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Environmental Protection Agency: Appropriations for FY2006

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Environmental Protection Agency: Appropriations for FY2006

Summary

The 109th Congress moved funding jurisdiction for the Environmental Protection Agency (EPA) from the Veterans Affairs, Housing and Urban Development (VA-HUD), and Independent Agencies appropriations subcommittee to the Interior subcommittee. Title II of the Interior, Environment, and Related Agencies Appropriations Act for FY2006 (P.L. 109-54, H.R. 2361) provides \$7.73 billion for EPA, subject to an across-the-board rescission of 0.476%. Section 439 of Title IV indicates that the rescission is to be applied proportionately among each account, program, project, and activity specified in the law, accompanying reports, and the President's budget request. The total FY2006 EPA appropriation includes an additional \$80 million in unobligated funds "rescinded" from past appropriations. P.L. 109-54 provides more funding for EPA than the Administration's FY2006 request of \$7.52 billion, but less than the FY2005 appropriation of \$8.03 billion. Although there are varying levels of interest in funding for specific activities within EPA's eight appropriations accounts, considerable debate focused on funding for the State and Tribal Assistance Grants (STAG) account, particularly the level of funding for assistance to states and communities for water infrastructure projects.

A large portion of the funding provided within the STAG account is for grants to support state revolving funds (SRFs) for loans to communities for constructing and upgrading water infrastructure to meet federal clean water and drinking water requirements. P.L. 109-54 provides \$900 million for the *clean water* SRF. As passed by the House, H.R. 2361 would have provided \$850 million (including \$100 million in rescinded funds from prior years). The Senate-passed version of H.R. 2361 would have provided \$1.10 billion. The Administration's request would have reduced funding for the *clean water* SRF from \$1.09 billion in FY2005 to \$730 million in FY2006. P.L. 109-54 provides \$850 million for the *drinking water* SRF prior to the rescission, the same as the House and Senate proposed and the Administration requested, and similar to the FY2005 appropriation.

Other prominent issues of debate included funding for the cleanup of hazardous waste sites under the Superfund program, the cleanup and redevelopment of certain commercial and industrial sites referred to as brownfields, EPA's homeland security activities, and "congressional project priorities" or earmarks. In addition to the adequacy of funding, another key issue regarding the Superfund program has been whether to continue using general Treasury revenues to fund the account, or reinstate a tax on industry that originally paid for most of the program.

Among the many individual programs throughout EPA's eight appropriations accounts, P.L. 109-54 reflects increases for certain activities, and decreases for others, when compared to the House and Senate proposals, the President's FY2006 request, and the FY2005 appropriation. P.L. 109-54 also contains a number of provisions specifying or prohibiting certain actions by EPA, including provisions regarding the agency's protocols and use of intentional human dosing studies for determining potential health risks of pesticides. This report will be updated to reflect further action on appropriations.

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Environmental Protection Agency: Appropriations for FY2006

Most Recent Developments

On August 2, 2005, the President signed the FY2006 appropriations bill for Interior, Environment, and Related Agencies, P.L. 109-54 (H.R. 2361, H.Rept. 109-188).¹ Title II of P.L. 109-54 provides \$7.73 billion for the Environmental Protection Agency (EPA), subject to an across-the-board rescission of 0.476%.² The total FY2006 EPA appropriation includes an additional \$80 million in unobligated funds “rescinded” from past appropriations. The President’s FY2006 budget request included \$7.52 billion for EPA, and Congress appropriated \$8.03 billion for FY2005.³

Introduction

The President’s FY2006 budget submitted to Congress on February 7, 2005, included \$7.52 billion for EPA, \$506 million less than the \$8.03 billion FY2005 appropriation. The largest proposed decrease was for grants to states for wastewater infrastructure projects. Although the President’s budget proposed decreases for some programs within the various accounts, it included steady or increased funding for a number of other activities, such as cleanup of hazardous waste sites under the Superfund program, cleanup and redevelopment of brownfields, homeland security, and several grant programs for scientific research on human health effects.

In addition to proposed reductions for some ongoing programs, the President’s FY2006 budget did not include funding set aside or designated by Congress in FY2005 for individual projects, locations, or institutions (sometimes referred to as “earmarked funding”) within the various EPA appropriations accounts. This is consistent with past Administrations’ budget requests. According to the White House Office of Management and Budget (OMB), the President’s FY2006 budget did

¹ For information regarding each of the agencies funded in this bill, see CRS Report RL32893, *Interior and Related Agencies: FY2006 Appropriations*.

² Section 439 of Title IV indicates that the rescission is to be applied proportionately among each account, program, project, and activity specified in the law, accompanying reports, and the President’s budget request.

³ The FY2005 amounts presented in this report include a 0.8% congressionally mandated across-the-board rescission to the appropriated amounts in the Consolidated Appropriations Act for FY2005 (P.L. 108-447, H.R. 4818). Section 122 of Title I in Division J of the act required this rescission to be applied proportionately to all programs, projects, and activities. (See CRS Report RS21983, *FY2005 Consolidated Appropriations Act: Reference Guide*.)

not include \$489 million appropriated in FY2005 for “unrequested projects.”⁴ More than half of these appropriated funds were for water infrastructure projects. Many of the projects that received similar “earmarked” funding in FY2004 were reinstated or created as new projects during the FY2005 appropriations process.

The following sections of this report indicate the status of congressional action on funding for EPA in FY2006, provide background information on the history and mission of the agency, examine the President’s FY2006 budget request,⁵ indicate the enacted FY2006 funding levels by appropriations account, and discuss relevant issues. (For a discussion of broader issues relevant to the statutes and programs that EPA administers, see CRS Issue Brief IB10146, *Environmental Protection Issues in the 109th Congress*. For a discussion of FY2005 funding, see CRS Report RL32441, *Environmental Protection Agency: Appropriations for FY2005*.)

In general, in this report the term *appropriations* refers to total funds available, including regular annual and supplemental appropriations, as well as rescissions, transfers, and deferrals, but excludes permanent budget authorities. FY2006 appropriations presented in this report have not been adjusted to account for the 0.476% rescission mandated in Section 439, Title IV, of P.L. 109-54. Increases and decreases are generally calculated based on comparisons between the funding levels as enacted for FY2006, included in the House- and Senate-passed bills, requested by the President for FY2006, and appropriated for FY2005. Requested and appropriated funding amounts presented throughout this report have not been adjusted for inflation. In some cases, small increases above the previous year funding may actually reflect a decrease when adjusted for inflation.

FY2006 appropriations amounts indicated in this report are from the final bill and conference report, and from the House- and Senate-passed bills and their accompanying reports. The House Committee on Appropriations is the primary source of the funding figures used throughout the report for FY2005 enacted amounts and the Administration’s FY2006 request. Other sources of information include the Congressional Record, the *U.S. Environmental Protection Agency FY2006 Justification of Appropriation Estimates for the Committee on Appropriations* (referred to throughout this report as the EPA FY2006 budget justification), and the OMB’s *Budget of the U.S. Government: FY2006*.

Congressional Action

The consideration of annual appropriations involves numerous steps leading up to enactment. Following committee hearings, the House and Senate appropriations subcommittees mark up their respective bills for full committee consideration. Each full committee then marks up and reports its appropriations bill (at which time bill

⁴ Office of Management and Budget, *Major Savings and Reforms in the President’s 2006 Budget*, February 11, 2005. See [<http://www.whitehouse.gov/omb/budget/fy2006>].

⁵ See [<http://www.epa.gov/ocfo/budget/budget/htm>]. Also see OMB’s *Budget of the U.S. Government: FY2006*, at [<http://www.whitehouse.gov/omb/budget/fy2006>].

numbers are assigned), followed by floor consideration and passage of the bills in each chamber. Both chambers passed their versions of the Interior, Environment, and Related Agencies appropriations bill (or “Interior appropriations bill”) for FY2006, which included funding for EPA, and resolved differences between the bills in conference.

The House passed H.R. 2361 (329-89; H.Rept. 109-80) on May 19, 2005. The Senate passed its version of H.R. 2361 (94-0; S.Rept. 109-80) on June 29, 2005. The House agreed (410-10) to the conference report (H.Rept 109-188) on July 28, 2005, the Senate (99-1) on July 29, 2005; and the President signed it into law (P.L. 109-54) on August 2, 2005. Among the many individual programs, P.L. 109-54 reflects decreases and increases throughout the various EPA appropriations accounts when compared to the President’s FY2006 request and the FY2005 funding levels.

Title II of P.L. 109-54 provides \$7.73 billion for EPA, subject to an across-the-board 0.476% rescission (Section 439 of Title IV). The House-passed bill would have provided \$7.71 billion for EPA, and the Senate-passed bill would have provided \$7.88 billion. The President’s FY2006 budget submitted previously to Congress, requested \$7.52 billion for EPA, and Congress appropriated \$8.03 billion (including a 0.8% rescission) for FY2005. P.L. 109-54 also “rescinds” \$80.0 million from past fiscal year appropriations. In effect, the rescinded funds are an offset in the total FY2006 EPA appropriations of \$7.81 billion, resulting in the net appropriation of \$7.73 billion. The House-passed bill included a similar rescission of previous year appropriations in the amount of \$100.0 million, and the Senate-passed bill included \$58.0 million.

Historically, EPA’s funding had been determined out of the suballocation for the Veterans Affairs, Housing and Urban Development (VA-HUD), and Independent Agencies subcommittee. Early in the 109th Congress, the House Appropriations Committee approved a reorganization plan reducing the number of its subcommittees from 13 to 10. The Senate Appropriations Committee subsequently approved the elimination of one of its subcommittees, leaving 12. Both reorganizations eliminated the VA-HUD and Independent Agencies subcommittee, incorporating EPA’s funding within the jurisdiction of the Department of the Interior subcommittee, beginning with the FY2006 appropriation.

Also earlier in the first session of the 109th Congress, on April 28, 2005, the House and Senate agreed on the conference report to the FY2006 budget resolution (H.Con.Res. 95, H.Rept. 109-62), including budget authority (BA) allocations for the Natural Resource and Environment Function (300). This function includes several federal land management agencies and EPA. This concurrent resolution provided the framework for the consideration of appropriations, and its amounts were non-binding. The resolution included \$30.02 billion (BA) for function 300, however, as in past years it did not specify funding among the agencies. Rather, specific funding levels for EPA and other federal agencies were determined in the appropriations process.

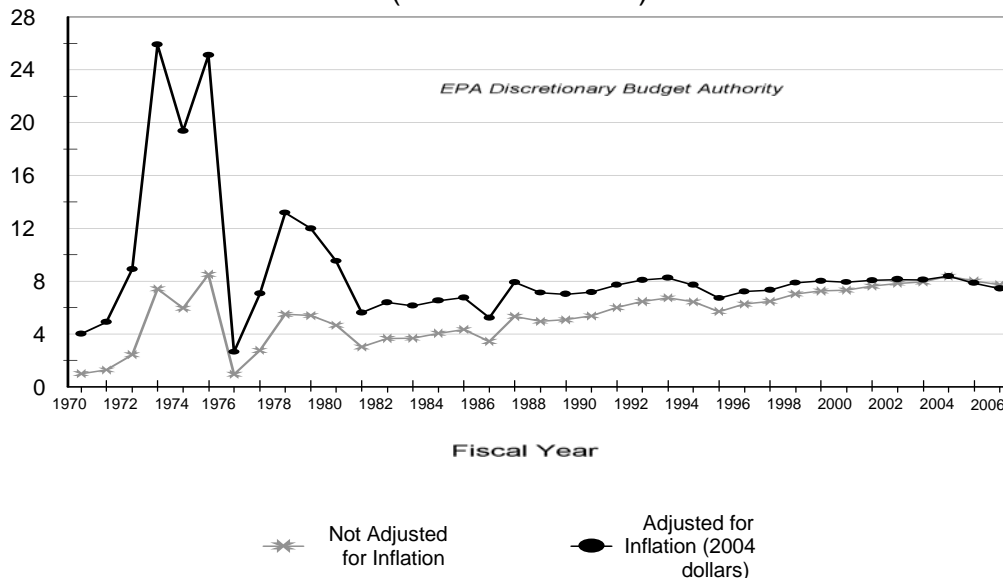
For additional information on the FY2006 federal budget process, see CRS Report RL32791, *Congressional Budget Actions in 2005*, and CRS Report RL32812, *The Budget for Fiscal Year 2006*.

History and Mission of EPA

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 agencies. EPA's responsibilities have grown as Congress has enacted an increasing number of environmental laws, as well as major amendments to these statutes, over three decades. 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 laws. (For discussion of these laws, see CRS Report RL30798, *Environmental Laws: Summaries of Statutes Administered by the Environmental Protection Agency*).

Figure 1, below, provides a history of discretionary budget authority for EPA from FY1970 through FY2006, both adjusted and not adjusted for inflation. EPA's funding trends over the history of the agency generally reflect the evolution of statutory responsibilities and authorities enacted by Congress in response to a range of environmental concerns. In terms of the overall federal budget, EPA's annual appropriation has represented a relatively small portion of total discretionary budget authority (just under 1% in recent years). EPA's funding has grown from \$1.0 billion when EPA was established in FY1970 to a high of \$8.4 billion in FY2004.

**Figure 1. EPA Discretionary Budget Authority FY1970-FY2006:
Adjusted and Not Adjusted for Inflation
(billions of dollars)**



Source: Prepared by the Congressional Research Service based on amounts in P.L. 109-54, and data from the Office of Management and Budget, *The Budget of the U.S. Government FY2006: Historical Tables*, Table 5.4 "Discretionary Budget Authority by Agency 1976-2006," pgs. 95-96, and Table 10.1, "Gross Domestic Product and Deflators Used in the Historical Tables 1940-2009: GDP (Chained) Price Index," pp. 184-185. Amounts for FY1970-FY1975 are from *The Budget of the U.S. Government* for fiscal years 1972-1977, "Budget Authority and Outlays by Agency" tables.

EPA's Budget for FY2006 by Appropriations Account

Traditionally, EPA's annual appropriation has been requested, considered, and enacted according to various line-item appropriations accounts, of which there are currently eight:

- Science and Technology;
- Environmental Programs and Management;
- Office of Inspector General;
- Buildings and Facilities;
- Hazardous Substance Superfund;
- Leaking Underground Storage Tank Program;
- Oil Spill Response; and
- State and Tribal Assistance Grants.

Although Congress appropriates funding for EPA according to the above eight accounts, EPA also presents its budget request in the form of performance goals, as required by the Government Performance and Results Act of 1993 (GPRA, P.L. 103-62). EPA reduced its number of performance goals from 10 to 5 in its FY2005 budget justification, and the agency has presented its FY2006 justification according to these same five goals:

- Goal 1: Clean Air and Global Climate Change;
- Goal 2: Clean and Safe Water;
- Goal 3: Land Preservation and Restoration;
- Goal 4: Healthy Communities and Ecosystems; and
- Goal 5: Compliance and Environmental Stewardship.

Related to these goals, the Administration also uses OMB's Performance Assessment Rating Tool (PART) to measure the performance of individual federal programs. OMB has issued PART ratings for 32 EPA program activities. These ratings were considered in formulating proposed funding levels for FY2006 within the various EPA accounts that fund these program activities.⁶ (For further discussion of the PART, see CRS Report RS21416, *The President's Management Agenda: A Brief Introduction*.)

Table 1 presents a breakdown of enacted EPA appropriations by each of the eight accounts for FY2005, the President's FY2006 request, and action on the FY2006 appropriations, including an explanation of rescinded previous years' appropriations used to offset the total FY2006 EPA appropriations. **Figure 2** illustrates the portion of the FY2006 request allocated to each account. A more in-depth discussion of funding for specific activities within each account follows.

⁶ See OMB's *Budget of the U.S. Government: FY2006, Analytical Perspectives*, pp. 29-30. Available at [<http://www.whitehouse.gov/omb/budget/fy2006/pdf/spec.pdf>].

**Table 1. Environmental Protection Agency Appropriations Accounts:
FY2005 Enacted, FY2006 Request, and Action on Appropriations**

(in millions of dollars)

Appropriations Account	FY2005 Enacted	FY2006 Request	H.R. 2361 House-passed	H.R. 2361 Senate-passed	P.L. 109-54 ^a
Science and Technology	\$744.1	\$760.6	\$765.3	\$730.8	\$741.7
+ transfer from Superfund account	+ \$35.8	+ \$30.6	+ \$30.6	+ \$30.6	+ \$30.6
Science and Technology Total	\$779.9	\$791.2	\$795.9	\$761.4	\$772.3
Environmental Programs and Management	\$2,294.9	^b \$2,353.8	^b \$2,389.5	^b \$2,333.4	^b \$2,381.8
Office of Inspector General	\$37.7	\$37.0	\$38.0	\$37.0	\$37.5
+ transfer from Superfund account	+ \$12.9	+ \$13.5	+ \$13.5	+ \$13.5	+ \$13.5
Office of Inspector General Total	\$50.6	\$50.5	\$51.5	\$50.5	\$51.0
Buildings & Facilities	\$41.7	\$40.2	\$40.2	\$40.2	\$40.2
Hazardous Substance Superfund	\$1,247.5	\$1,279.3	\$1,258.3	\$1,256.2	\$1,260.6
— transfer to Office of Inspector General	— \$12.9	— \$13.5	— \$13.5	— \$13.5	— \$13.5
— transfer to Science and Technology	— \$35.8	— \$30.6	— \$30.6	— \$30.6	— \$30.6
Hazardous Substance Superfund (Net)	\$1,198.8	\$1,235.2	\$1,214.2	\$1,212.1	\$1,216.5
Leaking Underground Storage Tank Program	\$69.4	\$73.0	\$73.0	\$73.0	\$73.0
Oil Spill Response	\$15.9	\$15.9	\$15.9	\$15.9	\$15.9
Pesticide registration Fund	\$19.2	\$15.0	\$15.0	\$15.0	\$15.0
— Pesticide Registration Fees	— \$19.2	— \$15.0	— \$15.0	— \$15.0	— \$15.0
State and Tribal Assistance Grants: Total	\$3,575.3	\$2,960.8	\$3,127.8	\$3,395.6	\$3,181.7
<i>Clean Water State Revolving Funds</i>	<i>\$1,091.2</i>	<i>\$730.0</i>	<i>\$850.0</i>	<i>\$1,100.0</i>	<i>\$900.0</i>
— <i>Funds Previously Appropriated to EPA^c</i>	—	—	(\$100.0)	—	—
<i>Drinking Water State Revolving Funds</i>	<i>\$843.2</i>	<i>\$850.0</i>	<i>\$850.0</i>	<i>\$850.0</i>	<i>\$850.0</i>
<i>Other Grants</i>	<i>\$1,640.9</i>	<i>\$1,380.8</i>	<i>\$1,527.8</i>	<i>\$1,503.6</i>	<i>\$1,511.7</i>
<i>Funds Previously Appropriated to EPA^c</i>	—	—	—	(\$58.0)	(\$80.0)
Total EPA Accounts	\$8,026.5	\$7,520.6	\$7,708.0	\$7,882.1	\$7,732.4

Source: Prepared by the Congressional Research Service (CRS) based on amounts indicated in P.L. 109-54, the conference report on H.R. 2361 (H.Rept. 109-188), and the House- and Senate-passed versions of H.R. 2361 and their accompanying reports (H.Rept. 109-80 and S.Rept. 109-80, respectively). Numbers may not add due to rounding.

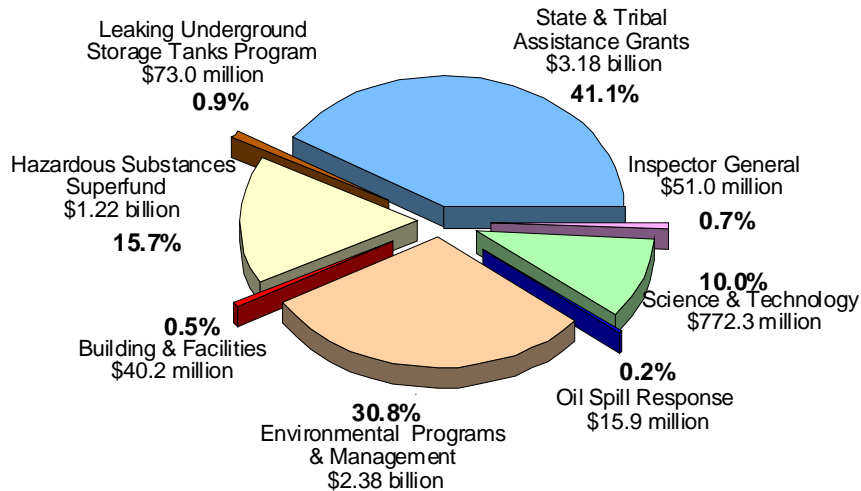
^a Enacted amounts for FY2006 are line items indicated in Title II of P.L. 109-54, which do not reflect reductions made as a result of the 0.476% across-the-board rescission required by Section 439 of Title IV.

^b The President's FY2006 budget included \$50 million in offsetting receipts to be derived from proposed legislative changes to Toxics and Pesticides fees, which have not been enacted. Neither P.L. 109-54, nor H.R. 2361 as passed by the House or the Senate, included the \$50 million offset.

^c The total for the State and Tribal Assistance Grants account includes an offset of \$80 million per P.L. 109-54 (\$58 million in the Senate bill, and \$100 million in the House bill), to be rescinded from prior year EPA appropriations not obligated for contracts, grants, and inter-agency agreements for which the funding authorization has since expired. P.L. 109-54 did not specify how the \$80 million in rescinded funds would be allocated among EPA activities in FY2006, nor did the Senate specify the allocation of the \$58 million in rescinded funds in passing its version of H.R. 2361. As passed by the House, H.R. 2361 would have allocated \$100 million in rescinded funds for the clean water SRF for FY2006.

Figure 2. U.S. Environmental Protection Agency FY2006 Appropriations (P.L. 109-54, Title II) by Appropriations Account
(includes transfers between accounts)

Total FY2006 Funding Level = \$7.73 billion *



* P.L. 109-54 includes an \$80 million rescission of previous years EPA appropriations which is an offset in the total EPA appropriations of \$7.81 billion for FY2006.

Source: Prepared by the Congressional Research Service (CRS) based on information from P.L. 109-54. Amounts do not reflect the 0.476% across-the-board rescission.

Science and Technology

For FY2006, P.L. 109-54 provides \$772.3 million for the Science and Technology (S&T) account. The total for S&T, prior to the 0.476% across-the-board rescission, is more than proposed by the Senate, but less than proposed in the House-passed bill and the FY2006 President’s budget request, and less than the total Congress appropriated for FY2005. The S&T appropriations in P.L. 109-54 prior to the rescission, as proposed in both bills and in the FY2006 request, include a transfer of \$30.6 million from the Hazardous Substances Superfund account to support research related to cleanup of hazardous substances (discussed later in this report). The FY2005 appropriation included a transfer of \$35.8 million from the Superfund account. Similar transfers have been made in prior year appropriations.

Table 2. Science and Technology Account: FY2005 Enacted, FY2006 Request, and Action on Appropriations
(millions of dollars)

FY2005 Enacted	FY2006 Request	H.R. 2361 House-passed	H.R. 2361 Senate-passed	P.L. 109-54
\$779.9	\$791.2	\$795.9	\$761.4	\$772.3

Note: The enacted amount for FY2006 does not reflect the 0.476% across-the-board rescission; the FY2005 enacted amount reflects congressionally mandated rescissions. All amounts indicate net S&T funding levels, after the transfer of funds from the Hazardous Substance Superfund account.

Incorporating elements of the former Research and Development account in place until FY1996, the S&T account provides funding for developing the scientific knowledge and tools necessary to support decisions on preventing, regulating, and abating environmental pollution. It also supports efforts to advance the base of understanding for environmental sciences. These activities are conducted through contracts, grants, and cooperative agreements with universities, industries, other private commercial firms, nonprofit organizations, state and local government, and federal agencies, as well as through work performed at EPA laboratories and various field stations and offices. Recent congressional debate regarding the funding for scientific research administered by EPA and other federal agencies has often focused on the question of whether these agencies' actions are based on "sound science," and how scientific research is applied in developing federal policy.

Relative to the Administration's FY2006 request and the FY2005 appropriations, P.L. 109-54 contains significant increases for some activities and programs within this account, while calling for sizeable decreases or steady funding in others. The FY2006 request for funding in the S&T account generally reflected the Administration's priorities across the various media programs (air, water, etc.) based, in part, on recent proposed and final rulemakings affecting air quality, and water quality. The FY2006 request also reflected priorities for broader cross-media analytical research areas, such as risks to children and other sub-populations.

The following sections discuss funding issues regarding scientific research, and funding levels for specific research activities administered by EPA for which there has been ongoing interest among Members of Congress, scientists, stakeholders, and various interest groups

Human Testing. Section 201 of P.L. 109-54 includes an administrative provision prohibiting EPA's use of FY2006 appropriations to conduct or to accept, consider, or rely on third-party, intentional human dosing studies for pesticides until the agency issues relevant final rulemaking on the subject. The provision further stipulates that the final EPA rule will not permit pregnant women, infants, and children to be used as subjects in such testing, and will be consistent with National Academy of Sciences (NAS) 2004 recommendations⁷ and human experimentation principles of the Nuremberg Code.⁸ The provision included in P.L. 109-54 reflects a combination of a Senate-adopted amendment regarding the rulemaking, and identical House- and Senate-adopted amendments that would have prohibited EPA's use of FY2006 funds to conduct or consider intentional human dosing studies for pesticides for the entire fiscal year. As reflected in the House and Senate floor debate (*Congressional Record*, H3671 and S7552-S7561) and amendments adopted during

⁷ For more information on EPA's efforts, as well as a direct link to the National Academy of Sciences Report "*Intentional Human Dosing Studies for EPA Regulatory Purposes: Scientific and Ethical Issues*," National Academies Press, Washington DC, see [<http://www.epa.gov/oppfead1/guidance/human-test.htm>].

⁸ For a brief description of the Nuremberg Code, see Appendix B of CRS Report RL32909, *Federal Protection for Human Research Subjects: An Analysis of the Common Rule and Its Interactions with FDA Regulations and the HIPAA Privacy Rule*, by Erin D. Williams.

the debates, there is significant interest in Congress regarding EPA's policies for use of intentional human dosing studies in regulatory decision making for pesticides.

Some manufacturers, scientists, and Members assert that human dosing studies provide valuable scientific evidence regarding risks of certain chemicals that can not be obtained with non-human research. Others recognize the potential value and validity of such studies but advocate the establishment of strict safeguards and protocols to protect the health of those subjects participating in such studies. Some scientists, public interest groups, and other Members counter that, given ethical questions and potential economic motivation, caution and substantial further evaluation is needed to ensure that alternative approaches have been exhausted. Others suggest that purposefully exposing humans is not worth the potential risk under any circumstances.

Research/Congressional Priorities (Earmarks). In past EPA appropriations, Congress has set aside or designated funds for individual projects, locations, or institutions (sometimes referred to as earmarked funding⁹) within the various accounts. For FY2006, funding has been reduced below FY2005 appropriations for these types of projects, identified in the conference report as "high priority projects" within three accounts: S&T, EPM, and STAG (see discussion regarding the EPM and STAG accounts later in this report). The House Appropriations Committee had recommended a different approach for allocating some of this funding, which was not adopted in conference.

EPA's FY2006 appropriations include \$33.3 million within the S&T account for "research/congressional priorities" (H.Rept. 109-188, p. 100). The House had proposed \$40.0 million, the Senate had proposed \$50 million, and the FY2005 appropriations included \$65.7 million in the S&T account for these "congressional priority" projects. The President's FY2006 request did not include funding for these projects. Unlike most grant funding, these types of congressional designations have traditionally been awarded noncompetitively. The conferees did not agree to competitive solicitation for these projects within the EPM and S&T accounts as recommended by the House Appropriations Committee in its report (H.Rept. 109-80, pp. 105-106). Instead, funding was designated for specified projects or locations within these two accounts in the conference report.

EPA and Homeland Security. FY2006 funding for EPA's homeland security activities is allocated within five of the eight EPA appropriations accounts: S&T, Environmental Programs and Management (EPM), Hazardous Substance Superfund, Building and Facilities, and STAG. This funding would support various activities including, critical water infrastructure protection, laboratory preparedness, decontamination, protection of EPA personnel and operations, and communication. For the five accounts combined, P.L. 109-54 provides less funding for EPA's homeland security activities than requested for FY2006, but, prior to the across-the-board rescission, more than Congress appropriated for FY2005. **Table 3** compares FY2006 enacted funding for EPA homeland security activities with proposed funding and FY2005 enacted funding, within the five appropriations accounts.

⁹ See CRS Report 98-518, *Earmarks and Limitations in Appropriations Bills*.

**Table 3. EPA Homeland Security Activities Funding:
FY2005 Enacted, FY2006 Request, and Action on Appropriations**
(millions of dollars)

EPA Appropriations Account	FY2005 Enacted	FY2006 Request	H.R. 2361 House-passed	H.R. 2361 Senate-passed	P.L. 109-54
S&T	\$32.8	\$93.8	\$50.8	\$39.6	\$50.8
EPM	\$20.1	\$23.4	\$23.4	\$21.4	\$23.4
Building & Facilities	\$11.4	\$11.5	\$11.5	\$11.5	\$11.5
Superfund	\$36.9	\$50.9	\$39.4	\$38.5	\$39.4
STAG	\$5.0	\$5.0	\$5.0	\$5.0	\$5.0
Total	\$106.2	\$184.6	\$130.1	\$116.0	\$130.1

Source: Prepared by CRS based on the conference report on H.R. 2361 (H.Rept. 109-188) and the accompanying reports on the House and Senate versions of the bill (H.Rept. 109-80 and S.Rept. 109-80). The enacted amounts for FY2006 do not reflect the 0.476% across-the-board rescission; the FY2005 enacted amounts reflect a congressionally mandated rescission.

The largest single reduction in P.L. 109-54 for EPA's homeland security activities relative to the President's FY2006 budget request is for funding within the S&T account to support a new water quality surveillance and monitoring project referred to as the "Water Sentinel Initiative." The Administration requested \$44.0 million within the S&T account for this new initiative for FY2006. P.L. 109-54 provides \$9.0 million for this initiative in FY2006, the same as proposed by the House. The Senate-passed bill would have provided \$5.6 million. The scope of the initiative is unclear based on the substantial reduction in FY2006 funding below the requested level. The requested funding level would have supported a demonstration pilot program in five major U.S. cities. This proposed pilot was intended as a precursor to a new national system for early detection of, and warning for, "dangerous" chemical and biological contaminants as potential terrorist threats to public drinking water systems.¹⁰ The conference report does not include directives or comment with regard to EPA's administering of this initiative at the funding level provided in P.L. 109-54. In its report (H.Rept. 109-80, p. 94), the House Appropriations Committee recommended that EPA develop clear goals and milestones for the Water Sentinel Initiative and justify the request for the program more clearly for FY2007. The Senate Appropriations Committee report did not include similar recommendations or comment.

Clean Air Act Research and Implementation (S&T). EPA's implementation of and proposed changes to several Clean Air Act provisions, as well as efforts to address climate change, have been the subject of considerable debate among various stakeholders and Members of Congress. This has elevated interest in the level of funding for scientific research needed to understand the adequacy of air quality standards to protect human health, and the effectiveness of pollution controls to meet them. Prominent air quality issues include the adequacy of new ambient air quality standards for ozone and particulate matter, how best to reduce

¹⁰ See, *Budget of the United States FY2006: Analytical Perspectives*, Table 3-1 p. 38, and *Environmental Protection Agency Budget for Fiscal Year 2006: Overview*, p. 285. [<http://www.whitehouse.gov/omb/budget/fy2006/budget.html>].

human exposure to mercury, and proposed regulations and legislation regarding the control of emissions from power plants, vehicles, and other sources. These issues are again being debated in the 109th Congress. (See CRS Issue Brief IB10137, *Clean Air Act Issues in the 109th Congress*; and CRS Report RL32755, *Air Quality: Multi-Pollutant Legislation in the 109th Congress*.)

As indicated in the conference report, the FY2006 EPA appropriations includes a combined total of \$212.4 million within the S&T account for various air quality programs for FY2006 (H.Rept. 109-188, pp. 148-149). By comparison, for FY2005 Congress appropriated a total of \$206.4 million within the S&T account for the various air quality programs. Funding supports various programmatic implementation, research, and monitoring activities focusing on air toxics and air quality, radiation, climate protection, and indoor air quality (including radon). Funding for FY2006 for these types of activities is also provided in the EPM (see discussion later in this report) and Superfund accounts, and in the STAG account primarily to support grants for state, local, and tribal air quality management (see **Table 15** later in this report). **Table 4** presents enacted and proposed funding within the S&T account for several selected program activities.

Table 4. Funding within the S&T Account for Selected EPA Clean Air Act Activities: FY2005 Enacted, FY2006 Request, and Action on Appropriations
(millions of dollars)

Program Activity	FY2005 Enacted	FY2006 Request	H.R. 2361 House-passed	H.R. 2361 Senate-passed	P.L. 109-54
Federal Vehicle and Fuels Standards and Certification	\$57.4	\$66.6	\$59.6	\$61.4	\$59.6
Research: Global Change	\$19.6	\$20.5	\$20.5	\$19.6	\$19.9
Research: Particulate Matter	\$60.5	N/A	N/A	N/A	N/A
Research: Tropospheric Ozone	\$4.0	N/A	N/A	N/A	N/A
Research: NAAQS	N/A	\$71.5	\$71.5	\$65.4	\$69.5
Clean Air Allowance Trading (see also EPM account)	\$8.7	\$9.4	\$9.4	\$8.7	\$8.7
Climate Protection Program (see also EPM account)	\$19.0	\$17.7	\$20.0	\$17.7	\$19.0

Source: Prepared by the Congressional Research Service based on the conference report on H.R. 2361 (H.Rept. 109-188) and the accompanying reports on the House and Senate versions of the bill (H.Rept. 109-80 and S.Rept. 109-80). P.L. 109-54 line item amounts do not reflect the 0.476% across-the-board rescission. FY2005 enacted amounts reflect a congressionally mandated rescission.

Note: For FY2006, EPA proposed to consolidate research on pollutants regulated under the National Ambient Air Quality Standards (NAAQS), such as particulate matter (PM) and tropospheric (ground level) ozone, into one budget category, which is reflected in the conference, House, and Senate reports. PM and ozone NAAQS research funds were requested and appropriated as individual line items for FY2005. Under the Clean Air Act (42 U.S.C. 7408(a)(1)), the NAAQS are standards for ambient air that are intended to protect human health and the environment with an adequate margin of safety. There are NAAQS for six pollutants, including ozone, carbon monoxide, particulate matter, sulfur dioxide, nitrogen oxides, and lead.

In addition, an administrative provision in Section 205 of Title II in P.L. 109-54, similar to a provision included in the Senate-passed bill, would impact a pending EPA regulation to reduce emissions of new small engines (less than 50 horsepower).¹¹ This provision would prohibit the use of FY2006 appropriated funds in P.L. 109-54 or funds provided in any other act to publish a proposed, or final, small engine emissions regulation until the agency completes a study of safety issues associated with compliance, including potential risks of fire and burns to individuals. Existing state standards for these small engines, currently only in California, would not be impacted by this provision. This issue was not addressed in the House-passed bill.

Environmental Programs and Management

P.L. 109-54 provides \$2.38 billion for the Environmental Programs and Management (EPM) account for FY2006. The total for the EPM account prior to the 0.476% across-the-board rescission is slightly less than proposed by the House, and more than proposed by the Senate and the Administration's request. Congress appropriated \$2.29 billion for the EPM account for FY2005.

**Table 5. Environmental Programs and Management Account:
FY2005 Enacted, the FY2006 Request, and
Action on Appropriations**

(millions of dollars)

FY2005 Enacted	FY2006 Request	H.R. 2361 House-passed	H.R. 2361 Senate-passed	P.L. 109-54
\$2,294.9	\$2,353.8	\$2,389.5	\$2,333.4	\$2,381.8

Note: The enacted amount for FY2006 does not reflect the 0.476% across-the-board rescission; the FY2005 enacted amount reflects a congressionally mandated rescission. The FY2006 request includes \$50 million to be derived from changes to chemical and pesticide fees, the authority for which would require congressional approval through the enactment of legislation.

The EPM account has historically represented roughly one-third of EPA's budget. This account reflects the heart of the agency's regulatory, standard-setting, and enforcement efforts for various media programs such as water quality, air quality, and hazardous waste management. Appropriations within the EPM account fund the development of environmental standards, monitoring and surveillance of pollution conditions, federal pollution control planning, technical assistance to pollution control agencies and organizations, and compliance assurance and assistance. Many complex regulatory/standard setting issues are associated with this account. (See CRS Issue Brief IB10146, *Environmental Protection Issues in the 109th Congress*.)

P.L. 109-54 includes increases and decreases within the EPM account for many program activities relative to the President's FY2006 budget and the FY2005 appropriations. In some cases, reductions below the President's request reflect increases compared to FY2005 appropriations. P.L. 109-54 also includes reductions in funding for a number of other activities relative to the FY2005 appropriation, as

¹¹ Pursuant to §428(b) of Division G of P. L. 108-199, codified in 40 CFR part 90, subparts D and E. For more information on EPA's small non-road engines regulations, see [<http://www.epa.gov/otaq/testingregs.htm>].

the Administration requested. In other cases, funding would be restored for FY2006 where the Administration had proposed reductions from FY2005 levels. Some of these changes and funding levels for selected activities within the EPM account, in which there has been ongoing interest in Congress, are discussed below.

Brownfields Program Administration. The FY2006 EPA appropriation includes \$25.0 million in the EPM account for administrative expenses of the Brownfields Program for FY2006. The amount, prior to the 0.476% across-the-board rescission, is the same as proposed by the Senate. The House proposed \$24.6 million; the FY2006 request included \$29.6 million; and Congress appropriated \$24.3 million in FY2005. This program provides assistance to states and tribes for assessment, cleanup, and planning for redevelopment of abandoned, idled, or underutilized commercial and industrial sites where hazardous contamination may be present. There has been strong interest among communities in increasing federal funding for these efforts. The EPM account only funds the administrative expenses of the Brownfields Program. Grants for cleanup and property redevelopment are funded out of the STAG account, discussed later in this report.

Environmental Education Program. Per the conference report, the FY2006 EPA appropriation includes \$9.0 million within the EPM account for the Environmental Education Program for FY2006. Prior to the 0.476% across-the-board rescission, this funding is the same as proposed by the House and approximately the same as in FY2005 and FY2004. The Senate-passed bill would have provided \$7.0 million for this program. As in the FY2003, FY2004, and FY2005 requests, the President's FY2006 budget request proposed no funding for the Environmental Education Program. Congress has reinstated the funding for the program each fiscal year in response to widespread state and local support for these grants. The Administration used OMB's measurement of the program's effectiveness, the Performance Assessment Rating Tool (PART; see discussion earlier in this report), to justify its proposal to eliminate funding, asserting that the program has not demonstrated results as determined by the program's PART rating. Advocates of the program counter that it has had a positive impact on a national level, awarding grants to elementary and secondary schools in each of the 50 states for training teachers, purchasing textbooks, developing curricula, and supporting other educational activities. (See CRS Report 97-97, *National Environmental Education Act of 1990: Background, Implementation, and Reauthorization Issues*.)

Clean Air Act Research and Implementation (EPM). As discussed earlier in this report under the S&T account heading, EPA's implementation for several Clean Air Act provisions, as well as efforts to address climate change, have been of considerable interest to Members of Congress. FY2006 funding for several air program activities would be provided within multiple EPA appropriations accounts, including the EPM account (H.Rept. 109-188, pp. 149-152). The FY2006 EPA appropriation includes a combined total of \$313.5 million within the EPM account for various air quality programs for FY2006 (H.Rept. 109-188, pp. 149-152). In comparison, for FY2005 Congress appropriated a total of \$298.3 million within the S&T account for the various air quality programs. **Table 6** presents enacted and proposed funding within the EPM accounts for several selected program activities.

Table 6. Funding Within the EPM Account for Selected EPA Clean Air Act Activities: FY2005 Enacted, FY2006 Request, and Action on Appropriations
(millions of dollars)

Program Activity	FY2005 Enacted	FY2006 Request	H.R. 2361 House-passed	H.R. 2361 Senate-passed	P.L. 109-54
Methane to Markets Program	\$0.3	\$4.0	\$0.5	\$3.0	\$2.0
Federal Stationary Sources	\$21.8	\$23.5	\$23.5	\$23.5	\$23.5
Energy STAR	\$46.7	\$50.5	\$50.0	\$50.5	\$50.5
Clean Air Allowance Trading (see also S&T account)	\$16.9	\$18.2	\$18.2	\$18.2	\$18.2
Climate Protection Program (see also S&T account)	\$43.9	\$41.0	\$41.0	\$41.0	\$41.0
Clean Diesel Program	\$0.0	\$15.0	\$10.0	\$0.0	\$5.0
Federal Support for Air Quality Management (not including the Clean Diesel Program) (see also S&T)	\$88.2	\$95.9	\$95.9	\$88.2	\$90.9

Source: Prepared by the Congressional Research Service based on the conference report on H.R. 2361 (H.Rept. 109-188) and the accompanying reports on the House and Senate versions of the bill (H.Rept. 109-80 and S.Rept. 109-80). P.L. 109-54 line item amounts do not reflect the 0.476% across-the-board rescission. FY2005 enacted amounts reflect a congressionally mandated rescission.

Pesticide Registration and Chemical Manufacturing Fees. The President's FY2006 budget included \$50.0 million in the form of "anticipated" revenues (offsetting receipts) to be derived from changes to fees for pesticide registrations and for toxic chemical notices.¹² P.L. 109-54, as well as the House- and Senate-passed bills, did not include these anticipated revenues. Of the \$50.0 million revenue proposed in the President's FY2006 budget, \$46.0 million would have been derived from pesticide registration fees, and \$4.0 million from notices for new chemicals (chemicals not currently manufactured or imported for commerce in the United States).¹³ The proposed fee changes in the request would require congressional approval through the enactment of legislation. In its report, the House Appropriations Committee noted that no relevant legislation had been proposed and commented that EPA should not continue to spend time and resources proposing such actions in conflict with current authority (H.Rept. 109-80, p. 105-106).

The pesticide fees proposed by the Administration for FY2006 would be in addition to those currently authorized under the Consolidated Appropriations Act for FY2004 (P.L. 108-199). The pesticide fees provisions in Section G, Title V of P.L. 108-199 are referred to as the Pesticide Registration Improvement Act (PRIA). Also in PRIA, Congress rescinded EPA's authority to collect other pesticide registration

¹² Executive Office of the President, Office of Management and Budget, *Major Savings and Reforms in the President's 2006 Budget*, pp. 222-224. Available online at [<http://www.whitehouse.gov/omb/budget/fy2006>].

¹³ Section 26(b) of the Toxic Substances Control Act authorizes fees to cover part of the cost to review pre-manufacturing notices.

fees.¹⁴ Title II of P.L. 109-54 includes an administrative provision authorizing the Administrator of EPA to collect and obligate pesticide registration service fees for FY2006 in accordance with Section 33 of the Federal Insecticide, Fungicide, and Rodenticide Act (as added by Subsection (f)(2) of the PRIA), as amended. For additional information regarding pesticide registration and tolerance fees, see CRS Report RL32218, *Pesticide Registration and Tolerance Fees: Overview*.

Earlier in the first session of the 109th Congress, language contained in the FY2005 supplemental appropriations for military funding, enacted May 11, 2005 (Sec. 6033 of P.L. 109-13), banned EPA from going forward with rulemaking for collecting pesticide tolerance fees as rescinded by PRIA. The 108th Congress rejected the President's FY2005 budget proposal to reinstate pesticide fees as prohibited in PRIA in the conference report on the Consolidated Appropriations Act for FY2005 (H.Rept. 108-792, Administrative Provisions, p. 1597).

Environmental Protection/Congressional Priorities (Earmarks). As discussed earlier in this report, FY2006 funding set aside or designated by Congress for individual projects, locations, or institutions ("earmarked funding") has been reduced below FY2005 appropriations. The funding for these projects, identified in the conference report (H.Rept. 109-188) as "high priority projects," is provided in the EPM, S&T, and STAG accounts (see discussion regarding earmarks in the S&T and STAG accounts elsewhere in this report). EPA's FY2006 appropriation includes \$50.5 million within the EPM account for "environmental protection/congressional priorities." The House had proposed \$40.0 million, the Senate had proposed \$50 million, and the FY2005 appropriations included \$92.3 million in the EPM account for these "congressional priority" projects. The President's FY2006 request did not include funding for these projects. The conferees did not agree to a House Appropriations Committee recommendation to require competitive solicitations for these projects within EPM and S&T (H.Rept. 109-80, pp. 105-106), instead designating funding for specified projects or locations in the conference report (H.Rept. 109-188, pp. 102-103).

Geographic/Ecosystem Programs. The EPM account includes funding for several geographic/ecosystem programs to address certain environmental and human health risks. Members of Congress have expressed ongoing interest in the funding and oversight of these programs, as they potentially affect sizeable populations across many states. These programs often involve collaboration among EPA, state and local governments, communities, and non-profit organizations. Enacted and proposed funding for selected geographic/ecosystem programs are shown in **Table 7**.

¹⁴ In P.L. 108-199, Congress suspended authority for the collection of fees for establishing tolerances (maximum allowable limits of pesticides in food; "tolerance fees"), and continued the prohibition of collecting registration fees using other pre-existing authority (40 C.F.R. 152(u) and 172).

Table 7. Funding for Selected Geographic/Ecosystem Programs: FY2005 Enacted, FY2006 Request, and Action on Appropriations
(millions of dollars)

Geographic/Ecosystem Program	FY2005 Enacted	FY2006 Request	H.R. 2361 House-passed	H.R. 2361 Senate-passed	P.L. 109-54
National Estuary Program	\$24.8	\$19.4	\$24.4	\$21.0	\$24.4
Great Lakes Legacy Act	\$22.3	\$50.0	\$28.0	\$30.0	\$30.0
Great Lakes Program	\$21.3	\$21.5	\$21.5	\$22.0	\$21.5
Lake Champlain Basin Program	\$ 2.5	\$ 1.0	\$ 2.0	\$ 1.9	\$ 1.9
Chesapeake Bay Program	\$22.6	\$20.7	\$20.7	\$23.0	\$21.5
Gulf of Mexico Program	\$ 4.4	\$ 4.5	\$ 4.5	\$ 5.0	\$ 5.0
Long Island Sound Program	\$ 2.3	\$ 0.5	\$ 2.0	\$ 0.5	\$ 0.5
Puget Sound	\$ 0.0	\$0.0	\$ 2.0	\$ 0.0	\$ 2.0
Other Geographic Programs	\$ 6.9	\$13.2	\$ 7.2	\$ 7.8	\$ 8.8

Source: Prepared by the Congressional Research Service based on the conference report on H.R. 2361 (H.Rept. 109-188) and the accompanying reports on the House and Senate versions of the bill (H.Rept. 109-80 and S.Rept. 109-80), and EPA's FY2006 budget justification. P.L. 109-54 line item amounts do not reflect the 0.476% across-the-board rescission. FY2005 enacted amounts reflect a congressionally mandated rescission.

Funding for the restoration of the Great Lakes has been of particular interest to many Members. As **Table 7** above indicates, P.L. 109-54 provides funding significantly less than the FY2006 request, but more than the FY2005 appropriation, to aid in the cleanup of contaminated sediments in the Great Lakes, as authorized by the Great Lakes Legacy Act of 2002 (Title I of P.L. 107-303).¹⁵ Although no specific comments regarding the Legacy program are included in the conference report (H.Rept. 109-188), the House Appropriations Committee recommended EPA develop a clear plan for implementing the Legacy Act specifying how funding will support this plan in future budget requests (H.Rept. 109-80, p. 106). The primary purpose of this funding is to address persistently high concentrations of contaminants in the sediments of rivers and harbors, which have prompted concern about potential risk to aquatic organisms, wildlife, and humans.

Office of Inspector General

Including transfers from the Superfund account, P.L. 109-54 provides \$51.0 million for EPA's Office of Inspector General (OIG) for FY2006. The total amount, prior to the rescission, includes a transfer of \$13.5 million to the OIG account from the Superfund account (as proposed in both bills and requested by the

¹⁵ The act authorized a total of \$270 million in funding from FY2004 through FY2008 (\$54 million annually) to aid in the remediation of contaminated sediments in "areas of concern (AOCs) located wholly or partially in the United States." For information regarding EPA's Great Lakes Strategy, Great Lakes Task Force, and other efforts to address issues in the Great Lakes Basin, see [<http://www.epa.gov/glnpo/>].

Administration) for investigative oversight of that program, similar to previous year appropriations. The FY2005 appropriation included a \$12.9 million transfer. The FY2006 appropriation for the EPA OIG, prior to the 0.476% across-the-board rescission, is similar to that proposed by the House and Senate, to the Administration's FY2006 request, and to the amount appropriated by Congress for FY2005. The OIG performs EPA audit and investigative functions to identify and recommend corrective actions of management, program, and administrative deficiencies, which may create conditions for instances of fraud, waste, and mismanagement of funds.

**Table 8. Office of Inspector General Account:
FY2005 Enacted, FY2006 Request, and Action on Appropriations**
(millions of dollars)

FY2005 Enacted	FY2006 Request	H.R. 2361 House-passed	H.R. 2361 Senate-passed	P.L. 109-54
\$50.6	\$50.5	\$51.5	\$50.5	\$51.0

Note: The enacted amount for FY2006 does not reflect the 0.476% across-the-board rescission; the FY2005 enacted amount reflects a congressionally mandated rescission. All amounts are net Office of Inspector General funding, after transfer of funds from the Hazardous Substance Superfund account.

Buildings and Facilities

P.L. 109-54 provides \$40.2 million for the Buildings and Facilities account, which prior to the 0.476% across-the-board rescission is the same as proposed by the Senate, the House, and the President's FY2006 budget. Congress appropriated \$41.7 million for FY2005. This account funds repairs, improvements, extensions, or alterations of buildings, facilities, or fixed equipment. It also funds new construction projects.

**Table 9. Buildings and Facilities Account:
FY2005 Enacted, FY2006 Request, and Action on Appropriations**
(millions of dollars)

FY2005 Enacted	FY2006 Request	H.R. 2361 House-passed	H.R. 2361 Senate-passed	P.L. 109-54
\$41.7	\$40.2	\$40.2	\$40.2	\$40.2

Note: The enacted amount for FY2006 does not reflect the 0.476% across-the-board rescission; the FY2005 enacted amount reflects a congressionally mandated rescission. The FY2005 appropriation total includes \$3.0 million within the B&F account, provided by the Military Construction Appropriations and Emergency Hurricane Supplemental Appropriations Act of 2005 (P.L. 108-324), for expenses related to natural disasters pursuant to requirements of the statute. (See CRS Report RL32581: *Assistance After Hurricanes and Other Disasters: FY2004 and FY2005 Supplemental Appropriations.*)

Hazardous Substance Superfund

P.L. 109-54 provides \$1.26 billion for the Superfund account for FY2006. Prior to the 0.476% across-the-board rescission, the amount is similar to that proposed by the House and Senate, and less than the Administration's FY2006 request. Congress appropriated \$1.25 billion for FY2005. P.L. 109-54 transfers (subject to the

rescission) \$30.6 million from the Superfund account to the Science and Technology account, and \$13.5 million to the Office of Inspector General, as proposed by the House, the Senate, and the Administration's request. After the transfer of these funds, P.L. 109-54 provides a net amount of \$1.22 billion for the Superfund account. An amendment introduced during the House floor debate, but not adopted, would have provided an additional \$130 million for the Superfund account through an offsetting reduction within the S&T account. **Table 10** indicates net funding for the Superfund account after the transfer of funds.

**Table 10. Hazardous Substance Superfund Account:
FY2005 Enacted, FY2006 Request, and Action on Appropriations**
(millions of dollars)

FY2005 Enacted	FY2006 Request	H.R. 2361 House-passed	H.R. 2361 Senate-passed	P.L. 109-54
\$1,198.8	\$1,235.2	\$1,214.2	\$1,212.1	\$1,216.5

Note: The enacted amount for FY2006 does not reflect the 0.476% across-the-board rescission; the FY2005 enacted amount reflects a congressionally mandated rescission. All amounts indicate net Superfund funding levels, after the transfer of funds to the accounts for Science and Technology and the Office of Inspector General.

The Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA)¹⁶ created the Superfund program to clean up the nation's worst hazardous waste sites, and directed EPA to prepare a National Priorities List (NPL) to identify sites that present the greatest risk to human health and the environment. The Superfund account in EPA's budget funds the agency's efforts to remove contamination that presents an immediate risk, and to remediate contamination for which there is a potential pathway of exposure. This account also funds EPA's efforts to enforce CERCLA and to require potentially responsible parties (PRPs), including federal facilities, to remediate contamination. The Superfund account pays for the cleanup when there is no financially viable party at private sector sites. The costs of remediation at federal facilities are paid by the federal agency that caused the contamination, rather than out of the Superfund account.

Among the major concerns associated with the Superfund account is whether the funding level is adequate to meet cleanup needs and protect human health and the environment. The pace of cleanup has been an ongoing issue. Some Members of Congress have asserted that steady funding for the Superfund program is sufficient to meet cleanup needs. Other Members, states, environmental organizations, and communities have countered that more funding is needed to maintain an adequate pace of cleanup. Completing the construction of cleanup remedies at a site is often used as a measure of the pace of cleanup, because in many cases, construction of such remedies must be finished before operation can begin to treat or contain waste as a means to prevent exposure. EPA reports that the FY2006 request would allow the construction of 40 remedial actions to be completed at Superfund sites in FY2006, lower than the annual average of about 67 over the past five years.

¹⁶ 42 U.S.C. 9601 et seq.

The most recent estimate of funding needs for the Superfund program was released in 2001 in a study by Resources for the Future (RFF), a private organization. Congress had directed EPA to fund this study, titled *Superfund's Future: What Will It Cost?* RFF estimated that between \$14 billion and \$16 billion in total funding would be necessary from FY2000 through FY2009 to meet cleanup needs, based on the number of NPL sites and severity of contamination at that time. At a minimum, RFF projected that annual expenditures of \$1.5 billion would be necessary through FY2006 to maintain an adequate pace of cleanup. Annual appropriations in recent years have been around \$1.25 billion, prior to transfers. As noted above, Congress has appropriated \$1.26 billion for the Superfund account for FY2006, prior to transfers to other accounts and the rescission.

The source of funding for the Superfund program also has been an ongoing issue. P.L. 109-54 funds the Superfund program with general Treasury revenues in FY2006, as proposed in the House- and Senate-passed bills and the Administration's request. Three dedicated taxes (on petroleum, chemical feedstocks, and corporate income) historically provided the majority of funding for the Superfund program. However, these taxes expired at the end of 1995, and the remaining revenues were essentially expended by the end of FY2003. Since then, Congress has funded the program with general Treasury revenues. Some Members advocate reinstating the Superfund taxes, and argue that the use of general Treasury revenues to fund cleanup costs undermines the "polluter pays" principle, spreading cleanup costs across all taxpayers. Other Members and the Administration counter that financially viable parties still pay for the cleanup, and that polluters are therefore not escaping their responsibility. In recent years, EPA has stated that approximately 70% of sites on the NPL are cleaned up by responsible parties. (See CRS Report RL31410, *Superfund Taxes or General Revenues: Future Funding Options for the Superfund Program.*)

Cleanup and redevelopment activities at Brownfields were funded within the Superfund account until FY2003, but funding for this activity is now provided within the State and Tribal Assistance Grants (STAG) account and the Environmental Programs and Management (EPM) account (see discussion under the STAG and EPM accounts elsewhere in this report).

Leaking Underground Storage Tank Program

P.L. 109-54 provides \$73.0 million for FY2006 for the Leaking Underground Storage Tank (LUST) Program account. Prior to the 0.476% across-the-board rescission, the enacted appropriation for the LUST account is the same as proposed by the House and Senate, and the Administration's request. Congress appropriated \$69.4 million for FY2005. The Superfund Amendments and Reauthorization Act of 1986 (SARA)¹⁷ established the LUST Trust Fund to help EPA and states cover the costs of responding to releases from leaking underground storage tanks containing petroleum when no responsible party performs the cleanup. The trust fund is used primarily to implement the LUST program through state cooperative agreement grants, to oversee and enforce corrective actions by responsible parties, and to recover expended funds used to clean up abandoned tank sites. Roughly 80% of the

¹⁷ P.L. 99-499, Title V.

appropriated amount goes to the states. (For further discussion, see CRS Report RS21201, *Leaking Underground Storage Tanks: Program Status and Issues.*)

Table 11. Leaking Underground Storage Tank Program Account: FY2005 Enacted, FY2006 Request, and Action on Appropriations
(millions of dollars)

FY2005 Enacted	FY2006 Request	H.R. 2361 House-passed	H.R. 2361 Senate-passed	P.L. 109-54
\$69.4	\$73.0	\$73.0	\$73.0	\$73.0

Note: The enacted amount for FY2006 does not reflect the 0.476% across-the-board rescission; the FY2005 enacted amount reflects a congressionally mandated rescission.

Although the balance of the LUST Trust Fund exceeds \$2 billion, appropriations have been around \$70 million in recent years. Many state LUST programs report that they are understaffed and underfunded. States have asked Congress to provide more funds from the LUST Trust Fund to help them address more than 412,000 cleanups that are ongoing, and another 128,000 leaking tank sites that require remediation. Additionally, the presence of methyl tertiary butyl ether (MTBE) at many LUST sites is increasing the cost and complexity of cleaning up these sites. (See CRS Report RL32787, *MTBE in Gasoline: Clean Air and Drinking Water Issues.*)

Oil Spill Response

P.L. 109-54 provides \$15.9 million for FY2006 for EPA's Oil Spill Response account. The enacted appropriation prior to the 0.476% across-the-board rescission is the same as proposed by the House, Senate, and Administration's FY2006 request, and slightly less than the FY2005 appropriation (differences are not reflected in the table below due to rounding). While the U.S. Coast Guard is responsible for responding to oil spills in coastal and inland navigable waterways, EPA is responsible for responding to spills that occur on the land as a result of leaking pipelines, accidents in transport, or other events. Appropriations in this account only fund EPA's oil spill response activities. In recent years, EPA has reported that it responds to approximately 300 oil spills annually. EPA is reimbursed for site-specific response expenses from the Oil Spill Liability Trust Fund, which is administered by the U.S. Coast Guard.

Table 12. Oil Spill Response Account: FY2005 Enacted, FY2006 Request, and Action on Appropriations
(millions of dollars)

FY2005 Enacted	FY2006 Request	H.R. 2361 House-passed	H.R. 2361 Senate-passed	P.L. 109-54
\$15.9	\$15.9	\$15.9	\$15.9	\$15.9

Note: The enacted amount for FY2006 does not reflect the 0.476% across-the-board rescission; the FY2005 enacted amount reflects a congressionally mandated rescission.

State and Tribal Assistance Grants

P.L. 109-54 provides \$3.18 billion for FY2006, subject to the 0.476% across-the-board rescission, for the State and Tribal Assistance Grants (STAG) account.

The House proposed \$3.13 billion, and the Senate proposed \$3.40 billion. The Administration requested \$2.96 billion for FY2006, and Congress appropriated \$3.58 billion for FY2005. P.L. 109-54 also “rescinds” \$80.0 million from past fiscal year appropriations. The rescissions of previous years’ appropriations are to be taken from grants, contracts, and interagency agreements for various program activities, whose availability under their original agreements has expired. Although the provision is included in the STAG account, the conference report (H.Rept. 109-188, p.112) emphasizes that it applies to all EPA appropriations accounts. The House and Senate proposed varying provisions for rescinding previous year appropriations, which differed from the conference agreement.

**Table 13. State and Tribal Assistance Grants Account:
FY2005 Enacted, FY2006 Request, and Action on Appropriations**
(millions of dollars)

FY2005 Enacted	FY2006 Request	H.R. 2361 House-passed	H.R. 2361 Senate-passed	P.L. 109-54
\$3,575.3	\$2,960.8	\$3,127.8	\$3,395.6	\$3,181.7

Note: The enacted amount for FY2006 does not reflect the 0.476% across-the-board rescission; the FY2005 enacted amount reflects a congressionally mandated rescission. Within the STAG account, P.L. 109-54 and both versions of H.R. 2361 included differing amounts to be rescinded from prior year EPA appropriations not obligated for contracts, grants, and inter-agency agreements for which the funding authorization has since expired: \$80 million in P.L. 109-54, \$58 million in the Senate, and \$100 million in the House.

Unlike the House-passed bill, neither the text of P.L. 109-54 nor the conference report specifies redirecting the rescinded previous appropriations for specific EPA activities for FY2006. The House-passed bill had specified that a rescission of \$100.0 million in unobligated funds from past appropriations be used for increasing support for the *clean water* state revolving fund (SRF) under the STAG account (see the discussion under “State Revolving Funds” in this section of the report). The Senate-passed bill included \$58.0 million in “rescinded” previous year funds within the STAG account but, like the final bill, did not specify its allocation for FY2006.

Historically, the STAG account has represented the largest portion of EPA’s annual appropriation, and has comprised about 40% of the agency’s total budget in recent years. The majority of the funding within the account is for SRFs for water infrastructure projects. There are separate SRFs for clean water and drinking water projects. The *clean water* SRF provides funds for wastewater infrastructure, such as municipal sewage treatment plants. The *drinking water* SRF provides funds for drinking water treatment facilities and other projects needed to comply with federal drinking water requirements. The remainder of the STAG account funds other water infrastructure grants, categorical grants to states and tribes for numerous pollution control activities, grants for the cleanup and redevelopment of brownfields, and grants for clean school buses. Selected funding issues regarding activities within the STAG account are discussed below.

State Revolving Funds. P.L. 109-54 provides \$900.0 million for the *clean water* SRF for FY2006, subject to the 0.476% across-the-board rescission. The Senate-passed bill would have provided \$1.1 billion, and the House-passed bill

would have provided \$850.0 million. The President's FY2006 request was \$730.0 million, and Congress appropriated \$1.09 billion for FY2005. As noted above, the House total for the *clean water* SRF included \$100.0 million in the form of redirected unobligated balances from past EPA appropriations. P.L. 109-54 provides \$850.0 million for the *drinking water* SRF prior to the rescission, the same as the House- and Senate-passed bills and the President's FY2006 request. For FY2005, Congress appropriated \$843.2 million for the *drinking water* SRF. Together, these funds provide seed monies for state loans to communities for construction and upgrading of wastewater and drinking water infrastructure in order to meet federal requirements.

**Table 14. Clean Water and Drinking Water SRFs:
FY2005 Enacted, FY2006 Request, and Action on Appropriations**
(millions of dollars)

SRF	FY2005 Enacted	FY2006 Request	H.R. 2361 House-passed	H.R. 2361 Senate-passed	P.L. 109-54
Clean Water	\$1,091.2	\$730.0	\$850.0	\$1,100.0	\$900.0
Drinking Water	\$843.2	\$850.0	\$850.0	\$850.0	\$850.0
Use of Rescinded Funds	—	—	(\$100.0)	—	—
Total New Appropriations	\$1,934.4	\$1,580.0	\$1,600.0	\$1,950.0	\$1,750.0

Source: Prepared by the Congressional Research Service based on the conference report on H.R. 2361 (H.Rept. 109-188) and the accompanying reports on the House and Senate versions of the bill (H.Rept. 109-80 and S.Rept. 109-80). The enacted amount for FY2006 does not reflect the 0.476% across-the-board rescission; the FY2005 enacted amount reflects a congressionally mandated rescission. As passed by the House, H.R. 2361 included a total of \$1.7 billion for both SRFs combined, including \$1.6 billion in new appropriations and \$100 million in unobligated funds from expired contracts, grants, and interagency agreements rescinded from previously appropriated EPA funds.

The adequacy of the funding level for both SRFs has been contentious. In recent years, Congress has appropriated significantly more funding than the Administration has requested for the *clean water* SRF. There has been less disagreement between Congress and the Administration about the appropriate funding level for the *drinking water* SRF. Some Members have advocated substantial increases for both SRFs in response to local water infrastructure needs generally, and more specifically, to help communities comply with new standards for drinking water contaminants (e.g., arsenic and radium).

Two amendments to further increase funding for the *clean water* SRF were introduced during the House floor debate on H.R. 2361. One amendment, which would have increased the *clean water* SRF by \$500 million, was rejected on a point of order. A second amendment would have increased funding by \$100 million, but was not adopted. At the close of the House floor debate, the House did not agree to a motion to recommit the bill to the House Appropriations Committee to provide an additional \$242 million for the *clean water* SRF (Cong. Rec. H3674). An amendment introduced during the Senate debate that would have modified the formula for distributing SRF funds to the states was withdrawn. Earlier this year, in agreeing to the FY2006 budget resolution (S.Con.Res. 18), the Senate agreed to a floor amendment recommending \$1.35 billion for the *clean water* SRF in FY2006. The amendment was not included in the final FY2006 budget resolution (H.Con.Res.

95). As noted above, H.R. 2361, as passed by the Senate, would have provided \$1.1 billion in FY2006 for the *clean water* SRF.

Numerous studies have estimated the future capital needs for water infrastructure. EPA issued its most recent needs survey for the construction of wastewater treatment facilities in August 2003, estimating remaining needs at a total of \$181 billion nationwide over the long-term.¹⁸ EPA's latest drinking water needs survey, released in June 2005, projected that public drinking water systems need to invest \$277 billion over 20 years. Some stakeholder groups have projected higher funding needs than those estimated by EPA. In 2000, the Water Infrastructure Network (WIN), a coalition of state, municipal, environmental and labor groups, issued a report entitled, *Clean and Safe Water for the 21st Century*. This report estimated total wastewater and drinking water capital needs to be \$940 billion over the next 20 years, even more if operation and maintenance needs are included (which currently are not eligible for federal assistance). Of the \$940 billion amount, WIN estimates that 20-year capital funding needs for wastewater are about \$460 billion and for drinking water are about \$480 billion. WIN foresees a \$23 billion per year funding gap between needs and current spending: \$12 billion for wastewater and \$11 billion for drinking water.

Special Project Grants. Another issue is the extent to which funding should be earmarked for water infrastructure projects in specific communities, rather than provided competitively through the SRFs. Whereas communities compete for loan funds provided through the SRFs, which must be repaid, earmarked funding is awarded noncompetitively as grants that require matching funds, but not repayment. As in recent appropriations, P.L. 109-54 includes provisions within the STAG account limiting the amount of special project grants to 55% of a project's total cost, requiring the recipient to provide a 45% match. EPA is also authorized to waive the matching funds requirement in certain circumstances, if providing the non-federal match would place an onerous financial burden on the recipient. Whether the needs of these communities should be met with SRF loan monies or grant assistance has become controversial. (See CRS Report RL32201, *Water Infrastructure Project Earmarks in EPA Appropriations: Trends and Policy Implications*.)

P.L. 109-54 provides \$200.0 million for special project grants in the STAG account for FY2006. Prior to the 0.476% across-the-board rescission, the amount for these projects is the same as proposed by both the House- and Senate-passed bills. These projects, referred to in the conference report as "STAG infrastructure grants/congressional priorities," include wastewater, drinking water, and storm water infrastructure projects (H.Rept. 109-188, pp. 106-112). For FY2005, Congress designated (earmarked) \$309.5 million within the STAG account for specified

¹⁸ The survey did not provide a uniform planning horizon because of variability in community planning horizons across the country. The reported aggregate "needs" estimate represents a summary of capital expenditures that might be made at different points in time over a multi-year time frame. EPA, *Clean Watersheds Needs Survey 2000: Report to Congress*, August 2003, EPA-832-R-03-001, at [<http://www.epa.gov/owm/mtb/cwns/index.htm>.]

projects. As in past years, the President's FY2006 budget did not include funding for these projects.

In reporting its version of the FY2006 bill, the House Appropriations Committee did not allocate the recommended funding among specific community projects, as has been the practice in past years by both the House and Senate Appropriations Committees. The House committee commented in its report that the allocation of these funds would be determined later in conference. The Senate Appropriations Committee designated funding for specific projects in its report.

Other Water Infrastructure Grants. As in recent years, the Administration requested funding for water infrastructure grants in three geographic-specific areas, in addition to funding for the SRFs for which communities compete. The amounts provided by P.L. 109-54 for these grants, subject to the 0.476% across-the-board rescission, include:

- \$50 million for wastewater infrastructure projects along the U.S./Mexico border, the same as in both bills and requested, and nearly the same as the FY2005 appropriation;
- \$35 million for the construction of wastewater and drinking water facilities in Alaska Native Villages, compared to \$15 million proposed by the House and the Administration's request, and \$40 million proposed by the Senate, all of which are less than the FY2005 appropriation of nearly \$45 million; and
- No funding for drinking water infrastructure improvements to the Metropolitan community water system in San Juan, Puerto Rico, the same as the Senate, and compared to \$4.0 million in the House-passed bill, the same as requested and almost the same as the FY2005 appropriation.

Categorical Grants. P.L. 109-54 provides \$1.13 billion to support state and tribal "categorical" grant programs within the STAG account, subject to the 0.476% rescission. The House-passed bill would have provided \$1.15 billion, and the Senate-passed bill \$1.12 billion. The FY2006 request included \$1.18 billion, and Congress appropriated \$1.14 billion for FY2005. EPA categorical funds are generally distributed through multiple grants to support various activities within a particular media program (air, water, hazardous waste, etc.). These grants are used by states to support the day-to-day implementation of environmental laws, including a range of activities such as monitoring, permitting and standard setting, training, and other pollution control and prevention activities. Grant funding is also used for multimedia projects such as pollution prevention incentive grants, pesticides and toxic substances enforcement, the tribal general assistance program, and environmental information.

EPA's FY2006 budget justification presented 23 individual categorical grant programs in six sub-categories: air and radiation, water quality, drinking water,

hazardous waste, pesticide and toxic substances, and multimedia.¹⁹ Examples of grants within these subcategories include air quality grants to support fine particulate matter (PM_{2.5}) monitoring and data collection, water quality grants to support implementation of non-point source management programs, grant assistance for development and implementation of hazardous waste programs, pesticide program implementation and pesticide enforcement, and pollution prevention incentive grants. **Table 15** indicates enacted and proposed funding for each of the six subcategories of grant programs.

**Table 15. Funding for Categorical Grants:
FY2005 Enacted, FY2006 Request, and Action on Appropriations**
(millions of dollars)

National Program Sub-Category	FY2005 Enacted	FY2006 Request	H.R. 2361 House-passed	H.R. 2361 Senate-passed	P.L. 109-54
Air & Radiation	\$240.9	\$242.8	\$242.8	\$241.5	\$242.2
Water Quality	\$476.7	\$486.0	\$490.0	\$465.3	\$470.8
Drinking Water	\$115.4	\$116.6	\$116.6	\$115.4	\$115.7
Hazardous Waste	\$165.0	\$176.4	\$166.4	\$165.4	\$165.4
Pesticides & Toxics	\$ 50.6	\$ 50.9	\$ 50.9	\$ 50.9	\$ 50.9
Multimedia	\$ 88.1	\$108.8	\$ 84.8	\$ 84.0	\$ 84.8
Total	\$1,136.7	\$1,181.5	\$1,151.5	\$1,122.5	\$1,129.8

Source: Prepared by the Congressional Research Service based on the conference report on H.R. 2361 (H.Rept. 109-188) and the accompanying reports on the House and Senate versions of the bill (H.Rept. 109-80 and S.Rept. 109-80), the conference report on the Consolidated Appropriations Act for FY2005 (P.L. 108-447, H.Rept. 108-792), and EPA's FY2006 budget justification, State and Tribal Assistant Grants Tables, p. STAG-14. The line item amounts for FY2006 do not reflect the 0.476% across-the-board rescission; the FY2005 line item amounts reflect congressionally mandated rescission. The Hazardous Waste category includes funding for Brownfields categorical grants. Totals may not add due to rounding.

Within the multimedia categorical grants in the STAG account, neither P.L. 109-54 nor the House and Senate-passed bills provided the \$23.0 million included in the Administration's FY2006 request for a new competitive grant program to support "results-oriented" environmental protection work. According to the EPA FY2006 budget justification, the grants referred to as "State and Tribal Performance Fund" were intended to help states and tribes "measure, document and improve the results of their environmental protection programs." The Administration proposed the same amount of funding for this new grant program in its FY2005 budget request, but Congress did not appropriate any funding for it.

Brownfields Grants. P.L. 109-54 provides a total of \$165.0 million for FY2006 for EPA's Brownfields Program. Prior to the 0.476% across-the-board rescission, the total is the same as proposed in the Senate-passed bill. The

¹⁹ For detailed descriptions for the individual grant programs, see *U.S. Environmental Protection Agency FY2006 Justification of Appropriation Estimates for the Committee on Appropriations* (EPA-205/R-05-001), at [<http://www.epa.gov/ocfo/budget/budget/htm>].

House-passed bill would have provided \$172.1 million, the Administration requested \$210.1 million, and Congress appropriated \$163.2 million for FY2005. This program provides assistance to states and tribes for the cleanup and redevelopment of abandoned, idled, or underutilized commercial and industrial sites. Funding for the Brownfields program is currently provided within the STAG account for grants to states and tribes for environmental cleanup and redevelopment. Funding for EPA's expenses to administer the program is provided within the EPM account, as discussed earlier in this report. **Table 16** indicates enacted and proposed funding within the STAG and EPM account for the Brownfields program. EPA had funded the program out of the Superfund account until FY2003.

**Table 16. Brownfields Funding:
FY2005 Enacted, FY2006 Request, and Action on Appropriations**
(millions of dollars)

Account/ Activity	FY2005 Enacted	FY2006 Request	H.R. 2361 House-passed	H.R. 2361 Senate-passed	P.L. 109-54
STAG:					
Infrastructure	\$89.3	\$120.5	\$97.5	\$90.0	\$90.0
Categorical	\$49.6	\$60.0	\$50.0	\$50.0	\$50.0
EPM:					
Administrative	\$24.3	\$29.6	\$24.6	\$25.0	\$25.0
Total	\$163.2	\$210.1	\$172.1	\$165.0	\$165.0

Source: Prepared by the Congressional Research Service based on the conference report on H.R. 2361 (H.Rept. 109-188) and the accompanying reports on the House and Senate versions of the bill (H.Rept. 109-80 and S.Rept. 109-80). The enacted amounts for FY2006 do not reflect the 0.476% across-the-board rescission; the FY2005 enacted amounts reflect a congressionally mandated rescission.

P.L. 109-54 includes an administrative provision that expands eligibility for program grants or loans to include those who purchased property prior to the enactment of the Small Business Liability Relief and Brownfield Revitalization Act of 2001 (P.L. 107-118). This provision is similar to those included in the House- and Senate-passed bills and in recent appropriations bills for the past several fiscal years. The provision applies only to FY2006, and does not provide permanent authority, which was proposed by the Senate. P.L. 109-54 does not include language providing authority to use a portion of brownfields site characterizations and assessment grants for "reasonable" administrative expenses. The Senate had proposed permanent authority for the use of grant funding for this purpose.

Clean School Bus Initiative. P.L. 109-54 provides \$7.0 million, subject to the 0.476% across-the-board rescission, within the STAG account²⁰ for FY2006 to fund cost-share grants for the Clean School Bus Initiative.²¹ The House-passed bill would have provided \$10 million, the same as the Administration's request. The Senate-passed bill would have provided \$1 million, and Congress appropriated just

²⁰ Congress provided the FY2004 appropriation for this initiative within the Environmental Programs and Management (EPM) account, rather than the STAG account.

²¹ For information on Clean School Bus grants for FY2005 and prior years, see EPA's website at [<http://www.epa.gov/cleanschoolbus>].

over \$7 million for FY2005. Although the funding level for this program is relatively small compared to other grant programs supported within the STAG account, there has been strong interest among states and local school districts seeking grants to retrofit or replace older, polluting diesel buses.

From its initial grant solicitation, EPA received more than 120 proposals from school districts, state and local agencies, and nonprofit organizations. These proposals sought a total of \$60 million in grants, which significantly exceeded appropriations of \$5 million each year in FY2003 and FY2004. In response to the amount of funding sought by grant applicants, EPA had requested \$65 million for the program in FY2005 to expand its support of diesel retrofit projects to reduce particulate matter, and for outreach efforts to raise awareness of the health risks posed to school children from diesel emissions. As noted above, Congress provided significantly less than this amount for FY2005, and the Administration followed by substantially reducing its request for FY2006.

Conclusion

Overall, P.L. 109-54, like the House- and Senate-passed bills, provides more funding for EPA for FY2006 than the President's FY2006 request, but less than appropriated the previous fiscal year. As in past years, the State and Tribal Assistance Grants (STAG) account represents the largest portion of EPA's appropriation for FY2006, and the adequacy of funding for this account has been among the most prominent issues of debate. The Administration's request to significantly reduce funding for the *clean water* state revolving fund (SRF) within the STAG account from \$1.09 billion in FY2005 to \$730 million in FY2006 was particularly contentious.

Prior to the 0.476% across-the-board rescission, P.L. 109-54 provides \$900 million for the *clean water* SRF, a \$170 million increase above the \$730 million requested. Most of the increase would be made available primarily by reducing funding for other activities. Amendments during the House debate to potentially bring the FY2006 funding for the *clean water* SRF closer to the FY2005 level were not adopted. The House-passed bill would have provided \$850 million, including \$100 million rescinded from previous years' appropriations. The Senate-passed bill would have provided \$1.1 billion, slightly more than the \$1.09 billion appropriated for FY2005.

The extent to which Congress should designate (earmark) funds for individual projects, locations, or institutions continued to be an issue. P.L. 109-54 reduces FY2006 funding below FY2005 appropriations for projects identified in the conference report as "congressional priorities" (earmarks) within the Science and Technology (S&T), Environmental Programs and Management (EPM), and STAG accounts. These types of projects have traditionally been awarded non-competitively. For the FY2006 funding of congressional priorities in the EPM and S&T accounts, the House Appropriations Committee proposed a different approach, recommending EPA award them competitively among recipients of earmarked funding in previous EPA appropriations. This approach was not adopted in the final bill.

P.L. 109-54 provides more funding for the Superfund program than appropriated for FY2005. The adequacy of funding for the Superfund program to clean up hazardous waste sites also continued to be a prominent issue. During the debate, some Members questioned whether the increases being proposed were sufficient. They, along with states, environmental organizations, and others, argued that higher funding is necessary to adequately address the risks to human health and the environment from hazardous waste sites. Other Members and the Administration asserted that the proposed funding would be sufficient to meet cleanup needs.

In addition to the adequacy of funding for Superfund cleanup activities, the source of funds continued to be a point of contention in the debate over EPA's budget. As the balance of the Superfund Trust Fund has been expended, the program is now supported with general Treasury revenues, leading some Members of Congress to advocate the reinstatement of the taxes on industry that once supported the trust fund. The Administration and other Members assert that individual polluters continue to pay for site cleanups and that a tax on industry as a whole is therefore not needed. P.L. 109-54 continues to use general Treasury revenues to support the program in FY2006.

EPA's use and consideration of intentional human dosing studies, whether conducted by EPA or others, for determining associated human health risks of pesticides were of interest to Members during the appropriations debate. Of particular interest were concerns about the adequacy of health safety standards for human research subjects and general ethical questions with respect to EPA's use of data from such studies. P.L. 109-54 includes provisions directing EPA to complete relevant rulemaking according to specific congressional recommendations, and banning the use of FY2006 funds to consider or to conduct human dosing studies in the agency's review of pesticides until a final rule is issued.

Throughout the debate, there were varying levels of interest in specific funding for other EPA activities as well. The ability to increase funding for projects or add new projects in FY2006 ultimately was affected by competing priorities of Congress to allocate limited funding to numerous federal agencies within the Interior appropriations bill, where EPA's funding now falls. EPA's funding was moved from the jurisdiction of the House and Senate Appropriations Subcommittee on Veterans Affairs, Housing and Urban Development (VA-HUD), and Independent Agencies to that of the Interior subcommittees beginning with the FY2006 appropriations. This was the result of a reorganization during the first session of 109th Congress that included the abolition of the VA-HUD and Independent Agencies appropriations subcommittee.