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**Committee:** Senate Appropriations Subcommittee on the Interior, Environment & Related Agencies

**Event:** [A Review of the President's Fiscal Year 2027 Budget Request for the Environmental Protection Agency](#)

**Date:** May 13, 2026

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***Executive Summary:***

On May 13, 2026, the Senate Appropriations Subcommittee on the Interior, Environment & Related Agencies held a hearing to review the Fiscal Year 2027 budget request for the Environmental Protection Agency (EPA). EPA Administrator Lee Zeldin provided testimony.

- Republican members emphasized regulatory reform, support for domestic energy production, and budget adjustments designed to align environmental policy with legal and economic constraints.
- Democrats highlighted the public health and environmental risks of proposed EPA budget cuts and urged stronger regulatory action on microplastics and PFAS chemicals.
- Bipartisan concern was raised over proposed cuts to Clean Water and Drinking Water State Revolving Funds (SRFs), with lawmakers warning the reductions could harm communities that rely on the programs to upgrade and maintain aging water infrastructure.

***Member Toplines:<sup>1</sup>***

*Subcommittee Chair Lisa Murkowski (R-AK):* Murkowski praised EPA's recent attention to Alaska-specific issues, as well as its efforts to curb regulatory overreach and provide greater clarity around the Waters of the United States (WOTUS) rule. However, she strongly criticized the proposed near-elimination of SRF dollars and categorical grants, arguing that such cuts are unacceptable given states' limited ability to absorb costs previously covered by these programs.

*Subcommittee Ranking Member Jeff Merkley (D-OR):* Merkley stressed the importance of sustained federal investment and effective implementation of EPA programs. He expressed concern over the proposed budget cuts, warning that they would significantly impact small communities that depend on SRFs to address aging water infrastructure. He also objected to reductions in environmental justice initiatives and research funding, arguing that these programs are essential for understanding pollution impacts on vulnerable communities and ensuring policy decisions are backed by science.

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<sup>1</sup> The opening remarks from Committee leadership were unavailable at the time of this memo's distribution.

## ***Witness Toplines:***

[Lee Zeldin, Administrator, EPA:](#) Zeldin highlighted agency accomplishments, including progress on Superfund site cleanups and expanded funding to reduce lead in drinking water. He emphasized regulatory reforms designed to reduce what he characterized as overreach and uncertainty for states and businesses. He defended the proposed budget cuts as efforts to eliminate wasteful spending by cancelling grants, reorganizing EPA operations, and refocusing the agency on its core mission. He also noted that billions of dollars in previously allocated SRF funds remain unspent by states.

## ***Major Takeaways:***

### *SRFs:*

- Murkowski asked why the budget request appeared to eliminate SRFs, which have broad bipartisan support.
  - Zeldin responded that EPA is not seeking to eliminate the SRF program but is proposing changes to exclude Congressionally Directed Spending and prioritize faster deployment of existing funds. He also argued that states are not efficiently deploying their resources, pointing to roughly \$14.8 billion in SRF dollars which remain uncommitted, including \$5.7 billion which has been untouched for over a year.
- Sen. **Tammy Baldwin** (D-WI) raised concerns about a proposed 90 percent cut to EPA SRFs, emphasizing how vital the funds are for preventing contaminants in Wisconsin's drinking water.
  - Zeldin responded that although Wisconsin uses its funds effectively, many other states do not. He again stated that EPA is reallocating funds to states prepared to deploy them quickly.
- Full Committee Vice Chair **Patty Murray** (D-WA) also criticized the proposed cuts, arguing that the SRF programs are essential for water infrastructure and warning that reductions would significantly increase costs for local utilities and consumers.

### *PFAS and Microplastics:*

- Merkley asked whether adding microplastics to the Contaminant Candidate List (CCL) should prompt broader regulatory action, including limits on plastics production and permitting.
  - Zeldin stated that while EPA wants to research and manage plastic disposal and pollution, the administration has no plans to phase out or restrict plastic pollution because of its deep integration into the economy and everyday life.
- Baldwin asked about EPA coordination with the Department of Health and Human Services on water monitoring for plastics and pharmaceuticals.
  - Zeldin responded that EPA is monitoring several hundred pharmaceuticals and that the CCL, which includes PFAS chemicals, reflected ongoing efforts to identify emerging contaminants.
- Murray aggressively pushed back on proposed standard rescissions for PFAS chemicals from the previous year and questioned what analysis the agency conducted to determine the public health consequences of rolling back these standards.

Energy Regulations and WOTUS:

- Sen. **Shelley Moore Capito** (R-WV) applauded EPA for extending the compliance periods for the 2024 Effluent Limitation Guidelines (ELG) for power plants, arguing that the rule imposed requirements that would effectively phase out coal as a major energy source.
  - Zeldin stated that EPA is in the next phase of reconsidering the 2024 ELG after extending compliance deadlines with a focus on ensuring requirements align with legal and economic feasibility considerations.
- Capito also expressed frustration with repeated changes to the WOTUS definition across administrations and called for a long-term standard to provide regulatory certainty.
  - Zeldin affirmed EPA's commitment to developing a simpler, more durable WOTUS definition to reduce confusion and compliance burdens.

Local Infrastructure Projects:

- Baldwin questioned why EPA's budget appeared to reduce funding for the Great Lakes Restoration Initiative (GLRI) despite its important role in safeguarding clean water access for over 40 million people.
  - Zeldin stated that the proposed budget reflects only a very small reduction from prior funding levels and that EPA remains committed to maintaining robust funding for the GLRI moving forward.