

CRS Report for Congress

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Environmental Protection Agency: Highlights of the President's FY2007 Request

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The President's FY2007 budget request includes \$7.32 billion for the Environmental Protection Agency (EPA), \$390 million less than the \$7.71 billion that Congress appropriated in FY2006. Although the President's FY2007 request for EPA is an overall decrease compared with the enacted FY2006 appropriation, funding for some agency activities would increase. Proposed changes in funding for selected activities in which there has been broad congressional interest are characterized below. The following table indicates specific amounts for EPA's eight accounts and compares the President's FY2007 request with appropriations enacted by Congress each year since FY2004.

Although the President's budget would cut funding for a number of EPA activities, most of the overall decrease is attributed to water infrastructure projects within the State and Tribal Assistance Grants (STAG) account. In particular, funding would decline for grants to states to support clean water State Revolving Funds (SRFs). States use these funds to issue low-interest loans to communities for wastewater infrastructure projects, such as upgrades for municipal sewage treatment plants. As in past Administration requests, the President's budget does not include funding in the STAG account that Congress earmarked in FY2006 for water infrastructure projects in specific communities. However, grants to states to support the drinking water SRFs would increase slightly. States use these funds to issue low-interest loans to communities for projects needed to meet federal drinking water standards and for related purposes.

The President's budget would increase funding for the Science and Technology account, which supports scientific research on human health and environmental effects of pollutants. This research is used to inform EPA decisions on preventing, regulating, and abating pollution. Funding would increase within multiple accounts for EPA's homeland security responsibilities and other ongoing activities. The President's budget also includes funding for new initiatives that focus primarily on air and water quality. Although overall funding for the Superfund account would also increase, support for actual cleanup of hazardous waste sites would decrease, and the funding would continue to come from general Treasury revenues. A trust fund supported by taxes on industry had funded most activities within this account. However, the taxing authority expired at the end of 1995, and the trust fund balance was essentially expended by the end of FY2003.

This report will be updated to track action on the FY2007 appropriations bill for Interior, Environment, and Related Agencies, which will include funding for EPA.

**Environmental Protection Agency Appropriations, by Account:
FY2004-FY2006 Enacted, and the FY2007 Request**

(in millions of dollars)

Appropriations Account	FY2004 Enacted^a	FY2005 Enacted^a	FY2006 Enacted^b	FY2007 Request^b
Science and Technology	\$781.7	\$744.1	\$730.8	\$788.3
+ transfer from Superfund account	+ \$44.4	+ \$35.8	+ \$30.2	+ \$27.8
Science and Technology Total	\$826.1	\$779.9	\$761.0	\$816.1
Environmental Programs and Management	\$2,280.0	\$2,294.9	\$2,346.7	\$2,306.6
Office of Inspector General	\$37.3	\$37.7	\$36.9	\$35.1
+ transfer from Superfund account	+ \$13.1	+ \$12.9	+ \$13.3	+ \$13.3
Office of Inspector General Total	\$50.5	\$50.6	\$50.2	\$48.4
Buildings & Facilities	\$39.8	\$41.7	\$39.6	\$39.8
Hazardous Substance Superfund (Total)	\$1,257.5	\$1,247.5	\$1,242.1	\$1,259.0
— transfer to Office of Inspector General	— \$13.1	— \$12.9	— \$13.3	— \$13.3
— transfer to Science and Technology	— \$44.4	— \$35.8	— \$30.2	— \$27.8
Hazardous Substance Superfund (Net)	\$1,200.0	\$1,198.8	\$1,198.6	\$1,217.8
Cleanup	\$875.1	\$847.7	\$833.9	\$822.9
Other Superfund Activities	\$324.9	\$351.1	\$364.7	\$395.0
Leaking Underground Storage Tank Program	\$75.6	\$69.4	\$80.0^c	\$72.8
Oil Spill Response	\$16.1	\$15.9	\$15.6	\$16.5
State and Tribal Assistance Grants: Total	\$3,877.8	\$3,575.3	\$3,213.7	\$2,797.4
Clean Water SRFs	\$1,342.0	\$1,091.2	\$886.8	\$687.6
Drinking Water SRFs	\$845.0	\$843.2	\$837.5	\$841.5
Other Grants	\$1,690.8	\$1,640.9	\$1,489.4	\$1,268.3
Total EPA Accounts	\$8,365.8	\$8,026.5	\$7,705.4	\$7,315.5

Source: Prepared by the Congressional Research Service (CRS) and based on sources noted below.

Note: Numbers may not add due to rounding.

- a. FY2004 enacted amounts are from the conference report on the Consolidated Appropriations Act for FY2005 (H.R. 4818, H.Rept. 108-792), which reflect an across-the-board rescission of 0.59%. FY2005 enacted amounts are from the conference report on the Interior, Environment, and Related Agencies Appropriations Act for FY2006 (H.R. 2361, H.Rept. 109-188), which reflect an across-the-board rescission of 0.80%, and supplementals.
- b. FY2006 enacted amounts and the FY2007 request are from EPA's *FY2007 Annual Performance Plan and Congressional Justification*. FY2006 enacted amounts are EPA estimates, which reflect an across-the-board rescission of 0.476% in the Interior, Environment, and Related Agencies Appropriations Act for FY2006 (P.L. 109-54), a 1% government-wide rescission in the Department of Defense Appropriations Act for FY2006 (P.L. 109-148), and EPA's distribution of \$80 million made available in P.L. 109-54 from funds rescinded from prior years not obligated for contracts, grants, and interagency agreements for which the funding authorization had expired. In past years, the House Appropriations Committee has developed its own estimates, which in some cases have differed from EPA's amounts because of different accounting adjustments. The table will be updated with the committee's estimates when they become available.
- c. Includes \$73 million in P.L. 109-54 for response to leaking underground tanks across the country and \$8 million in P.L. 109-148 for such response activities in areas damaged by Hurricanes Katrina and Rita, after applicable rescissions.