

# **IN FOCUS**

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# **U.S. Environmental Protection Agency FY2024 Appropriations**

Enacted on March 9, 2024, the Consolidated Appropriations Act, 2024 (P.L. 118-42) provided funding for the Department of the Interior, Environment, and Related Agencies, including funding for the U.S. Environmental Protection Agency (EPA). P.L. 118-42 provided a total of \$9.16 billion in appropriations for EPA, including rescissions. Division J, Title VI, of the Infrastructure Investment and Jobs Act (IIJA; P.L. 117-58), enacted on November 15, 2021, provided an additional \$11.61 billion for EPA in advance appropriations for FY2024. Together, P.L. 118-42 and P.L. 117-58 provided a total of \$20.77 billion for EPA for FY2024.

EPA's FY2024 regular annual appropriations of \$9.16 billion, including rescissions, are \$2.92 billion (24.2%) less than the President's FY2024 request for EPA of \$12.08 billion and \$977 million (9.6%) less than FY2023 regular enacted appropriations of \$10.14 billion. Total EPA FY2024 enacted appropriations of \$20.77 billion (including IIJA advance appropriations) are \$2.24 billion (9.7%) less than total FY2023 enacted appropriations of \$23.01 billion (including supplemental appropriations and rescissions). Trends in requested and enacted appropriations for EPA since FY2015 are shown in **Figure 1**. **Figure 1** does not include \$41.46 billion in FY2022 mandatory appropriations provided to EPA in P.L. 117-169, the measure known as the Inflation Reduction Act (IRA).

From the beginning of FY2024 to the enactment of P.L. 118-42, EPA (and other federal departments and agencies) operated under the terms and conditions of a series of four continuing resolutions, generally at FY2023 regular enacted levels.

#### Figure 1. EPA Requested and Enacted Discretionary Appropriations, FY2015-FY2024



**Source:** CRS, using information from the *Congressional Record*; House, Senate, and conference reports; and EPA's Congressional Budget Justifications from FY2015 through FY2024.

**Notes:** Enacted amounts reflect supplemental appropriations and rescissions and do not include FY2022 IRA appropriations.

In recent years, Congress has provided appropriations to EPA through a combination of regular annual appropriations, supplemental appropriations in IIJA and the budgetary measure known as the Inflation Reduction Act (IRA; P.L. 117-169), and other supplemental appropriations. **Figure 2** shows the distribution of EPA appropriations in recent years among these acts.

### Figure 2. EPA Enacted Appropriations, FY2022-FY2024



**Source:** CRS, using information from the *Congressional Record*; House, Senate, and conference reports.

**Notes:** P.L. 117-328 provided \$1.67 billion in supplemental appropriations for EPA for FY2023. P.L. 117-169 provided \$41.46 billion in mandatory appropriations for EPA for FY2022.

## **EPA Appropriations Accounts**

Funding for discretionary spending is annually appropriated to EPA among 10 statutory accounts established by Congress over time. These include State and Tribal Assistance Grants (STAG), Environmental Programs and Management (EPM), Hazardous Substance Superfund ("Superfund"), Science and Technology (S&T), Leaking Underground Storage Tank 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 Program accounts.

As indicated in **Figure 3**, the proportional distribution of funding among these accounts has remained similar for more than a decade, prior to the enactment of IIJA supplemental appropriations. Historically, the STAG and EPM accounts have received the largest share 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 delegated states and tribes for implementing pollution control programs. The EPM account funds additional grants and cross-cutting agency activities. The Superfund account supports the environmental remediation of priority sites on nonfederal lands designated for federal attention in coordination with the states in which the sites are located. The S&T account funds research that supports agency regulatory decisions.

FY2024 total appropriations in P.L. 118-42 included funding decreases in 9 of the 10 EPA appropriations accounts compared with FY2023 total enacted appropriations. See **Figure 3** for trends in EPA enacted discretionary appropriations by account in recent years.

# Figure 3. EPA Enacted Discretionary Appropriations by Account, FY2015-FY2024



**Source:** CRS, using information from the *Congressional Record*; House, Senate, and conference committee reports. Enacted amounts reflect rescissions and supplemental appropriations.

For example, total FY2024 appropriations are \$15.64 billion for the STAG account, including rescissions and \$11.22 billion in IIJA advance appropriations. This is a \$1.33 billion (7.8%) decrease compared with FY2023 total enacted appropriations of \$16.97 billion for the STAG account.

Total FY2024 appropriations are \$3.56 billion for the EPM account, including \$387 million in IIJA advance appropriations. This is a \$108 million (3.0%) decrease compared with FY2023 total enacted appropriations of \$3.67 billion for the EPM account. FY2024 appropriations were \$53 million for the Superfund account. This is a \$745 million (58.1%) decrease compared with FY2023 enacted appropriations of \$1.28 billion for the Superfund account. In its FY2024 *Congressional Budget Justification*, EPA noted that this decrease is due to the \$3.5 billion provided in IIJA for Superfund and the availability of \$2.5 billion in expected Superfund excise tax receipts available to EPA in FY2024.

## **Selected EPA Funding Issues**

A variety of EPA funding issues have been the subject of congressional debate during the annual appropriations process. These issues are likely to continue to be of interest in the 118<sup>th</sup> Congress.

### **Assistance to States and Other Entities**

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. The adequacy of funding for this support is a perennial issue. EPA awards categorical grants to states and tribes (and local governments under certain statutes) with delegated authority to implement and enforce federal pollution control requirements. Typically, Congress allocates the largest categorical grant amounts for EPA assistance to states and territories for two state revolving funds for water infrastructure: the Clean Water State Revolving Fund and the Drinking Water State Revolving Fund. For FY2024, Congress appropriated \$2.76 billion total for these funds, including \$1.42 billion in Community Project Funding/Congressionally Directed Spending. P.L. 118-42 also appropriated \$1.11 billion for other categorical grants within the STAG account. EPA also awards competitive grants for a range of programs and purposes.

## Air Quality and Climate Change

Issues related to air pollution, greenhouse gas emissions, and climate change have been a topic of debate in Congress. Recent appropriations acts have included funding for EPA in these policy areas, such as for air and climate research, developing and implementing regulations, and financial and technical assistance to states, local governments, and tribes. For FY2024, P.L. 118-42 provided \$534 million within the S&T and EPM accounts for clean air and climate-related programs, a \$23 million (4.2%) decrease compared with FY2023 appropriations of \$557 million. This funding supports programs for climate change research and adaptation, air monitoring networks, federal support for air quality management, renewable fuel standards, greenhouse gas monitoring, and wildfire smoke research, among others. In addition, in the Explanatory Statement accompanying P.L. 118-42 (Congressional Record, March 5, 2024, pp. S1682-S1685), Congress directed specific funding within the STAG account to airrelated grants, such as diesel emissions reduction, wildfire smoke preparedness, and categorical grants specifically related to air quality.

### **Environmental Justice**

Funding levels for EPA environmental justice-related programs and activities have been a long-standing issue in appropriations discussions. Three executive orders (E.O. 12898, E.O. 14008, and E.O. 14096) direct EPA and other agencies to integrate environmental justice into their respective missions within the bounds of existing law. For FY2024, P.L. 118-42 provided EPA with \$100 million for environmental justice within the EPM and Superfund accounts, a decrease of \$8 million (7.4%) compared to FY2023 appropriations of \$108 million.

## Per- and Polyfluoroalkyl Substances (PFAS)

Congress has considered the potential risks associated with per- and polyfluoroalkyl substances (PFAS) when providing EPA appropriations. The Explanatory Statement accompanying P.L. 118-42 directed \$8 million within the S&T account for EPA to conduct research on PFAS impacts in agricultural settings and communities. The Explanatory Statement also directed \$12 million in EPA Public Water System Supervision categorical grants to address PFAS and other contaminants of emerging concern. These funds are available in addition to the \$1.0 billion in IIJA appropriations provided to EPA for emerging contaminants work for FY2024 and funds from other appropriations accounts that are available for addressing PFAS in the environment.

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