



AAAS R&D Funding Update July 28, 2003 -

EPA R&D Falls Slightly in House Plan

Highlights

- **The House would provide \$8.0 billion for the total budget of the Environmental Protection Agency (EPA) in FY 2004, \$74 million less (0.9 percent) than FY 2003 (see Table).**

- **EPA's R&D funding would decline 1.5 percent to \$634 million, primarily because one-time emergency funding for building decontamination research in FY 2003 would not be renewed.** EPA's core R&D programs would increase 6.1 percent to \$582 million.

On July 25, the House of Representatives approved its version of an FY 2004 VA/HUD appropriations bill (HR 2861) that would provide a cut in the budget for the Environmental Protection Agency (EPA) in FY 2004. The House bill would provide EPA with a total budget of \$8.0 billion in FY 2004, \$74 million or 0.9 percent less than FY 2003 despite being \$375 million more than the Administration's request. The House would add \$27 million to the request for EPA's R&D programs, but EPA R&D would still decline by \$9 million or 1.5 percent to \$634 million because of an FY 2003 total inflated with one-time emergency R&D funds. (For details of R&D in the FY 2004 request, please see Chapter 13 of *AAAS Report XXVIII: R&D FY 2004*.)

The House FY 2004 VA-HUD bill would provide \$90 billion for discretionary programs, \$1 billion more than the President's request and \$3 billion more than this year's funding level. The bill funds science agencies including the National Science Foundation (NSF), the National Aeronautics and Space Administration (NASA), EPA, and non-R&D programs for veterans and housing. The House is able to provide more for EPA than the request, in part because of the extra \$1 billion but also because of offsets in other parts of the bill, including proposed savings in several housing programs.

EPA requested \$7.6 billion for its total budget, a cut of \$448 million or 5.5 percent from FY 2003 because of steep cuts to State and Tribal Assistance Grants, perennially a higher priority for Congress than for EPA. The House would boost total EPA funding to near the FY 2003 funding level by adding \$481 million to the request for State and Tribal Assistance Grants and also adding funds for Science and Technology, offset by cuts in other accounts. The \$8.0 billion House appropriation would be \$74 million less than FY 2003 (see Table), for a cut of 0.9 percent.

EPA's R&D, mostly funded in the **Science and Technology** account, would total \$634 million, down \$9 million from FY 2003 for a 1.5 percent cut. EPA requested a steeper cut of 5.7 percent, partially because EPA proposed to delete nearly all of the \$53 million in congressional earmarks added to the EPA budget in FY 2003 and partially because the FY 2003 budget contains \$49 million in one-time funding from the Superfund program for building decontamination research to build on the capabilities EPA demonstrated in cleaning the Senate Hart Building of anthrax. The House would agree with the EPA proposal to discontinue the decontamination research, but would add back 34 congressional earmarks in the Science and Technology account and another six R&D earmarks in the normally non-R&D Environmental Programs and Management account, for a net smaller cut in R&D.

R&D in the core S&T account would rise to \$582 million in FY 2004 in the House plan, a boost of 6.1 percent. The majority of the increase would go to congressionally earmarked projects, but the remainder would allow for a modest increase in EPA's R&D portfolio. The majority of EPA research programs, however, would see little or no increase in funding for the third year in a row. In non-R&D programs, the

House would provide \$10 million for the STAR Fellowship Program, the same as the FY 2003 funding level but double the \$5 million request for this program to encourage science and engineering graduate students to study environmental science fields that could be of use to EPA's mission.

The House would mostly stick to the EPA's priorities for FY 2004, except for large boosts in funding for **State and Tribal Assistance Grants (STG)**. Although EPA requested a cut in STG from \$3.8 billion to \$3.1 billion, the House would provide \$3.6 billion. Most of this money goes to state, local, and tribal governments to fund environmental projects, primarily projects to preserve clean drinking water. The **Superfund** program would increase \$51 million from the \$1.2 billion FY 2003 funding level. For **Environmental Programs and Management**, which funds most of EPA's operating expenses, the House bill would provide \$2.2 billion, \$95 million more than FY 2003 because of congressionally designated environmental projects including \$5 million worth of R&D earmarks.

Superfund used to transfer funds to the National Institute of Environmental Health Sciences (NIEHS), a part of the National Institutes of Health (NIH), for its research program on environmental health, but beginning in FY 2001 and continuing with the FY 2004 request and FY 2004 House bill these funds are appropriated directly to NIEHS, and appear as part of the NIH budget. The NIEHS Superfund appropriation, funded in the VA-HUD bill separately from the regular NIEHS appropriation, would be \$80 million in FY 2004, down from the \$84 million FY 2003 funding level.

Next Steps

The House adjourned until September shortly after approving its VA/HUD bill. The Senate is in session until August 2, but the Senate Appropriations Committee is unlikely to draft its version of the bill until September.

(This analysis is one of a series of AAAS R&D Funding Updates on the FY 2004 appropriations process. This analysis includes information on R&D in House appropriations for the Environmental Protection Agency (EPA). The complete series of AAAS R&D Funding Updates, including continually updated analyses of R&D by agency in FY 2004 appropriations, is available on the AAAS R&D Web Site (<http://www.aaas.org/spp/rd>) in the "FY 2004 R&D" or the "What's New" sections.)

- July 28, 2003
AAAS R&D Budget and Policy Program
1200 New York Ave, NW
Washington, DC 20005
(202) 326-6607; -6600
www.aaas.org/spp/rd



AMERICAN ASSOCIATION FOR THE
ADVANCEMENT OF SCIENCE

Advancing science • Serving society

**Table. Environmental Protection Agency
House Action on R&D in the FY 2004 Budget
(budget authority in millions of dollars)**

	FY 2003 Estimate	FY 2004 Request	Action by House				
			FY 2004 House	Chg. from Request Amount	Chg. from Request Percent	Chg. from FY 2003 Amount	Chg. from FY 2003 Percent
EPA R&D:							
Science and Technology ¹	549	561	582	22	3.9%	33	6.1%
Superfund	86	45	45	0	0.0%	-41	-47.8%
Leaking Underground Storage Tanks	1	1	1	0	0.0%	0	-13.7%
Oil Spill Response	1	1	1	0	0.0%	0	0.7%
Other R&D	7	0	5	5	--	-2	-24.3%
Total EPA R&D	643	607	634	27	4.5%	-9	-1.5%
EPA Budget:							
Science and Technology ²	801	776	805	28	3.7%	3	0.4%
Environ. Progs. and Management	2,098	2,220	2,193	-27	-1.2%	95	4.5%
Superfund ²	1,179	1,345	1,230	-115	-8.5%	51	4.4%
State and Tribal Assistance Grants	3,835	3,121	3,602	481	15.4%	-233	-6.1%
Buildings and Facilities	43	43	42	-1	-1.3%	0	-0.6%
Leaking Underground Storage Tanks	72	73	80	7	10.1%	8	11.1%
Oil Spill Response	15	16	16	0	0.0%	1	4.7%
Inspector General	36	37	37	0	0.0%	1	2.9%
Total EPA Budget	8,079	7,631	8,005	375	4.9%	-74	-0.9%

AAAS estimates based on FY 2004 appropriations bills. Includes conduct of R&D and R&D facilities.

FY 2003 and FY 2004 request figures based on OMB R&D data and supplemental agency budget data.

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

¹ Does not include transfers from Superfund.

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

July 28, 2003 - House-approved funding levels.

These funding levels reflect amendments approved by the full House.