



Chairman Hal Rogers

House Committee on Appropriations

Fiscal Year 2016 Budget Hearing – Environmental Protection Agency February 26, 2015 Opening Statement As Prepared

Mr. Chairman, thank you for yielding. Administrator McCarthy, I appreciate you taking the time to be here today and I welcome you back to the Interior subcommittee.

The Environmental Protection Agency was created for the purpose of protecting human health and the environment by writing and enforcing regulations based on laws passed by Congress. Kentucky has benefited from a number of partnerships with EPA over the years. For example, your agency has provided much-needed grants aimed at preventing radon-related lung cancer in Eastern Kentucky and has worked collaboratively with the Kentucky Rural Water Association to ensure the cleanliness of our drinking water and upgrade wastewater systems. My constituents and I have been supportive of these programs and our partnership in these efforts for years, and we hope to see them continue.

However, the EPA also has the ability to regulate a broad swath of economic activity in this country – from mining to drilling to farming – and each of these industries are fighting every day to manage the onslaught of federal regulations promulgated by your agency. These industries are critical to the national economy, which is why I have found myself, year after year, having to take deliberate steps to protect these industries from the draconian actions the EPA has carried out. The activities that you regulate sustain thousands of families and communities across the country – so it is important that we get things right here in Washington, and that starts with setting the right priorities in the budget.

Despite the fact that Congress, on a bipartisan basis, has reduced your budget request for five consecutive years, the Fiscal Year 2016 request we're considering today, if enacted, would be the third largest in EPA history. And if that wasn't enough, the budget request also includes \$4 billion in new, mandatory spending to implement the greenhouse gas regulations that are shuttering power plants all over the country and causing coal mines to close their doors. Any proposal involving mandatory spending programs requires legislative action outside of this Committee to be realized, and you know, as do I, that this is not a real proposal until it is authorized.

As I have expressed to you many times, I continue to be disappointed with the way this agency approaches its regulatory mission. I simply cannot accept a 6% increase in your funding when, by all accounts, the EPA is still working hard to eliminate more steady, well-paying jobs in the coal industry. This Administration's attack on coal country has left 9,000 miners jobless in

Eastern Kentucky just since the President took office. While it is refreshing to see the Administration take ownership of these devastating losses in coal country through its so-called POWER Plus plan, the President is missing the point: for centuries, this country has run on coal. Businesses large and small rely on cheap, reliable energy to remain competitive, and drawn-out rulemaking processes and bureaucratic overreach create uncertainty that will inevitably raise energy costs and threaten American jobs.

For the life of me, I cannot understand why you continue to wage this war despite the outcry from Congress and the American people. Not only is EPA upending the permitting process for new applicants, this agency is now retroactively denying permits that the Corps had already approved years before. How can an American business operate in this environment, knowing that this agency could shut down their operation despite their adherence to regulatory requirements? This comes on top of looming proposals to shut down coal-fired power plants by creating standards that can only be met by employing technology that is not yet available. Now, we have before us your budget request calling for the largest regulatory budget ever for your agency so it can continue to carry out these wrong-headed policies.

I am even more concerned about your efforts to redefine “waters of the United States,” and, in so doing, expand your regulatory jurisdiction over thousands of streams and tributaries across the country. Since your agency proposed this new rule around this time last year, you have received almost 1 million comments on the subject from cities, states, businesses, coal miners, utility providers, farmers and countless other industries – all concerned about the potential impact of this rule on their livelihood. Assistant Secretary of the Army for Public Works, Jo-Ellen Darcy, testified two weeks ago that the overwhelming majority of these comments were made in opposition to your proposal - roughly 60% in fact. A large part of this criticism stems from the level of uncertainty that this proposed rule has generated. Supposedly, this proposal was issued to clarify jurisdictional boundaries for property owners and governing bodies. In reality, it has done the exact opposite. This Committee has been consistently asking for more clarity on some of the terms utilized in this proposal, such as “tributary” and “ephemeral stream,” but we haven’t gotten it yet – we just continue to hear promises from your agency that answers are still forthcoming. Companies can’t do business with this kind of uncertainty, and employees in the mining industry certainly can’t get peace of mind as jobs continue to disappear all around them due to this agency’s policies.

These topics are critical to the survival of thousands of families throughout Appalachia and other energy producing regions across the country. I look forward to hearing your testimony and hearing how this agency is planning to work with the States and with industry to get our energy economy moving again. Thank you.

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