



Resolution 17-3  
Approved April 8, 2017  
Washington, D.C.

Revised April 27, 2020  
All Members Call

Revised March 30, 2023  
Arlington, Virginia

Revised April 1, 2026  
Savannah, Georgia

As certified by  
Ben Grumbles  
Executive Director

## **ON THE VALUE OF SUPPLEMENTAL ENVIRONMENTAL PROJECTS**

WHEREAS, ECOS represents states, territories, and the District of Columbia, throughout this resolution the term “states” indicates states, territories, and the District of Columbia; and

WHEREAS, many federal and state enforcement actions for failure to comply with environmental laws and regulations are resolved through settlement agreements; and

WHEREAS, as part of a settlement agreement, an entity may be offered the opportunity to voluntarily undertake an environmentally beneficial project, known as a Supplemental Environmental Project (SEP), related to the violation and factored into the settlement penalty demand; and

WHEREAS, SEPs may advance the public interest by providing additional environmental and public health benefits for communities adversely impacted by environmental violations beyond simple fines, designed to achieve positive environmental outcomes in affected areas, fostering better community relations, and promoting compliance through voluntary actions; and

WHEREAS, a majority of states have adopted SEP Policies and make SEPs an integral part of the settlement process; and

WHEREAS, while SEPs also have been an integral part of settlement of federal enforcement actions, U.S. Environmental Protection Agency (U.S. EPA) and U.S. Department of Justice (DOJ) each recently issued policies disallowing the use of SEPs.<sup>1</sup>

NOW, THEREFORE, BE IT RESOLVED THAT THE ENVIRONMENTAL COUNCIL OF THE STATES (ECOS):

---

<sup>1</sup> U.S. EPA’s policy, Reinforcing a “Compliance First” Orientation for Compliance Assurance and Civil Enforcement Activities (December 2025), indicates that SEPs shall not be included in any settlements until the agency issues further guidance. DOJ’s policy, Reinstating the Prohibition on Improper Third-Party Settlements (February 2025), prohibits the use of SEPs in settlements.

Encourages the use of SEPs by states in appropriate instances to respond to environmental harm and to invigorate communities across the nation;

Calls on U.S. EPA and U.S. DOJ to support states as recipients of settlement funds and environmentally beneficial projects, where appropriate, related to settlement of state environmental claims; and

Plans to collect examples of successful state SEPs to advance the knowledge of the benefits of these projects to the economic and social health of communities.