



June 8, 2020

# U.S. Environmental Protection Agency FY2021 Appropriations

Since FY2006, Congress has funded the U.S. Environmental Protection Agency (EPA) in the Interior, Environment, and Related Agencies appropriations bills. Released February 10, 2020, the President’s budget for FY2021 requested \$6.66 billion for EPA. The adequacy of funding for EPA to effectively carry out its mission and provide associated grants to support authorized state and tribal implementation of federal pollution control laws has been a perennial issue. Trends in requested and enacted appropriations for EPA since FY2008 are shown in **Figure 1**. FY2021 appropriations have not been enacted to date.

As indicated in **Figure 1**, the President’s requested reductions in total EPA funding annually since FY2018 have not been adopted by Congress in annual appropriations.

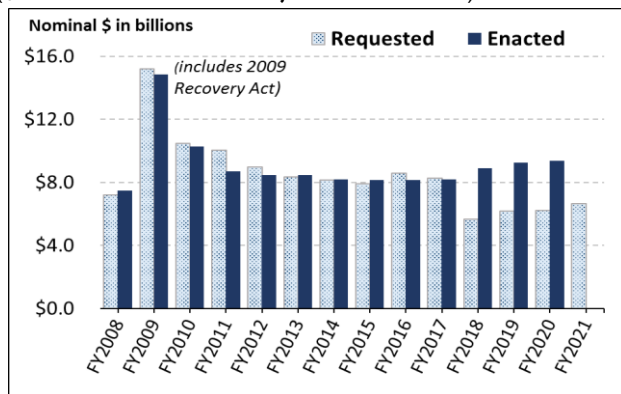
## Authorization of Appropriations

Funding appropriated to EPA supports the agency’s primary responsibilities authorized under several federal pollution control statutes and carried out in coordination with states and tribes. EPA also awards grants to assist delegated states, tribes, and local governments to support implementation and compliance with federal requirements to control pollution.

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. Authorization of appropriations is a procedural mechanism. 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 bill. Congress has typically done so to continue appropriations.

**Figure 1. EPA Requested and Enacted Appropriations FY2008-FY2021**

(\$ nominal in billions not adjusted for inflation)



**Source:** CRS using information from the *Congressional Record*; House, Senate, and conference reports; and EPA’s FY2021 *Congressional Budget Justification*. Enacted amounts reflect rescissions and supplemental appropriations, including \$7.22 billion included for EPA in the American Recovery and Reinvestment Act of 2009 (P.L. 111-5).

The FY2021 request for EPA is \$2.71 billion (28.9%) less than the total \$9.37 billion FY2020 enacted appropriations. Congress provided FY2020 enacted appropriations in the Further Consolidated Appropriations Act, FY2020 (P.L. 116-94, Division D, Title II); the United States-Mexico-Canada Agreement Implementation Act (P.L. 116-113, Title IX); and the Coronavirus Aid, Relief, and Economic Security Act (P.L. 116-136). The FY2021 request was \$435.6 million above the FY2020 request of \$6.22 billion.

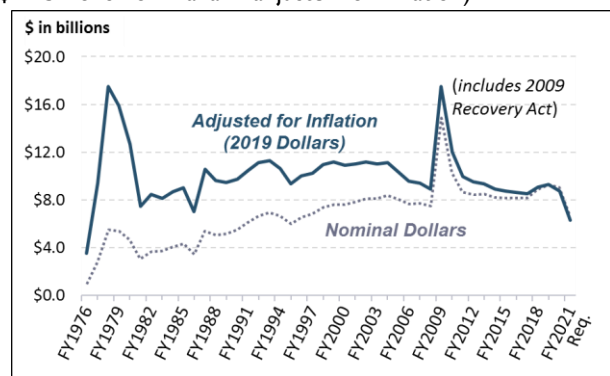
The FY2021 request includes a \$159.1 million “cancellation of funds” (rescission of unobligated balances of prior year appropriations) for EPA across the board. The FY2020 request had proposed a \$377.0 million cancellation of funds. For FY2020, P.L. 116-94 did not rescind any unobligated balances for EPA, a departure from annual appropriations for some prior fiscal years. For FY2019, P.L. 116-6 included a combined \$210.5 million rescission of unobligated balances from three of EPA’s 10 appropriations accounts.

## History of EPA Budget Authority

**Figure 2** presents EPA discretionary “budget authority” since FY1976 in nominal dollars and adjusted for inflation. Budget authority is provided through annual appropriations acts and constitutes the amount of funding available to an agency for obligation in a fiscal year to carry out specific purposes authorized in law.

**Figure 2. EPA Discretionary Budget Authority, FY1976-FY2020 Enacted and FY2021 Request**

(\$ in billions nominal and adjusted for inflation)



**Source:** CRS based on the White House Office of Management and Budget (OMB), *Budget of the United States Government Fiscal Year 2021, Historical Tables*, Table 5.4. CRS calculated for inflation using OMB deflators presented in Table 10.1. FY2009 funding level reflects the supplemental appropriations included for EPA in the American Recovery and Reinvestment Act of 2009 (P.L. 111-5).

The trend in nominal dollars presented in **Figure 2** is based on a history of agency budget authority prepared by the White House Office of Management and Budget (OMB). Congress has funded EPA since the agency’s creation in 1970, but these OMB histories begin with FY1976.

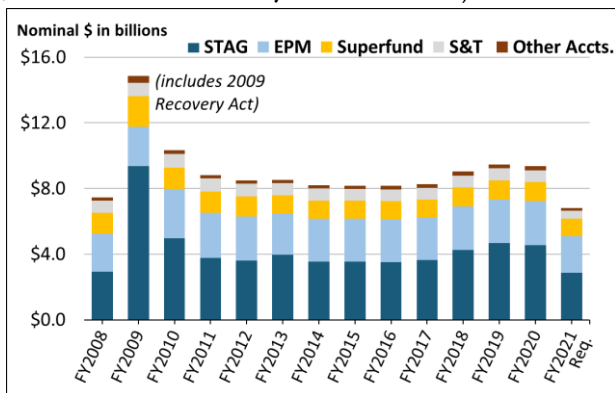
### EPA Appropriations Accounts

Funding is annually appropriated to EPA among 10 accounts established by Congress over time. These include Environmental Programs and Management (EPM), State and Tribal Assistance Grants (STAG), Hazardous Substance Superfund (“Superfund”), Science and Technology (S&T), Leaking Underground Storage Tank (LUST) 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.

As indicated in **Figure 3**, the proportional distribution of funding among these accounts has remained similar for more than a decade with the exception of FY2009. 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 states and tribes for implementing pollution control program. The EPM account funds many cross-cutting agency activities and additional grants. The Superfund account supports the environmental remediation of priority sites designated for federal attention. The S&T account funds research that supports agency regulatory decisions.

**Figure 3. EPA Appropriations by Account: FY2008-FY2020 Enacted and FY2021 Request**

(\$ nominal in billions not adjusted for inflation)



**Source:** CRS using information from the *Congressional Record*; House, Senate, and conference committee reports; and EPA’s FY2021 *Congressional Budget Justification*. Enacted amounts include supplemental appropriations—including \$7.22 billion for EPA in the American Recovery and Reinvestment Act of 2009 (P.L. 111-5).

The President’s FY2021 request proposed funding reductions below FY2020 enacted levels for most EPA accounts, including reductions of \$1.70 billion (37.3%) for STAG, \$234.0 million (32.6%) for S&T, and \$43.63 million (47.5%) for the LUST Trust Fund Program account. Appropriated and requested funding for most EPA programs is generally identified below the EPA appropriations

account level in EPA’s budget justifications and committee reports and explanatory statements accompanying annual appropriations bills.

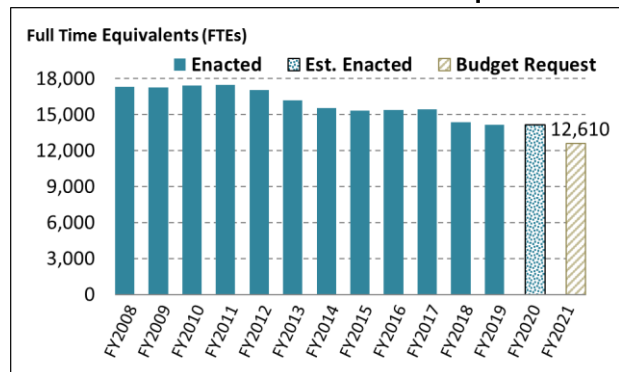
The reductions and eliminations proposed for FY2021 are distributed across various EPA operational functions and program activities as well as certain grants. Similar to the FY2020 request, the President’s FY2021 request also proposes to increase states’ responsibilities to carry out the delegated authorities and reduce grants that cover a portion of the associated costs. This proposed increase in the responsibility of states is described in EPA’s *FY2021 Congressional Budget Justification* (under its strategic Goal 2, “More Effective Partnerships”).

Although the President has proposed an overall reduction in funding for EPA in FY2021, funding for some program areas would remain constant or increase compared to FY2020 enacted appropriations. For example, the FY2021 request recommended \$320.0 million for the Great Lakes Restoration Initiative, the same as the FY2020 enacted level; \$61.5 million for sewer over flow control grants, a \$33.5 million increase above the FY2020 enacted level of \$28.0 million; and \$50.0 million for a new “Healthy Schools Grant Program” to address environmental hazards in schools, the same as requested but not enacted for FY2020.

### EPA Staff Levels

The President’s FY2021 request proposed a reduction in “full-time equivalents” (FTEs) for EPA in association with the 28.9% reduction in total funding. Based on EPA-reported staffing levels, the FY2021 request of 12,610 FTEs would be 11% below the FY2020 level of 14,172 FTEs and the lowest since 1985. Congress does not set EPA staffing levels in annual appropriations acts. EPA generally determines staffing levels based on the availability of appropriations enacted each fiscal year to fund the agency. **Figure 4** presents the number of FTEs as reported annually by EPA for FY2008-FY2020 and FY2021 as requested.

**Figure 4. EPA-Reported Full-Time Equivalents: FY2008-FY2020 Enacted and FY2021 Request**



**Source:** CRS using information from EPA’s *Budget in Brief* for FY2018 and for FY2021.

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