to restore significant ecosystems such as the Great Lakes, Chesapeake Bay, California Bay-Delta, Everglades, and the Gulf Coast, helping to promote their ecological sustainability and resilience.

The Environmental Protection Agency's (EPA) mission is to protect human health and the environment. Because of the tight fiscal environment, the President's 2013 Budget includes \$8.3 billion to continue to deliver on this mission, a decrease of \$105 million from 2012 enacted levels. Funding is increased for core priorities, such as the agency's operating budget which includes funds for the enforcement of environmental and public health protections, and for grants to support State and tribal implementation of delegated environmental programs. The Budget decreases the State Revolving Funds (SRFs) by \$359 million, in part because of the continuing constrained fiscal environment. The reduced Federal contribution to the SRFs will still allow robust financing by State programs. The Budget also reduces the Hazardous Substance Superfund Remedial program by \$33 million and eliminates \$50 million in outdated, underperforming, and overlapping programs.

Prepares the United States to be a Global Leader in the Clean Energy Economy

Supports Efforts to Mitigate Climate Change and the Transition to a Clean Energy Economy. The President has called on the Congress to enact forward-looking legislation that would spur U.S. development of advanced, clean energy technologies to reduce U.S. dependence on oil, strengthen energy and national security, create new jobs, and restore America's position as a global leader in efforts to mitigate climate change and address its consequences. The Administration continues to support greenhouse gas emissions reductions in the U.S. in the range of 17 percent below 2005 levels by 2020 and 83 percent by 2050.

Implements Historic Fuel Economy Standards to Reduce Dependence on Oil and Save Consumers Money at the Pump. EPA will continue to collaborate with Federal and State agencies as well as regulated sources of greenhouse gas (GHG) emissions to seek cost-effective emissions reductions strategies. In 2013,

EPA will continue to implement a national program to reduce GHGs from light-duty and heavy-duty mobile sources. The Administration's national program of fuel economy and greenhouse gas standards for light duty vehicles alone will save approximately 12 billion barrels of oil and prevent 6 billion metric tons of GHG emissions over the lifetimes of the vehicles sold through model year 2025. Additionally, EPA will continue to develop regulatory strategies to control GHG emissions from major stationary sources. The Administration also maintains funding levels for partnership and voluntary programs like Energy Star, which help conserve energy and cut utility bills.

Revitalizes Communities and Ecosystems

Promotes Economic Growth with Funding for Brownfields Projects Grants and Urban Waters Partnership. Brownfields are lightly contaminated sites—many in economically hard-hit areas—where the presence or potential presence of contamination may keep these sites from being used productively. As part of the Strong Cities, Strong Communities and the America's Great Outdoors initiatives, the President's Budget maintains an adequate level of funding within the Brownfields program and urban waters partnership for technical assistance and grants to local communities to promote sustainable development.

Works to Restore the Gulf Coast Ecosystem. The Administration remains committed to restoring and protecting the Gulf Coast ecosystem following the BP Deepwater Horizon oil spill. The Federal and State Gulf Coast Ecosystem Restoration Task Force, which the President established last year by Executive Order, recently released its restoration strategy. As Chair of the Gulf Coast Ecosystem Restoration Task Force, the EPA Administrator will help lead environmental recovery efforts in the region in support of the strategy. Additionally, the Administration continues to support dedicating a significant amount of

the Clean Water Act civil penalties resulting from the Deepwater Horizon oil spill for Gulf recovery.

Continues to Fund the Great Lakes Restoration Initiative. The Administration proposes maintaining funding for the Great Lakes Restoration Initiative at \$300 million, which will allow for continued ecosystem restoration efforts while exercising fiscal restraint. This EPA-led inter-agency effort to restore the Great Lakes focuses on priority environmental issues such as cleaning up contaminated sediments and toxics, reducing non-point source pollution, mitigating habitat degradation and loss, and addressing invasive species.

Supports Restoration of the Chesapeake Bay. The Budget increases funding for Chesapeake Bay restoration by \$15 million to support Bay watershed States as they implement their plans to reduce nutrient and sediment pollution in an unprecedented effort to restore this economically important ecosystem. EPA and Federal partners will continue to coordinate with States, Tribes, municipalities, and industry to restore the integrity of this national treasure.

Supports State and Tribal Environmental Programs. The Administration proposes \$1.2 billion for grants to support State and tribal implementation of delegated environmental programs. Among other changes, the support includes \$302 million in State grant funding for air programs, an increase of \$66 million to assist States in addressing additional responsibilities associated with achieving more stringent air quality standards, and \$265 million in State water pollution control grants, a \$27 million increase including \$15 million to address nutrient loadings. The Administration also determined not to repropose the Multi-Media Tribal Implementation grant program in favor of a \$29 million increase in funding to the Tribal General Assistance Program (Tribal GAP). Tribal GAP funding builds tribal capacity and assists Tribes in leveraging other EPA and Federal funding to contribute toward a higher level of environmental and health protection.

Enhances Interagency Efforts to Improve Water Quality. The United States has made great strides in improving water quality; however, “nonpoint” source pollution remains a significant economic, environmental, and public health challenge that requires policy attention and thoughtful new approaches. Key Federal partners, along with agricultural producer organizations, conservation districts, States, Tribes, non-governmental organizations, and other local leaders will work together to identify areas where a focused and coordinated approach can achieve decreases in water pollution. The President’s Budget builds upon the collaborative process already underway among Federal partners to demonstrate substantial improvements in water quality from conservation programs by coordinating efforts between U.S. Department of Agriculture (USDA) and EPA programs such as EPA’s Nonpoint Source Grants and Water Pollution Control Grants and USDA’s Farm Bill conservation programs. This coordination will allow for more effective, targeted investments at the Federal and State level during a time of constrained budgets, and will ensure continued improvements in water quality.

Makes Tough Cuts

Makes Targeted Reductions to the Hazardous Substance Superfund Account. The Administration reduces funding for the Hazardous Substance Superfund Remedial program by \$33 million. In order to ensure that this reduction does not negatively impact public health, the Administration maintains the funding level necessary for EPA to be prepared to respond to emergency releases of hazardous substances and circumstances that place the public at imminent risk of exposure and harm. Reductions will therefore be targeted largely to non-time critical activities that address long-term remediation goals.

Reduces Funding for State Revolving Funds (SRFs). The Administration requests a combined \$2 billion for federal capitalization of the SRFs. This will allow the SRFs to finance over \$6 billion in wastewater and drinking water infrastructure projects annually. The

Administration has strongly supported the SRFs, having received and/or requested funding totaling over \$18 billion since 2009; since their inception, over \$52 billion has been provided for the SRFs. EPA will work to target assistance to small and underserved communities with limited ability to repay loans, while maintaining State program integrity. Additionally, a number of systems could have access to capital through the Administration's proposed Infrastructure Bank.

Improves the Way Federal Dollars are Spent

Improves Compliance and Oversight to Increase Efficiency and Reduce Burdens. The Administration proposes a \$36 million investment to upgrade compliance reporting and oversight activities with new technologies for detecting violations and reporting emissions electronically. After initially piloting this strategy through the National Pollutant Discharge Elimination System, EPA plans to expand the use of electronic reporting of data on permits and compliance as a means of increasing efficiency, reducing burdens on businesses, and increasing transparency for the public. Additionally, the Budget provides \$5 million to increase the frequency of compliance inspections at high-risk

oil and chemical facilities, from the current 20 year frequency to a 7- to 10-year cycle.

Eliminates Outdated, Underperforming, and Overlapping Programs. Reducing duplicative, overlapping, or underperforming activities across governments is essential to ensure that taxpayer dollars are spent efficiently. For 2013, the Administration terminates \$50 million in EPA programs, including programs that overlap other Federal agency missions (e.g., the Clean Automotive Technologies program), are underperforming, or can be implemented through other Federal or State efforts (e.g., the Radon and Beaches grant programs).

Redirects Funding to Advance Sustainable Practices for Electronic Waste Management. To ensure America remains a global leader in developing new sustainable electronics materials management practices, the Administration redirected resources from well-established legacy recycling efforts and launched the National Strategy for Electronics Stewardship in July 2011. EPA is leveraging its national leadership role to engage industry, producers, and consumers to advance the framework set forth in the strategy and address the growing need for responsible electronics design, purchasing, management, and recycling.

Environmental Protection Agency (In millions of dollars)

	Actual 2011	Estimate	
		2012	2013
Spending			
Discretionary Budget Authority:			
Operating Budget ¹	3,669	3,569	3,738
State and Tribal Assistance Grants.....	1,103	1,089	1,202
Clean Water State Revolving Fund.....	1,522	1,466	1,175
Drinking Water State Revolving Fund.....	963	918	850
Brownfields Assessment and Cleanup.....	100	95	93
Clean Diesel Grants.....	50	30	15
Targeted Water Infrastructure.....	20	15	20

Environmental Protection Agency—Continued
(In millions of dollars)

	Actual 2011	Estimate	
		2012	2013
Superfund	1,281	1,214	1,176
Leaking Underground Storage Tanks.....	113	104	104
Cancellation of unobligated balances	-140	-50	-30
Total, Discretionary budget authority	8,681	8,450	8,344
 Total, Discretionary outlays.....	 10,900	 9,500	 9,151
 Mandatory Outlays:			
Existing law	-128	-148	-139
Legislative proposals, Pesticide and PMN user fees			-77
Total, Mandatory outlays	-128	-148	-216
 Total, Outlays	 10,772	 9,352	 8,935

¹ Includes funding for the Great Lakes Initiative.