



Opportunities for Directing State Grant Funds and Work Load Sharing March 2009

On May 17, 1995, ECOS and the U.S. EPA signed an agreement to create the National Environmental Performance Partnership System (NEPPS). The system was designed "to strengthen our protection of public health and the environment by directing scarce public resources toward improving environmental results, allowing states greater flexibility to achieve those results, and enhancing accountability." Principal components of NEPPS are Performance Partnership Agreements (PPAs) and Performance Partnership Grants (PPGs).

Congress specified 17 state environmental program grants to be eligible for inclusion in PPGs when it authorized the PPG program in 1996. The EPA Administrator added several new grant programs to the list in 2004. Environmental program grants eligible for inclusion in PPGs in FY 2006 include: Air Pollution Control - CAA 105; Radon Assessment and Mitigation -TSCA 306; Water Pollution Control - CWA 106; Water Nonpoint Source - CWA 319; Wetlands Development Grants Program - CWA 104(b)3; Water Quality Cooperative Agreements - CWA 104(b)3; Public Water System Supervision --SDWA 1443(a); Underground Injection Control - SDWA 1443(b); Hazardous Waste Management - SWDA 3011(a); Brownfields Response - CERCLA 128(a); Pesticides Program Implementation - FIFRA 23(a); Pesticides Cooperative Enforcement - FIFRA 23(a)1; Pesticides Applicator Certification & Training 23(a)(2)); Lead-Based Paint Activities - TSCA 404(g); Toxic Substances Compliance Monitoring – TSCA; Pollution Prevention Initiatives - PPA 6605; Environmental Information Exchange Network; Sector Program (compliance/enforcement); and Tribal Assistance Grant.

Performance partnerships offer states benefits of flexibility in managing their programs and directing grant funds. PPG administrative flexibility benefits may include match/overmatch, carryover, and work load sharing. Flexibility benefits may be made easier through a PPG but are not PPG exclusive. Some examples follow below.

Match/Overmatch. *Nebraska DEQ and Pennsylvania DEP* used overmatch from Water 106 funds to provide match for RCRA grants. Nebraska staff notes that if their budget situation goes down further, the state may negotiate with Region 7 to move the state's Livestock/CAFO program into the PPG and let that program provide match. *Virginia DEQ* used overmatch to cover a shortfall for the state's pollution prevention program.

Carryover. When grant funds are combined into a single PPG, the grant funds "lose their identity." *New Hampshire DES* used carryover funds for one-time projects including hiring a beach inspector for 10 weeks; hiring interns to conduct water quality assessments on the Connecticut River; and hiring summer interns to conduct hazardous waste field surveys at small quantity and large quantity generators to assess their relative compliance with the state's hazardous waste rules. Both *Nebraska DEQ and Massachusetts DEP* have allocated carryover funds toward state priorities included in PPG grant activities.

Work Load Sharing. There are a number of ways this might be achieved including the following.

- **EPA Regional Staff Loan to State Office.** *Nebraska DEQ* has had an EPA Region 7 staff person do a part-time rotation at NE DEQ in their 319h non-point program. As the

state only has two state staff in this program, adding staff support here is a big percentage increase. Nebraska DEQ has also used EPA staff to help write NPDES permits to assist with backlog with the regional staff person working remotely from Region 7 offices.

Massachusetts DEP and *Texas CEQ* have used regional staff to help with permit writing. *South Carolina DHEC* reports having used an EPA regional staff person to assist with Title V air permitting efforts when the state was establishing its program. *Montana DEQ* has received assistance from Region 8 enforcement staff with inspection workload allowing state resources to be focused on permit renewal backlog.

- **State Staff Loan to EPA Regional Office.** *Kansas DHE* loaned a staff person to EPA Region 7 to assist with a grants process, IGMS, an internal EPA grants system based on Lotus Notes. Kansas now uses IGMS to submit its regional Continuing Environmental Program Grant applications, special awards, and stimulus applications and receives EPA amendments and approvals all through this on-line system. In addition to facilitating grant submissions, Kansas reports receiving benefits of increased state knowledge about EPA processes and the chance to share state experiences with the EPA regional office. *Massachusetts DEP* loaned a staff person to EPA Region 1 to work on energy issues. MassDEP reports the state is now benefiting since the staff person's return as this person has increased energy efficiency knowledge of wastewater treatment plants gained while at the regional office.
- **Senior Environmental Employee (SEE).** *Nebraska DEQ* was able use a SEE, a former federal employee who is retired from service, to assist with workload. The state has a full-time equivalent (FTE) cap yet had resource needs. The state paid for the SEE and then received a reduced grant from the region allowing them to receive assistance while not violating state policy and with neutral state budget impact. *North Carolina DENR* benefitted from a SEE to conduct inspections for their Underground Storage Tank Section.
- **State-Regional Office Collaboration.** *North Carolina DENR* benefitted from Region 4 funding two staff positions for the Underground Storage Tank program to meet the unfunded mandate in the federal Energy Policy Act of 2005 that required a three year inspection cycle on tank systems. In previous years for NC DENR, Region 4 secured contractors to perform RCRA facility investigations (RFAs) to assist with filling in gaps on hazardous waste program resources. *Nebraska DEQ* collected fish tissue samples that were then analyzed by Region 7 offices benefitting the state. *New York DEC*, under a water monitoring program that is part of the West Nile virus-related pesticide applications, collects and analyzes water samples across the state except in New York City where this work is completed by Region 2 as part of a work sharing arrangement.

References:

1. "Examples: Benefits of Performance Partnerships (1996-2005) - Work-Sharing Between EPA and States," U.S. EPA, OCIR, http://www.epa.gov/ocir/nepps/pdf/work_sharing.pdf
2. "Use of Flexibility in Performance Partnership Grants (PPGs) (1997-2006)," U.S. EPA, OCIR. http://www.epa.gov/ocir/nepps/pdf/examples_ppg_flexibility_011807.pdf
3. National Environmental Performance Partnership Systems website, U.S. EPA, OCIR, <http://www.epa.gov/ocir/nepps/index.htm>
4. "U.S. Government Accountability Office Report to Congressional Requesters: Environmental Protection EPA-State Enforcement Partnership Has Improved, but EPA's Oversight Needs Further Enhancement," July 2007. Document can be found at <http://www.gao.gov/new.items/d07883.pdf>. Pages 18-19.