Committee on Transportation and Infrastructure
U.S. House of Representatives
Washington, DC 20515

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September 25, 2015

SUMMARY OF SUBJECT MATTER

TO: Members, Subcommittee on Water Resources and Environment
FROM: Staff, Subcommittee on Water Resources and Environment
RE: Hearing on "The Great Lakes Restoration Initiative: A Review of the Progress and Challenges in Restoring the Great Lakes"

PURPOSE

On Wednesday, September 30, 2015, at 10:00 a.m. in 2167 Rayburn House Office Building, the Subcommittee on Water Resources and Environment will meet to receive testimony on "The Great Lakes Restoration Initiative: A Review of the Progress and Challenges in Restoring the Great Lakes." Witnesses will include representatives from the Environmental Protection Agency (EPA), the Natural Resources Conservation Service, the Government Accountability Office (GAO), the U.S. Conference of Mayors, the Great Lakes Commission, the Great Lakes Metro Chambers Coalition, the Ohio Agribusiness Association, and the Healing Our Waters-Great Lakes Coalition.

BACKGROUND

Millions of people in the United States and Canada depend on the Great Lakes – the largest system of freshwater in the world – as a source of drinking water, recreation, and economic livelihood. The Great Lakes Basin has been vulnerable to the effects of toxic and other pollutants as a result of industrial, agricultural, and residential development.

The Great Lakes Basin includes parts of the states of Minnesota, Wisconsin, Illinois, Indiana, Ohio, Pennsylvania, and New York, all of the State of Michigan, and part of Ontario, Canada. Over 33 million people live in the Great Lakes Basin, representing one tenth of the U.S. population and one quarter of the Canadian population. The Great Lakes hold 18 percent of the world's fresh water supply and 90 percent of the U.S. fresh water supply.

Over the past 200 years, the Great Lakes region has undergone significant development. Some of the industries include mining, steel, machine tools, and automobile manufacturing. Agriculture is also a significant component of the regional economy. The Great Lakes system provides convenient waterways for the movement of goods, is the source of drinking water for millions, supplies process and cooling water for industrial uses, and is used to generate hydroelectric power.

In addition, the Great Lakes provide significant recreational benefits, including sightseeing, fishing, boating, and swimming. According to a study authorized by Congress and carried out by the U.S. Army Corps of Engineers in partnership with the Great Lakes Commission, one-third of all U.S.-registered recreational boats are in the Great Lakes, resulting in $34.6 billion annually in economic activity and 244,000 jobs. Nearly $18 billion in fishing, hunting, and wildlife watching occurs annually in the Great Lakes region, according to the U.S. Fish and Wildlife Service.

Industrialization and development have had a significant impact on the Great Lakes ecosystem. The Great Lakes are particularly vulnerable to contamination because outflow rates from most of the Lakes are very slow: Lake Superior retains water for 173 years, Lake Michigan for 62 years, and Lake Huron for 31 years. Lake Erie, the shallowest of the Lakes, has the shortest water retention, at 2.7 years. Lakes with low outflow rates do not flush pollutants quickly. As a result, some pollutants discharged into the Great Lakes settle into the sediments at the bottom of the Lakes.

Non-indigenous species and excessive nutrients from a variety of sources have greatly impacted the Great Lakes ecosystem. More than 180 invasive aquatic species have become established in the Great Lakes, some of which have caused extensive ecological and economic damage. In the 1950s, the sea lamprey was introduced unintentionally into the Lakes and decimated trout fisheries. In the 1960s, excessive growth of algae in portions of the Lakes led to a decline in oxygen levels and excessive phosphorus (nutrient) loadings were identified as the primary cause of this problem. More recently, in 2014, Toledo, Ohio implemented a drinking water ban that affected 500,000 people due to a harmful algal bloom caused in part by excessive nutrient runoff. Decades of industrial activity in the region left a legacy of polychlorinated biphenyl (PCB) and other contamination in sediments that make up the beds of many of the rivers and harbors in the Great Lakes. While efforts have been made to address these problems, they remain serious concerns.

GREAT LAKES RESTORATION INITIATIVE (GLRI)

In 2004, Executive Order 13340 was issued, creating the Great Lakes Interagency Task Force (Task Force). Chaired by the Administrator of the EPA, the Task Force is made up of senior officials from EPA, nine federal departments (the Departments of Agriculture, Commerce, Defense, Health and Human Services, Homeland Security, Housing and Urban Development, the Interior, State, and Transportation), and the Council on Environmental Quality. The Task Force was established to address nationally significant environmental and natural resource issues involving the Great Lakes. In addition to the Task Force, the Great Lakes Regional Working Group (Regional Working Group) was also established and is composed of the appropriate

regional administrator or director with programmatic responsibility for the Great Lakes system for each agency represented on the Task Force.

In 2010, the Great Lakes Restoration Initiative (GLRI) was established to provide additional resources toward critical long-term goals for the Great Lakes ecosystem, and its progress is overseen by the Task Force. Task Force agencies conduct work themselves or through agreements with state, local, or tribal government entities, nongovernmental organizations, academic institutions, or other entities.

During the first phase of the GLRI Action Plan, for Fiscal Years 2010 through 2014, GLRI resources supplemented agency budgets to fund over 2,000 projects to improve water quality, protect and restore native habitat and species, prevent and control invasive species and address other Great Lakes environmental problems. GLRI resources have also been used to double the acreage enrolled in agricultural conservation programs in watersheds where phosphorus runoff contributes to harmful algal blooms in western Lake Erie, Saginaw Bay and Green Bay. Five Task Force agencies (EPA, Fish and Wildlife Service, National Oceanic and Atmospheric Administration, Natural Resources Conservation Service, and the U.S. Army Corps of Engineers) received 85 percent of GLRI funds made available in Fiscal Years 2010 through 2014.

The EPA transfers GLRI funds to other federal agencies in support of the program. These funds are intended to supplement – not supplant – other agency funding. Each Task Force agency then uses the funds to carry out GLRI work itself, or awards funds to recipients through financial agreements, such as grants or contracts.

The second phase of the GLRI Action Plan is for Fiscal Years 2015 through 2019 and consists of five major focus areas: (1) Toxic Substances and Areas of Concern, (2) Invasive Species, (3) Nearshore Health and Nonpoint Source Pollution, (4) Habitat and Wildlife Protection and Restoration, and (5) Accountability, Education, Monitoring, Evaluation, Communication and Partnerships (Foundations for Future Restoration Actions). Each of the five focus areas has specific objectives, commitments, and measures of progress that are clearly identified within the Action Plan.

The Toxic Substances and Areas of Concern Focus Area has the objectives of remediating, restoring, and delisting Areas Of Concern (AOCs) and increasing knowledge about contaminants in the fish and wildlife of the Great Lakes. AOCs are locations that have experienced environmental degradation that results in an impairment of the area's ability to support aquatic life. The objectives of the Invasive Species Focus Area are to prevent new introductions of invasive species, control established invasive species, and develop invasive species control technologies and refine management techniques. The Nonpoint Source Pollution Impacts on Nearshore Health Focus Area aims to reduce nutrient loads from agricultural watersheds and reduce untreated runoff from urban watersheds, while the Habitats and Species Focus Area aims to protect, restore, and enhance habitats to help sustain healthy populations of native species and maintain, restore, and enhance populations of native species. The Foundations for Future Restoration Actions Focus Area was not previously addressed in the first GLRI Action Plan. The objectives of this new focus area are to ensure climate resiliency of GLRI-funded

projects, educate the next generation about the Great Lakes ecosystem, and implement a science-based adaptive management approach for GLRI.

The President's budget for FY 2016 requested $250 million for GLRI activities, $50 million less than the enacted FY 2015 level of $300 million.

GAO REPORT

In 2013, the GAO reviewed and reported on the implementation of the GLRI and methods to assess GLRI progress, among other things. GAO concluded that EPA and the Task Force agencies have made strides but face significant challenges in ensuring the future success of the GLRI. Among other things, GAO found that information in the Great Lakes Accountability System (GLAS), the GLRI's system for monitoring and reporting on GLRI progress, may not be complete and may prevent EPA from producing sufficiently comprehensive or useful assessments of GLRI progress. GAO also found that quantifying overall Great Lakes restoration is difficult and that it is often impossible to link specific environmental changes to specific projects or programs.

In July 2015, GAO released a second report on the GLRI, reviewing the manner in which GLRI funds have been used since the program's initiation. The report examined the (1) amount of federal funds made available for the GLRI and expended for projects, (2) process the Task Force used to identify GLRI work and funding, and (3) information available about GLRI project activities and results.

According to GAO's 2015 report, in Fiscal Years 2010 through 2014, Congress provided $1.68 billion for the GLRI. As of January 2015, $1.15 billion had been expended on 2,123 projects – about 68 percent of available funds. The Task Force agencies have not expended all of the funds made available for the GLRI for several reasons, chief among them being that many projects take several years to complete. GLRI funds are available for obligation for the fiscal year the appropriation was made, and the successive fiscal year. After these two fiscal years of availability, GLRI funds can be used for seven additional years in order to adjust these obligations in the event that events, such as extreme weather, cause a project to be completed later than planned.

In addition to GLRI funds, federal agencies can receive budget authority to obligate and expend funds that contribute to the overall restoration of the Great Lakes. Federal agencies have expended other funds on Great Lakes restoration activities such as reducing atmospheric deposition and controlling the generation, transportation, storage, and disposal of hazardous wastes. GAO found that, while EPA has data on the amounts of GLRI funds allocated, obligated, and expended, data on other funds received, obligated, and expended by federal agencies for Great Lakes restoration activities are not easily available for comparison. Budget crosscut reports prepared by the Office of Management and Budget have not identified federal agencies' obligations and expenditures for Great Lakes restoration activities, as required by recent appropriations laws. Information on obligations and expenditures on other Great Lakes restoration activities could be valuable to Congressional decision makers even several years later. Without this information it is not possible for decision makers to view GLRI funding in the

context of the funding of *overall* Great Lakes restoration activities, because information on such activities would only be available from each agency, making less information readily available for Congressional oversight.

The GAO's 2015 report examined 19 projects funded through the GLRI and carried out by government agencies, nongovernmental organizations, and academic institutions to identify the activities GLRI funds were spent on and the results that were achieved.

The projects examined range from environmental education initiatives to habitat assessment, modeling, and restoration, to soil erosion and sediment control, to green infrastructure plans. At the time of the review, 16 of the 19 projects had been completed and three projects were ongoing.

GAO reported that the projects studied contributed to Great Lakes restoration efforts in a variety of ways, including – but not limited to – improving the ability of ecosystems to act as buffers to watersheds by reducing runoff, using climate simulations to explain how nutrients enter the Great Lakes, developing trapping technologies and protocols for invasive species in Great Lakes tributaries, reducing the loss of sediments and nutrients, engaging teachers in comprehensive environmental education training, and building a commitment to stewardship among residents of the Great Lakes Basin.

GAO also found that some of the monitoring and reporting data in the GLAS database is inaccurate, in part because EPA did not provide clear guidance on entering certain information and GLAS did not have data quality controls. GLAS limited users to reporting progress using a single measure, while GLRI projects may directly address multiple measures. This prevented EPA from collecting and reporting complete progress information on each of the measures addressed by GLRI projects.

GAO recommended in its 2015 report that EPA determine if it should continue using GLAS or acquire a different system and ensure that the agency develops guidance for entering data and establishes data quality control activities. EPA took action to address these recommendations as GAO completed its work on the report. In May 2015, EPA replaced GLAS with the Environmental Accomplishments in the Great Lakes (EAGL) information system. The new system was accompanied by guidance on information entry and plans to establish data control activities for ensuring reliability of the new system. GAO reviewed the actions taken by EPA and determined that the recommendations had been addressed. As a result, GAO removed the recommendations from the final report. GAO had no additional recommendations in the final report.

CHALLENGES

According to an August 2015 letter from the board of directors of the Great Lakes Commission (Commission) to the Administrator of the EPA, Gina McCarthy, one of the main challenges being faced by the GLRI is insufficient coordination and consultation with the states. The Commission believes that a symptom of this issue is limited funding to the states from the GLRI to support the increasing volume of Great Lakes work that has become the responsibility

of the states. In addition, the Commission indicates that there are some concerns that available GLRI funds are not always given to projects that appropriately address the objectives of the GLRI Focus Areas.

According to the Commission, the states are more than just stakeholders – they have sovereign authorities and regulatory responsibilities for the Great Lakes. The states are called on to support, coordinate, permit and sometimes manage GLRI projects underway within their jurisdiction, even when they are not directly receiving funds to implement these activities.

Some initial suggestions put forward by the Commission to alleviate these concerns related to the federal-state partnership include more regular, collective consultation between the states and federal agencies; participation of state representatives on the Regional Working Group or creation of a state subgroup; and annual state-specific meetings with federal agencies to identify and coordinate investments within their jurisdiction, as currently done to support state programs to address the AOCs.

Restoration will be a long-term effort and, in the meantime, environmental and public health problems persist in the Great Lakes ecosystem.

WITNESSES

Panel I

Mr. Chris Korleski
Director, Great Lakes National Program Office
U.S. Environmental Protection Agency
Chicago, Illinois

Mr. Jose Alfredo Gomez
Director, Natural Resources and Environment
U.S. Government Accountability Office
Washington, D.C.

Mr. Tony Kramer
Acting Regional Conservationist, Northeast Region
Natural Resource Conservation Service
Washington, D.C.

Panel II

Mr. Jon W. Allan
Acting Chair
Great Lakes Commission

The Honorable John Dickert
Mayor of the City of Racine
Racine, Wisconsin

Mr. Ed Wolking, Jr.
Executive Director
Great Lakes Metro Chambers Coalition

Mr. Douglas Busdeker
Director
Ohio Agribusiness Association

Mr. Chad Lord
Policy Director
Healing Our Waters-Great Lakes Coalition