



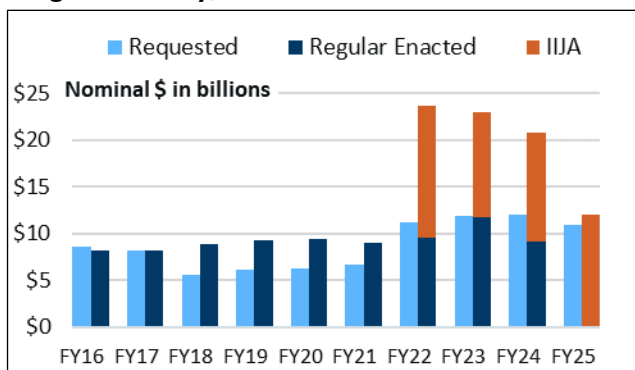
July 12, 2024

U.S. Environmental Protection Agency (EPA) Appropriations: FY2025 President’s Budget Request

Since FY2006, Congress has funded the U.S. Environmental Protection Agency (EPA) in the Interior, Environment, and Related Agencies appropriations acts. For FY2025, the President requested \$10.99 billion for EPA. The request was \$1.83 billion (20.0%) greater than the \$9.16 billion FY2024 regular enacted appropriations for EPA provided in Division E: Interior, Environment, and Related Agencies, Title II of the Consolidated Appropriations Act, 2024 (P.L. 118-42), 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 emergency supplemental appropriations for FY2024 and \$12.01 billion for FY2025.

The FY2025 request for EPA was \$1.09 billion (9.0%) less than the FY2024 request of \$12.08 billion. Requested and enacted appropriations for EPA since FY2016 are shown in **Figure 1**. The figure includes discretionary appropriations and does not include mandatory (permanent) appropriations, such as \$41.46 billion in FY2022 permanent appropriations provided to EPA in P.L. 117-169, the measure known as the Inflation Reduction Act (IRA).

Figure 1. EPA Requested and Enacted Discretionary Budget Authority, FY2016-FY2025



Source: CRS using information from the *Congressional Record*; House, Senate, and conference reports; and EPA’s FY2025 *Congressional Budget Justification*.

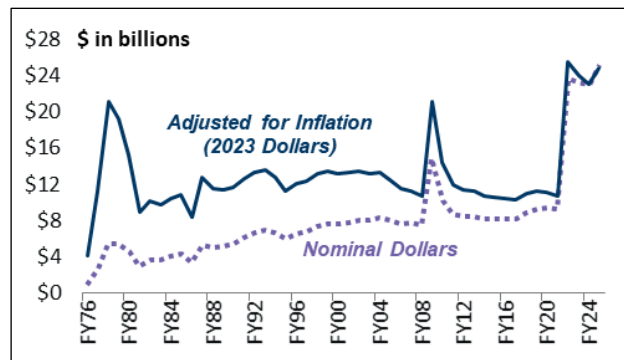
Notes: Enacted amounts include regular annual and supplemental appropriations, rescissions, and IIJA advance appropriations. Not shown are \$41.46 billion in permanent appropriations provided by P.L. 117-169 (IRA) for EPA in FY2022.

History of EPA Budget Authority

Figure 2 presents EPA discretionary budget authority since FY1976 in nominal dollars and adjusted for inflation. EPA’s budget authority is provided through annual appropriations and constitutes the amount of funding

available to the agency for obligation in a fiscal year to carry out a specific purpose authorized in law.

Figure 2. EPA Total Discretionary Budget Authority, FY1976-FY2023 Actual and FY2024-FY2025 Estimated



Source: CRS based on the White House Office of Management and Budget (OMB), *Budget of the United States Government Fiscal Year 2025*, Historical Tables, Table 5.4.

Notes: Actual amounts include regular annual and supplemental appropriations and IIJA advance appropriations. Not shown are \$41.46 billion in permanent appropriations provided by P.L. 117-169 (IRA) for EPA in FY2022. FY2024 and FY2025 inflation-adjusted amounts are estimates, using OMB deflators presented in Table 10.1 of the FY2025 OMB Budget.

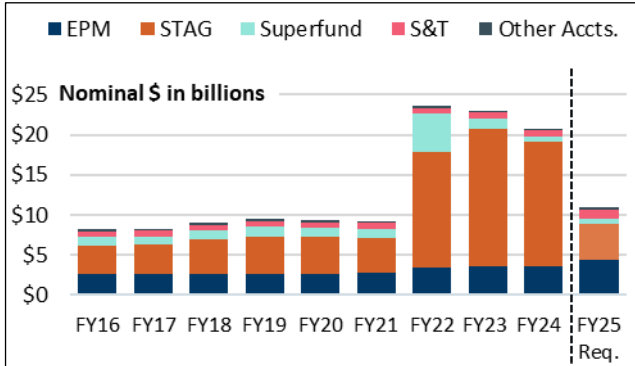
EPA Appropriations Accounts

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 (Hazardous Waste EMSF), and Water Infrastructure Finance and Innovation Program accounts.

As indicated in **Figure 3**, the proportional distribution of funding among these accounts remained steady from FY2016 to FY2021. Beginning in FY2022, IIJA supplemental appropriations provided additional funding for the STAG, EPM, and Superfund accounts. In recent years, 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 environmental statutes. The EPM account

funds additional grants and many cross-cutting agency activities. The Superfund account supports the environmental remediation of sites prioritized for federal attention. The S&T account funds research that supports agency regulatory decisions.

Figure 3. EPA Discretionary Budget Authority by Account, FY2016-FY2024 Enacted and FY2025 Requested



Source: CRS using information from the *Congressional Record*; House, Senate, and conference committee reports; and EPA's FY2025 *Congressional Budget Justification*.

Notes: Enacted amounts include regular annual and supplemental appropriations, rescissions, and IIJA advance appropriations. Not shown are \$41.46 billion in permanent appropriations provided by P.L. 117-169 (IRA) for EPA in FY2022 or IIJA advance appropriations of \$12.01 billion for FY2025.

As compared to FY2024 regular enacted appropriations, the President's FY2025 request proposed funding increases for nine of EPA's appropriations accounts and flat funding for Hazardous Waste EMSF. For example, in the larger accounts, the FY2025 request includes \$4.41 billion for the EPM account (a \$1.22 billion, or 38.7%, increase compared to FY2024 regular enacted appropriations) and \$1.01 billion for the S&T account (a \$251.9 million, or 33.2%, increase compared to FY2024 regular enacted appropriations). The request includes \$4.53 billion for the STAG account, a \$109.1 million, or 2.5%, increase compared to FY2024 regular enacted appropriations. The request proposed \$661.2 million for the Superfund account, a \$123.5 million, or 23.0%, increase compared to FY2024 regular enacted appropriations. In its FY2025 *Congressional Budget Justification*, EPA noted that the amount requested for the Superfund account for FY2025 reflects \$3.5 billion provided in IIJA for Superfund and the availability of \$2.17 billion in expected Superfund excise tax receipts available to EPA in FY2025.

Selected EPA Programs and Activities

Within the accounts discussed above, the FY2025 request proposed funding increases for some additional program areas and decreases in other program areas compared to FY2024 enacted levels. For example, among the programs with the largest FY2025 requested increases compared to FY2024 enacted amounts, the request proposed \$317.7 million within the EPM account for environmental justice programs, a \$223.6 million, or 238%, increase compared to FY2024 regular enacted appropriations of \$94.1 million. The FY2025 request proposed \$400.2 million within the STAG account for State and Local Air Quality

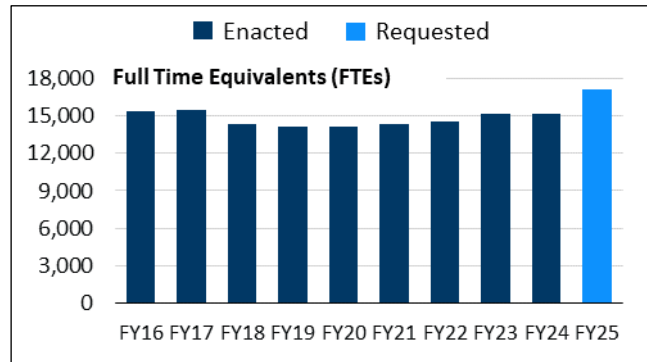
Management categorical grants, a \$164.2 million, or 69.6%, increase compared to FY2024 regular enacted appropriations of \$236.0 million.

State Revolving Funds (SRFs) represent the largest proportion of program area funding with the STAG account. The FY2025 request proposed \$1.13 billion for the Drinking Water SRF, equal to the FY2024 enacted amount, and also proposed that none of that amount go toward community project funding/congressionally directed spending (CPF/CDS). The FY2025 request proposed \$1.24 billion for the Clean Water SRF, a \$399.0 million, or 24.3%, decrease, compared to the FY2024 enacted amount of \$1.64 billion, with none of this amount for CPF/CDS.

EPA Staff Levels

The President's FY2025 request proposed 17,145 full-time equivalent staff (FTEs) for EPA to administer federal environmental statutes in coordination with delegated states and tribes. This is a proposed increase of 2,023 FTEs over FY2024 annualized continuing resolution levels, which would raise the agency staffing ceiling to the highest level in the past 10 years (see **Figure 4**).

Figure 4. EPA-Reported Full-Time Equivalent Ceiling, FY2016-FY2024 Enacted and FY2025 Requested



Source: CRS using information from EPA's FY2025 *Budget in Brief*.

Selected Funding and Policy Issues

During the EPA FY2025 appropriations debate, a range of funding and policy issues may be of interest to Congress. For example, some Members have opposed increasing EPA regular appropriations, given the total of \$60.89 billion provided in IIJA from FY2022 to FY2026 and the additional \$41.46 billion provided for FY2022 in the IRA. Other Members support increases in EPA appropriations to support current EPA programs to supplement what they consider past underfunding of the agency, and to provide the amounts necessary for ongoing programs and responsibilities. Separately, the staffing and capacity of EPA to manage recent funding increases may also be an issue of interest. Other potential issues include the level of funding to implement EPA's PFAS Strategic Roadmap, the level of federal financial assistance to support local drinking water and wastewater infrastructure improvements, and the level of appropriations for the Superfund program to augment anticipated Superfund excise tax receipts.

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