

**Opening Statement of the Honorable Ed Whitfield
Subcommittees on Energy and Power, Environment and the Economy
Hearing on the Environmental Protection Agency's FY 2017 Budget
March 22, 2016**

(As Prepared for Delivery)

Today is our final EPA budget hearing for the Obama administration, and as always I welcome Administrator McCarthy and look forward to her comments on the agency's budget and its priorities.

EPA's proposed budget is \$8.267 billion dollars for FY 2017, a \$127 million increase over the enacted level for FY 2016 and still higher than the FY 2009 enacted level of \$7.6 billion. Of course, with EPA the issue is not so much the funding it gets but what it does with the money. As we've seen over the last 7 years, for every dollar allocated to the agency each year, we may end up with several dollars in new regulatory costs that hurt consumers, businesses and jobs without commensurate environmental benefits. In fact, the President's Clean Power Plan alone is estimated by the agency to impose billions of dollars in annual compliance costs, eventually reaching levels comparable to the agency's current budget and outside estimates are even higher. We see \$280 million in this budget going toward addressing climate change, an increase of \$85.6 million.

The costs of climate regulations are having real effects on people and family budgets. According to a NERA study, electricity prices could increase by an average of 11% to 14% nationwide under the Clean Power Plan. Thousands of jobs are being lost throughout coal country in large part due to EPA regulations, with many more yet to come as several of the agency's rules targeting coal have not yet fully taken effect.

The Supreme Court's recent stay of the Clean Power Plan is unprecedented and highlights the importance of protecting states from economic harm as the rule is reviewed by the courts. Yet, this agency is taking actions to move forward under the rule before courts can review the legal challenges. It is clear that EPA has no authority to implement or enforce the rule pending the judicial review process. I have a great deal of concern with recent comments by the EPA indicating that the agency is continuing to work and spend taxpayer dollars "to assist states that voluntarily decide to move forward..." on the Clean Power Plan.

The impacts of this climate agenda go beyond the lost jobs and consumer pain. This EPA has made global warming its overriding concern even though there is no Congressional authority directing it to do so. At the same time, the agency has taken its eye off the ball with regard to many of the agency's most important duties that are clearly delegated to it by statute.

While EPA has been issuing an ever expanding set of climate regulations, the agency has repeatedly failed to meet its critical deadlines under the Renewable Fuel Standard program. The Clean Air Act specifies that the agency must finalize its annual rule setting out the required volumes of ethanol and other biofuels by November 30th of the prior year, so that regulated entities know ahead of time what the requirements are. Similarly, the agency faces numerous lawsuits for failure to meet other statutory deadlines. The agency diverts resources to the President's climate agenda yet it neglects statutory responsibilities and issues of direct consequence to people's health.

Perhaps most concerning of all is what the agency plans to do now that time is running out on it. The pace of costly new regulations has been extreme throughout this administration, and I anticipate it may accelerate further as the Obama administration tries to get as much out the door in its final months.

We have philosophical areas of disagreement when it comes to the President's extreme climate agenda. As the Committee with jurisdiction over the EPA, we will continue our extensive oversight of this agency and its proposed budget during the President's final year in office.

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