



# Chairman Ken Calvert

*Subcommittee on Interior, Environment, and Related Agencies  
House Committee on Appropriations*

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## **FY 2016 Budget Hearing - U.S. Environmental Protection Agency February 26, 2015 Opening Statement As Prepared**

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The Committee will come to order.

Good afternoon, and welcome to the fiscal year 2016 budget hearing for the Environmental Protection Agency. Today we are joined by Administrator Gina McCarthy and Acting Chief Financial Officer, David Bloom, to discuss the President's proposal for EPA's FY2016 budget. Welcome to both of you.

Last year, the President's proposed budget operated within the boundaries of the bi-partisan Ryan-Murray budget agreement that established how much the Federal government could spend. That budget proposal offered some choices with which we agreed, and many others with which we disagreed.

This year the President sent a budget to Congress that substantially increases both the national debt and deficit, and fails to balance. Also, with this year's budget, the Administration has shown a willful ignorance for existing spending caps by proposing to spend \$74 billion more than what current law allows. It's out of bounds and it offers unrealistic expectations for discretionary spending.

Therefore, I suspect that a policy discussion will dominate today's hearing given that there is little merit in discussing the Agency's proposed budget in depth. EPA's budget request is \$700 million higher than last year's request. I'm skeptical that the Agency needs \$700 million more than last year's request, but that additional \$74 billion in the President's budget had to be spent somewhere. If enacted, this would be EPA's 3rd highest budget ever, falling behind fiscal years 2010 and 2011, and we have no interest in returning to those spending levels.

The Agency is proposing to hire more lawyers to work on more rules in what would be its largest regulatory budget ever. Meanwhile the budget again proposes cuts for water infrastructure and Great Lakes funding. Further, the budget again proposes to cut diesel emission reduction grants despite the fact that only 30 percent of trucks and other heavy-duty vehicles have transitioned to cleaner technologies. We need to follow the science and increase funding for the DERA program to accelerate the replacement of older engines with newer, cleaner engines.

So for a multitude of reasons, the President's budget isn't a serious proposal. It cuts bipartisan programs in order to fund a partisan agenda. Thankfully, Congress will have the final say.

Turning to policy, you may recall that we had a lengthy debate last year about the proposed Waters of the U.S. rule, which I believe helped alert the general public to several critically flawed assumptions and proposals within the rule. That debate has intensified throughout the

past year prompting more than a million public comments on the proposed rule, and Congressional direction to EPA and the Corps of Engineers in the fiscal year 2015 Omnibus to withdraw the 'Interpretive Rule'.

Also, debate has continued on the greenhouse gas power plant rules prompting some serious questions about whether EPA has the legal authority to embark on what has been proposed. And those serious legal questions remain unresolved. When the President directed your Agency in June 2013 to propose a rule to regulate greenhouse gases from existing power plants by June 1<sup>st</sup> 2014, then it's clear that the White House has little interest in how the rule is structured, what that rule says, or the impacts to American jobs. The White House is more interested in circulating a regulation on a timeframe that is convenient for a term-limited Administration.

Similarly, when the White House directs you to finalize that regulation by June 1, 2015, then I question whether the Administration has any interest in giving you the time you need to incorporate what the States and public have to say. The White House has locked your Agency into an arbitrary deadline in order to lock the rest of the country into yet another bad decision on its watch.

Just last month, the Agency indicated that more time was needed to review more than one million comments on the greenhouse gas rule, and shortly thereafter, some groups criticized EPA for stalling. The June 1 deadline is a manufactured deadline; the Agency is trying to do too much, too fast and the consequences will be costly.

So, we disagree in the strongest possible terms with the agenda this Administration has adopted for your regulatory programs. This anti-jobs, pro-regulatory scheme has forced the Agency to set aside day-to-day permitting operations consistent with statutory responsibilities in order to pursue a grossly unpopular agenda that, if implemented, would be devastating to our national economy.

You have a tough job, Administrator McCarthy, and I know you are going to have to defend the indefensible here today. We all want clean air and clean water and a strong robust economy. It's not a Republican or Democrat issue, and I know that's something you have often said. We both want a healthy environment and job creation, and we just disagree on the best way to achieve those outcomes. But it starts by living within our means. The people I represent in California have to live on a budget that reflects what they can afford, and so, too, does the Federal government.

I know all Members are interested in discussing various issues with you today so I will save additional remarks for the period following your testimony. I am pleased to now yield to my friend, and our distinguished Ranking member, Ms. McCollum.

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