



EPA Takes Hit in Proposed Budget for FY2021

05.08.2020

The Trump Administration's proposed budget for fiscal year (FY) 2021 proposes \$4.829 trillion in outlays and is purported to balance the budget within fifteen years. COVID-19, which arrived in the United States after the budget was released, now throws both propositions in serious doubt. Outlays are now likely to be less than previously proposed, and a balanced budget anytime soon seems to be a pipe dream. Much of the balancing in the proposed budget comes from various cuts and reforms to mandatory spending programs, such as Medicare and Medicaid, and welfare, but other programs will see reductions, too. One budgetary cut is to the Environmental Protection Agency, coinciding with its 50th anniversary.

The estimated enacted FY2020 budget for EPA was \$9.057 billion. The agency's proposed budget for FY2021 is 26 percent less, for a total of \$6.658 billion. The budget proposes to cut EPA's core Environmental Programs & Management (EPM) by 16 percent, from \$2.663 billion to \$2.236 billion, including a cut to the EPM enforcement account of about 7 percent. The budget also includes cuts to clean air funding by 40 percent by eliminating some voluntary greenhouse gas programs, reducing federal support for air quality management, and reducing funding for stationary source regulation. In addition to regulatory programs, EPM's Brownfield's account is proposed to be cut by about 25 percent from \$23.6 million to \$17.8 million.

Other major cuts to EPA funding include: Science & Technology by about 32 percent, from \$716 million to \$484 million; CERCLA response actions by 14 percent, or about \$113 million; underground storage tank pollution prevention program by about 47 percent, from \$91 million to \$48 million; and funding to state programs by around 33 percent, from \$4.25 billion to \$2.85 billion. However, there are areas where the proposed budget would increase or create funding for certain environmental priorities of the Administration, including: \$45 million to support the Lead Exposure Reduction initiative; almost \$2 billion for the Clean Water and Drinking Water Revolving Funds to support investments in water infrastructure repair, replacement and modernization; \$6 million for implementation of the per- and polyfluoroalkyl substances (PFAS) action plan; and \$22.4 million to address and reduce harmful algal blooms.

While the proposed budget for FY2021 would greatly reduce funding to EPA overall, including areas that by extension reduce funding to many state programs reliant on federal funding, this budget must still make it through a Congress which has been skeptical of steep reductions in EPA funding proposed by the Trump Administration. Whether the economic effects of COVID-19 change that is anyone's guess. Nevertheless, the proposed budget provides important insights into the environmental policies and priorities of the White House.

[Fiscal Year 2021 EPA Budget in Brief, United States Environmental Protection Agency Office of the Chief Financial Officer, EPA-190-S-20-002 \(Feb. 2020\),](#)

[United States Environmental Protection Agency Fiscal Year 2021, Justification of Appropriation Estimates for the Committee on Appropriations, EPA-190-S-20-001 \(Feb. 2020\).](#)

Related People

- Pierce Werner – 804.567.4606 – pwerner@williamsmullen.com

Related Services

- Environment & Natural Resources