2018 President's Budget Hazardous Materials Management Program

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Purpose Statement

The Hazardous Materials Management Program (HMMP) provides leadership in six key environmental areas: (1) establishing annual funding priorities and funding hazardous material cleanups on USDA-managed lands and sites contaminated from past activities; (2) developing Departmental policies on environmental management systems, pollution prevention, and environmental compliance; (3) coordinating implementation of environmental management systems; (4) planning for, evaluating, and responding to natural and other incidents affecting the natural and built environment; (5) ensuring that USDA minimizes environmental liabilities associated with property transfers; and (6) representing USDA, which serves as a key Federal partner, in the national Brownfields program. Requirements, criteria, and procedures of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), the Resource Conservation and Recovery Act (RCRA), and other environmental requirements guide decision making. The program also supports homeland security objectives by representing USDA on the National Response Team for oil and hazardous substance releases and several emergency support functions under the National Response Plan. HMMP also supports natural resources stewardship, quality-of-life goals for rural America, and Brownfields and Mine-Scarred Lands initiatives under the Small Business Liability Relief and Brownfields Revitalization Act.

The HMMP is headquartered in Washington, D.C. As of September 30, 2016, there were five permanent full-time employees, with four located in the national headquarters and one located in a field office in Colorado.

The HMMP did not have any Office of Inspector General or Government Accountability Office evaluation reports during the prior year.

Available Funds and Staff Years (SYs) (Dollars in thousands)

Te							2018 Presid	dent's
Item	2015 Actual		2016 Actual	20	017 Estimate	Budget		
	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs
Discretionary Appropriations:								
Hazardous Materials Mgt	\$3,600	5	\$3,618	4	\$3,611	4	\$3,503	6
Adjusted Appropriation	3,600	5	3,618	4	3,611	4	3,503	6
Balance Available, SOY	656	-	139	-	235	-	-	-
Recoveries, Other (Net)	512	-	5,396	-	-	-	-	
Total Available	4,768	5	9,153	4	3,846	4	3,503	6
Balance Available, EOY	-139	-	-235	-	-	-	-	
Obligations	4,629	5	8,918	4	3,846	4	3,503	6

Permanent Positions by Grade and Staff Year Summary

Item	20	15 Actı	ıal	20	16 Act	ual	201	7 Estin	nate	2018 Pr	esident's	s Budget
	D.C.	Field	Total	D.C.	Field	Total	D.C.	Field	Total	D.C.	Field	Total
GS-15	1	-	1	1	-	1	1	-	1	1	-	1
GS-14	2	1	3	2	1	3	2	1	3	3	1	4
GS-11	1	-	1	1	_	1	-	-	-	1	-	1
Total Perm.												
Positions	4	1	5	4	1	5	3	1	4	5	1	6
Unfilled, EOY	-	-	-	-	-	-	-	_	-	-	-	-
Total, Perm. Full-Time Employment,												
EOY	4	1	5	4	1	5	3	1	4	5	1	6
Staff Year Est	4	1	5	3	1	4	3	1	4	5	1	6

The estimates include appropriations language for this item as follows (new language underscored; deleted matter enclosed in brackets):

<u>Hazardous Materials Management Program</u> (Including Transfer of Funds)

For necessary expenses of the Department of Agriculture, to comply with the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9601 et seq.) and the Resource Conservation and Recovery Act (42 U.S.C. 6901 et seq.), [\$3,618,000] \$3,503,000, to remain available until expended: *Provided*, That appropriations and funds available herein to the Department for Hazardous Materials Management may be transferred to any agency of the Department for its use in meeting all requirements pursuant to the above Acts on Federal and non-Federal lands.

Lead-Off Tabular Statement

Budget Estimate, 2018	\$3,503,000
2017 Annualized Continuing Resolution	3,611,000
Change in Appropriation	-108,000

<u>Summary of Increases and Decreases</u>

(Dollars in thousands)

					2018
	2015	2016	2017	2018	President's
	Actual	Change	Change	Change	Budget
Discretionary Appropriations:					
Hazardous Materials Management Program	\$3,600	+\$18	-\$7	-\$108	\$3,503

Project Statement Adjusted Appropriations Detail and Staff Years (SYs) (Dollars in thousands)

										2018	3
Program	2015 Ac	2015 Actual		2016 Actual		2017 Estimate		Inc. or Dec.		President's	
	Amount	SYs	Amount	SYs	Amount	SYs	Amount	S	SYs	Amount	SYs
Discretionary Appropriations:											
Hazardous Materials Mgt	\$3,600	5	\$3,618	4	\$3,611	4	-\$108	(1)	+2	\$3,503	6
Bal. Available, SOY	656	-	139	-	235	-	-235		-	-	-
Recoveries, Other (Net)	512	-	5,396	-	-	-	-		-	-	-
Total Available	4,768	5	9,153	4	3,846	4	-343		2	3,503	6
Bal. Available, EOY	-139	-	-235	-		-			-		
Total Obligations	4,629	5	8,918	4	3,846	4	-343		+2	3,503	6

Project Statement Obligations Detail and Staff Years (SYs) (Dollars in thousands)

									2018 Presi	dent's
Program	2015 Act	ual	2016 Act	ual	2017 Estin	nate	Inc. or Dec	c	Budge	et
	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs
Discretionary Obligations:										
Hazardous Materials Mgt	\$4,629	5	\$8,918	4	\$3,846	4	-\$343	+2	\$3,503	6
Total Obligations	4,629	5	8,918	4	3,846	4	-343	+2	3,503	6
Bal. Available, EOY	139	-	235	-	-	-	-	-	-	
Total Available	4,768	5	9,153	4	3,846	4	-343	+2	3,503	6
Bal. Available, SOY	-656	-	-139	-	-235	-	+235	-	-	-
Other Adjustments (Net)	-512	-	-5,396	-	-	-	-	-	-	
Total Appropriation	3,600	5	3,618	4	3,611	4	-108 (1) +2	3,503	6

Justification of Increases and Decreases

Base funding is critical to the continued oversight, guidance, planning, and coordination of Department-wide efforts to advance the cleanup and site remediation activities of USDA agencies under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) and the Resource Conservation and Recovery Act (RCRA) efforts. Further, the account pays for legal activities performed by the Office of the General Counsel staff to fix responsibility for pollution cleanup and recover costs from responsible parties. Monetary judgments awarded the Department resulting from these legal activities not only go to the individual USDA agency that has performed or contracted for cleanup work, proportional amounts are also credited to the Hazardous Materials Management account based on the value of legal services performed. In addition to the activities and functions specifically described in the budget request, current year and budget year base funds will be used to carry out activities and functions consistent with the full range of authorities and activities delegated to the office. In addition to Departmental Administration funding used for human resources operational services, current year and budget year base funds will also be used to support expedited and enhanced classification, staffing and processing efforts.

(1) A net decrease of \$108,000 for Hazardous Materials Management Program (\$3,611,000 and 4 staff years available in 2017).

The funding change is requested for the following items:

a. An increase of \$15,000 for pay costs (\$3,000 for annualization of the 2017 pay increase and \$12,000 for the 2018 pay cost increase).

This increase is needed to maintain the current level of staffing to ensure that the program can continue to provide leadership and coordination of Department-wide hazardous materials cleanup efforts.

b. A decrease of \$123,000 for a reduction of cleanup projects.

This decrease will be achieved by reducing the number of environmental cleanup projects required under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) and the Resource Conservation and Recovery Act (RCRA) for USDA properties shown to be contaminated with hazardous substances, pollutants, and contaminants (mainly acquired by the Agricultural Research Service, Farm Service Agency, and the Forest Service).

Geographic Breakdown of Obligations and Staff Years

(Dollars in thousands and Staff Years (SYs))

State/Territory	2015 Actual		2016 Act	ual	2017 Estir	nate	Budget		
	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs	
Colorado	\$176	1	\$173	1	\$176	1	\$180	1	
District of Columbia	4,453	4	8,745	3	3,670	3	3,323	5	
Obligations	4,629	5	8,918	4	3,846	4	3,503	6	
Bal. Available, EOY	139	-	235	-	-	-	-	_	
Total, Available	4,768	5	9,153	4	3,846	4	3,503	6	

Classification by Objects (Dollars in thousands)

					2018
		2015	2016	2017	President's
		Actual	Actual	Estimate	Budget
Personr	nel Compensation:				
Wash	ington D.C	\$392	\$363	\$370	\$594
Field.		137	134	137	140
11	Total personnel compensation	529	497	507	734
12	Personnel benefits	134	120	123	156
	Total, personnel comp. and benefits	663	617	630	890
Other C	Objects:				
21.0	Travel and transportation of persons	16	25	25	25
23.3	Communications, utilities, and misc. charges	27	20	20	20
24.0	Printing and reproduction	13	10	10	10
25.2	Other services from non-Federal sources	10	4	4	4
25.3	Other purchases of goods and servies				
	from Federal sources	3,883	8,231	3,146	2,543
26.0	Supplies and materials	14	10	10	10
31.0	Equipment	3	1	1	1
	Total, Other Objects	3,966	8,301	3,216	2,613
99.9	Total, new obligations	4,629	8,918	3,846	3,503
Position	n Data:				
Avera	age Salary (dollars), GS Position	\$117,000	\$117,000	\$119,000	\$118,500
Avera	age Grade, GS Position	14.3	14.3	14.3	14.3

Status of Programs

Current Activities:

The Hazardous Materials Management Program (HMMP) provides leadership, policy development, and oversight of USDA's implementation of the Nation's two primary statutes governing hazardous materials compliance: the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.) and the Resource Conservation and Recovery Act (RCRA, 42 U.S.C. 6901 et seq.). Funds are appropriated yearly to HMMP for use in meeting requirements of CERCLA and RCRA on USDA managed and non-Federal lands.

HMMP continues to devote available funding to cleanup projects that pose the greatest risk to human health and the environment. HMMP continues its efforts to reduce USDA's environmental liabilities by reviewing environmental assessments for land transactions involving significant environmental concerns. HMMP continues to leverage HMMA dollars via environmental enforcement against and cost recovery from responsible parties.

A portion of the account is used to fund staff within the Office of Procurement and Property Management (OPPM) and within the Office of the General Counsel (OGC). Each year OGC is successful in bringing additional money into this program through enforcement actions and other agreements with those deemed responsible for contaminating USDA managed lands. In most cases this cost recovery comes from past owners or operators of abandoned mine lands. Through the use of cost recovery USDA is able to further efforts to cleanup up USDA managed lands.

Program staff provides Departmental leadership through the development and implementation of policy and guidance, and provide oversight of the CERCLA and RCRA activities of the Department and other entities. This program includes environmental cleanup, preparation and response to discharges or release of oil, hazardous materials, pollutants or contaminants, and assessment of existing conditions of property to determine if there are environmental concerns prior to disposal or acquisition of a property.

As a member of the National Response Team, HMMP provides technical assistance, resources and coordination on planning, preparedness, response and recovery activities for emergencies involving oil, hazardous substances, pollutants and contaminants, and weapons of mass destruction in natural and technological disasters and other environmental incidents of national significance.

Currently the following three USDA agencies are reporting cleanup costs for contamination issues on USDA managed lands or facilities or contamination for which USDA is otherwise responsible for the cleanup:

- 1. The Agricultural Research Service total estimated cost is at least \$20 million.
- 2. The Commodity Credit Corporation total estimated cost ranges from \$8 million to \$55 million.
- 3. The Forest Service total estimated cost ranges from \$4 billion to \$6 billion. The Forest Service reports their greatest contamination issues revolve around abandoned mine lands.

Selected Examples of Recent Progress:

- The OGC attorneys funded through HMMP, recovered \$4.8 million from responsible parties for contamination on USDA managed lands.
- As a member of the National Response Team, USDA assisted Federal Emergency Management Agency in
 updating Presidential Policy Directive (PPD) 8 planning documents to address critical issues, which
 included updating the Emergency Support Function (ESF) #10 Oil and Hazardous Materials Response
 Annex to the National Response Framework.
- In response to a Government Accountability Office (GSA) audit, USDA coordinated with all respective Environmental Protection Agency (EPA) regional offices to reconcile records on the status of 251 USDA sites on EPA hazardous waste compliance docket.

- The Department, as a member of the National Response Team, coordinated with all relevant USDA agencies to update the National Oil and Hazardous Substances Pollution Contingency Plan and participated in the planning of the 2016 Spill of National Significant exercise. This exercise involved a hypothetical train derailment, followed by a significant oil spill in the Columbia River Gorge just east of Portland, Oregon. The timing of this exercise was very fortunate, as later in the year that area experienced an actual derailment.
- OPPM / Environmental Management Division staff conducted three formal reviews to address GAO
 concerns about reconciling USDA's inventory of contaminated sites. USDA requested information from
 ARS, the Farm Service Agency (FSA), and the Animal and Plant Health Inspection Service, and formally
 visited Forest Service Regions 4, 6 and 10.
- HMMP obligated a total of \$5.3 million in 2016 toward the cleanup of USDA lands and facilities. Of that amount \$1.9 million were appropriated funds and \$3.4 million were cost recoveries received in 2015 from responsible parties associated with abandoned mines. Projects funded include:
 - (1) The Beltsville Agricultural Research Center (BARC) in Maryland addressed one phase of a multimillion dollar remediation at the facility which is on the EPA's National Priorities List), EPA's list of the Nation's worst contaminated sites on private and Federal land. As of October 2016, USDA has spent \$49 million for investigations and cleanups at BARC. EPA has determined that ARS has adequately addressed threats to human health and the environment at 47 of 63 areas of concern (AOC). ARS continues required response actions at the remaining 16 AOCs. Based on current engineering evaluations ARS estimates that an additional \$20 million is needed to complete the ongoing investigations, remaining cleanups, and annual groundwater monitoring at BARC. (\$915,000)
 - (2) The Citrus and Subtropical Product Lab in Winter Haven Florida addressed the investigation of three areas of contamination initially identified as exceeding regulatory limits for Polycyclic Aromatic Hydrocarbons in soil along the fence line and chromium contamination in soil around the former cooling tower for the facility. This site also has confirmed Agent Orange contamination around the concrete slab of the garage floor from a known spill. (\$200,000)
 - (3) The Lake George Work Center project in Lake George, Colorado addressed Polychlorinated biphenyls contamination at elevated concentrations in a formerly used potable water well. (\$115,000)
 - (4) The Akron Mine and Mill Site project addressed its final cleanup phase to improve Tomichi Creek's water quality. The Forest Service, EPA, Colorado State Division of Reclamation, Mining and Safety, as well as the Trout Unlimited came together through a watershed based collaborative partnership to contribute to the reclamation efforts in the historic Tomichi Creek Mining District and Tomichi Watershed. (\$400,000)
 - (5) The Warm Springs Site, located near Clancy, Montana addressed the cleanup of the mill tailings present at the site that have elevated arsenic, cadmium, copper, lead and zinc levels. This area has experienced a recent increase in recreational and camping use. (\$300,000)
 - (6) The Walker Mine project near Quincy, California addressed the California Water Quality control Board concerns by conducting a focused feasibility study and testing to identify areas where mine tailings are continuing to leach copper into Dolly Creek. This is in violation of California Waste Discharge requirements. This study and testing will assess whether institutional stabilization or consolidation away from the creek area will be required. (\$70,000)
 - (7) The Cibola Uranium mines cleanup near Grants, New Mexico addressed the cleanup of five uranium mines with elevated levels of radionuclides. The gamma radiation and radium-226 levels in the waste piles are significantly greater than background concentrations and present a significant risk to site visitors. (\$1.7 million)

- (8) The Upper Pinto Creek Mines project addressed the cleanup of the Upper Pinto Creek Watershed in Southern Arizona. The site contained elevated levels of lead, arsenic and coper. The project improves the water quality of this impaired creek, which flows into Lake Roosevelt. Lake Roosevelt is a primary source for drinking and irrigation water for nearby communities and homelands. (\$480,000)
- (9) The Royal John mine cleanup, located in Silver City, New Mexico, addressed the cleanup of mine tailings with elevated levels of heavy metals. USDA/Forest Service received threats of litigation from the attorney hired by private land owners with property adjacent to the contaminated tailings. (\$720,000)
- (10) The Ross Adams mine cleanup, located on the Prince of Whales Island in southeastern Alaska, will assist with the design of a remedy for this site. High gamma radiation risks exists at this site due to the high grade uranium oxide ore waste rock. The city of Hydaburg, the city of Craig and the organized village of Kasaan have been concerned about the contamination at this site. (\$350,000)
- Although FSA was not funded this year from HMMA, HMMP continues its long-term support of the FSA's efforts to address carbon tetrachloride-contaminated groundwater in rural communities. In 2016 FSA continued the work on projects previously funded by HMMP including sites in Sylvan Grove, Kansas; York, Nebraska; and Hanover, Kansas. EPA recently placed York on its National Priorities List.

Summary of Budget and Performance

The Hazardous Materials Management Program (HMMP) provides leadership in six key environmental areas: (1) establishing annual funding priorities and funding hazardous material cleanups on USDA-managed lands and sites contaminated from past activities; (2) developing Departmental policies on environmental management systems, pollution prevention, and environmental compliance; (3) coordinating implementation of environmental management systems; (4) planning for, evaluating, and responding to natural and other incidents affecting the natural and built environment; (5) ensuring that USDA minimizes environmental liabilities associated with property transfers; and (6) representing USDA, which serves as a key Federal partner, in the national Brownfields program.

The Department will be revising the USDA Strategic Plan later in the spring and expects to release it with the FY 2019 President's Budget.

Key Performance Measures:

Percent of available HMM resources distributed to priority cleanup activities										
2012 2013 2014 2015 2016 2017 2018										
	Actual Actual Actual Actual Target Target									
Percent										

Selected Past Accomplishments Toward the Achievement of the Key Outcome:

- USDA recovered \$4.8 million from responsible parties for contamination on USDA managed lands.
- As a member of the National Response Team, USDA assisted Federal Emergency Management Agency in updating Presidential Policy Directive (PPD) 8 planning documents to address critical issues, which included updating the Emergency Support Function (ESF) #10 Oil and Hazardous Materials Response Annex to the National Response Framework.
- In response to a Government Accountability Office (GSA) audit, USDA coordinated with all respective Environmental Protection Agency (EPA) regional offices to reconcile records on the status of 251 USDA sites on EPA hazardous waste compliance docket.
- The Department, as a member of the National Response Team, coordinated with all relevant USDA agencies to update the National Oil and Hazardous Substances Pollution Contingency Plan and participated in the planning of the 2016 Spill of National Significant exercise. This exercise involved a hypothetical train derailment, followed by a significant oil spill in the Columbia River Gorge just east of Portland, Oregon. The timing of this exercise was very fortunate, as later in the year that area experienced an actual derailment.
- OPPM / Environmental Management Division staff conducted three formal reviews to address GAO concerns
 about reconciling USDA's inventory of contaminated sites. USDA requested information from Agricultural
 Research Service, the Farm Service Agency (FSA), and the Animal and Plant Health Inspection Service, and
 formally visited Forest Service Regions 4, 6 and 10.
- HMMP obligated a total of \$5.3 million in 2016 toward the cleanup of USDA lands and facilities. Of that amount \$1.9 million were appropriated funds and \$3.4 million were cost recoveries received in 2015 from responsible parties associated with abandoned mines.
- Although FSA was not funded in 2016 from HMMA, HMMP continues its long-term support of the FSA's
 efforts to address carbon tetrachloride-contaminated groundwater in rural communities. In 2016 FSA
 continued the work on projects previously funded by HMMP including sites in Sylvan Grove, Kansas; York,
 Nebraska; and Hanover, Kansas. EPA recently placed York on its National Priorities List.

Selected Accomplishments Expected at the FY 2018 Proposed Resource Level:

Currently the following three USDA agencies are reporting cleanup costs for contamination issues on USDA managed lands or facilities or contamination for which USDA is otherwise responsible for the cleanup:

- As of 2016, USDA has spent \$49 million for investigations and cleanups at the Beltsville Agricultural Research Center (BARC), a site on the Environmental Protection Agency's National Priorities List. EPA has determined that ARS has adequately addressed threats to human health and the environment at 47 areas of concern on BARC. However, EPA is requiring a significant amount of continuing and additional investigation, cleanup, and monitoring at other areas of concern on the facility. ARS estimates that an additional \$20 million is needed to complete the EPA required work. In 2017, HMMP was able to provide an additional \$1.4 Million for ongoing cleanup actions at BARC. In 2018, we will provide funding as allows.
- USDA continues to monitor the cleanup activities of the FSA CCC. FSA CCC maintained grain storage facilities in at least 150 Midwestern communities. Of those, 91 sites have been determined to require no further cleanup action by the respective state regulator. FSA continues to work on the remaining identified 62 sites. The estimate for the remaining environmental liabilities are currently being reviewed and range from \$8 to \$55 million depending on the extent of contamination found. Although USDA was not able to provide any additional HMM9 funding to FSA CCC for this effort in 2017, the HMMP will be conducting a review of their cleanup program. In 2018, we will provide funding as allows.
- The Forest Service has the greatest need for cleanup funding as the cost of cleaning up contamination on federally managed lands exceeds \$5 billion. In 2017, USDA provided \$250,000 in HMMA funding for a collaborative effort between EPA and the Forest Service to cleanup a National Priority List site. At 2018 funding levels, minimal funds would be available from the HMMP program to further this effort, however we will continue to provide technical assistance.
- In response to GAO audit 15-35 "Agencies Should Take Steps to Improve Information on USDA's and Interior's Potentially Contaminated Sites, the HMMP is conducting a review of agencies inventories of potentially contaminated sites. Also in response to the GAO audit, the HMMP is conducting a focused review of the status of the 251 USDA sites that are on EPA's Federal Agency Hazardous Waste Compliance Docket.
- HMMP continues to monitor agencies compliance of USDA's enforcement first policy which requires that
 agencies determine if viable potentially responsible parties (PRP) exist to pay for cleanup actions. Where
 PRPs exist, USDA will enter into agreements or issue enforcement orders requiring the PRPs to either
 conduct the cleanups or to pay USDA costs for those costs.
- HMMP will continue to provide OGC targeted funds to pursue responsible parties and to provide legal
 advice with respect to environmental liabilities.
- HMMP will represent USDA on the National Response Team to prepare and respond to incidents that involve releases from oil, hazardous substances, pollutants, and contaminants.
- HMMP will continue working with the Department of Defense to establish policy, memorandum of
 agreement, and site access authorizations to ensure their cleanup of the Formerly Used Defense (FUD) sites
 on USDA's managed lands are properly conducted to meet our natural resources management
 requirements.
- HMMP will continue to represent USDA on national forums including but not limited to USDA's
 Environmental Justice team, DOD's FUD site cleanup forum, EPA's Brownfields Network, and the multiagency Federal Mining Dialogue.