

June 1996

Environmental Protection Issue Area Plan

Fiscal Years 1995-97



Foreword

As the investigative arm of the Congress and the nation's auditor, the General Accounting Office is charged with following the federal dollar wherever it goes. Reflecting stringent standards of objectivity and independence, GAO's audits, evaluations, and investigations promote a more efficient and cost-effective government; expose waste, fraud, abuse, and mismanagement in federal programs; help the Congress target budget reductions; assess financial information management; and alert the Congress to developing trends that may have significant fiscal or budgetary consequences. In fulfilling its responsibilities, GAO performs original research and uses hundreds of databases or creates its own to compile and analyze information.

To ensure that GAO's resources are directed toward the most important issues facing the Congress, each of GAO's 32 issue areas develops a strategic plan that describes its key issues and their significance, the objectives and focus of its work, and the planned major job starts. Each issue area relies heavily on input from congressional committees, agency officials, and subject-matter experts in developing its strategic plan.

With the nation's annual environmental compliance costs approaching \$120 billion, GAO's work in the Environmental Protection Issue Area generally focuses on increasing the cost-effectiveness of environmental programs. This emphasis recognizes the continuing high growth in these costs while unmet environmental needs remain. Consequently, limited public and private environmental resources need to be used in ways that best protect human health and the environment. This issue area covers the Environmental Protection Agency (EPA), the Council of Environmental Quality (CEQ), and other agencies responsible for carrying out environmental laws, policies, and programs. The principal issues facing the Congress and the administration in the environmental area are

- evaluating EPA's management and budget to help ensure that available resources are used efficiently and effectively;
- assessing the government's management of hazardous waste site cleanups, which are estimated to cost hundreds of billions of dollars;
- reviewing the implementation and the cost-effectiveness of air quality measures required by the Clean Air Act Amendments of 1990; and
- identifying cost-effective alternatives to protect the nation's water resources and to ensure safe drinking water supplies.

In the pages that follow, we describe our key planned work on these important issues during our 3-year planning period (fiscal years 1995 through 1997). This year's update to the plan contains some slight changes in emphasis to reflect current congressional interest and available resources. Also, because unanticipated events may significantly affect even the best of plans, our planning process allows for updating this plan during the year as needed to respond quickly to emerging issues. If you have any questions or suggestions about this plan, please call me or Stanley J. Czerwinski, Associate Director, at (202) 512-6511.

A handwritten signature in black ink, appearing to read 'P. F. Guerrero', with a long horizontal flourish extending to the right.

Peter F. Guerrero
Director
Environmental Protection Issues

Contents

Foreword	1
Table I: Key Issues	4
Table II: Planned Major Work	6

Table I: Key Issues

Issue	Significance
Management and budget: Do EPA's approaches to environmental protection ensure that resources are optimally targeted and spent?	Continued progress in environmental protection will be costly. Increasingly, questions are being raised about whether environmental spending is targeted on the highest priority needs. This attention to the cost-effectiveness of environmental programs is especially important with the increased budgetary pressures at all levels of government. Greater attention needs to be given to performance-based measures of progress coupled with more flexible, incentive-based regulatory approaches; more effective partnerships between EPA and the states; and better management.
Hazardous and solid waste: Is the government effectively managing waste programs and ensuring that hazardous waste sites are cleaned up cost-effectively?	Under the Superfund law, hazardous waste cleanups are expected to cost billions of dollars and take decades. The federal government faces the largest liability, potentially hundreds of billions of dollars. Concerns about this program center on the slow pace and high cost of cleanups as well as inefficiencies in administering the program. With the law up for reauthorization, these issues are the subject of much debate.
Air quality: Is the federal government implementing the Clean Air Act Amendments cost-effectively and are emerging issues, such as climate change, being appropriately addressed?	While the overall quality of our nation's air has improved, air pollution problems continue. In the next few years, the Clean Air Act Amendments of 1990 require EPA to establish more regulations to reduce acid rain, ozone-forming emissions, and airborne toxic chemicals. These new regulations are expected to add significantly to the annual costs of compliance, which now exceed \$25 billion. Concerns about these costs and other challenges to achieving these reductions have focused attention on the use of innovative and cost-effective approaches. In addition, the buildup of carbon dioxide and other heat-trapping gases in the earth's atmosphere has raised concerns about the greenhouse effect and global warming. The United States is the world's largest contributor to carbon dioxide emissions, and costly actions may be needed to mitigate climate changes.
Water quality: Is the government cost-effectively protecting surface water, groundwater, and drinking water?	Annual costs to control water pollution are expected to increase significantly in the coming years—reaching around \$65 billion by the year 2000. Local governments and private industries will bear most of these costs. The increases are primarily attributable to the costs for treating wastewater and meeting new federal mandates for protecting drinking water.

Table I: Key Issues

Objectives	Focus of work
<ul style="list-style-type: none">•Identify ways for EPA and the states to achieve environmental results cost-effectively.•Assess ways to enhance the efficiency and effectiveness of EPA's management of environmental programs.•Examine the effectiveness of EPA and state partnerships in reaching environmental objectives.	<ul style="list-style-type: none">•Performance- and incentive-based alternatives to current regulatory approaches•Potential efficiencies and cost savings in EPA's budget•Opportunities to improve relations between EPA and the states
<ul style="list-style-type: none">•Provide the Congress with information to aid in its reauthorization of hazardous (Superfund) and solid waste legislation.•Examine ways to improve the efficiency, cost-effectiveness, and pace of cleanups as well as waste management.	<ul style="list-style-type: none">•Federal budget implications of completing cleanups•Federal and state responsibilities for cleanups•Innovative methods and technologies to encourage waste management and cleanup, including incentives for private voluntary cleanups and accelerated cleanup processes
<ul style="list-style-type: none">•Assist the Congress in its oversight of EPA's implementation of the Clean Air Act Amendments of 1990.•Review how EPA ensures that it considers the most cost-effective control measures when implementing regulations to address air quality problems.•Assess agency initiatives to address emerging issues, such as climate change.	<ul style="list-style-type: none">•EPA's efforts to revise its air quality standards and to improve the accuracy of its air quality modeling•The adequacy and usefulness of cost-benefit and other analyses that EPA uses to make its regulatory decisions•The costs and timing of the federal government's role in reducing greenhouse gases
<ul style="list-style-type: none">•Identify ways to ensure that compliance costs bring commensurate benefits.•Provide the Congress with information to assist in its reauthorization of the Clean Water and Safe Drinking Water Acts.	<ul style="list-style-type: none">•Opportunities to improve the cost-effectiveness of decisions to address water quality problems•The progress of federal, state, and local governments in responding to the most significant water quality concerns•Legislative options for achieving water quality goals cost-effectively

Table II: Planned Major Work

Issue	Planned Major Job Starts
Management and budget	<ul style="list-style-type: none">•Assess how well EPA's regulatory reform initiatives decrease reporting requirements for businesses and provide states and businesses with increased flexibility to implement environmental programs.•Review EPA's justification for its fiscal year 1997 budget request.•Review the effectiveness of EPA's planning and budgeting processes.•Review EPA's peer review process that assesses the quality of scientific data used in its regulatory decisions.
Hazardous and solid waste	<ul style="list-style-type: none">•Determine if EPA has corrected previously reported deficiencies in recovering its costs, contracting, and setting priorities for cleanups in its management of the Superfund program.•Identify ways to perform more cost-effective cleanups of hazardous waste sites at federal facilities.•Assess priority setting for cleaning up hazardous waste sites at federal facilities.•Identify which states have already assumed some Superfund cleanup program responsibilities and what their responsibilities are.•Review how efficiently and effectively states manage cleanups of Superfund hazardous waste sites.•Review "best practices" in state programs that offer private businesses incentives to voluntarily clean up hazardous waste sites.
Air quality	<ul style="list-style-type: none">•Assess how accurately EPA's computer model predicts reductions in emissions from motor vehicles.•Review the quality and usefulness of cost benefit analyses to help ensure the cost-effectiveness of air quality regulations.•Review developed countries' progress in reducing greenhouse gas emissions and identify factors affecting their progress.
Water quality	<ul style="list-style-type: none">•Examine the states' needs for and spending of federal funds to finance the construction of wastewater treatment facilities.•Assess the progress of federal, state, and local governments in responding to the most significant water quality concerns.

Ordering Information

The first copy of each GAO report and testimony is free. Additional copies are \$2 each. Orders should be sent to the following address, accompanied by a check or money order made out to the Superintendent of Documents, when necessary. VISA and MasterCard credit cards are accepted, also. Orders for 100 or more copies to be mailed to a single address are discounted 25 percent.

Orders by mail:

U.S. General Accounting Office
P.O. Box 6015
Gaithersburg, MD 20884-6015

or visit:

Room 1100
700 4th St. NW (corner of 4th and G Sts. NW)
U.S. General Accounting Office
Washington, DC

Orders may also be placed by calling (202) 512-6000
or by using fax number (301) 258-4066, or TDD (301) 413-0006.

Each day, GAO issues a list of newly available reports and testimony. To receive facsimile copies of the daily list or any list from the past 30 days, please call (202) 512-6000 using a touchtone phone. A recorded menu will provide information on how to obtain these lists.

For information on how to access GAO reports on the INTERNET, send an e-mail message with "info" in the body to:

info@www.gao.gov

or visit GAO's World Wide Web Home Page at:

<http://www.gao.gov>

**United States
General Accounting Office
Washington, D.C. 20548-0001**

**Bulk Rate
Postage & Fees Paid
GAO
Permit No. G100**

**Official Business
Penalty for Private Use \$300**

Address Correction Requested

