

## Senate Cuts EPA R&D

### AAAS R&D Funding Update on R&D in Senate FY 2006 EPA Appropriations

#### Highlights

- Unlike the House, the Senate would cut the Environmental Protection Agency's (EPA) R&D budget by \$20 million or 3.5 percent in its latest budget plan (see Table). The House would provide a modest increase. The Senate proposal would lead to cuts in many EPA R&D programs.
- Both the House and the Senate would agree with EPA's plan to boost **homeland security-related R&D**, with increases for decontamination research and drinking water security research.
- **EPA's overall budget would fall 1.8 percent down to \$7.9 billion** because of steep cuts to State and Tribal Assistance Grants proposed by the Administration and agreed to by both the House and Senate.

#### EPA R&D in FY 2006 Senate Appropriations

On June 9, the Senate Appropriations Committee kicked off its FY 2006 appropriations process by debating and approving its version of the FY 2006 Interior and Environment appropriations bill (HR 2361), the first of 12 appropriations bills. The bill funds most of the Department of the Interior as well as the Smithsonian Institution, the Forest Service, and for the first time the Environmental Protection Agency (EPA). In previous years, EPA had been funded along with the National Science Foundation, NASA, and the Department of Veterans Affairs in the now-eliminated VA-HUD appropriations bill. On May 19, the full House of Representatives approved its own version of the bill. **EPA's R&D**, mostly funded in the **Science and Technology** account, would total \$552 million in the Senate Interior/Environment bill, a cut of \$20 million or 3.5 percent that contrasts to a modest increase in the House version of the bill. EPA itself requested a small cut in its R&D portfolio in February. (For details of the President's request for EPA R&D, please see Chapter 13 of *AAAS Report XXX: R&D FY 2006* or the March 2 EPA R&D Funding Update. For details of the House EPA appropriation, see the June 3 R&D Funding Update.)

EPA's R&D is mostly funded in the **Science and Technology** (S&T) account. R&D in the S&T account totals \$520 million in the FY 2006 Senate plan, \$24 million below what the House appropriated last month and well below both this year's funding level and the EPA request. Complicating matters, the Senate would add \$50 million in congressionally designated performer-specific R&D earmarks to the request, more than the \$40 million in projects in the House bill. Although this would be less than the roughly \$60 million in FY 2005 earmarks, the overall Senate cuts would leave many core R&D programs below this year's funding levels. Clean air research would decline slightly to \$101 million, compared to a modest increase in the House bill. Clean air research includes research on global change, particulate matter, and tropospheric ozone. Clean water research would also decline, from \$94 million to \$92 million. The computational toxicology program would remain at \$12 million, while the sustainability research program would fall from \$40 million to \$29 million as requested in both the House and Senate bills. Most other EPA research areas would see flat funding.

**The Senate would find room, however, for increases in EPA's homeland security-related R&D**, from \$33 million in FY 2005 to \$40 million next year. The House and the EPA request would go even higher. EPA efforts would be focused in two areas. Drinking water security research would be one priority, and would involve EPA efforts to develop better surveillance and laboratory networks for drinking water supplies to counter potential terrorist threats. The other priority would be decontamination research, to develop better technologies and methods for decontaminating terrorist attack sites such as the Senate office

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buildings that EPA decontaminated from anthrax in 2001. EPA would also continue threat and consequence assessments and testing potential biodefense and other decontamination technologies. Much of this work would be conducted at EPA's National Homeland Security Research Center (NHSRC) in Cincinnati.

EPA's S&T investments are a small part of the overall EPA portfolio (see Table), and are designed to support EPA's regulatory and enforcement missions. In a tight budget environment, the Senate would provide \$7.9 billion for the EPA budget, a loss of \$144 million or 1.8 percent. The Senate would provide \$3.4 billion for **State and Tribal Assistance Grants (STG)**, down from \$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. Most other EPA accounts would receive modest increases, including the Environmental Programs and Management (EPM) account that funds most of EPA's regulatory work (up 1.7 percent to \$2.3 billion).

### **Impacts of the EPA R&D Portfolio**

EPA's basic and applied research support (excluding development and R&D facilities) comprises the large majority (80 percent) of EPA's R&D. The largest part of EPA's research is in the life sciences (primarily biology and environmental biology), with significant support for the environmental sciences and engineering as well. 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 environmental R&D. In the environmental sciences, EPA accounts for only 4 percent of total federal support, while in the life sciences EPA funds less than 1 percent.

EPA's R&D support has been declining slowly for the past few years after steady growth in the late 1990s. EPA's R&D budget declined sharply after FY 1994 and bottomed out in FY 1996. In subsequent years, EPA's R&D grew until FY 1999. EPA R&D declined again in FY 2000, and has eroded slowly in inflation-adjusted dollars since then except for a one-time boost in FY 2004 for homeland security-related R&D. EPA R&D has essentially stayed at \$600 million in today's dollars for more than a decade, a trend that both the House and Senate appropriations would reinforce, although the Senate appropriation would mean a nearly 6 percent cut after adjusting for expected inflation.

The Interior/Environment bill now goes to the full Senate for expected approval. After that, a conference committee will negotiate a final Interior/Environment bill. Given the many competing priorities in the bill and the many differences between House and Senate appropriations, it is unclear how EPA R&D will fare in conference or when the final bill will be ready.

(This analysis is one of a series of AAAS R&D Funding Updates on FY 2006 congressional appropriations. The complete series of AAAS R&D Funding Updates, including continually updated analyses of R&D in FY 2006 appropriations, is available on the AAAS R&D Web Site (<http://www.aaas.org/spp/rd>) in the "FY 2006 R&D" or the "What's New" sections.)

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Table. EPA R&amp;D in FY 2006 Senate Appropriations

**Table. Environmental Protection Agency  
Senate Appropriations Committee Action on R&D in the FY 2006 Budget  
(budget authority in millions of dollars)**

	FY 2005 Estimate	FY 2006 Request	FY 2006 House	FY 2006 Senate	Senate Action			
					Chg. from Request Amount	Percent	Chg. from FY 2005 Amount	Percent
EPA R&D:								
Science and Technology <sup>1</sup>	535	536	544	<b>520</b>	-16	-3.0%	-15	-2.8%
Superfund	36	31	31	<b>31</b>	0	-1.3%	-5	-15.0%
Leaking Underground Storage Tanks	1	1	1	<b>1</b>	0	0.0%	0	0.0%
Oil Spill Response	1	1	1	<b>1</b>	0	0.0%	0	0.0%
Other R&D	0	0	0	<b>0</b>	0	--	0	--
<b>Total EPA R&amp;D</b>	<b>572</b>	<b>568</b>	<b>577</b>	<b>552</b>	<b>-16</b>	<b>-2.9%</b>	<b>-20</b>	<b>-3.5%</b>
EPA Budget:								
Science and Technology <sup>1</sup>	744	761	765	<b>731</b>	-30	-4.0%	-13	-1.8%
Environ. Progs. and Management	2,294	2,404	2,389	<b>2,333</b>	-71	-2.9%	39	1.7%
Superfund	1,248	1,279	1,258	<b>1,256</b>	-23	-1.8%	8	0.7%
State and Tribal Assistance Grants	3,575	2,961	3,128	<b>3,396</b>	435	14.7%	-179	-5.0%
Buildings and Facilities	42	40	40	<b>40</b>	0	0.5%	-2	-4.2%
Leaking Underground Storage Tanks	69	73	73	<b>73</b>	0	0.0%	4	5.8%
Oil Spill Response	16	16	16	<b>16</b>	0	-0.9%	0	-0.9%
Inspector General	38	37	38	<b>37</b>	0	-0.1%	-1	-2.8%
<b>Total EPA Budget</b>	<b>8,026</b>	<b>7,571</b>	<b>7,708</b>	<b>7,882</b>	<b>311</b>	<b>4.1%</b>	<b>-144</b>	<b>-1.8%</b>

AAAS estimates based on FY 2005 and FY 2006 appropriations bills. Includes conduct of R&D and R&D facilities.

FY 2005 and FY 2006 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.

<sup>1</sup> Does not include transfers from Superfund (see Superfund line).

**June 17, 2005 - AAAS estimates of Senate Appropriations Committee-approved bills.**

**These figures may be amended or rejected by the full Senate.**