



SAVING DOLLARS

WHAT A PRESIDENTIAL BUDGET TELLS US

Every year, the president submits a budget to Congress that outlines his spending priorities for the upcoming fiscal year. While this document serves as merely a blueprint of priorities and is very rarely approved by Congress, it offers a detailed view of where the president might choose to make changes in federal agencies' authority and reach. With a new president in office, this exercise was even more critical this year in determining where the White House wants to focus spending federal dollars.

Who won?

No doubt about it—the Trump Administration is putting its focus (and dollars) on defense spending. Overall, the \$4.1 trillion budget request would slash spending for non-defense domestic programs by \$54 billion and raise defense discretionary accounts by \$489 billion. The budget also emphasizes the need to avoid cuts to Social Security and Medicare programs. Other priorities include \$1 trillion for public infrastructure and \$2.6 billion for border security.

Who lost?

By far the biggest loser in this proposed budget is the Environmental Protection Agency (EPA); these cuts could seriously impact the agency's enforcement and legal initiatives. Under this budget plan, EPA's current budget would be slashed by about one-third, or from \$8 billion in the current fiscal year to \$5.7 billion next year. This would also include a cut of about one-fifth of EPA's workforce, or decreasing the current 15,000-member workforce to about 11,600.

The Administration's main contention

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for the drastic cuts is that the agency should be returned to its core mission and not be involved in functions that states and others could, and should, be managing themselves. To quote the budget, “The Administration is committed to retuning EPA to its core work and there is no need for the agency to run programs that can be taken on by industry associations and consumer groups.”

Specifically, several areas were targeted by severe cuts. For example, the budget singled out EPA's categorical grants (which are doled out to state environmental regulators to help enforce laws like the Clean Air Act, Clean Water Act and Safe Drinking Water Act, by 45 percent. The budget would also eliminate funding for popular EPA programs like EnergyStar, which certifies products, such as air conditioners and ovens, are energy efficient.

Regulatory power

The environmental and management program would also see a decrease by more than \$800 million. This would clearly impact the agency's ability to conduct climate

change regulatory activities. Finally, federal support for air quality management, a category that includes EPA's air toxics program and support for developing state implementation plans, would shrink 24 percent.

Of particular importance and interest to domestic manufacturers is the cut to the Agency's Enforcement division. The budget would impose an almost 24-percent cut on programs under the umbrella of the Office of Enforcement and Compliance Assurance. While the budget would allow EPA “to maintain a core enforcement oversight role to ensure a consistent and effective program,” it does “eliminate the duplication of enforcement actions carried out by the states and focuses federal enforcement efforts in those states that do not have delegated authority.” Specifically, funding for criminal enforcement would fall almost 17 percent and spending on overall civil enforcement activities would be sliced by about 20 percent.

One of the few offices that would see an increase in funding is the office that reviews and regulates toxic chemicals. However, it should be pointed out that this is most likely due to the language for increased oversight and changes to the program that was included in the Toxic Substances Control Act update legislation that was approved last year by Congress.

In the end

As mentioned above, presidential budgets rarely get passed or approved by Congress (the House and Senate each draft their own budget resolutions) and do not carry the weight of law. However, the document does clearly demonstrate that the Trump Administration wants to decrease the reach of the Environmental Protection Agency. Therefore, the White House could be looking at additional Executive Orders to achieve these savings. ■

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