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June 30, 2005

The Honorable John J. Duncan, Jr.  
Chairman, Subcommittee on Water Resources and Environment  
Committee on Transportation and Infrastructure  
House of Representatives

Subject: *Hazardous Waste Programs: Information on Appropriations and Expenditures for Superfund, Brownfields, and Related Programs*

Dear Mr. Chairman:

Our July 2003 report on the status of the Environmental Protection Agency's (EPA) Superfund program included, among other things, data on the program's appropriations and expenditures for fiscal years 1993 to 2002.<sup>1</sup> In February 2004, we issued a report updating that information and, in May 2004, we broke down the appropriations data, reporting the amounts for the Superfund program as well as amounts designated for EPA's Brownfields program, the Agency for Toxic Substances and Disease Registry (ATSDR), and the National Institute of Environmental Health Sciences (NIEHS) that had previously been included in the Superfund appropriation.<sup>2</sup>

Superfund program operations are funded by appropriations from the Superfund trust fund. Historically, a tax on crude oil and certain chemicals and an environmental tax on corporations were the primary sources of revenues for the fund; however, the authority for these taxes expired in 1995. The trust fund continues to receive revenues in the form of cost recoveries, interest on the fund balance, fines and penalties, and general revenue fund appropriations.

EPA's Brownfields activities to clean up and redevelop underutilized industrial properties were funded under the Superfund appropriation until the Brownfields program appropriations were changed, based upon the Congress' passage of the Small Business Liability Relief and Brownfields Revitalization Act in January 2002. Since fiscal year 2003, the Brownfields program has been funded through EPA's

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<sup>1</sup>GAO, *Superfund Program: Current Status and Future Fiscal Challenges*, [GAO-03-850](#) (Washington, D.C.: July 31, 2003).

<sup>2</sup>GAO, *Superfund Program: Updated Appropriation and Expenditure Data*, [GAO-04-475R](#) (Washington, D.C.: Feb. 18, 2004) and GAO, *Superfund Program: Breakdown of Appropriation Data*, [GAO-04-787R](#) (Washington, D.C.: May 14, 2004).

Environmental Program Management and State and Tribal Assistance Grants appropriations, rather than Superfund. ATSDR and NIEHS—both under the Department of Health and Human Services—are responsible for certain Superfund-related activities. ATSDR is responsible for carrying out health-related activities; and NIEHS is responsible for basic research and worker training and education programs. Since fiscal year 2001, the Congress has provided ATSDR and NIEHS with funding for these activities directly, rather than through the Superfund program.

Our three reports<sup>3</sup> primarily focused on the Superfund program and included information on ATSDR, NIEHS, and the Brownfields program only for those fiscal years when their hazardous waste-related activities were funded through the Superfund program appropriations. To supplement the information in these reports, you asked us to determine the total funding and expenditure levels for EPA's Superfund and Brownfields programs and the Superfund-related programs of the ATSDR and NIEHS for fiscal years 1993 to 2005.

As enclosure I shows, total funding for the Superfund and Brownfields programs and the Superfund-related programs of the ATSDR and NIEHS, in current year dollars, remained relatively constant from fiscal year 1993 to fiscal year 2005. In inflation-adjusted dollars, however, the total funding for these programs decreased from about \$1.9 billion in fiscal year 1993 to about \$1.5 billion in fiscal year 2005.<sup>4</sup> Enclosure II shows information on expenditures for these programs for fiscal years 1993 through 2004. For fiscal years 1993 through 1998, the Brownfields expenditures are included within the Superfund expenditures and cannot be readily separated because, according to EPA, the Brownfields expenditures were not tracked separately in the agency's financial system. Also, NIEHS' expenditure records prior to fiscal year 1998 are no longer available because of its records retention policies. Furthermore, obligation data are presented for ATSDR because expenditure data were not readily available. Nevertheless, although incomplete, the available expenditure data indicate that, similar to the funding data, from fiscal year 1993 through 2004, the expenditures were relatively constant, in current year dollars; but, in inflation-adjusted dollars, they fluctuated over the period.

In preparing this report, we relied on our prior work on EPA's Superfund program, supplemented where appropriate through discussions with EPA, ATSDR, and NIEHS budget officials. We determined that the appropriations and expenditure data were sufficiently reliable for our analysis through our interviews with agency officials and reviews of the agencies' financial statement audit reports. We conducted our review from February through May 2005 in accordance with generally accepted government auditing standards.

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<sup>3</sup>GAO-03-850, GAO-04-475R, and GAO-04-787R.

<sup>4</sup>We adjusted the current year dollars for inflation using the Gross Domestic Product (Chained) Price Index, with 2004 as the reference year.

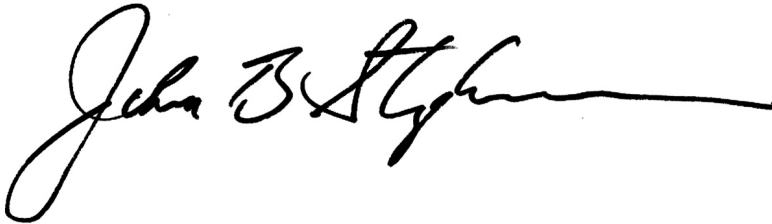
We provided ATSDR, NIEHS, and EPA with a draft of this report for their review and comment. ATSDR and NIEHS did not provide comments while EPA provided technical comments, which we have incorporated in this report as appropriate.

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As agreed with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until 5 days after the issue date. At that time, we will send copies of this report to the appropriate congressional committees; the Administrator, EPA; the Secretary of Health and Human Services; and other interested parties. We will also make copies available to others upon request. In addition, the report will be available at no charge on the GAO Web site at <http://www.gao.gov>.

If you or your staff have any questions concerning this report, please call me at (202) 512-3841. Key contributors to this report were Jerry Laudermilk, Judy Pagano, and Vincent P. Price.

Sincerely yours,

A handwritten signature in black ink, appearing to read "John B. Stephenson". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

John B. Stephenson  
Director, Natural Resources  
and Environment

Enclosures

**Funding for the Superfund, Brownfields, ATSDR, and NIEHS Programs, Fiscal Years 1993 through 2005<sup>a</sup>**

Dollars in millions													
	Fiscal years												
	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
<b>Program funding in current year dollars</b>													
Superfund <sup>b</sup>	\$1,467	\$1,379	\$1,224	\$1,195	\$1,239	\$1,279	\$1,273	\$1,178	\$1,179	\$1,175	\$1,265	\$1,258	\$1,247
Brownfields <sup>c</sup>	0 <sup>e</sup>	1	2	8	37	89	91	92	91	95	167	170	164
ATSDR <sup>d</sup>	60	67	69	59	64	74	76	70	75	78	82	73	76
NIEHS <sup>d</sup>	52	53	59	52	54	61	63	63	63	70	76	78	80
<b>Total</b>	<b>\$1,579</b>	<b>\$1,500</b>	<b>\$1,354</b>	<b>\$1,314</b>	<b>\$1,394</b>	<b>\$1,503</b>	<b>\$1,503</b>	<b>\$1,403</b>	<b>\$1,408</b>	<b>\$1,418</b>	<b>\$1,590</b>	<b>\$1,579</b>	<b>\$1,567</b>
<b>Program funding in constant 2004 dollars<sup>f</sup></b>													
Superfund <sup>b</sup>	\$1,797	\$1,654	\$1,437	\$1,377	\$1,403	\$1,431	\$1,406	\$1,275	\$1,247	\$1,220	\$1,290	\$1,258	\$1,223
Brownfields <sup>c</sup>	0 <sup>e</sup>	1	2	9	42	100	100	100	96	99	170	170	161
ATSDR <sup>d</sup>	73	80	81	68	72	83	84	76	79	81	84	73	75
NIEHS <sup>d</sup>	64	64	69	60	61	68	70	68	67	73	78	78	78
<b>Total</b>	<b>\$1,934</b>	<b>\$1,799</b>	<b>\$1,589</b>	<b>\$1,514</b>	<b>\$1,578</b>	<b>\$1,682</b>	<b>\$1,660</b>	<b>\$1,519</b>	<b>\$1,489</b>	<b>\$1,473</b>	<b>\$1,622</b>	<b>\$1,579</b>	<b>\$1,537</b>

Source: EPA, ATSDR, and NIEHS data.

<sup>a</sup>For purposes of this analysis, we excluded all emergency supplemental appropriations designated specifically for homeland security purposes.

<sup>b</sup>Superfund program funding is the enacted appropriations excluding amounts designated for the Brownfields, ATSDR, and NIEHS programs.

<sup>c</sup>Brownfields funding includes amounts received through the Superfund appropriations for fiscal years 1993 through 2002 and direct appropriations for fiscal years 2003 through 2005.

<sup>d</sup>ATSDR and NIEHS funding includes amounts received through the Superfund appropriations for fiscal years 1993 through 2000 and direct appropriations for fiscal years 2001 through 2005.

<sup>e</sup>The amount designated for the Brownfields program in fiscal year 1993 was \$0.15 million in current year dollars and \$0.18 in constant year 2004 dollars.

<sup>f</sup>We adjusted the current year dollars for inflation using the Gross Domestic Product (Chained) Price Index, with 2004 as the reference year.

Enclosure II

**Expenditures for the Superfund, Brownfields, ATSDR, and NIEHS Programs, Fiscal Years 1993 through 2004<sup>a, e</sup>**

Dollars in millions												
	Fiscal years											
	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>Expenditures in current year dollars<sup>c</sup></b>												
Superfund expenditures <sup>b</sup>	\$1,329	\$1,473	\$1,460	\$1,305	\$1,361	\$1,337	\$1,512	\$1,502	\$1,406	\$1,344	\$1,501	\$1,389
Brownfields expenditures	<sup>c</sup>	<sup>c</sup>	<sup>c</sup>	<sup>c</sup>	<sup>c</sup>	<sup>c</sup>	9	25	47	68	74	14
NIEHS expenditures	<sup>d</sup>	<sup>d</sup>	<sup>d</sup>	<sup>d</sup>	<sup>d</sup>	61	63	63	63	70	73	23
ATSDR obligations <sup>e</sup>	60	67	69	59	64	74	76	70	75	78	82	73
<b>Expenditures in constant 2004 dollars<sup>e, f</sup></b>												
Superfund expenditures <sup>b</sup>	\$1,628	\$1,766	\$1,715	\$1,504	\$1,541	\$1,496	\$1,670	\$1,626	\$1,487	\$1,396	\$1,531	\$1,389
Brownfields expenditures	<sup>c</sup>	<sup>c</sup>	<sup>c</sup>	<sup>c</sup>	<sup>c</sup>	<sup>c</sup>	10	27	50	71	75	14
NIEHS expenditures	<sup>d</sup>	<sup>d</sup>	<sup>d</sup>	<sup>d</sup>	<sup>d</sup>	68	70	68	67	73	74	23
ATSDR obligations <sup>e</sup>	73	80	81	68	72	83	84	76	79	81	84	73

Source: EPA, ATSDR, and NIEHS data.

Note: Totals are not shown because the data are incomplete and include both expenditures and obligations, which cannot appropriately be combined.

<sup>a</sup>For purposes of this analysis, we excluded all expenditures related to emergency supplemental appropriations designated specifically for homeland security purposes.

<sup>b</sup>Superfund expenditures include amounts from resources authorized to be spent only for specific sites identified in settlement agreements and exclude expenditures from resources transferred to Science and Technology and Inspector General accounts. The Superfund expenditure data are current as of March 2005.

<sup>c</sup>For fiscal years 1993 through 1998, Brownfields expenditures are included with the Superfund expenditures and were not separately tracked. The Brownfields expenditure data are current as of April 2005.

<sup>d</sup>NIEHS expenditures for fiscal years 1993 through 1997 are not available. The NIEHS expenditure data are current as of March 2005.

<sup>e</sup>For ATSDR, expenditure data were not readily available. Amounts presented are obligations against current year funding.

<sup>f</sup>We adjusted the current year dollars for inflation using the Gross Domestic Product (Chained) Price Index, with 2004 as the reference year.

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