



U.S. EPA FY2020 Appropriations

EPA FY2020 Proposed Appropriations

The U.S. Environmental Protection Agency (EPA) and other federal departments and agencies are operating under a continuing resolution (CR), P.L. 116-69 (H.R. 3055), generally at FY2019 enacted levels through December 20, 2019. The legislative vehicle for the CR, H.R. 3055, was previously passed by the House as a five-bill omnibus appropriations package on June 25, 2019, and by the Senate as a four-bill amendment on October 31, 2019. Division C of the House- and Senate-passed bills, the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2020, included funding for EPA.

Title II of Division C in House-passed H.R. 3055 would provide \$9.53 billion for EPA for FY2020, \$3.31 billion (53.1%) above the FY2020 request of \$6.22 billion and \$264.2 million (2.9%) more than the FY2019 total enacted appropriations of \$9.26 billion (includes Titles II and IV of Division E in P.L. 116-6 and emergency supplemental appropriations in Title VII of P.L. 116-20) after rescissions of unobligated balances. Title II of Division C in Senatepassed H.R. 3055 would provide \$9.01 billion for EPA for FY2020, \$516.9 million (5.4%) less than the House-passed bill, \$2.79 billion (44.8%) above the FY2020 request, and \$252.6 million (2.7%) less than the total FY2019 enacted appropriations after rescissions. **Figure 1** presents trends in requested and enacted appropriations for EPA from FY2008 through FY2019 and proposed for FY2020.

Figure 1. EPA Appropriations: Requested and Enacted FY2008-FY2019, FY2020 Requested and Proposed (Not Adjusted for Inflation)



Source: CRS using information from the *Congressional Record*; House, Senate, and conference reports; and EPA's FY2020 *Congressional Budget Justification*. Enacted amounts reflect rescissions and supplemental appropriations, including \$7.22 billion for EPA in the American Recovery and Reinvestment Act of 2009 (P.L. 111-5).

Unlike recent proposed and enacted appropriations, Housepassed H.R. 3055 and the Senate-passed amendment do not include rescissions of unobligated balances for EPA. The President's FY2020 request proposed a total \$377.0 million rescission, and P.L. 116-6 rescinded a total of \$210.5 million in unobligated balances for FY2019. The funding in the House and Senate-passed bills would generally support the existing federal and state framework for implementing and enforcing requirements under multiple federal pollution-control statutes. The bills would not approve the President's request to eliminate funding for certain programs and activities or to return some federal responsibilities to states and reduce funding for state implementation grants.

Title II of H.R. 3052 (H.Rept. 116-100, reported June 3, 2019), the Department of the Interior, Environment, and Related Agencies Appropriations, 2020, provided the basis for the EPA funding included in House-passed H.R. 3055. Title II of S. 2580 (S.Rept. 116-123), the Department of the Interior, Environment, and Related Agencies Appropriations, 2020, provided the basis for the Senate-passed amendment. The House and Senate Appropriations Committees emphasized that the proposed FY2020 appropriations for EPA program activities take into account funding amounts reported in EPA's FY2019 operating plan, which reflect rescission reductions. The Senate committee refers to this adjustment as "Budget Rebaselining."

EPA Appropriations Accounts

More than a dozen federal laws authorize EPA operations. Funding is annually appropriated to EPA among 10 accounts established by Congress over time: State and Tribal Assistance Grants (STAG), Environmental Programs and Management (EPM), Hazardous Substance Superfund ("Superfund"), Science and Technology (S&T), Leaking Underground Storage Tank (LUST) Trust Fund Program, Buildings and Facilities, Office of Inspector General, Inland Oil Spill Program, Hazardous Waste Electronic Manifest System Fund, and Water Infrastructure Finance and Innovation Act (WIFIA) Program.

Historically, the STAG and EPM accounts have received the largest shares of funding, followed by the Superfund and S&T accounts. The STAG account funds grants for water infrastructure, brownfields site assessment and remediation, diesel emissions reduction, targeted airsheds, and "categorical" grants to states and tribes for implementing federal pollution control programs. The EPM account funds additional grants and many cross-cutting agency activities. The Superfund account supports the environmental remediation of priority sites elevated for federal attention. The S&T account funds scientific research to inform agency regulatory decisions.

As indicated in **Figure 2**, the proportional distribution of funding among the EPA appropriations accounts has remained similar over the past decade. House-passed H.R. 3055 would fund each account generally at the FY2019 level or greater and the Senate-passed amendment generally the same or less, not including rescissions.

Figure 2. EPA Appropriations by Account: FY2008-FY2019 Enacted, and FY2020 Requested and Proposed (Not Adjusted for Inflation)



Source: Prepared by CRS using information from the *Congressional Record*; House, Senate, and conference committee reports; and EPA's FY2020 *Congressional Budget Justification*. Enacted amounts include supplemental appropriations—including \$7.22 billion for EPA in the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) and across-the-board rescissions—but do not include additional rescissions of prior-year funds among specific accounts.

Assistance to States

Congress appropriates funds to EPA to support the agency's primary responsibilities under multiple federal environmental pollution control statutes in coordination with states and tribes. EPA awards categorical grants to states with delegated authority, as well as tribes and local governments, to implement and enforce federal pollution control requirements. The adequacy of funding for these categorical grants, which generally focus on specific environmental media, wastes, or pollution sources, is perennially an issue of debate. House-passed H.R. 3055 would provide \$1.11 billion and the Senate-passed amendment \$1.09 billion for FY2020 for state and tribal categorical grants, compared to \$1.08 billion enacted for FY2019 and \$580.3 million included in the President's request for FY2020.

The President's request also proposed to reduce funding to states from the LUST Trust Fund account by nearly half to \$47.8 million in FY2020, compared to \$93.4 million enacted for FY2019 (including \$1.5 million in emergency funding provided in P.L. 116-20). House-passed H.R. 3055 would provide \$94.4 million for the LUST account for FY2020 and the Senate-passed amendment \$91.9 million.

Title II of Division C in House-passed H.R. 3055 would provide a total of \$1.78 billion for the Clean Water State Revolving Fund (CWSRF) capitalization grants and \$1.30 billion for Drinking Water State Revolving Fund (DWSRF) capitalization grants for FY2020 within the STAG account. The Senate-passed amendment would provide \$1.64 billion for the CWSRF and \$1.13 billion for the DWSRF. The FY2019 enacted total of \$1.74 billion for the CWSRF and \$1.46 billion for the DWSRF included \$1.39 billion for the CWSRF and \$864.0 million for the DWSRF in Division E, Title II, of P.L. 116-6 and an additional \$300.0 million each in Title IV. Subsequently, P.L. 116-20 provided an additional \$53.3 million for the CWSRF and \$296.1 million for the DWSRF in emergency supplemental funding. The FY2020 request proposed \$1.12 billion and \$863.2 million for the CWSRF and DWSRF, respectively.

The STAG account in House-passed H.R. 3055 would provide a combined total of \$182.0 million, and the Senatepassed amendment \$120.0 million for FY2020 for grant programs authorized by the Water Infrastructure Improvements for the Nation Act (P.L. 114-322) and America's Water Infrastructure Act of 2018 (P.L. 115-270). Within the WIFIA account, House-passed H.R. 3055 would provide \$50.0 million, and the Senate amendment \$73.0 million for FY2020 for loan subsidization and related administrative expenses, compared to the FY2019 combined total of \$68.0 million included in Titles II and IV in Division E of P.L. 116-6 and \$25.0 million requested for FY2020 within the WIFIA account.

The House and Senate-passed bills would also continue funding in FY2020 for certain geographic programs, including \$320.0 million and \$310.0 million respectively for the Great Lakes Restoration Initiative (GLRI). The President's FY2020 request included \$300.0 million for the GLRI, the same as enacted for FY2019, but proposed to eliminate other geographic programs, including the National Estuary Program, the Chesapeake Bay Program, and other programs to restore specific water bodies.

Agency Staffing

Although Congress does not set specific staffing levels for EPA in annual appropriations acts, the size and structure of the agency's workforce was a topic of debate for FY2020, as it was for FY2019 and FY2018. As with the FY2019 enacted appropriations, House-passed H.R. 3055 and the Senate-passed amendment would not fund the President's FY2020 request for EPA "workforce reshaping."

Fee Authorization

House- and Senate-passed H.R. 3055 would reauthorize the collection and use of registration and service fees under the Federal Insecticide, Fungicide, and Rodenticide Act through the end of FY2020 ("Administrative Provisions" for Division C, Title II). Within the EPM account, House-passed H.R. 3055 and the Senate-passed amendment would provide \$5.0 million from fees authorized in the Toxic Substances Control Act for chemical risk reviews.

Regulatory Prohibitions/Limitations

General Provisions included in Division C, Title IV of House-passed H.R. 3055 do not contain provisions similar to recently enacted EPA annual appropriations that prohibited the use of funds for certain regulatory actions. The Senate-passed amendment does contain these provisions, which include restricting the use of funds for permitting air emissions from livestock production, reporting greenhouse gas emissions from manure management systems, regulating lead content of ammunition or fishing tackle, regulating air emissions from small remote solid waste incinerators in Alaska, and permitting discharges of dredged or fill material for certain agricultural activities. House-passed H.R. 3055 includes different provisions that would restrict the use of FY2020 funds for finalizing certain other EPA proposed regulatory actions.

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