

# Environmental Protection Agency (EPA): Appropriations for FY2013 in P.L. 113-6

(name redacted)

Specialist in Environmental Policy

(name redacted)

Specialist in Environmental Policy

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## Summary

Enacted March 26, 2013, the Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 113-6), appropriated funding for the full fiscal year through September 30, 2013. Seven regular appropriations acts, including Interior, Environment, and Related Agencies, which funds EPA, are covered by the full-year continuing appropriations provided in Division F of P.L. 113-6. The final level of appropriations ultimately available to EPA and other federal departments and agencies in FY2013 includes the application of an across-the-board rescission required by P.L. 113-6 and the executive branch calculations of the automatic spending reductions triggered by sequestration under the Budget Control Act of 2011 (BCA; P.L. 112-25), as amended by the American Taxpayer Relief Act (ATRA; P.L. 112-240). Section 1113 of P.L. 113-6 required federal departments and agencies funded in Division F of the law to report to the House and Senate Committees on Appropriations to identify the allocations of FY2013 enacted funding by program, project, or activity within each statutory appropriations account, including the application of rescissions and sequestration, within 30 days of enactment.

In its FY2013 Operating Plan submitted to the committees on May 7, 2013, EPA reported a total enacted FY2013 post-sequestration funding level of \$7.90 billion, \$443.4 million (5.3%) less than the President's FY2013 request and \$548.3 million (6.5%) below the FY2012 enacted level. The Disaster Relief Appropriations Act, 2013 (P.L. 113-2), provided another \$577.3 million (post-sequestration) to EPA in FY2013 for water infrastructure, cleanup, and other recovery efforts in areas of states affected by Hurricane Sandy, for a combined agency total of \$8.48 billion.

Prior to the enactment of P.L. 113-6, EPA and other federal departments and agencies had operated under the Continuing Appropriations Resolution, 2013 (P.L. 112-175, H.J.Res. 117), enacted September 28, 2012, in the 112<sup>th</sup> Congress. With a few exceptions, P.L. 112-175 generally had provided FY2013 appropriations for EPA and most other federal departments and agencies apportioned at 0.612% above the FY2012 enacted levels. Although not enacted, Title II of H.R. 6091, the Interior, Environment, and Related Agencies Appropriations Act, 2013, as reported by the House Committee on Appropriations on July 10, 2012, had included \$7.06 billion for EPA for FY2013. The bipartisan leadership of the Senate Appropriations Subcommittee on Interior, Environment, and Related Agencies also had released a draft bill on September 25, 2012, which included different funding priorities and proposed \$8.52 billion for EPA in FY2013.

In addition to funding levels for EPA programs and activities, several recent and pending EPA regulatory actions received considerable interest during the consideration of the FY2013 appropriations debate similar to recent fiscal-year appropriations. Although several directive provisions to prohibit or restrict funding for certain EPA actions were included in H.R. 6091 as reported by the House Committee on Appropriations, these provisions were not included in the Senate Appropriations Subcommittee leadership draft bill, the partial-year continuing resolution for FY2013 in P.L. 112-175, or P.L. 113-6, which provided funding for the full fiscal year.

This report summarizes actions on FY2013 appropriations for EPA and presents the FY2013 enacted levels after the application of the across-the-board rescission and reductions triggered by sequestration, as reported in EPA's Operating Plan. A breakout of the agency total is presented for each account and selected programs and activities within those accounts that received prominent attention in the congressional debate. A comparison of the FY2013 enacted levels to the President's FY2013 budget request and the FY2012 enacted levels is included.

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## Introduction

Congress considered FY2013 discretionary appropriations for federal departments and agencies, including the Environmental Protection Agency (EPA), in the context of the Budget Control Act of 2011 (BCA; P.L. 112-25) as amended by the American Taxpayer Relief Act (ATRA; P.L. 112-240).<sup>1</sup> That act established, among other things, a statutory limit on FY2013 discretionary spending and required a sequestration of FY2013 budgetary resources due to the failure of the President and Congress to enact legislation reducing the federal deficit by a specified date.

Neither the House nor the Senate passed a regular appropriations bill for FY2013 for Interior, Environment, and Related Agencies in which EPA is funded.<sup>2</sup> Because no regular FY2013 Interior, Environment, and Related Agencies appropriations bill was enacted prior to the start of the fiscal year, Congress first included funds for these agencies in a continuing appropriations resolution (CR; P.L. 112-175, H.J.Res. 117, enacted September 28, 2012) that would have been in effect through March 27, 2013. For EPA and most other federal departments and agencies, the CR generally continued funding on a pro-rata basis at a level that was 0.612% higher<sup>3</sup> than the FY2012 level.<sup>4</sup> P.L. 112-175 was superseded by a second law, the Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 113-6, H.R. 933, enacted March 26, 2013). Division F of the law provided discretionary appropriations for the full fiscal year for EPA and other federal departments and agencies through September 30, 2013.

P.L. 113-6 does not specify the actual amount available to EPA, and many other federal departments and agencies for FY2013. Instead, the act provides a level of appropriations from which certain reductions were to be made as a result of the sequestration required by the BCA<sup>5</sup> and an across-the-board rescission required to comply with the statutory limit on discretionary spending for FY2013.<sup>6</sup> That is, the actual funding available to EPA and other departments and agencies generally is the amounts specified in the act minus the amounts required to be sequestered and rescinded.

P.L. 113-6 did not treat all of EPA's eight appropriations accounts the same. For four of the accounts, the act specified a level equal to the FY2012 enacted appropriations. For those accounts, the act further specified that the use of funds provided for these accounts would be subject to the same authorities and conditions in FY2013 that applied in FY2012. For the other

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<sup>1</sup> For information on the Budget Control Act, see CRS Report R41965, *The Budget Control Act of 2011*, by (name redacted), (name redacted), and (name redacted).

<sup>2</sup> The 109<sup>th</sup> Congress moved EPA's funding from the jurisdiction of the House and Senate Appropriations Subcommittees on Veterans Affairs, Housing and Urban Development, and Independent Agencies to the Interior, Environment, and Related Agencies Appropriations Subcommittees beginning with the FY2006 appropriations. This change resulted from the abolition of the House and Senate Appropriations Subcommittees on Veterans Affairs, Housing and Urban Development, and Independent Agencies.

<sup>3</sup> Section 101(c) increased FY2012 amounts by 0.612%, with the exception of activities funded in the Disaster Relief Appropriations Act, 2012 (P.L. 112-77).

<sup>4</sup> Section 101(a) of P.L. 112-175.

<sup>5</sup> Section 3002 of P.L. 113-6 specified that appropriations provided in the law were subject to sequestration.

<sup>6</sup> Section 3004 of P.L. 113-6 directed the Office of Management and Budget (OMB) to apply an across-the-board rescission, if needed, in addition to sequestration to ensure that the total level of appropriations in FY2013 did not exceed the discretionary spending caps. Section 3004 did not specify the percentage of this rescission, but directed OMB to calculate it relative to the amount of appropriations that would exceed the caps otherwise. OMB subsequently determined that an across-the-board rescission of 0.2% was necessary in FY2013 to remain within the nonsecurity cap.

four accounts, P.L. 113-6 specified amounts referred to as “anomalies”<sup>7</sup> that were below the FY2012 enacted levels. These “anomalies” would not be subject to the same FY2012 authorities and conditions in FY2013.

In determining the final funding levels, Section 1113 of P.L. 113-6 required EPA and other federal departments and agencies funded in Division F of the law to report to the House and Senate Committees on Appropriations to identify the allocations of FY2013 funding by program, project, or activity within each statutory appropriations account, including the application of sequestration and rescissions, within 30 days of enactment.

In response to this requirement, EPA submitted its FY2013 Operating Plan to the House and Senate Committees on Appropriations on May 7, 2013. In its plan, EPA reported total FY2013 enacted discretionary appropriations of \$7.90 billion after the application of the 0.2% across-the-board rescission and reductions triggered by sequestration. The FY2013 enacted level is \$443.4 million (5.3%) below the President’s FY2013 request and \$548.3 million (6.5%) below the FY2012 enacted level. The EPA Operating Plan also presented the supplemental appropriations provided for FY2013 by the Disaster Relief Appropriations Act, 2013 (P.L. 113-2, H.R. 152).<sup>8</sup> EPA reported an additional \$577.3 million (post-sequestration) in supplemental funding for the agency, increasing the total FY2013 enacted discretionary appropriations for EPA to \$8.48 billion. The supplemental appropriations were allocated for water infrastructure, cleanup, and other recovery efforts in areas of states affected by Hurricane Sandy.

The following sections of this report present the FY2013 funding levels indicated in EPA’s Operating Plan for each of the agency’s statutorily defined appropriations accounts, compared to the President’s FY2013 request and the enacted FY2012 appropriations. The report presents a breakout of this funding for selected EPA programs and activities funded at the sub-account level that have received prominent attention in the congressional debate. EPA’s Operating Plan presents a more detailed breakout for the major program areas within each account (see “FY2013 Supplemental Funding for Disaster Relief” below).

This report also summarizes action on EPA appropriations for FY2013 in the 112<sup>th</sup> Congress leading to the enactment of P.L. 113-6, including the partial-year continuing resolution for FY2013 in P.L. 112-175, the Interior, Environment, and Related Agencies Appropriations Act, 2013 (H.R. 6091, H.Rept. 112-589), reported by the House Committee on Appropriations on July 10, 2012, and the Senate Appropriations Subcommittee on Interior, Environment, and Related Agencies draft bill released on September 25, 2012.<sup>9</sup> For further discussion of these earlier

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<sup>7</sup> The Senate Committee on Appropriations referred to these exceptions in P.L. 113-6 as “anomalies.” See the committee’s March 11, 2013, press release summarizing the Senate substitute amendment to H.R. 933: <http://www.appropriations.senate.gov/news.cfm?method=news.view&id=729722e4-2b84-4651-ae53-cad2b62e548e>.

<sup>8</sup> See CRS Report R42869, *FY2013 Supplemental Funding for Disaster Relief*, coordinated by (name redacted) and (name redacted).

<sup>9</sup> The President’s FY2014 Budget Request was submitted to Congress on April 10, 2013. The request contained a total of \$8.15 billion for EPA. No bill providing regular appropriations for FY2014 for Interior, Environment, and Related Agencies has been introduced in the House or Senate (as of August 28, 2013). On July 31, 2013, the House Appropriations Committee began, but did not conclude, a markup of a draft FY2014 appropriations draft approved by the House Appropriations Subcommittee on Interior, Environment, and Related Agencies on July 23, 2013. On August 1, 2013, the leaders of the Senate Appropriations Subcommittee on Interior, Environment, and Related Agencies released a draft bill for FY2014 with an accompanying explanatory statement. For status of the EPA FY2014 appropriations, see CRS Report R43142, *Interior, Environment, and Related Agencies: Brief Overview of the President’s FY2014 Appropriations Request*, by (name redacted).



proposals in the 112<sup>th</sup> Congress and related issues, see CRS Report R42520, *Environmental Protection Agency (EPA) Appropriations for FY2013: Debate During the 112<sup>th</sup> Congress*, coordinated by (name redacted).

**Table A-1 in Appendix A** provides a historical comparison of enacted appropriations (not adjusted for inflation) by EPA appropriations account from FY2008 through FY2013. **Figure A-1** depicts historical funding trends (adjusted for inflation) for the agency back to FY1976, and **Figure A-2** presents EPA's full-time-equivalent (FTE) employment ceiling for FY2001 through FY2013 (proposed and requested). With the exception of the historical funding presented in **Figure A-1 in Appendix A**, the enacted appropriations for prior fiscal years presented throughout this report have not been adjusted for inflation. In some cases, small increases above the prior-year funding level may reflect a decrease in real dollar values when adjusted for inflation.

In general, the term *appropriations* used in this report refers to total discretionary funds made available to EPA for obligation, including regular fiscal year and emergency supplemental appropriations, as well as any rescissions, transfers, and deferrals in a particular fiscal year, but excludes permanent or mandatory appropriations that are not subject to the annual appropriations process. This latter category of funding constitutes a very small portion of EPA's annual funding. The vast majority of the agency's annual funding consists of discretionary appropriations. Since FY1996, EPA's appropriations have been requested by the Administration and appropriated by Congress within eight statutory appropriations accounts.<sup>10</sup> **Appendix B** briefly describes the scope and purpose of the activities funded within each of these accounts.

The levels of FY2013 appropriations indicated in this report are as presented in EPA's Operating Plan provided to CRS by the House Committee on Appropriations, reflecting the application of sequestration under the Budget Control Act of 2011 (P.L. 112-25) as amended, and the additional across-the-board rescission<sup>11</sup> required by P.L. 113-6 (determined to be 0.2%). The House Committee on Appropriations is the primary source for the FY2012 enacted amounts after rescissions,<sup>12</sup> and the President's budget request for FY2013 unless otherwise specified.<sup>13</sup>

## FY2013 and the Budget Control Act<sup>14</sup>

Congress considered FY2013 discretionary appropriations in the context of the Budget Control Act of 2011 (BCA; P.L. 112-25) as amended, which established limits for discretionary spending for FY2012-FY2021.<sup>15</sup> The BCA also tasked a Joint Select Committee on Deficit Reduction to

<sup>10</sup> Prior to FY1996, Congress appropriated funding for EPA under a different account structure, making it difficult to compare past funding levels by account over the history of the agency.

<sup>11</sup> See footnote 6.

<sup>12</sup> The FY2012 enacted amounts reflect the 0.16% across-the-board rescission required by P.L. 112-74.

<sup>13</sup> Additional information regarding the FY2013 request was obtained from the EPA's *FY2013 Justification of Appropriation Estimates for the Committee on Appropriations* (referred to throughout this report as the EPA FY2013 Congressional Justification), available at <http://www.epa.gov/ocfo/budget>, and the President's *Budget of the United States Government, Fiscal Year 2013*, issued by the Office of Management and Budget (OMB), <http://www.whitehouse.gov/omb/budget/Overview/>.

<sup>14</sup> See CRS Report R41965, *The Budget Control Act of 2011*, by (name redacted), (name redacted), and (name redacted).

<sup>15</sup> The BCA resulted in cuts for both discretionary and, with certain exceptions, mandatory spending. Ibid.

develop a federal deficit reduction plan for Congress and the President to enact by January 15, 2012. Because deficit reduction legislation was not enacted by that date, an automatic spending reduction process established by the BCA was triggered. This process consists of a combination of sequestration and lower discretionary spending caps, initially scheduled to begin on January 2, 2013. The “joint committee” sequestration process for FY2013 required the Office of Management and Budget (OMB) to implement across-the-board spending cuts at the account and program level to achieve equal budget reductions from both defense and nondefense funding at a percentage to be determined, under terms specified in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended by the BCA.

The American Taxpayer Relief Act (ATRA; P.L. 112-240), enacted on January 2, 2013, made a number of significant changes to the procedures in the BCA that took place in FY2013. First, the date for the joint committee sequester to be implemented was delayed until March 1, 2013. Second, the dollar amount of the joint committee sequester was reduced by \$24 billion. Third, statutory caps on discretionary spending for FY2013 (and FY2014) were lowered.<sup>16</sup>

Pursuant to the BCA, as amended by the ATRA, President Obama ordered that the joint committee sequester be implemented on March 1, 2013.<sup>17</sup> The accompanying OMB report estimated a dollar amount of budget authority to be canceled in FY2013 from each account containing non-exempt funds.<sup>18</sup> The sequestration was to be applied at the program, project, and activity (PPA) level within each account.<sup>19</sup> Because the sequestration was implemented at the time that a temporary continuing resolution was in force, the calculations required to determine the amount of the reduction were based on the annualized level of the part-year appropriations provided by the FY2013 Continuing Resolution (P.L. 112-175).<sup>20</sup> Therefore, the effect of these reductions on the discretionary budgetary resources available to EPA and other federal departments and agencies at the account and PPA level was dependent on the amounts provided for the full year, as subsequently specified in P.L. 113-16. The succeeding EPA Operating Plan presented the reductions that were applied to the agency’s funding under sequestration in FY2013 at the account level and by major program area within each account.

## EPA FY2013 Appropriations

**Table 1** presents the levels of FY2013 enacted appropriations reported in EPA’s Operating Plan, compared to the President’s FY2013 request and the FY2012 enacted amounts, by each of the agency’s eight statutorily defined appropriations accounts. (A description of each of the appropriations accounts is presented in **Appendix B**.) The FY2013 enacted amounts reflect

<sup>16</sup> For further information on the changes to the BCA procedures made by the ATRA, see CRS Report R42949, *The American Taxpayer Relief Act of 2012: Modifications to the Budget Enforcement Procedures in the Budget Control Act*, by (name redacted)

<sup>17</sup> White House, President Obama, *Sequestration Order for Fiscal Year 2013 Pursuant to Section 251A of the Balanced Budget and Emergency Deficit Control Act, As Amended*, March 1, 2013, available at <http://www.whitehouse.gov/sites/default/files/2013sequestration-order-rel.pdf>.

<sup>18</sup> Executive Office of the President, Office of Management and Budget, *OMB Report to the Congress on the Joint Committee Sequestration for Fiscal Year 2013*, March 1, 2013, available at [http://www.whitehouse.gov/sites/default/files/omb/assets/legislative\\_reports/fy13ombjcssequestrationreport.pdf](http://www.whitehouse.gov/sites/default/files/omb/assets/legislative_reports/fy13ombjcssequestrationreport.pdf).

<sup>19</sup> *Ibid.*, pp. 11 and 13.

<sup>20</sup> *Ibid.*, p. 5. For general information on continuing resolutions, see CRS Report R42647, *Continuing Resolutions: Overview of Components and Recent Practices*, by (name redacted).



automatic spending reductions triggered by sequestration and a 0.2% across-the-board rescission applied to the baseline amounts for EPA in Division F of P.L. 113-6. The table also presents a breakout of supplemental appropriations for FY2013 (post-sequestration) under the Disaster Relief Appropriations Act, 2013 (P.L. 113-2), enacted prior to P.L. 113-6. The FY2012 enacted amounts presented in the table reflect rescissions that applied to that fiscal year. The table also identifies transfers of funds between appropriations accounts, and funding levels for several program areas within certain accounts that have received prominent attention.

**Figure 1** following the table presents the allocation of the total FY2013 enacted appropriations among the agency's eight appropriations accounts, as reported in the EPA Operating Plan, compared with the relative allocation of the FY2012 enacted amounts by account. **Figure 1** presents two separate comparisons for the allocations of FY2013 appropriations, one including the FY2013 disaster relief supplemental funding provided in P.L. 113-6 for areas of states affected by Hurricane Sandy, and the other excluding the supplemental funding. A summary of actions on EPA appropriations for FY2013 leading to the enactment of P.L. 113-6, and a discussion of the FY2013 enacted appropriations for selected EPA programs and activities that received prominent attention in the congressional debate, follow the table and bar graph.

**Table 1. Appropriations for the Environmental Protection Agency: FY2012 Enacted, the President's FY2013 Budget Request, FY2013 Funding Amounts (P.L. 113-6; Post-Sequestration), and FY2013 Disaster Relief Funding (P.L. 113-2; Post-Sequestration)**

(millions of dollars; enacted amounts include rescissions and supplemental appropriations)

EPA Appropriation Accounts	FY2012 Enacted P.L. 112-74	FY2013 Request	FY2013 P.L. 113-6 (Post- Sequester) <sup>a</sup>	FY2013 Supplemental P.L. 113-2 (Post- Sequester)	FY2013 Total (Post- Sequester)
Science and Technology					
—Base Appropriations	\$793.7	\$807.3	\$743.8	—	\$743.8
—Transfer in from Superfund	+\$23.0	+\$23.2	+\$21.7	—	+\$21.7
Science and Technology (with transfers)	\$816.7	\$830.5	\$765.5	—	\$765.5
Environmental Programs and Management	\$2,678.2	\$2,817.2	\$2,511.4	\$0.7	\$2,512.1
Office of Inspector General					
—Base Appropriations	\$41.9	\$48.3	\$39.7	—	\$39.7
—Transfer in from Superfund	+\$9.9	+\$10.9	+\$9.4	—	+\$9.4
Office of Inspector General (with transfers)	\$51.8	\$59.1	\$49.1	—	\$49.1
Buildings and Facilities	\$36.4	\$42.0	\$34.5	—	\$34.5
Hazardous Substance Superfund (before transfers)	\$1,213.8	\$1,176.4	\$1,113.3	\$1.9	\$1,115.2
—Transfer out to Office of Inspector General	-\$9.9	-\$10.9	-\$9.4	—	-\$9.4
—Transfer out to Science and Technology	-\$23.0	-\$23.2	\$21.7	—	\$21.7

EPA Appropriation Accounts	FY2012 Enacted P.L. 112-74	FY2013 Request	FY2013 P.L. 113-6 (Post- Sequester) <sup>a</sup>	FY2013 Supplemental P.L. 113-2 (Post- Sequester)	FY2013 Total (Post- Sequester)
Hazardous Substance Superfund (after transfers)	\$1,180.9	\$1,142.3	\$1,082.1	\$1.9	\$1,084.0
Leaking Underground Storage Tank Trust Fund Program	\$104.1	\$104.1	\$98.7	\$4.7	\$103.4
Inland Oil Spill Program (formerly Oil Spill Response)	\$18.2	\$23.5	\$17.3	—	\$17.3
State and Tribal Assistance Grants (STAG)					
—Clean Water State Revolving Fund	\$1,466.5	\$1,175.0	\$1,376.1	\$475.0	\$1,851.1
—Drinking Water State Revolving Fund	\$917.9	\$850.0	\$861.3	\$95.0	\$956.3
—Categorical Grants	\$1,088.8	\$1,202.4	\$1,032.0	—	\$1,032.0
—Brownfields Section 104(k) Grants	\$94.8	\$93.3	\$89.9	—	\$89.9
—Diesel Emission Reduction Grants	\$30.0	\$15.0	\$18.9	—	\$18.9
—Other State and Tribal Assistance Grants	\$15.0	\$20.0	\$14.2	—	\$14.2
State and Tribal Assistance Grants Total	\$3,612.9	\$3,355.7	\$3,392.4	\$570.0	\$3,962.4
Rescissions of Unobligated Balances <sup>b</sup>	-\$50.0	-\$30.0	-\$50.0	—	-\$50.0
<b>Total EPA Accounts</b>	<b>\$8,449.4</b>	<b>\$8,344.5</b>	<b>\$7,901.1</b>	<b>\$577.3</b>	<b>\$8,478.4</b>

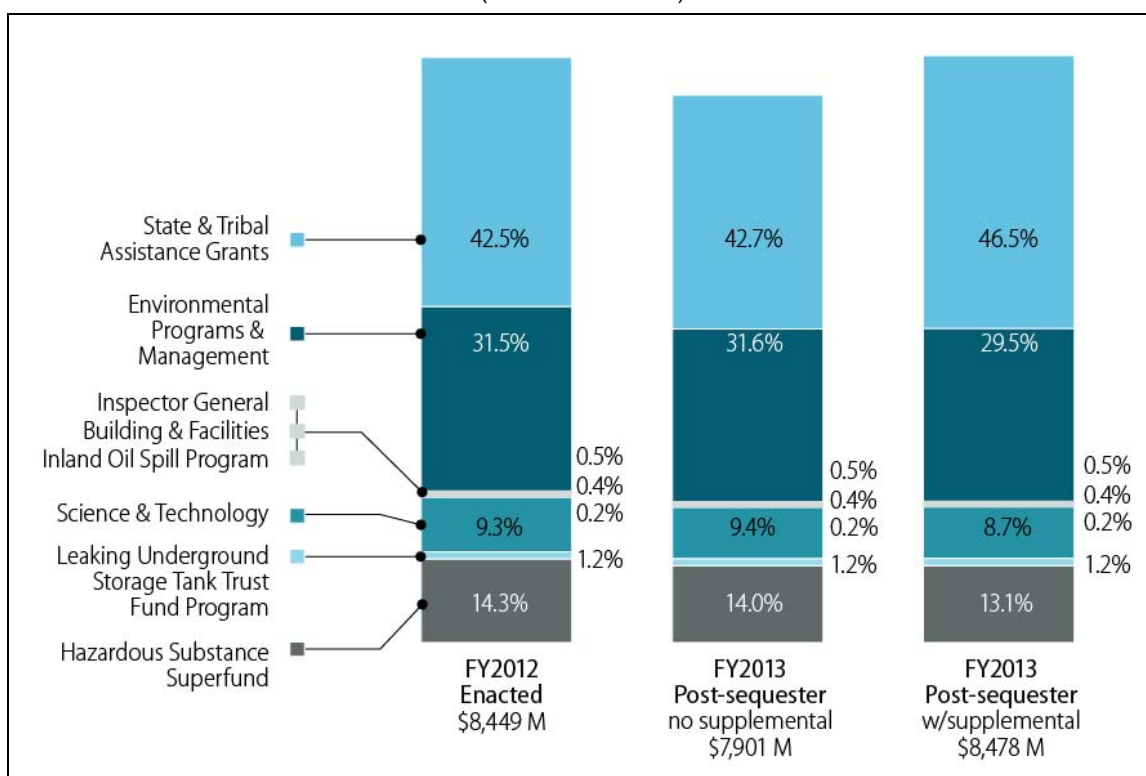
**Source:** Prepared by the Congressional Research Service. FY2012 enacted amounts, and the FY2013 President's budget request, are as presented by the House Appropriations Committee in its report accompanying the Interior, Environment, and Related Agencies Appropriations bill, 2013 (H.R. 6091, H.Rept. 112-589, pp. 170-177), as reported on July 10, 2012. The FY2012 enacted amounts reflect applicable rescissions. The FY2013 enacted and supplemental amounts are as reported in EPA's FY2013 Operating Plan submitted to the House and Senate Appropriations Committees on May 7, 2013, and reflect automatic spending reductions triggered by the Budget Control Act (BCA; P.L. 112-25) as amended. The FY2013 enacted levels also reflect the 0.2% across-the-board rescission required by the Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 113-6). Numbers may not add due to rounding.

- a. FY2013 discretionary appropriations were considered in the context of the BCA as amended, which established, among other things, a statutory limit on FY2013 discretionary spending and required a sequestration of FY2013 budgetary resources. Deficit reduction legislation was not enacted by January 15, 2012, as required by the BCA, triggering an automatic spending reduction process that consisted of a combination of sequestration and lower discretionary spending caps, and ultimately reductions in overall FY2013 funding levels.
- b. Rescissions specified by Congress and proposed in the President's request as presented in this row are from unobligated balances of funds appropriated in prior years. In effect, these "rescissions" increase the availability of funds for expenditure by the agency in the years in which they are applied, functioning as an offset to new appropriations by Congress. For FY2012, in the Administrative Provisions in Division E, Title II of P.L. 112-74, Congress specified rescinding unobligated balances from the STAG (\$45.0 million) and the Hazardous Substance Superfund (\$5.0 million) accounts. FY2012 rescissions specified by Congress within the STAG account included \$20.0 million from categorical grants, \$10.0 million from the Clean Water State Revolving Fund (SRF) grants, and \$5.0 million each from Brownfields grants, Diesel Emission Reduction Act grants, and U.S.-Mexico Border water infrastructure grants. For FY2013, Section 1406 of Title IV in P.L. 113-6 rescinded unobligated balances from the Hazardous Substance Superfund (\$15.0 million) and STAG (\$35.0 million) accounts. The FY2013 rescissions specified by Congress within the STAG account include \$5.0 million from categorical grants, \$10.0 million each from the Clean Water and the Drinking Water SRF grants, and \$10.0 million from Brownfields grants.

**Figure 1. Proportional Comparison of EPA FY2013 Appropriations by Account Post-Sequestration (Including and Excluding FY2013 Disaster Relief Supplemental Appropriations in P.L. 113-2), and FY2012 Enacted Appropriations**

(before transfers between accounts)

(millions of dollars)



**Source:** Prepared by the Congressional Research Service. FY2012 enacted amounts are from H.R. 6091 as reported by the House Committee on Appropriations and the accompanying report, H.Rept. 112-589, table pp. 170-177. The FY2013 enacted and supplemental amounts are as reported in EPA's FY2013 Operating Plan submitted to the House and Senate Appropriations Committees on May 7, 2013, and reflect automatic spending reductions triggered by the Budget Control Act (BCA; P.L. 112-25) as amended. The FY2013 enacted levels also reflect the 0.2% across-the-board rescission required by the Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 113-6). Percentages may not add due to rounding.

## Consolidated and Further Continuing Appropriations Act, 2013

Division F of the Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 113-6), enacted March 26, 2013, provided discretionary appropriations for the full fiscal year through September 30, 2013, for seven regular appropriations acts, including Interior, Environment, and Related Agencies, which funds EPA. The levels of enacted appropriations for FY2013 in Division F of P.L. 113-6 ultimately available to EPA and other federal departments and agencies include the application of an across-the-board (0.2%) rescission required by the law and the executive branch's calculations of spending reductions triggered by the BCA (P.L. 112-25) as amended.

Section 1113 of P.L. 113-6 required each federal department and agency funded in Division F of the law to provide the House and Senate Committees on Appropriations with detailed allocations of FY2013 appropriations by program, project, or activity within each statutory appropriations

account, after the application of sequestration and rescissions, within 30 days of enactment. EPA reported this information in its FY2013 Operating Plan released to the committees on May 7, 2013. The EPA Operating Plan presents a breakout by each of the agency's eight appropriations accounts and program areas funded with each account.

As shown in **Table 1**, EPA reported a total FY2013 enacted funding level of \$7.90 billion after the application of the 0.2% across-the-board rescission and reductions triggered by sequestration. The FY2013 enacted level is \$443.4 million (5.3%) below the President's FY2013 request and \$548.3 million (6.5%) below the FY2012 enacted level. Including the \$577.3 million (post-sequestration) in supplemental funding provided under the Disaster Relief Appropriations Act, 2013 (P.L. 113-2), EPA reported a combined total of \$8.48 billion in discretionary appropriations enacted for the agency in FY2013.

As noted earlier in this report, P.L. 113-6 did not specify the final FY2013 enacted funding levels available to EPA and other federal departments and agencies funded in Division F of the law. Instead, the act provides a level of appropriations from which certain reductions were to be made as a result of the sequestration required by the BCA<sup>21</sup> and an across-the-board rescission required by the executive branch to comply with the statutory limit on discretionary spending for FY2013.<sup>22</sup>

Division F of P.L. 113-6 did not treat all appropriations accounts and program activities of agencies and departments included in this division the same. Section 1101 of Division F of the act specified a level equal to the FY2012 enacted appropriations. For those accounts and program activities, the act further specified that the use of funds provided would be subject to the same authorities and conditions in FY2013 that applied in FY2012. For the other accounts and program activities, P.L. 113-6 specified amounts referred to as "anomalies"<sup>23</sup> that were generally below the FY2012 enacted levels. These "anomalies" would not be subject to the same FY2012 authorities and conditions in FY2013.

Under Section 1101, four of EPA's eight appropriations accounts were specified at FY2012 enacted levels<sup>24</sup> that would be used to calculate the FY2013 available funding taking into account the rescission. These accounts include the Office of Inspector General, Buildings and Facilities, Leaking Underground Storage Tank Trust Fund, and Inland Oil Spill Program. Section 1405 of P.L. 113-6 specified amounts below the FY2012 enacted for calculating the FY2013 enacted funding levels for the four other EPA accounts, including

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<sup>21</sup> Section 3002 of P.L. 113-6 specified that appropriations provided in the law were subject to sequestration.

<sup>22</sup> Section 3004 of P.L. 113-6 directed the Office of Management and Budget (OMB) to apply an across-the-board rescission, if needed, in addition to sequestration to ensure that the total level of appropriations in FY2013 did not exceed the discretionary spending caps. Section 3004 did not specify the percentage of this rescission, but directed OMB to calculate it relative to the amount of appropriations that would exceed the caps otherwise. OMB subsequently determined that an across-the-board rescission of 0.2% was necessary in FY2013 to remain within the nonsecurity cap.

<sup>23</sup> The Senate Committee on Appropriations referred to these exceptions in P.L. 113-6 as "anomalies." See the committee's March 11, 2013, press release summarizing the Senate substitute amendment to H.R. 933: <http://www.appropriations.senate.gov/news.cfm?method=news.view&id=729722e4-2b84-4651-ae53-cad2b62e548e>.

<sup>24</sup> Division E of P.L. 112-74 specified the FY2012 enacted funding levels for all eight EPA accounts, subject to a 0.16% across-the-board rescission. Section 1101 of Division F of P.L. 113-6 used the post-rescission amounts for FY2012 as the baseline for four of the eight EPA accounts in FY2013.

- \$785.3 million for Science and Technology;
- \$2.65 billion for Environmental Programs and Management;
- \$1.18 billion for the Hazardous Substance Superfund; and
- \$3.58 billion for State and Tribal Assistance Grants.

Additionally, Section 1406 of P.L. 113-6 required a rescission of \$50.0 million from unobligated balances of prior appropriations to the Hazardous Substance Superfund (\$15.0 million) and STAG (\$35.0 million) accounts. FY2013 rescissions of unobligated balances specified within the STAG account included \$5.0 million from categorical grants, \$10.0 million each from Clean Water and Drinking Water State Revolving Fund (SRF) grants, and \$10.0 million from Brownfields grants. The President's FY2013 request had proposed a \$30.0 million rescission of unobligated balances of prior appropriations, but did not specify from which accounts.

Similar rescissions of unobligated balances of prior appropriations have been included in EPA appropriations since FY2006. For FY2012, Title II of Division E in P.L. 112-74 included a rescission of \$50.0 million from unobligated balances in the Hazardous Substance Superfund (\$5.0 million) and STAG (\$45.0 million) accounts. FY2012 rescissions of unobligated balances specified within the STAG account included \$20.0 million from categorical grants, \$10.0 million from the Clean Water SRF, and \$5.0 million each from Brownfields grants, Diesel Emission Reduction Act grants, and U.S.-Mexico Border water infrastructure grants.

## **FY2013 Supplemental Funding for Disaster Relief<sup>25</sup>**

P.L. 113-6 was preceded by the Disaster Relief Appropriations Act, 2013 (P.L. 113-2), enacted January 29, 2013. P.L. 113-2 provided \$50.7 billion in supplemental FY2013 appropriations for disaster assistance largely focused on responding to the impacts of Hurricane Sandy in late October 2012. Hurricane Sandy impacted a wide swath of the East Coast of the United States, resulting in major disaster declarations for 12 states plus the District of Columbia. Prior to the application of reductions triggered by sequestration,<sup>26</sup> Chapter 7 in Title X of P.L. 113-2 provided \$1.44 billion in disaster relief supplemental appropriations for FY2013 within the accounts of Interior, Environment, and Related Agencies, including \$607.7 million within four of the eight EPA accounts. In its FY2013 Operating Plan, EPA reported that sequestration reduced the disaster relief supplemental funding for the agency to \$577.3 million across these four accounts.

As indicated in **Table 1**, \$570.0 million (\$600.0 million pre-sequester) of the supplemental for EPA was allocated within the State and Tribal Assistance Grants (STAG) account for grants to aid affected states in capitalizing their SRFs. Of this amount, \$475.0 million (\$500.0 million pre-sequester) was allocated for Clean Water SRF grants, and \$95.0 million (\$100.0 million pre-sequester) was allocated for the Drinking Water SRF grants. These funds were allocated to New York and New Jersey for wastewater and drinking water treatment works and facilities impacted by Hurricane Sandy (see the “Wastewater and Drinking Water Infrastructure” section of this

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<sup>25</sup> For a more comprehensive overview of the FY2013 supplemental funding for disaster relief, including a brief legislative history, see CRS Report R42869, *FY2013 Supplemental Funding for Disaster Relief*, coordinated by (name redacted) and (name redacted).

<sup>26</sup> See CRS Report R42352, *An Examination of Federal Disaster Relief Under the Budget Control Act*, by (name redacted), (name redacted), and (name redacted).

report). P.L. 113-2 included a requirement that the affected states receiving these funds use not less than 20%, but not more than 30%, of the SRF capitalization grant funds to provide additional subsidization to SRF loan recipients in the form of forgiveness of principal, negative interest loans, or grants, or any combination of these.

The remaining \$7.3 million (\$7.7 million pre-sequester) of the supplemental funds within the three other EPA accounts included \$689,000 (\$725,000 pre-sequester) in the Environmental Programs and Management (EPM) account; \$1.9 million (\$2.0 million pre-sequester) in the Hazardous Substance Superfund account; and \$4.75 million (\$5.0 million pre-sequester) in the Leaking Underground Storage Tank (LUST) Trust Fund account.

## **Interim Continuing Resolution Enacted in the 112<sup>th</sup> Congress**

P.L. 113-6 superseded a partial-year continuing resolution that had provided funding for the first half of FY2013. On September 28, 2012, the President signed the Continuing Appropriations Resolution, 2013 (P.L. 112-175, H.J.Res. 117), to provide appropriations through March 27, 2013, for EPA and other federal departments and agencies. Section 101 of P.L. 112-175 generally continued the rate of appropriations for the operations of EPA and most other federal departments and agencies on an apportioned basis at 0.612% above the FY2012 enacted level, with the exception of activities (none administered by EPA) funded in the Disaster Relief Appropriations Act, 2012 (P.L. 112-77). P.L. 112-175 also funded certain activities of the Department of Defense (DOD) designated as “Overseas Contingency Operations/Global War on Terrorism,” and various departments and agencies for which specific funding levels were designated in the resolution itself. Section 116(a) of P.L. 112-175 required EPA and all other federal departments and agencies to submit a spending, expenditure, or operating plan to the House and Senate Committees on Appropriations 30 days after enactment.

## **Other Actions in the 112<sup>th</sup> Congress**

### **H.R. 6091, Reported by the House Committee on Appropriations**

Prior to the enactment of an interim continuing resolution for FY2013 in P.L. 112-175 during the 112<sup>th</sup> Congress, the House Committee on Appropriations had reported the Interior, Environment, and Related Agencies Appropriations Act, 2013 (H.R. 6091, H.Rept. 112-589), on July 10, 2012. Title II of this bill included a total of \$7.06 billion for EPA for FY2013, \$1.29 billion (15.5%) less than the President’s FY2013 request of \$8.34 billion, and \$1.39 billion (16.5%) less than the \$8.45 billion FY2012 enacted level (including applicable rescissions).<sup>27</sup> These overall decreases that the committee proposed were attributed largely to recommended reductions of \$753.7 million (22.5%) and \$1.01 billion (28.0%), respectively, for the STAG account. These proposed decreases in the STAG account were largely due to a combined \$507.0 million reduction below the President’s FY2013 request and \$866.3 million below the FY2012 enacted level for grants to help states capitalize Clean Water and Drinking Water SRFs.

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<sup>27</sup> Section 436(a), Title IV, Division E of P.L. 112-74 specified a 0.16% across-the-board rescission in FY2012 for EPA and other Interior, Environment, and Related Agencies. The total FY2012 enacted appropriations for EPA in P.L. 112-74 was \$8.46 billion, prior to this across-the-board rescission.



Relative to the President's FY2013 request, H.R. 6091 included reductions for FY2013 for nearly all other state and tribal grants funded within the STAG account, including most of the categorical grants. Funding in the bill for the remaining EPA accounts, with the exception of the LUST Trust Fund account, also would have been below the President's FY2013 request. The FY2013 levels proposed by the committee would have been below the FY2012 enacted levels for all but two of EPA's accounts, the Office of Inspector General and Buildings and Facilities accounts, which would have been the same as the FY2012 enacted amounts. Below the account level, H.R. 6091 included a variety of decreases and increases in funding for many of the individual EPA programs and activities, compared to the President's FY2013 request and the FY2012 enacted levels.

### **Senate Appropriations Subcommittee Leadership Draft Bill**

Subsequent to the enactment of an interim continuing resolution for FY2013 in P.L. 112-175 during the 112<sup>th</sup> Congress, the bipartisan leadership of the Senate Appropriations Subcommittee on Interior, Environment, and Related Agencies released a draft bill on September 25, 2012,<sup>28</sup> reflecting divergent funding priorities from the House. The draft bill included \$8.52 billion for EPA for FY2013, \$1.46 billion (20.7%) more than the House Committee on Appropriations recommended in H.R. 6091.<sup>29</sup> In its view, the Senate Appropriations Subcommittee leadership had intended the draft document to "... serve as a roadmap as discussions continue to finalize a responsible, balanced fiscal year 2013 appropriations bill."<sup>30</sup>

## **Selected EPA Programs and Activities**

Much of the attention on EPA's appropriations for FY2013 focused on federal financial assistance to states for wastewater and drinking water infrastructure projects, various categorical grants to states to support general implementation and enforcement of federal environmental programs as delegated to the states, funding for implementation and research support for air pollution control requirements, climate change and greenhouse gas emissions, and funding for environmental cleanup. Also garnering congressional interest were the funding levels for several geographic-specific initiatives, including the Great Lakes Restoration Initiative, efforts to restore the Chesapeake Bay, and certain other program activities.

The following sections of this report discuss the levels of FY2013 appropriations for selected EPA programs and activities within the above areas that received prominent attention in the congressional debate leading to the enactment of P.L. 113-6. Disaster relief supplemental appropriations provided for FY2013 in P.L. 113-2 also are discussed for programs or activities that received this funding. The FY2013 funding levels identified in the following sections reflect the application of the 0.2% across-the-board rescission required by P.L. 113-6 and automatic spending reductions triggered by sequestration, as presented by EPA in its FY2013 Operating

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<sup>28</sup> See September 25, 2012, press release by the Chairman and Ranking Member of the Senate Appropriations Subcommittee on Interior, Environment, and Related Agencies, <http://www.appropriations.senate.gov/news.cfm?method=news.view&id=fc23708b-fb33-4569-99b4-6cf0d0254457>.

<sup>29</sup> The Senate draft bill and accompanying table are available at <http://www.appropriations.senate.gov/news.cfm?method=news.view&id=17ceab53-cf32-4493-8c93-a22f3a51b2bc> and <http://www.appropriations.senate.gov/news.cfm?method=news.view&id=2fde6f71-9b34-4455-85ff-db9b1ca2eee2>. See also the Senate Committee on Appropriations website, <http://www.appropriations.senate.gov/>.

<sup>30</sup> See footnote 29.

Plan. A comprehensive summary of funding for all EPA programs and activities is beyond the scope of this report. The EPA Operating Plan provides a more detailed breakout of funding, and presents the levels of FY2013 appropriations for each program area funded within all eight statutory accounts of the agency.

## Wastewater and Drinking Water Infrastructure<sup>31</sup>

Historically, funding within the STAG account for grants to aid states and territories in capitalizing their Clean Water and Drinking Water State Revolving Funds (SRFs) has represented a sizable portion of the total appropriations for EPA, ranging from one-fourth to one-third of the agency's funding in recent fiscal years. The FY2013 funding level for SRF grants specified in P.L. 113-6 constituted roughly 28% of the total EPA appropriations. Including the disaster relief supplemental funding provided in P.L. 113-2, SRF grants represented more than 33% of the total appropriations for EPA in FY2013. In contrast, the President's FY2013 budget request for the SRF grants represented about 24% of the total request for EPA. In FY2011 and FY2012, enacted funding for the SRF grants was more than 28% of the total appropriations for EPA in those fiscal years, similar to the proportion for FY2013 excluding the disaster relief supplemental funding.

The SRF capitalization grants to states and territories support local wastewater and drinking water infrastructure projects, such as construction of and modifications to municipal sewage treatment plants and drinking water treatment plants, to facilitate compliance with the Clean Water Act and the Safe Drinking Water Act,<sup>32</sup> respectively.<sup>33</sup> EPA awards SRF grants to states and territories based on formulas.<sup>34</sup> A combined \$2.24 billion was available for FY2013 for the Clean Water and Drinking Water SRFs together, after the application of the 0.2% across-the-board rescission and reductions triggered by sequestration. The combined total was \$212.4 million (10.5%) more than the President's FY2013 request of \$2.03 billion, and \$147.0 million (6.2%) less than the FY2012 enacted level of \$2.38 billion. The combined amount for FY2013 excluding the supplemental was also less than the FY2011 and FY2010 enacted levels<sup>35</sup> (see **Table A-1** in **Appendix A**).

P.L. 113-2 provided an additional \$570.0 million (post-sequester) for FY2013 in disaster relief supplemental appropriations combined for the Clean Water (\$475.0 million) and Drinking Water

<sup>31</sup> CRS Specialists (name redacted) and (name redacted), Resources, Science, and Industry Division, contributed to information contained in the discussion in this section.

<sup>32</sup> Although all of the infrastructure projects in the drinking water needs assessment would promote the health objectives of the Safe Drinking Water Act, EPA reports that 10.9% (\$42.0 billion) of the long-term funding needs was attributable to compliance with regulations under the act, while 89% (\$342.2 billion) represented nonregulatory costs. Most nonregulatory funding needs typically involve installing, upgrading, or replacing transmission and distribution infrastructure to allow a system to continue to deliver safe drinking water. These system problems often do not cause a violation of a federal drinking water standard, but projects to correct infrastructure problems may be eligible for Drinking Water SRF funding if needed to address public health risks. Projects attributable to compliance with Safe Drinking Water Act regulations typically involve the upgrade, replacement, or installation of treatment technologies.

<sup>33</sup> See CRS Report 96-647, *Water Infrastructure Financing: History of EPA Appropriations*, by (name redacted), and CRS Report RS22037, *Drinking Water State Revolving Fund (DWSRF): Program Overview and Issues*, by (name redacted).

<sup>34</sup> Clean Water SRF capitalization grants are awarded to states according to a statutory formula established in the Clean Water Act. The Safe Drinking Water Act requires EPA to allocate SRF capitalization grants among the states based on the proportional share of the states' needs as identified in the most recent drinking water needs survey.

<sup>35</sup> By comparison, the average annual total funding for the two SRF programs during the 12-year period prior to FY2009 was \$2.0 billion.

(\$95.0 million) SRFs. These funds in P.L. 113-2 were allocated to affected areas of New York and New Jersey for improvements to wastewater and drinking water treatment works and facilities impacted by Hurricane Sandy.<sup>36</sup> Because the funding was directed to areas affected by this weather event, they were not allocated according to the existing state-by-state allotment formula under the Clean Water Act for the Clean Water SRF or according to needs surveys under the Safe Drinking Act for the Drinking Water SRF. P.L. 113-2 included a requirement that affected states use not less than 20%, but not more than 30%, of the SRF supplemental appropriations to provide additional subsidization to SRF loan recipients in the form of forgiveness of principal, negative interest loans, or grants, or any combination of these.

**Table 2** presents the FY2013 available funding levels for the Clean Water and Drinking Water SRF capitalization grants provided in P.L. 113-6, after application of the 0.2% across-the-board rescission and reductions triggered by sequestration. Separate breakouts for FY2013 are presented; one including and the other excluding the disaster relief supplemental appropriations provided in P.L. 113-2. The table presents a comparison of these FY2013 funding levels to the President's FY2013 request and the FY2012 enacted amounts.

**Table 2. Appropriations for Clean Water and Drinking Water State Revolving Fund (SRF) Capitalization Grants: FY2012 Enacted, the President's FY2013 Budget Request, FY2013 Funding Amounts (P.L. 113-6; Post-Sequestration), and FY2013 Disaster Relief Funding (P.L. 113-2; Post-Sequestration)**

(millions of dollars)

SRF	FY2012 Enacted P.L. 112-74	FY2013 Request	FY2013 P.L. 113-6 (Post- Sequester)	FY2013 Supplemental P.L. 113-2 (Post- Sequester)	FY2013 Total (Post- Sequester)
Clean Water	\$1,466.5	\$1,175.0	\$1,376.1	\$475.0	\$1,851.1
Drinking Water	\$917.9	\$850.0	\$861.3	\$95.0	\$956.3
<b>Total SRF Appropriations</b>	<b>\$2,384.4</b>	<b>\$2,025.0</b>	<b>\$2,237.4</b>	<b>\$570.0</b>	<b>\$2,807.4</b>

**Source:** Prepared by the Congressional Research Service. FY2012 enacted amounts, and the FY2013 President's request, are as presented by the House Appropriations Committee in its report accompanying the Interior, Environment, and Related Agencies Appropriations bill, 2013 (H.R. 6091, H.Rept. 112-589, pp. 170-177), as reported on July 10, 2012. The FY2012 enacted amounts reflect applicable rescissions. The FY2013 enacted and supplemental amounts are as reported in EPA's FY2013 Operating Plan submitted to the House and Senate Appropriations Committees on May 7, 2013, and reflect automatic spending reductions triggered by the Budget Control Act (BCA; P.L. 112-25) as amended. The FY2013 amounts also reflect the 0.2% across-the-board rescission required by the Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 113-6). Numbers may not add due to rounding.

<sup>36</sup> See the EPA May 2, 2013, press release for a summary of these funds awarded to New York and New Jersey: <http://yosemite.epa.gov/opa/admpress.nsf/bd4379a92ceceac8525735900400c27/8a24127bdd6392785257b5f0050595f!OpenDocument>.

## **Water Infrastructure in Geographic-Specific Areas**

As in past appropriations, P.L. 113-6 also included funding within the STAG account for FY2013 to support other water infrastructure projects in two geographic-specific areas: Alaska Native Villages and the U.S.-Mexico Border region. The FY2013 amount for the construction of wastewater and drinking water facilities in Alaska Native Villages was \$9.5 million, after application of the 0.2% across-the-board rescission and sequestration reductions. For FY2013, the President had requested \$10.0 million for Alaska Native Villages programs, the same amount as the FY2012 enacted level. An additional \$4.7 million after rescissions and sequestration was available for wastewater infrastructure projects along the U.S.-Mexico border, less than half of the \$10.0 million requested for FY2013, but nearly the same as the FY2012 enacted level of \$5.0 million.

## **Categorical Grants to States and Tribes**

Another \$1.03 billion was included within the STAG account for FY2013 to support state and tribal “categorical” grant programs, after the application of the 0.2% across-the-board rescission and reductions triggered by sequestration. The FY2013 amount for these grants was \$170.4 million (14.2%) below the President’s FY2013 request of \$1.20 billion, and \$56.8 million (5.2%) less than the FY2012 enacted level of \$1.09 billion. These funds are allocated among multiple grants generally to states and tribes to support the day-to-day implementation of federal environmental laws and regulations and to support various activities that address particular environmental media (air, water, hazardous waste, etc.). Implementation by states involves a range of activities such as monitoring, permitting and standard setting, training, and other pollution control and prevention activities. These grants also assist multimedia projects such as pollution prevention incentive grants, pesticides and toxic substances enforcement, the tribal general assistance program, and environmental information. Categorical grants to assist states and tribes with the implementation of federal air quality requirements are discussed in more detail in the following section on “Air Quality and Climate Change Activities.”

**Table 3** presents the FY2013 funding levels for EPA categorical grant programs as specified in P.L. 113-6, after the application of the 0.2% across-the-board rescission and sequestration reductions. These grant programs cut across the following broad categories: air and radiation, water quality, drinking water, hazardous waste, pesticides and toxic substances, and multimedia. The table provides a comparison of these FY2013 funding levels to the President’s FY2013 request and the FY2012 enacted amounts.

**Table 3. Appropriations for Categorical Grants within the State and Tribal Assistance Grants (STAG) Account: FY2012 Enacted, the President's FY2013 Budget Request, and FY2013 Funding Amounts (P.L. 113-6; Post-Sequestration)**

(millions of dollars)

<b>Categorical Grant Program Area</b>	<b>FY2012 Enacted P.L. 112-74</b>	<b>FY2013 Request</b>	<b>FY2013 P.L. 113-6 (Post- Sequester)</b>
Beaches Protection	\$9.9	\$0.0	\$9.3
Brownfields	\$49.3	\$47.6	\$46.7
Environmental Information	\$10.0	\$15.2	\$9.4
Hazardous Waste Financial Assistance	\$103.0	\$103.4	\$97.6
Lead	\$14.5	\$14.9	\$13.8
Local Governments Climate Change Grants	\$0.0	\$0.0	\$0.0
Nonpoint Source (Clean Water Act §319)	\$164.5	\$164.8	\$155.9
Pesticides Enforcement	\$18.6	\$19.1	\$17.7
Pesticides Program Implementation	\$13.1	\$13.1	\$12.4
Pollution Control (Clean Water Act §106)	\$238.4	\$265.3	\$226.0
<i>Monitoring Grants</i>	\$18.4	\$18.5	<i>na</i>
<i>Other Activities</i>	\$220.0	\$246.8	<i>na</i>
Pollution Prevention	\$4.9	\$5.0	\$4.7
Public Water System Supervisions (PWSS)	\$105.3	\$109.7	\$99.8
Radon	\$8.0	\$0.0	\$7.6
State and Local Air Quality Management	\$235.7	\$301.5	\$223.4
Toxic Substances Compliance	\$5.1	\$5.2	\$4.8
Tribal Air Quality Management	\$13.3	\$13.6	\$12.6
Tribal General Assistance Program (GAP)	\$67.6	\$96.4	\$64.1
Underground Injection Control (UIC)	\$10.9	\$11.1	\$10.3
Underground Storage Tanks	\$1.5	\$1.5	\$1.5
Wetlands Program Development	\$15.1	\$15.2	\$14.4
<b>Total Categorical Grants</b>	<b>\$1,088.8</b>	<b>\$1,202.4</b>	<b>\$1,032.0</b>

**Source:** Prepared by the Congressional Research Service. FY2012 enacted amounts, and the President's FY2013 request, are as presented by the House Appropriations Committee in its report accompanying the Interior, Environment, and Related Agencies Appropriations bill, 2013 (H.R. 6091, H.Rept. 112-589, pp. 170-177), as reported on July 10, 2012. The FY2012 enacted amounts reflect applicable rescissions. The FY2013 amounts are as reported in EPA's FY2013 Operating Plan submitted to the House and Senate Appropriations Committees on May 7, 2013, and reflect automatic spending reductions triggered by the Budget Control Act (BCA; P.L. 112-25) as amended. The FY2013 amounts also reflect the 0.2% across-the-board rescission required by the Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 113-6). Numbers may not add due to rounding.

## Air Quality and Climate Change Activities<sup>37</sup>

Several EPA air quality and climate change activities received attention in the consideration of FY2013 appropriations. Many of these activities are associated with regulations under the Clean Air Act to address emissions of greenhouse gases, hazardous air pollutants such as mercury, and particulate matter.<sup>38</sup> Although generally not included in P.L. 113-6, Title IV of H.R. 6091, as reported by the House Committee on Appropriations on July 10, 2012, included a number of provisions that would have limited or restricted EPA's use of FY2013 funds to support the development, implementation, or enforcement of various Clean Air Act regulations, as well as directives for conducting evaluations of certain activities and providing reports to the committee.<sup>39</sup> Some of these provisions were similar to those included for FY2012 in Division E of P.L. 112-74, and a subset of those proposed during deliberations on the FY2012 and FY2011 EPA appropriations.<sup>40</sup>

EPA is one of 17 federal agencies that have received appropriations for climate change activities in recent fiscal years. EPA's share of this funding is relatively small, but EPA's policy and regulatory roles are proportionately larger than other federal agencies and departments. Appropriated funds for EPA's climate change and air quality activities are distributed across several program activities under multiple appropriations accounts. Because of variability in these activities and modifications to account structures from year to year, it is difficult to compare the overall combined funding included in appropriations bills with the President's request<sup>41</sup> and prior-year enacted appropriations. However, comparisons can be made among certain activities for which Congress does specify a line-item in the appropriations process.<sup>42</sup>

<sup>37</sup> CRS Specialists (name redacted), and (name redacted), Resources, Science, and Industry Division, contributed to this section of the report.

<sup>38</sup> See CRS Report R41563, *Clean Air Issues in the 112<sup>th</sup> Congress*, by (name redacted), and CRS Report R42895, *Clean Air Issues in the 113<sup>th</sup> Congress: An Overview*, by (name redacted); see also CRS Report R41561, *EPA Regulations: Too Much, Too Little, or On Track?*, by (name redacted) and (name redacted), for a discussion of selected EPA regulatory actions.

<sup>39</sup> See CRS Report R42520, *Environmental Protection Agency (EPA) Appropriations for FY2013: Debate During the 112<sup>th</sup> Congress*, coordinated by (name redacted). Table C-1 through C-6 in Appendix C in the report present the text of those general provisions included in Title IV of H.R. 6091 relevant to EPA, and include information regarding the associated sections of the bill and whether a provision was an amendment adopted during full-committee markup, if applicable.

<sup>40</sup> Congress has addressed EPA's development of Clean Air Act regulations through the appropriations process in the past—either explicitly providing or restricting the availability of agency funds for such purposes—and these issues were debated extensively during the FY2012 and FY2011 appropriations process. See CRS Report R42332, *Environmental Protection Agency (EPA) FY2012 Appropriations*, by (name redacted), and CRS Report R41698, *H.R. 1 Full-Year FY2011 Continuing Resolution: Overview of Environmental Protection Agency (EPA) Provisions*, by (name redacted).

<sup>41</sup> Although Congress does not appropriate funding based on EPA's strategic performance goals, the President's FY2013 request included \$1.12 billion for FY2013 across multiple appropriations accounts to support the agency's strategic objective: "Taking Action on Climate Change and Improving Air Quality," \$98.4 million above the FY2012 level of \$1.03 billion (EPA's FY2013 Congressional Justification, pp. 15-32, <http://www.epa.gov/planandbudget/annualplan/fy2013.html#FY13budget>).

<sup>42</sup> It is difficult to compare the FY2013 funding levels for all program activities with previous fiscal years' appropriations, as, from year to year, EPA has sometimes modified the line-items under which funding for climate-protection-related program activities is requested. For example, for FY2012, the conferees accepted the Administration's proposed budget reorganization of certain air quality and climate protection program activities, including consolidation and modifications of various line-items, making it difficult to compare FY2012 appropriations with FY2011 (and prior year) appropriations.



**Table 4** presents the FY2013 funding levels for EPA air quality and climate change activities provided in P.L. 113-6 by account for which a breakout is readily available, after the application of the 0.2% across-the-board rescission and the sequestration reductions. The table presents a comparison of these FY2013 funding levels to the President’s FY2013 request and the FY2012 enacted amounts.

As presented in the table, EPA “clean air and climate” activities constitute the single largest air quality program area funded within the Environmental Programs and Management (EPM) and Science and Technology (S&T) accounts. The total FY2013 funding available for this program area was \$386.2 million, \$54.1 million (12.3%) less than the President’s FY2013 request of \$440.3 million, and \$24.3 million (5.9%) less than the FY2012 enacted level of \$410.5 million.

State and Local Air Quality Management grants are the single-largest air quality activity funded within the STAG account. The FY2013 available funding for these grants was \$223.4 million, \$78.1 million (25.9%) less than the President’s FY2013 request of \$301.5 million, and \$12.3 million (5.2%) less than the FY2012 enacted level of \$235.7 million. States use these grants to help pay the costs of operating air pollution control programs. Much of the day-to-day operations of these programs (i.e., monitoring, permitting, enforcement, and developing site-specific regulations) are done by the state and local agencies with Clean Air Act authorities delegated by EPA.

The STAG account also included \$18.9 million for FY2013 for the Diesel Emission Reduction Grants program, \$3.9 million (26.0%) more than the President’s FY2013 request of \$15.0 million, but \$11.1 million (37.0%) below the FY2012 enacted level of \$30.0 million. Although funding for these grants has declined in recent years, the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) had provided an additional \$300.0 million in supplemental funds for these grants in FY2009 for a total of \$360.0 million in that fiscal year, much of which was awarded in FY2010. The Energy Policy Act of 2005 (EPA 2005)<sup>43</sup> originally had authorized \$200.0 million annually for these grants from FY2007 through FY2011.

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<sup>43</sup> Energy Policy Act of 2005, P.L. 109-58, Title VII, Subtitle G.

**Table 4. Appropriations for Selected EPA Air Quality Research and Implementation Activities by Account: FY2012 Enacted, the President's FY2013 Budget Request, and FY2013 Funding Amounts (P.L. 113-6; Post-Sequestration)**

(millions of dollars)

Account/Program Area	FY2012 Enacted P.L. 112-74	FY2013 Request	FY2013 P.L. 113-6 (Post- Sequester)
<b>Science and Technology Account</b>			
Clean Air and Climate	\$124.4	\$127.1	\$118.1
Clean Air Allowance Trading Program	\$9.1	\$9.8	\$8.6
Climate Protection Program	\$16.3	\$7.8	\$15.9
Federal Support for Air Quality Management	\$7.1	\$7.6	\$6.7
Federal Support for Air Toxics Program	\$0.0	\$0.0	—
Federal Vehicle & Fuels Standards & Certification	\$91.9	\$101.9	\$86.9
Indoor Air and Radiation	\$6.8	\$6.7	\$6.3
Indoor Air: Radon Program	\$0.2	\$0.0	\$0.2
Reduce Risks from Indoor Air	\$0.4	\$0.4	\$0.4
Radiation: Protection	\$2.1	\$2.1	\$2.0
Radiation: Response Preparedness	\$4.1	\$4.2	\$3.8
Research: Air, Climate, and Energy	\$98.8	\$105.9	\$92.9
Global Change	\$18.3	\$20.3	—
Clean Air	\$78.5	\$82.8	—
Other Activities	\$2.0	\$2.6	—
<b>Environmental Programs and Management</b>			
Clean Air and Climate	\$286.1	\$313.2	\$268.1
Clean Air Allowance Trading Program	\$20.8	\$20.9	\$19.8
Climate Protection Program:	\$99.5	\$108.0	\$92.2
- Climate Protection Program: Energy STAR	\$49.7	\$53.9	—
- Climate Protection Program: Methane to Markets	\$5.0	\$4.9	—
- Climate Protection Program: Greenhouse Gas Registry	\$15.8	\$18.7	—
- Climate Protection Program: Other Activities	\$29.0	\$30.5	—
Federal Stationary Source Regulations	\$27.3	\$34.1	\$25.3
Federal Support for Air Quality Management	\$123.5	\$134.8	\$116.7
Federal Support for Air Toxics Program	\$0.0	\$0.0	—
Stratospheric Ozone: Domestic Programs	\$5.6	\$5.6	\$5.2
Stratospheric Ozone: Multilateral Fund	\$9.5	\$9.7	\$9.0

Account/Program Area	FY2012 Enacted P.L. 112-74	FY2013 Request	FY2013 P.L. 113-6 (Post- Sequester)
Indoor Air and Radiation	\$33.7	\$32.4	\$31.0
Indoor Air: Radon Program	\$3.9	\$2.2	\$3.6
Reduce Risks from Indoor Air	\$17.1	\$17.4	\$15.6
Radiation: Protection	\$9.5	\$9.8	\$8.9
Radiation: Response Preparedness	\$3.0	\$3.1	\$2.8
<b>Hazardous Substance Superfund Account</b>			
Indoor Air and Radiation: Radiation Protection	\$2.5	\$2.6	\$2.3
<b>State and Tribal Assistance Grants Account</b>			
Diesel Emissions Reduction Grants (Energy Policy Act)	\$30.0	\$15.0	\$18.9
Radon	\$8.0	\$0.0	\$7.6
State & Local Air Quality Management Grants	\$235.7	\$301.5	\$223.4
Tribal Air Quality Management Grants	\$13.3	\$13.6	\$12.6

**Source:** Prepared by the Congressional Research Service. FY2012 enacted amounts, and the President's FY2013 request, are as presented by the House Appropriations Committee in its report accompanying the Interior, Environment, and Related Agencies Appropriations bill, 2013 (H.R. 6091, H.Rept. 112-589, pp. 170-177), as reported on July 10, 2012. The FY2012 enacted amounts reflect applicable rescissions. The FY2013 amounts are as reported in EPA's FY2013 Operating Plan submitted to the House and Senate Appropriations Committees on May 7, 2013, and reflect automatic spending reductions triggered by the Budget Control Act (BCA; P.L. 112-25) as amended. The FY2013 funding levels also reflect the 0.2% across-the-board rescission required by the Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 113-6). Numbers may not add due to rounding.

**Note:** The "—" denoted in the table indicates that comparable data are unavailable. It is difficult to compare the FY2013 and FY2012 amounts for certain program activities because of modifications in the line-items. For FY2012, the conferees accepted the Administration's proposed budget reorganization for certain air quality and climate program activities, including consolidation and modifications of various line-items, making it difficult to compare appropriations for these activities across fiscal years.

## Cleanup of Superfund Sites

The Hazardous Substance Superfund (Superfund) account supports the assessment and cleanup of sites contaminated from the release of hazardous substances. EPA carries out these activities under the Superfund program. The Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) authorized this program, and established the Superfund Trust Fund to finance discretionary appropriations to fund it.<sup>44</sup> P.L. 113-6 included a total of \$1.11 billion for the Superfund account in FY2013, after the application of the 0.2% across-the-board rescission and reductions triggered by sequestration. P.L. 113-2 appropriated an additional \$1.9 million (post-sequester) in disaster relief supplemental funding in FY2013 for Superfund sites affected by Hurricane Sandy in New York and New Jersey.

<sup>44</sup> 42 U.S.C. §9601 et seq.

Excluding the supplemental for these two states, the FY2013 funding level of \$1.11 billion for the Superfund account is \$63.1 million (5.4%) less than the President's FY2013 request of \$1.18 billion, and \$100.5 million (8.3%) less than the FY2012 enacted level of \$1.21 billion. These amounts reflect an overall downward funding trend since FY2010 (see **Table A-1** in **Appendix A**). For the previous decade, annual funding levels for the Superfund account had remained fairly steady, averaging approximately \$1.25 billion annually.<sup>45</sup> However, some have observed that the funding levels declined during this period when accounting for the effects of inflation.

As amended, CERCLA authorizes EPA's Superfund program to clean up sites that are among the nation's most hazardous and to enforce the liability of parties who are responsible for the cleanup costs.<sup>46</sup> Many states also have developed their own cleanup programs to address contaminated sites that are not pursued at the federal level. These state programs complement federal cleanup efforts. At sites that are addressed under the federal Superfund program, EPA first attempts to identify the responsible parties to enforce their liability for the cleanup costs. Sites financed by the responsible parties do not rely upon Superfund appropriations, except for situations in which EPA may use the appropriations up front and later recover the costs from the responsible parties. If the responsible parties cannot be found or do not have the ability to pay, EPA is authorized to use Superfund appropriations to pay for the cleanup of a site under a cost-share agreement with the state in which the site is located.<sup>47</sup> Sites at which there are no viable parties to assume responsibility for the cleanup are referred to as "orphan" sites.

The use of Superfund appropriations has focused primarily on cleaning up contamination from the release of hazardous substances at high-risk sites that EPA has placed on the National Priorities List (NPL).<sup>48</sup> The cleanup of federal facilities on the NPL is funded apart from the Superfund program by the federal agencies that administer those facilities.<sup>49</sup> Annual funding for the cleanup of all contaminated federal facilities combined exceeds EPA's Superfund appropriations by several billion dollars. Although Superfund appropriations are not eligible to pay for the cleanup of federal facilities, EPA oversees their cleanup through the Superfund program in conjunction with the states in which the facilities are located.

Just over half of the Superfund account is allocated to the performance of response actions at non-federal facilities that are elevated for federal attention. CERCLA authorizes two types of response actions. Remedial actions are intended to address long-term risks to human health and the environment, whereas removal actions are intended to address more imminent hazards or emergency situations. Removal actions may precede remedial actions to stabilize site conditions while long-term measures are developed. Only sites listed on the NPL are eligible for Superfund

<sup>45</sup> FY2009 was an exception to this trend, with \$600.0 million in supplemental funds provided in ARRA (P.L. 111-5).

<sup>46</sup> For more information on EPA's cleanup and enforcement authorities under CERCLA, see CRS Report R41039, *Comprehensive Environmental Response, Compensation, and Liability Act: A Summary of Superfund Cleanup Authorities and Related Provisions of the Act*, by (name redacted).

<sup>47</sup> State cost-share requirements apply only to the performance of long-term remedial actions, but not to short-term removal actions that address more imminent hazards and emergency situations.

<sup>48</sup> For information on the number of sites that EPA has placed on the NPL over time and their listing status, see the Superfund Program website: <http://www.epa.gov/superfund/sites/npl/status.htm>.

<sup>49</sup> The use of cleanup appropriations at federal facilities generally has been limited to the performance of the cleanup itself. The Judgment Fund administered by the U.S. Treasury has been the source of monies for the payment of claims for cleanup liability that may be submitted against the United States at sites where a federal agency is a liable party.

appropriations to pay for remedial actions, whereas removal actions may be funded with Superfund appropriations regardless of whether a site is listed on the NPL.<sup>50</sup>

The remainder of the Superfund account funds EPA's homeland security responsibilities to prepare for the federal response to incidents that may involve the intentional release of hazardous substances, EPA's operational and administrative expenses in carrying out the Superfund program, and EPA's enforcement of cleanup liability under CERCLA. Enforcement is a core tenet of the statute intended to ensure that the responsible parties pay for the cleanup of contamination whenever possible, in order to focus the use of Superfund appropriations at orphan sites.

Historically, funding within the Superfund account also has been transferred to EPA's Science and Technology account for the research and development of cleanup technologies, and to EPA's Office of Inspector General account for independent auditing, evaluation, and investigation of the Superfund program. Annual appropriations acts typically have included statutory language authorizing these transfers.

**Table 5** presents the FY2013 funding levels for the Superfund account provided in P.L. 113-6 by major program area, after the application of the 0.2% across-the-board rescission and reductions triggered by sequestration. Separate breakouts of the FY2013 enacted appropriations are provided, one including and the other excluding the disaster relief supplemental appropriations provided in P.L. 113-2. The table compares these FY2013 funding levels to the President's FY2013 request and the FY2012 enacted amounts. The net total for the Superfund account also is presented after the transfers to the Science and Technology and Office of Inspector General accounts.

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<sup>50</sup> 40 C.F.R. §300.425(b).

**Table 5. Appropriations for the Hazardous Substance Superfund Account: FY2012 Enacted, the President's FY2013 Budget Request, FY2013 Funding Amounts (P.L. 113-6; Post-Sequestration), and FY2013 Disaster Relief Funding (P.L. 113-2; Post-Sequestration)**

(millions of dollars)

<b>Program Area and Transfers to Other EPA Accounts</b>	<b>FY2012 Enacted P.L. 112-74</b>	<b>FY2013 President's Request</b>	<b>FY2013 P.L. 113-6 (Post-Sequester)</b>	<b>FY2013 Supplemental P.L. 113-2 (Post-Sequester)</b>	<b>FY2013 Total (Post-Sequester)</b>
Remedial	\$565.0	\$531.8	\$506.7	-	\$506.7
Emergency Response and Removal	\$189.6	\$188.5	\$179.1	-	\$179.1
Federal Facilities (Oversight)	\$26.2	\$26.8	\$24.8	-	\$24.8
Enforcement	\$186.7	\$184.4	\$176.7	-	\$176.7
Operations and Administration	\$135.8	\$140.4	\$127.3	-	\$127.3
Homeland Security	\$41.8	\$41.9	\$37.3	-	\$37.3
Other Program Areas	\$68.7	\$62.6	\$61.4	-	\$61.4
<b>Total Superfund Account</b>	<b>\$1,213.8</b>	<b>\$1,176.4</b>	<b>\$1,113.3</b>	<b>\$1.9</b>	<b>\$1,115.2</b>
Transfer to Science and Technology	-\$23.0	-\$23.2	-\$21.7	-	-\$21.7
Transfer to Office of Inspector General	-\$9.9	-\$10.9	-\$9.4	-	-\$9.4
<b>Superfund Account After Transfers</b>	<b>\$1,180.9</b>	<b>\$1,142.3</b>	<b>\$1,082.1</b>	<b>\$1.9</b>	<b>\$1,084.0</b>

**Source:** Prepared by the Congressional Research Service. FY2012 enacted amounts, and the President's FY2013 request, are as presented by the House Appropriations Committee in its report accompanying the Interior, Environment, and Related Agencies Appropriations bill, 2013 (H.R. 6091, H.Rept. 112-589, pp. 170-177), as reported on July 10, 2012. The FY2012 enacted amounts reflect applicable rescissions. The FY2013 enacted and supplemental amounts are presented as reported in EPA's FY2013 Operating Plan submitted to the House and Senate Appropriations Committees on May 7, 2013, and reflect automatic spending reductions triggered by the Budget Control Act (BCA; P.L. 112-25), as amended. The FY2013 amounts also reflect the 0.2% across-the-board rescission required by the Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 113-6). Numbers may not add due to rounding.



## Brownfields

EPA also administers another cleanup program to provide financial assistance to state, local, and tribal governmental entities for certain types of sites, referred to as “brownfields.” Sites eligible for this assistance tend to be sites where the known or suspected presence of contamination may present an impediment to economic development, but where the risks generally are not high enough for the site to be addressed under the Superfund program or other related cleanup authorities. Consistent with liability under CERCLA, responsible parties at these brownfields sites are not eligible for this federal financial assistance, as they are to be held accountable for the cleanup costs. Accordingly, the Brownfields program focuses on providing federal financial assistance for “orphan” sites at which the potential need for cleanup remains unaddressed.<sup>51</sup>

EPA’s Brownfields program awards two different categories of grants, one competitive and one formula-based. Section 104(k) of CERCLA authorizes EPA to award competitive grants to state, local, and tribal governmental entities for the assessment and remediation (i.e., cleanup) of eligible brownfields sites, job training for cleanup workers, and technical assistance.<sup>52</sup> Section 128 authorizes EPA to award formula-based grants to help states and tribes enhance their own similar cleanup programs. These grants are funded within the STAG account, whereas EPA’s expenses to administer the Brownfields program are funded within the EPM account.

P.L. 113-6 provided a total of \$158.2 million for EPA’s Brownfields program in FY2013, after the application of the 0.2% across-the-board rescission and the sequestration reductions. The FY2013 funding level is \$8.3 million (5.0%) less than the President’s FY2013 request of \$166.5 million, and \$9.6 million (5.7%) less than the FY2012 enacted appropriation of \$167.8 million. **Table 6** presents the FY2013 enacted levels for EPA’s Brownfields program, compared to the President’s FY2013 request and the FY2012 enacted appropriations. These amounts are broken out by the STAG account that funds the competitive and formula grants awarded under the program, and the EPM account that funds the agency’s expenses to administer the program.

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<sup>51</sup> For more information on the scope and purpose of this program, see the “Brownfields Properties” section in CRS Report R41039, *Comprehensive Environmental Response, Compensation, and Liability Act: A Summary of Superfund Cleanup Authorities and Related Provisions of the Act*, by (name redacted).

<sup>52</sup> Nonprofit organizations also may be eligible for site-specific remediation (i.e., cleanup) grants, subject to a determination by EPA based on certain statutory criteria.

**Table 6. Appropriations for EPA's Brownfields Program:  
FY2012 Enacted, the President's FY2013 Budget Request, and  
FY2013 Funding Amounts (P.L. 113-6; Post-Sequestration)**

(millions of dollars)

Account/Program Area	FY2012 Enacted P.L. 112-74	FY2013 President's Request	FY2013 P.L. 113-6 (Post- Sequester)
<b>State and Tribal Assistance Grants</b>			
Section 104(k) Competitive Project Grants <sup>a</sup>	\$94.8	\$93.3	\$89.9
Section 128 Categorical Grants to States and Tribes <sup>b</sup>	\$49.3	\$47.6	\$46.7
Brownfields STAG Grant Total	\$144.1	\$140.9	\$136.6
<b>Environmental Programs and Management</b>			
EPA Administrative Expenses	\$23.6	\$25.7	\$21.6
<b>Brownfields Program Total</b>	<b>\$167.8</b>	<b>\$166.5</b>	<b>\$158.2</b>

**Source:** Prepared by the Congressional Research Service. FY2012 enacted amounts, and the President's FY2013 request, are as presented by the House Appropriations Committee in its report accompanying the Interior, Environment, and Related Agencies Appropriations bill, 2013 (H.R. 6091, H.Rept. 112-589, pp. 170-177), as reported on July 10, 2012. The FY2012 enacted amounts reflect applicable rescissions. The FY2013 amounts are presented as reported in EPA's FY2013 Operating Plan submitted to the House and Senate Appropriations Committees on May 7, 2013, and reflect automatic spending reductions triggered by the Budget Control Act (BCA; P.L. 112-25) as amended. The FY2013 levels also reflect the 0.2% across-the-board rescission required by the Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 113-6). Numbers may not add due to rounding.

- a. Section 104(k) of CERCLA authorizes EPA to award competitive grants to eligible entities for the assessment or remediation (i.e., cleanup) of brownfields to prepare them for redevelopment, job training for cleanup workers, and technical assistance.
- b. Section 128 of CERCLA authorizes EPA to award grants to states and tribes on a formula basis to establish or enhance their own cleanup programs.

## Underground Storage Tanks<sup>53</sup>

Under the authority of Subtitle I of the Solid Waste Disposal Act, EPA's Office of Underground Storage Tanks addresses the cleanup of releases from underground storage tanks (USTs) containing petroleum or oxygenated fuels (e.g., ethanol) and administers regulations to prevent leaks from underground storage tanks containing petroleum or hazardous substances.<sup>54</sup> These activities are supported by a combination of appropriations from the Leaking Underground Storage Tank (LUST) Trust Fund and appropriations within the EPM and STAG accounts funded with revenues from the General Fund of the U.S. Treasury. Appropriations from the LUST Trust Fund provide most of the funding and are used by the states and EPA to perform or enforce corrective actions to clean up contamination from petroleum leaks, and to enforce leak detection

<sup>53</sup> (name redacted), Specialist in Environmental Policy, Resources, Science, and Industry Division, contributed to this section of the report. For further discussion of related issues, see CRS Report RS21201, *Leaking Underground Storage Tanks (USTs): Prevention and Cleanup*, by (name redacted).

<sup>54</sup> For additional information on these activities, see the EPA Office of Underground Storage Tanks website: <http://www.epa.gov/oust/>.

and prevention requirements. Appropriations within the EPM and STAG accounts are available for certain other regulatory and support activities.

P.L. 113-6 provided \$98.7 million from the LUST Trust Fund for FY2013, after the application of the 0.2% across-the-board rescission and reductions triggered by sequestration. P.L. 113-2 provided an additional \$4.8 million (post-sequester) in disaster relief supplemental funding for FY2013 to address problems with leaking underground storage tanks in areas of states affected by Hurricane Sandy. Excluding the supplemental for these states, the FY2013 enacted level of \$98.7 million in appropriations from the LUST Trust Fund is \$5.4 million (5.2%) less than the President's FY2013 request and the FY2012 enacted level of \$104.1 million.

P.L. 113-6 provided \$12.1 million for FY2013 within the EPM account, after application of the 0.2% across-the-board rescission and reductions triggered by sequestration, to support EPA staff and extramural costs of efforts to prevent releases from underground storage tanks.<sup>55</sup> The FY2013 enacted level for this activity is somewhat less than the President's FY2013 request of \$12.3 million and the FY2012 enacted level of \$12.8 million. P.L. 113-6 provided \$1.5 million within the STAG account, after rescissions and sequestration, for categorical grants to support state implementation of certain other underground storage tank leak prevention and detection regulations that are not eligible for funding through the trust fund. The FY2013 enacted level of \$1.5 million for this activity is roughly the same as the President's FY2013 request and the FY2012 enacted level.

Congress established the LUST Trust Fund to provide a dedicated source of funds for EPA and the states to enforce corrective actions by UST owners or operators responsible for releases; conduct cleanups where no responsible party has been identified, where a responsible party fails to comply with a cleanup order, or in the event of an emergency; and take cost recovery actions against the parties.<sup>56</sup> EPA and the states have generally been successful in getting responsible parties to perform most cleanups. Historically, the states have used the bulk of their annual LUST Trust Fund monies (provided through cooperative agreements with EPA) to oversee and enforce corrective actions performed by tank owners and operators using their own funds. The LUST Trust Fund is supported by a 0.1 cent-per-gallon motor fuels tax, and had a balance of \$1.16 billion available for appropriation, as of the beginning of FY2013.<sup>57</sup>

The Energy Policy Act of 2005 (EPAc 2005; P.L. 109-58) expanded the UST leak prevention provisions under Subtitle I, and imposed new responsibilities on the states and EPA, such as requiring states to inspect all tanks every three years. EPAc also broadened the authorized uses of the LUST Trust Fund to support state implementation of most leak prevention and detection requirements, in addition to supporting the LUST cleanup program. Congress now appropriates monies from the trust fund to support both cleanup and underground storage tank leak prevention

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<sup>55</sup> EPA is developing regulations to update existing underground storage tank requirements and add new requirements for secondary containment and operator training as needed to implement provisions of the Energy Policy Act of 2005. See 76 *Federal Register* 71708, November 18, 2011. For information on the status of this regulatory proposal, see EPA's website: <http://www.epa.gov/oust/fedlaws/proposedregs.html>.

<sup>56</sup> Subtitle I of the Solid Waste Disposal Act as amended (42 U.S.C. §6991-6991m).

<sup>57</sup> Office of Management and Budget, *Fiscal Year 2014 Budget of the U.S. Government*, Appendix, April 10, 2013, p. 1112, <http://www.whitehouse.gov/sites/default/files/omb/budget/fy2014/assets/epa.pdf>. Section 40201 of the Moving Ahead for Progress in the 21<sup>st</sup> Century Act (MAP-21; P.L. 112-141) had transferred \$2.4 billion from the LUST Trust Fund to the Federal Highway Trust Fund in FY2012 to increase resources for federal surface transportation spending. MAP-21 also extended the financing rate for the LUST Trust Fund through September 30, 2016.

and detection regulations. Before EPOA 2005, the regulation of underground storage tanks to prevent and detect leaks had been supported entirely from general revenues. As noted above, a relatively small portion of the funding is now derived from general revenues.

**Table 7** presents the FY2013 funding levels provided in P.L. 113-6 for the LUST Trust Fund, EPM, and STAG accounts to support the cleanup and UST leak prevention and detection activities, after application of the 0.2% across-the-board rescission and reductions triggered by sequestration. Separate breakouts of the FY2013 funding levels are presented, one including and the other excluding the disaster relief supplemental appropriations provided in P.L. 113-2. The table provides a comparison of these FY2013 enacted funding levels to the President's FY2013 request and the FY2012 enacted amounts.

**Table 7. Appropriations for Cleanup and Regulation of Underground Storage Tanks: FY2012 Enacted, the President's FY2013 Budget Request, FY2013 Funding Amounts (P.L. 113-6; Post-Sequestration), and FY2013 Disaster Relief Funding (P.L. 113-2; Post-Sequestration)**

(millions of dollars)

Account/Program Area	FY2012 Enacted P.L. 112-74	FY2013 Request	FY2013 P.L. 113-6 (Post- Sequester)	FY2013 Supplemental P.L. 113-2 (Post- Sequester)	FY2013 Total (Post- Sequester)
<b>LUST Trust Fund Account</b>					
<i>EPA Act Provisions</i>	\$30.4	\$32.4	\$28.9	—	\$28.9
<i>Cleanup and Related Activities</i>	\$73.7	\$71.7	\$69.8	—	\$74.5
Total LUST Trust Fund Account	\$104.1	\$104.1	\$98.7	\$4.8	\$103.4
<b>EPM Account</b>					
Underground Storage Tanks (LUST/UST)	\$12.8	\$12.3	\$12.1	—	\$12.1
<b>STAG Account</b>					
Categorical Grant: UST	\$1.5	\$1.5	\$1.5	—	\$1.5

**Source:** Prepared by the Congressional Research Service. FY2012 enacted amounts, and the President's FY2013 request, are provided as presented by the House Appropriations Committee in its report accompanying the Interior, Environment, and Related Agencies Appropriations bill, 2013 (H.R. 6091, H.Rept. 112-589, pp. 170-177), as reported on July 10, 2012. The FY2012 enacted amounts reflect applicable rescissions. The FY2013 enacted and supplemental amounts are presented as reported in EPA's FY2013 Operating Plan submitted to the House and Senate Appropriations Committees on May 7, 2013, and reflect automatic spending reductions triggered by the Budget Control Act (BCA; P.L. 112-25) as amended. The FY2013 levels also reflect the 0.2% across-the-board rescission included in the Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 113-6). Numbers may not add due to rounding.

## Geographic-Specific/Ecosystem Programs<sup>58</sup>

The EPM account includes funding for several ecosystem restoration programs to address water quality and sources of pollution associated with environmental and human health risks in a number of geographic-specific areas of the United States. These programs often involve collaboration among EPA, other federal agencies, state and local governments, communities, and nonprofit organizations. **Table 8** presents the FY2013 funding levels for selected geographic-specific/ecosystem programs administered by EPA, after application of the 0.2% across-the-board rescission and reductions triggered by sequestration, compared to the President's FY2013 request and the FY2012 enacted amounts. A discussion of funding to address the restoration of the Great Lakes and Chesapeake Bay in particular follows.

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<sup>58</sup> (name redacted), Specialist in Resources and Environmental Policy, CRS Resources, Science, and Industry Division, contributed information to this section of the report.

**Table 8. Appropriations for Selected Geographic-Specific/Ecosystem Programs: FY2012 Enacted, the President's FY2013 Budget Request, and FY2013 Funding Amounts (P.L. 113-6; Post-Sequestration)**

(millions of dollars)

Program	FY2012 Enacted P.L. 112-74	FY2013 Request	FY2013 P.L. 113-6 (Post- Sequester)
Water: Ecosystems Total	\$48.2	\$55.0	\$43.7
<i>National Estuary Program/Coastal Waterways</i>	\$27.0	\$27.3	\$23.7
<i>Great Lakes Legacy Act<sup>a</sup></i>	\$0.0	\$0.0	\$0.0
<i>Wetlands</i>	\$21.2	\$27.7	\$20.0
Geographic Programs Total	\$409.7	\$411.7	\$388.1
<i>Great Lakes Restoration Initiative</i>	\$299.5	\$300.0	\$283.7
<i>Great Lakes Program<sup>a</sup></i>	\$0.0	\$0.0	\$0.0
<i>Chesapeake Bay Program</i>	\$57.3	\$72.6	\$54.3
<i>San Francisco Bay</i>	\$5.8	\$4.9	\$5.5
<i>South Florida</i>	\$2.1	\$1.7	\$1.9
<i>Puget Sound</i>	\$30.0	\$19.3	\$28.4
<i>Long Island Sound Program</i>	\$4.0	\$3.0	\$3.7
<i>Gulf of Mexico Program</i>	\$5.5	\$4.4	\$5.2
<i>Lake Champlain Basin Program</i>	\$2.4	\$1.4	\$2.3
<i>Lake Pontchartrain</i>	\$2.0	\$1.0	NR <sup>b</sup>
<i>Community Action for Renewed Environment (CARE)</i>	\$0.0	\$2.1	\$0.0
<i>Other Geographic Programs and Regional Initiatives</i>	\$1.3	\$1.4	\$3.1
<b>All Selected Programs</b>	<b>\$457.9</b>	<b>\$466.7</b>	<b>\$431.8</b>

**Source:** Prepared by the Congressional Research Service. FY2012 enacted amounts, and the President's FY2013 request, are as presented by the House Appropriations Committee in its report accompanying the Interior, Environment, and Related Agencies Appropriations bill, 2013 (H.R. 6091, H.Rept. 112-589, pp. 170-177), as reported on July 10, 2012. The FY2012 enacted amounts reflect applicable rescissions. The FY2013 amounts are as reported in EPA's FY2013 Operating Plan submitted to the House and Senate Appropriations Committees on May 7, 2013, and reflect automatic spending reductions triggered by the Budget Control Act (BCA; P.L. 112-25) as amended. The FY2013 levels also reflect the 0.2% across-the-board rescission required by the Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 113-6). Numbers may not add due to rounding.

- a. Funding for the Great Lakes Legacy Act and for EPA's Great Lakes Program was moved to the Great Lakes Restoration Initiative in FY2010.
- b. NR = Not Reported. The EPA FY2013 Operating Plan did not identify the allocation of funding at the program, project, or activity level for Lake Pontchartrain.



## Great Lakes Restoration Initiative

In 2004, President Bush established a Great Lakes Interagency Task Force, chaired by EPA,<sup>59</sup> to develop a strategy (released in 2005) that would guide federal Great Lakes protection and restoration efforts under existing law. In furtherance of this strategy, President Obama proposed the establishment of a Great Lakes Restoration Initiative in FY2010, which Congress subsequently approved in the Interior, Environment, and Related Agencies Appropriations Act, 2010 (P.L. 111-88). The initiative is intended to improve coordination among existing federal programs and projects administered by EPA and eight other federal agencies. The purpose of the initiative is to target the most significant problems in the ecosystem, such as aquatic invasive species, nonpoint source pollution, and toxics and contaminated sediment.<sup>60</sup> Projects and programs are to be implemented through grants and cooperative agreements with states, tribes, municipalities, universities, and other organizations.

The initiative consolidates funding for a number of existing federal Great Lakes programs, including EPA's Great Lakes National Program Office, the agency's implementation of the Great Lakes Legacy Act to clean up contaminated sediments, and Great Lakes programs administered by other federal agencies. As the President had requested for FY2010, P.L. 111-88 initially appropriated \$475 million to EPA to establish the Great Lakes Restoration Initiative. EPA was responsible for allocating a portion of these funds among its own Great Lakes programs and the Great Lakes programs administered by other federal agencies. Since FY2010, Congress has continued to appropriate funding for the Great Lakes Restoration Initiative to EPA for allocation among the participating federal agencies, but at lower levels.

As indicated in **Table 8** above, \$283.7 million was available for FY2013 for the Great Lakes Restoration Initiative within the EPM account, after the application of the 0.2% across-the-board rescission and reductions triggered by sequestration. The FY2013 funding level is \$16.3 million (5.4%) less than the President's FY2013 request and \$15.8 million (5.3%) less than the FY2012 enacted level.

## Chesapeake Bay

In May 2009, President Obama issued Executive Order 13508, *Chesapeake Bay Protection and Restoration*, which directed federal departments and agencies to exercise greater leadership in implementing their existing authorities to restore the bay. Despite restoration efforts of the past 25 years, which have resulted in some successes in specific parts of the ecosystem, the overall health of the bay remains degraded by excessive levels of nutrients and sediment. As indicated in **Table 8** above, \$54.3 million was available for EPA's Chesapeake Bay program for FY2013, after application of the 0.2% across-the-board rescission and reductions triggered by sequestration. The FY2013 level is \$18.3 million (25.2%) less than the FY2013 President's request of \$72.6 million, and \$3.0 million (5.2%) less than the FY2012 enacted level of \$57.3 million. The increase that the President had requested for the program in FY2013 was intended to accelerate pollution reduction and aquatic habitat restoration efforts in the bay, consistent with the objectives of the 2009 executive order.

<sup>59</sup> The Great Lakes Interagency Task Force was established by executive order in 2004. For more information, see EPA's website: <http://www.epa.gov/glnpo/iatf/index.html>.

<sup>60</sup> For more information, see the Great Lakes Restoration Initiative website: <http://greatlakesrestoration.us/>.

## Appendix A. Historical Funding Trends and Staffing Levels

The Nixon Administration established EPA in 1970 in response to growing public concern about environmental pollution, consolidating federal pollution control responsibilities that had been divided among several federal agencies. Congress has enacted an increasing number of environmental laws, as well as major amendments to these statutes, over three decades following EPA's creation.<sup>61</sup> Annual appropriations provide the funds necessary for EPA to carry out its responsibilities under these laws, such as the regulation of air and water quality, use of pesticides and toxic substances, management and disposal of solid and hazardous wastes, and cleanup of environmental contamination. EPA also awards grants to assist state, tribal, and local governments in controlling pollution in order to comply with federal environmental requirements, and to help fund the implementation and enforcement of federal laws and regulations delegated to the states and tribes. Since FY2006, Congress has funded EPA programs and activities within the Interior, Environment, and Related Agencies annual appropriations bill.<sup>62</sup>

The statutory authorization of appropriations for many of the programs and activities administered by EPA has expired, but Congress has continued to fund them through the appropriations process. Although House and Senate rules generally do not allow the appropriation of funding that has not been authorized, these rules are subject to points of order and are not self-enforcing. Congress may appropriate funding for a program or activity for which the authorization of appropriations has expired, if no Member raises a point of order, or the rules are waived for consideration of a particular bill.<sup>63</sup> Congress typically has done so to continue the appropriation of funding for EPA programs and activities for which the authorization of appropriations has expired, but may opt not to fund an unauthorized program or activity.<sup>64</sup> In the 112<sup>th</sup> Congress, the House Committee on Appropriations proposed to limit funding for unauthorized programs in FY2013 by decreasing or terminating appropriations in H.R. 6091, including EPA's U.S.-Mexico border water infrastructure grants and environmental education grants.<sup>65</sup> P.L. 113-6 provided funding to continue both of these grant programs.

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<sup>61</sup> For a discussion of these laws, see CRS Report RL30798, *Environmental Laws: Summaries of Major Statutes Administered by the Environmental Protection Agency*, coordinated by (name redacted).

<sup>62</sup> The 109<sup>th</sup> Congress moved EPA's funding from the jurisdiction of the House and Senate Appropriations Subcommittees on Veterans Affairs, Housing and Urban Development, and Independent Agencies to the Interior, Environment, and Related Agencies Appropriations Subcommittees beginning with the FY2006 appropriations. This change resulted from the abolition of the House and Senate Appropriations Subcommittees on Veterans Affairs, Housing and Urban Development, and Independent Agencies.

<sup>63</sup> See CRS Report RS20371, *Overview of the Authorization-Appropriations Process*, by (name redacted), and CRS Report R42098, *Authorization of Appropriations: Procedural and Legal Issues*, by (name redacted) and (name redacted).

<sup>64</sup> As amended, Section 202(e)(3) of the Congressional Budget and Impoundment Control Act of 1974 requires the Congressional Budget Office (CBO) to report to Congress annually on the enacted appropriations for individual programs and activities for which the authorization of appropriations has expired, and individual programs and activities for which the authorization of appropriations is set to expire in the current fiscal year. The most recent version of this report is available on CBO's website at <http://www.cbo.gov/topics/budget/unauthorized-appropriations-and-expiring-authorizations>.

<sup>65</sup> In its report accompanying H.R. 6091, the House Appropriations Committee concluded that no less than \$6.0 billion combined for 51 federal agencies and/or programs under the Interior, Environment, and Related Agencies Subcommittee's jurisdiction were "unauthorized" or the congressional authorization of appropriations had expired (H.Rept. 112-589, pp. 7-8 and pp. 136-137).

**Table A-1** presents the level of FY2008-FY2013 enacted appropriations for EPA by each of the agency's eight statutory accounts. **Figure A-1** presents a history of total discretionary budget authority for EPA from FY1976 through FY2012, and the President's FY2013 budget request, as reported by the Office of Management and Budget (OMB) in the "Historical Tables" accompanying the President's *Budget of the U.S. Government, Fiscal Year 2013*. Levels of agency budget authority prior to FY1976 were not reported by OMB in the Historical Tables. In **Figure A-1**, discretionary budget authority is presented in nominal dollars as reported by OMB, and adjusted for inflation by CRS to reflect the trend in real dollar values over time.

EPA's funding over the long term generally has reflected an increase in overall appropriations to fulfill a rising number of statutory responsibilities. EPA's historical funding trends tend to parallel the evolution of the agency's responsibilities over time, as Congress has enacted legislation to authorize the agency to develop and administer programs and activities in response to a range of environmental issues and concerns. In terms of the overall federal budget, EPA's annual appropriations have represented a relatively small portion of the total discretionary federal budget (just under 1% in recent years).

Without adjusting for inflation, EPA's funding has grown from \$1.0 billion when EPA was established in FY1970 to a peak funding level of \$14.86 billion in FY2009. This peak includes regular fiscal year appropriations of \$7.64 billion provided for FY2009 in P.L. 111-8 and the supplemental appropriations of \$7.22 billion provided for FY2009 in P.L. 111-5, the American Recovery and Reinvestment Act of 2009. However, in real dollar values (adjusted for inflation), EPA's funding in FY1978 was slightly more than the level in FY2009, as presented in **Figure A-1**.

**Table A-1. Appropriations for the Environmental Protection Agency: FY2008-FY2013 Enacted**

(millions of dollars not adjusted for inflation)

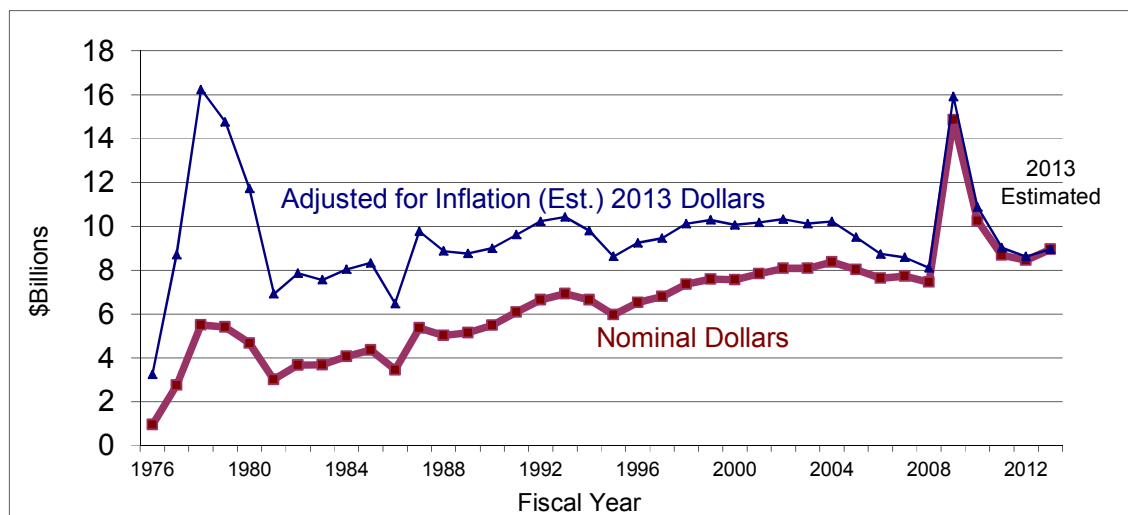
	FY2008 P.L. 110-161	FY2009 Omnibus P.L. 111-8	FY2009 ARRA P.L. 111-5	FY2009 Total	FY2010 P.L. 111-88	FY2011 P.L. 112-10	FY2012 P.L. 112-74	FY2013 P.L. 113-6 (Post- Sequester)
<b>Science and Technology</b>								
—Base Appropriations	\$760.1	\$790.1	\$0.0	\$790.1	\$848.1 <sup>a</sup>	\$813.5	\$793.7	\$743.8
—Transfer in from Superfund	+\$25.7	+\$26.4	\$0.0	+\$26.4	+\$26.8	+\$26.8	+\$23.0	+\$21.7
Science and Technology Total	\$785.8	\$816.5	\$0.0	\$816.5	\$874.9	\$840.3	\$816.7	\$765.5
Environmental Programs and Management	\$2,328.0	\$2,392.1	\$0.0	\$2,392.1	\$2,993.8	\$2,756.5	\$2,678.2	\$2,512.1
Office of Inspector General								
—Base Appropriations	\$41.1	\$44.8	\$20.0	\$64.8	\$44.8	\$44.7	\$41.9	\$39.7
—Transfer in from Superfund	+\$11.5	+\$10.0	\$0.0	+\$10.0	+\$10.0	+\$10.0	+\$9.9	+\$9.4
Office of Inspector General Total	\$52.6	\$54.8	\$20.0	\$74.8	\$54.8	\$54.7	\$51.8	\$49.1
Buildings & Facilities	\$34.3	\$35.0	\$0.0	\$35.0	\$37.0	\$36.4	\$36.4	\$34.5
Hazardous Substance Superfund (before transfers)	\$1,254.0	\$1,285.0	\$600.0	\$1,885.0	\$1,306.5	\$1,280.9	\$1,213.8	\$1,115.2
—Transfer out to Office of Inspector General	-\$11.5	-\$10.0	\$0.0	-\$10.0	-\$10.0	-\$10.0	-\$9.9	-\$9.4
—Transfer out to Science and Technology	-\$25.7	-\$26.4	\$0.0	-\$26.4	-\$26.8	-\$26.8	-\$23.0	-\$21.7
Hazardous Substance Superfund (after transfers)	\$1,216.8	\$1,248.6	\$600.0	\$1,848.6	\$1,269.7	\$1,244.2	\$1,180.9	\$1,084.0
Leaking Underground Storage Tank Trust Fund Program	\$105.8	\$112.6	\$200.0	\$312.6	\$113.1	\$112.9	\$104.1	\$103.4
Inland Oil Spill Program (formerly Oil Spill Response)	\$17.1	\$17.7	\$0.0	\$17.7	\$18.4	\$18.3	\$18.2	\$17.3
State and Tribal Assistance Grants (STAG)								
—Clean Water State Revolving Fund	\$689.1	\$689.1	\$4,000.0	\$4,689.1	\$2,100.0	\$1,522.0	\$1,466.5	\$1,851.1
—Drinking Water State Revolving Fund	\$829.0	\$829.0	\$2,000.0	\$2,829.0	\$1,387.0	\$963.1	\$917.9	\$956.3

	FY2008 P.L. 110-161	FY2009 Omnibus P.L. 111-8	FY2009 ARRA P.L. 111-5	FY2009 Total	FY2010 P.L. 111-88	FY2011 P.L. 112-10	FY2012 P.L. 112-74	FY2013 P.L. 113-6 (Post- Sequester)
—Special (Congressional) Project Grants	\$132.9	\$145.0	\$0.0	\$145.0	\$156.8	\$0.0	\$0.0	\$0.0
—Categorical Grants	\$1,078.3	\$1,094.9	\$0.0	\$1,094.9	\$1,116.4	\$1,104.2	\$1,088.8	\$1,032.0
—Brownfields Section 104(k) Grants	\$93.5	\$97.0	\$100.0	\$197.0	\$100.0	\$99.8	\$94.8	\$89.9
—Diesel Emission Reduction Grants	\$49.2	\$60.0	\$300.0	\$360.0	\$60.0	\$49.9	\$30.0	\$18.9
—Other State and Tribal Assistance Grants	\$54.2	\$53.5	\$0.0	\$53.5	\$50.0	\$19.9	\$15.0	\$14.2
State and Tribal Assistance Grants Total	\$2,926.2	\$2,968.5	\$6,400.0	\$9,368.5	\$4,970.2	\$3,758.9	\$3,612.9	\$3,962.4
Rescissions of Unobligated Balances <sup>b</sup>	-\$5.0	-\$10.0	\$0.0	-\$10.0	-\$40.0	-\$140.0	-\$50.0	-\$50.0
<b>Total EPA Accounts</b>	<b>\$7,461.5</b>	<b>\$7,635.7</b>	<b>\$7,220.0</b>	<b>\$14,855.7</b>	<b>\$10,291.9<sup>a</sup></b>	<b>\$8,682.1</b>	<b>\$8,449.4</b>	<b>\$8,478.4</b>

**Source:** Prepared by the Congressional Research Service using the most recent information available from House, Senate, or conference committee reports accompanying the annual appropriations bills that fund EPA and Administration budget documents, including the President's annual budget requests as presented by OMB, EPA's accompanying annual congressional budget justifications, and EPA's FY2013 Operating Plan submitted to the House and Senate Appropriations Committees on May 7, 2013. "ARRA" refers to the American Recovery and Reinvestment Act of 2009 (P.L. 111-5). The ARRA amounts do not reflect rescission of unobligated balances as per P.L. 111-226. Numbers may not add due to rounding.

- a. FY2010 amounts presented for the base appropriations for the S&T account and the EPA total include \$2.0 million in supplemental appropriations for research of the potential long-term human health and environmental risks and impacts from the releases of crude oil, and the application of chemical dispersants and other mitigation measures under P.L. 111-212, Title II.
- b. In addition to other across-the-board rescissions, the FY2008-FY2010 rescissions presented here are from unobligated balances from funds appropriated in prior years within the eight accounts, and made available for expenditure in a later year. In effect, these "rescissions" increase the availability of funds for expenditure by the agency in the years in which they are applied, functioning as an offset to new appropriations by Congress. With regard to the FY2011 enacted rescissions, Section 1740 in Title VII of Div. B under P.L. 112-10, Congress referred only to "unobligated balances available for 'Environmental Protection Agency, State and Tribal Assistance Grants'" (not across all accounts), and Congress did not specify that these funds are to be rescinded from prior years. For FY2012, the Administrative Provisions in Division E, Title II of P.L. 112-74, rescinded unobligated balances from the STAG (\$45.0 million) and the Hazardous Substance Superfund (\$5.0 million) accounts. FY2012 rescissions specified by Congress within the STAG account included \$20.0 million from categorical grants, \$10.0 million from the Clean Water State Revolving Fund (SRF), and \$5.0 million each from Brownfields grants, Diesel Emission Reduction Act grants, and U.S.-Mexico Border water infrastructure grants. For FY2013, Section 1406 of Title IV in P.L. 113-6, Congress rescinded unobligated balances from the Hazardous Substance Superfund (\$15.0 million) and STAG (\$35.0 million) accounts. FY2013 rescissions specified within the STAG account included \$5.0 million from categorical grants, \$10.0 million each from the Clean Water and the Drinking Water SRFs, and \$10.0 million from Brownfields grants.

**Figure A-1. EPA Discretionary Budget Authority FY1976-FY2013 (Est.):  
Adjusted and Not Adjusted for Inflation**  
(\$ in billions)



**Source:** Prepared by the Congressional Research Service with information from the Office of Management and Budget, *Budget of the United States Government Fiscal Year 2014, Historical Table: Table 5-4*. CRS converted nominal dollars to 2011 dollars using the GDP Chained Price Index from Table 10.1 *Gross Domestic Product and Deflators Used in the Historical Tables - 1940–2018*, <http://www.whitehouse.gov/omb/budget/Historicals>. Discretionary Budget Authority for FY2013 enacted is estimated and as reported at the time of the release of the OMB FY2014 budget document in April 2013.

**Note:** FY1976 was the earliest fiscal year for which historical funding information on budget authority was readily available from the Office of Management and Budget.



## EPA Staff Levels

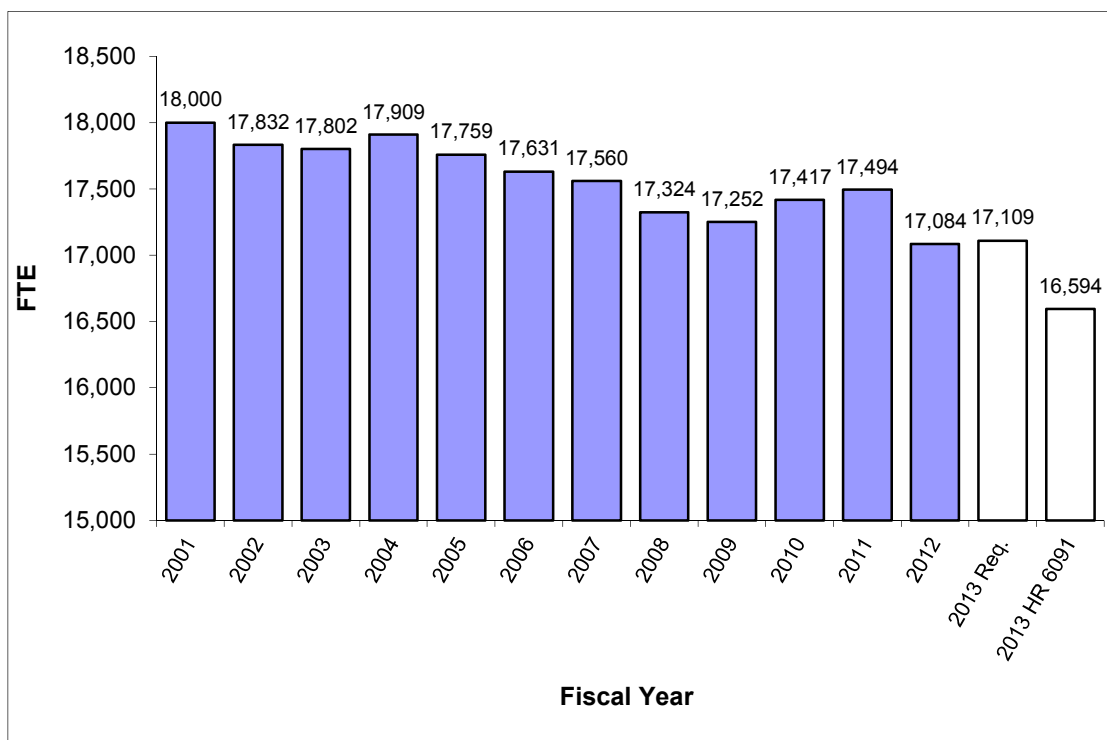
**Figure A-2** below provides a trend in EPA’s authorized “Full Time Equivalent” (FTE)<sup>66</sup> employment ceiling from FY2001 through FY2013, the last year of which is based on the levels proposed by the House committee<sup>67</sup> and the President’s request. (FTEs for FY2013 enacted were not immediately available.) Information prior to FY2001 is available in a March 2000 testimony by the General Accounting Office (GAO),<sup>68</sup> in which GAO reported that EPA FTEs increased by about 18% from FY1990 through FY1999, with the largest increase (13%, from 15,277 to 17,280 FTEs) occurring from FY1990 through FY1993. From FY1993 through FY1999, GAO indicated that EPA’s FTEs grew at a more moderate rate, at less than 1% per year. As indicated in **Figure A-2**, with the exception of increases in four fiscal years, the general trend has been downward since FY2001, with the largest single-year decrease (2.3%) occurring from FY2011 to FY2012.

<sup>66</sup> As noted in **Figure A-2**, FTE employment is defined as one employee working full-time for a full year (52 weeks X 40 hours = 2,080 hours), or the equivalent hours worked by several part-time or temporary employees.

<sup>67</sup> H.Rept. 112-589 accompanying H.R. 6091 as reported, p. 57. In its report the House committee expressed concerns about the distribution of EPA regional FTEs to headquarters, and directed the agency to bring the headquarters FTE level in line with the regional levels. The committee proposed that EPA cap its total FTEs at no more than 16,594, the FY2010 level, expected that EPA could achieve this reduction of 515 FTEs below the FY2013 budget request with the funding proposed in the reported bill.

<sup>68</sup> General Accounting Office (GAO), March 23, 2000, Testimony Before the Subcommittee on VA, HUD, and Independent Agencies, Senate Committee on Appropriations, *Human Capital: Observations on EPA’s Efforts to Implement a Workforce Planning Strategy*, Statement for the Record by Peter F. Guerrero, Director, Environmental Protection Issues, Resources, Community, and Economic Development Division, GAO/T-RCED-00-129, <http://www.spa.ga.gov/word/wfpArticles/GAO%20EPA.pdf>.

**Figure A-2. EPA's Authorized Full Time Equivalent (FTE) Employment Ceiling, FY2001-FY2012 Actual and FY2013 Requested and Proposed**



**Source:** Prepared by the Congressional Research Service as adapted from EPA's "FY2013 EPA Budget in Brief"; see "Overview" p. 12 (pdf p. 15), <http://www.epa.gov/planandbudget/annualplan/fy2013.html#FY13budget>, and H.Rept. 112-589, p. 57. FTEs for FY2013 enacted were not immediately available.

**Notes:** Full Time Equivalent or FTE is defined as one employee working full-time for a full year (52 weeks X 40 hours = 2,080 hours), or the equivalent hours worked by several part-time or temporary employees. FY2013 FTEs are as proposed in the President's FY2013 budget request.

## Appendix B. Descriptions of EPA's Eight Appropriations Accounts

Since FY1996, EPA's funding has been requested by the Administration and appropriated by Congress under eight statutory accounts. **Table B-1** describes the scope of the programs and activities funded within each of these accounts. Prior to FY1996, Congress appropriated funding for EPA under a different account structure, making it difficult to compare funding for the agency historically over time by the individual accounts.

**Table B-1. EPA's Eight Appropriations Accounts**

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**Science and Technology (S&T):** The S&T account incorporates elements of the former Research and Development account that was in place until FY1996. The S&T account funds the development of the scientific knowledge and tools necessary to inform EPA's formulation of pollution control regulations, standards, and agency guidance. EPA carries out research activities at its own laboratories and facilities, and also through contracts, grants, and cooperative agreements with other federal agencies, state and local governments, nonprofit organizations, universities, and private businesses. Congress appropriates funds directly to the S&T account and transfers additional funds from the Hazardous Substances Superfund account to the S&T account specifically to support research related to the cleanup of hazardous substances.

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**Environmental Programs and Management (EPM):** The EPM account funds a broad range of activities involved in EPA's development of pollution control regulations and standards, and enforcement of these requirements across multiple environmental media, such as air quality and water quality. The EPM account also funds technical assistance to pollution control agencies and organizations, and technical assistance to help regulated entities achieve compliance with environmental requirements to avoid violations. Much of EPA's administrative and operational expenses are funded within this account as well.

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**Office of Inspector General (OIG):** As amended, the Inspector General Act of 1978 established Offices of Inspector General in numerous federal agencies, including EPA. These offices are intended to conduct independent auditing, evaluation, and investigation of an agency's programs and activities to identify potential management and administrative deficiencies, which may create conditions for instances of fraud, waste, and mismanagement of funds, and to recommend actions to correct these deficiencies. Congress appropriates funds directly to EPA's OIG account and transfers additional funds from the Hazardous Substances Superfund account to the OIG account specifically to support the office's auditing, evaluation, and investigation of the Superfund program.

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**Buildings and Facilities:** This account funds the construction, repair, improvement, extension, alteration, and purchase of fixed equipment and facilities owned or used by EPA.

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**Hazardous Substance Superfund:** This account is funded by discretionary appropriations from a dedicated trust fund of the same name, the Hazardous Substance Superfund Trust Fund. As amended, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) established the Superfund program to clean up the nation's most threatening sites and created the Superfund Trust Fund to finance the program. Dedicated taxes on industry originally provided most of the revenues to the Superfund Trust Fund, but the taxing authority expired at the end of 1995. Congress now finances this trust fund mostly with revenues from the General Fund of the U.S. Treasury. EPA may use appropriations from the Superfund Trust Fund to enforce the liability of "potentially responsible parties" for the cleanup of contaminated sites, and if the parties cannot be found or cannot pay at a site, EPA may pay for the cleanup under a cost-share agreement with the state in which the site is located. Although the Superfund account also funds EPA's oversight of the cleanup of federal facilities by other agencies, these agencies fund the cleanup activities with separate funds appropriated directly to them, not with Superfund monies.

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**Inland Oil Spill Program (formerly Oil Spill Response):** As authorized by the Oil Pollution Act of 1990, this account funds EPA's activities to prepare for and prevent releases of oil into the inland zone of the United States within the agency's jurisdiction. The U.S. Coast Guard has jurisdiction over oil spills in the coastal zone of the United States. EPA is reimbursed for its expenses to respond to oil spills at inland sites from the Oil Spill Liability Trust Fund, which is administered by the U.S. Coast Guard. The former name of the "Oil Spill Response" account was changed by the conferees as proposed in the President's FY2012 request to "Inland Oil Spill Program." This modification was intended to more clearly reflect the agency's jurisdiction for oil spill response in the inland coastal zone.

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**The Leaking Underground Storage Tank (LUST) Trust Fund Program:** As with the Superfund account, this account is funded by discretionary appropriations from a dedicated trust fund of the same name, the LUST Trust Fund. The Superfund Amendments and Reauthorization Act of 1986 established this trust fund. The LUST Trust Fund is financed primarily by a 0.1 cent-per-gallon tax on motor fuels, authorized through FY2016. EPA may use appropriations from the LUST Trust Fund to pay for the prevention of, and response to, releases from underground storage tanks that contain petroleum, which is not covered under Superfund. EPA and the states (through cooperative agreements) may use the funds to oversee corrective actions (i.e., cleanup) performed by the responsible parties, to conduct cleanups where a responsible party fails to do so or in case of an emergency, and to recover LUST monies spent on cleanup from the responsible parties. In addition to these activities, the Energy Policy Act of 2005 expanded the authorized uses of appropriated LUST monies to include implementation and enforcement of EPA's Underground Storage Tank leak prevention and detection program under Subtitle I of the Solid Waste Disposal Act.

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**State and Tribal Assistance Grants (STAG):** The majority of the funding within the STAG account is for capitalization grants for the Clean Water and Drinking Water State Revolving Funds (SRFs). SRF funding is used for local wastewater and drinking water infrastructure projects, such as construction of and modifications to municipal sewage treatment plants and drinking water treatment plants, to facilitate compliance with Clean Water Act and Safe Drinking Water Act requirements, respectively. The remainder of the STAG account funds other water infrastructure grants, categorical grants to states and tribes for administering numerous pollution control activities delegated by EPA, grants for the cleanup of brownfields, and diesel emission reduction grants. Although the majority of funding for grants awarded by EPA is funded within the STAG account, other agency accounts also fund various types of grants, such as the S&T and EPM accounts.

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## Author Contact Information

(name redacted)  
Specialist in Environmental Policy  
#redacted#@crs.loc.gov, 7-....

(name redacted)  
Specialist in Environmental Policy  
#redacted#@crs.loc.gov, 7-....

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