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Before the Committee on Appropriations

Department of the Interior and Related Agencies Appropriations

Fiscal Year 2006

109*th* CONGRESS, FIRST SESSION

H.R. 2361

PART 2

ENVIRONMENTAL PROTECTION AGENCY

Interior Appropriations, 2006 (H.R. 2361)—Part 2

S. HRG. 109–288, PT. 2

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 2006

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

UNITED STATES SENATE

ONE HUNDRED NINTH CONGRESS

FIRST SESSION

ON

H.R. 2361

AN ACT MAKING APPROPRIATIONS FOR THE DEPARTMENT OF THE INTERIOR, ENVIRONMENT, AND RELATED AGENCIES FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2006, AND FOR OTHER PURPOSES

PART 2

Environmental Protection Agency

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DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 2006

THURSDAY, MAY 19, 2005

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10:09 a.m., in room SD–124, Dirksen Senate Office Building, Hon. Conrad Burns (chairman) presiding.

Present: Senator Burns, Allard, Dorgan, and Leahy.

ENVIRONMENTAL PROTECTION AGENCY

STATEMENT OF HON. STEPHEN L. JOHNSON, ADMINISTRATOR

ACCOMPANIED BY:

MIKE RYAN, DEPUTY CHIEF FINANCIAL OFFICER
TOM DUNN, DEPUTY ASSISTANT ADMINISTRATOR FOR THE OSRA PROGRAM
ROB BRENNER, ASSISTANT ADMINISTRATOR, OFFICE OF AIR AND RADIATION

OPENING STATEMENT OF SENATOR CONRAD BURNS

Senator BURNS. We'll call the subcommittee to order this morning. It's 9:30, the witching hour. Senator Leahy has a previous engagement, a pretty important hearing in judiciary and he's a valued member of this subcommittee. Senator Leahy thank you for coming down; I understand you have some questions you want to submit.

OPENING STATEMENT OF SENATOR PATRICK J. LEAHY

Senator LEAHY. I will, Mr. Chairman, and I appreciate your usual courtesy. Mr. Administrator, I'm glad to see you here. I've been looking forward to coming today, you've probably been looking forward to it too. And I appreciate your telephone conversation we had a couple of weeks ago. I'm concerned as I told you before about the administration's work on the environment.

I'm also concerned and express that a number of Senators have had trouble getting responses. I do believe that you're a good nominee, I told the President that and I told you that. That's why I voted that way when we had the issue before us.

I talked to you before about cleaning up Lake Champlain, which I believe is an absolute jewel in this country, one of my top priorities. I hope sometime you may have a chance to come up and see what we rightfully call our sixth great lake, but it is the largest

body of water outside the Great Lakes. You're welcome to come to Vermont anytime.

Mr. JOHNSON. I would love to take you up on that.

Senator LEAHY. I'm glad the funding is included in the President's budget. We have authorized $5 million there; the budget has less than $1 million, $956,000. Last year we increased that to $2.5 million with the help of Chairman Burns and Senator Dorgan. And we will work to do it some more. We've got to restore the lake.

I hope the administration will change their attempts, I see it, I realize you see it differently, but rolling back the Clean Air Act. I think we've got to reduce the toxic emissions like mercury, especially those in the East, because of the prevailing winds. And the Environmental Protection Agency's (EPA) new rule was supposed to bring powerplants into the 21st century, and clean up the emissions. I see it as just delaying it for another 10 years.

I came to the Senate about the time that we passed the Clean Air Act, and we had a huge amount of negotiation, Republicans, Democrats, got a bipartisan act but with a steady program of clean up, and we should not back away from that, because according to EPA's own regulatory impact analysis, we're going to be lucky if 1 percent of powerplants can pass their mercury controls by 2015, only 3 percent in 2020.

Pregnant women, women of childbearing age, children can't wait that long. Twelve States, including New Jersey, California, Connecticut, Maine, New Mexico, New York, and Wisconsin decided to sue each other over this, it's not a partisan issue. Republicans and Democrats alike have said, you're own inspector general of the Government Accountability Office criticized how the rule was drafted.

I think that of the 80,000 public comments of record, of those comments 6 were not ignored. And I have a great deal of respect for you, but I want you to know I'm very concerned about this rule. We will continue to work together. I will submit a number of questions for the record and again, Mr. Chairman, I appreciate your courtesy letting me go forward.

Senator BURNS. Thank you, Senator Leahy, and good luck this morning on your legislation, because that's very important to us, up in Montana. Today the subcommittee and related agencies will conduct what will likely be our final hearing in this fiscal year on this 2006 budget, our topic is the Environmental Protection Agency, and with us is the new Director. He's the newly appointed Administrator, Steven Johnson. I would like to welcome him before this subcommittee for the first time I've been at the helm anyway.

So welcome to the friendly confines of this room. Although Mr. Johnson's first hearing here is today, he's been with the Agency about 24 years. So I'm looking forward to his thoughts as he should have some. If he hasn't formed any by now, my description of the bureaucracy would hold true. Thank you for being here today.

Let me begin by saying that the EPA has one of the most important and difficult missions of all the Federal agencies. I know you have a big job. EPA's jurisdiction ranges from the responsibility for the clean up of Superfund sites such as Libby and asbestos sites in my home State of Montana to funding clean water and drinking water infrastructure, to enforcement of a long list of the laws. The

administration has requested $7.567 billion in total budget authority for fiscal year 2006 for the EPA.

This is $218 million below the fiscal year 2005 request and $453 million below the fiscal year 2005 enacted level. The 6-percent reduction in the EPA budget really concerns me. EPA has only been under the jurisdiction of this subcommittee a few months, but the enormity of clean water and drinking water infrastructure needs across this country has really left an impression on me.

While the administration has requested level funding of $850 million for drinking water SRF of the revolving fund it has recommended a large reduction in State revolving loans. The administration is requesting $730 million for the clean water SRF which is $371 million below the fiscal year 2005 enacted level. The $730 million for clean water SRF is simply not enough.

EPA's clean water and drinking infrastructure gap analysis published in 2002 indicates that a substantial gap in funding could develop if the country's clean water and drinking water systems maintain the current spending levels. That analysis estimates that the United States will need to spend $540 billion, that's with a "b", $540 billion in the next 20 years just to stay abreast of the problem.

I'm not certain yet what our subcommittee allocation will allow us to do, but I intend to try to fund both the State revolving loan funds, to close the fiscal year 2005 level as close to the 2005 level as I can possibly get it. EPA also faces significant challenges in cleaning up the 1,244 Superfund sites. On the national priorities list (NPL) and 64 sites proposed to make the NPL, the administration is requesting $1.279 billion for the Superfund program which is $31 million above fiscal year 2005.

There's no question that the Superfund program could use increased funding to clean up sites currently on the NPL and those waiting to make that list. For example, the Libby asbestos site was added to the national priorities list in 2002. Mr. Johnson, you're appearance here is especially timely for me and the residents of Libby, given the continued work on asbestos legislation where Senator Leahy was in route. That legislation is now pending in the Senate Judiciary Committee. I worked hard to make the Judiciary Committee aware of our situation in Libby, Montana; it is a site unto itself. Further I strongly encourage the EPA to budget the highest level of funding for that site. Folks in Libby have suffered greatly and I would like to see something more happen up there and to speed up the clean up in that area.

It seems unlikely, because of severe budget restraints, that this subcommittee can allocate the total amount of money necessary to the Superfund accounts to address all sights on the MPL and those waiting to make the list. As an alternative, Mr. Administrator, I would hope that every effort will help to allocate resources within the Superfund program with the goal of both diminishing the immediate health risk to the communities surrounding these sites and completing the construction as swiftly as possible.

There are many other issues that I could raise at this point ranging from the clean air mercury rule and the clean air interstate rule to one of the administration's new initiatives, methane to mar-

kets. But I'll save my comments when we start asking the questions.

I would also like to thank you for being with us today. I look forward to working with you and the many challenges that we face, we hope we will face it together. This Agency has a tremendous responsibility; we're a little conflicted this morning as we're marking up the electric title and the energy bill. Senator Dorgan and I are both members of this committee. I'm going to send him up there to take care of my interests. Isn't that right?

Senator DORGAN. I wouldn't sit really easy if I were you.

Senator BURNS. Senator Dorgan, the ranking member on this subcommittee, a valued member of it. If you have an opening statement you may proceed.

OPENING STATEMENT OF SENATOR BYRON L. DORGAN

Senator DORGAN. We do have a mark up of the energy bill at 9:30. We're doing the electric title. I'm going to be going up there as well. But, we do have similar interests with respect to energy issues and also EPA issues. And I support the concern of the chairman, expressed in his comments about the 33-percent cut in the clean water State revolving fund. I mean, that's what, as you know, helps our communities in their water treatment problems. The chairman indicated that the gap analysis done by the EPA suggests that the future needs for sewage treatment facilities are in the hundreds of billions of dollars. So, that's just the start of the difficulties we face Mr. Johnson.

Mr. Johnson, welcome to you and congratulations on a long and distinguished career and now on the nomination and the new role that you play. You and I have had experience before at hearings. And I don't know how you view that experience, but I know that we've——

Mr. JOHNSON. Good experience.

Senator DORGAN. We've had some testy exchange from time to time. I wanted to say this, the chairman and I share the issue that brought you to Capitol Hill previously some years ago, that is the issue of chemical harmonization with Canada.

A trade agreement which is typical of trade agreements, they promised the Moon on chemical harmonization with Canada and not really much has been done. And you and I have had hearings about that. You've testified and I know that you made some efforts, but I should say to—both in Montana and North Dakota all across the northern tier, farmers sit on the south side of that border and they have exactly the same chemicals they have on the north side; one difference, it's a significantly higher price. Yet they are not able to bring those chemicals from Canada, essentially the identical chemical across and put it on their crops, but the Canadians can put it on their crops and send their crops across. We're really out of patients.

It's your bad luck that both the chairman and I are on this appropriations subcommittee because we can probably do a little dealing with this issue. My hope is that we can work—in some ways it's an appropriations issue, because it costs money to do what you need to do to actually make the committee to get harmonization. It's a promise that was made long ago and has not been kept.

Speaking for myself and I hope perhaps the chairman, we can press EPA and work with you on this, and get an outcome that I think was contemplated and promised when NAFTA was passed so many years ago and an outcome that American consumers and farmers expect as well. Having said all that, Mr. Johnson as I said before, I admire your career. I think you're candid and straightforward. I'm interested in working with you, you inherit the budget recommendations sent to us by this President. I understand that, I have no idea what recommendations you would have offered had they been your recommendations, but you're here to defend the President's recommendations, no matter how hard the grilling you're not going to deviate for that message.

The chairman has spoken for me and many on this subcommittee when saying, a 33-percent cut in the clean water State revolving fund is hardly an approach to dealing with clean water issues. It's the wrong way and we're going to have to work through this and we're going to need your help when the lights are turned off and we can have some back and forth about how we actually prioritize and do what's necessary. So, Mr. Johnson, thank you for being here and welcome to this new role.

Mr. JOHNSON. Thank you, Senator.

Senator BURNS. Thank you, Senator, we've been joined by Senator Allard of Colorado. It's your turn.

OPENING STATEMENT OF SENATOR WAYNE ALLARD

Senator ALLARD. Thank you for holding this hearing today and as you were all aware of, the EPA oversees a bulk of environmental regulations and requirements. And these regulations can be far reaching and have an unattended disproportionate effect on small communities.

I think that this fact is very important that Congress—for this fact, I think it's important that we exercise some oversight of the Agency and its funding. One of the prime examples, Mr. Chairman, of the impact that EPA regulations can have on small communities, the arsenic regulations that will soon be taking effect.

EPA's own website acknowledged the following and that is that arsenic occurs naturally in rocks and soil, water, air, plants, and animals. These are all natural and volcanic activity, the erosion of rocks and minerals and forest fires are all natural resources that can release arsenic in the environment.

Yet the new requirements set by EPA, the small mountain communities are being forced to spend huge amounts of money to upgrade or replace their water treatment systems. Often the amount that they must spend exceeds or is greater than the towns entire operating budget.

I recognize that EPA regulates some nasty and sometimes deadly substances, but many small communities have had to spend hundreds they simply do not have to remove naturally occurring substances. The cost-benefit analysis of regulation should be given more weight in situations like this in my view.

There's been a dramatic change in the arsenic content from 50 parts per billion now moving down to 5 parts per billion. And all these factors have come together and I can think of one particular community that is very poor, in the State of Colorado, there is a

college there, a small college. And all these factors come together. And for them to try and meet these regulations, it's just very, very, difficult.

So, we get around to enforcement. It seems you're always willing to enforce, but when there's an opportunity to try to help the community, environmental wants to pass that down to the State and say that's the State's responsibility to help out. There is something that's been created by the Environmental Protection Agency and I think unreasonably low standard here, and whether there's not particularly any health effects, that's been documented scientifically.

Now these—it's creating a burden on some of these mountain communities, particularly the one that I'm thinking of. I'm also a little concerned that what I see is the climate, on the climate within the EPA is that, you know, I've received this communication from constituents, you're not as interested in assisting communities as you are in just complying with EPA regulations.

My hope is that you can step forward and be a little more helpful in trying to get these communities to deal with these frustrating issues. You know, industry or anybody hasn't really caused this; this is just naturally occurring arsenic levels in this one particular town in particular.

So I look forward to working with the Administrator and my colleagues to see that you're able, meaning the EPA, is able to reasonably carry out their mission in working with the subcommittee to ensure that activities at the Environmental Protection Agency are funded in a manner that is responsible and sufficient. Thank you, Mr. Chairman.

Senator BURNS. Thank you, Senator. Director Johnson, it's your turn.

SUMMARY STATEMENT OF HON. STEPHEN L. JOHNSON

Mr. JOHNSON. Thank you, sir, thank you, Mr. Chairman.

Senator BURNS. We look forward to hearing from you. Welcome to the subcommittee.

Mr. JOHNSON. Mr. Chairman, members of the subcommittee, I'm pleased to be here to discuss President Bush's fiscal year 2006 request for the Environmental Protection Agency. I do look forward to working with the staff of the Subcommittee on the Interior and Related Agencies under which EPA has recently been placed.

As the chairman noted earlier, this is my first time appearing before you as the Administrator of EPA and I am happy to be here. Mr. Chairman, I ask that my written testimony be made part of the record.

Senator BURNS. It will be.

Mr. JOHNSON. As you know, EPA is a regulatory agency who's mission is to protect human health and the environment. We carry out this mission by developing and enforcing regulations that implement environmental laws enacted by Congress. The Agency also works at laboratories around the Nation to assess environmental conditions and to identify, understand, and solve current and future environmental problems.

The President' fiscal year 2006 request of $7.6 billion supports the work of the EPA and our partners across the Nation. In his

February 2 State of the Union Address, the President underscored the need to restrain spending. In order to sustain our economic prosperity as part of this restraint it's important that total discretionary and nonsecurity spending be held to levels proposed in the fiscal year 2006 budget. The budget savings and reforms in the budget are important components of achieving the President's goal of cutting the budget deficit by half by 2009. And we urge the Congress to support these reforms.

The fiscal year 2006 budget even includes more than 150 reductions, reforms, and terminations in nondefense discretionary programs of which two affect EPA programs. The Agency wants to work with Congress to achieve these savings.

As we present the President's 2006 budget, I'm certain it will allow us to increase the pace of protecting environmental health and improvement. I would like to continue by emphasizing that the Agency is committed to building on four cornerstones: new technologies, market incentive, collaborative efforts, and a focus on results to achieve greater gains in environmental protection.

This budget engages a full range of partners, not just Federal, State, tribal, and local, but also businesses, interest groups, and educational institutions.

To help leverage our Federal money, in fact through collaborative networks and partnerships to foster healthy communities, we will be able to leverage billions of additional dollars—I will highlight just a few of the programs that illustrate the strong commitment to a cleaner healthier America.

Clean fuels and clean technologies are also an integral part of reducing emissions from mobile resources. The fiscal year 2006 President's budget provides $15 million for the clean diesel initiative.

EPA and a coalition of clean diesel interests will work together to expand the retrofitting of diesel engines into new sectors. President Bush is also requesting $210 million in 2006 for the Brownfield's program, an increase of $46.9 billion over the enacted 2005 funding.

EPA is working with the State, tribe, and local partners to meet the objective to clean up and restore contaminated properties and abandoned sites. Together with the extension of the Brownfield's tax credit, the EPA expects to achieve the following in 2006: Assess 1,000 Brownfield properties, clean up 60 properties using Brownfields funding, leverage resources to yield $1 billion, create 5,000 jobs, train 200 participants, placing 65 percent in jobs related to Brownfield efforts.

The 2005 budget increases support to $73 million for the Great Lakes programs and regional collaboration. That amount includes $50 million for the Great Lakes Legacy Act program to remediate contaminated sediment in areas of concern such as the Black Lagoon and Detroit River. Removing contamination and providing a natural process for keeping it healthy means that every drop of water flowing to the lagoon will be cleaner.

As part of the core program to improve water quality the EPA will continue to provide significant annual capitalization to the clean water State revolving funds. During fiscal year 2006, EPA and the States community water systems will build on past successes while working toward the fiscal year 2008 goal of assuring

that 95 percent of the population served by community water systems receiving drinking water that meets all applicable standards.

To help ensure that the water is safe to drink, the 2006 President's budget requests $850 million—$7.6 billion also effects a strong commitment to safeguard human health and the environment with funds to insure that EPA's critical role in homeland security is made a top priority.

EPA's request includes $79 million in new resources for homeland security efforts. $44 million will launch in selected cities as pilot programs of monitoring and surveillance to provide early warning of contamination. Environmental decontamination research and preparedness increases by $19.4 million with $4 million being requested for the safe buildings research program. Over $11.6 million in new resource will support preparedness and response-related activities at State and EPA environmental laboratories.

PREPARED STATEMENT

In summary, this budget will enable us to carry out our goals and objectives as set forth in our strategic plan, help us meet new challenges, move forward EPA's core programs as reflected in the Nation's environmental statutes, protect our homeland, and identify new and better ways to carry out EPA's mission while maintaining our national competitiveness.

That concludes my statement. I will be pleased to answer any questions you and the others may have involving EPA's work and our 2006 budget request.

Senator BURNS. We thank you for your testimony and your full statement will be made part of the record.

[The statement follows:]

PREPARED STATEMENT OF STEPHEN JOHNSON

Mr. Chairman and Members of the Committee, I am pleased to be here to discuss the fiscal year 2006 budget request for the Environmental Protection Agency (EPA) and I look forward to working with the members and staff of the Subcommittee on Interior and Related Agencies under which EPA has recently been placed. This is my first time appearing before you as the Administrator of EPA and I am happy to be here.

EPA is a regulatory agency whose mission is to protect human health and the environment. We carry out this mission by developing and enforcing regulations that implement environmental laws enacted by Congress. In addition, the Agency works at laboratories throughout the nation to assess environmental conditions and to identify, understand, and solve current and future environmental problems.

The President's fiscal year 2006 budget request of $7.6 billion reflects a strong commitment to protect health and safeguard the environment. This includes moving forward EPA's core programs as reflected in the nation's environmental statutes. This request will also ensure that EPA's critical role in homeland security is made a top priority.

In his February 2 State of the Union Address, the President underscored the need to restrain spending in order to sustain our economic prosperity. As part of this restraint, it is important that total discretionary and non-security spending be held to levels proposed in the fiscal year 2006 Budget. The budget savings and reforms in the Budget are important components of achieving the President's goal of cutting the budget deficit in half by 2009 and we urge the Congress to support these reforms. The fiscal year 2006 Budget includes more than 150 reductions, reforms, and terminations in non-defense discretionary programs, of which four affect EPA. The Agency wants to work with the Congress to achieve these savings.

Mr. Chairman, the Agency has accomplished a great deal. We have cleaned the water, improved our air and protected and restored our lands. While the nation's

environmental well being has shown a steady improvement, there is more to do. Much of what remains is enormously complex and more expensive.

Bringing a healthy environment to our communities is a responsibility we all share. Engaging the full range of partners—not just federal, state, tribal, and local but also businesses, interest groups, international and regional authorities and educational institutions—leverages our federal monies through collaboration. New science, innovation and technology development, regulation, and market-based solutions that support these efforts are all a part of this budget request.

This budget, Mr. Chairman, will enable us to carry out our goals and objectives as set forth in our Strategic Plan and help us to meet our challenges. It supports the Administration's commitment to environmental results by identifying new and better ways to carry out EPA's mission while protecting our national competitiveness.

HOMELAND SECURITY

Three years ago we took on significant new responsibilities in homeland security work that was necessary to protect human health and the environment from intentional harm. In fiscal year 2006 we are taking another big step towards filling the gaps we've identified. EPA's request includes $79 million in new resources for critical homeland security efforts. EPA plays a lead role for addressing the decontamination of deadly chemical, biological and radiological contaminants. The nation must have the tools and procedures in place to respond effectively and swiftly after a terrorist event.

One of our most important homeland security responsibilities is to protect our drinking water supply. $44 million will launch pilot programs in cities of various sizes to explore technology and systems that detect contamination before it causes large scale harm. The program includes resources to create the Water Alliance for Threat Reduction to train and prepare the operators of our nation's largest drinking water systems.

Response to terrorist events may call for decontamination from many new hazards. Environmental decontamination research and preparedness increases by $19.4 million, and an additional $4 million is requested for the Safe Buildings research program. Over $11 million in new resources will support preparedness in our environmental laboratories. Working with federal partners in Homeland Security, EPA will plan for certain fundamental laboratory network needs, such as appropriate connectivity between member labs and standardized methods and measurements for environmental samples of terrorism-related agents of concern. Resources also support training and continuing education for member laboratories, as well as accreditation and accountability.

CLEAN AIR AND GLOBAL CHANGE

The fiscal year 2006 President's Budget requests $969 million to implement EPA's Clean Air and Global Climate Change goal through national programs designed to provide healthier outdoor and indoor air for all Americans, protect the stratospheric ozone layer, minimize the risks from radiation releases, reduce greenhouse gas intensity, and enhance science and research. EPA's key clean air programs—particulate matter, ozone, acid rain, air toxics, indoor air, radiation and stratospheric ozone depletion—address some of the highest health and environmental risks faced by the Agency. Also in this area, I look forward to working with you Mr. Chairman, in passing Clear Skies legislation.

Clean fuels and clean technologies are also an integral part of reducing emissions from mobile sources. The fiscal year 2006 President's Budget provides $15 million for the Clean Diesel Initiative. EPA and a coalition of clean diesel interests will work together to expand the retrofitting of diesel engines into new sectors by adopting a risk-based strategy, targeting key places and working with specific use sectors to identify opportunities to accelerate the adoption of cleaner technologies and fuels. The $15 million proposed for this program will be leveraged significantly by working with our partners. Reducing the level of sulfur in the fuel used by existing diesel engines will provide additional immediate public health benefits by reducing particulate matter from these engines.

EPA's Climate Protection Programs will continue to contribute to the President's 18 percent greenhouse gas intensity reduction goal by 2012. In addition, the fiscal year 2006 President's Budget requests $4 million for EPA to implement the Methane to Markets Partnership, an important U.S.-led international initiative and Administration priority that promotes cost-effective, near-term recovery and use of methane—a very powerful greenhouse gas—as a clean energy source. Methane to Markets builds on the success of our domestic methane programs with U.S. indus-

try, and is designed to assist other countries in achieving significant reductions in the same way: voluntarily, cost-effectively, in partnership with the private sector, and in a manner than supports development, economic growth, energy security and the environment. To date, 16 countries from the developed and developing world and over 90 organizations from the private and public sectors have made a commitment to this Partnership. The countries include: Argentina, Australia, Brazil, Canada, China, Colombia, India, Italy, Japan, Mexico, Nigeria, Russia, South Korea, Ukraine, the United Kingdom and the United States. The requested funding is part of the President's pledge of up to $53 million over the next five years. These resources will be used for Ministerial activities and to promote technology transfer and provide technical assistance. Private sector investment and involvement is an important part of Methane to Markets and is critical to the success of the partnership. Funding the President's request for the Methane to Markets Partnership will send a clear signal to the world that the United States is committed to the success of voluntary, technology-driven programs to address the challenge of climate change.

CLEAN AND SAFE WATER

In fiscal year 2006, the budget requests $2.8 billion to implement the Clean and Safe Water goal through programs designed to provide improvements in the quality of surface waters and drinking water. In fiscal year 2006, EPA will work with states and tribes to continue to accomplish measurable improvements in the safety of the nation's drinking water, and in the conditions of rivers, lakes, and coastal waters. With the help of these partners, EPA expects to make significant progress in these areas, as well as support a few more focused water initiatives.

In fiscal year 2006, EPA will work with States to make continued progress toward the clean water goals through implementation of core clean water programs and acceleration of efforts to improve water quality on a watershed basis. Efforts include innovative programs spanning entire watersheds. To protect and improve water quality, a top priority is to continue to support water quality monitoring to strengthen water quality data and increase the number of water bodies assessed. The Agency's request includes $24 million to build on the monitoring initiative begun in fiscal year 2005 by establishing a nationwide monitoring network and expanding the baseline water quality assessment to include lakes and streams. The initiative will allow EPA to establish scientifically defensible water quality data and information essential for cleaning up and protecting the Nation's waters. The funding provides additional resources to states in order for them to contribute to the development of this baseline of water conditions across our country.

To support sustainable wastewater infrastructure, EPA will continue to provide significant annual capitalization to the Clean Water State Revolving Funds (CWSRF). The budget provides $730 million for the CWSRF, which will allow EPA to meet the Administration's Federal capitalization target of $6.8 billion total for 2004–2011 and enable the CWSRF to eventually revolve at a level of $3.4 billion.

During fiscal year 2006, EPA, the states, and community water systems will build on past successes while working toward the fiscal year 2008 goal of assuring that 95 percent of the population served by community water systems receives drinking water that meets all applicable standards. To help ensure that water is safe to drink, the fiscal year 2006 President's Budget requests $850 million for the Drinking Water State Revolving Fund.

LAND PRESERVATION AND RESTORATION

$1.7 billion of the fiscal year 2006 President's Budget will help to implement the Land Preservation and Restoration goal through continued promotion of the Land Revitalization Initiative, first established in 2003. Revitalized land can be used in many beneficial ways, including the creation of public parks, the restoration of ecological systems, the establishment of multi-purpose developments, and the establishment of new businesses. Regardless of whether a property is an abandoned industrial facility, a waste disposal area, a former gas station, or a Superfund site, this initiative helps to ensure that reuse considerations are fully integrated into all EPA cleanup decisions and programs. Through the One Clean-up Program, the Agency will also work with its partners and stakeholders to enhance coordination, planning and communication across the full range of Federal, State, Tribal and local cleanup programs to promote consistency and enhanced effectiveness at site cleanups.

The fiscal year 2006 President's Budget funds the Superfund Appropriation at $1.3 billion. Within this total, the Superfund Remedial Program provides significant resources in EPA's effort to preserve and restore land to productive use. In fiscal year 2006, the Superfund Remedial Program will continue its clean-up and response work to achieve risk reduction, construction completion and restoration of contami-

nated sites to productive use. In fiscal year 2006, the Remedial Program anticipates completing construction of remedies at 40 Superfund sites.

Enforcement programs are also critical to the agency's ability to clean up the vast majority of the nation's worst hazardous sites by securing funding from Potentially Responsible Parties (PRPs). The Agency will continue to encourage the establishment and use of Special Accounts within the Superfund Trust Fund to finance cleanups. These accounts segregate site-specific funds obtained from responsible parties that complete settlement agreements with EPA and total a cumulative $1.5 billion. These funds can create an incentive for other PRPs to perform work they might not be willing to perform or used by the Agency to fund clean up. As a result, is the Agency can clean up more sites and preserve appropriated Trust Fund dollars for sites without viable PRPs.

HEALTHY COMMUNITIES AND ECOSYSTEMS

The fiscal year 2006 President's Budget requests $1.3 billion to implement national multi-media, multi-stakeholder efforts needed to sustain and restore healthy communities and ecosystems, which are impacted by the full range of air, water and land issues. Programs such as Brownfields, the Great Lakes collaboration and the targeted watersheds work must reflect local priorities and local stakeholder involvement to be effective.

Proper use and careful selection of chemicals and pesticides influence air quality, clean water and the health of the land. Carefully targeted research is necessary to keep the Agency at the forefront of the science that will point to tomorrow's concerns as well as tomorrow's solutions.

Fiscal year 2006 will be a key year for the chemicals and pesticides programs. The High Volume Production chemicals program will move from data collection to first-time screening for possible risks. Many of these chemicals entered the marketplace before the Toxics Substances Control Act was passed and EPA's screening process was put in place. Fiscal year 2006 also marks the final milestone in the ten-year pesticide tolerance reassessment program, which ensures older food-use pesticides meet the latest scientific standards for safety.

The Brownfields program is a top environmental priority for the Administration. EPA is working with its state, Tribal and local partners to meet its objective to sustain, cleanup and restore contaminated properties and abandoned sites. Together with the extension of the Brownfields tax credit, EPA expects to achieve the following in fiscal year 2006: assess 1,000 Brownfields properties; clean up 60 properties using Brownfields funding; leverage resources to yield $1 billion in cleanup and redevelopment funding and 5,000 jobs; and train 200 participants, placing 65 percent in jobs related to the Brownfields efforts.

There is great population and industrial pressure on the areas surrounding our large water bodies—the Great Lakes, the Chesapeake Bay, the Gulf of Mexico, and our wetlands in general. EPA has established special programs to protect and restore these unique resources by addressing the vulnerabilities of each.

The Great Lakes program will build on collaborative networks to remedy pollution, with a budget proposal to increase funding for the Great Lakes Legacy program to $50 million in order to remediate sediment that was contaminated by improperly managed old industrial chemicals. Chesapeake Bay resources in this budget total over $20 million. EPA's work in the Chesapeake Bay is based on a regional partnership whose members have committed to specific actions aimed at reducing both nutrient and sediment pollution. Wetlands and estuaries are increasingly stressed as costal population density grows. The fiscal year 2006 budget provides over $40 million for our work to protect these ecosystems. Again, effective collaboration is key to protecting these primary habitats for fish, waterfowl and wildlife. Our work with the Corps of Engineers will be instrumental in protecting these valuable natural resources.

Toxic chemicals reduction is also the emphasis of Community Action for a Renewed Environment projects. The requested increase of $7 million will offer many more communities the opportunity to improve their environment through voluntary action. EPA expects to establish 80 CARE programs across the nation in fiscal year 2006, building on experience gained from 10 projects started in 2005.

In the research area, over $5 million is requested for the Advanced Monitoring Initiative. This initiative will combine information technology with remote sensing capabilities, to allow faster, more efficient response to changing environmental conditions such as forest fires or storm events, as well as current ecosystems stressors in sensitive areas such as the Great Lakes or the Everglades. EPA also continues to make progress in the area of computational toxicology. In fiscal year 2006, the program expects to deliver the first alternative assay for animal testing of environ-

mental toxicants, a major milestone toward the long-term goal of reducing the need for animal testing. Other major research efforts include human health risk assessments, which will inform agency regulatory and policy decisions, and research for ecosystems, which will emphasize evaluating the effectiveness of restoration options.

The President's Budget also includes $23 million for a new competitive State and Tribal Performance Fund. The Performance Grant Fund will support projects that include tangible, performance-based environmental and health outcomes—and that can serve as measurement and results-oriented models for implementation across the nation.

COMPLIANCE AND ENVIRONMENTAL STEWARDSHIP

The fiscal year 2006 President's Budget requests $761 million to implement national programs to promote and enforce compliance with our environmental laws, and to foster pollution prevention and tribal stewardship. The Agency will employ a mixture of effective inspection, enforcement and compliance assistance strategies. Also within this goal, EPA will protect human health and the environment by encouraging innovation and providing incentives for governments, businesses, and the public to promote environmental stewardship. In addition, EPA will assist Federally recognized Tribes in assessing environmental conditions in Indian Country, and will help build their capacity to implement environmental programs.

The Agency's enforcement program works with states, tribes, local governments and other federal agencies to identify the most significant risks to human health and the environment, address patterns of non-compliance and work to ensure communities or neighborhoods are not disproportionately exposed to pollutants. This flexible, strategic use of EPA's and our state and tribal partners' resources brought over 1 billion pounds of pollution reduction in fiscal year 2004, and helps to ensure consistent and fair enforcement.

EPA also strives to foster a culture of creative environmental problem-solving, not only with our state, tribal and federal partners but also with industry, universities and others. The result is a high capacity for implementing collaborative results-driven innovations and the organizational systems to support them. The President's Budget supports pollution prevention and other efforts to improve environmental performance, looking at the full range of possible interventions that would reduce waste created, reduce highly toxic materials in use, and reduce the energy or water resources used. These changes also make good business sense, often improving "the bottom line" for participating companies.

Agency resources for tribal programs support their environmental stewardship through a variety of means in every major program: air, water, land and others. In the Compliance and Environmental Stewardship goal, General Assistance Grants develop tribal capacity to implement environmental programs in Indian Country in line with local priorities. In fiscal year 2006, EPA will support approximately 510 federally recognized tribes through these grants.

EFFECTIVE MANAGEMENT

Throughout its operations, EPA is working to maximize effectiveness and efficiency, implementing new information technology solutions and streamlining operations. The research and development areas, for example, will see changes geared toward maximizing the effectiveness and relevance of applied research throughout the Agency. Continuing to improve internal controls and accountability is another priority. Fiscal year 2006 marks the next phase in our financial systems replacement which will enhance our internal systems. For our work with external partners, the Exchange Network and the Integrated Portal will provide the foundation for states, Tribes, the public, regulated community and EPA to increase data availability, collect better data and enhance the security of sensitive data.

Finally, EPA is making our grant programs work better. We are using new tools to help us achieve our goals: increasing competition for discretionary grant awards, making grants more outcome-oriented to meet Agency performance goals, strengthening oversight and accountability and providing more transparency to promote an open process.

Senator BURNS. We might as well start off with the revolving fund as you know, it's funded right now around $850 million, and we were $1.1 billion, I think, last year. And the fund continues to be one of the most sought after ways of financing water systems across America.

I would have to ask you right now what this suggested cut from the administration, how they justify reducing that funding and that re-revolving fund in the face of the request and the demand for the dollars at this time?

Mr. JOHNSON. Well, Mr. Chairman, we certainly agree that our water infrastructure is indeed aging across America. And there is a continued need to provide funding both at the Federal, the State, ratepayers, and other levels to address this issue. The 2006 request by the President of $730 million honors a commitment that the President made that the total Federal capitalization would amount to $6.8 billion.

So when you look at each of the years prior to 2006, and then you project $730 million out until 2008, that fulfills the President's commitment to have a total Federal capitalization of $6.8 billion, that will enable the fund to actually revolve at $3.4 billion per year.

Senator BURNS. But doesn't that also feed into the idea of the—the reason that the gap analysis holds true is that we're headed for bigger problems if we don't steadily increase those funds?

Mr. JOHNSON. Well, I think that—clearly as I said——

Senator BURNS. Or am I thinking in two different areas?

Mr. JOHNSON. No. The aging infrastructure, the need is large. And by a number of estimates are literally in the hundreds of billions of dollars when you compare the need of hundreds of billions of dollars with a total EPA budget of $7.6 billion or $8 billion. I mean, even if EPA were to provide all of it's funding, it doesn't address the gap.

So, what certainly I look forward to working with you and other members, because I think that we need to find a better way of addressing this gap. Clearly, the Federal Government has a role, has a significant role to play, we're honoring the President's commitment to have a revolving fund at $6.8 billion, but even with that, it's clear that the gap is larger.

So we're going to have to figure out a better way of trying to address this. And Mr. Chairman I look forward to working with you and other members to see how we might be able the do that.

Senator BURNS. You've just taken over the reigns down there, are you doing anything in the way to adopt other approaches? It seems as though there ought to be some imagination down there somewhere if we dig hard enough.

Mr. JOHNSON. Yes, sir, there is imagination. And among the items that we have been talking about, well, there are some unique opportunities for the revolving fund and other things, but then there are other areas which get into dealing with how do we—we know that water quantity, particularly as we move from your part of the country further west becomes even more critical. And so, are there things that we can be doing to help deal with the water quantity issue?

Are there technologies and certainly our research and development arm, and others are looking at what are some innovative technologies we might be able to use that are more cost efficient. Cost effective, and I'm sure there's other imaginations which I will look forward to sharing with you and seeing how we might be able to address what I believe is a significant problem for the county.

Senator BURNS. Well, I'll tell you, a long time ago when I first went to Montana I was raised on one end of the Missouri River, looks like I'm going the die on the other end with a little luck. But when I first went to Montana many years ago, and when you look at the State world water—at the State, we're a watershed State.

I would venture to say that 50 percent of the water goes by Kansas City, Missouri started in Montana. But I also understand about how we feel about water in the west.

Water adjudication was always a States right. That's one of the issues you fall on your saber for. Whiskeys for drinking, water is for fighting. And it goes on every day. But I did—as the country grew; I had the opportunity the travel across the stretch. I said by the time they get ready to leave this old world that fresh water might be our greatest resource in Montana and watershed States, Colorado.

Senator ALLARD. We have the other 50 percent.

Senator BURNS. But that little old dinky creek that you got called South Flat.

Senator ALLARD. North of South Flat.

Senator BURNS. You know, but anyway, fresh water would be one of the greatest demands that this country will have is the availability of water. And so, we took it very serious in our State. We got a very strong Clean Water Act and how we handle our watersheds and this type of thing.

We would hope that we could work in concert with taking care of something like that. But I think we're going to try to find some way to plus up the revolving fund. I don't know how we'll do it yet, but every now and again there's some real imagination up here too, as you well know. And we're going to try that.

Moving into the areas I am concerned about, whenever you draw the dollars down, it seems to me that our rural water systems kind of gets left, they go on the back burner.

Larger entities and municipalities and people who are pretty sophisticated in the way they finance and how they use their power here in this 17 square miles logic-free environment to get the projects they want and sometimes our rural areas that don't have as many people kind of go wanting.

If you—have you got any kind of assurance that we can be assured in rural areas that there's going to be money available and opportunities to finance water systems? I've got two areas in Montana that are now undertaking new water systems in rural water areas. And I will tell you water they're drinking now, you wouldn't let livestock go to it. We've got to do some things in these areas where they've really got huge problems.

Mr. JOHNSON. Well, Mr. Chairman, I think again you hit on another issue facing the country, the small water systems, whether they are Senator Allard's at a college level or a new water system dealing with issues such as arsenic.

We are looking at ways that we can help these new water systems, both in the permitting process, to expedite that as well as to help them with some of these new technologies that I've been talking about in the case of arsenic that Senator Allard mentioned. In fact, as parts of this arsenic rule that does become effective next

year as was noted there is a provision that allows the States for the small water systems to request an extension beyond next year.

I believe that that extension is to the year 2015, which is actually 14 years after the promulgation of the rule. And the reason for that is, we understand that there are circumstances where it's naturally occurring, we understand there are circumstances in which communities, they're small communities and they need to figure out whether it's funding or other kinds of issues to try to reach that. And so we're trying to be creative, at the same time we also do need to be health protective.

Senator BURNS. Senator Allard.

Senator ALLARD. I appreciate you to continue to discuss this problem. Five parts per billion is not a health problem.

Mr. JOHNSON. It's actually 10, but it's still. You're right; it went from 50 to 10.

Senator ALLARD. Even 10 parts per billion. And so—

Mr. JOHNSON. The point is well taken.

Senator ALLARD. I've been a health officer for the city of Libby, I understand. And then you impose upon these communities when they have natural background. They didn't create it. It's been there. And if you're concerned about the impact on the environment, that is the environment.

Then you're imposing this huge cost, I'm trying to figure out how some of these towns, I'm talking about the city of Alamosa in the southern part of the State. It's probably the most acutely effected than many of them. But how they're going to be able to pay for that.

Then, if you have the revolving fund, I'm not sure they have enough industry and enough economy there to sustain paying back to the revolving fund. Either we need to have a more efficient less costly approach to removing the arsenic or something needs to be done there when you impose those kinds of rules or regulations.

I don't think Colorado is unique in that. You probably have towns all over the Rocky Mountains at least, that are going to have some problems.

Mr. JOHNSON. I do know that our Office of Research and Development has been exploring and in fact, I believe has identified several new technologies which, at least as I understand are more cost effective and also can control and certainly I would be happy to share—we're trying to get that information out to the community water systems that are facing the kind of issues that you're facing. We would be happy to share that with you and keep you posted on that development.

Senator ALLARD. I appreciate the leeway that you've given there for small communities, where the local health department, the State health department, can extend those provisions out so it has some time to respond.

But I do think that, you know if you can—when you get a concern raised by cities like Alamosa, for example, if the Environmental Protection Agency could be more responsive and more positive than to what they have been led to believe. I think they would help a lot and would help our office a lot.

Also, having said that, I also want to compliment the Environmental Protection Agency in working with the local community and

everything in cleaning up Rocky Flats in Colorado. Rocky Flats will be the first nuclear facility, where they made the triggers for the nuclear bomb, to ever get cleaned up.

They're setting a standard right now—we're more than a year ahead of schedule. We're billions of dollars under budget from what it was originally designed. We worked hard to get some money into it originally to accelerate that clean up. Things are going well. I hope as we get toward the end of this that you will help us help to ensure that the regulatory assurances are there.

We're going to have a GAO study. I hope that you'll work with that. Can you keep that one of your top priorities; we would appreciate it if you can do that. And also, I'd like to address the EPA policy in which we have spill prevention control and countermeasure relations are being implemented for fuel trucks at airports.

My question is why does the Agency feel the need to regulate these vehicles under EPA regulations when they're also, as I understand, regulated under the jurisdiction of the Department of Transportation? And are those regulations conflicting, or if they're duplicated why do we have two agencies with the same regulations.

Mr. JOHNSON. It's my understanding that they're not duplicative. And it's my understanding that there were discussions early on before that SPCC rule as you mentioned was actually promulgated. As I'm sure you're aware, that we extended the compliance date for that until February I think 17, but it is February 2006.

In order to make sure that people understand, again, we're trying to provide some accommodations, but also importance to make sure that people are doing the right thing with good products.

Senator ALLARD. But my question is why we have it? We already have the Department of Transportation regulating it. Why do you need to come in and regulate on top of that?

Mr. JOHNSON. If I could, I'll ask Tom Dunn, who is our Deputy Assistant Administrator for the OSRA program.

Mr. DUNN. Ours is geared at prevention and controlling and the Clean Water Act is where we originally get our jurisdiction calls for anything, that a certain number—a certain volume that could create a spill into navigatable waters is the jurisdiction that EPA has to go with.

I think our people have been fairly astute in working with the Department of Transportation making sure they don't duplicate and replicate anything they are doing. Our job is strictly prevention, controls, and countermeasures in case there is a spill.

Senator ALLARD. The definition of navigatable waters is pretty broad.

Mr. DUNN. It's in court already.

Mr. JOHNSON. That continues to be an issue, sir, yes.

Senator ALLARD. We would like to have clarification on that.

Senator BURNS. Sir, if you would yield. What do you assess the impact that will have in airport operations?

Mr. DUNN. We're currently looking at that right now how much containment, whether they have to have a secondary containment. Large airports present another problem, that's a major area in terms of how we deal with general navigation than smaller airports.

Senator BURNS. We're getting a lot of calls on this—these our FBO's, our fixed based operators. They're very concerned. As you know, aviation is not—commercial aviation is not too healthy right now. And airports are straining to not only maintain the infrastructure they have, but adding infrastructure, we hope for increased traffic with this, but this is the impact of secondary containment is sort of troubling to them.

They think the cost can be—and the impact could be something.

Mr. DUNN. Well, it could be, but what we're looking at, what's being analyzed and data collected in terms of how much is really on the airport. You know if you're talking about a small rural airport that has one tanker that's got 2,000 or 3,000 gallons in a mobile source, that's dealt with completely different than if it's storage of 50,000 gallons, we're looking at the right balance.

Senator BURNS. This also spills over into our farming community if we're talking about secondary containment. I know at $3 or $4 a week we can't afford it. Especially if we want to keep getting bread. Emission creep, I think it's called. Sorry I didn't mean——

Senator ALLARD. Mr. Chairman, I appreciate you allowing me the time to have some concerns here. I'm finished I appreciate it very much.

Senator BURNS. Thank you, Senator Allard, bring us up to date and give us a little more details on the methane to markets? I know it's something that we read about. But very few of us understand what we want to do here.

Mr. JOHNSON. What it is, Mr. Chairman, is a program, one of the things we have done here in the United States is actually begin to both capture methane from a variety of sources, gas mills, coal mines capture it and use it as an energy source.

So we have double benefit of reducing potential carbon into the air, and at the same time we have energy production. That's what's happening here in the United States. Its technology driven. We're doing it very efficiently and effectively in a number of sectors. Because a variety of issues facing the globe include both the issue of carbon which is quite controversial but also of energy, what we want to do and certainly we have 14, at this point I believe we have 14 countries who want to partner with us to actually use these technologies to be able to achieve both the energy saving, as well as emission reduction.

What we've been able to calculate is that based upon the $4 million which is in the President's 2006 budget, that this would focus on methane emissions from landfills, coal mines, gas and oil operations with our 14 partner countries, which would result from an environmental prospective an emission reduction of 50 million metric tons of carbon equivalent can annually—plus obviously the energy use.

So we see it as a wonderful opportunity of helping both in the energy arena as well as in the environmental arena at a very small cost to the U.S. Government to have a significant impact globally.

Senator BURNS. Can you give me an example of where you're doing some of this? Are there some demonstration units? Are you doing anything in the field?

Mr. JOHNSON. Yes, and Rob Brenner, is our Deputy for our Air Office. Rob, do you have some of the specific locations that you can comment on?

Mr. BRENNER. Senator Burns, this program builds on some work that we have been doing over the last few years in this area, especially on capturing methane from leaking gas pipelines.

We've done work with some of the parts of what was the Soviet Union, some of those countries and Eastern Europe where it turns out that their gas systems—their gas distribution system was very inefficient, using large amounts of natural gas.

Of methane, the rut was increases in carbon loadings in the atmosphere and also a loss of potential energy supply for both those countries and some of the countries such as areas in Europe that they would export that natural gas to. And we can provide you with some background on that project and other similar projects.

Mr. JOHNSON. Could you comment on the United States and what our experience is in the United States.

Senator BURNS. That's kind of a long drive just to look at something. What are we doing here at home?

Mr. BRENNER. If you would like to look at some of the projects in the United States. I'm sorry I can't bring to mind any specific ones, but we've worked with various utilities, natural gas companies and utilities in the United States. To use the same sort of technologies, reducing the amount of leakages from the natural gas distribution system.

And then we've also worked with a number of landfills to capture the methane from the landfill and then use that to generate electricity and we can provide you a list of landfills and companies we've worked with and help you decide which one if any you would like to visit.

Mr. JOHNSON. If you would for the record actually give you some of the specifics and that are a shorter drive than Russia.

Senator BURNS. I'm interested in how you capture and collect and then redistribute say a methane coming off the landfills. I happen to think that is a source. I've said that for quite awhile, ever since they started these big huge landfills.

And I would like to see this happen. If we've got some demonstration or some places where we're doing it, then I would like to see how you capture it, collect it, transport it.

Mr. BRENNER. What you will see is that for a number of small communities they found it to be economically advantageous they can receive revenue from selling the electricity to its customers.

Senator BURNS. We in Yellowstone County, when I was a commissioner, we collected old motor oil, our heaters that's how we heat our barns for road and bridge and our shops. We found out that we're throwing a lot of that away. We use a lot of trucks and a lot of tractors and then we started collecting it.

We've heated entire facilities with this different approach and burn that for our heat, and it keeps people from pouring old motor oil down in drains where you don't want it, and gives a use for it.

So I would be interested in seeing how you do it, if there is some demonstration somewhere in some of your research people, I would be interested in that.

Also, let's talk about; I mentioned in my opening statement with Libby, Montana, we have an unusual problem in there with asbestos. The folks that have lived up there for a long time and suffered impacts of asbestos. You began the removal actions in Libby back in 1999, I would imagine, have you been given any kind of estimates from the people in charge up there, how much longer they're going to be involved with the city of Libby.

Mr. JOHNSON. Mr. Chairman, what my understanding is, is that we will be issuing our record of decision for Libby later this year, late this year, early 2006. And that the—our best estimate or at least what my understanding of best estimate that we will have somewhere between 1,000 to 1,200 additional properties that will need to be cleaned up.

At the current funding level, which has been relatively constant at $17 million per year, that equating to about 200 properties being cleaned per year. So that gives you a sense of timing.

Senator BURNS. People kind of want a timeline of something up there as we look to that. Also, we've already covered the airport situation. By the way, I got this idea, you know, and my staff almost had a mac attack over it, there's a line item—I have a mac attack every day. I've never missed a meal; I don't plan on it either.

When I looked here on leaking underground storage tank program, LUST, I see we're appropriating $73 million in that line. Does that—do those dollars come from the General Treasury?

Mr. JOHNSON. Let me ask our Deputy Chief Financial Officer, Mike Ryan.

Senator BURNS. We have to have a bean counter involved here.

Mr. RYAN. Thank you, Mr. Chairman.

Mr. JOHNSON. He wears that with pride, sir.

Mr. RYAN. Basically we have a trust fund and it's capitalized but, I believe to $2.1 billion, whatever you appropriate we take out of the trust fund, so——

Senator BURNS. You have a balance in there now that's pretty healthy, I think.

Mr. RYAN. Yes, sir we do, it's about $2.1, $2.2 billion.

Senator BURNS. Can I use that over my farm programs.

Mr. RYAN. You're in charge, Senator.

Senator BURNS. But, we have the same thing in other funds around here. I wonder why this—this money comes from that fund correct, not the General Treasury.

Mr. RYAN. Yes, sir, yes, sir.

Senator BURNS. All right. That's all I wanted to ask on that. Pesticides, Senator Dorgan and I, we've been trying to find a way of harmonization of labels between our country and Canada, and I will tell you that, there maybe some people who would take note of this, but we have people who live in Plentywood, Montana that farm both in Canada and in the United States.

We finally got to the point where yes, they can come across with their sprayers without going through a lot of inspection, we got that sort of done, but we haven't taken care of the price situation, and that still continues to be very concerning, although the prices are getting narrower.

Especially on those pesticides that are used and herbicides that are used on both sides of the border on the same crops. So I hope

that you would continue to work with Canadian authorities so we can harmonize this. Because just from a standpoint of farming, having farm operations on both sides of the border. And we have that up there right now. Senator Leahy has other questions and I think I do too. I'm going to go energy here in a little bit.

They ought to be just about through the opening statements. Everybody's got to have one. And try to make that markup, electricity is very important to the State of Montana and we've got some interests up here. But we've got a couple of other questions, if you would respond to Senator Leahy and the subcommittee on his questions.

I would imagine that other Senators will too, and we will forward those to your office if we could get a response to the subcommittee and to those Senators, I would certainly appreciate that.

Mr. JOHNSON. My pleasure, sir.

Senator BURNS. I want to thank you for coming up this morning. New programs and things that are happening at EPA, I've always said that we turn the judicial system around. I'm not going to start talking about judges. Because of the situation with the regulatory agency, I would kind of like to see some—more than anything else, we're all public servants.

We know there's a multitude of sins, thank goodness we've got an EPA, thank goodness they've done a terrific job, other times they kind of over step.

Instead of helping to facilitate, we want to punish. And I'm a facilitator, as far as it can go, you know.

In trying to help people work out the problems to do things better, to make it cleaner and more healthy for everybody around us, and so, I think you're a breath of fresh air in the Agency.

I would hope you would be a facilitator and sort of help us and work with agriculture and we're beginning to talk a little bit about particulate and air, we're concerned about some the stuff that's swirling up around here, how do you hold it down, particularly in a farm operation.

We should talk about those kinds of thing, and water, nonpoint, we should talk about those things before we really get into this business of carrying around a big old hammer, because we know that there are some problems out there, but we know there are some ways to take care of it too that can work both to the satisfaction of the American people for our clean air and clean water.

And I think there's not one of us here that has not set very high standards and a very high priority on our environment. So, we thank you for coming this morning, thank you Mr. Ryan and look forward to working with you being that you're the green eyeshade guy.

Mr. RYAN. That's me, sir.

Senator BURNS. Yes, sir, we understand those green eyeshade eyes. Sometimes they're dealers. But thank you for your testimony this morning and we'll hold this hearing open for a couple of weeks, but if you will respond to those questions and inquiries, I certainly appreciate that.

CONCLUSION OF HEARINGS

Thank you all very much. The subcommittee will stand in recess subject to the call of the Chair.

[Whereupon at 11 a.m., Thursday, May 19, the hearings were concluded, and the subcommittee was recessed, to reconvene subject to the call of the Chair.]

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