

Senate Agrees to Proposed Cuts in EPA

(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.)

The Senate Appropriations Committee has drafted an FY 2000 VA-HUD appropriations bill (S 1596) that would give increases to R&D programs in the National Science Foundation (NSF) and provide the requested amounts for most programs in the National Aeronautics and Space Administration (NASA) and the Environmental Protection Agency (EPA). Both the House and the Senate would provide more than the Administration request for EPA, which would represent a cut from the FY 1999 funding level. The EPA budget would fall 3.5 percent in the Senate plan, down \$269 million to \$7.3 billion, but this would be \$115 million more than the agency had requested. **EPA’s R&D would decline 3.4 percent to \$646 million, just \$1 million more than the agency request** (see Table).

As the October 1 start of FY 2000 approaches, Congress is 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. The **FY 2000 VA-HUD bill**, the 12th bill to be drafted by the Senate, totals only \$70 billion in discretionary budget authority, nearly \$3 billion below the FY 1999 level and \$5 billion below the amount needed to keep pace with inflation. The total was originally even lower, but the Appropriations Committee added funds to the VA-HUD bill by raiding the Labor-HHS bill’s allocation. As a result, the unlucky Labor-HHS bill, the only bill yet to be drafted in both the House and the Senate, now has an allocation that is nearly \$12 billion below the FY 1999 funding level, a level that could require cuts of almost 20 percent for its programs. Even the revised allocation of \$70 billion was insufficient for the Senate, and an extra \$4.2 billion was found at the last minute by funding some housing programs with FY 2001 rather than FY 2000 funds.

Within the \$70 billion total for the House VA-HUD bill, the House made clear its priority for veterans’ programs and increased funding by nearly \$2 billion, putting even more pressure on other programs in the bill. As a result, the other agencies funded in the bill, including EPA, NASA, and NSF, face steep cuts (see the August 6 R&D Funding Updates for information on House appropriations for these three agencies). The Senate, although faced with the same total, put a higher priority on science programs and, aided by the extra \$4 billion in FY 2001 funds, managed to meet the President’s request for all three agencies. (Please see the NSF and NASA Funding Updates for information on proposed Senate appropriations for R&D in these agencies.) The EPA budget declines in the Senate bill, but EPA would receive more than it had requested. The Senate proposed appropriation of \$7.3 billion would be \$115 million more than the request of \$7.2 billion, but compared to FY 1999 funding levels it would represent a 3.5 percent decline (see Table). The House would appropriate just \$14 million less than the Senate.

EPA’s R&D, mostly funded in the **Science and Technology** account, would total \$646 million, nearly the same as the request and a 3.4 percent cut from FY 1999. Most research programs would be funded at the requested levels, but to make room for \$29 million in congressionally designated projects in the S&T account the Senate would trim \$20 million from the request for R&D in the **Climate Change Technology Initiative (CCTI)**, and \$9 million from three other projects. 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** would receive \$23 million, up from \$17 million in FY 1999.

In the overall EPA budget, the Senate bill would add \$412 million to the requested amount for **State and Tribal Assistance Grants**, bringing the total to \$3.3 billion, still \$157 million short of 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 Senate bill would provide \$1.9 billion, nearly the same amount as FY 1999 but \$162 million less than EPA had requested. Within the account, the Senate would reduce the request for CCTI programs by \$94 million. Between this account and the S&T account, CCTI funding would total \$102 million, less than half the request of \$216 million and down from the FY 1999 level of \$110 million. The **Superfund** program would be 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 would transfer approximately \$35 million to the National Institute of Environmental Health Sciences (NIEHS) for its research activities related to hazardous substances. The House bill would provide similar amounts to the various EPA accounts.

Both the House and Senate bills contains a legislative provision, carried over from last year's EPA funding bill, that would prohibit EPA from implementing actions called for under the U.N. Kyoto Protocol, which has not been submitted to nor ratified by the Senate.

The Senate VA-HUD bill is scheduled for floor debate this week. The House approved its version of the bill on September 9. If the Senate approves the bill this week, the two versions will head to a House-Senate conference, but the conference report is unlikely to be completed and approved by both chambers before October 1. Continuing resolutions are likely to provide temporary FY 2000 funding for EPA and the other agencies until the final VA-HUD bill is signed by the President. The Clinton Administration has issued a veto threat over the funding levels in the House bill, so the ultimate fate of the bill may depend on whether its funding levels are closer to the House or the Senate figures. If the conference report is delayed, or if the President vetoes the final bill, the final funding levels for VA-HUD, and therefore for EPA programs, will most likely be determined in an omnibus appropriations bill.

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**Table. Environmental Protection Agency
Senate Appropriations Committee Action on R&D in the FY 2000 Budget
(budget authority in millions of dollars)**

	FY 1999 Estimate	FY 2000 Request	FY 2000 House	Action by Senate					
				FY 2000 Senate	Chg. from Request Amount	Chg. from Request Percent	Chg. from FY 1999 Amount	Chg. from FY 1999 Percent	
EPA R&D:									
Science and Technology ¹	667	643	643	644	1	0.1%	-23	-3.4%	
Other Accounts	1	0	0	0	0	--	-1	-100.0%	
R&D from Trust Funds:									
Leaking Underground Storage Tanks	1	1	1	1	0	0.0%	0	0.0%	
Oil Spill Response	1	1	1	1	0	0.0%	0	11.1%	
Total EPA R&D	669	645	645	646	1	0.1%	-23	-3.4%	
EPA Budget:									
Science and Technology ²	700	679	680	680	1	0.2%	-20	-2.8%	
Environ. Progs. and Management	1,848	2,047	1,850	1,885	-162	-7.9%	37	2.0%	
Superfund ²	1,460	1,463	1,415	1,362	-101	-6.9%	-98	-6.7%	
State and Tribal Assistance Grants	3,407	2,838	3,200	3,250	412	14.5%	-157	-4.6%	
Buildings and Facilities	57	63	63	26	-37	-58.8%	-31	-54.5%	
Leaking Underground Storage Tanks	73	72	60	72	0	-0.6%	-1	-2.0%	
Oil Spill Response	15	16	15	15	-1	-6.3%	0	0.0%	
Inspector General	31	29	25	32	3	11.8%	1	4.5%	
Total EPA Budget	7,591	7,207	7,308	7,322	115	1.6%	-269	-3.5%	

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

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

¹ Includes budget authority for R&D transferred from Superfund account.

² Transfers from Superfund to S&T account recorded under S&T.

FY 2000 Senate figures represent Senate Appropriations Committee-approved funding levels.

These figures may be amended on the Senate floor.

FY 2000 House figures represent House-approved funding levels.