

# Senate appropriators release spending bills for 2023, propose smaller EPA funding increase than House

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The Senate Appropriations Committee released (<https://www.appropriations.senate.gov/news/majority/breaking-chairman-leahy-releases-fiscal-year-2023-senate-appropriations-bills>) its proposed versions of all twelve fiscal year 2023 spending bills last week, including an Interior-EPA measure that would provide less overall funding to the EPA than the plan passed (<https://www.amwa.net/article/house-passes-government-spending-bill-package-includes-115-billion-epa>) by the House and requested by the president's budget (<https://www.amwa.net/article/president-biden-seeks-fy23-epa-budget-boost>). Despite a consistent pattern of providing less programmatic funding than the House bill, the Senate bill would provide a modest increase in funding to state revolving funds and give EPA funding to assess low-income water ratepayer assistance needs.

Under the spending bill (<https://www.appropriations.senate.gov/imo/media/doc/INTFY2023.PDF>) released by the Senate, the EPA would receive a more modest increase in funds, receiving \$10.6 billion total, compared to the \$11.5 billion total funding allotted in the bill passed (<https://www.amwa.net/article/house-passes-government-spending-bill-package-includes-115-billion-epa>) by the House in July. President Biden had requested \$11.9 billion for EPA in March.

Of note, the Senate bill would provide a small increase in funding for the Drinking Water State Revolving Fund (SRF) and the Water Infrastructure Finance and Innovation Act (WIFIA) program compared to the House Interior-EPA spending bill. The Senate bill would provide \$1.176 billion for the Drinking Water State Revolving Fund, compared to \$1.126 billion provided by the House bill. Additionally, the Senate bill would provide \$75 million for the Water Infrastructure Finance and Innovation Act (WIFIA) program, \$3 million more than proposed by the House.

Also included in the Senate proposal (<https://www.appropriations.senate.gov/imo/media/doc/INTFY23RPT.PDF>) is \$3 million for a needs assessment of nationwide rural and urban low-income community water assistance authorized in last year's Bipartisan Infrastructure Law (BIL). The needs assessment would evaluate water assistance programs and water affordability, including data on rate structure, service disconnections due to customer nonpayment for services, service restorations following disconnection for nonpayment, customer arrearages, unpaid bills sent

to the local taxing authority for collection, and any information regarding water assistance programs or payment plans offered. EPA must complete the needs assessment before standing up a new Rural and Low-Income Water Assistance Pilot Program authorized in the BIL with AMWA's strong support (<https://www.amwa.net/article/water-infrastructure-bill-marches-forward-unanimous-support-senate-committee>).

Among other water infrastructure programs, the spending bill released by the Senate would provide less funding than the House Interior-EPA spending bill, including:

- \$1.689 billion for the Clean Water State Revolving Fund, which is modestly less than the \$1.752 provided in the House bill;
- \$26 million for Reducing Lead in Drinking Water grants, or about half as much as the House bill includes; and
- \$31.5 million for lead testing in schools and childcare centers, around \$3 million less than the House bill would provide.

Of the \$2.865 billion provided to the DW and CW SRF programs, the Senate measure would set aside more than \$565 million for project earmarks. By comparison, the House-approved EPA spending bill included nearly \$1 billion worth of drinking water and wastewater earmarks.

Like the House-passed bill, the Senate funding bill does not fund the president's request (<https://www.amwa.net/article/president-biden-seeks-fy23-epa-budget-boost>) of \$25 million for a new grant program "to meet cybersecurity infrastructure needs within the water sector." Also absent from the Senate bill is funding for EPA's Midsize and Large Drinking Water System Infrastructure Resilience Program, which AMWA has long supported (<https://www.amwa.net/article/enactment-new-climate-resilience-program-achieves-longstanding-amwa-priority>). In fact, while the House proposed a total of \$65 million to fund the resilience program and nine other new programs authorized in the BIL, the Senate only would provide a total of \$13 million for two of the new programs.

Outside of water infrastructure, the Senate bill would provide more modest increases in funding for promoting environmental justice and addressing PFAS. The Senate bill would award \$180 million to environmental justice programs, which is less than the \$301 million in the House bill. Similarly, the Senate bill provides no funding for scientific and regulatory work on PFAS compared to the \$126 million included in the House bill.

The House and Senate will now begin negotiations to finalize FY23 programmatic funding levels for EPA and determine which projects will benefit from earmarks. While the 2023 fiscal year begins on October 1, lawmakers are unlikely to finalize an omnibus spending bill before the end of the calendar year.

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