



CRS Report for Congress

Environmental Protection Agency: FY2007 Appropriations Highlights

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The 109th Congress adjourned without completing FY2007 appropriations for the Environmental Protection Agency (EPA) and many other federal agencies. P.L. 109-383 (H.J.Res. 102) provides funding for most individual agency activities through February 15, 2007, at the FY2006 enacted level or at the amount passed in the House or Senate in the 109th Congress, whichever is lowest. In the second session of the 109th Congress, the House had passed the FY2007 Interior, Environment, and Related Agencies appropriations bill (H.R. 5386, H.Rept. 109-465) on May 18, 2006, recommending \$7.58 billion for EPA. Although the full Senate did not pass the bill, the Senate Appropriations Committee had recommended \$7.53 billion for EPA in reporting its version (S.Rept. 109-275) on June 29, 2006. Both amounts were more than the President's request of \$7.32 billion but less than the FY2006 appropriation of \$7.64 billion. Congress made a total of \$7.72 billion available to EPA in FY2006, including \$80 million in certain rescinded and redirected funds from prior years. Differences in the above proposed funding relative to FY2006 are greater when accounting for these funds.

Among individual activities, both the full House and the Senate Appropriations Committee approved decreases and increases throughout EPA's eight appropriations accounts in their respective versions of H.R. 5386, when compared with the President's FY2007 request and the FY2006 appropriation. The table on the next page indicates the following amounts for each of EPA's eight accounts: the enacted FY2006 appropriation, the FY2007 request, and proposals in H.R. 5386 during the 109th Congress. Also see the EPA section in CRS Report RL33399, *Interior, Environment, and Related Agencies: FY2007 Appropriations*, coordinated by Carol Hardy-Vincent and Susan Boren.

Of the many EPA activities, funding for water infrastructure generated broad congressional interest. The full House and the Senate Appropriations Committee approved the President's request to cut funding below FY2006 for state grants to support Clean Water State Revolving Funds (SRFs), and approved the President's request for a relatively small increase for state grants to support the Drinking Water SRFs. States use these funds to issue low-interest loans to communities for water infrastructure projects. The full House and the Senate Appropriations Committee also designated funds for water infrastructure projects in specific communities, often referred to as *earmarks*. As in past requests, the President's FY2007 budget did not include funding for such projects.

The adequacy of funding for the cleanup of hazardous wastes at Superfund sites was another issue. The full House, the Senate Appropriations Committee, and the President proposed similar funding for the Superfund account, all of which were more than appropriated in FY2006. Attention also focused on funding for scientific research on the effects of pollutants on human health and the environment. Much of EPA's research activities are funded within the Science and Technology account. The full House and the Senate Appropriations Committee proposed more for this account than requested for FY2007 and enacted for FY2006. However, much of this increase was due to an accounting adjustment, resulting in a smaller increase for the agency's "core" research activities in the House bill, and a net decrease in the Senate Appropriations Committee's bill. The funding and operation of EPA's libraries also received attention toward the end of the 109th Congress. See CRS Report RS22533, *Restructuring EPA's Libraries: Background and Issues for Congress*, by David Bearden and Robert Esworthy.

EPA Appropriations, by Account: FY2006 Enacted, FY2007 Request, and Amounts Proposed in H.R. 5386 during the 109th Congress

(in millions of dollars)

Environmental Protection Agency Accounts	FY2006 Enacted	FY2007 Request	House-Passed	Senate-Reported
Science and Technology				
— <i>Direct Appropriations</i>	\$730.8	\$788.3	\$808.0	\$793.4
— <i>Transfer in from Superfund account</i>	\$30.2	\$27.8	\$30.0	\$27.8
Science and Technology Total	\$761.0	\$816.1	\$838.0	\$821.2
Environmental Programs and Management	\$2,352.7	\$2,306.6	\$2,338.2	\$2,310.7
Office of Inspector General				
— <i>Direct Appropriations</i>	\$36.9	\$35.1	\$35.1	\$35.1
— <i>Transfer in from Superfund account</i>	\$13.3	\$13.3	\$13.3	\$13.3
Office of Inspector General Total	\$50.2	\$48.4	\$48.4	\$48.4
Buildings & Facilities	\$39.6	\$39.8	\$39.8	\$39.8
Hazardous Substance Superfund Total	\$1,242.1	\$1,259.0	\$1,256.9	\$1,261.3
— <i>Transfer out to Office of Inspector General</i>	(\$13.3)	(\$13.3)	(\$13.3)	(\$13.3)
— <i>Transfer out to Science and Technology</i>	(\$30.2)	(\$27.8)	(\$30.0)	(\$27.8)
— <i>Net Appropriations After Transfers</i>	\$1,198.6	\$1,217.8	\$1,213.6	\$1,220.2
Leaking Underground Storage Tank Program	\$87.0	\$72.8	\$72.8	\$72.8
Oil Spill Response	\$15.6	\$16.5	\$16.5	\$16.5
State and Tribal Assistance Grants (STAG)				
— <i>Clean Water State Revolving Fund</i>	\$886.8	\$687.6	\$687.6	\$687.6
— <i>Drinking Water State Revolving Fund</i>	\$837.5	\$841.5	\$841.5	\$841.5
— <i>Categorical and Other Grants</i>	\$1,489.4	\$1,268.3	\$1,480.2	\$1,471.3
— <i>Rescission and Redirection of Prior Funds</i>	(\$80.0)	n/a	n/a	n/a
State and Tribal Assistance Grants Total	\$3,133.7	\$2,797.4	\$3,009.3	\$3,000.4
Total Appropriations	\$7,638.4	\$7,315.5	\$7,576.7	\$7,529.9

Source: Prepared by the Congressional Research Service. Amounts are from the House Appropriations Committee and the Senate Appropriations Committee, reflecting rescissions and supplementals. Numbers may not add due to rounding.