United States General Accounting Office

Briefing Report to the Ranking Minority Member, Committee on Environment and Public Works, U. S. Senate

March 1987

SUPERFUND

Funding for the Agency for Toxic Substances and Disease Registry
March 13, 1987

The Honorable Robert T. Stafford
Ranking Minority Member
Committee on Environment and
Public Works
United States Senate

Dear Senator Stafford:

In your January 8, 1987, letter, you asked that we review the implementation of section 111(h) of the Superfund Amendments and Reauthorization Act of 1986 (SARA). Section 111(h) authorizes minimum funding levels to be made directly available to the Agency for Toxic Substances and Disease Registry (ATSDR) for fiscal years 1987 through 1991. Your letter specifically asked us to determine the manner in which this provision is being implemented and whether the law is being complied with.

In summary, we found that neither the Environmental Protection Agency (EPA) nor the Office of Management and Budget (OMB) is violating the law by reviewing or revising ATSDR's budget request—even below the minimum authorized amount—before the President submits it to the Congress. EPA can continue to request that ATSDR prepare an annual budget proposal and submit it to EPA for review. However, we believe EPA no longer has the authority to direct, through interagency agreements or any other means, how ATSDR spends the money authorized under section 111(h).

SARA amends and reauthorizes through 1991 the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, commonly known as Superfund. Under Superfund, EPA is responsible for cleaning up the nation's most hazardous waste sites. Other federal agencies and departments, including ATSDR, also have responsibilities under Superfund. As the lead agency for implementing Superfund, EPA reviews and may revise the budget requests for all agencies and departments requesting Superfund money, submits a consolidated Superfund budget to OMB, and transfers money from the Hazardous Substances Response Trust Fund¹ to the organizations by means of interagency agreements. ATSDR was created by Superfund and established within the Department

¹A trust fund created by the Superfund act, dedicated to financing hazardous waste site cleanup.
of Health and Human Services' Public Health Service in April 1983 to carry out Superfund's health-related activities.

Prior to the 1986 amendments, EPA and OMB consistently reduced ATSDR's annual budget request. Each year Congress then earmarked an increased amount for ATSDR from the Superfund appropriation. With section 111(h) of SARA, Congress earmarked funding for ATSDR through 1991.

To determine if Superfund money is being made directly available to ATSDR and whether section 111(h) of SARA is being complied with, we examined how ATSDR's budget is prepared and submitted to Congress, how funds are transferred from Superfund to ATSDR, and whether EPA plans to change these procedures.

EPA transferred the funds appropriated for fiscal year 1987 to ATSDR by an interagency agreement. The agreement places restrictions on how ATSDR can spend these funds. ATSDR submitted its fiscal year 1988 budget to EPA, which reviewed and then reduced ATSDR's request. After negotiations and appeals, EPA submitted to OMB a request for $50 million, the minimum amount earmarked by SARA. In the future, EPA plans to follow the same procedures to review and submit ATSDR's budget to OMB and to transfer funds.

We concluded that EPA's and OMB's review of ATSDR's annual budget request does not violate section 111(h) of SARA, which secures minimum funding for ATSDR that can only be changed by Congress. However, it is also our opinion that this provision prohibits EPA from specifying how ATSDR should spend Superfund money. Therefore, we are recommending that the Administrator, EPA, not place any restrictions, through interagency agreements or any other means, on the use of funds earmarked for ATSDR under section 111(h) of SARA. (See p. 16.)

In conducting our review, we contacted ATSDR headquarters officials in Atlanta and EPA and OMB officials. We also reviewed various ATSDR and EPA records and the legislative history of section 111(h) of SARA.

Sections 1 and 2 of this report present background information on the Superfund program, ATSDR's responsibilities, and how section 111(h) of SARA has been implemented. Section 3 contains our opinion on compliance with section 111(h). Section 4 describes more fully our objectives, scope, and methodology.
As you requested, we did not ask the agencies to review and comment officially on a draft of this report. We did, however, obtain the views of ATSDR, EPA, and OMB officials during the course of our work and have incorporated their comments where appropriate.

As arranged with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until three days from the date of this letter. At that time, we will send copies to the EPA and ATSDR Administrators; the Director, OMB; and other interested parties, and will make copies available to others upon request. Additional information on this report can be obtained by calling Hugh J. Wessinger, Senior Associate Director, at (202) 275-5489.

Major contributors to this report are listed in appendix I.

Sincerely yours,

J. Dexter Peach
Assistant Comptroller General
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<th>ABBREVIATIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATSDR</td>
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<tr>
<td>Agency for Toxic Substances and Disease Registry</td>
</tr>
<tr>
<td>EPA</td>
</tr>
<tr>
<td>Environmental Protection Agency</td>
</tr>
<tr>
<td>GAO</td>
</tr>
<tr>
<td>General Accounting Office</td>
</tr>
<tr>
<td>HHS</td>
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<tr>
<td>Health and Human Services</td>
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<tr>
<td>IAG</td>
</tr>
<tr>
<td>interagency agreement</td>
</tr>
<tr>
<td>OERR</td>
</tr>
<tr>
<td>Office of Emergency and Remedial Response</td>
</tr>
<tr>
<td>OMB</td>
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<tr>
<td>Office of Management and Budget</td>
</tr>
<tr>
<td>SARA</td>
</tr>
<tr>
<td>Superfund Amendments and Reauthorization Act</td>
</tr>
</tbody>
</table>
SECTION I

BACKGROUND

PROGRAM AUTHORITIES AND RESPONSIBILITIES

The Superfund Amendments and Reauthorization Act of 1986 (SARA) (Public Law 99-499) extends and amends the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (Public Law 96-510), commonly referred to as Superfund. The 1980 act created a 5-year, $1.6 billion hazardous waste cleanup fund and required the Environmental Protection Agency (EPA) to clean up the nation's worst hazardous waste sites. SARA reauthorized Superfund for five more years and increased the fund to $8.5 billion.

EPA has been delegated by the President primary responsibility for carrying out the provisions of Superfund. Executive Order 12580,1 signed on January 23, 1987, and the National Oil and Hazardous Substances Contingency Plan 2 establish EPA's lead role in implementing the Superfund program. The Order gives EPA the specific responsibility of submitting a consolidated Superfund budget request to the Office of Management and Budget (OMB) that includes the requests of other agencies and departments with Superfund responsibilities. 3 It further makes EPA responsible for transferring appropriated money from Superfund to other agencies.

The Agency for Toxic Substances and Disease Registry (ATSDR) was created by Superfund and established within the Public Health Service of the Department of Health and Human Services (HHS) in April 1983 to carry out Superfund's health-related activities.4

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1This order replaced Executive Order 12316, dated August 14, 1981.

2The Plan specifies the responsibilities and powers of the various federal agencies involved in the Superfund program.

3Other agencies receiving Superfund money include the Departments of Justice, Interior, and Health and Human Services, the Federal Emergency Management Agency, the National Oceanic and Atmospheric Administration, and the Occupational Safety and Health Administration.

4Prior to April 1983, other parts of HHS carried out Superfund activities.
These activities include

-- establishing and maintaining a national registry of persons exposed to toxic substances and a national registry of persons with diseases and illnesses caused by toxic substances;

-- establishing and maintaining an inventory of literature, research, and studies on the health effects of toxic substances;

-- establishing and maintaining a complete listing of areas closed to the public or otherwise restricted in use because of toxic substance contamination;

-- providing medical care and testing for persons exposed to toxic substances; and

-- conducting health studies, laboratory projects, and chemical testing to determine relationships between exposure to toxic substances and illness.

SARA, which was signed by the President on October 17, 1986, expanded ATSDR's responsibilities to also include

-- performing health assessments for each facility on the National Priorities List, as well as performing health assessments at a citizen's request when individuals may have been exposed to a hazardous substance;\(^5\)

-- conducting pilot studies of health effects for selected groups of exposed individuals and full scale epidemiological studies as necessary;

-- providing consultation on health issues relating to exposure to hazardous or toxic substances; and

-- initiating health surveillance programs for populations who are at significant increased risk of adverse health effects from exposure to hazardous substances.

SARA also created several new requirements for EPA and ATSDR to undertake together. For example, the two agencies must make and annually revise a list of hazardous substances found at sites on the National Priorities List. They must also work cooperatively to prepare a toxicological profile on each listed hazardous substance.

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\(^5\)The National Priorities List identifies the nation's worst hazardous waste sites that are eligible for long-term cleanup under Superfund.
and to conduct research on substances with unknown health effects. ATSDR's health assessments at sites on the National Priorities List must be scheduled jointly with EPA to assess the most dangerous sites first.

To fund these activities, Congress earmarked minimum funding levels for ATSDR for fiscal years 1987 through 1991. Section 111(h) of SARA states:

"There shall be directly available to the Agency for Toxic Substances and Disease Registry to be used for the purpose of carrying out activities described in subsection (c)(4) and section 104(i) not less than $50,000,000 per fiscal year for each of fiscal years 1987 and 1988, not less than $55,000,000 for fiscal year 1989, and not less than $60,000,000 per fiscal year for each of fiscal years 1990 and 1991. Any funds so made available which are not obligated by the end of the fiscal year in which made available shall be returned to the Fund."  

THE SUPERFUND BUDGET PROCESS

To fund its Superfund activities under SARA, ATSDR and other agencies participating in Superfund submit budgets to EPA each fiscal year. Typically, the Superfund budget process begins about May, when agencies requesting Superfund money submit budget proposals to EPA. The budget requests describe the Superfund activities that the agencies plan to undertake and estimate the resources needed to accomplish the plans.

Several headquarters and regional offices within EPA review the budget requests and recommend the agencies' share of the entire Superfund budget request. EPA's Office of Emergency and Remedial Response (OERR) reviews and revises the initial budget requests. Between late May and early June, EPA budget and program staff meet with the other agencies individually and discuss their budget requests. EPA offices with an interest in the work of a particular agency participate in the meetings. EPA budget and program staff then recommend to EPA's Administrator budget amounts for the other agencies. EPA's comptroller assembles the entire budget request and sends it to the Administrator. Between July and mid-August, the Administrator approves the entire budget request. In mid-August agencies are notified of the budget request and are given an opportunity to appeal the amount. In early September, EPA sends the entire Superfund budget to OMB.

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6Our previous discussion described the activities listed in subsection (c)(4) and section 104(i).
From September through November, OMB reviews the budget and participates in the final executive branch decision on the funds to be requested for Superfund activities. OMB holds hearings with EPA and sometimes with the other federal agencies requesting Superfund money. At the end of November, OMB returns a revised budget request to EPA. During the first week in December, EPA has the opportunity to appeal the budget request. The President submits the proposed budget to Congress during the first week that Congress is in session during January. Congress then appropriates money for Superfund for the fiscal year beginning October 1. Congress may provide direction to the executive branch concerning how Superfund resources are to be used and designate that funds be earmarked exclusively for use by specific federal agencies. EPA transfers the appropriated funds to the other agencies by interagency agreements (IAGs) signed by both parties.

PRIOR GAO WORK

On September 28, 1984, we issued a report entitled "HHS' Implementation of Superfund Health-Related Responsibilities" (HRD-84-62). In examining the Superfund activities carried out by HHS from 1981 through 1984, we pointed out situations where HHS had inadequate funds to carry out its planned Superfund activities. The report showed that EPA consistently reduced ATSDR's budget request. Each year Congress then earmarked an increased amount for ATSDR from the Superfund appropriation. Table I.1 shows the funds requested and appropriated for ATSDR for fiscal years 1981 through 1988.
Table I.1

Funding for ATSDR's Superfund Health-Related Activities, Fiscal Years 1981-887
(in millions)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>HHS Request</th>
<th>EPA Recommendation</th>
<th>Approved by OMB</th>
<th>Appropriated</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981</td>
<td>$1.6</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>1982</td>
<td>10.0</td>
<td>3.3</td>
<td>3.3</td>
<td>7.0</td>
</tr>
<tr>
<td>1983</td>
<td>21.0</td>
<td>3.2</td>
<td>3.2</td>
<td>10.0</td>
</tr>
<tr>
<td>1984</td>
<td>6.4</td>
<td>4.2</td>
<td>1.9</td>
<td>5.0</td>
</tr>
<tr>
<td>1985</td>
<td>18.4</td>
<td>16.3</td>
<td>9.5</td>
<td>14.6</td>
</tr>
<tr>
<td>1986</td>
<td>23.2</td>
<td>21.8</td>
<td>14.6</td>
<td>21.0</td>
</tr>
<tr>
<td>1987</td>
<td>39.8</td>
<td>20.5</td>
<td>24.5</td>
<td>30.0</td>
</tr>
<tr>
<td>1988</td>
<td>55.0</td>
<td>50.0</td>
<td>50.0</td>
<td>-</td>
</tr>
</tbody>
</table>

7The funding for fiscal years 1981 and 1982 reflect HHS' Superfund health-related activities that were taken over by ATSDR upon its establishment in 1983.
SECTION II

ATSDR FUNDING UNDER SARA

For fiscal year 1988, the first full fiscal year after SARA became law, ATSDR submitted its budget to EPA, which reduced it. After negotiations and appeals, however, EPA in December 1986 submitted to OMB a request at the $50 million level authorized by SARA. In January 1987, EPA transferred to ATSDR the $30 million in fiscal year 1987 funding appropriated by Congress. EPA transferred this money through an interagency agreement. Among other things, the IAG contains provisions that restrict how ATSDR can spend its funds. In the future, EPA plans to follow the same procedures to review and submit ATSDR's budget to OMB and to transfer funds.

PREPARATION OF FISCAL YEAR 1988 BUDGET

For the most part, ATSDR's 1988 budget was prepared following the procedures used in prior fiscal years. Because the budget process began before Superfund's reauthorization on October 17, 1986, EPA asked all agencies requesting Superfund money to submit two budgets for fiscal year 1988--the first without considering SARA and the second including the new activities in SARA.

Chronology of activities during the preparation of ATSDR's fiscal year 1988 budget

In a letter dated April 9, 1986, ATSDR staff received written instructions from EPA for preparing the fiscal year 1988 budget and a schedule for submitting it. In addition, EPA staff told ATSDR staff that ATSDR had a preliminary funding level of $25,370,000 for fiscal year 1988. ATSDR submitted its first 1988 Superfund budget to EPA on May 20, 1986, requesting $48,643,000. Following EPA's instructions, this budget request did not include funding for any SARA activities.

On May 22, 1986, EPA staff held a budget hearing in Washington with ATSDR. Several days later EPA staff informed ATSDR by telephone that they were reducing ATSDR's budget request to $25,370,000. ATSDR officials responded that they would appeal this decision.

On August 15, 1986, EPA instructed all agencies requesting Superfund money to provide revised estimates for 1988 based on the impending Superfund reauthorization. ATSDR and EPA staff met again in Washington on August 27. During this meeting EPA informed ATSDR staff that EPA would submit the ATSDR budget unchanged if it was not greater than the congressionally mandated minimum level.

11
On September 4, 1986, ATSDR submitted a revised budget request to EPA to cover the new activities that would be included in the Superfund amendments. ATSDR requested $55 million for fiscal year 1988, which was being discussed by the congressional conference committee as a minimum authorization. In addition, ATSDR mentioned the possibility of asking for more money under exceptional circumstances, such as an emergency at a specific hazardous waste site. EPA held another budget hearing on September 10 in Washington to review ATSDR's revised budget.

SARA was passed on October 17, 1986, earmarking a minimum of $50 million for ATSDR in fiscal year 1988. According to correspondence from the Administrator of ATSDR to the Administrator of EPA, discussions between them in late November resulted in the EPA Administrator's agreeing to send OMB an ATSDR budget request of $50 million. Nonetheless, ATSDR received a letter dated November 20, 1986, from EPA's comptroller reducing ATSDR's 1988 budget request to $44,237,000. On November 21 ATSDR appealed the cutback, sending letters to EPA's comptroller and Administrator. Following receipt of these letters, EPA agreed to submit to OMB a fiscal year 1988 request for $50 million for ATSDR.

From this point on, ATSDR's 1988 budget request was not cut. EPA submitted to OMB a request for $50 million for ATSDR on December 5. OMB sent back to EPA a total Superfund budget request of $1.579 billion, without specifying an amount for ATSDR. The final Superfund budget, submitted to Congress on January 28, 1987, included $50 million for ATSDR. Table II.1 summarizes the changes in ATSDR's fiscal year 1988 budget that took place during its preparation.
### Table II.1

**Summary of Changes in ATSDR's Fiscal Year 1988 Budget**

<table>
<thead>
<tr>
<th>Date</th>
<th>Activity</th>
<th>Budget amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 9 1986</td>
<td>EPA set preliminary budget amount</td>
<td>$25,370,000</td>
</tr>
<tr>
<td>May 20, 1986</td>
<td>ATSDR submitted first budget to EPA</td>
<td>48,643,000</td>
</tr>
<tr>
<td>Late May 1986</td>
<td>EPA revised ATSDR's budget request</td>
<td>25,370,000</td>
</tr>
<tr>
<td>September 4, 1986</td>
<td>ATSDR submitted second budget to EPA (included new SARA activities)</td>
<td>55,000,000</td>
</tr>
<tr>
<td>November 20, 1986</td>
<td>EPA revised ATSDR's budget request</td>
<td>44,237,000</td>
</tr>
<tr>
<td>December 5, 1986</td>
<td>EPA submitted ATSDR's budget request to OMB</td>
<td>50,000,000</td>
</tr>
</tbody>
</table>

**TRANSFER OF FISCAL YEAR 1987 FUNDS**

EPA controls ATSDR's use of funds through interagency agreements. EPA transfers Superfund money to participating federal agencies by means of interagency agreements. IAGs specify the amount transferred, broken down into budget categories (such as personnel, travel, supplies); scope of work to be performed with this money; accounting information related to the money transferred; reporting requirements; and other conditions that specify how the money may be spent. Normally, the terms of the IAG are negotiated between the agencies and take effect when signed by both parties.

On January 30, 1987, EPA transferred $30 million to ATSDR. Although section 111(h) earmarks $50 million for ATSDR in fiscal year 1987, Congress only appropriated $30 million. At the time of
our review, ATSDR had not received a second IAG for fiscal year 1987, which EPA is drafting, to describe the new work required by SARA. According to EPA officials, the second IAG will describe the scope of work and amount of money that ATSDR may spend for each activity authorized by SARA.

The IAG will list ten activities that ATSDR is mandated by law to undertake. Five activities—scientific support, emergency response, health surveys and investigations, worker safety and health, and toxicology data base—began under the 1980 Superfund Act. Five additional activities have been added on the basis of SARA—exposure and disease registry, health assessments, peer review, health professional education, and biennial report to Congress. The IAG will briefly describe each activity and its cost. A 1985 IAG, still in effect, prohibits ATSDR from transferring more than 20 percent of the funds between these activities without prior EPA approval. According to EPA's Office of Emergency and Remedial Response, this restriction will apply to the new IAG. EPA officials said that they plan to send the second IAG to ATSDR by the end of April 1987.

FUTURE FUNDING PLANS

According to officials in EPA's Office of Emergency and Remedial Response and Comptroller's Office, they will continue to review ATSDR's budget request for fiscal year 1989 and distribute future Superfund appropriations by IAG. These officials also said that to responsibly manage Superfund, they need to continue to review ATSDR's budget request. They said that this review is necessary to ensure that (1) ATSDR can justify what it is doing with the money, (2) ATSDR's time and resource estimates are reasonable, and (3) ATSDR is not duplicating work conducted by EPA.
SECTION III
LEGALITY OF EPA BUDGET AND FUNDING
PROCEDURES FOR ATSDR

In our opinion, section 111(h) of SARA does not require changing the procedures for preparing ATSDR's budget. Therefore, neither EPA nor OMB is violating the law by reviewing or revising ATSDR's Superfund budget request before the President submits it to the Congress. EPA can continue to request that ATSDR prepare an annual budget proposal and submit it to EPA for review. We believe EPA no longer has the authority, however, to direct-through interagency agreements or any other means--how ATSDR spends the money earmarked under section 111(h).

Section 111(h) of SARA creates a "permanent" earmark for ATSDR through 1991. As such, this provision automatically reserves the designated amount within the annual appropriation from the Superfund trust fund. Even if the annual appropriations act contains no reference to funding ATSDR, the amount of money stipulated in section 111(h) will be available to ATSDR. The statutory language and legislative history show that Congress intended to secure ATSDR's funding at or above the minimum earmarked amount. Any annual variations in ATSDR's needs are accounted for by automatically returning to the trust fund all ATSDR monies unobligated at the end of the fiscal year.

EPA's INVOLVEMENT IN THE BUDGET PROCESS

On the basis of our review of SARA and its legislative history, we do not believe that Congress intended to change the process by which ATSDR's budget is prepared. As discussed earlier, ATSDR currently submits an annual budget to EPA. EPA reviews the budget and submits it to OMB as part of the consolidated Superfund budget. OMB, in turn, reviews the budget and submits it to the President, who in turn submits it to the Congress. In our view, SARA does not remove ATSDR from this budget process or prohibit EPA from reducing the request--even below the earmarked amount--before sending it to OMB. Likewise, it does not prevent OMB from proposing a legislative change to SARA section 111(h) to reduce ATSDR's funding. However, because SARA secures minimum funding for ATSDR, only the Congress can change ATSDR's earmarked funds.

Aside from the legal issue, we believe that EPA's continuing to process ATSDR's budget makes sense for two reasons. First, ATSDR may in the future request a sum greater than the earmarked amount. The statutory language takes this possibility into account, providing "not less than $50,000,000" for ATSDR. The excess over the earmark would not be statutorily protected.
Keeping ATSDR in EPA's normal budget process would facilitate dealing with this situation when and if it occurs.

Second, while SARA created a permanent earmark for ATSDR, it did not change the source of ATSDR's funds, the Superfund trust fund. The normal procedure outlined in an OMB circular on preparing and submitting budget estimates is for budget requests that represent allocations from a parent fund to be processed together.

TRANSFER OF FUNDS TO ATSDR

In our opinion, section 111(h) of SARA prohibits EPA from controlling ATSDR's use of its Superfund money. EPA has used interagency agreements to transfer funds to ATSDR and to restrict ATSDR's use of those funds to specified activities. As discussed earlier, EPA staff are drafting an IAG that describes the activities ATSDR is to undertake with fiscal year 1987 funds and how much ATSDR may spend for each activity. We believe SARA allows EPA to transfer the Superfund money to ATSDR, but prohibits EPA from directing ATSDR on how to use that money.

In this regard, section 111(h) of SARA specifies that the funds are to be made "directly available" to ATSDR and Executive Order 12580 delegates authority to EPA to transfer appropriated money from the trust fund to ATSDR and the other Superfund agencies. Consistent with section 111(h) of SARA, the Order directs that "funds appropriated specifically for the Agency for Toxic Substances and Disease Registry . . . shall be directly transferred to ATSDR, consistent with fiscally responsible investment of trust fund money."1

In our opinion, a direct transfer of funds to ATSDR prohibits EPA from placing any restrictions on ATSDR's use of the money. Therefore, the IAGs that EPA has used and plans to continue to use describing the work required under SARA do not comply with section 111(h). Section 111(h), however, does not prohibit EPA from using IAGs to transfer money to ATSDR without restriction.

RECOMMENDATION TO THE ADMINISTRATOR, EPA

We recommend that the Administrator, EPA, not place any restrictions, through interagency agreements or any other means, on the use of funds earmarked to ATSDR under section 111(h) of SARA.

1We interpret the last phrase of the Executive Order quotation to refer to a general requirement in 42 U.S.C. 963 that trust funds be retained in an invested status for as long as possible, in order to obtain the benefit of their earnings.
SECTION IV
OBJECTIVES, SCOPE, AND METHODOLOGY

The objective of our review was to examine the implementation of section 111(h) of SARA and to provide our opinion as to whether that provision was being complied with. In performing our review we examined

-- how ATSDR's fiscal year 1988 budget was prepared and submitted to Congress,

-- how fiscal year 1987 funds were transferred from Superfund to ATSDR, and

-- whether EPA plans to change these budget and transfer activities.

In conducting our review, we contacted officials from ATSDR, OMB, and EPA's Office of Solid Waste and Emergency Response, Office of Emergency and Remedial Response, Office of the Comptroller, and Office of General Counsel. We reviewed ATSDR's fiscal year 1987 financial records, such as interagency agreements and quarterly and monthly progress reports to EPA. We examined ATSDR's fiscal year 1988 budget records, such as ATSDR's funding and staffing requests, and EPA documents pertaining to ATSDR's budget. We also reviewed the legislative history of section 111(h) of the Superfund amendments.

Our audit work was performed during January and February 1987 at EPA headquarters in Washington, D.C., and ATSDR headquarters in Atlanta, Georgia. We obtained the views of ATSDR and EPA officials during the course of our work and incorporated their comments where appropriate. On the basis of discussions with the Senator's office, we did not ask the agencies to officially review and comment on a draft of this report.
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