Highlights of GAO-08-115T, a testimony before the Subcommittee on Environment and Hazardous Materials, Committee on Energy and Commerce, House of Representatives

Why GAO Did This Study

A 1994 Executive Order sought to ensure that minority and low-income populations are not subjected to disproportionately high and adverse health or environmental effects from agency activities. In a July 2005 report, GAO made several recommendations to improve the Environmental Protection Agency’s (EPA) adherence to these environmental justice principles.

The Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA) requires certain facilities that use toxic chemicals to report their releases to EPA, which makes the information available in the Toxics Release Inventory (TRI). Since 1995, facilities may submit a brief statement (Form A) in lieu of the more detailed Form R if releases of a chemical do not exceed 500 pounds a year. In January 2007, EPA finalized the TRI Burden Reduction Rule, quadrupling to 2,000 pounds what facilities can release before having to disclose details using Form R.

Congress is considering codifying the Executive Order and requiring EPA to implement GAO’s environmental justice recommendations. Other legislation would amend EPCRA to, among other things, revert the Form A threshold to 500 pounds or less. In this testimony, GAO discusses (1) EPA’s response to GAO’s environmental justice recommendations, (2) the extent to which EPA followed internal guidelines when developing the TRI rule and (3) the impact of the rule on communities and facilities.

What GAO Found

EPA initially disagreed with GAO’s July 2005 environmental justice recommendations, saying it was already paying appropriate attention to the issue. GAO called on EPA to improve the way it addresses environmental justice in its economic reviews and to better explain its rationale by providing data to support the agency’s decisions. A year later, EPA responded more positively to the recommendations and committed to a number of actions. However, based on information that EPA has subsequently provided, GAO concluded in a July 2007 testimony that EPA’s actions to date were incomplete and that measurable benchmarks were needed to hold agency officials accountable for achieving environmental justice goals.

In developing the TRI rule, EPA did not follow key aspects of its internal guidelines, including some related to environmental justice. EPA did not follow guidelines to ensure that scientific, economic, and policy issues are addressed at appropriate stages of rule development. For example, EPA asserted that the rule would not have environmental justice impacts; however, it did not support this assertion with adequate analysis. The omission is significant because many TRI facilities that no longer have to submit Form R reports are located in minority and low-income communities; and the reduction in toxic chemical information could disproportionately affect them.

EPA’s TRI rule will reduce the amount of information about toxic chemical releases without providing significant savings to facilities. A total of nearly 22,200 Form R reports from some 3,500 facilities are eligible to convert to Form A under the rule. While EPA says the aggregate impact of these conversions will be minimal, the effect on individual states and communities may be significant, as illustrated below. Although making significantly less information available to communities, GAO estimated that the rule would save companies little—an average of less than $900 per facility.

Impact of EPA’s TRI Rule on Percent of Form Rs That Could Convert to Form A, by State

Source: GAO based on 2005 EPA TRI data and Map Info (map).