

## **EPA Budget Flat for FY 2000; R&D Even with Request**

(The complete series of AAAS R&D Funding Updates, including continually updated analyses of R&D by agency in FY 2000 appropriations, is available on the AAAS R&D Web Site (<http://www.aaas.org/spp/R&D>) in the "FY 2000 R&D" or the "What's New" sections.) (revisions in [ ]) )

[On October 20, President Clinton signed into law an FY 2000 VA-HUD appropriations bill (HR 2684) that gives \$7.6 billion to the Environmental Protection Agency (EPA).] Congress agreed to provide \$385 million more than the Administration request for EPA to bring the EPA budget to exactly its FY 1999 funding level of \$7.6 billion. **EPA's R&D declines 3.1 percent or \$21 million to \$648 million, but this amount is \$3 million more than the agency request** (see Table).

Although FY 2000 started on October 1, Congress is still struggling to draft the 13 appropriations bills within discretionary spending caps that are forcing sharp cuts to domestic discretionary programs. The discretionary spending caps, enacted in 1997, require FY 2000 discretionary spending to be nearly \$20 billion below FY 1999 funding levels. Thanks to several accounting maneuvers, including billions of dollars in rescissions of unspent housing funds, designations of emergency spending for disaster relief, and advance appropriations of FY 2001 funds, the final VA-HUD bill manages to stay within tight budget totals while still providing increases for priority programs.

Within the \$70 billion discretionary total for the final VA-HUD bill, padded with an extra \$10 billion in additional funds from accounting maneuvers, Congress provides EPA with \$385 million more than it had requested. The total EPA budget of \$7.6 billion is the same as FY 1999 although there are differences in individual accounts.

**EPA's R&D funding, mostly from the Science and Technology account, totals \$648 million in FY 2000, a cut of \$21 million or 3.1 percent (see Table).** Most research programs are funded at the requested levels, but to make room for \$54 million for 38 congressionally designated projects in the S&T account, the bill trims \$23 million from the request for R&D in the **Climate Change Technology Initiative (CCTI)** and \$28 million from other projects and from a general reduction. CCTI is a multi-agency initiative to address global warming through partnerships with locally based organizations, research on energy efficient technologies, and tax incentives for energy efficiency. **Global change research** receives \$17 million, the same level as FY 1999.

In the overall EPA budget, the final bill adds \$629 million to the requested amount for **State and Tribal Assistance Grants**, bringing the total to \$3.5 billion, 1.8 percent more than the FY 1999 level. Most of this money goes to state and local governments. For **Environmental Programs and Management**, which funds most of EPA's operating expenses, the bill provides \$1.9 billion, 2.8 percent more than FY 1999 but \$147 million less than EPA had requested. Within the account, the bill reduces the request for CCTI programs by \$90 million. Between this account and the S&T account, CCTI funding totals \$103 million, less than half the request of \$216 million and down from the FY 1999 level of \$110 million. The **Superfund** program is cut \$98 million below the FY 1999 funding level, for a total of \$1.4 billion. Superfund also funds R&D on hazardous substances managed by EPA's Office of Research and Development paid for out of a \$38 million transfer to the

Science and Technology account. Within the Superfund account, EPA will transfer approximately \$37 million to the National Institute of Environmental Health Sciences (NIEHS) for its research activities related to hazardous substances.

The House and Senate versions of the bill, and the final bill also, contain a legislative provision, carried over from last year's EPA funding bill, that prohibits EPA from implementing actions called for under the U.N. Kyoto Protocol, which has not been submitted to nor ratified by the Senate.

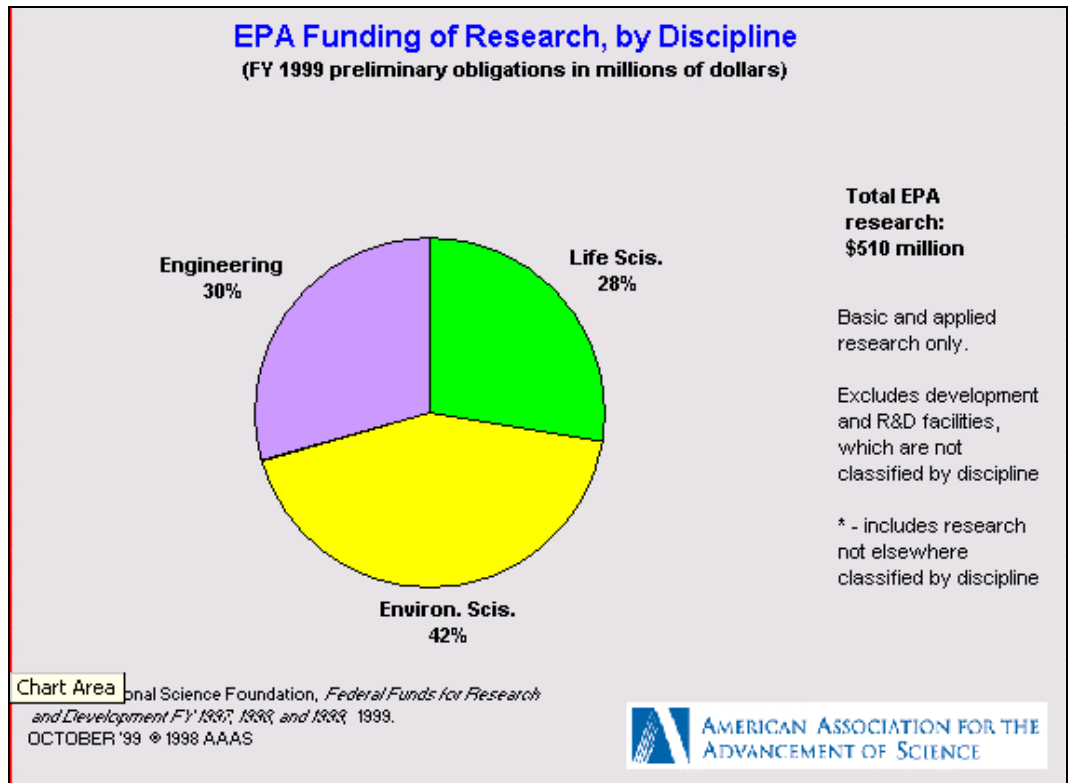


Figure 1.

EPA's basic and applied research support (excluding development and R&D facilities) comprises most of EPA's R&D. The EPA research portfolio is fairly well-balanced between the environmental sciences, the life sciences, and engineering research. Although EPA is the major environmental regulatory agency in the federal government, many other agencies have environmental responsibilities related to research, resource stewardship, and economic management of the environment, so EPA is a relatively small funding source for R&D related to the environment. In the environmental sciences, EPA accounts for only 7 percent of total federal support, while in the life sciences EPA funds only 1 percent of total federal support and in engineering research only 3 percent.

Nearly half of EPA's R&D is performed in the agency's own laboratories, while about a third is performed in the nation's colleges and universities, a share that has been growing in recent years. The remainder is performed by industrial firms and nonprofit institutions.

[President Clinton signed the VA-HUD bill into law on October 20.] Although these funding levels would be final under normal circumstances, Congress may still re-open completed FY 2000 appropriations if it runs into trouble passing the remaining appropriations bills. Congress is seriously considering enacting across-the-board cuts in discretionary spending to get all FY 2000

appropriations under budget targets. These cuts could affect EPA and other agencies in the VA-HUD bill even after the bill becomes law.

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**Table. Environmental Protection Agency  
House-Senate Conference on R&D in the FY 2000 Budget  
(budget authority in millions of dollars)**

	FY 1999 Estimate	FY 2000 Request	House-Senate Conference				
			FY 2000 CONF.	Chg. from Request Amount	Chg. from Request Percent	Chg. from FY 1999 Amount	Chg. from FY 1999 Percent
EPA R&D:							
Science and Technology <sup>1</sup>	667	643	<b>646</b>	3	0.5%	-20	-3.0%
Other Accounts	1	0	<b>0</b>	0	--	-1	-100.0%
R&D from Trust Funds:							
Leaking Underground Storage Tanks	1	1	<b>1</b>	0	0.0%	0	0.0%
Oil Spill Response	1	1	<b>1</b>	0	0.0%	0	11.1%
<b>Total EPA R&amp;D</b>	<b>669</b>	<b>645</b>	<b>648</b>	<b>3</b>	<b>0.5%</b>	<b>-21</b>	<b>-3.1%</b>
EPA Budget:							
Science and Technology <sup>2</sup>	700	679	<b>683</b>	4	0.6%	-17	-2.4%
Environ. Progs. and Management	1,848	2,047	<b>1,900</b>	-147	-7.2%	52	2.8%
Superfund <sup>2</sup>	1,460	1,463	<b>1,362</b>	-101	-6.9%	-98	-6.7%
State and Tribal Assistance Grants	3,407	2,838	<b>3,467</b>	629	22.2%	60	1.8%
Buildings and Facilities	57	63	<b>63</b>	0	-0.6%	6	9.8%
Leaking Underground Storage Tanks	73	72	<b>70</b>	-2	-2.8%	-3	-4.1%
Oil Spill Response	15	16	<b>15</b>	-1	-6.3%	0	0.0%
Inspector General	31	29	<b>32</b>	3	11.8%	1	4.5%
<b>Total EPA Budget</b>	<b>7,591</b>	<b>7,207</b>	<b>7,592</b>	<b>385</b>	<b>5.3%</b>	<b>1</b>	<b>0.0%</b>

AAAS estimates. Includes conduct of R&D and R&D facilities.

All figures are rounded to the nearest million. Changes calculated from unrounded figures.

<sup>1</sup> Includes budget authority for R&D transferred from Superfund account.

<sup>2</sup> Transfers from Superfund to S&T account recorded under S&T.

**Based on House-Senate conference funding levels.**

**These figures are final unless additional appropriations or rescissions are enacted in an omnibus appropriations bill.**