

# 2025 Annual Appropriations (as of July 1, 2024)

#### **Status:**

- U.S. House of Representatives: Appropriations Committee will vote on the appropriations bill on Tuesday, July 9, 2024.
- U.S. Senate: The Appropriations Committee has not released a bill yet. No markups have been scheduled.

## **U.S. House of Representatives**

On Friday, June 28, the U.S. House of Representatives' Appropriations Subcommittee on Interior, Environment and Related Agencies voted, 7 – 4, to advance the <u>2025 appropriations bill</u> for the U.S. Environmental Protection Agency (EPA), which includes funding for the Clean Water and Drinking Water State Revolving Funds (SRFs) and <u>congressional earmarks</u> funded by the SRF capitalization grants. The full Appropriations Committee will vote on the bill on Tuesday, July 9.

#### **Funding:**

- Cuts topline annual federal funding (capitalization grants) for the SRFs by 25% compared to topline annual federal funding for the last seven years.
- Diverts half of annual federal funding from SRF subsidized loan programs to provide grants for 895 congressional earmarks.

2025 House Appropriations						
<b>Estimated Allocation</b>	Clean Water	%	<b>Drinking Water</b>	%	Total	%
Capitalization Grant	\$1,203,013,000		\$883,515,000		\$2,086,528,000	
Congressional Earmarks	(\$553,936,004)	46%	(\$479,541,446)	54%	(\$1,033,477,450)	50%
Deductions*	(\$21,482,000)	2%	(\$20,580,000)	2%	(\$42,062,000)	2%
Available for SRFs	\$627,594,996	52%	\$383,393,554	43%	\$1,010,988,550	48%

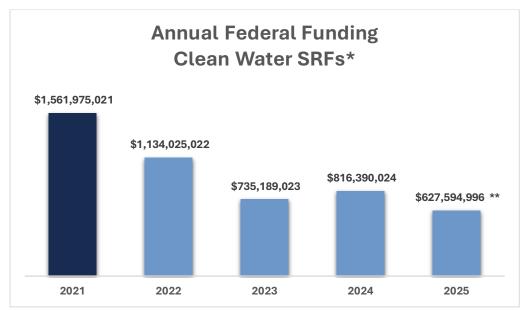
<sup>\*</sup>Deductions include estimated allocations to Tribes, Territories, Washington, D.C., and state 604(b) grants, and estimated administrative set-aside for American Iron and Steel, \$1.5 million for the Clean Watershed Needs Survey and \$12 million to monitor unregulated contaminants in drinking water.

#### **Policy:**

- Maintains the federal mandate that SRFs provide a percentage of annual federal funding for additional subsidy (grants and principal forgiveness) – 10% for the Clean Water SRFs and 14% for the Drinking Water SRFs.
  - These longstanding mandates in the appropriations bill are <u>in addition to</u> federal mandates established by the 2021 Infrastructure Investment and Jobs Act 10% for the Clean Water SRFs and 12% for Drinking Water SRFs. Together, total federal mandates are 20% for the Clean Water SRFs and 26% for the Drinking Water SRFs.
- Eliminates the federal mandate that 10% of annual federal funding be used for eligible "green" projects, also known as the Green Project Reserve (GPR).
- Congress continues to waive federal procurement requirements for congressional earmarks.

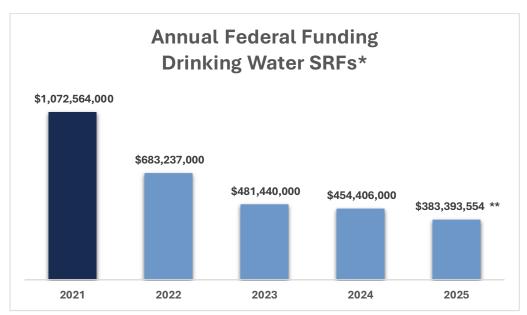
### **Trendline:**

- Despite historic inflation that has caused construction costs to skyrocket, Congress has maintained topline annual federal funding (capitalization grants) for the SRFs since 2018.
- Since congressional earmarks returned in 2022, Congress has diverted \$3.73 billion (45%) in annual federal funding from SRF state subsidized loan programs to provide grants for congressional earmarks.
- If the House bill passes, the four-year total amount diverted from the SRF state loan programs would be \$4.77 billion (45%) to provide grants for congressional earmarks.



<sup>\*</sup>Reflects funding for the SRFs after deductions for Tribes, Territories, Washington, D.C., EPA administration and congressional earmarks.

<sup>\*\*</sup>Estimated.



<sup>\*</sup>Reflects funding for the SRFs after deductions for Tribes, Territories, Washington, D.C., EPA administration and congressional earmarks.

<sup>\*\*</sup>Estimated.