Trends in Environmental Compliance

MIKE DUNNING

Partner, Perkins Coie

STEVE TAYLOR

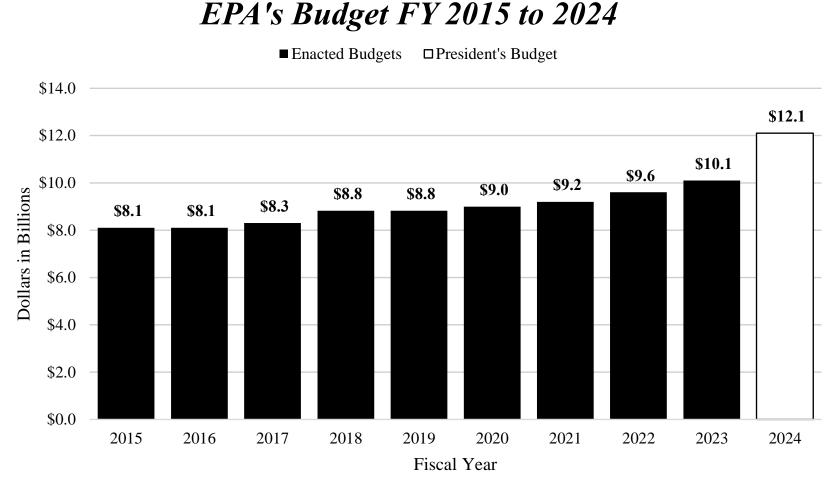
President and Principal Engineer, Maul Foster & Alongi, Inc.



Federal Transition





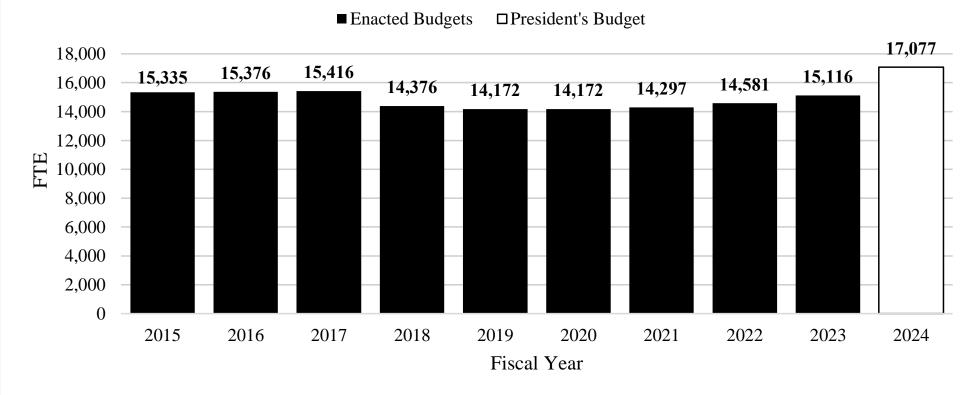


Notes:

- 1. All agency totals include applicable rescissions.
- 2. FY 2020 Enacted excludes the Coronavirus Aid, Relief, and Economic Security Act.
- 3. FY 2021 Enacted excludes the American Rescue Plan Act.
- 4. FY 2022 and FY 2023 Enacted exclude the Infrastructure Investment and Jobs Act. Resources correspond to the resource levels included in each year's Enacted Operating Plan, except for FY 2024, which is the requested level.



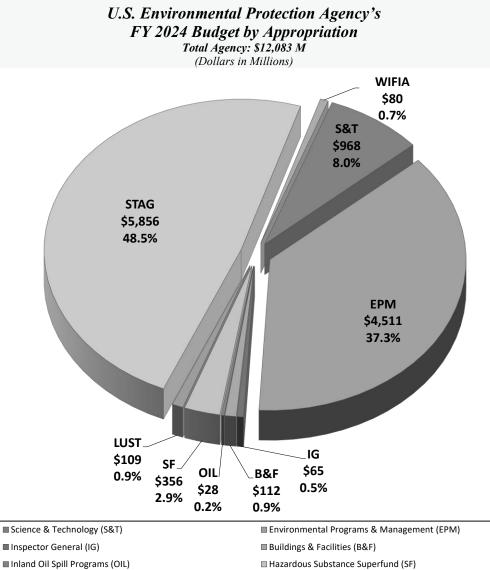
EPA's FTE Ceiling History FY 2015 to 2024



Notes:

- 1. FTE (Full Time Equivalent) = one employee working full time for a full year (52 weeks x 40 hours = 2,080 hours), or the equivalent number of hours worked by several part-time or temporary employees.
- 2. Reimbursable FTE are included.
- FY 2022 and FY 2023 Enacted exclude the Infrastructure Investment and Jobs Act. Resources correspond to the resource levels included in each year's Enacted Operating Plan, except for FY 2024, which is the requested level.







Water Infrastructure Finance & Innovation Program (WIFIA)



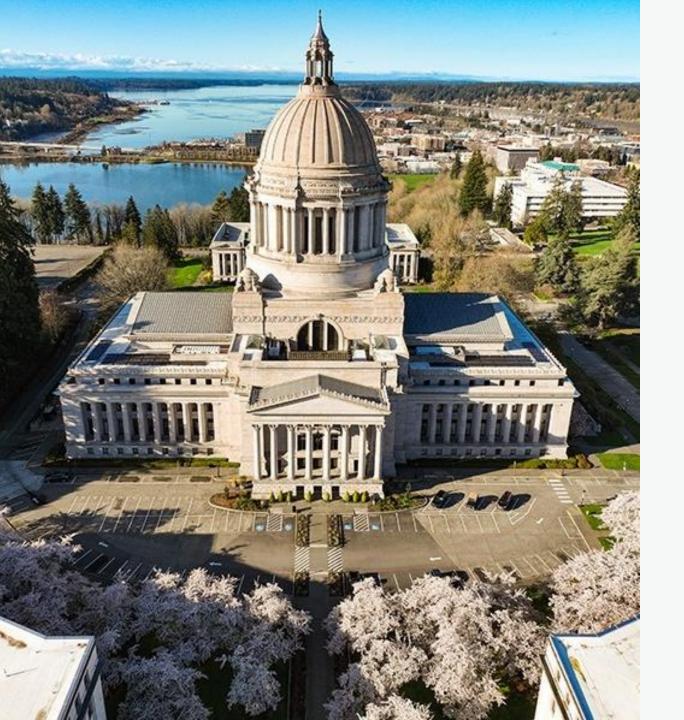
1. Excludes supplemental funding.

In addition to annual appropriated resources, the agency expects to receive an estimated \$2.5 billion in Superfund tax receipts in FY 2024 not reflected here. These additional government revenues will support continued Superfund cleanup and enforcement.

WA State Transition







2025-2027 State Proposed Budget Cuts

- 6% cut for most state agencies
- 3% cut for higher education
- No cuts for basic education and technical/community colleges
- No cuts for public safety
- No cuts for entitlements



Governor's Stated Priorities

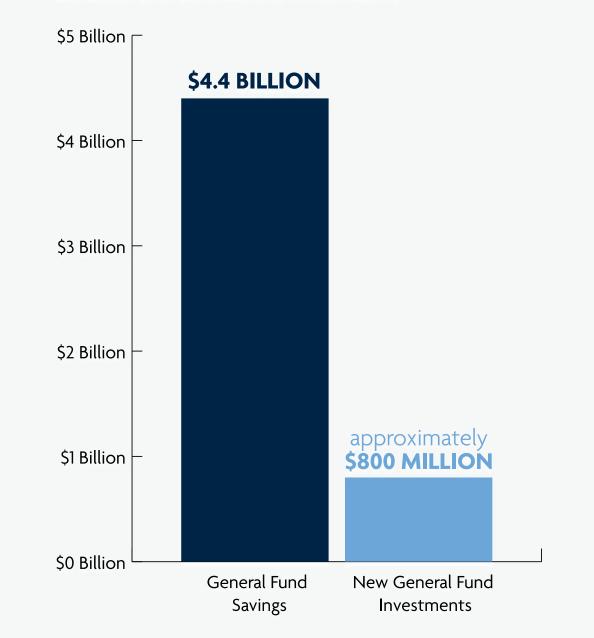
Public Safety

Housing

Ferries

Affordability

GENERAL FUND SAVINGS AND INVESTMENTS







Department of Ecology 2025-27 Capital Budget Comparison

| Capital | 2025-27 Biennium Budget Request 9/10/2024 | | | | Governor Inslee's Budget Proposal 12/17/2024 | | | | Difference | | | |
|--|--|-------------------|---------|-----------|---|-------------------|---------|-----------|------------|-------------------|-------|---------|
| 12/17/2024 \$ in thousands | SBCA | MTCA ¹ | Other | Total | SBCA | MTCA ¹ | Other | Total | SBCA | MTCA ¹ | Other | Total |
| Prevent and Reduce Waste, Toxic Threats, and Pollution | | | | | | | | | | | | |
| 1 Protect Investments in Cleanup Remedies | | 4,450 | | 4,450 | | 4,450 | | 4,450 | | | | |
| 2 Remedial Action Grant Program | 64,028 | 44,203 | | 108,231 | 52,126 | 28,571 | | 80,697 | (11,902) | (15,632) | | (27,53 |
| 3 Reducing Diesel Greenhouse Gases (GHG) and Toxic Emissions | 21,319 | | | 21,319 | | 15,632 | | 15,632 | (21,319) | 15,632 | | (5,68 |
| 4 PFAS Response | 5,000 | | | 5,000 | 5,000 | | | 5,000 | | | | |
| 5 Eastern Washington Clean Sites Initiative | | 16,250 | | 16,250 | | 4,250 | | 4,250 | | (12,000) | | (12,00 |
| 6 Affordable Housing Cleanup Grant Program | | 9,654 | | 9,654 | | 9,654 | | 9,654 | | | | |
| 7 Swift Creek Natural Asbestos Flood Control and Cleanup | 11,540 | | | 11,540 | 5,000 | | | 5,000 | (6,540) | | | (6,54 |
| 8 Product Replacement Program | | 9,000 | | 9,000 | | 9,000 | | 9,000 | | | | |
| 9 ASARCO Everett Smelter Plume Cleanup | | 7,239 | | 7,239 | | 7,239 | | 7,239 | | | | |
| 10 Reducing Toxic Wood Stove Emissions | | 4,164 | | 4,164 | | 4,164 | | 4,164 | | | | |
| 11 Clean Up Toxic Sites-Puget Sound Initiative | | 3,150 | | 3,150 | | 3,150 | | 3,150 | | | | |
| 12 Waste Tire Pile Cleanup and Prevention | | | 1,000 | 1,000 | | | 1,000 | 1,000 | | | | |
| 13 Cleanup Settlement Account Projects | | | 650 | 650 | | | 650 | 650 | | | | |
| Protect and Manage Our State's Waters | | | | | | | | | | | | |
| 14 Water Pollution Control Revolving Program | | | 614,000 | 614,000 | | | 614,000 | 614,000 | | | | |
| 15 Centennial Clean Water Program | 80,000 | | | 80,000 | 17,500 | 22,500 | | 40,000 | (62,500) | 22,500 | | (40,00 |
| 16 Floodplains by Design | 84,000 | | | 84,000 | 59,629 | | | 59,629 | (24,371) | | | (24,37 |
| 17 Stormwater Financial Assistance Program | 13,219 | 66,781 | | 80,000 | 2,000 | 66,781 | | 68,781 | (11,219) | | | (11,21 |
| 18 Columbia River Water Supply Development Program | 56,469 | | 1,415 | 57,884 | 53,519 | | 1,415 | 54,934 | (2,950) | | | (2,95 |
| 19 Yakima River Basin Water Supply | 59,000 | | | 59,000 | 49,020 | | | 49,020 | (9,980) | | | (9,98 |
| 20 Chehalis Basin Strategy | 80,000 | | | 80,000 | 70,029 | | | 70,029 | (9,971) | | | (9,97 |
| 21 Puget Sound Nutrient Reduction Grant Program | 30,000 | | | 30,000 | 15,000 | | | 15,000 | (15,000) | | | (15,00 |
| 22 Streamflow Restoration Program | | | 40,000 | 40,000 | | | 40,000 | 40,000 | | | | |
| 23 State Match – Water Pollution Control Revolving Program | | | 41,000 | 41,000 | | | 41,000 | 41,000 | | | | |
| 24 Sunnyside Valley Irrigation District Water Conservation | 3,320 | | | 3,320 | 3,320 | | | 3,320 | | | | |
| 25 Stormwater Community-Based Public-Private Partnerships | 25,000 | | | 25,000 | 10,000 | | | 10,000 | (15,000) | | | (15,00 |
| 26 Riparian Buffer Incentive Program | 30,000 | | | 30,000 | | | | - | (30,000) | | | (30,00 |
| 27 Freshwater Algae Grant Program | | | 800 | 800 | | | 468 | 468 | | | (332) | (33) |
| 28 Freshwater Aquatic Invasive Plants Grant Program | | | 1,700 | 1,700 | | | 1,300 | 1,300 | | | (400) | (40 |
| 29 Coastal Wetlands Federal Funds | | | 10,000 | 10,000 | | | 10,000 | 10,000 | | | | |
| Facility Related | | | | | | | | | | | | |
| 30 Product Testing Laboratory Construction | 16,969 | | | 16,969 | | | | - | (16,969) | | | (16,96 |
| 31 Lacey Building Fire Alarm System Replacement | 1,138 | | | 1,138 | | | | - | (1,138) | | | (1,13 |
| 32 Eastern Regional Office HVAC Boiler and Condenser Replacement | 800 | | | 800 | | | | - | (800) | | | (80 |
| Total Capital Budget | 581,802 | 164,891 | 710,565 | 1,457,258 | 342,143 | 175,391 | 709,833 | 1,227,367 | (239,659) | 10,500 | (732) | (229,89 |

Notes:

¹ Model Toxics Control Capital (23N-1) and Stormwater (23R-1) Accounts.

To request an ADA accommodation, contact Ecology by phone at 564-200-3541 or email at witc461@ecy.wa.gov, or visit https://ecology.wa.gov/accessibility. For Relay Service or TTY call 711 or 877-833-6341.



What does all this mean for Environmental Compliance?

Likely fewer resources at EPA, both at EPA HQ and Region 10

We should expect some decrease in enforcement from Region 10

But for businesses, projects, facilities that need federal permits or EPA approvals, we should expect some delay in permit/approvals from EPA and other federal agencies (e.g., Corps of Engineers)

Most importantly, Washington is a deep blue state. Washington and its environmental agencies have primary authority for most of the permits and regulatory inspections and oversight in Washington.



What does all this mean for Environmental Compliance?

For day to day permit requirements, inspections and enforcement, WACA members should not expect any significant changes because of Washington state's role

However, because Governor Ferguson seems to be signaling budget cuts, key agencies like Ecology may have fewer staff/resources and so that may mean fewer inspections, somewhat reduced enforcement and potentially a reduction in new policy initiatives

That also means businesses and projects may see delays in obtaining permits and approvals from Ecology and other state agencies (e.g., DNR)



What does all this mean for Environmental Compliance?

Because of the change in federal administration, we may also see policy changes at the federal level that may affect Washington

Some examples of this may be state water quality standards; cleanup and drinking water standards for PFAS and the reach of the clean water act

We expect the regulatory environment to be fluid and unsettled for much of 2025

