

Government-Wide Performance Plan Pollution Control and Abatement

The Federal Government helps achieve the Nation's pollution control goals by: (1) taking direct action; (2) funding actions by State, local, and Tribal governments; and (3) implementing an environmental regulatory system. The Environmental Protection Agency's (EPA) \$7.3 billion in discretionary funds and the Coast Guard's \$140 million Oil Spill Liability Trust Fund (which funds oil spill prevention and cleanup) finance the activities in this subfunction. EPA is an NPR High Impact Agency whose discretionary funds have three major components--the operating program, Superfund, and water infrastructure financing.

EPA's \$3.9 billion operating program provides the Federal funding to implement most Federal pollution control laws, including the Clean Air, Clean Water, Resource Conservation and Recovery, Safe Drinking Water, and Toxic Substances Control Acts. EPA protects human health and the environment by developing national pollution control standards, largely enforced by the States under EPA-delegated authority. For example, under the Clean Air Act, EPA works to make the air clean and healthy to breathe by setting standards for ambient air quality, toxic air pollutant emissions, new pollution sources, and mobile sources.

- In 2001, EPA will certify that 5 of the estimated 38 remaining nonattainment areas have achieved the one-hour National Ambient Air Quality Standard for ozone.
- In 2001, air toxic emissions nationwide from stationary and mobile sources combined will be reduced by five percent from 2000 (for a cumulative reduction of 35 percent from the 1993 level of 4.3 million tons).

Under the Clean Water Act, EPA works to conserve and enhance the ecological health of the Nation's waters, through regulation of point source discharges and through multi-agency initiatives such as the Administration's Clean Water Action Plan.

- In 2001, water quality will improve on a watershed basis such that 550 of the Nation's 2,150 watersheds will have greater than 80 percent of assessed waters meeting all water quality standard, up from 500 watersheds in 1998.

Under the Federal Insecticide, Fungicide, and Rodenticide Act and the Federal Food, Drug, and Cosmetic Act, EPA regulates pesticide use, grants product registrations, and sets tolerances (standards for pesticide residue on food) to reduce risk and promote safer means of pest control. EPA also seeks to reduce environmental risks where Americans reside, work, and enjoy life, through pollution prevention and risk management strategies.

- In 2001, EPA will reassess an additional 1,200 of the 9,721 existing pesticide tolerances to ensure that they meet the statutory standard of "reasonable certainty of no harm" (for a cumulative 60 percent), including an additional 208 of the 848 tolerances having the greatest potential impact on dietary risks to children (for a cumulative 66 percent).

- In 2001, the quantity of Toxic Release Inventory pollutants released, disposed of, treated, or combusted for energy recovery (normalized for changes in industrial production) will be reduced by 200 million pounds, or two percent, from 2000 reporting levels.
- In 2001, EPA will initiate safety reviews on chemicals already in commerce by obtaining data on an additional 10 percent of the 2800 high production volume chemicals on the master testing list, as part of the implementation of a comprehensive strategy for screening, testing, classifying, and managing the risks posed by commercial chemicals.

Under the Resource Conservation and Recovery Act (RCRA), EPA and authorized States prevent dangerous releases to the environment of hazardous, industrial nonhazardous, and municipal solid wastes by requiring proper facility management and cleanup of environmental contamination at those sites.

- In 2001, 106 more hazardous waste management facilities will have approved controls in place to prevent dangerous releases to air, soil, and groundwater, for a total of 70 percent of 2900 facilities.

EPA's underground storage tank (UST) program seeks to prevent, detect, and correct leaks from USTs containing petroleum and hazardous substances. Regulations issued in 1988 required that substandard USTs (lacking spill, overfill and/or corrosion protection) be upgraded, replaced or closed by December 22, 1998.

- In 2001, 93 percent (an estimated 651,000) of active USTs will be in compliance with these requirements, which improves upon the 65 percent (approximately 553,800) of then-active USTs in compliance as of the December 22, 1998 deadline. Over the past decade, more than 1.4 million substandard USTs have been permanently closed.

In October 1997, the President announced immediate actions to begin addressing the problem of global climate change, and included the Climate Change Technology Initiative (CCTI) in the 1999 Budget. The 2001 Budget provides \$227 million for the third year of EPA's portion of CCTI, much of which focuses on the deployment of underutilized but existing technologies that reduce greenhouse gas emissions. The partnerships EPA has built with business and other organizations since the early 1990s will continue to be the foundation for reducing greenhouse gas emissions in 2001 and beyond.

- In 2001, greenhouse gas emissions will be reduced from projected levels by approximately 66 million metric tons of carbon equivalent per year through EPA partnerships with businesses, schools, State and local governments, and other organizations. This reduction level will be an increase of eight million metric tons over 2000 reduction levels.

In 2001, EPA will develop the infrastructure to implement the Clean Air Partnership Fund, which will demonstrate smart multi-pollutant approaches that reduce greenhouse gases, air toxics, soot, and smog.

The \$1.45 billion Superfund program pays to clean up hazardous spills and abandoned hazardous waste sites, and to compel responsible parties to clean up. The Coast Guard implements a smaller but similar program to clean up oil spills. Superfund also supports EPA's Brownfields program, designed to assess, clean up, and re-use former industrial sites.

In 2001, EPA will complete 75 Superfund cleanups, continuing on a path to reach 900 completed cleanups by the end of 2002; it completed 85 cleanups in 1999.

In 2001, EPA Brownfields funding will result in 200 site assessments (for a cumulative total of 2,100), 500 jobs generated (for a cumulative total of 5,400), and the leveraging of \$100 million in cleanup and redevelopment funds (for a cumulative total of \$1.8 billion).

In 2001, the Coast Guard will reduce the rate of oil spilled into the Nation's waters to 4.62 gallons per million gallons shipped from a statistical baseline of 5.25 gallons in 1998.

Federal water infrastructure funds provide capitalization grants to State revolving funds, which make low-interest loans to help municipalities pay for wastewater and drinking water treatment systems required by Federal law. The \$1.625 billion in the 2001 Budget is consistent with the Administration's plans to capitalize these funds to the point where the Clean Water State Revolving Funds (CWSRF) and the Drinking Water State Revolving Funds (DWSRF) provide a total of \$2.5 billion in average annual assistance. The \$74 billion in Federal assistance since passage of the 1972 Clean Water Act has dramatically increased the portion of Americans enjoying better quality water; nearly 180 million people now receive the benefits of secondary treatment of wastewater. Ensuring that community water systems meet health-based drinking water standards is supported by both the DWSRF and operating program resources.

In 2001, 500 CWSRF projects will initiate operations, including 300 projects providing secondary treatment, advanced treatment, CSO correction (treatment), and/or storm water treatment. A cumulative total of 6,200 projects will have initiated operations since inception of the program.

In 2001, 91 percent of the population served by community water systems will receive drinking water meeting all health-based standards in effect as of 1994, up from 83 percent in 1994.

Annual Performance Plan Components

Introduction

The Agency's approach to annual planning under the Government Performance and Results Act (GPRA) is based on a full integration of strategic planning, annual planning, budgeting, and accountability. The Agency's Annual Plan and Budget submission to OMB reflects this integration; all of the components of the Annual Plan are contained within the Budget. In addition, to fully explain the Agency's resource needs, the Budget contains a set of annual performance goals and performance measures broader than what will be included in the Annual Plan submission to Congress under GPRA. The Agency will submit a stand-alone Annual Plan to Congress to meet the legislative concern expressed in GPRA that "annual plans not be voluminous presentations describing performance...for every activity. The annual plan and reports are to inform, not overwhelm the reader."

Annual Plan Organization

The Annual Plan submission to Congress contains the following elements of the Agency's Annual Plan and Congressional Justification:

I. Goals

- Goal Statement
- Background and Context
- Means and Strategy
- External Factors
- Goal Resources

2. Objectives

- Objective Statement
- Key Program Resources
- Annual Performance Goals and Performance Measures:
 - (The set of APGs included in the Annual Plan are those reported in the Budget Goal Overview. The APGs and PMs in the Annual Plan represent the most significant accomplishments planned for FY2001, and are intended to be used to evaluate the Agency's performance under GPRA.)
- Verification and Validation of Performance Measures

III Appendix

- Customer Service Program
- Costs and Benefits of Economically Significant Rules
- Major Management Issues
- Use of Non-Federal Parties in Preparing this Annual Plan
- Relationship Between the Annual Plan and the Strategic Plan

Major Management Issues

Introduction

EPA's senior leadership take seriously the major management challenges facing the Agency and work diligently to address the concerns identified through the Agency's internal reviews, by the General Accounting Office (GAO), the Office of Management and Budget (OMB), and EPA's Office of Inspector General (OIG). The Agency uses a variety of tools to focus resources and senior managers' time on resolution of these issues.

Under the umbrella of the Federal Managers' Financial Integrity Act (FMFIA), the Administrator and the Senior Leadership Council (SLC) meet during the year to discuss progress in addressing systemic management weaknesses and concerns about possible emerging issues. Corrective action plans are implemented and tracked for identified weaknesses. In addition, the Agency has corrective action plans in place to address issues identified in OIG audits and GAO reviews. In a December 3, 1999 letter to Congress, EPA's IG eliminated three previously reported key management challenges (Agency's Relationship with Contractors, Use of Inefficient Contract Types, and Quality Assurance Plans) based on the significant progress the Agency made in correcting these issues.

Another previously reported key management challenge that was successfully addressed is the Year 2000 Compliance. All 50 EPA mission critical systems were assessed, renovated, and certified through an independent certification program. In addition, the Agency's major computing platforms (mainframe, client/server, supercomputer) and wide-area telecommunications networks were 100 percent compliant, as were the 1,428 non-mission critical systems and 28 data exchanges, which are a combination of mission critical and non-mission critical systems.

Information is provided below on efforts underway to address EPA's major management issues.

Accountability

EPA's OIG feels that improvements should be made in how the Agency holds Regional Offices accountable for controlling and accounting for allocated resources and ensuring they are used for the designated purposes. OIG recommendations include clearly defined goals, performance measures and areas of responsibility. The Agency's implementation of the Government Performance and Results Act (GPRA) is helping to address these issues. In FY 1999, EPA revised its budget structure to identify funding priorities and allocate resources consistent with the goal-objective architecture. Managerial cost-accounting further strengthens the Agency's ability to monitor and manage expenditures against the goal structure.

Performance Partnership Grants - A Performance Partnership Grant (PPG) is a multi-program grant awarded to States or Tribes from funds allocated and otherwise available for categorical grant

programs. PPGs provide States and Tribes with greater flexibility in how they use Federal grant funds. Recent OIG audits raised concerns about the extent to which the Regions could be held accountable for work performed by the States and Tribes. The OIG also found that Regional officials have difficulty determining how to provide flexibility and ensure accountability for performance and environmental results. In FY 1999, the Agency published a Notice of Proposed Rule Making in the Federal Register revising 40 CFR Part 35, Subpart A to include the PPG program for States and to add a new Tribal-specific regulation (40 CFR Part 35, Subpart B).

The Agency will publish the final rules in FY 2000. In addition, the Office of Grants and Debarment will examine existing Performance Partnership Agreements and grants during regularly scheduled oversight reviews.

Environmental Information

Reinventing Environmental Information (REI) - In July 1997, EPA's Administrator directed the Agency to accelerate efforts to reinvent environmental information, in cooperation with the States, by adopting formal data standards, providing universal access to electronic reporting, and reengineering the Agency's national data systems. EPA committed to the following:

- *Data Standards*—In FY 1999, EPA issued interim standards for six key data types and will incorporate these standards in all EPA national systems by the end of FY 2003. Data standards establish a common language among users of environmental information.
- *Electronic Reporting*—All parties reporting to EPA shall have voluntary access to electronic reporting by the end of FY 2003.
- *State Partnership*—REI must be implemented in partnerships with States if it is to succeed. The One Stop program and the State/EPA Information Management Work Group provide opportunities for EPA and States to set goals for improving and sharing information and agree on policies and programs to achieve these goals.
- *Systems Reengineering*—EPA national data systems shall incorporate all data standards and provide access to electronic reporting by the end of FY 2003.

FY 1999 was a pivotal year for REI. Efforts in FY 1998 focused on developing pieces of the infrastructure necessary to reinvent information management at EPA. After completion of the infrastructure, the focus of REI shifted toward implementation in the EPA systems and States. The FY 1999 accomplishments and FY 2000 commitments are described below:

- *Data Standards*—The data standards program is on schedule to finalize standards and business rules in Calendar Year 2000, and begin implementation in national and State systems. Two final standards and business rules have been finalized, Date and Standard Industrial Code/North American Industrial Classification System (SIC/NAICS). Four interim standards have been approved (Facility Identification, Latitude/Longitude, Biological

Taxonomy, and Chemical ID).

- *Electronic Reporting*—The electronic reporting (ER) group completed Electronic Data Interchange (EDI) standards development in FY 1999 and is moving toward implementation by resolving core legal and policy issues. In FY 2000, the ER group is also beginning pilot tests of Internet and digital signature technologies and will work through specification and pilot tests of Agency electronic reporting infrastructure components.
- *State Partnership*—One Stop continues to award grants to States, and is taking a larger role in coordinating State involvement in the development and implementation of various REI commitments. Through FY 1998, EPA had awarded a total of 21 One Stop grants to participating States; four new One Stop grants were awarded in FY 1999 (California, Michigan, Virginia and Nebraska). EPA's goal is to invite all States to join One Stop by FY 2003. The focus in FY 2000 is to provide technical assistance to States and conduct a number of pilot projects in selected One Stop States to "test-implement" aspects of the REI program. Also, in early FY 2000, EPA and the States created the Environmental Data Standards Council, a group of Agency and State information managers, to promote more rapid work on standards in a cooperative fashion.
- *Systems Reengineering*—In FY 2000, systems reengineering coordination efforts will shift toward beginning implementation of data standards; providing a forum for systems managers to discuss key issues, such as electronic reporting; and working closely with States to coordinate reengineering/modernization activities.

EPA's New Information Office - In 1998, EPA's Administrator made a decision to fundamentally realign information management and policy at EPA by establishing a new information office dedicated solely to information management. The Office of Environmental Information (OEI) became operational early in FY 2000 with the challenge to integrate information policy, management, and technology.

OEI will play a significant role to advance the creation, management, and use of data as a strategic resource. OEI will support the Agency's mission of protecting public health and the environment by integrating quality environmental information to make it useful for informing decisions, improving information management, documenting performance, and measuring success. OEI will strengthen information partnerships by increasing their extent and effectiveness, including leveraging information technology investments, to meet the needs of EPA's varied information managers and customers. This starts with States and Tribes, and extends to other Federal, local, and international agencies, and private organizations. EPA will realign its information technology investments to meet the greatest needs and opportunities and maximize return on investment, adjusted for risk.

Information Systems Security

Recent OIG audits found that Security Plans for many of the Agency's major applications and general support systems were deficient or non-existent. Issues identified included unauthorized access to confidential business information, enforcement-sensitive, Privacy Act, or internal-sensitive information. In addition, a recent GAO review identified a number of vulnerabilities on the Agency's network and mainframe computer.

EPA declared Information Systems Security as a material weakness in its FY 1997 Integrity Act Report to the President and Congress. The Agency revised its Information Security Program Manual to provide guidance to Program and Regional Offices and developed security plans for the Agency's telecommunications network and National Computer Center computer platforms. EPA's Chief Information Officer is now conducting reviews of security plans to ensure the Agency's information resources and environmental data are secure and existing risks and vulnerabilities are addressed. In addition, OEI established a technical security staff to address new vulnerabilities as a result of Internet access.

Quality of Laboratory Data

The OIG conducted a review of contract laboratory work at the request of an EPA Regional Administrator and found that some scientific analyses generated by EPA and contract laboratories are of questionable quality and should not be used to support environmental decisions. Further review by the Agency identified a number of practices that may be effective in deterring laboratory misconduct or in detecting improper procedures in laboratory operations or documentation. Corrective actions underway in the Region include establishing new quality policies and providing training for staff. OEI and the Quality and Information Council will review the issues related to laboratory data quality including the issues raised in the OIG report.

Agency Process for Preparing Financial Statements

EPA received unqualified audit opinions on its FY 1998 Audited Financial Statements. However, the preparation of the Agency's financial statements was substantially more challenging than in prior years, and EPA missed the statutory submission date by several months. EPA addressed this issue by improving planning and coordination in cooperation with EPA's OIG, redirecting resources and strengthening quality control. EPA is on schedule to submit its FY 1999 Audited Financial Statements by the March 1, 2000 due date.

Oversight of Assistance Agreements

As a result of Congressional hearings and findings in OIG audits, the Agency identified grants close-out and oversight of assistance agreements as a material weakness in its FY 1996 Integrity Act Report. The Agency has made significant progress in carrying out corrective action

plans, eliminating 99% of its original grant close-out backlog by December 31, 1999. To prevent future backlogs, the Agency requires every Grants Management Office (GMO) to develop and submit an annual close-out strategy which identifies and addresses the obstacles to timely grants close-outs.

During FY 2000, the Agency will continue to conduct Management Oversight Reviews of the GMOs; expand the grantee compliance assistance reviews; conduct five one-day refresher training courses and six basic Assistance Project Officer certification courses; and continue to look for ways to strengthen grants management. The Agency expects to complete corrective actions in FY 2000.

Construction Grants Close-Out

EPA designated construction grants close-out as a material weakness in FY 1996 to focus attention on closing out the construction grants, involving billions of dollars, that were awarded in the last 20 years. Corrective actions were implemented that allowed program managers to close out more projects than before without requesting an audit and expedited scheduling and completion of necessary audits. The Agency substantially reduced the amount of grants waiting to be closed from the 1990 level of 5,860 projects totaling \$34 billion to the 1999 level of 123 projects totaling \$2.3 billion. EPA expects to close out the remainder of projects by the end of FY 2002.

Independent Government Cost Estimates for Superfund Contracts

GAO believes that EPA needs to maintain high-level Agency oversight of Independent Government Cost Estimates (IGCEs) for Superfund contracts. As part of its high risk series, GAO concluded that the Agency relied more on contractors' cost estimates than Agency IGCEs when estimating costs for cost reimbursable work. GAO commends EPA's efforts to correct past contract management problems, but believes the Agency needs more time to determine if these actions corrected the problems.

In response to GAO's concerns, the Agency designated IGCEs for Superfund contracts an Agency-level weakness in its FY 1998 Integrity Act process and implemented a corrective action strategy. The Agency established a national workgroup to explore ways to improve IGCEs. The workgroup recommended partnering with the US Army Corps of Engineers (USACE) to document problems the Regions were having with IGCEs; determine what procedures and tools needed to be developed, updated, and/or refined; determine training requirements; share best practices and lessons learned; evaluate Regional and national databases used to provide historical data that could be used in the preparation of IGCEs; and make recommendations for improvement.

The USACE completed its reviews and provided the Agency with its final report in December 1999. Activities now are centered on developing/updating the Headquarters guidance on IGCEs, and beginning work on implementing the other USACE recommendations. Superfund Headquarter's staff, along with estimators from USACE and EPA Regional offices, developed a

four-hour training session on cost estimating for EPA remedial project managers, who are responsible for preparing the cost estimates. The training, specific to Superfund projects, was conducted at the national meeting of remedial project managers held in Chicago in August 1999.

Controlling RAC Program Management Costs

In its, April 1999 report, “*Progress Made by EPA and Other Federal Agencies to Resolve Program Management Issues*,” GAO reported that the program support cost rates for a majority of the new Response Action Contracts (RACs) were high. The Agency had already identified “Controlling Response Action Contractor Program Management Costs” as an Agency-level weakness in the FY 1998 Integrity Act process. The Agency has made substantial progress in implementing a corrective action strategy. Specifically, the Agency:

- reduced the number of contracts from 45 Alternative Remedial Contracting Strategy (ARCS) contracts to 19 RACs;
- reduced the base level of effort hours in several of the more recently awarded RACs in Regions 2, 3, 9, and 10;
- reduced the number of new RAC awards in Regions 4, 9 and 10 to one per Region, instead of two per Region; and
- transitioned work efficiently and expeditiously from expiring ARCS to new RACs.

In addition, EPA is monitoring national RACs’ capacity utilization and program support costs continuously and developing quarterly reports for senior management review. These reports have documented a positive trend with the national program support percentage reduced from 14.6% through September 1998 to 10.9% through September 1999. Finally, the Agency issued a national policy that outlines guidelines for the Agency to assess RACs’ options and further support efforts to control RACs program management costs. These guidelines focus on options to extend RACs’ period of performance based on sound programmatic and business considerations.

Superfund Program Management

GAO, in its January 1999 report, “*Major Management Challenges and Program Risks*,” found that EPA does not use relative risk as a major criterion when deciding which eligible sites to include in the Superfund program.

The Superfund program’s priority is to address the Nation’s worst hazardous waste sites. EPA uses the Hazard Ranking System (HRS) to evaluate the potential relative risks to public health and the environment. The type of information used in the evaluation include (1) the likelihood that

a site has released, or has the potential to release, contaminants into the environment; (2) the characteristics of the substances (toxicity and quantity); and (3) the people or sensitive environments affected by the release. The resulting ranking determines which sites are considered for placement on the National Priorities List (NPL). The NPL identifies the priority and most serious hazardous substance sites nationwide. EPA also considers other risk and management considerations, including, for example, whether States are taking action at the sites, to support placement of a site on the NPL. After a site is placed on the NPL, EPA employs a National Risk-Based Priority Panel to set national funding priorities. The Panel evaluates Superfund cleanup projects against such factors as human and ecological risks, and stability and contaminate characteristics.

Superfund Five-Year Reviews

The Superfund statute requires that remedial actions, where hazardous substances, pollutants, or contaminants remain on-site, be reviewed every five years to assure that human health and the environment continue to be protected. Five-year reviews are also conducted as a matter of policy when a remedial action will take longer than five years to reach clean-up levels. In March 1995, EPA's OIG reported that a substantial number of five-year reviews had not been performed and recommended several options for improving the program and reducing the backlog. In a follow-up audit report in 1999, the OIG found that (1) the backlog of overdue reviews significantly increased since the time of the prior audit, (2) some review reports needed to be more informative to provide a well supported status on the protectiveness of the remedy, and (3) the Agency needs to communicate the results of the reviews and the protectiveness status of the remedy more effectively. EPA identified the backlog of five-year reviews as a FY 1999 management control weakness and developed a corrective action plan for implementation in FY 2000.

The Great Lakes Program

The U.S. Canada Great Lakes Water Quality Agreement calls for lakewide Management Plans (LaMPs) and Remedial Action Plans (RAPs) to support the restoration and maintenance of the chemical, physical, and biological integrity of the Great Lakes. The Great Lakes Regional Water programs and States have principal responsibility for development and implementation of the LaMPs and RAPs, respectively. Under the Clean Water Act, EPA's Great Lakes National Program Office coordinates with Federal, State, and Tribal governments to develop strategies for protection of the Great Lakes. The OIG evaluated the Great Lakes Program at EPA's request to provide the Agency with advice and assistance on how to (1) improve the LaMP and RAP processes, and (2) develop and implement effective national strategies and agreements. OIG recommendations included:

- placing a priority on issuing written LaMPs;
- revising the LaMP process to address issues that hinder completion of the plans;
- identifying and agreeing on organizational roles and responsibilities with all EPA

- organizations that work in the Great Lakes (Regions 2, 3, 5, and the Office of Research and Development); and
- developing a new Great Lakes Strategy that focuses on goals, includes performance measures, and provides accountability for implementation.

The Agency developed a detailed implementation plan to address OIG's recommendations and is actively addressing each of the components. LaMP documents are scheduled to be released in April, 2000; a re-instituted Great Lakes U.S. Policy Committee, including States, Tribes, and other Federal agencies, is considering RAP issues; and an internal draft of a Great Lakes Strategy was developed for a spring presentation to the U.S. Policy Committee.

National Pollutant Discharge Elimination System Permits (NPDES)

The Agency is responsible for establishing controls on pollutants discharged from point sources and non-point sources into waters of the United States. The National Pollutant Discharge Elimination System (NPDES) program (which includes NPDES permits, urban wet weather, animal feeding operation mining, pretreatment program for non-domestic wastewater discharges into municipal sanitary sewers, and biosolids management controls) is a key element of the Agency's effort to achieve its goal of clean and safe water. OIG audits in 1998 identified significant delays in issuing permits and a substantial backlog in the permitting process for pollutant dischargers into surface waters. The Agency identified the NPDES permit backlog as a material weakness in its FY 1998 Integrity Act Report and implemented an extensive corrective action plan.

EPA's Office of Water worked with the States and Regions to develop a plan to reduce the backlog of permits while maintaining quality. The July 28, 1999 plan contains four specific initiatives:

- Strategic Initiative #1: Understand and better define the backlog
- Strategic Initiative #2: Examine permitting efficiencies and facilitate programmatic and technical streamlining opportunities
- Strategic Initiative #3: Provide funding and technical support for Regions and States
- Strategic Initiative #4: Encourage Regions and States to share technical expertise and permitting tools

In addition, the "Clean and Safe Water" strategic goal for FY 2001 includes an annual performance goal and performance measures under the objective "Reduce Loadings and Air Deposition" for the NPDES program.

EPA Science

In FY 1994, GAO identified EPA Science as a potential vulnerability. The Vice President's "*Report of the National Performance Review* (September 1993)" raised similar concerns. There was a perception by some that EPA did not maintain a satisfactory environmental science program, giving rise to questions concerning the scientific basis for EPA regulations and policies. The Agency declared "EPA Science" as an Agency-level weakness in the FY 1994 Integrity Act process.

The Agency's strategy to strengthen EPA Science addresses key findings and recommendations of a July 1994 Agency-wide Steering Committee report to the Administrator, "*Research, Development, and Technical Services at EPA: A New Beginning*," and the March 1995 report of the National Research Council's (NRC) Committee on Research and Peer Review in EPA. The strategy also outlines corrective actions for vulnerabilities identified in the National Performance Review (specifically, Recommendation EPA 10: "Promote quality science for quality decisions").

In October 1999, ORD developed: *The Strategic Framework for EPA Science* which makes two important proposals: (1) to use cross-Agency unifying guiding principles for viewing science strategically across all Agency programs and Regions; and (2) incorporate the principles into the Agency's strategic planning documents. ORD believes that the *Strategic Framework* can serve as a means of enhancing the role of science in the Agency's strategic planning, and proposed that the three principles be built into EPA's strategic planning process to establish a common framework for viewing EPA science strategically.

Agency-Wide Peer Review

In FY 1997, GAO reported that implementation of EPA's Peer Review Policy was uneven across the Agency. The Office of Research and Development (ORD) led an Agency-wide evaluation that further substantiated GAO's claims, and reported peer review as an Agency-level management control weakness in FY 1997. Corrective actions include (1) issuance of a *Peer Review Handbook* providing extensive guidance on implementing peer review across the Agency; (2) development, distribution, and presentation of training materials for the *Handbook*; (3) development of a database to track products that are candidates for peer review and maintain records of completed peer reviews; and (4) reiteration of the Agency's Peer Review Policy requiring peer review of major scientific and technical products that are used in Agency decision-making. During FY 2000, the Agency will conduct oversight reviews to assess how well the implemented peer review process conforms to the guidance.

Environmental Monitoring Management Council (EMMC)

Since its creation in 1989, the EMMC has made progress to foster the development and implementation of consistent, Agency-wide monitoring approaches. These include:

- adoption of the Performance Based Measurement System (PBMS) to improve the quality of compliance monitoring data, reduce the cost of compliance monitoring for

the regulated community, and eliminate institutional barriers to the development and use of new monitoring technologies;

- creation of a national environmental laboratory program and approval of the first group of States to serve as laboratory accrediting authorities; and
- accreditation by the National Institute of Standards and Technology (NIST) of the first group of private sector providers in October 1999.

In FY 2000, the Quality and Information Board in EPA's Office of Environmental Information will assume responsibility for the EMMC, continuing the following efforts.

- implementing the transition to the PBMS approach, especially with regard to changing Agency regulations, and developing and delivering the necessary training to EPA and State regulatory, permit and enforcement staffs;
- implementing the EMMC-developed mechanism for coordinating methods development; and
- completing development of the Methods Development Information System (MDIS) and an Agency web page dealing with monitoring methodology, updating the Environmental Monitoring Methods Index (EMMI) and posting EMMI and MDIS on the web page.

Reinventing Environmental Regulation

In its January 1999 report "*Major Management Challenges and Program Risks: Environmental Protection Agency*," GAO found that EPA's current regulatory system is costly and occasionally inflexible and that the Agency faces several challenges in making changes to the current system. These challenges include helping employees understand and support changes along with obtaining consensus among varied stakeholders on what objectives or approaches to use in addressing important reinvention issues and policies. Efforts are underway to achieve better environmental results with less burden through the use of innovative and flexible approaches. The Reinvention Action Council, composed of senior Agency managers, conveys reinvention priorities back to the Programs and the Regions and is committed to continue and expand efforts to reward innovation within the Agency.

EPA's Relationships with States

GAO's January 1999 Report, "*Major Management Challenges and Program Risks: Environmental Protection Agency*," identified EPA-State relationships as a major management challenge. The Report describes such issues as EPA oversight, relative roles and responsibilities, priority setting, and financial and technical support

Under the National Environmental Performance Partnership System (NEPPS), the Agency committed itself to long-term collaboration with State agencies to improve EPA/State management of national environmental programs. An April 1999 GAO evaluation generally describes EPA's implementation of NEPPS in a favorable way, but also provides recommendations for EPA and the States to further improve the process. The Agency's NEPPS Senior Management Team is considering investments in the following activities to strengthen the Agency's and the State's performance partnerships:

- development of differential oversight guidelines or guidance;
- improved performance measurement (e.g., research linkages between outputs and outcomes, increased number of environmental indicators);
- improved environmental information management and reporting (e.g., invest in better data systems, burden reduction);
- increased frequency and extent of public participation in NEPPS activities;
- improved joint-priority setting processes and clearer understanding of relative Federal and State roles and responsibilities; and
- improved implementation of PPGs.

Employee Competencies

The Agency recognized that one of its greatest challenges over the next several years is the development and implementation of a strategy that focuses the Agency's attention and resources on employee development. EPA faces a future of formidable programmatic challenges, accelerating change and very stiff competition in recruiting people with the skills needed to effectively carry out its mission. To address these concerns, EPA will need to make a continual investment in developing its workforce.

The Agency began addressing these human resource challenges by announcing several national initiatives on Senior Executive Service (SES) accountability, diversity and management training, professional development, and an intern program. The Workforce Development Strategy (WDS) was created to respond to several of these initiatives and represents a comprehensive, inclusive strategy designed to prepare EPA's workforce for the future. The Agency is in the second year of implementing the WDS and, while much work remains, has made a number of significant accomplishments. The Strategy includes the following components:

- The **Workforce Assessment** identifies the critical skills needed today and through the year 2020 to prepare the EPA workforce to meet the challenges of the Agency's mission. This assessment is completed and forms the foundation for the programs described below.

- **New Skills/New Options** is a developmental program focused on equipping EPA's support staff with the skills they need to assume their vital role in the Agency. Enrollment of support staff from across the Agency in a pilot development program is expected in the Fall of 2000 with full implementation in 2001.
- The **Mid-level Development Program** identifies and provides the generic, cross-cutting skills and competencies mid-level employees need to be successful in a more dynamic, interdependent work place. EPA is testing specially developed training courses and will pilot a comprehensive employee development approach.
- The **Leadership Development Program** will develop supervisors, managers and executives who will nurture a culture of learning and shared leadership for a high performing EPA. The Agency expects to have a comprehensive guide for management development and a new SES Candidate Development program in place in 2000.
- Through the **EPA Intern Program**, the Agency hires and develops high-quality, diverse employees who will become part of the future leadership of the Agency.

**Key Programs
By Appropriation**
(Dollars in Thousands)

		FY 1999 Enacted	FY 2000 Enacted	FY 2001 Request
Acid Rain -CASTNet	S&T	\$4,000.0	\$4,000.0	\$4,000.0
Acid Rain -Program Implementation	EPM	\$10,309.4	\$10,606.3	\$12,287.1
Administrative Law	EPM	\$2,324.3	\$2,470.3	\$2,465.0
Administrative Services	EPM	\$10,471.9	\$54,119.0	\$58,564.9
	LUST	\$35.4	\$103.3	\$110.4
	SUPERFUND	\$5,859.2	\$24,172.1	\$25,243.1
Air Toxics Characterization	EPM	\$9,088.2	\$8,452.9	\$9,503.7
Air Toxics Federal Standards	EPM	\$24,637.9	\$0.0	\$0.0
Air Toxics Implementation	EPM	\$10,561.6	\$5,081.7	\$5,692.0
Air Toxics Research	S&T	\$19,507.0	\$18,121.7	\$17,406.4
Air,State,Local and Tribal Assistance Grants: Other Air Grants	STAG	\$214,759.8	\$217,916.8	\$222,916.8
Assessments	SUPERFUND	\$87,712.3	\$83,857.7	\$83,204.7
Assistance Agreement Audits	IG	\$3,428.7	\$3,947.5	\$2,991.5
	SUPERFUND	\$3,401.8	\$3,401.8	\$2,372.4
Assistance Agreement Investigations	IG	\$2,650.4	\$2,762.8	\$2,771.1
ATSDR Superfund Support	SUPERFUND	\$76,000.0	\$70,000.0	\$64,000.0
Brownfields	EPM	\$1,269.9	\$1,196.3	\$1,441.0
	SUPERFUND	\$91,333.3	\$91,018.8	\$90,185.7
CCTI: International Capacity Building	EPM	\$4,322.9	\$5,594.4	\$10,576.2
CCTI: RESEARCH	S&T	\$10,000.0	\$0.0	\$0.0
Center for Environmental Statistics (CEIS)	EPM	\$3,965.8	\$0.0	\$0.0
Chesapeake Bay (CWAP)	EPM	\$20,361.5	\$20,308.9	\$19,517.4

**Key Programs
By Appropriation**
(Dollars in Thousands)

		FY 1999 Enacted	FY 2000 Enacted	FY 2001 Request
Childrens Health	EPM	\$5,088.6	\$15,680.2	\$16,056.7
Civil Enforcement	EPM	\$82,397.6	\$81,799.7	\$91,510.0
	S&T	\$589.9	\$299.6	\$318.1
	OIL	\$1,225.3	\$1,298.5	\$1,360.1
	SUPERFUND	\$736.6	\$251.6	\$262.0
Civil Enforcement - CWAP/AFO Related	EPM	\$0.0	\$935.6	\$1,008.6
Civil Rights/Title VI Compliance	EPM	\$1,637.1	\$1,331.7	\$1,404.5
Clean Air Partnership Fund	STAG	\$0.0	\$0.0	\$85,000.0
Climate Change Research	S&T	\$15,970.6	\$20,592.2	\$22,726.3
Climate Change Technology Initiative: Buildings	EPM	\$38,800.0	\$42,640.9	\$80,063.8
Climate Change Technology Initiative: Carbon Removal	EPM	\$0.0	\$1,000.0	\$3,410.0
Climate Change Technology Initiative: Industry	EPM	\$22,086.1	\$21,991.7	\$63,686.1
Climate Change Technology Initiative: State and Local Climate Change Program	EPM	\$2,500.0	\$2,508.0	\$4,525.0
Climate Change Technology Initiative: Transportation	EPM	\$4,799.5	\$2,604.8	\$11,995.0
	S&T	\$26,950.5	\$27,000.0	\$53,089.0
Coastal Environmental Monitoring	S&T	\$0.0	\$6,954.0	\$7,255.4
Commission for Environmental Cooperation - CEC	EPM	\$3,084.0	\$3,222.5	\$3,263.5
Common Sense Initiative	EPM	\$6,051.0	\$1,980.1	\$3,935.5
	S&T	\$867.0	\$630.4	\$641.8

**Key Programs
By Appropriation**
(Dollars in Thousands)

		FY 1999 Enacted	FY 2000 Enacted	FY 2001 Request
Community Right to Know (Title III)	EPM	\$4,544.7	\$4,797.5	\$5,137.5
Compliance Assistance and Centers	EPM	\$18,920.1	\$22,954.8	\$24,039.7
	OIL	\$274.9	\$353.4	\$280.7
	SUPERFUND	\$101.3	\$109.0	\$117.7
Compliance Incentives	EPM	\$5,129.1	\$4,975.1	\$5,451.2
	SUPERFUND	\$213.6	\$220.6	\$227.9
Compliance Monitoring	EPM	\$49,095.2	\$48,500.0	\$58,014.2
	S&T	\$4,568.4	\$4,516.2	\$5,005.6
	SUPERFUND	\$3,798.4	\$3,388.0	\$4,499.7
Congressional Projects	EPM	\$0.0	\$1,968.5	\$2,173.3
Congressional/Legislative Analysis	EPM	\$0.0	\$2,997.7	\$3,058.3
	SUPERFUND	\$0.0	\$121.3	\$216.3
Contract and Procurement Investigations	IG	\$1,844.1	\$1,936.2	\$1,914.3
	SUPERFUND	\$1,068.9	\$1,068.9	\$1,072.0
Contract Audits	IG	\$4,245.1	\$4,731.0	\$4,441.0
	SUPERFUND	\$705.5	\$708.5	\$917.0
Contracts Management	EPM	\$16,232.7	\$0.0	\$0.0
	LUST	\$69.6	\$0.0	\$0.0
	SUPERFUND	\$8,683.7	\$0.0	\$0.0
Criminal Enforcement	EPM	\$24,319.8	\$23,699.9	\$26,477.7
	S&T	\$3,327.7	\$4,436.3	\$4,867.9
	SUPERFUND	\$6,789.0	\$8,992.6	\$10,184.6
CWAP - Related Research	S&T	\$1,406.0	\$7,087.5	\$7,909.9

**Key Programs
By Appropriation**
(Dollars in Thousands)

		FY 1999 Enacted	FY 2000 Enacted	FY 2001 Request
Design for the Environment	EPM	\$4,724.9	\$4,741.9	\$4,946.9
Direct Public Information and Assistance	EPM	\$0.0	\$3,719.4	\$4,141.9
	SUPERFUND	\$0.0	\$529.5	\$647.4
Drinking Water Consumer Awareness	EPM	\$1,622.9	\$1,537.2	\$1,595.8
Drinking Water Implementation	EPM	\$28,134.2	\$29,668.5	\$32,234.5
Drinking Water Regulations	EPM	\$31,807.8	\$30,772.4	\$35,197.9
	S&T	\$2,118.9	\$2,458.1	\$2,611.9
Effluent Guidelines (CWAP)	EPM	\$22,372.2	\$21,116.9	\$23,610.1
EMPACT	EPM	\$7,889.2	\$8,016.8	\$8,648.8
	S&T	\$6,313.7	\$6,351.8	\$7,137.6
Employee Integrity Investigations	IG	\$953.4	\$991.8	\$923.2
Endocrine Disruptor Research	S&T	\$12,098.4	\$8,038.0	\$13,241.1
Endocrine Disruptor Screening Program	EPM	\$4,259.0	\$12,553.8	\$10,215.4
Enforcement Training	EPM	\$3,142.9	\$4,750.0	\$4,567.9
	SUPERFUND	\$661.1	\$955.4	\$1,160.3
Environment and Trade	EPM	\$389.0	\$518.0	\$4,606.4
Environmental Appeals Boards	EPM	\$0.0	\$1,789.5	\$1,758.7
	SUPERFUND	\$0.0	\$91.3	\$106.5
Environmental Education	EPM	\$7,767.6	\$7,271.1	\$9,390.7
Environmental Finance Center Grants (EFC)	EPM	\$1,065.0	\$1,250.0	\$480.0
Environmental Monitoring and Assessment Program, EMAP	S&T	\$33,153.5	\$30,543.5	\$30,332.2
Environmental Technology Verification (ETV)	S&T	\$6,908.5	\$6,392.6	\$6,699.5

**Key Programs
By Appropriation**
(Dollars in Thousands)

		FY 1999 Enacted	FY 2000 Enacted	FY 2001 Request
Existing Chemical Data, Screening, Testing and Management	EPM	\$14,225.3	\$20,394.5	\$24,412.4
Exploratory Grants Program	S&T	\$12,038.0	\$10,803.5	\$10,669.0
Facility Operations: Agency Rental/ Direct Lease	EPM	\$133,357.0	\$0.0	\$0.0
	LUST	\$723.3	\$0.0	\$0.0
Facility Operations: Agency Rental/ Direct Lease	OIL	\$511.7	\$0.0	\$0.0
	IG	\$3,236.6	\$0.0	\$0.0
	SUPERFUND	\$32,743.2	\$0.0	\$0.0
Facility Operations: Agency Utilities	EPM	\$9,985.7	\$0.0	\$0.0
	SUPERFUND	\$29.5	\$0.0	\$0.0
Facility Operations: Repairs and Improvements	B&F	\$15,428.0	\$0.0	\$0.0
Facility Operations: Security	EPM	\$12,219.7	\$0.0	\$0.0
	SUPERFUND	\$742.5	\$0.0	\$0.0
Federal Facilities	SUPERFUND	\$29,368.2	\$27,750.6	\$29,803.8
Federal Preparedness	SUPERFUND	\$11,307.5	\$11,028.2	\$12,854.8
Financial Statement Audits	IG	\$3,300.6	\$3,447.4	\$3,430.9
	SUPERFUND	\$886.9	\$886.9	\$825.7
Global Toxics	EPM	\$315.3	\$535.0	\$588.4
GLOBE	EPM	\$0.0	\$1,000.0	\$1,000.0
Grants Management	EPM	\$7,331.5	\$0.0	\$0.0
	LUST	\$211.3	\$0.0	\$0.0
	SUPERFUND	\$1,026.0	\$0.0	\$0.0
Grants to States for Lead Risk Reduction	STAG	\$13,712.2	\$13,712.2	\$13,712.2

**Key Programs
By Appropriation**
(Dollars in Thousands)

		FY 1999 Enacted	FY 2000 Enacted	FY 2001 Request
Great Lakes (CWAP)	EPM	\$5,395.3	\$3,263.7	\$4,111.1
Great Lakes Cleanup Grants	STAG	\$0.0	\$0.0	\$50,000.0
Great Lakes National Program Office (CWAP)	EPM	\$14,783.8	\$15,077.6	\$13,196.7
Gulf of Mexico (CWAP)	EPM	\$3,798.9	\$4,196.0	\$4,019.5
Hazardous Substance Research:Hazardous Substance Research Centers	S&T	\$4,529.8	\$2,504.7	\$0.0
	SUPERFUND	\$0.0	\$0.0	\$2,594.5
Hazardous Substance Research:Superfund Innovative Technology Evaluation (SITE)	S&T	\$7,695.9	\$7,017.3	\$0.0
	SUPERFUND	\$0.0	\$0.0	\$5,932.0
Hazardous Waste Research	S&T	\$6,167.9	\$5,379.8	\$6,880.8
Human Health Research	S&T	\$49,652.2	\$48,883.9	\$52,998.6
Human Resources Management	EPM	\$19,486.1	\$0.0	\$0.0
	S&T	\$326.0	\$0.0	\$0.0
	LUST	\$36.3	\$0.0	\$0.0
	SUPERFUND	\$2,083.6	\$0.0	\$0.0
Immediate Office of the Administrator	EPM	\$2,791.3	\$3,729.8	\$3,008.2
Indoor Air Research	S&T	\$2,818.7	\$0.0	\$0.0
Indoor Air: Buildings	EPM	\$972.5	\$1,640.9	\$1,693.4
Indoor Air: Buildings	S&T	\$19.5	\$31.8	\$0.0
Indoor Air: Homes	EPM	\$2,286.0	\$1,516.9	\$2,829.8
	S&T	\$982.2	\$438.2	\$558.7

**Key Programs
By Appropriation**
(Dollars in Thousands)

		FY 1999 Enacted	FY 2000 Enacted	FY 2001 Request
Indoor Air: School	EPM	\$2,925.4	\$3,266.5	\$4,882.9
	S&T	\$792.3	\$1,021.9	\$238.0
Information Technology Management	EPM	\$22,135.7	\$13,309.5	\$11,039.9
Innovative Community Partnership Program	SUPERFUND	\$4,074.2	\$2,380.4	\$3,601.5
	EPM	\$4,701.8	\$309.8	\$4,841.5
Integrated Information Initiative (I-3)	EPM	\$0.0	\$866.7	\$14,936.0
	STAG	\$0.0	\$0.0	\$16,000.0
International Brownfields	EPM	\$159.0	\$168.0	\$173.0
International Safe Drinking Water	EPM	\$684.0	\$793.0	\$848.0
Lake Champlain (CWAP)	EPM	\$2,000.0	\$2,187.3	\$1,000.0
Lead Risk Reduction Program Leaking Underground Storage Tanks (LUST) Cooperative Agreements	EPM	\$18,214.4	\$13,833.9	\$13,573.2
	LUST	\$58,990.0	\$56,466.8	\$58,050.0
Long Island Sound (CWAP)	EPM	\$900.0	\$975.0	\$500.0
Marine Pollution (CWAP)	EPM	\$0.0	\$7,580.0	\$8,059.8
Mobile Sources	S&T	\$50,821.8	\$48,056.9	\$56,123.8
Multilateral Fund	EPM	\$11,362.0	\$12,000.0	\$21,000.0
NACEPT Support	EPM	\$0.0	\$1,822.5	\$2,166.7
NAFTA Implementation	EPM	\$0.0	\$507.2	\$603.7
National Association Liaison	EPM	\$0.0	\$322.4	\$337.4
National Estuaries Program/Coastal Watersheds	EPM	\$16,528.3	\$18,029.2	\$16,135.0

**Key Programs
By Appropriation**
(Dollars in Thousands)

		FY 1999 Enacted	FY 2000 Enacted	FY 2001 Request
(CWAP)				
National Nonpoint Source Program Implementation	EPM	\$16,033.7	\$15,401.1	\$16,944.3
(CWAP)				
National Program chemicals: PCBs, Asbestos, Fibers, and Dioxin	EPM	\$3,268.3	\$5,753.6	\$5,648.5
NEPA Implementation	EPM	\$9,269.5	\$9,901.4	\$10,711.9
New Chemical Review	EPM	\$14,659.5	\$13,261.4	\$13,697.6
New Construction :RTP New Building Project	B&F	\$36,000.0	\$0.0	\$0.0
New Construction: New Headquarters Project	EPM	\$8,367.3	\$0.0	\$0.0
	B&F	\$5,520.0	\$0.0	\$0.0
	SUPERFUND	\$2,058.0	\$0.0	\$0.0
NIEHS Superfund Support	SUPERFUND	\$60,000.0	\$60,000.0	\$48,526.7
NPDES Program (CWAP)	EPM	\$30,862.6	\$36,274.9	\$41,592.0
Oil Spills Preparedness, Prevention and Response	OIL	\$11,851.9	\$11,820.4	\$12,560.3
Other Federal Agency Superfund Support	SUPERFUND	\$10,000.0	\$10,000.0	\$10,585.0
Ozone	EPM	\$30,979.3	\$29,696.0	\$32,092.2
Pacific Northwest (CWAP)	EPM	\$1,022.5	\$1,043.2	\$1,064.8
Particular Matter	EPM	\$26,807.0	\$26,421.2	\$33,226.4
Particulate Matter Research	S&T	\$55,842.9	\$62,300.5	\$65,267.9
Partnership with Industrial and Other Countries	EPM	\$6,267.8	\$6,855.6	\$5,776.3
Pesticide Applicator Certification and Training	EPM	\$10,438.0	\$9,391.2	\$10,587.0

**Key Programs
By Appropriation**
(Dollars in Thousands)

		FY 1999 Enacted	FY 2000 Enacted	FY 2001 Request
Pesticide Registration	EPM	\$30,886.0	\$34,323.6	\$39,292.7
	S&T	\$2,612.4	\$2,168.3	\$2,221.3
	EPM	\$35,243.2	\$31,472.5	\$34,083.6
	S&T	\$2,856.6	\$2,379.5	\$2,345.1
Pesticide Residue Tolerance Reassessments	EPM	\$9,970.2	\$11,446.4	\$7,578.4
	S&T	\$127.8	\$151.4	\$144.3
Pesticides Program Implementation Grant Pfiesteria (CWAP)	STAG	\$13,114.6	\$13,114.6	\$13,114.6
	EPM	\$2,500.0	\$100.0	\$250.0
Planning and Resource Management	EPM	\$31,675.4	\$31,012.2	\$36,554.0
	LUST	\$661.6	\$820.4	\$905.9
	SUPERFUND	\$19,560.1	\$12,247.3	\$16,311.8
Planning, Analysis, and Results - IG	IG	\$0.0	\$0.0	\$1,302.2
	SUPERFUND	\$0.0	\$0.0	\$313.6
Pollution Prevention Incentive Grants to States	STAG	\$5,999.5	\$5,999.5	\$5,999.5
Pollution Prevention Program Pollution Prevention Tools and Technologies	EPM	\$9,449.5	\$8,333.2	\$8,534.4
	S&T	\$30,509.5	\$27,442.0	\$19,469.3
Program Audits	IG	\$7,283.3	\$8,044.5	\$8,891.7
Program Evaluation - IG	SUPERFUND	\$2,981.1	\$2,981.1	\$3,899.9
	IG	\$0.0	\$1,389.4	\$2,219.1
Program Integrity Investigations	SUPERFUND	\$0.0	\$246.9	\$555.0
	IG	\$439.8	\$1,000.0	\$1,106.3
	SUPERFUND	\$471.7	\$471.7	\$380.0

**Key Programs
By Appropriation**
(Dollars in Thousands)

		FY 1999 Enacted	FY 2000 Enacted	FY 2001 Request
Project XL	EPM	\$6,589.0	\$5,114.3	\$5,031.0
RCRA Corrective Action	EPM	\$31,059.9	\$36,610.5	\$40,062.8
RCRA Permitting	EPM	\$13,325.0	\$15,724.4	\$16,311.6
RCRA State Grants	STAG	\$98,598.2	\$98,598.2	\$106,598.2
Recycling	EPM	\$4,232.9	\$3,639.3	\$3,880.5
Regional Geographic Program	EPM	\$8,070.6	\$11,989.8	\$12,193.1
Regional Haze	EPM	\$12,271.7	\$1,851.5	\$2,233.0
Regional Management	EPM	\$30,303.6	\$7,819.8	\$8,834.9
Regional Operations and Liaison	SUPERFUND	\$12,231.4	\$2,244.0	\$2,362.0
	EPM	\$0.0	\$598.3	\$613.5
Regional Program Infrastructure	EPM	\$47,590.0	\$21,686.3	\$20,626.0
	LUST	\$310.3	\$144.0	\$144.4
	OIL	\$26.1	\$0.0	\$26.2
	IG	\$582.5	\$0.0	\$0.0
Regional Science and Technology	SUPERFUND	\$18,023.3	\$8,053.0	\$7,873.8
	EPM	\$2,923.1	\$2,823.1	\$3,728.3
Reinventing Environmental Information (REI)	SUPERFUND	\$3,028.6	\$4,660.7	\$4,801.0
	EPM	\$15,054.9	\$0.0	\$0.0
Reinvention Programs, Development and Coordination	EPM	\$4,334.1	\$19,421.4	\$23,504.0
Rent, Utilities and Security	EPM	\$0.0	\$176,659.7	\$199,253.5
	LUST	\$0.0	\$845.3	\$718.5

**Key Programs
By Appropriation**
(Dollars in Thousands)

		FY 1999 Enacted	FY 2000 Enacted	FY 2001 Request
	OIL	\$0.0	\$508.3	\$508.3
	SUPERFUND	\$0.0	\$40,562.7	\$44,903.0
Risk Management Plans	EPM	\$7,254.9	\$7,242.8	\$7,913.5
Rural Water Technical Assistance	EPM	\$13,050.0	\$13,987.4	\$688.0
Safe Drinking Water Research SBREFA	S&T	\$45,734.6	\$47,367.6	\$48,872.5
	EPM	\$760.3	\$777.3	\$801.9
Science Advisory Board	EPM	\$0.0	\$2,860.6	\$2,674.0
Small Business Ombudsman	EPM	\$1,110.3	\$1,120.3	\$1,162.6
Small, Minority, Women-Owned Business Assistance	EPM	\$2,064.4	\$2,188.3	\$2,367.4
Source Reduction	EPM	\$2,299.0	\$1,950.9	\$2,069.1
Source Water Protection (CWAP - related)	EPM	\$10,741.3	\$10,302.3	\$11,631.1
South Florida/Everglades (CWAP)	EPM	\$2,869.3	\$2,923.0	\$2,938.4
STAR Fellowships Program	S&T	\$8,941.0	\$8,952.6	\$10,089.9
State Nonpoint Source Grants (CWAP)	STAG	\$200,000.0	\$200,000.0	\$250,000.0
State Pesticides Enforcement Grants	STAG	\$19,511.7	\$19,911.6	\$19,911.6
State Pollution Control Grants (Section 106) (CWAP)	STAG	\$115,529.3	\$115,529.3	\$160,529.3
State PWSS Grants	STAG	\$93,780.5	\$93,305.5	\$93,305.5
State Toxics Enforcement Grants	STAG	\$7,364.2	\$7,364.2	\$7,364.2
State Underground Injection Control Grants	STAG	\$10,500.0	\$10,975.0	\$10,975.0
State Water Quality Cooperative Agreements	STAG	\$19,000.0	\$19,000.0	\$19,000.0

**Key Programs
By Appropriation**
(Dollars in Thousands)

		FY 1999 Enacted	FY 2000 Enacted	FY 2001 Request
(CWAP)				
State Wetlands Program Grants	STAG	\$15,000.0	\$15,000.0	\$15,000.0
(CWAP)				
Stationary Sources	EPM	\$14,641.4	\$16,566.5	\$17,812.9
Superfund - Cost Recovery	SUPERFUND	\$30,580.6	\$30,269.1	\$32,886.4
Superfund - Justice Support	SUPERFUND	\$29,000.0	\$28,663.5	\$28,663.5
Superfund - Maximize PRP Involvement (including reforms)	SUPERFUND	\$88,857.0	\$82,009.6	\$86,040.1
Superfund Remedial Actions	SUPERFUND	\$585,181.4	\$499,799.0	\$543,682.9
Superfund Removal Actions	SUPERFUND	\$199,216.8	\$200,860.3	\$199,218.0
System Modernization	EPM	\$0.0	\$10,570.6	\$10,570.6
	S&T	\$0.0	\$1,640.6	\$1,640.6
	SUPERFUND	\$0.0	\$1,481.7	\$1,481.7
Toxic Release Inventory / Right- to-Know (RtK)	EPM	\$19,799.6	\$17,671.8	\$17,647.7
Tribal General Assistance Grants	STAG	\$42,585.4	\$42,628.4	\$52,585.4
Tropospheric Ozone Research U.S. - Mexico Border	S&T	\$18,100.4	\$6,273.7	\$8,543.4
	EPM	\$4,929.4	\$4,142.3	\$5,176.2
UIC Program	EPM	\$9,412.2	\$9,594.9	\$10,687.6
Underground Storage Tanks (UST)	EPM	\$6,378.3	\$6,203.9	\$6,906.4
Urban Environmental Quality and Human Health	EPM	\$0.0	\$0.0	\$3,395.0
UST State Grants	STAG	\$10,544.7	\$11,944.7	\$11,944.7
Waste Combustion	EPM	\$6,890.3	\$4,438.3	\$4,677.5
Waste Minimization	EPM	\$2,413.2	\$1,913.3	\$1,966.5
Water Infrastructure: Alaska Native Villages	STAG	\$30,000.0	\$30,000.0	\$15,000.0
Water Infrastructure: Boston	STAG	\$50,000.0	\$0.0	\$0.0

**Key Programs
By Appropriation**
(Dollars in Thousands)

		FY 1999 Enacted	FY 2000 Enacted	FY 2001 Request
Harbor				
Water Infrastructure:Bristol County	STAG	\$2,610.0	\$2,000.0	\$3,000.0
Water Infrastructure:Clean Water State Revolving Fund (CW-SRF)	STAG	\$1,350,000.0	\$1,345,421.0	\$800,000.0
Water Infrastructure:Drinking Water State Revolving Fund (DW-SRF)	STAG	\$775,000.0	\$820,000.0	\$825,000.0
Water Infrastructure:Mexico Border	STAG	\$50,000.0	\$50,000.0	\$100,000.0
Water Infrastructure:New Orleans	STAG	\$6,525.0	\$3,800.0	\$10,000.0
Water Quality Criteria and Standards (CWAP)	EPM	\$19,110.9	\$18,545.1	\$22,765.0
Water Quality Monitoring and Assessment (CWAP)	EPM	\$0.0	\$9,762.6	\$11,778.7
Watershed Research	S&T	\$10,297.5	\$7,481.8	\$6,398.3
Wetlands (CWAP)	EPM	\$15,694.9	\$15,730.0	\$17,315.2

EPA User Fee Program

In FY 2001, EPA will have five (5) user fee programs in operation. These user fee programs are as follows:

- **Motor Vehicle and Engine Compliance Program Fee**

This fee is authorized by the Clean Air Act of 1990 and is managed by the Office of Air and Radiation. Fee collections began in August 1992. This fee is imposed on manufacturers of light-duty vehicles, light and heavy trucks, and motorcycles. It covers the cost of certifying new engines and vehicles and monitoring compliance of in-use engines and vehicles. In FY 2001, EPA expects to collect \$9.7 million from this fee.

- **Pesticide Reregistration Maintenance Fee**

The 1988 amendments to the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) mandated accelerated reregistration of all pesticide products registered prior to November 1984. Congress authorized the Agency to collect two kinds of fees - Pesticide Reregistration Fees and annual Pesticide Maintenance Fees. The Pesticide Reregistration Fee expired in 1992. The Agency continues to collect Pesticide Maintenance Fees, which are deposited into the non-appropriated Reregistration and Expedited Processing Revolving Fund (FIFRA Fund). Pesticide Maintenance Fees are assessed on the manufacturers of active ingredients used in pesticide products based on the manufacturer's market share. The Food Quality Protection Act of 1996 (FQPA) extended Pesticide Maintenance Fees through 2001 and increased the cap on fees by \$2 million through 2000. EPA expects to collect \$14 million from this fee in 2001.

- **Pesticide Tolerance Fee**

A tolerance is the maximum legal limit of a pesticide residue in and on food commodities and animal feed. In 1954, the Federal Food, Drug, and Cosmetic Act (FFDCA) authorized the collection of fees for the establishment of tolerances on raw agricultural commodities and in food commodities. These fees supplement annual appropriated funds for EPA's Tolerance Program and are also deposited into the FIFRA Fund. Annually the fees are adjusted by the percentage change in the Federal employee General Schedule (GS) pay scale. In 2001, the Agency expects to replace this fee with a more comprehensive cost-recovery fee. The FFDCA, as amended by FQPA, mandates that EPA must require the payment of such fees as will, in the aggregate, be sufficient to provide, equip, and maintain an adequate service for establishing tolerances. The Agency is reevaluating the fee schedule to recover the full cost of tolerance determinations as directed by the FQPA. A proposed Tolerance Fee Rule was published in 1999 and is scheduled to become final in 2001. It is difficult to accurately estimate the impact the new fee will have on the submission of tolerances for review; the higher costs could cause manufacturers to significantly cut back the number of tolerances requested. Based on the proposed rule, the budget estimates an increase of \$26

million in tolerance fee collections due to the new rule in 2001, of which \$7 million will be used to offset appropriated funding for tolerance reassessments.

- **Pre-manufacture Notice Fee**

Since 1989, this fee has been collected for the review and processing of new chemical Pre-Manufacture Notices (PMN) submitted to EPA by the chemical industry. They are paid at the time of submission of the PMN for review by EPA's Office of Prevention, Pesticides and Toxic Substances. PMN fees are authorized by the Toxic Substances Control Act and contain a cap on the amount the Agency may charge for a PMN review. EPA expects to collect \$3 million in PMN fees in 2001 under the existing fee structure.

- **Lead Accreditation and Certification Fee**

The Toxic Substances Control Act, Title IV, Section 402(a)(3), mandates the development of a schedule of fees for persons operating lead training programs accredited under the 402/404 rule and for lead-based paint contractors certified under this rule. The training programs ensure that lead paint abatement is done safely. Fees collected for this activity are deposited in the U.S. Treasury. EPA estimates that less than \$500,000 will be deposited in 2001 and subsequent years.

USER FEE PROPOSALS

- **Pesticide Registration Fee**

The Administration will propose authorization language, subject to an appropriations language trigger, to implement the Pesticide registration Fee authorized by FIFRA and U.S.C. 9701 "Fees and Charges for Government Services and Things of Value." Following enactment of authorization and appropriations language, the Agency expects to collect \$16 million in 2001 from the reinstatement of Pesticide Registration Fees that Congress had suspended through 2001. Through such fees, manufacturers of new pesticide products share the cost of ensuring that authorized uses of these products do not pose unreasonable risk to human health and the environment. Pesticide Registration Fees will be deposited in a special fund in the U.S. Treasury to be available to the Agency, subject to appropriation, to cover the cost of issuing registrations.

Pre-manufacture Notice Fee

The Agency is proposing appropriations language to raise the existing Pre-Manufacture Notice (PMN) fees to allow the Agency to cover the full cost of the PMN program. This language would modify the current statutory cap in the Toxic Substances Control Act on the total fee that EPA is allowed to charge. Under the current fee structure, the Agency will collect \$3,000,000 in FY 2001. The Agency expects to collect \$8,000,000 annually from the fee cap modification, when fully implemented. The increase in PMN fees will be deposited into a special fund in the U.S. Treasury, available to the Agency, subject to

appropriation. In FY 2001 after the anticipated rulemaking, the Agency estimates collections of \$4,000,000.

Working Capital Fund

In FY 2001, the Agency begins its fourth year of operation of the Working Capital Fund (WCF). A WCF is a revolving fund authorized by law to finance a cycle of operations, where the costs of goods and services provided are charged to the users on a fee-for-service basis. The funds received are available without fiscal year limitation, to continue operations and to replace capital equipment. EPA's WCF was implemented under the authority of Section 403 of the Government Management Reform Act of 1994 and EPA's FY 1997 Appropriations Act. Permanent WCF authority was contained in the FY 1998 Appropriations Act.

The Chief Financial Officer and the Office of the Comptroller initiated the WCF in FY 1997 as part of their effort to: (1) be accountable to Agency offices, the Office of Management and Budget, and the Congress; (2) increase the efficiency of the administrative services provided to program offices; and (3) increase customer service and responsiveness. The Agency has a WCF Board which provides policy and planning oversight and advises the CFO regarding the WCF financial position. The Board, chaired by the Deputy CFO, is composed of seventeen permanent members from the program offices and the regional offices.

Two Agency services, begun in FY 1997 will continue into FY 1999. These are the Agency's computer center and telecommunications operations, managed by the Enterprise Technology Services Division (ETSD), Research Triangle Park, North Carolina and Agency postage costs, managed by the Office of Administration, Washington, DC. The Agency's FY 2001 budget request includes resources for these two activities in each National Program Manager's submission, totaling approximately \$125 million. These estimated resources may be increased to incorporate program office's additional service needs during the operating year. To the extent that these increases are subject to Congressional reprogramming notifications, the Agency will comply with all applicable requirements.

The Customer Service Program

Background

The Customer Service Program (CSP) was established in 1993, immediately after President Clinton signed Executive Order 12862, "Setting Customer Service Standards." The Customer Service staff of the Office of Policy, Economics and Innovation (in the Office of the Administrator) coordinates and supports all aspects of the Customer Service Program (CSP). The CSP staff directly or through contracts support EPA's Customer Service Steering Committee (CSSC), the group that sets CSP policy, its 11 work and process groups, and customer service coordinators across the Agency; coordinate an annual conference in partnership with a regional host; develop and disseminate training and measurement support tools and techniques; and gather and share best practices and success stories to speed customer service improvement. By involving approximately 400 individuals from staff and management through CSSC work groups and office/region/laboratory Customer Service Councils, the CSP leverages its two person staff to implement the Agency's Customer Service Strategy.

What Improved Customer Service Will Achieve

EPA published a Customer Service Plan in September 1995, and in May 1997, officially adopted critical process standards and a set of universal standards that apply to the work of everyone at EPA. The Agency's Six Principles of Customer Service are:

1. Be helpful! Listen to your customers!
2. Respond to all phone calls by the end of the next business day.
3. Respond to all correspondence within 10 business days.
4. Make clear, timely, accurate information accessible.
5. Work collaboratively with partners to improve all products and services.
6. Seek and use customers' ideas and input!

The Customer Service Program Strategy adopted by the CSSC in the fall of 1998 focuses on:

- helping all EPA employees understand the importance and substantial mission related benefits of improving service to the public and each other;
- providing employees with goals (standards) and guidelines for improvement and involving them in identifying and attempting to eliminate barriers to achieving customer service excellence;
- providing training to build staff capacity to achieve the standards and effectively apply customer service skills, and building a culture that encourages learning;
- developing tools and building capacity to gather formal and informal feedback and measure customer satisfaction (service, product and process improvement) over time;

- learning what we need to do to increase satisfaction with our services and our treatment of customers;
- recognizing and rewarding customer service excellence

The CSSC adopted the Government Performance and Results Act goal included in EPA's strategic plan that by 2003, all EPA staff will be meeting the customer service standards that apply to their work and will have received training necessary to assist them to achieve the standards.

Because customer feedback and satisfaction measurement are critical underpinnings to the overall program, in 1998 the CSP developed "Hearing the Voice of the Customer - Customer Feedback and Customer Satisfaction Measurement Guidelines." In 1999, CSP sponsored a workshop to train the first group of 23 advisor/consultants to assist people across the Agency to use the guidelines to obtain and use customer input. Additional workshops will continue to be sponsored in partnership with regions and offices interested in improving their capability to obtain and use customer input. On the informal feedback side, the CSP encourages organizations to document complaints and comments and make improvements based on them. Further, the CSP reported bi-monthly, under the "Conversations with America" effort directed by Presidential Memo in March 1998, to the National Partnership for Reinventing Government (and the American people via the Internet) on the activities across the nation

All feedback instruments continue to be cleared through the OMB under the CSP generic Information Collection Request (ICR) for customer satisfaction surveys. EPA's cross agency application for a 3-year renewal of its ICR (for FY 2000- 20002) was submitted to OMB in September 1999.

The CSP also coordinated EPA's participation in the NPR led 1999 Government-wide Customer Satisfaction Survey and will work with the follow-up as a result of the findings. EPA's customer segment, as a surrogate to the American people, was reference librarians in public libraries across the nation. Libraries provide direct, unbiased service to a broad spectrum of the American people across the country and are available to individuals regardless of age, social status, or educational background. EPA decided to examine the customer service aspects of the information provision part of its mission and chose to focus on Internet users because web pages are representative of all EPA programs, Internet is becoming increasingly more accessible to the general public (in 1999, 50 % of the public; five years prior only 30%), and increasing public access to environmental information is a strategic goal of the Agency.

Over 200 EPA staff are certified to facilitate training across the Agency. Many are involved in delivering both Forging the Links (an EPA-specific service workshop that ties service improvement to better accomplishment of the Agency's mission and develops rough plans to eliminate barriers to achieving world class service), and customer skills courses that supplement the workshop. Through sharing benchmarking/best practices information and by sponsoring the annual conference, the CSP supplements training opportunities. The annual conferences bring outstanding speakers, best in class

service deliverers, EPA, federal and state employees and managers together to share information and speed adoption of best practices.

Through recognizing outstanding service, the Agency highlights, encourages, and reinforces service excellence. Many offices and regions in EPA have created specific cash awards for customer service. In addition, many non-monetary awards are in place to encourage improvements in correspondence and telephone service to the public.

Expected Results

In support of the Customer Service Executive Order and various Presidential memorandums in FY 2001, the Agency will maintain leadership and coordination of the National CSP by providing:

- policy and guidance development;
- communication and liaison with Senior managers, the National Partnership for Reinventing Government (NPR), and other federal and state partners;
- best practices research;
- conversations with American reporting;
- direct and contractual support to the CSP committees and work groups;
- continuous support for guidelines and measurements;
- a fourth National Customer Service Conference;
- increased access to CSP information via the Intra and Internet; a gateway to other customer service information.

EPA's Administrator Carol Browner has stated that "EPA will be a model for all regulatory agencies by fully integrating customer satisfaction measures into our strategic planning, budgeting and decision making, while recognizing the diversity of our customers and the need for balancing competing and conflicting interests. Above all, we will strengthen our ability to listen to the voice of our customers so that we can identify their needs and act upon them." EPA's Customer Service Program reflects the Agency's commitment to enhance customer service.

FTE: 2.2 Funding: \$200,000 (request)

Costs and Benefits of Economically Significant Rules in FY 2000 or FY 2001

Goal 1: Clean Air

Tier II motor vehicle emissions standards and gasoline sulfur control requirements (signed on December 21, 1999)

The final Tier 2 rule was announced by the President on December 21, 1999. This rule establishes the next generation of emission standards for light-duty vehicles and light-duty trucks. The rulemaking also establishes limitations on the sulfur content of gasoline available nationwide. Sulfur in gasoline has a detrimental impact on catalyst performance and could be a limiting factor in the introduction of advanced technologies on motor vehicles. The primary focus of this action is reducing emissions of nitrogen oxides and non-methane hydrocarbons, pollutants which contribute to ozone pollution. The light-duty vehicle and light-duty truck standards will phase in beginning the 2004 model year, as per Clean Air Act requirements.

EPA estimates the program will cost industry \$4 billion annually once the entire program is phased in, including vehicle costs of less than \$100 for cars, \$200 for light-duty trucks, and \$350 for medium-duty passenger vehicles. Costs include costs to employ improved technologies such as enhanced catalyst systems, improved engine and exhaust system designs, improved evaporative emissions controls and advanced fuel and engine control systems. Costs also include a large research and development effort for integrating these components into the most efficient system for emissions control.

By the year 2030, when the fleet is fully turned over, monetized health and environmental benefits are estimated to be \$25.2 billion (in constant 1997 dollars). The Tier 2/gasoline sulfur standards would, in the long term, result in substantial benefits, such as the yearly avoidance of approximately 4,300 premature deaths, approximately 2,300 cases of bronchitis, and significant numbers of hospital visits, lost work days, and multiple respiratory ailments, especially those that affect children. The new tailpipe standards will reduce emissions of nitrogen oxides from cars by about 77 percent and SUVs by 95%. Total NO_x emissions will be reduced by nearly 3 million tons annually by 2030. In addition, the new gasoline sulfur standards will reduce the sulfur level in gasoline by approximately 90%.

Control of Exhaust Emissions from Diesel Trucks and Buses and Control of Sulfur in Diesel Fuel

Diesel engines used in motor vehicles are a major source of nitrogen oxides and particulate matter, both of which contribute to serious health problems in the United States. By 2007, we estimate that heavy-duty engines used in trucks and buses, which primarily are diesel-powered, will account for significant portions of mobile source NO_x and PM emissions.

This rulemaking will address the need for more stringent heavy-duty NO_x and PM engine standards and the need for reductions in the sulfur content of highway diesel fuel. Low sulfur diesel fuel will be needed to enable effective advanced emission control technology on future diesel engines. There are also additional air quality benefits, such as sulfate particulate matter reductions in the existing fleet, associated with reducing sulfur levels in diesel fuel. This rulemaking is in a very early stage of development; related cost and benefit estimates are not yet available.

Non-road Engines and Diesel Fuel

Several years ago, EPA established the first emission standards for large diesel engines used in non-road application, such as construction and agricultural equipment. It may be possible to apply emission control technology being developed for highway diesel vehicles to these non-road engines. Therefore, in FY 2000, EPA expects to begin rulemaking to propose more stringent NO_x and PM standards for future diesel engines used in construction and agricultural equipment. In addition, EPA will evaluate the need for cleaner diesel fuel used in these non-road engines. EPA intends to issue a proposal for public review and comment in the latter half of FY 2000 and a final rule in FY 2001. Quantitative estimates of costs and benefits are not yet available.

Automobile and Light-Duty Truck Manufacturing (Surface Coating) NESHAP/VOC Reductions

This action will result in the reduction of HAPs and VOCs emitted by the automobile and light-duty truck manufacturing industry. The major HAPs emitted from surface coating operations include ethylene glycol monobutyl ether, methyl ethyl ketone, methyl isobutyl ketone, toluene, and xylene, among others. There are approximately 60 automobile and light-duty truck assembly plants in the U.S. This project is in the data analysis phase; thus, quantitative estimates of costs and benefits are not available at this time.

NAAQS: Sulfur Dioxide (Review and Implementation)

The EPA published its final decision not to revise the primary SO₂ national ambient air quality standard (NAAQS) on May 22, 1996. In July 1996, the American Lung Association and the Environmental Defense Fund petitioned the U.S. Court of Appeals for the D.C. Circuit (D.C. Circuit) for judicial review of EPA's decision not to establish a new 5-minute NAAQS. On January 30, 1998, the D.C. Circuit found that EPA did not adequately explain its May 22, 1996 decision and remanded the case to EPA. EPA published a schedule for responding to the remand in the May 5, 1998 *Federal Register*. The schedule calls for a final response to the remand by December 2000.

On March 7, 1995, the EPA proposed three alternative implementation strategies for reducing high 5-minute sulfur dioxide (SO₂) concentrations in the ambient air. In May, 1996, in lieu of the three alternative implementation strategies proposed in 1995, the EPA proposed a new implementation strategy -- the Intervention Level Program B -- to assist States in addressing short-term SO₂ peaks on January 2, 1997. This program also addresses EPA's concern that a

segment of the asthmatic population may be at increased health risk when exposed to 5-minute peak concentrations of SO₂ in the ambient air while exercising. Any final action on the intervention level program would occur no sooner than December 2000.

It is important to note that costs are not considered during the standard setting process. However, as required by Executive Order 12866, estimates of costs and benefits associated with this decision will be made available at the time of proposal.

NAAQS: Carbon Monoxide Review

On August 1, 1994, the EPA published a final decision that revisions of the national ambient air quality standards (NAAQS) for carbon monoxide (CO) were not appropriate at that time (59 FR 38906). The EPA initiated the next periodic review of the CO NAAQS with a revision of the air quality Criteria Document (CD) in 1998. The CO CD was reviewed by the Clean Air Scientific Advisory Committee (CASAC) and public in June 1999 and again in November 1999 when CASAC voted to accept the CD with minimal changes. The EPA's Office of Air and Radiation is preparing a Staff Paper for the Administrator that will evaluate the most policy relevant information in the CD and identify critical issues that should be considered in reviewing the standards. The Staff Paper will be reviewed by the CASAC and the public. As the CO NAAQS review is completed, the Administrator's proposal to revise or reaffirm the CO NAAQS will be published in the Federal Register with a request for public comment. Input received during the public comment period will be reflected in the Administrator's final decision which is scheduled to be published in Spring of 2001.

Costs are not considered during the standard setting process. However, as required by Executive Order 12866, estimates of costs and benefits associated with EPA's decision will be made available at the time of proposal.

NAAQS: Particulate Matter Review

In July 1997, the EPA published a final rule revising the national ambient air quality standards (NAAQS) for particulate matter (PM) (62 FR 38652). As part of this action, new fine particle (PM_{2.5}) standards were added to the suite of PM NAAQS to provide increased protection against both the health and environmental effects of PM. The EPA's plans and schedule for the next periodic review of the PM NAAQS were published on October 23, 1997 (62 FR 55201). On May 14, 1999, the United States Court of Appeals for the District of Columbia Circuit issued an opinion, modified on October 29, 1999, remanding the revisions on the grounds that Section 109 of the Clean Air Act B as applied in setting these new public health standards B were unconstitutional as an improper delegation of legislative authority to the executive branch. The Court held further that the classification scheme and attainment dates for the pre-existing primary 1-hour ozone standards in Subpart 2 of the Clean Air Act affect the Agency's ability to enforce the revised 8-hour ozone standard; that EPA must consider whether ozone has a beneficial effect in reducing exposure to UVb radiation, and if so, consider such effects in assessing ozone's net effects on health; and that PM₁₀

was a poorly matched indicator for coarse particulate pollution because PM₁₀, as currently defined, includes fine particles (for which EPA has now set a separate standard). The Court did not question the science EPA relied on or the process EPA used in revising the NAAQSs. EPA strongly disagrees with this decision; for this reason, the Administration is seeking review by the Supreme Court of the decision on the constitutional issue and EPA's ability to enforce the 8-hour standard.

As with other NAAQS, reviews the next NAAQS review will include a rigorous assessment of relevant scientific information. As the PM NAAQS review is completed, the Administrator's proposal to revise or reaffirm the PM NAAQS will be published with a request for public comment. Input received during the public comment period will be reflected in the Administrator's final decision which will be published in July 2002. Costs are not considered during the standard setting process. However, as required by Executive Order 12866, estimates of costs and benefits associated with EPA's decision will be made available at the time of proposal.

NESHAP: Industrial/Commercial/Institutional Boilers

The EPA has determined that industrial/commercial/institutional boilers may be major sources for emissions of one or more of the hazardous air pollutants (HAPs) listed in Section 112(b) of the CAA. Boilers are widely used by almost all segments of U.S. industry to produce hot water and steam for a variety of purposes related to industrial process operations and electricity generation.

Although the exact number of boilers in use is not known, it is likely that tens-of-thousands are currently operating, ranging in size from small residential and commercial units to large electric utility steam generators. Due to the number of affected facilities, the Agency has estimated the annualized cost to be over \$100 million.

NESHAP: Reciprocating Internal Combustion Engines (RICE)

Stationary reciprocating internal combustion engines are used in a wide variety of applications where mechanical work is performed using shaft power. These engines operate on the same principles as common automotive IC engines, converting fuel energy into shaft power. The EPA has determined that reciprocating internal combustion engines may be major sources for emissions of one or more of the hazardous air pollutants. The benefits and costs resulting from this project are not known as this time, however, it is expected that this rule could potentially be economically significant.

Goal 2: Clean and Safe Water

NPDES Comprehensive Storm Water Phase II Regulations

The Phase II NPDES storm water regulations expand the existing national program to storm water discharges from small municipal separate storm sewer systems (MS4s) and construction sites

that disturb 1 to 5 acres. The rule includes waiver provisions recognizing areas where certain sources may not adversely impact water quality, but allows designation of other sources based on a likelihood of localized adverse impact on water quality. The regulations also decrease the burden of the Phase I program by excluding from the NPDES program storm water discharges from Phase I industrial facilities where there is “no exposure” of industrial activities or materials to storm water. This rule establishes a cost effective, flexible approach for reducing environmental harm by storm water discharges which are currently unregulated.

EPA believes that the implementation of the six minimum measures for small municipal separate storm sewer systems should significantly and cost-effectively reduce pollutants in urban storm water. Similarly, EPA believes that implementation of best management practices (BMPs) at small construction sites will cause a significant reduction in pollutant discharges and an improvement in surface water quality. EPA estimates that the rule will result in an annual cost of \$847.6 million in 1998 dollars. EPA expects significant monetized financial, recreational and health benefits (ranging from \$671.5.2 to \$1,628.5 million annually in 1998 dollars), as well as benefits that may not be fully captured in the monetized estimates. These include reduced scouring and erosion of streambeds, improved aesthetic quality of waters, reduced eutrophication of aquatic systems, benefit to wildlife and endangered and threatened species, tourism benefits, biodiversity benefits and reduced costs for dredging siting reservoirs. In addition, the costs of industrial storm water management associated with the Phase I program will decrease by \$317 million to \$1.86 billion annually (in 1998 dollars) due to the exclusion of facilities that have storm water discharges where there is “no exposure” of storm water to industrial activities and materials.

Effluent limitations guidelines for the Metal Products and Machinery (MP&M) Industry

This regulation will apply to facilities that manufacture, rebuild, or maintain finished metal parts, products, or machines. The proposed rule will apply to facilities in nearly 20 industrial categories such as aircraft, electronic equipment, motor vehicle, and office machine. This discussion of the costs and benefits for the proposed rule are based largely on a rule proposed earlier that covered some, but not all, of the industrial categories. Additional estimates of costs and benefits are underway, and they will be a critical part of EPA’s regulatory development during FY2000. EPA expects environmental benefits to water quality and human health from a reduction in pollutant discharges. These reductions are likely to result in monetized benefits from reduced incidence of cancer, increased recreational fishing, and reduced sludge disposal costs. Other expected benefits include reduced risks to aquatic life. Compliance costs to the regulated community, which could encompass more than 30,000 facilities, are likely to exceed \$100 million annually. EPA plans to issue this proposed rule in October 2000 and the final rule in December 2002.

National Primary Drinking Water Regulations: Ground Water Rule

The Safe Drinking Water Act as amended in 1996 directs EPA to promulgate regulations requiring disinfection “as necessary” for ground water systems. The intention is to reduce microbial contamination risk from public water systems relying on groundwater. To determine if treatment

is necessary, the rule will establish a framework to identify public water supplies vulnerable to microbial contamination and to develop and implement risk control strategies that may include disinfection. From a public health perspective, the Ground Water Rule will reduce both endemic levels and outbreaks of illness. The economic analyses for this rule are still under development; we expect this will be a major rule. EPA plans to propose this rule in April 2000 and to promulgate it in January 2001.

National Primary Drinking Water Regulations: Arsenic

SDWA directs EPA to establish an enforceable maximum contaminant level (MCL) as close to the health-based maximum contaminant level goal (MCLG) as feasible, considering treatment efficacy and costs, unless the benefits of a standard set at this level would not justify the costs, in which case EPA may set a standard for the contaminant that maximizes health reduction benefits at a cost that is justified by the benefits. EPA must list affordable technologies or treatment techniques that achieve compliance with the MCL for three categories of small systems considering the quality of the source water. Furthermore, alternatives to central treatment, such as point-of-use and point-of-entry devices, have been evaluated for use by small systems that maintain control over operation and maintenance. At the time of proposal, EPA must seek comment on its analyses of costs of compliance and health risk reduction benefits likely to occur as the result of treatment to comply with the proposed MCL and any alternatives being considered. The specifics of the cost-benefit analyses for arsenic are still under development at this time. However, the annual cost of this rule is expected to exceed the \$100 million benchmark for economic significance. EPA plans to propose this rule in May 2000 and promulgate it in January 2001.

National Primary Drinking Water Regulations: Radon

Pursuant to the Safe Drinking Water Act as amended in 1996, EPA is required to: (1) withdraw the 1991 proposed radon in drinking water rule; (2) work with the National Academy of Sciences to conduct a risk assessment for radon in drinking water and assess the health risk reduction benefits associated with various mitigation methods of reducing radon in indoor air; (3) publish a radon health risk reduction and cost analysis for possible radon Maximum Contaminant Levels (MCLs) for public comment, by February, 1999; (4) propose a Maximum Contaminant Level Goal (MCLG) and National Primary Drinking Water Regulation (NPDWR) for radon by August, 1999; and (5) publish an MCLG and Final NPDWR for radon by August, 2000.

The unique framework for the proposed regulations, outlined in the 1996 SDWA Amendments, recognizes that the public health problem from radon in indoor air typically far exceeds the health risks from radon in drinking water and that targeting indoor radon exposures is the most cost-effective way for states to reduce radon health risks. The proposed new regulation will provide two options to states and water systems for reducing public health risks from radon. Under the first option, states can choose to develop enhanced state programs to address the health risks from indoor radon while water systems reduce radon levels in drinking water to the higher, alternative maximum contaminant level (MCL) of 4,000 pCi/L (picoCuries per liter, a standard unit

of radiation) or lower, ensuring protection from the highest risks from radon in drinking water. EPA is encouraging the states to adopt this approach as the most cost-effective way to achieve the greatest radon risk reduction. If a state does not elect this option, the second option would require water systems in that state to either reduce radon in drinking water levels to the MCL (300 pCi/l), or to develop a local indoor radon program and reduce levels in drinking water to 4000 pCi/L. Those systems initially at the MCL or lower will not need to treat their water for radon.

The total annual costs of compliance with the proposal MCL of 300 pCi/l for radon in drinking water is estimated at \$407 million in 1997 dollars. In complying with 300 pCi/l, an estimated 62.0 fatal and 3.6 non-fatal cancer cases are avoided each year. Because EPA expects that most States and systems will choose to comply with the AMCL of 4,000 pCi/l and implement a multimedia mitigation (MMM) program, EPA expects the total annual costs of compliance with the radon rule to be significantly less than \$407 million. If most States and systems comply with the Alternative Maximum Contaminant Level (AMCL) and implement a MMM program, the total annual costs of compliance are estimated at approximately \$80 million. The quantifiable benefits of health risk reduction are estimated at \$362 million annually for either implementation scenario.. EPA expects compliance with the AMCL and implementation of a MMM program to achieve equal or greater risk reduction than is expected with strict compliance with the MCL. EPA proposed this rule in November 1999 and plans to promulgate it in August 2000.

National Primary Drinking Water Regulations: Long-Term 1 Enhanced Surface Water Treatment (LT1ESWT) and Filter Backwash Rule

The LT1ESWT and Filter Backwash rule accomplishes two goals. The first is to extend the Interim Enhanced Surface Water Treatment Rule, regulating *Cryptosporidium* and other microbial contaminants, to small systems (those serving less than 10,000 people). The second is to govern the recycling of filter backwash. Originally separate rules, a decision was made to develop and promulgate these as a single rule. The combining of these two rules into a single rule likely puts the annual cost above the \$100.0 million benchmark for economic significance. The economic analyses for this rule are still under development; we expect this will be a major rule. The statutory deadline for promulgation of LT1 is November 2000. The statutory deadline for promulgation of Filter Backwash is August 2000.

National Primary Drinking Water Regulation: Long-Term 2 Enhanced Surface Water Treatment (LT2ESWT) Rule and Stage 2 Disinfectant/Disinfectant Byproducts

The LT2ESWT rule is being developed in conjunction with the Stage 2 D/DBP rule. The Agency's work on these two rules will include an expanded focus on risk analysis to determine what are the most significant risks and the acceptable balance among competing risks. For instance, while disinfectants are effective in reducing microbial risk, they react with natural organic matter in the water to form DBPs. Several of the DBPs have been shown to cause adverse health effects in laboratory animals. The optimal balance will adequately control risks from pathogens, simultaneously control DBPs to acceptable levels, and ensure that costs of water treatment are

commensurate with public health benefits. The cost-benefit analyses for these two rules are still under development at this time, however, preliminary estimates show that the cost of each of these rules may exceed the \$100 million benchmark for economic significance. Each will be a major rule. Proposal of these rules is expected in February 2001.

Goal 4: Preventing Pollution in Communities Homes and Workplaces

Lead; TSCA Section 403; Identification of Dangerous Levels of Lead (Final Rule 09/00).

TSCA section 403 requires EPA to promulgate regulations that identify lead-based paint hazards, lead-contaminated dust and lead-contaminated soil. EPA developed an interim guidance document in July 1994, to provide public and private decision-makers with guidance on identifying and prioritizing lead-based paint hazards for control. This interim guidance, which was subsequently published in 1995, will continue to serve as EPA's official policy until the final TSCA section 403 rule is promulgated. In 1998, EPA proposed the TSCA Section 403 Rule. Although the proposed rule did not impose direct requirements, based on the use of the 403 standards in other regulations, EPA estimated the costs associated with the establishment of these levels in a draft economic impact analysis that was prepared for the proposed rule. The analysis estimated the aggregate cost over a 50 year time span to be \$53 billion (1995 dollars). A quantitative benefits assessment has not yet been performed. The benefits of these rules will be in the form of reduced prevalence and severity of lead poisoning in children. OMB made a determination that this action is economically significant.

Goal 7: Community Right-to-Know

TRI; Reporting Threshold Amendment; Toxic Chemicals Release Reporting; Community Right-to-Know (Final Action 10/99).

The final rule was published in October 1999. The rule lowers the TRI reporting thresholds for PBT chemicals and adds certain other PBT chemicals to the section 313 list of toxic chemicals. Currently, facilities that manufacture or process less than 25,000 pounds or otherwise use less than 10,000 pounds of a listed chemical in a given year do not need to report their chemical releases under TRI. Lowering these thresholds for PBTs will assure reporting on a larger fraction of these releases. This action is important, not only because PBTs are toxic, but also because they remain in the environment for long periods of time and accumulate in body tissue. Relatively small releases of PBT chemicals can pose human and environmental health threats. These chemicals warrant recognition by communities as potential health threats and as such need to be captured by the TRI Right-to-know Program.

The existing reporting thresholds do not adequately insure the public has access to information about the quantities of these PBT chemicals which enter their communities from local industrial facilities. Facilities that manufacture, process and/or use PBT chemicals are not reporting

many of the releases and other waste management associated with these chemicals. By lowering the existing thresholds, EPA believes the public will have access to basic environmental data about these chemicals.

EPA's action lowers the reporting thresholds for certain PBT chemicals. EPA's final rule adds a category of dioxin and dioxin-like compounds to the EPCRA Section 313 list of chemicals and establishing a 0.1 gram reporting threshold for the category. In addition, this rule adds certain other PBT chemicals to the EPCRA Section 313 list of toxic chemicals and establishes lower reporting thresholds. Under this rule the estimated aggregate industry cost for the first year is \$145 million and for subsequent years is \$80 million (in 1998 dollars).

STATE and TRIBAL ASSISTANCE GRANTS (STAG)

Dollars in Thousands

	FY 1999 Enacted	FY 2000 Pres Budget	FY 2000 Enacted w/ .38% Recision	FY 2001 Pres Budget	Difference FY 00 Enacted vs. FY 01 PB
<u>STATE/TRIBAL GRANT ASSISTANCE</u>					
State/Tribal Grant Total	<u>\$880,000.0</u>	<u>\$884,957.0</u>	<u>\$885,000.0</u>	<u>\$1,068,957.0</u>	<u>\$183,957.0</u>
<u>INFRASTRUCTURE ASSISTANCE</u>					
Clean Water State Revolving Fund	\$1,350,000.0	\$800,000.0	\$1,345,421.3	\$800,000.0	(\$545,421.3)
Drinking Water State Revolving Fund	<u>\$775,000.0</u>	<u>\$825,000.0</u>	<u>\$820,000.0</u>	<u>\$825,000.0</u>	<u>\$5,000.0</u>
Consolidated State Revolving Fund	\$2,125,000.0	\$1,625,000.0	\$2,165,421.3	\$1,625,000.0	(\$540,421.3)
<u>Mexican Border Projects</u>	<u>\$50,000.0</u>	<u>\$100,000.0</u>	<u>\$50,000.0</u>	<u>\$100,000.0</u>	<u>\$50,000.0</u>
- Mexican Border	\$50,000.0	\$100,000.0	\$50,000.0	\$100,000.0	\$50,000.0
<u>Special Needs Projects</u>	<u>\$89,135.0</u>	<u>\$28,000.0</u>	<u>\$35,800.0</u>	<u>\$28,000.0</u>	<u>(\$7,800.0)</u>
1. Boston Harbor	\$50,000.0	\$0.0	\$0.0	\$0.0	\$0.0
2. Bristol County, MA	\$2,610.0	\$3,000.0	\$2,000.0	\$3,000.0	\$1,000.0
3. New Orleans, LA	\$6,525.0	\$10,000.0	\$3,800.0	\$10,000.0	\$6,200.0
4. Alaskan Native Villages	\$30,000.0	\$15,000.0	\$30,000.0	\$15,000.0	(\$15,000.0)
Needy Cities Projects	\$263,915.0	\$0.0	\$309,544.0	\$0.0	(\$309,544.0)
Clean Air Partnership Fund	N/A	\$200,000.0	\$0.0	\$85,000.0	\$85,000.0
Infrastructure Total	<u>\$2,528,050.0</u>	<u>\$1,953,000.0</u>	<u>\$2,560,765.3</u>	<u>\$1,838,000.0</u>	<u>(\$722,765.3)</u>
GRAND TOTALS	<u>\$3,408,050.0</u>	<u>\$2,837,957.0</u>	<u>\$3,445,765.3</u>	<u>\$2,906,957.0</u>	<u>(\$538,808.3)</u>

CATEGORICAL PROGRAM GRANTS (STAG)

Dollars in Thousands

Grant	FY 1999 ENACTED	FY 2000 PRES BUD	FY 2000 ENACTED	FY 2001 PRES BUD	Difference FY 00 Enacted vs. FY01 PB
<u>Air & Radiation</u>					
State and Local Assistance	\$195,533.0	\$198,690.0	\$198,690.0	\$203,690.0	\$5,000.0
Tribal Assistance	\$11,068.8	\$11,068.8	\$11,068.8	\$11,068.8	\$0.0
Radon	<u>\$8,158.0</u>	<u>\$8,158.0</u>	<u>\$8,158.0</u>	<u>\$8,158.0</u>	<u>\$0.0</u>
	\$214,759.8	\$217,916.8	\$217,916.8	\$222,916.8	\$5,000.0
<u>Water</u>					
Great Lakes	\$0.0	\$0.0	\$0.0	\$50,000.0	\$50,000.0
Pollution Control (Section 106)	\$115,529.3	\$115,529.3	\$115,529.3	\$160,529.3	\$45,000.0
Nonpoint Source	\$200,000.0	\$200,000.0	\$200,000.0	\$250,000.0	\$50,000.0
Wetlands Program Development	\$15,000.0	\$15,000.0	\$15,000.0	\$15,000.0	\$0.0
Water Quality Cooperative Agrmts	<u>\$19,000.0</u>	<u>\$19,000.0</u>	<u>\$19,000.0</u>	<u>\$19,000.0</u>	<u>\$0.0</u>
	\$349,529.3	\$349,529.3	\$349,529.3	\$494,529.3	\$145,000.0
<u>Drinking Water</u>					
PWSS	\$93,780.5	\$93,780.5	\$93,305.5	\$93,305.5	\$0.0
UIC	<u>\$10,500.0</u>	<u>\$10,500.0</u>	<u>\$10,975.0</u>	<u>\$10,975.0</u>	<u>\$0.0</u>
	\$104,280.5	\$104,280.5	\$104,280.5	\$104,280.5	\$0.0
<u>Hazardous Waste</u>					
H.W. Financial Assistance	\$98,598.2	\$98,598.2	\$98,598.2	\$106,598.2	\$8,000.0
Underground Storage Tanks	<u>\$10,544.7</u>	<u>\$11,944.7</u>	<u>\$11,944.7</u>	<u>\$11,944.7</u>	<u>\$0.0</u>
	\$109,142.9	\$110,542.9	\$110,542.9	\$118,542.9	\$8,000.0
<u>Pesticides & Toxics</u>					
Pesticides Program Implementation	\$13,114.6	\$13,114.6	\$13,114.6	\$13,114.6	\$0.0
Lead	\$13,712.2	\$13,712.2	\$13,712.2	\$13,712.2	\$0.0
Toxic Substances Compliance	\$5,150.0	\$5,150.0	\$5,150.0	\$5,150.0	\$0.0
Pesticides Enforcement	<u>\$19,511.7</u>	<u>\$19,911.6</u>	<u>\$19,911.6</u>	<u>\$19,911.6</u>	<u>\$0.0</u>
	\$51,488.5	\$51,888.4	\$51,888.4	\$51,888.4	\$0.0
<u>Multimedia</u>					
Information Integration Initiative	\$0.0	\$0.0	\$0.0	\$16,000.0	\$16,000.0
Pollution Prevention	\$5,999.5	\$5,999.5	\$5,999.5	\$5,999.5	\$0.0
Enforcement & Compliance Assurance	\$2,214.2	\$2,214.2	\$2,214.2	\$2,214.2	\$0.0
Indian General Assistance Program	<u>\$42,585.3</u>	<u>\$42,585.4</u>	<u>\$42,628.4</u>	<u>\$52,585.4</u>	<u>\$9,957.0</u>
	\$50,799.0	\$50,799.1	\$50,842.1	\$76,799.1	\$25,957.0
TOTALS	\$880,000.0	\$884,957.0	\$885,000.0	\$1,068,957.0	\$183,957.0

FY 2000 STAG CATEGORICAL PROGRAM GRANTS

(Dollars in Thousands)

Grant Title	Statutory Authority[ies]	Eligible Recipients*	Eligible Uses	FY 2000 Enacted	FY 2001 Request	FY2001 Goal/ Objective
Air Resource Assistance	Clean Air Act, §103	Air pollution control agencies as defined in section 302(b) of the CAA	S/L monitoring and data collection activities in support of the establishment of a PM _{2.5} monitoring network and associated program costs.	\$42,500.0	\$42,500.0	Goal 1, Obj. 1
Air Resource Assistance	Clean Air Act, Sections 103, 105, 106	Air pollution control agencies as defined in section 302(b) of the CAA; Multi-jurisdictional organizations (non-profit organizations whose boards of directors or membership is made up of CAA section 302(b) agency officers and whose mission is to support the continuing environmental programs of the states); Interstate air quality control region designated pursuant to section 107 of the CAA or of implementing section 176A, or section 184 NOTE: only the Ozone Transport Commission is eligible as of 2/1/99	Carrying out the traditional prevention and control programs required by the CAA and associated program support costs; Coordinating or facilitating a multi-jurisdictional approach to carrying out the traditional prevention and control programs required by the CAA; Supporting training for CAA section 302(b) air pollution control agency staff; Coordinating or facilitating a multi-jurisdictional approach to control interstate air pollution	\$156,190.0	161,190.0	Goal 1, Obj. All

Grant Title	Statutory Authority[ies]	Eligible Recipients*	Eligible Uses	FY 2000 Enacted	FY 2001 Request	FY2001 Goal/ Objective
Air Tribal Assistance	Clean Air Act, Sections 103 and 105	Tribes; Intertribal Consortia; State/ Tribal college or university	Conducting air quality assessment activities to determine a tribe's need to develop a CAA program; Carrying out the traditional prevention and control programs required by the CAA and associated program costs; Supporting training for CAA for federally recognized tribes	\$11,068.8	\$11,068.8	Goal 1, Obj. 1 Goal 1, Obj. 2
Radon	Toxic Substances Control Act, Sections 10 and 306; FY 2000 Appropriations Act (P.L 106-74)	State Agencies, Tribes, Intertribal Consortia	Assist in the development and implementation of programs for the assessment and mitigation of radon	\$8,158.0	\$8,158.0	Goal 4, Obj. 4
Great Lakes	FY2001 VA-HUD-Independent Agencies Appropriations Bill	States, Local Governments, Interstate Organizations	To conduct cleanup actions to improve water quality in Great Lakes Areas of Concern located within the U.S. or within shared U.S. Canadian waters.	N.A.	\$50,000.0	Goal 2, Obj. 2
Water Pollution Control Agency Resource Supplement-ation	FWPCA, as amended, §106	States, Tribes and Intertribal Consortia, and Interstate Agencies	Develop and carry out surface and ground water pollution control programs, including NPDES permits, TMDL's, WQ standards, monitoring, NPS control and UWA activities.	\$115,529.3	\$160,529.3	Goal 2, Obj. 2

Grant Title	Statutory Authority[ies]	Eligible Recipients*	Eligible Uses	FY 2000 Enacted	FY 2001 Request	FY2001 Goal/ Objective
Nonpoint Source (NPS)	FWPCA, as amended, § 319(h)	States, Tribes, Intertribal Consortia	Implement EPA-approved State and Tribal nonpoint source management programs and fund priority projects as selected by the State.	\$200,000.0	\$250,000.0	Goal 2, Obj. 3
Wetlands Program Development	FWPCA, as amended, §104 (b)(3)	States, Local Governments, Tribes, Interstate Organizations, Intertribal Consortia, and Non-Profit Organizations	To develop new wetland programs or enhance existing programs for the protection, management and restoration of wetland resources.	\$15,000.0	\$15,000.0	Goal 2, Obj. 2
Water Quality Cooperative Agreements	FWPCA, as amended, §104(b)(3)	States, Local Governments, Tribes, Non-Profit Organizations, Intertribal Consortia, and Interstate Organizations	Creation of unique and innovative approaches to pollution control and prevention requirements associated with wet weather activities, AFOs, TMDLs, and source water protection.	\$19,000.0	\$19,000.0	Goal 2, Obj. 2
Public Water System Supervision (PWSS)	Safe Drinking Water Act, §1443(a)	States, Tribes, and Intertribal Consortia	Assistance to implement and enforce National Primary Drinking Water Regulations to ensure the safety of the Nation's drinking water resources and to protect public health.	\$93,305.5	\$93,305.5	Goal 2, Obj.1
Underground Injection Control [UIC]	Safe Drinking Water Act, § 1443(b)	States, Tribes, Intertribal Consortia	Implement and enforce regulations that protect underground sources of drinking water by controlling Class I-V underground injection wells.	\$10,975.0	\$10,975.0	Goal 2, Obj. 1

Grant Title	Statutory Authority[ies]	Eligible Recipients*	Eligible Uses	FY 2000 Enacted	FY 2001 Request	FY2001 Goal/ Objective
Hazardous Waste Financial Assistance	Resource Conservation Recovery Act, § 3011; FY 1999 Appropriations Act (PL 105-276)	States, Tribes, Intertribal Consortia	Development & Implementation of Hazardous Waste Programs	\$98,598.0	\$106,598.2	Goal 4, Obj. 6 Goal 5, Obj.1 & 2 Goal 9, Obj. 1
Underground Storage Tanks [UST]	Resource Conservation Recovery Act Sections 8001 and 2007(f) and FY 1999 Appropriations Act (PL 105-276)	State, Tribes and Intertribal Consortia	Demonstration Grants, Surveys and Training; Develop & implement UST program	\$11,944.7	\$11,944.7	Goal 5, Obj.2
Pesticides Program Implementation	The Federal Insecticide, Fungicide, and Rodenticide Act § 20 & 23; the FY 1999 Appropriations Act (PL 105-276); FY 2000 Appropriations Act (P.L. 106-74)	States, Tribes and Intertribal Consortia	Assist states and tribes to develop and implement pesticide programs, including programs that protect workers, ground-water, and endangered species from pesticide risks , and other pesticide management programs designated by the Administrator; develop and implement programs for certification and training of pesticide applicators; develop Integrated Pesticides Management (IPM) programs; support pesticides education, outreach, and sampling efforts for tribes.	\$13,114.6	\$13,114.6	Goal 4, Obj. 1

Grant Title	Statutory Authority[ies]	Eligible Recipients*	Eligible Uses	FY 2000 Enacted	FY 2001 Request	FY2001 Goal/ Objective
Lead	Toxic Substances Control Act, § 404 (g); TSCA 10; FY2000 Appropriations Act (P.L. 106-74)	States, Tribes, Intertribal Consortia	To support and assist states and tribes to develop and carry out authorized state lead abatement certification, training and accreditation programs; and to assist tribes in development of lead programs.	\$13,712.2	\$13,712.2	Goal 4, Obj. 2
Toxic Substances Compliance Monitoring**	Toxic Substances Control Act, §28(a) and 404 (g)	States, Territories, Tribes, Intertribal Consortia	Assist in developing and implementing toxic substances enforcement programs for PCBs, asbestos, and lead-based paint	\$5,150.0	\$5,150.0	Goal 9, Obj. 1
Pesticide Enforcement	FIFRA § 23(a)(1); FY 2000 Appropriations Act (P.L. 106-74)	States, Territories, Tribes, Intertribal Consortia	Assist in implementing cooperative pesticide enforcement programs	\$19,911.6	\$19,911.6	Goal 9, Obj. 1

Grant Title	Statutory Authority[ies]	Eligible Recipients*	Eligible Uses	FY 2000 Enacted	FY 2001 Request	FY2001 Goal/ Objective
Information Integration	As appropriate, Clean Air Act, Sec. 103; Clean Water Act, Sec. 104; Solid Waste Disposal Act, Sec. 8001; FIFRA, Sec 20; TSCA, Sec. 10 and 28; Marine Protection, Research and Sanctuaries Act, Sec. 203; Safe Drinking Water Act, Sec. 1442; Indian Environmental General Assistance Program Act of 1992, as amended; FY 2000 Appropriations Act (P.L. 106-74); Pollution Prevention Act, Sec. 6605	States, Tribes, Intertribal Consortia, Interstate Agencies	To support and assist State and Tribes with integrating environmental information systems.	N.A.	\$16,000.0	Goal 7 Obj. 1
Pollution Prevention	Pollution Prevention Act of 1990, §6605; TSCA 10; FY2000 Appropriations Act (P.L. 106-74)	States, Tribes, Intertribal Consortia	To assist state and tribal programs to promote the use of source reduction techniques by businesses and to promote other P2 activities at the state and tribal levels.	\$5,999.5	\$5,999.5	Goal 4, Obj. 5

Grant Title	Statutory Authority[ies]	Eligible Recipients*	Eligible Uses	FY 2000 Enacted	FY 2001 Request	FY2001 Goal/ Objective
Enforcement & Compliance Assurance**	As appropriate, Clean Air Act, Sec. 103; Clean Water Act, Sec. 104; Solid Waste Disposal Act, Sec. 8001; FIFRA, Sec 20; TSCA, Sec. 10 and 28; Marine Protection, Research and Sanctuaries Act, Sec. 203; Safe Drinking Water Act, Sec. 1442; Indian Environmental General Assistance Program Act of 1992, as amended; FY 2000 Appropriations Act (P.L. 106-74)	State, Territories, Tribes, Intertribal Consortia, Multi-jurisdictional Organizations	Assist in developing innovative sector-based, multi-media, or single-media approaches to enforcement and compliance assurance	\$2,214.2	\$2,214.2	Goal 9, Obj.2
Indian General Assistance Program	Indian Environmental General Assistance Program Act of 1992, as amended.	Tribal Governments and Intertribal Consortia	Plan, develop and establish Tribal environmental protection programs.	\$42,628.4	\$52,585.4	Goal 4, Obj 7

* The Recipients listed in this column reflect assumptions in the FY 2001 Budget Request in terms of expected and/or anticipated eligible recipients. Recipients listed for the new Great Lakes grants assumes action by Congress.

** In prior years these grants were displayed as Toxic Enforcement Grants. They are both part of the Toxics Enforcement Key Program [Goal 9, Objectives 1 and 2.]

U. S. Environmental Protection Agency
Object Classification
(Dollars in Thousands)

Account and Object Class	1999 Actuals	1999 Estimate	2000 Request
Environmental Programs and Management			
Direct obligations			
Personnel compensation	726	772	829
1121 Civilian personnel benefits	156	166	174
1122 Military personnel benefits	1	1	1
1210 Travel and transportation of persons	22	28	29
1220 Transportation of things	1	1	1
1231 Rental payments to GSA	117	144	162
1232 Rental payments to others	12	12	13
1233 Communications, utilities, and miscellaneous charges	12	12	13
1240 Printing and reproduction	8	8	8
1251 Advisory and assistance services	29	30	31
1252 Other services	333	434	411
1253 Purchases of goods and services from Government accounts	71	73	75
1254 Operation and maintenance of facilities	16	17	17
1255 Research and development contracts	2	2	2
1257 Operation and maintenance of equipment	22	23	23
1260 Supplies and materials	11	11	12
1310 Equipment	25	26	26
1410 Grants, subsidies, and contributions	258	266	272
1990 Subtotal, Direct obligations	1822	2026	2099
Reimbursable obligations	48	45	45
Below reporting threshold	1	0	0
TOTAL OBLIGATIONS	1871	2071	2144
Science and Technology			
Direct obligations			
1119 Personnel compensation	159	167	178

U. S. Environmental Protection Agency
Object Classification
(Dollars in Thousands)

Account and Object Class	1999 Actuals	1999 Estimate	2000 Request
1121 Civilian personnel benefits	33	35	39
1210 Travel and transportation of persons	5	5	6
1220 Transportation of things	1	1	1
1233 Communications, utilities, and miscellaneous charges	4	4	4
1240 Printing and reproduction	1	1	1
1251 Advisory and assistance services	6	6	6
1252 Other services	70	182	54
1253 Purchases of goods and services from Government accounts	38	37	38
1254 Operation and maintenance of facilities	9	9	9
1255 Research and development contracts	64	63	64
1257 Operation and maintenance of equipment	20	20	20
1260 Supplies and materials	11	11	11
1310 Equipment	34	33	34
1410 Grants, subsidies, and contributions	188	184	193
1990 Subtotal, Direct obligations	643	758	658
Reimbursable obligations	51	50	46
TOTAL OBLIGATIONS	694	808	704

State and Tribal Assistance Grants

Direct obligations			
1252 Other services	7	10	6
1253 Purchases of goods and services from Government accounts	33	45	28
1410 Grants, subsidies, and contributions	3384	4655	2873
1990 Subtotal, Direct obligations	3424	4710	2907
Reimbursable obligations	7	0	0
TOTAL OBLIGATIONS	3431	4710	2907

U. S. Environmental Protection Agency
Object Classification
(Dollars in Thousands)

Account and Object Class	1999 Actuals	1999 Estimate	2000 Request
Oil Spill Response			
Direct obligations			
1111 Full-time permanent	5	7	8
1121 Civilian personnel benefits	1	1	1
1231 Rental payments to GSA	1	7	7
1252 Other services	8	24	0
1990 Subtotal, Direct obligations	15	39	16
Reimbursable obligations	19	26	26
TOTAL OBLIGATIONS	34	65	42

Office of the Inspector General

Direct obligations			
Personnel compensation	18	20	22
1121 Civilian personnel benefits	4	4	5
1210 Travel and transportation of persons	1	1	1
1231 Rental payments to GSA	2	0	0
1252 Other services	2	8	3
1253 Purchases of goods and services from Government accounts	2	2	2
1310 Equipment	1	1	1
1990 Subtotal, Direct obligations	30	36	34
Reimbursable obligations	11	11	12
TOTAL OBLIGATIONS	41	47	46

Hazardous Substance Superfund

 Direct obligations

U. S. Environmental Protection Agency
Object Classification
(Dollars in Thousands)

Account and Object Class	1999 Actuals	1999 Estimate	2000 Request
Personnel compensation	209	228	250
1121 Civilian personnel benefits	47	51	56
1210 Travel and transportation of persons	11	12	12
1231 Rental payments to GSA	32	36	38
1232 Rental payments to others	3	5	3
1233 Communications, utilities, and miscellaneous charges	5	5	5
1240 Printing and reproduction	1	1	1
1251 Advisory and assistance services	2	2	2
1252 Other services	601	817	333
1253 Purchases of goods and services from Government accounts	416	375	397
1254 Operation and maintenance of facilities	5	5	5
1255 Research and development contracts	2	2	2
1257 Operation and maintenance of equipment	4	4	4
1260 Supplies and materials	4	4	4
1310 Equipment	15	14	14
1410 Grants, subsidies, and contributions	179	166	171
1990 Subtotal, Direct obligations	1536	1727	1297
Reimbursable obligations	83	200	200
Allocation Account	146	168	153
TOTAL OBLIGATIONS	1765	2095	1650

Leaking Understand Storage Tank Trust Fund

Direct obligations			
1111 Full-time permanent	4	6	6
1121 Civilian personnel benefits	1	1	1
1210 Travel and transportation of persons	0	0	1
1231 Rental payments to GSA	1	1	1
1252 Other services	4	4	4
1410 Grants, subsidies, and contributions	63	62	59

U. S. Environmental Protection Agency
Object Classification
(Dollars in Thousands)

Account and Object Class	1999 Actuals	1999 Estimate	2000 Request	
TOTAL OBLIGATIONS	73	74	72	
Buildings and Facilities				
Direct obligations				
1254	Operation and maintenance of facilities	11	11	10
1320	Land and structures	59	60	14
	TOTAL OBLIGATIONS	70	71	24
Working Capital Fund				
Object Classification (O)				
Reimbursable obligations				
2111	Full-time permanent	5	7	7
2121	Civilian personnel benefits	1	1	1
2233	Communications, utilities, and miscellaneous charges	23	25	24
2252	Other services	23	24	22
2253	Purchases of goods and services from Government accounts	1	1	1
2257	Operation and maintenance of equipment	56	59	57
2310	Equipment	13	13	13
	TOTAL OBLIGATIONS	122	130	125

Charging Administrative/Management Costs to Environmental Goals

In response to Government Performance and Results Act and Managerial Cost Accounting requirements, the Agency has initiated an effort to accurately reflect all costs associated with implementing environmental goals where there is a reasonably clear benefit to that goal. Specifically, beginning in 1999, and increasing in 2000, the Agency has charged management and administrative costs to environmental goals to more accurately captures the costs of supporting environmental programs. The Agency believes that this will result in more reliable information for internal and external reporting.

In the FY 2001 Annual Plan/Congressional Justification, FY 2000 Enacted and FY 2001 requested levels reflect a realignment of resources from Agency Management to the agency's other strategic goals where there is a readily identifiable cost that clearly contributes to the achievement of those goals.

The costs allocated across the agency's strategic goals include the entire budget for rent, utilities and security, and portions of total agency costs in the following areas: Administrative Services (human resource operations, contracts management, grants management, financial management, and information resources management); research planning, management, support and oversight; and legal services. The total amounts allocated in 2000 and 2001 are:

(Dollars in thousands)

	FY2000	FY2001
Rent, Utilities and Security	\$218,576	\$245,383
Administrative Services	\$88,484	\$95,141
Research Planning, Management and Oversight	\$34,639	\$34,540
Legal Services	\$36,006	\$39,065