

Ohio EPA: Impact of Senate Budget on Environmental Protection Fund 5BC0
(Including the impact of eliminating the \$1 per ton Solid Waste Fee Increase)

ALI	ALI NAME	FY2010 Reduction	FY2011 Reduction	FTE Reduction
715672	Air Pollution	2,849,604	3,187,604	30.9
715622	Local Air Pollution*	954,586	1,162,586	10.8
715678	Corrective Action	176,966	176,966	1.7
715617	Clean Ohio	111,247	111,247	
715675	Hazardous Waste	30,280	30,280	0.3
715667	Groundwater	664,320	664,320	5.2
715673	Drinking Water	1,670,287	1,670,287	10.3
715624	Surface Water	5,386,199	5,550,199	45.0
715687	Areawide Subsidy	450,000	450,000	
715676	Assistance & Prevention	179,743	179,743	2.0
715677	Laboratory	420,117	420,117	3.0
SUBTOTAL		12,893,349	13,603,349	109.2
715604	Central Support	1,565,264	1,565,264	11.0
TOTAL		14,458,613	15,168,613	120.2

* FTE impact on Local Air Agencies is estimated.

The reduction amounts above reflect the actual impact of the elimination of the \$1/ton increase on municipal solid waste for the Environmental Protection Fund 5BC0. Loss of the fee increase compounds the impact of lower revenues from the current fee due to a reduction in waste going to landfills. Therefore, spending cuts would be required below the Senate levels to the line items in Fund 5BC0.

Air Pollution Control: Line Item 715672

- Reduction in permit staff. Ohio EPA will need to reduce the number of staff assigned to permitting by a total of 30.9 positions. The Local Air Agencies would also reduce permitting staff by 10.8 positions. Overall, this is approximately a 25% reduction in air permitting staff over the biennium.
- Delay in issuance of minor source permits-to-install and operate (PTIOs). Directly reducing the Agency's permitting staff will cause delays in permit issuance and make Ohio a less attractive place for both new businesses looking to locate here and existing businesses wishing to expand their operations.
- Increased time and reduced resources needed to issue permits for major new projects and reduced ability to expedite permits to assist businesses in meeting critical construction time frames.
- Reduced ability to develop tools to increase permit efficiency. With fewer staff devoted to permitting, Ohio EPA will not have the ability to develop more innovative tools (i.e. permit-by-rule provisions) to assist businesses because all staff resources will be devoted to getting the existing permits processed.
- Reduction in the ability to develop acceptable attainment demonstrations, including timely redesignation requests. Ohio EPA is required to prepare state implementation plans by U.S. EPA, as outlined in the Clean Air Act. Failure to submit an adequate

SIP or revise a SIP to keep up with changing federal law can result in a variety of consequences, including U.S. EPA “bumping up” a region in Ohio to a higher level of nonattainment or imposing economic sanctions such as the loss of federal highway funds.

- Reduction in ambient air monitoring network. Ohio has one of the country’s most extensive air pollution monitoring networks, which is used to measure Ohio’s compliance with national ambient air quality standards. Monitoring activities are funded by Title V fees, federal grant monies, and 5BC funds. These reductions could pose possible delays in siting and operating new monitors required by U.S. EPA to address revised national ambient air quality standards for lead and the inability to conduct specialized monitoring studies, such as studies to evaluate airborne toxics.
- Reduction in Risk Management Plan Program review plans (called Risk Management Plans or RMPs) from large facilities that use hazardous chemicals. The RMPs are required under U.S. EPA regulations and outline the steps companies are taking to prevent and respond to accidental releases on their sites. Ohio EPA also inspects facilities to determine if they are complying with the Risk Management Plan regulations.
- Potential loss of a federal grant that contains cost-sharing requirements applicable to eligible state, and local air agencies.

Local Air Pollution Control: Line Item 715622

- Reduced ability to process new source permits in a timely manner. Funding in this ALI is given as subsidy to the nine separate Local Air Agencies (LAAs) located throughout the state that complete Ohio EPA’s permitting and monitoring responsibilities within their respective jurisdictions. The LAAs are critical to the air pollution program in the state and these reductions will have a direct detrimental affect on permit processing time.

Emergency and Remedial Response: Line Item 715678

- Diminished emergency response capacity to oversee cleanups including chemical spills from trucks involved in traffic accidents.
- Elimination of the Orphan Drum waste removal program.
- Reduction of drinking and groundwater monitoring and support for cleanups performed through the Voluntary Action Program.

Hazardous Waste: Line Item 715675

- Increased response time to cessation of regulated operations (CRO) complaints and industry inquiries will impair our ability to perform site inspections and prevent hazardous wastes from being left behind when industrial facilities close. During the 4th quarter of each fiscal year when funding is exhausted CRO activities will cease, except for time-critical issues or issues involving imminent threats to human health and the environment, until the next fiscal year. As a result, customer service to industry and the public will be negatively impacted.

Groundwater: Line Item 715667

- Drastic reduction in level of support to the Divisions of Hazardous Waste Management, Emergency and Remedial Response and Solid and Infectious Waste.

The Division of Drinking and Groundwater (DDAGW) would stop all ground water related assistance to the Division of Surface Water. This will result in delays in permits and other agency actions involving ground water for each of these programs. Review of ground water quality monitoring data submitted by regulated facilities would be backlogged resulting in delayed response to ground water contamination.

Drinking Water: Line Item 715673

- Reduced level of oversight of Ohio's public water systems and potential loss of the ability to maintain primary enforcement authority for the Safe Drinking Water Act.
- The federally adopted Ground Water Rule, Long Term 2 Enhanced Surface Water Treatment Rule, and the Stage 2 Disinfection, Disinfection Byproduct Rules will have to be adopted and implemented starting in FY 2010 for Ohio EPA to maintain Primacy. This is on top of the 14 other rules Ohio EPA has adopted and implement as a result of Amendments to the SDWA in the last several bienniums. With current staffing, meeting these requirements will be challenging and with the proposed reduction in staff, DDAGW will not be able to implement these new rules resulting in a possible loss of Primacy to U.S.EPA .
- Delayed review of engineering plans for new and upgrades to existing public water facilities, including stimulus related projects.
- Eliminate outreach and technical assistance to public water systems including schools and businesses. Ohio EPA will not be able to ensure compliance with drinking water regulations and more drinking water systems will face enforcement, many of which will have to be referred to U.S.EPA for enforcement. Ohioans will not have the same assurances of receiving safe drinking water.
- No support of source water protection for surface water based public water supplies.
- Reduce Laboratory Certification Program. Staff would not be able to meet requests for certification of analyst and methods. Eliminate all unannounced surveys of laboratories greatly limiting laboratory oversight. Reduced response to the over 2,000 technical support requests received annually. Ohio EPA would not have the same level of confidence in the quality of data being submitted for Ohio's public water systems.

Surface Water: Line Item 715624

- Eliminate technical assistance to small wastewater treatment plant operators, causing immediate impacts and increase costs for compliance for over 45 wastewater treatment plants each year. The following services would be eliminated: 1) training local health boards, agency staff, operators and even USEPA; 2) evaluating treatment technologies; 3) training and testing for operators; 4) providing technical expertise for facility under enforcement; 5) providing technical advice to DSW staff and 6) responding to phone calls and emails asking for assistance.
- Inability to issue timely National Pollution Discharge Elimination System (NPDES) permits resulting in an increase in the permit backlog. In addition, monthly operating report review, compliance inspections, and enforcement for waste water dischargers will fall below levels needed to maintain a base program and national delegation. Public outreach, technical assistance, and rule writing efforts will be reduced. While Ohio EPA has met our permit issuance goals at current staffing we have been unable

to meet our minimum compliance inspection and follow-up needs. If staff is reduced neither the permit issuance nor the compliance inspection goals will be met.

- Increased processing time for permits to install for wastewater construction plan approvals. The environmental impact will include an increase in inadequately treated wastewater discharges from treatment systems due to capacity problems, inappropriate design, and poor installation. This can lead to health problems for Ohioans who drink, fish, wade, or swim in our waters. Delaying permit issuance will result in delaying construction, delaying development, and possible loss of jobs for Ohio.
- Increased processing time for 401 Certification. Current regulations require that 401 certifications have to be acted upon within 180 days. Reduction in staff could possibly require the agency to deny applications that exceed this timeframe. This could have a significant impact on development in Ohio. Safety issues may result if we are unable to ensure that dredging activities do not cause flooding.
- Reduction of fish consumption advisories which provide Ohioans with understandable, easy to use information about what they can consume. Reduced ability to protect Ohioans from such fish tissue contaminants as mercury and PCBs, which can create significant health problems in these vulnerable populations. Special attention needs to be paid to those individuals most at risk for over-consumption, including children and women of child-bearing age.
- Potential loss of federal funding if not able to produce total maximum daily load (TMDL) calculations that identify and restore polluted rivers, streams, lakes and other surface water bodies as agreed to as part of a court settlement with environmental groups.
- Reduced water quality monitoring. With limited resources in the program now and further reductions in staff, these assessments would be pushed back several additional years. Failure to complete timely monitoring of Ohio's water resources will impact Ohio EPA's ability to ensure safe, streams, lakes, and drinking water.

Areawide Planning Agencies/208 Planning: Line Item 715687

- In addition to supporting Ohio EPA operations, the \$1 increase in the tipping fee for the Environmental Protection Fund was designated to support a new state subsidy to help support Areawide Planning Agencies. Without the fee increase, this additional support for water planning activities will not be available.

Compliance Assistance and Pollution Prevention: Line Item 715676

- Reduction of service to companies and other EPA divisions on a voluntary, non-regulatory basis to assist in the modification of operating processes that will generate less pollution in a cost-effective and technically feasible manner.
- Slowing of permitting process since the small businesses assisted would not be able to get the permits they need to comply with environmental requirements. This assistance is provided exclusively to small businesses that, in most cases, would not otherwise be able to afford consultants to help with their environmental permitting requirements. Failure to obtain these permits could cause these small businesses to face environmental penalties and/or move to another state, creating job losses for Ohio.

Program Management: Fund 2190 Line Item 715604

- Staff reductions would result in: a significant reduction in information technology systems development and maintenance, database and network administration, hardware and software acquisition management, media conversion and information technology planning; slower response to public records request, and inadequate support for permitting, enforcement and compliant resolution; cuts in internal services including legal, employee services, labor and EEO forcing programs to divert a portion of their remaining time and resources away from environmental activities to complete these administrative tasks and putting the Agency at risk for violating personnel and labor regulations.