

Congressman Earl Blumenauer (D-Ore), [author of legislation to reinstate a “polluter fee”](#) to clean up the nation’s most hazardous and complex – or Superfund – sites, issued the following statement on

[EPA’s letter to Congress](#)

in support of reinstating the lapsed taxes:

“Since the Superfund tax expired 15 years ago, federal funding has slowed to a trickle and the more than 1600 Superfund sites across America are not getting cleaned up,” **said Blumenauer.**

“By renewing the tax, the industries that had a hand in creating the problem – not taxpayers - will once again be held accountable for cleaning it up. More importantly, we can put tens of thousands of people to work by investing in the restoration of these polluted sites.

“This is a win for the environment, a win for local communities, and a win for the economy.”

What is the Superfund?

Superfund is the Federal government’s principal program for cleaning up the nation’s most hazardous waste sites as well as protecting public health and the environment from releases of hazardous materials. It was enacted into law as part of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) in 1981. It is known as “Superfund” because Congress established a large trust fund – originally supported by taxes on petroleum products and chemicals – to provide funding for cleanup.

Why is this important for Oregon?

There are 17 sites in Oregon on the National Priority List (NPL) that are going or have undergone remedial action directed by the Superfund program. (One of these sites, Formosa Mine in Douglas County, was added on September 19, 2007 and Black Butte Mine in 2010.)

Four of these sites have been deleted from the NPL, meaning they are essentially clean.

Case study: Portland Harbor Superfund Site

The Willamette River between the southern tip of Sauvie Island to the southern tip of Swan Island in North Portland officially became a Superfund site in December of 2000. Possible sources of contamination include former and current industrial operations – such as hazardous waste and petroleum storage, marine construction, oil gasification plant operations, wood treating, agricultural chemical production, natural gas plant operations, chlorine production, ship loading, maintenance and repair, and rail car manufacturing. While a number of potentially responsible parties, such as the Port of Portland and NW Natural, have stepped forward to begin the cleanup process, it is expected that much of the pollution at the Portland Harbor site will be unaccounted for. Normally this orphan share would be paid by the Superfund. However, because there is no money in the site, the EPA may decide to distribute that liability to the already identified PRPs, significantly increasing their cleanup costs. The EPA has estimated that the Portland Harbor could be among the largest and costliest in the program's history.



Congressman Blumenauer and members of the Livable Communities Task Force meet with EPA Administrator Lisa Jackson

What are the health risks of Superfund sites?

Superfund sites contain toxic contaminants that have been detected in drinking water wells, creeks and rivers, backyards, playgrounds, and streets. Communities impacted by these sites can face restrictions on water use, gardening and recreational activities as well as economic losses as property values decline due to contaminated land. In the worst cases, residents of these communities can face health problems such as cardiac impacts, infertility, low birth weight, birth defects, leukemia, and respiratory difficulties.

The most common Superfund pollutants include: heavy metals such as lead and arsenic; benzene, a carcinogen; TCE, suspected of causing kidney, liver, and other cancers; PCBs, a carcinogen that also impacts the immune system, the nervous system, the endocrine system, and the reproductive system; mercury, a neurotoxin.

What are the taxes that supported the Superfund?

Until they expired in 1995, there were three taxes that levied funding for the program.

1. A petroleum tax of 9.7 cents per barrel on refinery crude oil and imported petroleum products. This comes out to about 0.23 cents per gallon – about 1/5th of one cent.
2. A per ton tax on 42 chemicals that have hazardous characteristics or may generate hazardous wastes. This tax ranges from 22 cents to \$4.87.
3. A corporate environmental income tax, which is an income tax imposed on large corporations based on their alternative minimum taxable income. The tax rate is .12% (\$12 per \$10,000) of the alternative minimum taxable income above \$2 million.

How much money do these taxes raise?

Before they expired, these three dedicated taxes provided an average of \$1.7 billion per year. The President's FY 2012 budget, which calls for reauthorization of these taxes, estimates that they would raise about \$2 billion per year and \$20.8 billion over 10 years.

How much money is left in the Superfund?

There is virtually no money left, and what is there comes mainly from interest in past appropriations from the General Treasury. Even though the taxing authority expired in 1995, the fund's balance remained positive until FY 2003. At the end of 1996, the trust fund reached a peak balance of \$3.8 billion, but without a consistent source of funding, the balance dwindled to basically zero by the end of FY 2003.

Aren't the polluters supposed to pay?

In a majority of cases, Superfund cleanups are paid for by the potentially responsible parties (PRPs) – those who have been found responsible for the pollution at the site. According to EPA, PRPs conduct cleanup at more than 70% of the sites listed. However, at approximately 30% of the sites, either EPA cannot locate PRPs for these properties or the PRPs do not have the necessary financial resources to assist with cleanup. These sites, or parts of sites, are called "orphan," and EPA uses funds from the Superfund to clean them up.

Why should corporations who did not cause the pollution have to pay with a tax?

Most of the contamination at Superfund sites comes from petroleum products and certain chemical derivatives. Corporations that have profited through the use of these hazardous materials should pay for the cleanup. The Superfund needs a stable source of funding to continue cleaning up sites around the country and also to provide a credible threat that the EPA will clean up sites and then recover the costs from liable parties who do not undertake the work themselves.

If the Superfund has been depleted, who is paying for Superfund cleanup?

Superfund cleanups are funded from an annual appropriation, which has two sources: the general fund of the U.S. Treasury and the Superfund trust fund. Because there is no more

money in the Superfund, all of the funding must now come from the taxpayers. The contribution to the cleanup fund from general revenues increased from \$250 million annually in FY 1993-FY 1998 to \$1.31 billion in FY 2010. The Superfund program received \$600 million from the Recovery Act, which EPA is using to accelerate cleanup activities or initiate new construction projects at 51 sites.

How many Superfund sites have been cleaned up so far?

Since the inception of the Superfund program, EPA has catalogued and assessed almost 46,000 potentially contaminated sites (as of 2008). Of these, 1,620 sites have been placed on the National Priorities List (NPL), which means that they are the most hazardous sites in the nation and come into the Superfund program. Of these 1,620 sites, 1084 have been declared "construction complete," meaning that the actual physical construction of the remedial work is completed, although contamination may still exist. Only 341 sites have met cleanup goals and were subsequently removed from the NPL.

How many sites are left?

There are 1279 sites on the National Priorities list as of June, 2010. The EPA adds sites every year; in 2010 they added 10 new sites and proposed another 8.

What would the Superfund Reinvestment Act do?

[The Blumenauer legislation](#) would simply reauthorize the Superfund taxes as they were before they expired in 1995. It would not make any changes to the implementation of the program.

Why is this urgent?

Hundreds of communities are competing for ever shrinking resources, which are now coming entirely from the general taxpayer. This has caused the pace of cleanup by the EPA to slow

significantly: The number of sites achieving “construction complete” status has been declining. During the years 1992-2000, the EPA achieved “construction complete” at an average of 77 sites per year. For the years 2001-2006, EPA achieved this at an average of 41 sites. In 2007, just 11 sites were declared “construction complete.” Under Superfund, the EPA identifies potentially responsible parties that will have to cleanup sites. If a company refuses to cleanup, EPA can do the cleanup and then charge the company for that work and more, as a penalty. But without money in the trust fund, they don’t have the ability to do this.

We need to reinvest in the Superfund program in order to protect the health and well-being of communities across the country.