



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

July 21, 2011
(House Rules)

STATEMENT OF ADMINISTRATION POLICY

H.R. 2584 — Department of the Interior, Environment, and Related Agencies Appropriations Act, 2012 (Rep. Rogers, R-KY)

The Administration strongly opposes House passage of H.R. 2584, making appropriations for the Department of the Interior, environment, and related agencies for the fiscal year ending September 30, 2012. The Administration is committed to ensuring the Nation lives within its means and reducing the deficit so that the Nation can compete in the global economy and win the future. That is why the President put forth a comprehensive fiscal framework that reduces the deficit by \$4 trillion, supports economic growth and long-term job creation, protects critical investments, meets the commitments made to provide dignity and security to Americans no matter their circumstances, and provides for our national security.

The Administration strongly opposes a number of provisions in this bill, including ideological and political provisions that are beyond the scope of funding legislation. If the President is presented with a bill that undermines ongoing conservation, public health, and environmental protection efforts through funding limits or restrictions, his senior advisors would recommend he veto the bill.

While overall funding limits and subsequent allocations remain unclear pending the outcome of ongoing bipartisan, bicameral discussions between the Administration and congressional leadership on the Nation's long-term fiscal picture, the Administration has concerns regarding the level of resources the bill would provide for a number of programs in a way that undermines core government functions, investments key to economic growth and job creation, as well as protection of public health and the environment and preservation of our Nation's natural resource heritage, including, but not limited to:

Department of the Interior (DOI)

Fish and Wildlife Service (FWS) Conservation Grants. The level of funding provided to the North American Wetlands Conservation Act and State and Tribal Wildlife grants, as well as the termination of Neotropical Migratory Bird Conservation Act grants, would threaten the ability of States and private organizations to conserve and provide access to habitat, undermining the conservation of game and non-game species.

Safety Inspection Fees. The bill does not include user fees to cover inspections of oil and gas production facilities offshore and onshore. Without these fees, taxpayers, rather than industry, would have to shoulder the cost of these operations, which are critical to ensuring safe and responsible energy development.

FWS Operations. The funding provided for operations would seriously degrade the ability of FWS to maintain the network of National Wildlife Refuges and fulfill other statutory responsibilities. This would result in delays in environmental compliance reviews, which could impede major

infrastructure projects, including road construction, water delivery, and other federally funded projects that directly benefit State and local governments.

Landsat. The bill does not provide funding to begin the acquisition of the next Landsat satellite, ending a 40-year stream of data that is used by Federal, State, local and Tribal governments and the private sector to make informed land and resource management decisions and to assess the impacts of those decisions over time.

DOI and Department of Agriculture (USDA), Forest Service

Land and Water Conservation Fund (LWCF). The funding in the bill for LWCF programs would deny willing sellers the opportunity to sell land holdings, and severely impair the ability of Federal, State, and local officials, as well as private landowners, to preserve and manage areas important to wildlife, recreationalists, and sportsmen and women.

Wildland Fire Suppression. The bill's funding for suppression is substantially below the 10-year average, which is the accepted method for calculating suppression requirements. While the bill directs DOI and the Forest Service to use emergency fire suppression balances to make up the shortfall, this strategy carries high risk given the high fire activity to date and the cancellation of balances in FY 2011 appropriations.

Environmental Protection Agency (EPA)

EPA Operating Budget. At the funding level provided, EPA will be unable to implement its core mission of protecting human health and the environment. Research necessary to support this mission will be curtailed, and restoration of key ecosystems such as the Great Lakes and the Chesapeake Bay will be delayed.

State Revolving Funds (SRFs). The level of funding provided in the bill would result in approximately 400 fewer wastewater and drinking water projects, and impede EPA's ability to reach the long-term goal of providing approximately 5 percent of total water infrastructure funding annually.

State Categorical Grants. The funding provided in the bill for grants to States would impede States' ability to carry out critical public health and environmental activities such as air quality monitoring and water quality permitting. This would greatly reduce core high-priority State environmental programs at a time of declining State budgets.

Greenhouse Gas (GHG) Programs. The reductions in funding for GHG programs and regulations severely limit actions the Administration could take under current law to permit, control, and monitor greenhouse gases and would block EPA's efforts to reduce GHG emissions from vehicles and large stationary sources.

Great Lakes Restoration Initiative (GLRI). The level of resources for the GLRI would reduce the ability of Federal agencies and their partners to clean up contaminated sediments, fight invasive species, restore habitat, and improve water quality in this critical ecosystem.

High Priority Ecosystems Funding. The level of funding provided for the Chesapeake Bay would jeopardize the successful clean-up of the Nation's largest estuary.

Responsible Energy Development and Oil Spill Response. The level of resources in the bill would eliminate efforts to increase the frequency of environmental compliance inspections at oil facilities. In addition, the bill does not include emergency transfer authority necessary to improve the Government's ability to prevent and respond to oil spills.

Smart Growth. The bill terminates funding for EPA's Smart Growth program, which contributes to efforts to assist communities in coordinating infrastructure investments and minimizing environmental impact of development.

National Endowment for the Arts (NEA).

The funding in the bill for the NEA, which is the largest national funder of the arts in the United States, would cut support for arts organizations across the country during a time when private and State arts funding is also highly constrained.

Council on Environmental Quality.

The Administration's ability to guide the Executive Branch's environmental policies and programs will be substantially reduced at the funding level in the bill.

The Administration strongly opposes problematic policy and language issues that are beyond the scope of funding legislation, including, but not limited to, the following provisions in this bill:

Restrictions on Implementing the Endangered Species Act. Preventing FWS from implementing key provisions of the Endangered Species Act will only result in increased costs and delays in the future.

Mountain Top Mining Reform. Preventing the Office of Surface Mining from developing or implementing the stream buffer zone rule could increase the risk of litigation and potentially delay sustainable coal mining.

Mineral Withdrawal Prohibition. Prohibiting DOI from restricting new mining claims on approximately 1 million acres of Federal lands near the Grand Canyon will reverse a temporary moratorium on new uranium and other mining claims. The Secretary of the Interior is currently assessing the impact to water quality in Grand Canyon National Park to ensure that any future uranium or other mining activity in the area does not lead to the human health and environmental impacts seen from previous mining-caused contamination of ground water and drinking water supplies.

Gray Wolves. The Endangered Species Act expressly gives the public the right to challenge listing decisions. Restricting judicial review of any published final rule to delist gray wolves in Wyoming or the Great Lakes region from the Endangered Species Act would deny the public an opportunity to make sure that a future listing decision on gray wolves is based on science.

Protecting Wilderness Characteristics Secretarial Order. Prohibiting the Bureau of Land Management (BLM) from implementing Secretarial Order 3310, which directs BLM to use the public resource management planning process to designate certain lands with wilderness characteristics as "Wild Lands" is unnecessary given the Department's policy that includes collaboration with stakeholders to identify public lands that may be appropriate candidates for

congressional designation under the Wilderness Act.

Greenhouse Gas (GHG) Emissions from Stationary Sources. Preventing EPA from regulating GHG emissions from stationary sources would prevent the Agency from proposing or finalizing new regulations to control GHG emissions from power plants and petroleum refineries, increasing the risk of long-term environmental consequences from GHG emissions. EPA is under two settlement agreements to complete these rules in 2012.

Clean Air Act Permitting. Section 431(a)(2-4) of the bill effectively overrides Federal and State-issued permits for emissions from industrial facilities that are very large emitters of greenhouse gases by stating that the Clean Air Act's requirement to obtain a permit has no legal effect and that no lawsuits may be brought against a facility due to uncontrolled greenhouse gas emissions.

Light-Duty Greenhouse Gas Standards. Section 453 of the bill undermines Executive Branch efforts to set standards that will save consumers money at the pump and reduce GHG emissions through increased vehicle fuel efficiency on Model Year 2017-2025 Light-Duty Vehicles.

Utility Maximum Achievable Control Technology (MACT)/Transport Rule. Section 462 of the bill blocks EPA from implementing its utility MACT rule to control air toxics emissions, as well as the Cross-State Air Pollution Rule controlling interstate transport of nitrogen oxides and particulate matter emissions from power plants. This provision interferes with the long-delayed implementation of major air pollution rules covering pollution from power plants.

Mountaintop Mining Coordination and Guidance. Section 433 of the bill prohibits implementing or enforcing an EPA/Army Corps of Engineers (Corps)/Office of Surface Mining coordination Memorandum of Understanding and EPA guidance on the Clean Water Act/National Environmental Policy Act and mountaintop mining. This issue is currently undergoing judicial review and should be allowed to conclude without congressional intervention.

Clean Water Act. Section 435 of the bill would stop an important Administration effort to provide clarity around which water bodies are covered by the Clean Water Act. The Administration's work in this area will help to protect the public health and economic benefits provided to the American public by clean water, while also bringing greater certainty to business planning and investment and reducing an ongoing loss of wetlands and other sensitive aquatic resources. The existing regulations were the subject of two recent Supreme Court cases, in which the Court itself indicated the need for greater regulatory clarity regarding the appropriate scope of the Clean Water Act jurisdiction.

Outer Continental Shelf Drilling. Section 443 of the bill limits EPA's Clean Air Act permitting authority for Outer Continental Shelf drilling and would eliminate the Agency's discretion in considering human health and environmental protections when issuing these permits.

Integrated Risk Information System. Section 444 of the bill withholds funding for EPA to take administrative action following its assessment of risk for certain chemicals. This provision would delay scientific assessment of environmental contaminants and could delay regulatory or other Agency actions designed to protect public health.

Limiting Compliance of the Endangered Species Act. Section 447 of the bill would prevent EPA from implementing a biological opinion related to pesticides if the opinion identifies modifying, canceling, or suspending registration of a pesticide registered under FIFRA. This could undermine

efforts to protect species from being put into jeopardy from a Federal project and could stop development and delay issuance of permits.

Lead Renovation and Repair Rule. Section 450 of the bill prohibits funding for EPA to implement the 2008 Lead Renovation, Repair and Painting (RRP) rule, as amended, until after industry develops and EPA approves different lead paint test kits. This would undermine efforts to protect sensitive populations from exposure to lead, a known toxin to children and developing fetuses, during home renovation projects. The currently available test kits allow renovators to comply with the 2008 rule.

Reducing Emissions from Cement Facilities. The language would prevent common sense deployment of technology that has been around for decades that will improve public health by reducing emissions of pollutants, including known carcinogens such as dioxin, from cement facilities.

Fighting Fraud, Waste, and Abuse. Sections 449 and 451 of the bill fall short of their intended purposes of protecting the interest of the Nation's taxpayers. The Administration looks forward to working with the Congress to achieve the common goal of fighting fraud, waste, and abuse in Federal contracts, grants, and other Federal assistance.

The Administration looks forward to working with the Congress as the fiscal year 2012 appropriations process moves forward to ensure the Administration can support enactment of the legislation.

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