

GAO

Resources, Community, and Economic  
Development Division

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Environmental Protection  
Issue Area Plan, Fiscal  
Years 1998-2000

1999 Update



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# Foreword

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As the investigative arm of the Congress and the nation's auditor, the General Accounting Office is charged with following the federal dollar wherever it goes. Reflecting stringent standards of objectivity and independence, GAO's audits, evaluations, and investigations promote a more efficient and cost-effective government; expose waste, fraud, abuse, and mismanagement in federal programs; help the Congress target budget reductions; assess financial information management; and alert the Congress to developing trends that may have significant fiscal or budgetary consequences. In fulfilling its responsibilities, GAO performs original research and uses hundreds of databases or creates its own to compile and analyze information.


To ensure that GAO's resources are directed toward the most important issues facing the Congress, each of GAO's 32 issue areas develops a strategic plan that describes its key issues and their significance, the objectives and focus of its work, and its planned major job starts. Each issue area relies heavily on input from congressional committees, agency officials, and subject-matter experts in developing its strategic plan.

GAO's Environmental Protection Issue Area covers the Environmental Protection Agency (EPA), as well as the Council for Environmental Quality (CEQ) and other federal agencies' programs for carrying out environmental laws and policies. EPA's \$7 billion budget funds diverse regulatory, research, enforcement, and technical assistance programs directed at controlling pollution of the air, land, and water. The nation's annual costs to comply with environmental regulations are estimated at over \$120 billion and growing. While the United States has made considerable progress in cleaning up the environment, the problems that remain are often more complex and challenging. GAO provides the Congress with valuable advice on how to realize further environmental improvements in the most cost-effective manner. The principal issues addressed by GAO's audit and evaluation work in the environmental area are:

- evaluating EPA's progress in directing its resources to areas where they can have the greatest impact in protecting the environment and public health;
- providing the Congress with information it needs for reauthorizing key environmental statutes and for overseeing implementation of major environmental programs;

•assessing EPA's efforts to identify and address emerging environmental problems, consider the costs and benefits of new regulatory requirements, work effectively with the states, and appropriately involve the public in environmental protection.

In the pages that follow, we describe our key planned work on these important issues during our 3-year planning period (fiscal years 1998 through 2000). This year's update contains no significant changes in emphasis. However, because unanticipated events may significantly affect even the best of plans, our planning process allows for updating this plan during the year as needed to respond quickly to emerging issues. If you have any questions or suggestions about this plan, please call me or David G. Wood, Associate Director, at (202) 512-6111.

A handwritten signature in black ink, appearing to read "P. F. Guerrero". The signature is stylized with a large, looped initial "P" and a long, sweeping horizontal line at the end.

Peter F. Guerrero  
Director  
Environmental Protection Issues

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# Contents

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Foreword	1
Table I: Key Issues	4
Table II: Planned Major Work	6

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# Table I: Key Issues

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Issue	Significance
<b>Agency management and budget:</b> Are EPA's resources effectively targeted and used to accomplish its environmental protection objectives?	EPA plays a significant role in setting and achieving the nation's environmental goals. Critical to its success is how effectively the agency uses strategic planning and performance-based measures of progress to ensure sound management and fiscal accountability in its operations. To illustrate, EPA expends a large portion of its approximately \$7.4 billion budget through grants and contracts to implement federal laws. Historically, EPA's management of these instruments has been poor. GAO has designated parts of the Superfund program as high-risk, for example, because of long-standing problems in the agency's management of cleanup contracts.
<b>Reauthorization issues and program implementation:</b> How well are key environmental statutes and programs addressing the problems that they were designed to remedy, and what steps would improve their effectiveness?	To protect the environment, the federal government has enacted a host of federal statutes that are implemented by EPA, the states, and localities. In 1994 (the most recently available information), the public and private sectors spent about \$122 billion, or almost 2 percent of the nation's GDP, to comply with environmental regulations and standards. While progress has been made, problems remain and the monetary costs for additional progress may be substantial. The challenge is how to ensure that these laws, which periodically come up for statutory reauthorization, and the programs for carrying them out promote both the effective and efficient safeguarding of public health and the environment.
<b>Emerging issues and other work:</b> Are emerging environmental problems being appropriately identified and considered, do the benefits of additional regulatory requirements outweigh the costs, is the EPA-state partnership for implementing environmental programs working effectively, and is EPA appropriately involving the public in protecting the environment?	As science provides more knowledge about global and national environmental conditions, concerns are raised as to whether other significant environmental problems are emerging and additional action is needed. The increasing costs to the public and private sectors of traditional environmental programs and the prospects of addressing new and more complex issues present the challenge of making sure that environmental needs are correctly characterized, new regulatory actions are cost-beneficial, and the federal-state partnership for implementing environmental programs is working most effectively. As EPA looks to involve the public more in protecting the environment, questions arise as to the public's role in environmental decisionmaking and what information people need to make personal choices, such as the use and disposal of certain materials, that could impact the environment.

**Table I: Key Issues**

**Objective**

**Focus of work**

•Evaluate EPA's implementation of major efforts aimed at improving its management and operations.

•EPA's implementation of the Government Performance and Results Act

•Identify and recommend opportunities to reallocate existing resources to high-priority work.

•EPA's efforts to improve its management of grants and contracts

•Potential efficiencies and cost savings in EPA's budget

•Provide the Congress with information to aid in its reauthorization of key environmental laws.

• Major program issues surrounding the reauthorization of Superfund and the Clean Water Act

•Examine the implementation of federal statutes by EPA, states, and localities.

•The progress of federal, state, and local governments in implementing federal environmental statutes, such as the Clean Air Act Amendments of 1990 and the Safe Drinking Water Act Amendments of 1996

•Assess the federal government's role in addressing emerging issues, such as climate change.

•The impacts of the federal government's efforts to deal with greenhouse gas emissions

•Analyze how EPA determines and weighs the costs and benefits of proposed regulatory requirements.

•The adequacy and usefulness of cost-benefit and other analyses that EPA uses to support its regulatory decisions

•Evaluate the effectiveness of EPA and the states in reaching compliance with environmental objectives.

•Opportunities to improve relations between EPA and the states

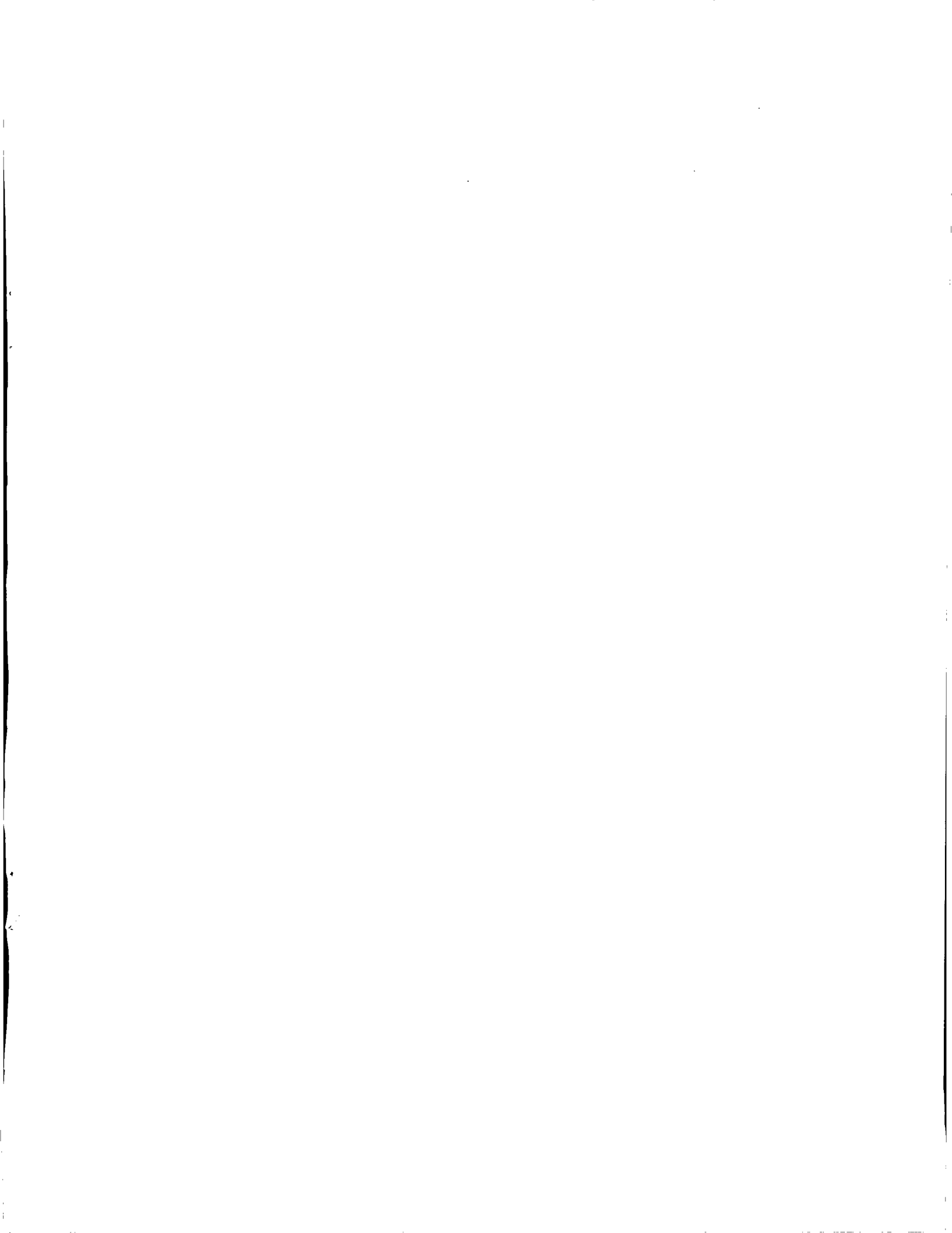
•Examine EPA's efforts to involve the public in protecting the environment.

•Environmental information available to the public

# Table II: Planned Major Work

Issue	Planned major job starts
Agency management and budget	<ul style="list-style-type: none"> <li>•Assess the ability of EPA's information systems to support implementation of the Government Performance and Results Act.</li> <li>•Determine EPA's progress in correcting contract management and other problems that have made the Superfund program one of GAO's high-risk federal programs.*</li> <li>•Evaluate EPA's efforts to close out completed grants and contracts and reobligate leftover funds to other activities*</li> <li>•Review EPA's fiscal year 2000 budget request.</li> </ul>
Reauthorization and program implementation	<ul style="list-style-type: none"> <li>•Analyze the cost levels and justifications for the major components of federal Superfund expenditures.</li> <li>•Identify cost-effective practices of state hazardous waste cleanup programs that could have Superfund program application.</li> <li>•Review the risks posed by hazardous waste sites awaiting inclusion in the Superfund cleanup program.*</li> <li>•Evaluate EPA's efforts to address the problem of pfiesteria, which has resulted in several large fishkills and human illnesses.</li> <li>•Identify federal programs and funding for addressing nonpoint source water pollution.</li> <li>•Evaluate EPA's plans for monitoring air quality to implement its new particulate matter standard.</li> <li>•Assess EPA's and the states' progress in implementing the 1996 Amendments to the Safe Drinking Water Act.*</li> </ul>
Emerging issues and other work	<ul style="list-style-type: none"> <li>•Review the basis for the Administration's estimates of U.S. costs to implement the Kyoto Protocol on greenhouse gas emissions.</li> <li>•Identify the key monitoring and compliance issues for the United States in considering implementation of the Kyoto Protocol.</li> <li>•Evaluate how EPA uses benefit-cost analyses in developing environmental regulations.</li> <li>•Evaluate EPA's and the states' implementation of performance-based grants and working agreements.</li> <li>•Assess EPA's methods for protecting sensitive business data as increasing amounts of environmental information is made publicly available.*</li> </ul>

\*Ongoing work.





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