

July 31, 2019

U.S. EPA FY2020 Appropriations

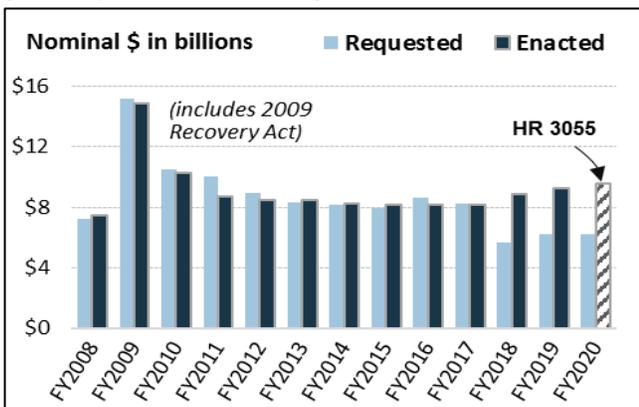
EPA FY2020 Proposed Appropriations

As passed by the House on June 25, 2019, Division C of the five-bill omnibus appropriations bill H.R. 3055 included FY2020 funding for the Department of the Interior, Environment, and Related Agencies, which includes the U.S. Environmental Protection Agency (EPA). Reported June 3, 2019, Title II of H.R. 3052 (H.Rept. 116-100)—the Department of the Interior, Environment, and Related Agencies Appropriations, 2020—provided the foundation for the funding for EPA included in H.R. 3055.

Title II of Division C in 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 (28.5%) more than the FY2019 total enacted appropriations of \$9.26 billion after rescissions. The FY2019 enacted total included \$8.85 billion in Division Title II and Title IV E of P.L. 116-6 enacted February 15, 2019, and \$414.0 million in emergency supplemental appropriations in Title VII of P.L. 116-20 enacted June 6, 2019.

Figure 1 presents trends in requested and enacted appropriations for EPA since FY2008 through FY2019 and proposed for FY2020.

Figure 1. EPA Requested and Enacted Appropriations: FY2008-FY2019, FY2020 Requested, and H.R. 3055 (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, H.R. 3055 does not include rescissions of unobligated balances for EPA. The President’s FY2020 request proposed a \$337.0 million rescission, and P.L. 116-6 rescinded a total of \$210.5 million in unobligated balances for FY2019.

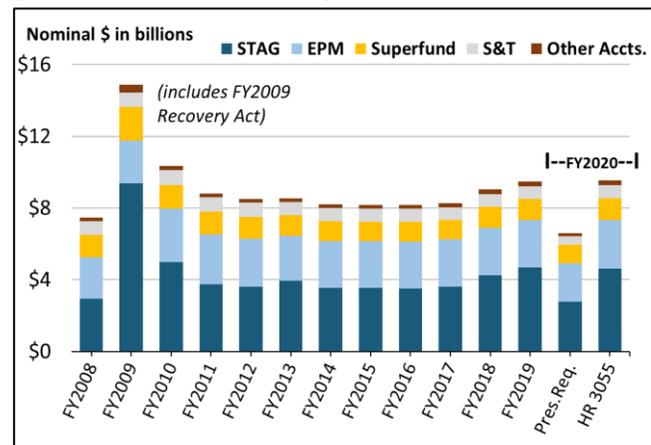
The funding in H.R. 3055 would generally support the existing federal and state framework for implementing and enforcing requirements under multiple federal pollution control statutes. The bill would not approve the President’s request to eliminate funding for certain programs and activities or to return some federal responsibilities to states.

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.

As indicated in **Figure 2**, the proportional distribution of funding among these accounts has remained similar over the past decade. H.R. 3055 would fund each account generally at the FY2019 level or greater.

Figure 2. EPA Appropriations by Account: FY2008-FY2019 Enacted, FY2020 Requested, and H.R. 3055 (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.

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 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.

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. This funding was an issue again in the FY2020 appropriations debate. EPA awards categorical grants to states with delegated authority, as well as tribes and local governments, to implement and enforce federal pollution control requirements. These categorical grants generally focus on specific environmental media, wastes, or pollution sources. H.R. 3055 would provide \$1.11 billion for FY2020 for state and tribal categorical grants, 3.5% more than the \$1.08 billion enacted for FY2019. The President’s request proposed to reduce these grants to \$580.3 million for FY2020.

The President’s request also proposed to reduce funding to states from the LUST Trust Fund account by more than 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). H.R. 3055 would provide \$94.4 million for the LUST account for FY2020.

Within Title II of Division C, the STAG account 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. The FY2019 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 funding. The FY2020 request proposed \$1.12 billion and \$863.2 million for the CWSRF and DWSRF, respectively.

The STAG account in Division C, Title II, would provide a combined total of \$182.0 million 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, H.R. 3055 would provide \$50.0 million for FY2020 for loan subsidization and related administrative expenses, \$18.0 million less than 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 more than requested for FY2020 within the WIFIA account.

The House-passed bill would also continue funding in FY2020 for certain geographic programs, including \$320.0 million for the Great Lakes Restoration Initiative, a \$20.0 million increase above the President’s FY2020 request and

FY2019 enacted. The FY2020 request had 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, H.R. 3055 would not fund the President’s FY2020 request for EPA “workforce reshaping.” The House Committee on Appropriations report (H.Rept. 116-100) accompanying H.R. 3052, as reported, expressed the expectation that EPA would not “consolidate or close any regional offices” in FY2020. Similarly, H.R. 3055 would prohibit the use of FY2020 appropriations for closure or relocation of EPA offices that house emergency responders or criminal investigation units or offices in regions that contain designated sulfur dioxide nonattainment areas, (Division C, Title IV “General Provisions”).

Fee Authorization

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, H.R. 3055 would provide \$5.0 million from fees authorized in the Toxic Substances Control Act for chemical risk reviews.

Regulatory Prohibitions/Limitations

Although EPA regulatory actions received attention during the FY2020 appropriations debate, General Provisions included in Division C, Title IV of H.R. 3055 did not contain provisions similar to recently enacted EPA annual appropriations that prohibited the use of funds for certain regulatory actions. In such prior years’ appropriations, provisions restricted the use of funds for permitting of air emissions from livestock production, reporting of 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.

Title IV in Division C of H.R. 3055 does include provisions that would restrict the use of FY2020 funds for finalizing certain other EPA proposed rulemakings. These include standards of performance for emissions from electric utility generating units (the power plant greenhouse gas rule) and finalizing supplemental “appropriate and necessary” findings regarding national greenhouse gas emission standards for hazardous air pollutants.

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