

Funding for EPA Water Infrastructure: A Fact Sheet

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Congressional Research Service 7-5700 www.crs.gov R43871 Rederal funding to assist communities with capital projects to meet the water-related goals and requirements of federal laws has been provided through programs in the Clean Water Act (CWA) and also, more recently, through a program in the Safe Drinking Water Act. This report provides a table showing budget requests and appropriations for the Environmental Protection Agency's (EPA's) water infrastructure assistance programs under these two laws since 1973.

The Water Pollution Control Act of 1948 (P.L. 80-845) established a grant program to assist localities with planning and design work and authorized loans for treatment plant construction. In subsequent amendments, federal assistance increased and a construction grant program replaced the loan program. In the Federal Water Pollution Control Act Amendments of 1972 (P.L. 92-500, popularly known as the Clean Water Act). Congress established the first national standards for sewage treatment and significantly increased federal funding to help communities meet the law's standards. The most recent comprehensive CWA amendments were enacted in 1987 (P.L. 100-4). That legislation authorized \$18 billion over nine years for wastewater treatment plant construction, through a combination of the traditional Title II grant program and a new State Water Pollution Control Revolving Funds (SRF) program. Under the SRF program, federal capitalization grants are provided through appropriations as seed money for state-administered loans to construct sewage treatment plants and other water quality projects. Local communities, in turn, repay loans to the state, not the federal government. Under the 1987 amendments, the SRF program was phased in beginning in FY1989 and entirely replaced the previous grant program in FY1991. (For additional information, see CRS Report 98-323, Wastewater Treatment: Overview and Background, by Claudia Copeland.)

In 1996 Congress amended the Safe Drinking Water Act (P.L. 104-182) to authorize a drinking water state revolving loan fund (DWSRF) program to help systems finance projects needed to comply with drinking water regulations and to protect public health. (For additional background, see CRS Report RS22037, *Drinking Water State Revolving Fund (DWSRF): Program Overview and Issues*, by Mary Tiemann.) This program, fashioned after the Clean Water Act SRF, authorizes EPA to make grants to states to capitalize DWSRFs, which states then use to make loans to public water systems. The legislation authorized a total of \$9.6 billion over 10 years to assist drinking water projects.

Since 1973, Congress has provided more than \$100 billion for the core wastewater and drinking water infrastructure assistance programs. **Table 1** shows the appropriations data for the two EPA water infrastructure assistance programs from FY1973 to FY2015 in nominal dollars not adjusted for inflation. For comparison, **Figure 1** shows total EPA water infrastructure appropriations (for clean water and drinking water assistance combined) over the same period in both nominal dollars and constant (2014) dollars.

Table 1 also shows appropriations for special projects, that is, funds designated in appropriations legislation for projects in specified communities or locations, often popularly referred to as "earmarks." Because some Members of Congress, interest groups, and Administration officials criticize these types of congressional actions, Congress banned the practice of congressionally designated special project funds for EPA's water infrastructure and other programs in FY2011. Amounts shown in the table for special projects appropriations are predominantly congressionally directed funds, but they also include amounts requested by the Administration since the early 1990s for a limited number of special projects (e.g., in certain coastal communities, for Alaska Native and rural villages, and for U.S.-Mexico Border projects). (For information, see CRS

Report RL32201, *Water Infrastructure Projects Designated in EPA Appropriations: Trends and Policy Implications*, by Claudia Copeland.)

The President's FY2016 budget requests \$1.116 billion for clean water SRF capitalization grants, \$1.186 billion for drinking water SRF capitalization grants, and \$15 million for special projects.

(Millions of Dollars Not Adjusted for Inflation)									
Fiscal Year	President's Total Request	Clean Water Appropriations (Title II and SRF)	Drinking Water SRF Appropriations	Special Projects Appropriations	Total Appropriations ^a				
1973	2,000.0	2,000.0			2,000.0				
1974	3,000.0	3,000.0			3,000.0				
1975	4,000.0	4,000.0			4,000.0				
1976	1,650.0	9,000.0			9,000.0				
1977	4,100.0	1,980.0			1,980.0				
1978	4,500.0	4,500.0			4,500.0				
1979	4,500.0	4,200.0			4,200.0				
1980	3,800.0	2,520.0			2,520.0				
1981	3,700.0	2,644.0			2,644.0				
1982	2,400.0	2,400.0			2,400.0				
1983	2,400.0	2,400.0			2,400.0				
1984	2,400.0	2,400.0			2,400.0				
1985	2,400.0	2,400.0			2,400.0				
1986	2,400.0	1,800.0			1,800.0				
1987	2,000.0	2,361.0			2,361.0				
1988	2,000.0	2,304.0			2,304.0				
1989	1,500.0	1,882.0		68.0	1,950.0				
1990	1,200.0	1,927.0		53.0	1,980.0				
1991	1,599.4	2,048.0		35.7	2,083.7				
1992	1,900.0	1,948.5		435.0	2,383.5				
1993	2,484.0	1,928.0		556.0	2,484.0				
1994	2,047.0	1,218.0		558.0	1,776.0				
1995	2,550.0	1,235.2		834.1	2,069.3				
1996	2,365.0	2,073.5		306.5	2,380.0				
1997	2,178.0	625.0	1,275.0	301.0	2,201.0				
1998	2,078.0	1,350.0	725.0	393.1	2,468.1				
1999	2,028.0	1,350.0	775.0	401.8	2,526.8				
2000	1,753.0	1,345.4	820.0	395.3	2,560.7				

Table I. President's Budget Request and Total EPA Water Infrastructure Appropriations, FY1973-FY2015

Fiscal Year	President's Total Request	Clean Water Appropriations (Title II and SRF)	Drinking Water SRF Appropriations	Special Projects Appropriations	Total Appropriations ^a
2001	1,753.0	1,350.0	825.0	466.4	2,641.4
2002	2,233.0	1,350.0	850.0	458.9	2,658.9
2003	2,185.0	1,341.2	844.5	413.4	2,599.1
2004	1,798.0	1,342.0	845.0	425.1	2,612.1
2005	1,794.0	1,091.2	843.2	401.7	2,336.1
2006	1,649.0	886.8	837.5	280.8	2,005.1
2007	1,569.7	1,083.8	837.5	83.8	2,005.1
2008	1,555.3	689.1	829.0	177.2	1,695.3
2009	1,422.7	4,689.1 ^b	2,829.0 ^c	183.5	7,701.6
2010	3,920.0	2,100.0	1,387.0	186.8	3,673.8
2011	3,307.0	1,522.0	963.1	20.0	2,505.1
2012	2,560.0	1,466.5	917.9	15.0	2,399.4
2013	2,045.0	1,376.1	861.3	14.2	2,251.6
2014	1,927.0	1,448.9	906.9	15.0	2,370.8
2015	1,790.0	1,448.9	906.9	15.0	2,370.8
2016	2,317.0				
TOTAL	104,758.1	92,025.2	19,078.8	7,494.2	118,598.3

Source: Compiled by CRS.

Notes: SRF = State Revolving Fund.

- a. Total appropriations in FY2000, FY2003, FY2004, FY2005, FY2006, FY2008, FY2011, FY2012, and FY2013 reflect mandatory across-the-board rescissions in appropriations acts. FY2013 appropriations also reflect effects of sequestration. For information on sequestration, see CRS Report R42972, Sequestration as a Budget Enforcement Process: Frequently Asked Questions, by Megan S. Lynch.
- b. FY2009 appropriation total included \$4.0 billion in supplemental funds under the American Recovery and Reinvestment Act (P.L. 111-5, ARRA).
- c. FY2009 appropriation total included \$2.0 billion in supplemental funds under ARRA.

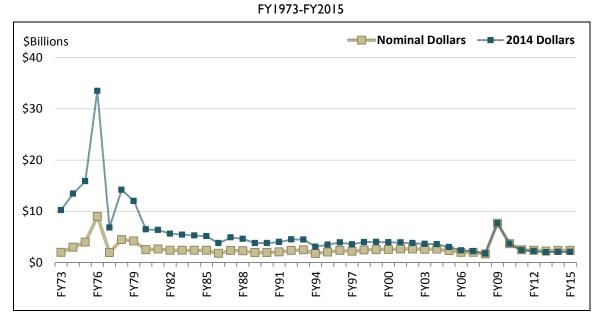


Figure I.Total EPA Water Infrastructure Appropriations in Nominal and Constant (2014) Dollars

Source: Compiled by CRS. Constant dollars calculated from Bureau of Economic Analysis, National Income and Product Account Tables 5.9.4A and 5.9.4B, line 37 (Price Index for State and Local Government Investment in Sewer Systems). Constant dollar figure for FY2015 is estimated.

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