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COUNCIL OF
THE STATES

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March 8, 2018

The Honorable Thad Cochran
Chairman
Senate Committee on Appropriations
Room S-128, The Capitol
Washington, DC 20510

The Honorable Patrick Leahy
Vice Chairman
Senate Committee on Appropriations
437 Russell Senate Office Building
Washington, DC 20510

The Honorable Rodney Frelinghuysen
Chairman
House Committee on Appropriations
Room H-305, The Capitol
Washington, DC 20510

The Honorable Nita Lowey
Ranking Member
House Committee on Appropriations
1016 Longworth House Office Building
Washington, DC 20515

RE: State Environmental Agency Directors Input on U.S. EPA FY18 Budget

Dear Appropriations Committees Leaders:

As Congress addresses the FY18 budget for the remainder of the fiscal year, the Environmental Council of the States (ECOS) would like to reiterate state environmental agency funding priorities and highlight some potential challenges with a final budget determination for the U.S. Environmental Protection Agency (EPA) being made late in the fiscal year. ECOS is the nonpartisan, national association of state and territorial environmental agency leaders that works to improve the capability of state environmental agencies and their leaders to protect and improve human health and the environment across the nation.

As stated in ECOS' [written testimonies](#) submitted to the U.S. House of Representatives Committee on Appropriations Subcommittee on Interior, Environment, and Related Agencies and the U.S. Senate Committee on Appropriations Subcommittee on Interior, Environment, and Related Agencies regarding the FY18 budget for EPA, Categorical Grants in the State and Tribal Assistance Grants (Categorical Grants) partially fund core state environmental work including all aspects of operating delegated federal programs. As Categorical Grants make up on average 27% of state environmental agency budgets, decreases in these grants have significant impacts on the work that state environmental agencies are able to accomplish.

Although all Categorical Grants are important to states, through ECOS states have identified a "supercore" set that directly supports state performance of core legal obligations and health protection responsibilities. As Congress considers appropriations, we urge you to ensure adequate funding in these "supercore" Categorical Grants:

- Environmental Information,
- Hazardous Waste Financial Assistance,
- Multipurpose Grant (created in the FY16 Omnibus),
- Nonpoint Source Control (Section 319),
- Pollution Control (CWA Section 106),
- Public Water System Supervision (PWSS), and
- State and Local Air Quality Management.

States, as co-regulators with EPA, need maximum flexibility to direct federal resources in ways that address state and regional priorities within EPA's national framework. The

Multipurpose Grant, created by Congress in the FY16 Omnibus Budget but not funded in FY17, is important to states as it allows for this flexibility. ECOS applauded Congress when this Categorical Grant was created in FY16. To further support state flexibility, ECOS asks that Congress provide fewer funding directives and instructions so that states and EPA, with less impediments, can more quickly turn appropriated federal dollars into positive environmental and public health outcomes.

In addition to the Categorical Grants discussed above, ECOS urges Congress to appropriate funds to the Drinking Water and Clean Water State Revolving Loan Funds (SRFs). These funds, the overwhelming majority of which are distributed to communities for infrastructure, provide critical resources to bring safe drinking water to the public and to improve the environmental quality of the nation's water. An early 2017 effort by ECOS to gather the top 20 ready-to-go water and wastewater projects in each state demonstrated the readiness of states to rapidly act on over \$14.4 billion in community water infrastructure needs. Given Congress' and the Administration's interest in infrastructure investment and desire to use federal dollars to leverage additional money, ECOS notes that both the SRF clean water and drinking water infrastructure funds require a 20% state match.

Beyond the STAG funding requests, ECOS urges Congress to limit cuts to EPA funding for FY18 since the fiscal year will be nearly half over before a final budget is passed. Given that EPA has been functioning under a Continuing Resolution with spending based on FY17 levels, any reductions compared to FY17 levels at this point will be felt as double for the second half of the fiscal year (i.e. a 10% cut for the fiscal year will have to be taken in the second half of the year so will function as a 20% cut for the remainder of the fiscal year). Additionally, ECOS urges Congress to appropriate sufficient funding for EPA research to allow them to maintain a robust scientific research and data gathering capacity as no single state has the capacity to replicate EPA's research work and it would be an inefficient use of tax payer dollars to do so.

Finally, ECOS also notes the critical value of regional or basin specific initiatives, such as the Great Lakes Restoration Initiative and the Chesapeake Bay Program. These regional efforts assist states and EPA in addressing environmental challenges in large waterbodies that are directly affected by multiple states.

ECOS appreciates the challenging work of the Appropriations Committees in balancing many needs and viewpoints within a limited budget and would welcome the opportunity to further share our thoughts about EPA's budget. If you have questions on the points raised in this letter or seek other information, please contact ECOS' office at 202-266-4920 or ecos@ecos.org.

Sincerely,



Todd Parfitt
Director, Wyoming Department of Environmental Quality
ECOS President

cc: Leaders of Senate and House Appropriations Committees Subcommittees on Interior, Environment, and Related Agencies