



Fiscal Year 2014 Federal Appropriations

NCSL Natural Resources and Infrastructure Committee

On Jan. 17, President Obama signed into law the [Consolidated Appropriations Act of 2014](#), a bill that will fund the federal government for Fiscal Year 2014 at an overall level of \$1.012 trillion, an increase of \$45 billion in comparison to FY 2013 levels, post sequestration¹. The bill includes all 12 of the spending bills that fund various programs throughout the government. Of the 12 spending bills, four (Interior/Environment, Energy/Water, Transportation and Agriculture) are relevant to the issues covered by the NRI Committee.

FY 2014 Interior/Environment Appropriations

Overall, [the Interior/Environment Appropriations section](#) of the Omnibus legislation provides a total of \$30.1 billion, an increase of \$1.7 billion from FY 2013, with the Department of Interior (DOI) being funded at \$10.4 billion, an increase of \$492 million above FY 2013 and the Environmental Protection Agency (EPA) at \$8.2 billion, an increase of \$300 from FY 2013. Funding for state environmental grants and programs² is above what Congress has approved in recent years. In fact, within the EPA budget \$1.05 billion will be distributed to state environmental programs, an increase of \$22 million above FY 2013.

Department of Interior Programs:

- **Fire Prevention** – \$3.9 billion for firefighting and hazardous fuels reduction programs, which meets the 10-year average for fire suppression costs. The bill does not include a proposal by Senators Mike Crapo (R-Idaho) and Ron Wyden (D-Ore.) to fund large and costly forest fires through nondiscretionary emergency funds.
- **Land and Water Conservation Fund (LWCF)** – \$306 million for the LWCF, which supports conservation efforts across the nation through matching state grants and other easements. While this is only a slight reduction from FY 2013 enacted levels (by less than \$1 million), the House Appropriations Committee proposed to cut the program entirely.
- **Office of Surface Mining** – \$69 million of the \$150 million Office of Surface Mining budget will go to state grants to implement state programs without increasing fees on the mining industry.

¹ From here on all numbers labeled as “FY 2013” are at post-sequestration levels, unless otherwise noted.

² See the chart on page 4 for more information on state program funding

Interior-related Policy Provisions:

- **Grazing Fees** – The legislation includes a provision to prohibit a proposal from President Obama that would allow grazing fees to be charged on public lands.
- **Forest Stewardship Contracting** – A provision temporarily extends the program of allowing the federal government to sell timber contracts and use the proceeds for forest restoration projects, through Sept. 30, 2014. The program would have expired when the continuing resolution expired on Jan. 15, 2014.
- **Fish and Wildlife Service Grants** – A provision to maintain funds to the Fish and Wildlife Services for effective state wildlife grant programs

Environmental Protection Agency Programs:

- **State Assistance Grants** – \$3.53 billion total for State and Tribal Assistance Grants, an increase of \$138 million from FY 2013, including:
 - **State Revolving Funds** –\$1.5 billion for the **Clean Water State Revolving Fund**, an increase not only of \$73 million above FY 2013, but also an increase above the president’s FY 2014 request of \$1.1 billion. Additionally, the **Drinking Water State Revolving Fund** was increased to \$907 million, an increase above FY 2013 by \$46 million and more than the president’s FY 2014 request by \$90 million.
- **Superfund** – \$1.08 billion was provided to the program for cleaning up abandoned hazardous waste sites, a decrease of \$136 million from FY 2013.
- **Leaking Underground Storage Tank Cleanup** – \$94.6 million was provided to the cleanup efforts, a slight decrease of \$10 million from FY 2013.

EPA-related Policy Provisions Included:

- **Regional Haze** – A provision requiring EPA to work with states to resolve differences on regional haze issues.
- **Emissions from Livestock** – Provisions to block certain EPA regulations on greenhouse gas emissions from livestock. Notably the bill does not address the recently released and forthcoming power plant emission rules.
- **Overseas Coal** – A provision to put a hold on regulations, proposed in November, that would stop the funding of overseas coal-fired power plants.
- **Payments in Lieu of Taxes (PILT)** – Funding for PILT was not dedicated in the bill, but the House Appropriations Committee noted in their summary that “payments for FY 2014 will be addressed expeditiously by the appropriate authorizing committees” in both chambers. As

outlined in Natural Resource and Infrastructure Committee's [Rural Policy Directive](#), NCSL urges the federal government to fully fund PILT.

FY 2014 Energy/Water Appropriations

Overall, the omnibus bill provides \$34 billion in total for [Energy and Water](#) programs. Within the appropriations, the Department of Energy will receive \$26.5 billion, an increase of \$1.3 billion above FY 2013.

Energy-related Programs:

- **Weatherization Assistance Program (WAP)** –\$174 million, an increase of \$109 million from FY 2013, will be provided to states to be used in the improvement of energy performance in homes of low-income families to permanently reduce their energy bills.
- **State Energy Program** –\$50 million, a \$3 million decrease from FY 2013, to provide financial and technical assistance to states to address energy priorities.
- **Office of Energy Efficiency and Renewable Energy (EERE)** –\$1.9 billion, a \$100 million increase from FY 2013.
- **Office of Fossil Energy** – \$562 million, a \$30 million increase from FY 2013

Energy-related Policy Provisions Included:

- **Yucca Mountain**– A provision to continue efforts to dispose of nuclear waste at Yucca Mountain in Nevada through prior-year funding. The bill does not provide any new funds.
- **Light Bulbs** – A provision that would prohibit the administration from banning the use and sale of incandescent light bulbs. The Energy Independence and Security Act of 2007 set higher efficiency standards for common light bulbs, giving the administration the authority to phase out less efficient light bulbs according to the act's standards. The final phase out of the incandescent light bulbs went into effect Jan. 1, 2014.

Other Appropriations of Note:

- **The Low Income Home Energy Assistance Program (LIHEAP)** – \$3.45 billion, a \$169 million increase from FY 2013, to allow states to provide home energy assistance to low-income households throughout the year.
- **Bureau of Land Reclamation** – \$1.1 billion, a \$44 million increase from FY 2013 enacted levels, for programs to maintain, develop and protect water resources in the western states.

HIGHLIGHTS OF SELECTED, ENERGY AND ENVIRONMENTAL PROGRAMS IN THE FY 2014 PROPOSED BUDGETS AND APPROPRIATIONS

(Federal fiscal year, dollars in millions)

Program	FY13 -Post Sequester (CR)	President's FY14 Proposal ³	FY14 Omnibus ⁴
U.S. Environmental Protection Agency			
Brownfields	\$89.8 ⁵	\$85.0	\$90
Clean Water State Revolving Fund (CWSRF)	1,378 ⁶	1,095	1,448
Diesel Emissions Reduction Grant Program	19.9	6.0	20
Drinking Water State Revolving Fund (DWSRF)	862.5 ⁷	817.0	907
Superfund	1,216 ⁸	1,180	1,080
Leaking Underground Storage Tanks (LUST)	104.7	99.2	94.6
State and Local Air Quality Management Grants	223.4	257.2	228.2
Water Pollution Control (Sec. 106)	233.9	258.6 ⁹	230.8
U.S. Department of Energy (DOE)			
Small Modular Reactor Program	67.4	70.0	110
State Energy Program Grants	47.0	57.0	50
Weatherization Assistance Program	64.5	184	174
U.S. Department of Health and Human Services (HHS)			
Low Income Home Energy Assistance (LIHEAP)	3,297	3,020	3,450

³ Released April 10, 2013

⁴ Released January 13, 2013

⁵ An additional \$5 million was rescinded from the Brownfields program in unobligated funds

⁶ An additional \$10 million was rescinded from the CWSRF in unobligated funds

⁷ An additional \$10 million was rescinded from the DWSRF in unobligated funds

⁸ An additional \$15 million was rescinded from the Hazardous Substance Superfund in unobligated funds

⁹ Includes \$15 million set-aside designated for states that commit to strengthening their nutrient management efforts consistent with EPA's Office of Water (OW) guidance issued in March 2011

FY 2014 Transportation Appropriations

Overall, the bill provides \$17.8 billion in discretionary funding and \$53.5 billion in non-discretionary funding (revenue collected through the Highway Trust Fund for both highways and public transit) for the Department of Transportation (DOT). A [preliminary analysis from Federal Funds Information for States \(FFIS\)](#) indicates that, in total, federal transportation programs that provide funds to states would see an increase of 1.6 percent¹⁰.

Highways

The bill includes \$41 billion for highway and road funding, which [matches the funding level authorized in MAP-21](#), and is more than \$600 million above FY 2013. This amount is then sub divided into five main programs that make up federal-state highway programs¹¹:

- Highway Performance Program
- Surface Transportation Program
- Highway Safety Improvement Program
- Congestion Mitigation and Air Quality program
- Transportation Alternatives Program

Transit

Overall, the bill contains \$2.15 billion in discretionary funding for the Federal Transit Administration (FTA), as well as provides \$8.6 billion in funding from the Mass Transit Account which matches the amount authorized in MAP-21. Mass Transit Account funds are distributed to states primarily through formulas specific to individual programs¹².

- [FTA's "New Starts" program](#) – \$1.94 billion, \$88 million above FY 2013. This program is FTA's primary grant program for funding major transit capital investments, including rapid rail, light rail, bus rapid transit, commuter rail, and ferries.

Safety

- **National Highway Traffic Safety Administration (NHTSA)** – \$819 million in both mandatory and discretionary funding, an increase of \$8.9 million over the FY 2013 enacted level. For federal-state programs, the bill includes:
 - \$235 million for Highway Safety Programs (section 402)

¹⁰ See the chart on page 7 for more information on state program funding

¹¹ For a complete breakdown of the percentages allotted to these programs please [click here](#) (begin on page 6)

¹² For a complete breakdown of the percentages allotted to the state-federal programs please [click here](#) (begin on page 13)

- \$272 million for National Priority Safety Programs (section 405)
- **Federal Motor Carrier Safety Administration** – \$585 million in funding, an increase of \$24 million above the FY 2013 enacted level.

Rail

- **Federal Railroad Administration** – \$1.6 billion, a \$34.6 million reduction compared to FY 2013.
- **Amtrak**– \$1.39 billion in funding, \$47 million above FY 2013. This total is split between \$340 million in operating assistance and \$1.05 billion in capital funding. The bill does not provide funds for high speed rail projects.

Air

- **Federal Aviation Administration (FAA)** – \$12.4 billion, a reduction of \$168 million from FY 2013 enacted levels. The bill also would impose reporting requirements on FAA regarding the use of commercial drones.
 - **Airport Improvement Program** – \$3.35 billion via the Grants In Aid For Airports Program, a very slight, 0.2 percent increase from FY 2013. This is competitively funded program that provides grants to the public for the planning and development of public-use airports.
 - **Essential Air Service (EAS) program** – \$249 million, a \$6 million increase form FY 2013, for subsidizing flights to low-use rural airports. Additionally, the program would be barred from renewing contracts for communities that are less than 40 miles from a hub airport without some kind of cost sharing agreement.
- **Transportation Security Administration (TSA)** – \$4.9 billion, a decrease of \$225 million from FY 2013.
- **Cellular Phone Use Rule** – The bill contains a policy provision requiring the Federal Communications Commission to consult with the secretaries of DOT and the Department of Homeland Security, as well as the Federal Bureau of Investigation, before promulgating a final rule that would allow passengers to use cellular phones for voice calls during flight.

Water

- **U.S. Army Corps of Engineers (USACE)** – \$5.5 billion, \$748 million above FY 2013, to maintain the nation’s water and related environmental resources.
- **Harbor Maintenance Trust Fund (HMTF)** – Authorizes over \$1 billion in funding. However, this is well below the \$2 billion the USACE expects to collect in 2014¹³ from the Harbor Maintenance Tax and interest payments.

¹³ [CRS Report on HMTF](#)

Multi-Modal

- **Transportation Investment Generating Economic Recovery (TIGER)** – \$600 million, an increase of \$474 million in 2013, to the grant program to provide DOT with funds to invest in road, rail, transit and port projects that will have a significant impact on the Nation, a region or a metropolitan area. Funds are awarded competitively with a certain set aside for projects in rural areas.

HIGHLIGHTS OF SELECTED STATE-FEDERAL TRANSPORTATION PROGRAMS IN THE FY 2014 BUDGET AND APPROPRIATION BILLS

(Federal fiscal year, dollars in millions)

Program	FY 2013 Post Sequester	FY 2014 Omnibus	FY 2014 vs. FY 2012
Federal Aviation Administration (FAA)			
Airport Obligation Limitation	\$3,343	\$3,350	7
Federal Highway Administration (FHWA)			
Highway Obligation Limitation	39,620	40,256	636
Highway Traffic Safety Obligation Limitation	553	562	8
Federal Transit Administration (FTA)			
Formula and Bus Grants Obligation Limitation	8,461	8,595	134
Capital Investment Grants (New Starts)	1,853	1,943	90

FY 2014 Agriculture Appropriations

Overall, the bill provides \$20.9 billion for the U.S. Department of Agriculture (USDA) and the Food and Drug Administration (FDA), an increase of \$350 million over FY 2013. \$53 million is included in the FDA funds to continue implementation of the Food Safety Modernization Act (FSMA).

Agriculture

- **Agricultural Research Service (ARS)** – \$1.122 billion, \$105 million above the FY 2013 enacted level.
- **Farm Service Agency (FSA)** – \$1.178 billion, \$63 million above the FY 2013 enacted level.
- **Animal and Plant Health Inspection Service (APHIS)** – \$822 million, \$63 above the FY 2013 enacted level.

Conservation

- **Natural Resources Conservation Service (NRCS)** – \$813 million, \$46 million above the FY 2013 enacted level.

Rural Development

- The bill provides a total of \$2.4 billion for rural development programs, \$180 million above the FY 2013 enacted level. This includes \$1.1 billion for the Rural Development Rental Assistance Program, \$273 million above the FY 2013 enacted level.

Agriculture-related Policy Provisions:

- **Horse Slaughter** – Would reinstate a ban on inspections of horse slaughter facilities.
- **Grain Inspection** – Prevents USDA's Grain Inspection, Stockyards and Packers Administration (GIPSA) from finalizing regulations related to contracts for livestock and poultry growers.
- **Country of Origin Labeling (COOL)** – Strongly encourages USDA to hold off regulations on COOL until the World Trade Organization takes action.
- **Small Farm Regulation** – Prevents the Occupational Safety & Health Administration (OSHA) from expanding its regulatory oversight onto farms with fewer than 10 employees.

Please be sure to be on the lookout for additional information from NCSL on agriculture funding, should Congress take action on the 2014 Farm Bill.

On Jan. 14, the administration announced that the president's FY 2015 budget will likely be delayed until March. However, no release date has been provided. By statute, the budget is due the first Monday in February.

FOR MORE INFORMATION, PLEASE CONTACT:

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Additional Resources:

- [NCSL Federal Budget Overview](#)
- [NRI Committee Federal Budget Webpage](#)
- [Federal Funds Information for States \(FFIS\) Omnibus Spending Table](#)
- [House Appropriations Committee Overview](#)
- [Senate Appropriations Committee Overview](#)