

June 9, 2022

U.S. Environmental Protection Agency (EPA) FY2022 Appropriations

With congressional approval, the Nixon Administration established the U.S. Environmental Protection Agency (EPA) under executive branch Reorganization Plan No. 3 of 1970. This reorganization consolidated numerous federal pollution control responsibilities that had been divided among several federal agencies. Over time, EPA's authorities have grown as Congress has enacted numerous environmental statutes and major amendments to these statutes. EPA's primary responsibilities have evolved to include the regulation of air quality, water quality, and chemicals in commerce; development of regulatory criteria for the management and disposal of solid and hazardous waste; regulation of underground storage tanks; remediation of environmental contamination; and other activities related to pollution control. Although EPA sets uniform pollution control standards and regulations on a national level, the implementation and enforcement of many of these standards and regulations are delegated to the states and tribes. EPA also provides financial assistance to states, tribes, and local governments to aid them in administering delegated pollution control programs, complying with certain federal environmental requirements, and financing drinking water and wastewater infrastructure. Since FY2006, Congress has funded EPA in the Interior, Environment, and Related Agencies appropriations bills.

FY2022 Appropriations

Enacted on March 15, 2022, Division G, Title II of P.L. 117-103, the Consolidated Appropriations Act, 2022, provided a total of \$9.56 billion in discretionary funding for EPA for FY2022. Division J, Title VI of the Infrastructure Investment and Jobs Act (IIJA; P.L. 117-58), enacted on November 15, 2021, provided an additional \$60.89 billion for EPA in emergency supplemental appropriations. This total included \$14.06 billion for FY2022. The balance of the funds, \$46.83 billion, were advance appropriations for FY2023 through FY2026. Advance appropriations become available for obligation in future fiscal years. The FY2022 amounts in this In Focus include the IIJA appropriations. See the discussion of the "Infrastructure Investment and Jobs Act" below for further explanation of this funding.

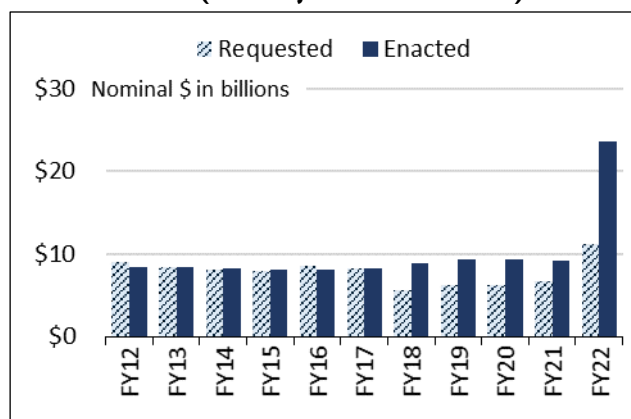
The total of EPA FY2022 regular and supplemental appropriations is \$23.62 billion, \$14.38 billion (155.7%) more than the \$9.24 billion in FY2021 enacted appropriations (including rescissions). EPA FY2022 regular enacted appropriations of \$9.56 billion were \$1.67 billion (14.9%) less than the President's FY2022 regular budget request of \$11.23 billion and \$322.3 million (3.5%) more than FY2021 enacted appropriations (including recessions).

Prior to the enactment of P.L. 117-103, multiple continuing resolutions funded EPA. From the beginning of FY2022,

EPA (and other federal departments and agencies) operated under the terms and conditions of a series of four continuing resolutions, generally at FY2021 enacted levels.

Figure 1 presents trends in requested and enacted appropriations for 11 fiscal years from FY2012 through FY2022.

Figure 1. EPA Requested and Enacted Appropriations FY2012-FY2022 (Not Adjusted for Inflation)



Source: CRS, using information from the *Congressional Record*; House, Senate, and conference committee reports. Enacted amounts reflect rescissions and supplemental appropriations.

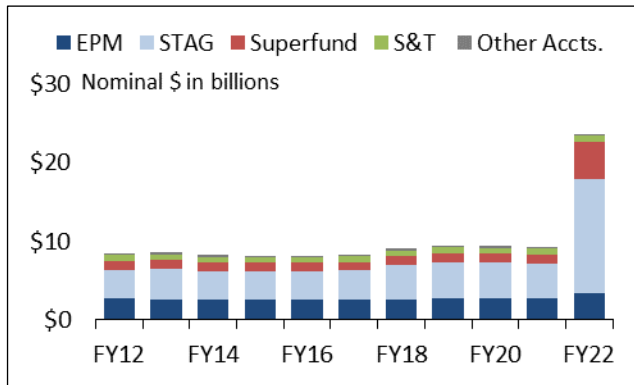
EPA Appropriations Accounts

Funding for discretionary spending is annually appropriated to EPA among 10 statutory accounts established by Congress over time. These include State and Tribal Assistance Grants (STAG), Environmental Programs and Management (EPM), Hazardous Substance Superfund ("Superfund"), Science and Technology (S&T), Leaking Underground Storage Tank Trust Fund Program, Buildings and Facilities, Office of Inspector General, Inland Oil Spill Program, Hazardous Waste Electronic Manifest System Fund, and Water Infrastructure Finance and Innovation Program accounts.

As indicated in **Figure 2**, the proportional distribution of funding among these accounts has remained similar for more than a decade, except for FY2022 with IIJA supplemental appropriations. Historically, the STAG and EPM accounts have received the largest share of funding, followed by the Superfund and S&T accounts. The STAG account funds grants for water infrastructure, brownfields site assessment and remediation, diesel emissions reduction, targeted airsheds, and "categorical" grants to delegated states and tribes for implementing pollution control programs. The EPM account funds additional grants and

many cross-cutting agency activities. The Superfund account supports the environmental remediation of priority sites on nonfederal lands designated for federal attention in coordination with the states in which the sites are located. The S&T account funds research that supports agency regulatory decisions.

Figure 2. EPA Enacted Appropriations by Account: FY2012-FY2022



Source: CRS, using information from the *Congressional Record*; House, Senate, and conference committee reports. Enacted amounts reflect rescissions and supplemental appropriations.

FY2022 regular annual appropriations in P.L. 117-103 funded increases in 9 of the 10 EPA appropriations accounts, compared to the FY2021 enacted appropriations. Total FY2022 appropriations, including IJJA appropriations, were \$14.50 billion for the STAG account, a \$10.18 billion (236.0%) increase compared to FY2021 enacted appropriations of \$4.31 billion. Total FY2022 appropriations were \$4.73 billion for the Superfund account, a \$3.53 billion (292.5%) increase compared to FY2021 enacted appropriations of \$1.21 billion. Total FY2022 appropriations were \$3.38 billion for the EPM account, a \$614.3 million (22.2%) increase compared to FY2021 enacted appropriations of \$2.76 billion. See “Infrastructure Investment and Jobs Act” below for more details on this funding.

Infrastructure Investment and Jobs Act

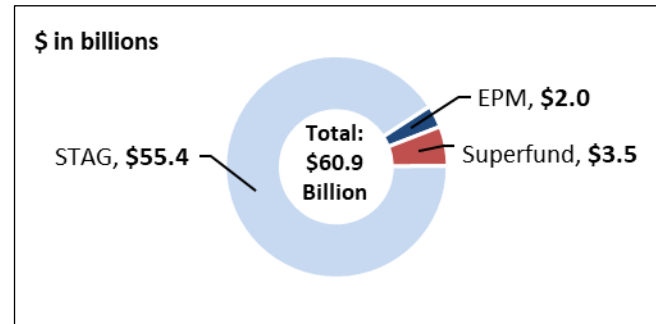
IJJA provided \$60.89 billion in emergency supplemental appropriations for EPA. This amount does not include nonemergency supplemental appropriations based on estimated future Superfund tax receipts of \$6.11 billion, listed in the table in the explanatory statement accompanying P.L. 117-58.

The funding for EPA accounts was appropriated for five fiscal years from FY2022 through FY2026, with two exceptions. First, IJJA appropriated all of the \$50.0 million in the STAG account for the EPA Underground Injection Control grant program in FY2022. Second, IJJA appropriated all of the \$3.50 billion in the Superfund account in FY2022. IJJA authorized the use of this \$3.50 billion specifically for Superfund remedial actions and waived state cost-shares for the expenditure of these funds.

The IJJA funding for EPA is available for obligation until expended, with the exception of \$25.0 million for developing battery recycling “best practices” and voluntary labeling guidelines that is available for expenditure through FY2026.

Figure 3 presents the IJJA emergency supplemental appropriations of \$60.89 billion for EPA, within the STAG, EPM, and Superfund accounts.

Figure 3. EPA IJJA Appropriations by Account



Source: CRS, using information from P.L. 117-58, Division J, Title VI. Most of this funding is appropriated from FY2022 through FY2026.

IJJA also authorized appropriations for numerous EPA programs, the funding for which would depend on subsequent appropriations acts. For example, Division E of IJJA authorizes and reauthorizes appropriations for certain EPA drinking water and clean water infrastructure grant and technical assistance programs from FY2022 through FY2026. Division J, Title VI, Section 614 of IJJA includes additional authorizations of appropriations for EPA drinking water and clean water infrastructure revolving loan fund capitalization grants. For more information on EPA drinking water and wastewater provisions in IJJA, see CRS Report R46892, *Infrastructure Investment and Jobs Act (IJJA): Drinking Water and Wastewater Infrastructure*. For more information on regular FY2022 water infrastructure related appropriations, see CRS In Focus IF12103, *U.S. Environmental Protection Agency (EPA) Water Infrastructure Programs and FY2022 Appropriations*.

Division G, Title XI, Section 71101 of IJJA also authorizes appropriations for EPA’s Clean School Bus program from FY2022 through FY2026.

IJJA also includes provisions that reauthorized certain federal excise taxes that finance the LUST Trust Fund (Section 80102, subject to annual appropriations) and the Hazardous Substance Superfund Trust Fund (Section 80201, available for expenditure without further appropriation as authorized in Division J, Title VI, Section 613). For more information on federal Superfund taxes, see CRS In Focus IF11982, *Superfund Tax Legislation in the 117th Congress*.

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