

## The EPA 2003-2004 State Innovation Grants Update on the Solicitation Process

In Fall of 2002, EPA conducted a competition for a new grant program designed to support innovation in environmental programs at the State level. Following the pilot round of State Innovation Grants in 2002, EPA consulted with the States through the Environmental Council of the States and through a comment period announced in the Federal Register (FRL 7510-7, June 11, 2003) (see <a href="http://www.epa.gov/innovation/stategrants">http://www.epa.gov/innovation/stategrants</a> on the grant solicitation process. Based upon that input EPA made several improvements in the process for this year - including a pre-announcement process that would allow time for States to consult with EPA Regions on potential projects prior to the solicitation, and a change from a 30-day to a 60-day response period once the solicitation is announced. One of the recommendations from the consultation was to incorporate State input into the selection of topic areas for subsequent solicitations. This would help to ensure that State priorities were reflected in projects that EPA selected.

There was support from a large number of the responding States for maintaining <u>innovation in permitting</u> as a subject of the next solicitation, in order to create a stable resource base for an area that is core to the innovation efforts in most States. Within this topic there was considerable support for EPA assistance to the States for implementation of Environmental Management Systems (EMS) relating to permitting (see: <a href="http://www.epa.gov/ems/">http://www.epa.gov/ems/</a>) and Environmental Results Programs (ERPs) (see: <a href="http://www.epa.gov/ooaujeag/permits/masserp.htm">http://www.epa.gov/ooaujeag/permits/masserp.htm</a>). There were other topics suggested by the States - including a few topics that were suggested by more than one State, but because of the strong support for the <u>innovation in permitting</u> topic, and the relatively small amount of funding anticipated this year for the program, EPA was concerned that too many topics might diffuse the resources available and prohibit adequate funding for projects of significant scale. Several of the other topics suggested may in fact, be eligible for support through other EPA assistance programs. EPA is strongly inclined to use innovation in permitting as the topic for the 2003-2004 State Innovations Grants solicitation. The State Innovation Grant Program will try to provide some flexibility around that theme for a variety of projects, although permitting programs or alternatives to permitting programs will be at the core of projects we select.

EPA expects to announce the solicitation before the end of September and there will be a 60-day period for preparing and submitting proposals. If States would like to provide any final comment on the design decision, they should contact EPA at:

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