MEMORANDUM

SUBJECT: House of Representatives Consideration of the FY 2017 Interior, Environment and Related Agencies Appropriations Bill

FROM: David A. Birnbaum
Deputy Chief Financial Officer

TO: Gina McCarthy
Administrator
Stan Meiburg
Acting Deputy Administrator

On July 14, 2016, the House of Representatives passed, H.R. 5538, the FY 2017 Interior, Environment and Related Agencies Appropriations Bill by a vote of 231 Y/196 N. The agency’s net funding was decreased by $108 million due to several amendments. The new agency total is $7.868 billion. This is $272 million (3.3%) below the FY 2016 Enacted Budget and $399 million (4.8%) below the FY 2017 President’s Budget request. The additional funding reductions agreed to during floor action were targeted to the Environmental Programs and Management account which is now funded at $2.406 billion. This is $229 million (8.7%) below the FY 2016 Enacted Budget and $446 million (15.6%) below the FY 2017 President’s Budget request. See Attachment A for funding details on the House Bill, while Attachment B provides information on Amendments.

Prior to floor action, the Office of Management and Budget released the Statement of Administration Policy which stated, “The bill underfunds the Environmental Protection Agency's (EPA) operating budget, which supports nationwide protection of human health, and vital air, water and land resources. If the President were presented with H.R. 5538, his senior advisors would recommend he veto the bill.”

Next Steps: Both the House and Senate are on recess until September 6, 2016. The Senate Floor action has not yet been scheduled; however, it could occur sometime in September. There is also the likelihood that a Continuing Resolution (CR) will be debated during the month of September. With this in mind, I will continue to monitor Congressional action and provide updates, as needed, and would be pleased to answer any questions you may have.

Attachments

cc: Assistant Administrators
General Counsel
Inspector General
Chief of Staff
Mike Flynn
Associate Administrators
Regional Administrators
Deputy Assistant Administrators
Deputy Regional Administrators
Deputy Chiefs of Staff
Deputy Associate Administrators
Assistant Regional Administrators
# FY 2017 House Floor Action Appropriations Summary

(Dollars in Thousands)

<table>
<thead>
<tr>
<th>Appropriation</th>
<th>FY 2016 enacted</th>
<th>FY 2017 PresBud</th>
<th>FY 2017 House Floor</th>
<th>Delta FY 17 House vs FY 16 EN</th>
<th>% Change</th>
<th>Delta FY 17 House vs FY 17 PB</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Science &amp; Technology (S&amp;T)</td>
<td>$734,548</td>
<td>$754,184</td>
<td>$723,072</td>
<td>($11,576)</td>
<td>1.6%</td>
<td>($31,112)</td>
<td>4.1%</td>
</tr>
<tr>
<td>Environmental Program &amp; Management (EPM)</td>
<td>$2,835,279</td>
<td>$2,852,893</td>
<td>$2,406,425</td>
<td>($228,854)</td>
<td>8.7%</td>
<td>($446,456)</td>
<td>15.6%</td>
</tr>
<tr>
<td>Inspector General (IG)</td>
<td>$41,489</td>
<td>$51,527</td>
<td>$51,527</td>
<td>$10,038</td>
<td>24.2%</td>
<td>$0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Building and Facilities (B&amp;F)</td>
<td>$42,317</td>
<td>$52,078</td>
<td>$34,467</td>
<td>($7,580)</td>
<td>18.6%</td>
<td>($17,511)</td>
<td>33.8%</td>
</tr>
<tr>
<td>Inland Oil Spill Programs (Oil)</td>
<td>$18,209</td>
<td>$25,410</td>
<td>$18,079</td>
<td>($130)</td>
<td>0.7%</td>
<td>($7,331)</td>
<td>28.9%</td>
</tr>
<tr>
<td>Hazardous Substance Superfund (SF)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Superfund Program</td>
<td>$1,065,380</td>
<td>$1,104,715</td>
<td>$1,091,715</td>
<td>$26,335</td>
<td>2.5%</td>
<td>($13,000)</td>
<td>1.2%</td>
</tr>
<tr>
<td>- Inspector General Transfer</td>
<td>$9,939</td>
<td>$8,778</td>
<td>$8,778</td>
<td>($1,161)</td>
<td>11.7%</td>
<td>$0</td>
<td>0.0%</td>
</tr>
<tr>
<td>- Science &amp; Technology Transfer</td>
<td>$18,850</td>
<td>$15,496</td>
<td>$18,496</td>
<td>($3,354)</td>
<td>17.8%</td>
<td>$0</td>
<td>0.0%</td>
</tr>
<tr>
<td>SF Total</td>
<td>$1,094,159</td>
<td>$1,128,989</td>
<td>$1,115,989</td>
<td>$21,820</td>
<td>2.0%</td>
<td>($13,000)</td>
<td>1.2%</td>
</tr>
<tr>
<td>Leaking Underground Storage Tanks (LUST)</td>
<td>$81,941</td>
<td>$94,285</td>
<td>$94,605</td>
<td>$2,664</td>
<td>2.9%</td>
<td>$320</td>
<td>0.3%</td>
</tr>
<tr>
<td>State and Tribal Assistance Grants (STAG)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Categorical Grants</td>
<td>$1,081,041</td>
<td>$1,158,400</td>
<td>$1,058,229</td>
<td>($22,182)</td>
<td>2.1%</td>
<td>($100,171)</td>
<td>8.6%</td>
</tr>
<tr>
<td>- All Other STAG</td>
<td>$2,437,120</td>
<td>$2,122,000</td>
<td>$2,312,500</td>
<td>($124,420)</td>
<td>5.1%</td>
<td>$190,500</td>
<td>9.0%</td>
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<tr>
<td>STAG Total</td>
<td>$3,518,161</td>
<td>$3,280,400</td>
<td>$3,370,729</td>
<td>($147,423)</td>
<td>4.2%</td>
<td>$90,329</td>
<td>2.8%</td>
</tr>
<tr>
<td>Water Infrastructure Finance and Innovation Fund</td>
<td>$0</td>
<td>$20,000</td>
<td>$50,000</td>
<td>$50,000</td>
<td>0.0%</td>
<td>($30,000)</td>
<td>150.0%</td>
</tr>
<tr>
<td>E-Manifest</td>
<td>$3,674</td>
<td>$7,423</td>
<td>$3,178</td>
<td>($466)</td>
<td>13.5%</td>
<td>($4,255)</td>
<td>57.2%</td>
</tr>
<tr>
<td>Recission of Prior Year Funds</td>
<td>($40,000)</td>
<td>$0</td>
<td>$0</td>
<td>$40,000</td>
<td>100.0%</td>
<td>$0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Agency Total</td>
<td>$8,139,887</td>
<td>$8,267,199</td>
<td>$7,868,071</td>
<td>($271,816)</td>
<td>3.3%</td>
<td>($399,128)</td>
<td>4.8%</td>
</tr>
</tbody>
</table>
Legislative Amendments
A number of amendments offered were not budgetary in nature. A listing of these amendments, and their disposition, follows:

Johnson (D-GA) – Amendment No. 18 – Ensures implementation of the EPA’s Final Rule on the Disposal of Coal Combustion Residuals from Electric Utilities is consistent with Executive Order 12898

| Adopted Voice | Y ✓ | N |

Cartwright (D-PA) – Amendment No. 25 – Strikes section 425, which prohibits the EPA from acting on changes to the definition of “fill material” and “discharge of fill material” under the Federal Water Pollution Control Act

| Rejected Voice | Y | N ✓ |

Cartwright (D-PA) – Amendment No. 27 – Strikes language that would delay implementation of the EPA Lead Renovation, Repair, and Painting Rule

| Failed | Y 195 | N 231 |

Becerra (D-CA) – Amendment No. 28 – Strikes Rider section 430 on CERCLA 108 Financial Assurance

| Failed | Y 190 | N 236 |

Peters (D-CA) [on behalf of Pallone (D-NJ)] – Amendment No. 29 – Strikes Rider section 431 on GHG NSPS.

| Failed | Y 182 | N 244 |

Peters (D-CA) – Amendment No. 30 – Strikes Rider Section 434 on the Significant New Alternatives Policy (SNAP) program.

| Rejected Voice | Y | N ✓ |

Peters (D-CA) – Amendment No. 31 – Strikes Rider Section 436 on the social cost of carbon

| Failed | Y 185 | N 241 |
Amendments to H.R. 5538 - Department of the Interior, Environment, and Related Agencies
Appropriations Act, 2017

Black (R-TN) – Amendment No. 42 – Prohibits the EPA from using funds to implement, administer, or enforce the agency’s “Phase 2” fuel-efficiency and emissions standards, or any rule with respect to glider kits and glider vehicles

Adopted Voice

Y ✓ N

Burgess (R-TX) – Amendment No. 48 – Restricts funds from being used by the Environmental Protection Agency (EPA) to hire new employees under the Title 42 Special Pay Program or transfer existing employees into the Title 42 Special Pay Program.

Adopted Voice

Y ✓ N

Crawford (R-AR) – Amendment No. 52 – Prohibits the EPA from enforcing or implementing the Spill Prevention, Control, and Countermeasure (SPCC) rule on farming and ranching operations

Adopted Voice

Y ✓ N

Crawford (R-AR), Newhouse (R-WA) – Amendment No. 53 – Prohibits the use of funds in support of grassroots advocacy campaigns intended to persuade the outcome of legislation pending in Congress or state legislatures

Adopted Voice

Y ✓ N

Gosar (R-AZ), Zinke (R-MT), Franks (R-AZ) – Amendment No. 58 – Prohibits the use of funds to implement, administer, or enforce the draft EPA-USGS Technical Report entitled “Protecting Aquatic Life from Effects of Hydrologic Alteration”

Adopted Voice

Y ✓ N

Jenkins (R-WV) – Amendment No. 62 – Prohibits funding for the EPA to develop, finalize, promulgate, implement, administer, or enforce any rule under section 112 of the Clean Air Act that applies to glass manufacturers that do not use continuous furnaces

Adopted Voice

Y ✓ N

Loudermilk (R-GA) – Amendment No. 69 – Prohibits funds from being used to regulate trailers under the Clean Air Act

Adopted Voice

Y ✓ N
Amendments to H.R. 5538 - Department of the Interior, Environment, and Related Agencies
Appropriations Act, 2017

Lummis (R-WY) – Amendment No. 70 – Prohibits funding to finalize, implement, or enforce EPA proposed rulemaking regarding in situ uranium production

Adopted Voice

Y ✓ N

Newhouse (R-WA) – Amendment No. 74 – Prohibits the use of funds by EPA to issue and expand new regulations under the Resource Conservation and Recovery Act (RCRA) that would apply to Animal Feeding Operations

Adopted Voice

Y ✓ N

Grijalva (D-AZ) – Amendment No. 32 – Strikes Section 437 entitled “Limitation on Use of Funds for Designated Representatives”

Failed

Y 177 N 249

Polis (D-CO) – Amendment No. 33 – Strikes section 439, regarding methane emissions

Failed

Y 187 N 240

Boustany (R-LA) – Amendment No. 45 – Prohibits funds for the implementation of the Well Control Rule

Passed

Y 234 N 195

Byrne (R-AL) – Amendment No. 50 – Prohibits funding from being used to implement, administer, or enforce the Obama administration’s National Ocean Policy

Passed

Y 237 N 189

Goodlatte (R-VA) – Amendment No. 57 – Prohibits the Environmental Protection Agency from using any funds to take retaliatory, or EPA described “backstop” actions, against any of the six states in the Chesapeake Bay Watershed in the event that a state does not meet the goals mandated by the EPA’s Chesapeake Bay Total Maximum Daily Load

Passed

Y 231 N 197
Amendments to H.R. 5538 - Department of the Interior, Environment, and Related Agencies Appropriations Act, 2017

King (R-IA) – Amendment No. 64 – Ensures that no funds appropriated by this Act can be used to implement, administer, or enforce Davis-Bacon prevailing rate wage requirements

Failed

|   | Y 188 | N 238 |

Perry (R-PA) – Amendment No. 81 – Ensures none of the funds made available by this Act shall be used to give formal notification under, or prepare, propose, implement, administer, or enforce any rule or recommendation pursuant to, section 115 of the Clean Air Act

Adopted Voice

|   | Y ✓   | N    |

Pompeo (R-KS) – Amendment No. 82 – Prohibits funds from being used to finalize, implement, administer or enforce EPA's proposed rule on Accidental Release Prevention Requirements: Rink Management Program Under the Clean Air Act

Adopted Voice

|   | Y ✓   | N    |

Price (R-GA) – Amendment No. 83 – Ensures none of the funds in the underlying bill will be made available to carry out any new major rule as described in subparagraph (A) of section 804(2) of title 5, United States Code

Adopted Voice

|   | Y ✓   | N    |

Ratcliffe (R-TX) – Amendment No. 84 – Prohibits funds from being used to finalize, implement, administer, or enforce the proposed rule entitled “Clean Energy Incentive Program Design Details”

Passed

|   | Y 231 | N 197 |

Smith (R-MO) – Amendment No. 85 – Blocks the use of funds to carry out the third sentence of section 107(f)(1) (CERCLA)

Failed

|   | Y 170 | N 257 |
**Amendments to H.R. 5538 - Department of the Interior, Environment, and Related Agencies Appropriations Act, 2017**

**Smith (R-MO)** – Amendment No. 88 – Restricts federal agencies from using funds to pay legal fees under any lawsuit settlement regarding a case that arises under the Clean Air Act, the Clean Water Act, and the Endangered Species Act

- Passed
  - Y 226
  - N 202

**Beyer (D-VA)** – Amendment No. 96 – Requires that no funds made available by this Act be used in contravention of Executive Order 13653 or Executive Order 13893 (10 minutes)

- Failed
  - Y 194
  - N 234

**Beyer (D-VA)** – Amendment No. 98 – States none of the funds made available by this Act may be used to implement or enforce section 120, 425, 426, or 427

- Failed
  - Y 178
  - N 246

**Higgins (D-NY)** – Amendment No. 101 – Prohibits the use of funds by a State in contravention of the Great Lakes Compact, an interstate compact ratified by Congress detailing how the States will work together to manage and protect the Great Lakes-St. Lawrence River Basin (10 minutes)

- Adopted Voice
  - Y ✓
  - N

**Pocan (D-WI)** – Amendment No. 103 – Protects the Administration’s climate change and environmental sustainability executive order to ensure that no funds be used to weaken the executive order within this Act (10 minutes)

- Failed
  - Y 190
  - N 237

**Weber (R-TX)** – Amendment No. 120 – Prohibits the use of funds by EPA in contravention of the Clean Air Act provision requiring EPA to evaluate the impact of its actions with respect to jobs in America

- Adopted Voice
  - Y ✓
  - N
Amendments to H.R. 5538 - Department of the Interior, Environment, and Related Agencies Appropriations Act, 2017

Smith (R-MO) – Amendment No. 86 – Blocks funding from going towards environmental education grants under section 6 of the national environmental education act

Adopted Voice  

Y ✓ N

Funding Amendments

The House also considered amendments to adjust funding levels provided to the Agency.

Griffith (R-VA) – Amendment No. 4 – Provides a distribution of funds among Appalachian states for reclamation of abandoned mine lands in conjunction with economic and community development, offset by $15,000,000 from the Environmental Programs and Management account

Adopted Voice  

Y ✓ N

Norcross (D-NJ) – Amendment No. 9 – Adds $13,060,000 to the Hazardous Substance Superfund and reduces Payments In Lieu of Taxes by the same amount

Failed  

Y 143 N 282

Smith (R-MO) – Amendment No. 14 – Eliminates $88,282,000 for the Air, Climate and Energy Research Program in the Science and Technology Account

Failed  

Y 208 N 217

Lummis (R-WY) [on behalf of Chaffetz (R-UT)] – Amendment No. 15 – Increases the EPA's Inspector General fund by $10,038,000 to bring up to President's request and decreases the Environmental Programs and Management account by $14,000,000.

Adopted Voice  

Y ✓ N

Gosar (R-AZ) – Amendment No. 16 – Redirects $70,000,000 from the Environmental Programs and Management account to the Forest Service Hazardous Fuels account.

Adopted Voice  

Y ✓ N
Amendments to H.R. 5538 - Department of the Interior, Environment, and Related Agencies Appropriations Act, 2017

Westerman (R-AR) – Amendment No. 17 – Removes $12,000,000 from the Environmental Programs and Management account, and places them into the US Forest Service’s Forest and Rangeland Research Account.

Adopted Voice

Y ✔ N

Esty (D-CT) – Amendment No. 19 – Directs $10,000,000 to Brownfields projects within State and Tribal Assistance Grants (STAG) from Superfund cleanup to help states leverage $18 for $1 expended for the purpose of cleaning up brownfield properties, such as abandoned factories or former dry cleaning establishments, in their communities

Rejected Voice

Y N ✔

Palmer (R-AL) – Amendment No. 20 – Eliminates funding for Diesel Emission Reduction Grants and sends the savings to the spending reduction account

Failed

Y 175 N 250

Lujan (D-NM) – Amendment No. 21 – Decreases and increases State and Tribal Assistance Grants by $6,000,000 to direct the EPA to work with the affected States and Indian tribes to implement a long-term monitoring program for water quality of the Animas and San Juan Rivers in response to the Gold King Mine spill

Passed

Y 219 N 207

Davis, Rodney (R-IL) – Amendment No. 54 – Prevents any funds from being used for the Office of Congressional and Intergovernmental Relations at the EPA and reduces the Environmental Programs and Management account by $4,235,000

Adopted Voice

Y ✔ N

Newhouse (R-WA) – Amendment No. 75 – Restores $1,000,000 for the Wolf Livestock Loss Demonstration Program and is offset by reducing funds for EPA Environmental Programs & management by $1,000,000

Adopted Voice

Y ✔ N
Blackburn (R-TN) – Amendment No. 43 – Imposes a 1 percent across-the-board spending cut to the bill

Failed

<table>
<thead>
<tr>
<th>Y</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>171</td>
<td>258</td>
</tr>
</tbody>
</table>

Palmer (R-AL) – Amendment No. 76 – Ensures that none of the funds made available by this Act may be used for the Environmental Protection Agency’s Criminal Enforcement Division

Failed

<table>
<thead>
<tr>
<th>Y</th>
<th>N</th>
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<tbody>
<tr>
<td>195</td>
<td>223</td>
</tr>
</tbody>
</table>

Perry (R-PA) – Amendment No. 79 – Ensures none of the funds made available by this Act may be used to develop, administer, purchase, acquire, or operate an unmanned aircraft system owned by the Department of Interior or the Environmental Protection Agency to perform surveying, mapping, or collecting remote sensing data

Failed

<table>
<thead>
<tr>
<th>Y</th>
<th>N</th>
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</thead>
<tbody>
<tr>
<td>161</td>
<td>262</td>
</tr>
</tbody>
</table>

Perry (R-PA) – Amendment No. 80 – Reduces Appropriations made in this Act for the Environmental Protection Agency by 17 percent

Failed

<table>
<thead>
<tr>
<th>Y</th>
<th>N</th>
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</thead>
<tbody>
<tr>
<td>188</td>
<td>239</td>
</tr>
</tbody>
</table>

Kildee (D-MI) – Amendment No. 112 – Provides funding to help provide fresh drinking water to communities that have been impacted by lead in their drinking water

Adopted Voice

<table>
<thead>
<tr>
<th>Y</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>

Kildee (D-MI) – Amendment No. 115 – Allows states with communities that have declared an emergency related to lead in drinking water to use more of their Drinking Water State Revolving Funds to address lead in drinking water public health issues

Adopted Voice

<table>
<thead>
<tr>
<th>Y</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>
Amendments to H.R. 5538 - Department of the Interior, Environment, and Related Agencies Appropriations Act, 2017

Chaffetz (R-UT) – Amendment No. 111 – Increases BIA funding for dirt school bus routes by $1.5M. The cost is offset by decreasing EPA's Environment Programs & Management fund by $1.75M

Adopted Voice

Y ✓ N

Grayson (D-FL) – Amendment No. 113 – Increases and then decreases funding for the National Estuary Program by $468,000. The purpose of the amendment was to express support.

Adopted Voice

Y ✓ N

Norcross (D-NJ) – Amendment No. 114 – Increases and then decreases $15,282,000 to the Hazardous Substance Superfund. The purpose of the amendment was to express support for the Superfund enforcement program.

Failed

Y 195 N 232