

May 30, 2017

The Honorable Gene Yaw
Senate of Pennsylvania
Chair, Environmental Resources
and Energy Committee
Senate Post Office Box 203023
Harrisburg, PA 17120-3023

The Honorable John Yudichak
Senate of Pennsylvania
Chair, Environmental Resources
and Energy Committee
Senate Post Office Box 203014
Harrisburg, PA 17120-3014

The Honorable John Maher
PA House of Representatives
Chair, Environmental Resources
and Energy Committee
House Post Office Box 202040
Harrisburg, PA 17120-2040

The Honorable Mike Carroll
PA House of Representatives
Chair, Environmental Resources
and Energy Committee
House Post Office Box 202118
Harrisburg, PA 17120-2118

Dear Chairmen:

As the Department of Environmental Protection (DEP) prepares for the 2017-2018 fiscal year, we are dedicated to using our limited resources wisely and efficiently, in support of a cooperative and seamless government that works for all Pennsylvanians. To that end, the Governor's budget proposal will allow us to improve permit times and inspection coverage while advancing environmental protections and aggressively controlling costs. I stand ready to work with you and your members to achieve these goals.

However, in reviewing the budget recently passed by the House of Representatives (House Bill 218, Printer's No. 1236), I have deep concerns about the impact that it would have on the capability and efficiency of DEP. A spending cut of this magnitude -- unfocused and on top of the changes we have already proposed and the cuts we have received, including a reduction of 754 positions over the past decade -- would not only cause significant difficulties, but this budget would put Pennsylvania's environmental and public health at risk.

Such deep cuts would:

- **Impact public health.** These cuts would further erode DEP's ability to oversee the state's drinking water systems, downsize prevention programs for West Nile Virus and Zika control, and could impact air quality programs. Currently, public water systems provide drinking water to 83 percent of Pennsylvania's population. The federal government has warned DEP that current staffing resources are inadequate to oversee public water systems. The Commonwealth is already working to address drinking water issues related to lead across the state, most notably in Pittsburgh. A 6 percent cut to this program would result in at least 600 less inspections of public drinking water facilities across Pennsylvania that demonstrate operators are providing clean water for citizens to consume. Lack of resources to inspect and

Secretary

permit public water systems endangers public health, and could lead to a takeover of the program by the U.S. Environmental Protection Agency.

- **Threaten public safety.** A 6.41 percent reduction in Environmental Program Management will have a significant impact on the implementation of the statewide Dam Safety Program. Pennsylvania has approximately 3,400 dams. Of those, almost 800 could result in the loss of life and property if they failed. Dam safety staff are responsible for the annual review of the inspection and monitoring of the high-hazard dams. Previous budget cuts have made these annual inspections difficult to complete. Further cuts will prevent DEP from completing these important inspections, endangering lives and property. Currently, 85 dams are deemed to be unsafe in Pennsylvania. All division staff are actively resolving these issues, but staff cuts will significantly slow progress to resolve unsafe conditions.
- **Stall economic development.** Permitting time frames, particularly for water-related permits like NPDES, would be extended. Developers, industry and farmers rely on DEP's ability to evaluate applications and provide timely issuance of permits. Prior-year budget cuts have significantly impacted DEP's ability to efficiently complete this work. Our initial estimate is that DEP would be unable to issue an additional 100 federal water quality permits in the first year. The impacts of permit backlogs will compound over time. At a time when we have begun making great improvements in our permit processes, the proposed budget cut would send that work in exactly the wrong direction.
- **Threaten miners and jeopardize federal match requirements.** DEP's Mine Safety Program is 100 percent funded through general funds. A 6.5 percent reduction would result in the loss of underground mine inspectors and the Mine Safety Emergency Response and Training Manager. Loss of these positions would endanger the health and safety of the miners working in underground mine operations. Similarly, District Mining Operations are funded by a 50 percent federal match, so a \$1 loss of general funds will result in a \$2 loss to this program. This would lead to declines in inspection frequencies and slow permit timeframes.
- **Threaten federal highway dollars.** Most of the funding for air quality programs comes from federal and special funds, with some reliance on general fund dollars. The proposed cuts would lead to permit delays and, when combined with the potential loss of federal dollars, endanger the Commonwealth's ability to comply with National Ambient Air Quality Standards, resulting in the loss of federal highway dollars and increased permitting requirements in nonattainment areas.
- **Stifle the Commonwealth's ability to improve water quality, particularly within the Chesapeake Bay watershed and impact our partners.** The Commonwealth recently kicked off the process to develop the Phase III Watershed Implementation Plan to meet our legal mandates within the Chesapeake Bay by 2025. The combination of proposed cuts to DEP's water quality programs (which are largely dependent upon the General Fund), to the Conservation Districts, to the Chesapeake Bay Commission, and to the Susquehanna River Basin Commission all but ensure we will not be able to meet our obligations. We are working collaboratively and creatively to identify resources to help improve streams and rivers statewide, and these budget cuts are a step in the wrong direction. Failure to demonstrate that the Commonwealth is committed to the cleanup of the Chesapeake Bay watershed would likely lead to additional oversight by the U.S. Environmental Protection

Agency, expanded permit requirements and timeframes, and the further loss of federal funding.

These cuts are further exacerbated by the uncertainty created with the federal budget proposal. As you know, the President's budget includes almost 50 percent reductions to grants that fund all of our federal permitting and inspection programs as well as our air monitoring network. At a time when the national focus has shifted to infrastructure planning and improvement, the combined federal and state cuts to this agency would endanger our ability to take advantage of infrastructure project funding and the jobs that would be created.

Thank you for taking the time to consider just some of our concerns with HB 218, PN 1236, and for your continued support of DEP and the public we serve. I very much appreciate your recognition, both in meetings and in DEP's budget hearings, that there is a need to identify additional resources to accomplish our collective goals. I look forward to meeting with you to discuss these matters further and answer any questions you may have.

Sincerely,



Patrick McDonnell
Secretary

cc: Senate Environmental Resources and Energy Committee Members
House Environmental Resources and Energy Committee Members