

# United States Senate

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

WASHINGTON, DC 20510-6175

BETTINA POIRIER, MAJORITY STAFF DIRECTOR  
ZAK BAIG, REPUBLICAN STAFF DIRECTOR

March 25, 2014

The Honorable Gina McCarthy  
Administrator  
U.S. Environmental Protection Agency  
1200 Pennsylvania Ave, NW  
Washington, DC 20460

Dear Ms. McCarthy,

As you are aware, the President's Fiscal Year (FY) 2015 Budget requested \$7.9 billion in funding for the Environmental Protection Agency (EPA).<sup>1</sup> In turn, the Agency has professed that this is an exercise in fiscal restraint, slashing their budget by 4%, or \$309.9 million from FY 2014 enacted levels.<sup>2</sup> However, EPA achieves these alleged savings by slashing funds, \$581 million, from the Clean Water and Safe Drinking Water State Revolving Fund (SRF), a popular and effective program that loans funds to states so that they may invest in water and sanitation infrastructure.<sup>3</sup>

As EPA is aware, SRF programs are important to the continued investment in local clean water initiatives, and to insuring safe and clean water for all Americans. Moreover, they help offset the high cost of unfunded mandates. EPA has never provided an adequate rationale for why the President proposes slashing SRF funds, and yet EPA appears to endorse cutting the program by 24%, shifting the savings to other agency priorities. Such cuts to the SRF have been rejected by both Republicans and Democrats alike. The broad bipartisan support for the SRF suggests that Congress will continue to support the program. Accordingly, we are concerned that EPA's proposal is wholly illusory or otherwise disingenuous, as the Agency has yet to provide reasoning to Congress that would justify endorsement of the proposal.

This is not the first time EPA has proposed large cuts to this program. In FY 2013, EPA proposed a 15% cut of \$782.4 from FY 2012 enacted levels.<sup>4</sup> In response, Congress overruled EPA's recommendation and appropriated \$2.807 billion for the SRF program, which restored and actually increased funding for this program.<sup>5</sup> In FY 2014, EPA again proposed to slash this program by \$895.4 million from FY 2013 enacted.<sup>6</sup> Once again Congress did not agree with

<sup>1</sup> OFFICE OF MGMT. & BUDGET, EXEC. OFFICE OF THE PRESIDENT BUDGET OF THE UNITED STATES GOV'T, FISCAL YEAR 2015 133 (2014).

<sup>2</sup> Briefing Presentation for Staff of S. Comm. on Env't & Pub. Works on FY 2015 President's Budget 3 (Mar. 5, 2014); Press Release, Env'tl. Prot. Agency, EPA's FY 2015 Budget Proposal Focuses on Delivering Core Env'tl. and Health Protections 1 (Mar. 4, 2014) (on file with Committee).

<sup>3</sup> ENVTL. PROT. AGENCY, EPA-190-S-14-001, FISCAL YEAR 2015 BUDGET IN BRIEF 24 (Mar. 2014).

<sup>4</sup> ENVTL. PROT. AGENCY, EPA-190-S-11-001, FISCAL YEAR 2013 BUDGET IN BRIEF 15 (Feb. 2012).

<sup>5</sup> Consolidated And Further Continuing Appropriations Act, 2013, PL 113-6, 127 Stat 198.

<sup>6</sup> ENVTL. PROT. AGENCY, EPA-190-S-13-001, FISCAL YEAR 2014 BUDGET IN BRIEF 18 (Apr. 2013).

EPA and restored the funding EPA proposed to cut.<sup>7</sup> Given this trend, EPA could expect Congress to restore funding to the SRF program again this year without clear justification. Knowing the nation's debt and deficit challenges we would presume EPA would take seriously any spending proposals on critical programs.

In light of these concerns, we request that EPA provide us with all documents referring or relating to EPA's development of its 2015 budget request for SRF programs. The information and documents provided should include any studies, data, projects, and research conducted, or relied on by EPA in making its determination, as well as correspondence discussing the funding level for SRF programs. Your prompt attention to this matter is greatly appreciated.

If you have any questions regarding this letter, please feel free to have your staff contact Kristina Moore with the Senate Committee on Environment and Public Works at (202) 224-6176.

Sincerely,



David Vitter  
U.S. Senator



James Inhofe  
U.S. Senator



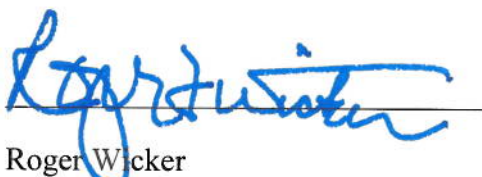
John Barrasso  
U.S. Senator



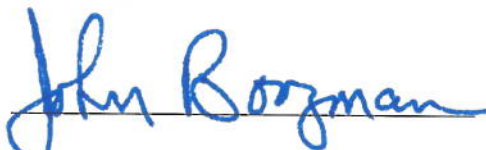
Jeff Sessions  
U.S. Senator



Mike Crapo  
U.S. Senator



Roger Wicker  
U.S. Senator



John Boozman  
U.S. Senator



Deb Fischer  
U.S. Senator

<sup>7</sup> Consolidated Appropriations Act, 2014, PL 113-76 title II, 128 Stat 5.