

# Chapter VII

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## **Guide to FY 2000 Core Performance Measures**

### **AIR QUALITY**

- A1. Trends in ambient air quality for each of the criteria pollutants. (NAAQS)
- A2. Emission reductions since 1990 for each of the criteria pollutants. (NAAQS)
- A3. Number of nonattainment areas (and their associated populations) that reach attainment for each of the criteria pollutants, including the number of ozone nonattainment areas that meet the 1-hour ozone standard. (NAAQS)
- A4. Redesignation of areas attaining the current NAAQS, revocation of the 1-hour ozone NAAQS by EPA rulemaking a year after the 8-hour ozone designations are in place, and designations of areas for the new 8-hour ozone and PM<sub>2.5</sub> NAAQS.
- A5. Trends in emissions of toxic air pollutants as reflected in EPA's National Toxics Inventory. (Air Toxics)
- A6. Reduction in air toxic emissions from 1990 levels. (Air Toxics)
- A7. State progress in collecting and compiling ambient and emission source data for toxics to better understand the nature and extent of the air toxics problem. (Air Toxics)
- A8. Estimated increase in number of people experiencing healthier indoor air in residences and schools.
- A9. Number of homes with elevated radon levels that are fixed. (EPA will estimate number of affected people.)
- A10. Number of homes tested for radon.

### **SOLID WASTE/HAZARDOUS WASTE**

- H1. Percent of hazardous waste managed at Treatment, Storage, and Disposal Facilities (TSDFs) with approved controls in place.
- H2. Percent of Underground Storage Tanks (USTs) meeting requirements.
- H3. Resource Conservation and Recovery Act (RCRA) Corrective Action sites (area) cleaned up.
- H4. National Priority List (NPL) sites (area) cleaned up.

- H5. Leaking Underground Storage Tank (LUST)/UST cleanup site status.
- H6. Toxic releases to groundwater controlled.
- H7. Human exposures to toxins controlled.

## **WATER**

- W1. Number of: a) community drinking water systems and percent of population served by community water systems, and b) non-transient, non-community drinking water systems, and percent of population served by such systems, with no violations during the year of any federally enforceable health-based standard.
- W2. Estimated number of community water systems (and estimated percent of population served) implementing a multiple barrier approach to prevent drinking water contamination.
- W3. Percent of river miles and lake acres that have been assessed for the need for fish consumption advisories; and compilation of State-issued fish consumption advisory methodologies, as reported through the National Listing of Fish and Wildlife Advisories.
- W4. Number and percent of assessed river miles, lake acres, and estuary square miles that have water quality supporting designated beneficial uses, including, where applicable, for: a) fish and shellfish consumption; b) recreation; c) aquatic life support; and d) drinking water supply. (The reporting period is two years.)
- W5. Number and percent of impaired, assessed river miles, lake acres, and estuary square miles that a) are covered under Watershed Restoration Action Strategies, and b) were restored to their designated uses during the reporting period. (The reporting period is two years.)
- W6. The TMDL status for each State, including a) the number of TMDLs identified on the 1998 303(d) list that the State and EPA have committed to produce in the two year cycle; b) the number of TMDLs submitted by the State to EPA; c) the number of State-established TMDLs approved by EPA; and d) the number of EPA-established TMDLs. (This cumulative measure would be jointly reported by EPA and the State.)
- W7. Percent of POTWs that are beneficially reusing all or a part of their biosolids and, where data exists, the percent of biosolids generated that are beneficially reused.
- W8. Number and percent of facilities that have a discharge requiring an individual permit: a) that are covered by a current individual NPDES permit; b) that have expired individual permits; c) that have applied for but not been issued an individual permit, and d) that have individual permits under administrative or judicial appeal.
- W9. Number of storm water sources associated with industrial activity, number of construction

sites over five acres, and number of designated storm water sources (including Municipal Phase I) that are covered by a current individual or general NPDES permit.

- W10. Number of permittees (among the approximately 900 CSO communities nationwide) that are covered by NPDES permits or other enforceable mechanisms consistent with the 1994 CSO policy.
- W11. Number and percent of approved pretreatment programs audited in the reporting year. Of those, the number of audits finding significant shortcomings and the number of local programs upgraded to achieve compliance.
- W12. EPA will report to Congress on the pace of the Clean Water State Revolving Fund (CW SRF) Program. (EPA and States are working to develop an outcome measure for the CW SRF.)
- W13. Number of EPA approvals of State submitted upgraded Nonpoint Source Programs (incorporating the nine key elements outlined in the national *Nonpoint Source Program and Grants Guidance for FY 1997 and Future Years* jointly transmitted by EPA and ASWIPCA).

#### **ENFORCEMENT AND COMPLIANCE**

- E1. Environmental and/or public health benefits achieved through concluded enforcement activities, e.g., case settlements, injunctive relief, etc.
- E2. Rates of significant noncompliance for selected regulated populations.
- E3. Percentage of significant non-compliers (SNCs) that have been returned to compliance or otherwise addressed.
- E4. Results of using State alternative compliance approaches (e.g., audit laws or policies, small business compliance policies, XL projects) and compliance assistance.
- E5. Total number of inspections conducted at major facilities, and the percent of total universe of regulated sources inspected in negotiated priority areas (e.g., industry sectors, geographic areas).
- E6. Enforcement actions (e.g., case referrals, orders, notices) taken, by media.
- E7. Number of facilities/entities reached through each type of compliance assistance activity.

**4/15/99**

## **ADDENDUM TO 1997 JOINT STATEMENT ON MEASURING PROGRESS UNDER NEPPS: CLARIFYING THE USE AND APPLICABILITY OF CORE PERFORMANCE MEASURES**

When EPA and States initiated the National Environmental Performance Partnership System (NEPPS), our goals were to achieve greater environmental protection, better measurement of environmental progress, and the most efficient use of public resources in achieving these goals. While States vary in the extent to which they actively participate in specific aspects of NEPPS, the basic concept of performance partnerships guides State-EPA relationships throughout the country. The development of Core Performance Measures (CPMs) that has taken place under NEPPS auspices has been successful in focusing both EPA and State attention on improving how we measure the effectiveness of our environmental protection efforts.

In August 1997, leaders of ECOS and EPA signed a *Joint Statement on Measuring Progress under NEPPS*. The Joint Statement has served as a guidance document for use of CPMs. It also established a hierarchy of CPMs which was attached to the *Joint Statement* and is hereby reaffirmed. The purpose of this addendum is to clarify and update certain principles, guidance and time frames as originally referenced in the August 1997 Joint Statement. This Addendum accompanies a revised and updated set of Core Performance Measures. It is in effect during the life of the 1995 NEPPS Agreement unless otherwise amended.

This addendum addresses and clarifies four key issues. These issues generally relate to the implementation and use of Core Performance Measures, Associated Reporting Requirements, and Accountability Measures (hereafter referred to as CPMs). The clarifications presented below constitute official amendments to the Joint Statement.

### **Core Performance Measures: What Are They?**

CPMs are a limited set of national measures, designed to help gauge progress towards protection of the environment and public health. They include a mix of three types of measures (as arrayed in the CPM hierarchy) needed to understand environmental programs and their effectiveness: (1) environmental indicators (high level trends describing environmental and public health conditions), (2) program outcomes (measures of program influence or effect), and (3) program outputs (measures of program activities). CPMs, based on data collected and reported primarily by States, serve the NEPPS objective of managing for environmental results by:

- C driving a system of measurement based on performance (with an emphasis on shifting up the hierarchy described above, to more meaningful reporting of environmental results);
- C providing States and the Nation as a whole with the information and tools to increase accountability and make policy, resource or other changes to support improvements in environmental conditions; and
- C providing a benchmark upon which States and EPA can focus efforts to reduce high cost/low value reporting for public and private entities.

In addition to using CPMs to help paint a national picture of environmental progress, States may wish to use additional indicators and measures to reflect progress toward State-specific goals and objectives. The Performance Partnership Agreements (PPAs) negotiated between EPA and States under NEPPS reflect both State and Federal priorities, and, in addition to CPMs, may include State-specific environmental goals, objectives, indicators, and performance measures.

Together, EPA and ECOS have led, with participation by a number of other state organizations, the development of enhanced FY 2000 CPMs for water, air, and waste management and remediation; as well as Accountability Measures for enforcement and compliance. In addition, work continues on developing CPMs for pollution prevention, pesticides, and lead for use in the future. Most of the current CPMs rely on data the states already collect and report. Over time, EPA and States will refine and improve the CPMs to enhance their ability to measure the responses of industry and the public to EPA and State programs, and the resulting changes in the environment. A few of the existing CPMs represent such an improvement, and may require new data and reporting.

Continued joint effort will be needed to bring these measures increasingly closer to an accurate and useful reflection of the most important environmental and program outcomes. EPA and States need to continue to ask such questions as:

- C Are we focusing on the most important outcomes?
- C Do we have the data we need to inform the American people on the progress and status of our work?
- C Are we measuring cross-program outcomes in a way that encourages more efficient and effective collaboration among different environmental programs?
- C How can we accelerate the pace of the transition to a results-based performance measurement system which emphasizes use of outcomes versus outputs?
- C How can States and EPA continue to advance efforts to minimize high cost/low value reporting?

As this work progresses, EPA and State work groups will continue to consult with the officials who implement the various programs covered by these measures, a range of experts on data and measurement, and the many stakeholder groups who constitute an important audience for Core Performance Measures. Many refinements will undoubtedly be needed as these measures come into use over a period of time. Up to this point, our initial efforts in improving environmental measurement systems have focused on the relationships between States and EPA. We now need to expand outreach efforts to include our many stakeholders as we continue to improve measurement systems over time.

### **Issue 1: Uses and Audiences for Core Performance Measures**

One of the primary purposes of CPMs is to help paint a national picture of the nation's progress in protecting public health and the environment. This picture reflects the progress and accomplishments achieved by EPA, the States, and others working together. This national picture is intended to inform Congress, the public, stakeholders and environmental managers of trends and environmental progress across the nation and in individual states; and to give them the tools to increase accountability and make (or influence) policy, resource and other decisions. In addition to

informing a national audience, many states plan to use the measures to communicate environmental and program progress to state legislatures and residents.

CPMs are also intended to help shape EPA and State management decisions by providing environmental program managers with information on environmental conditions and trends, important program outcomes, and key program activities. EPA and States will strive to reduce the number of core program output measures in favor of outcome measures and environmental indicators. CPMs do *not* attempt to capture the full range of information needed to manage environmental programs at the national, regional or state level; environmental managers at all levels will, in most cases, need additional information to guide program management decisions. As stated in the *Joint Statement*, A..information about activities (e.g., permitting) is routinely reported each year and maintained in national data bases which we recognize must be maintained through existing comprehensive data systems.@CPMs are not intended to be used to rank states against each other. They will be used to analyze and describe important environmental and programmatic trends among states. CPMs should be carefully used in a way that recognizes the context and quality of the information upon which they are based.

Any reports that use CPMs should emphasize that the results reflect the achievements of States and EPA working together. Performance results for CPMs may provide Congress and others with a gauge of the success of important components of the Nation's environmental programs in which the states and EPA play a major role. States are not directly responsible for fulfilling EPA's Government Performance and Results Act (GPRA) reporting requirements to Congress, but CPMs may represent a subset of the Agency's performance measures under GPRA. EPA intends that the information needed to report CPMs and other key reporting requirements described herein will satisfy any reporting EPA needs from States to meet EPA's GPRA reporting responsibilities.

## **Issue 2: Applicability of Core Performance Measures**

States and EPA have identified CPMs as part of the overall NEPPS process for reinventing the State/EPA partnership. As a result of the NEPPS Agreement, States are active participants in the development of the CPMs and of the National picture@that CPMs paint. CPMs as such only apply to States participating in NEPPS; States not participating in NEPPS will continue to provide key information needed by EPA through State/EPA Agreements, grant work plans, or other operating agreements. States participating in NEPPS are presumed to incorporate all CPMs in their Performance Partnership Agreements with EPA, subject to the conditions described in Issue #3 below. Non-NEPPS states may voluntarily choose to utilize CPMs to track environmental progress.

The great majority of data points needed for the CPMs jointly approved in April 1999 are already being reported by all states through national data systems (such as RCRIS and SDWIS) or other established mechanisms. This reporting should continue by NEPPS and non-NEPPS states alike unless otherwise agreed by States and EPA.

Where CPMs involve data States are already reporting to EPA, EPA's expectation is that such data will suffice to report the CPM, i.e., no duplicate reporting is expected. We recognize that CPMs that require new data may take a year or more to implement. If a CPM requires new data, EPA will work with States (individually or collectively) to develop a plan to obtain the necessary data. This plan

should articulate ways to manage, schedule, and finance any new data collection and reporting requirements. All States and Regions are encouraged to be flexible and creative in finding means to collect the needed data and report on these measures.

### **Issue 3: Flexibility in Using Core Performance Measures**

One of the most challenging aspects of implementing CPMs is balancing the need for consistent information with the need to accommodate the circumstances of individual States. As per the August 1997 Joint Statement, it is presumed that states participating in NEPPS will use the CPMs. If a particular CPM does not fit a State's or Region's situation, that measure may be modified, substituted, or eliminated in any given year, as agreed to by both the State and EPA. Good judgment and common sense should guide the determination to modify or eliminate a CPM under the circumstances described below. The State and EPA may jointly agree to deviate from particular CPMs where:

1. The CPM does not apply to a State's or Region's physical setting or environmental condition (e.g. ocean beach closures in a land-locked state).
2. The state does not have authority for the program to which the CPM applies (e.g., EPA still has primacy for the program).
3. Data for the CPM are not available or alternative data are more relevant in painting a picture of environmental progress (e.g., a state-based environmental data and/or performance management system provides a better description of environmental performance than the CPM). If data are unavailable, EPA and the State may agree upon a plan to develop the necessary data.
4. The State and EPA agree that the CPM or the work associated with it are not a high priority in the state (e.g. use of available resources to work on other activities is a higher priority in that state). In this case, the level of effort devoted to reporting that CPM should be negotiated as part of the NEPPS process.

The States and EPA also affirm joint efforts to continue pursuing innovative environmental projects and measurement systems that may improve the effectiveness of current and future CPMs.

### **Issue 4: The Role of CPMs in Improving the Value/Reducing the Cost of Environmental Information (Burden Reduction)**

While the primary purpose of CPMs is better environmental information to support improved environmental management, the August, 1997 *Joint Statement* also contains a clear commitment to reducing the reporting of those outputs that are lower priority. It states: "We are committed to working together to reduce the overall reporting burden placed on states, especially that created by reporting on outputs... Over time, we hope to reduce unnecessary reporting and activity counting and streamline necessary reporting so that our time is spent sharing information on the nation's environmental and pollution problems."@

Burden reduction is critical to maintaining and hopefully increasing the resources available for environmental protection. Both EPA and ECOS remain firmly committed to reducing high cost/low value reporting requirements on states and others and wish to accelerate progress toward this end. The Joint State/EPA Information Management Work Group has begun work on this charge. The Work Group has proposed an approach for assessing environmental information, including data reporting requirements, through an examination of the *value* of information (in understanding and making decisions to protect human health and the environment), as compared to its *cost* (including the work involved by all parties in data collection, management and reporting). The following direction is hereby provided to help guide and accelerate this process:

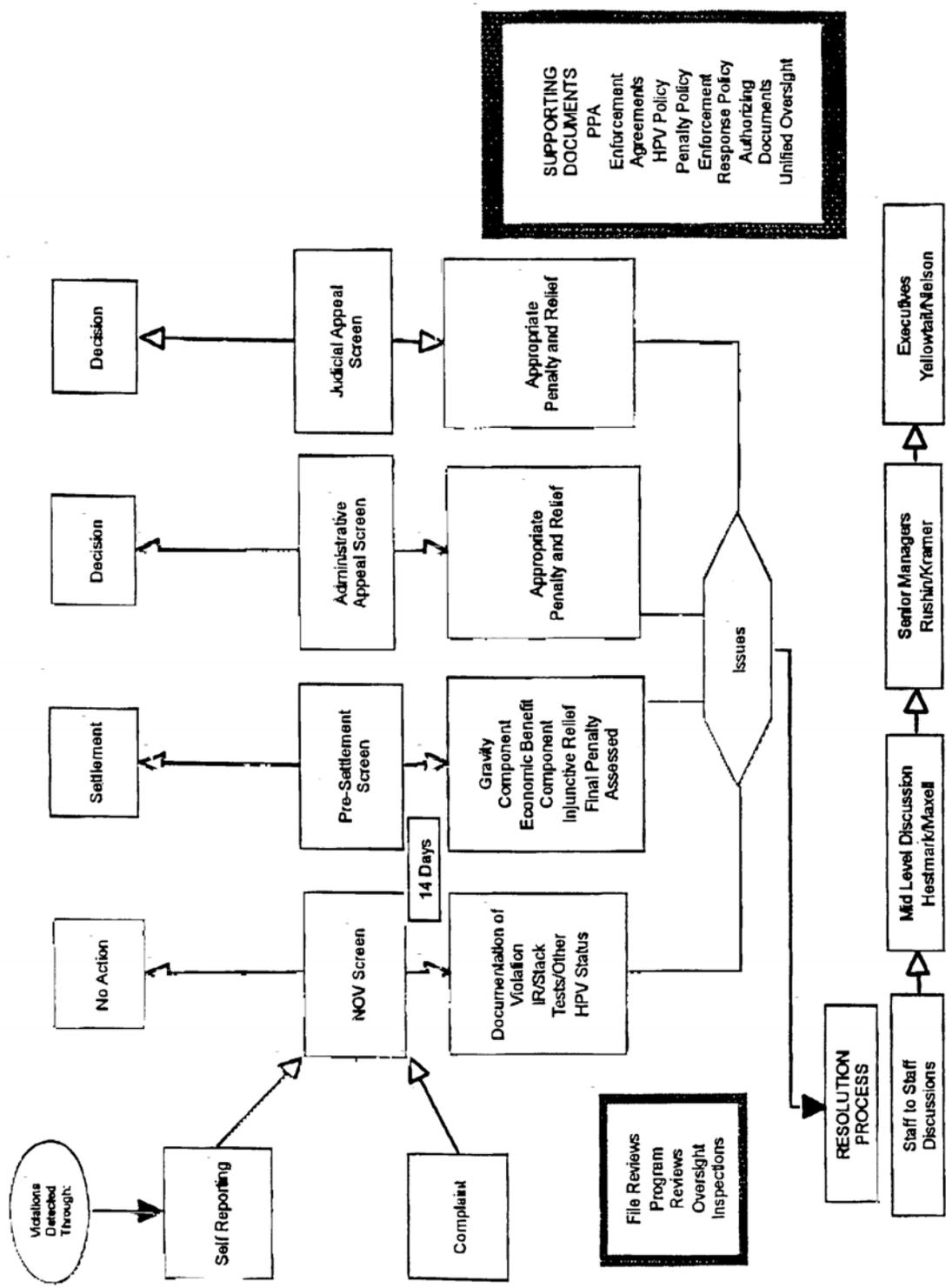
- C Application of the cost/value approach to examining burden reduction opportunities is hereby endorsed, and the Joint Work Group should continue to develop proposals to implement this approach. EPA and States need to work together to ensure that the reporting of CPM data is efficient and improvements in data collection and reporting are made where possible.
- C CPMs serve to frame discussions of what reporting meets the value/cost test, by spelling out what information EPA and States jointly believe to be highest priority. Information not necessary to support CPMs then becomes subject to review according to value/cost criteria, and is a candidate for burden reduction. Together, EPA and States (as well as other suppliers and users of environmental information) will work to ensure that they collect and share information that has specific and demonstrable uses, as outlined in the *State/EPA Vision and Operating Principles for Environmental Information Management*. The Joint Work Group should, in coordination with EPA and ECOS CPM Work Groups, expeditiously design a process for accomplishing this review and identifying opportunities for burden reduction.
- C A State/Regional dialogue provides the best entry point for investigating what information -- especially information beyond that required to report on CPMs -- is needed for States and EPA to do their respective jobs. EPA and States need to create an atmosphere that promotes working together to explore possibilities for reducing high cost/low value reporting, and that encourages States and EPA Regions to test and apply specific initiatives to reduce high cost/low value reporting through their PPAs at the earliest possible time. EPA Regions should consult EPA national program offices prior to implementing any initiatives that change national reporting requirements. EPA and ECOS support the establishment of a clearinghouse of successful initiatives and pilot projects in specific States and Regions to improve the value and reduce the cost of information.

### **Extension of Joint Statement**

The *Joint Statement on Measuring Progress Under NEPPS*, signed in August 1997, applied to FY98 and FY99. It is hereby extended to apply for FY 2000 and beyond, during the life of the 1995 NEPPS Agreement, subject to the amendments and clarifications contained in this Joint Statement Addendum. Specific references in the original Joint Statement to CPMs for FY 98 or FY 99 are also amended to apply for FY 2000, and beyond, as applicable.

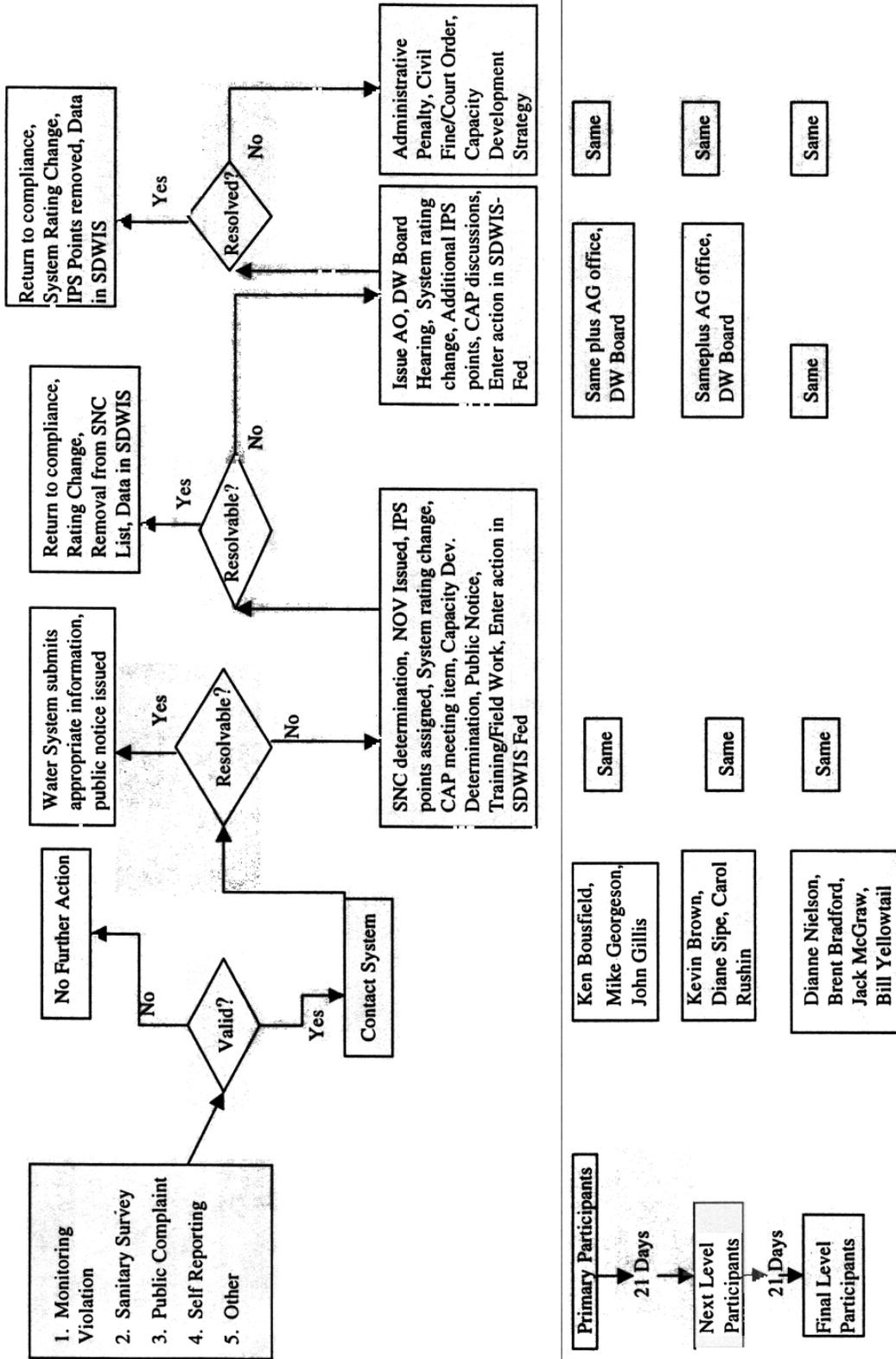


**Air Program Compliance/Enforcement Process**  
**Fiscal Year 2000 Performance Partnership Agreement**



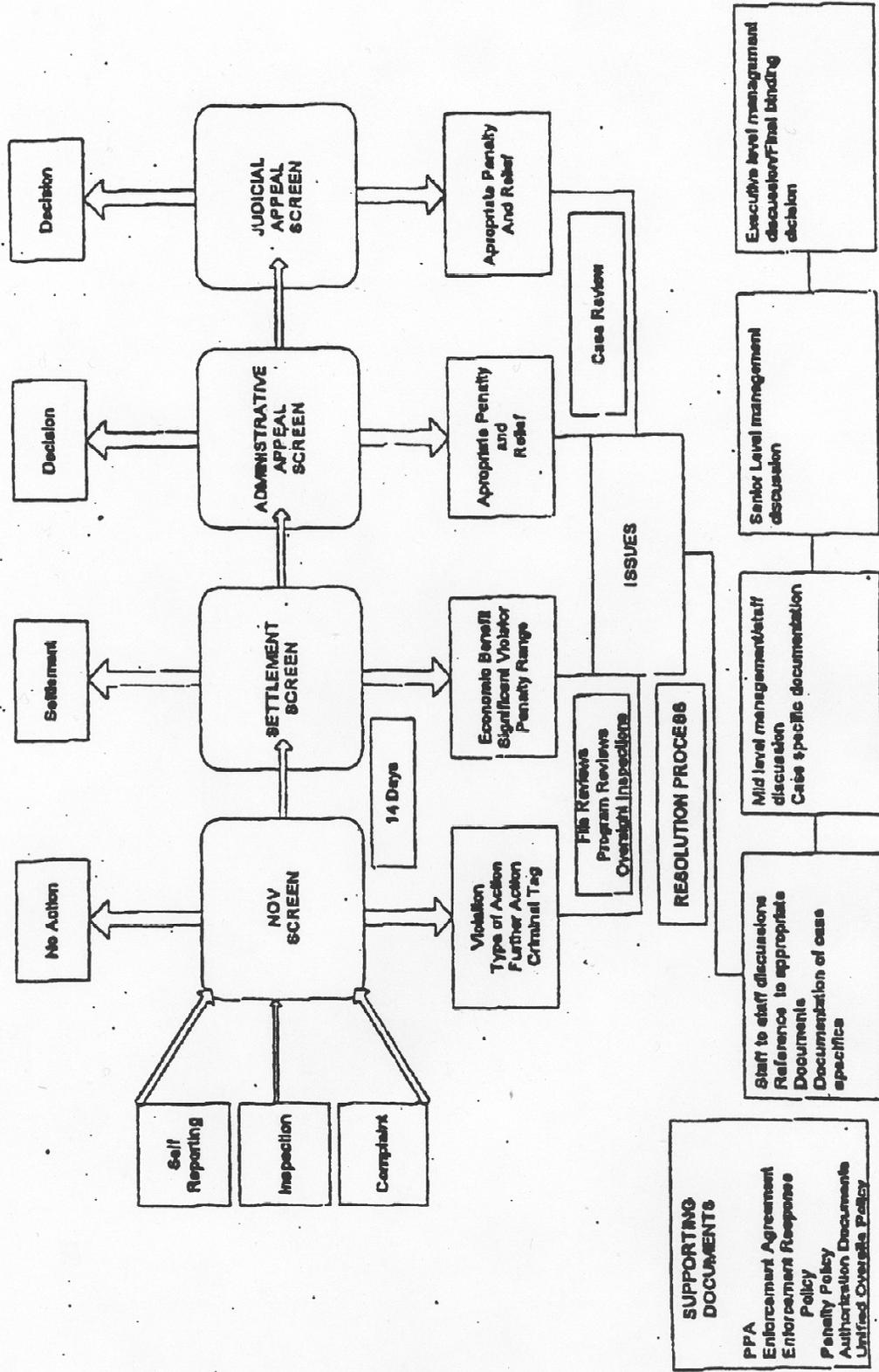
# Utah Drinking Water Program Compliance/Enforcement Policy

Mechanism of Identification



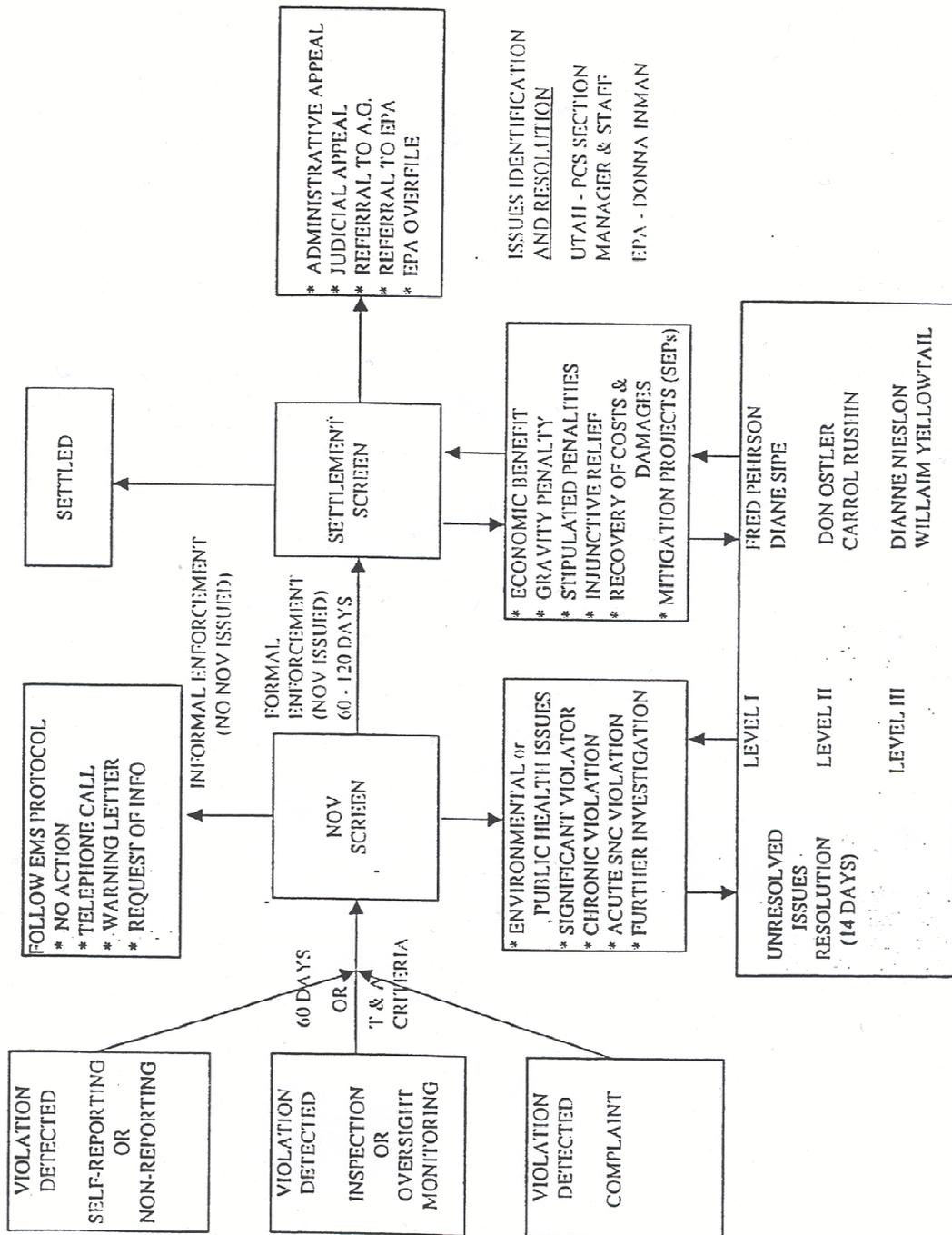
# COMPLIANCE/ENFORCEMENT PROCESS

## SOLID AND HAZARDOUS WASTE PROGRAM

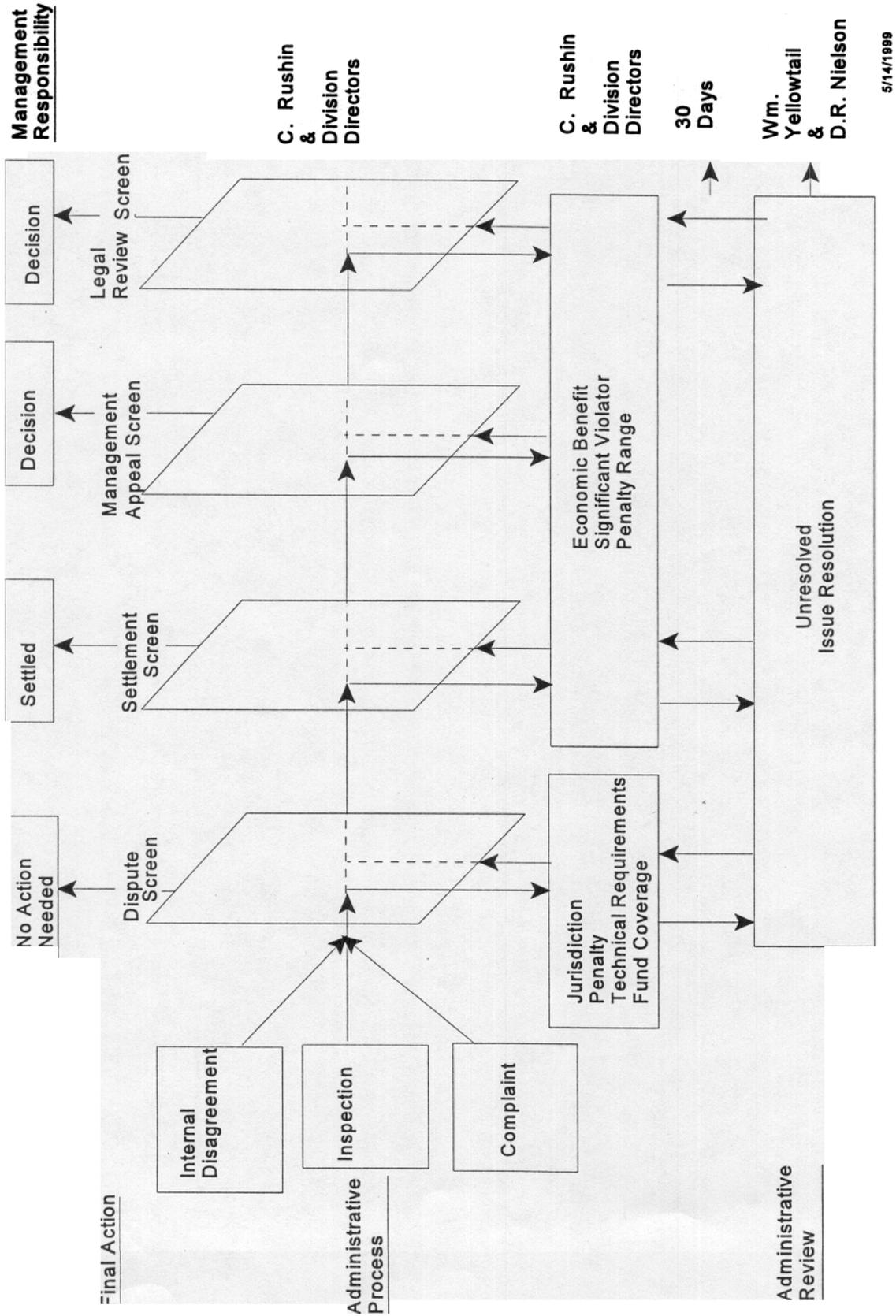


# COMPLIANCE/ENFORCEMENT PROCESS

## UPDES PROGRAM



# COMPLIANCE/ENFORCEMENT PROCESS = UST PROGRAM



## To A New Era in EPA-State Partnerships Recognition of State Primacy

### Introduction

The partnership between EPA and states to provide environmental regulation and protection has, in general, matured and dramatically improved over the last decade. Techniques to achieve results, measure performance, and improve efficiency are continually being tested and implemented. However, the characteristics of the EPA-state relationship and the business practices between EPA and states have not been substantially altered since states began accepting primacy in the 1970's.

Operationally, states conduct *most* of the work of the federally authorized programs while EPA oversees the work by the states and implements the non-authorized programs. Oversight usually occurs through real-time review concurrent with state work, instead of after-the-fact review of state actions. Simply put, and admittedly over-generalized, EPA spends a significant amount of time ~~A~~looking over the shoulders of the state regulators.

It will be difficult to fully transition to long-term planning, results-based performance measurement, and promote flexibility and innovation without a fundamental change in the business operations vital to the EPA-state relationship. More importantly, it will be challenging for the states and EPA to address the looming budget shortfalls without substantial changes in business practices.

### Alternative Approach

Using the ~~A~~**single definitive document** idea that was recently put forth by the Administrator and the Environmental Council of the States (ECOS), it is suggested that EPA engage states differently to advance a business relationship intended to reflect the natural progression in the EPA-state partnership. It is a simple idea that recognizes state primacy, state ability and commitment to do good work, state capacities, and EPA's responsibility to provide effective oversight and directly carry out its environmental protection work for non-delegated programs.

This approach is primarily intended to emphasize environmental results and revitalize the Differential Oversight component of the *May 17, 1995 Joint Commitment to Reform Oversight and Create a National Environmental Performance Partnership System*.

The approach has the following features:

- 1) Recognition of the natural progression and maturity in EPA-state relationships;
  - \$ Some states have developed fully all of their environmental programs and do not require EPA real-time oversight to produce quality environmental results;
  - \$ Other states have some fully developed programs while other programs require continuing EPA assistance;
  - \$ Finally, there are states that need EPA's assistance in most programs into the future.
  
- 2) For those states in the first group above, EPA would greatly reduce real-time oversight of all authorized programs. This would:
  - (a) clearly recognize and better define the elements of state primacy;
  - (b) in some regions, save substantial resources for reinvestment in other priorities;
  - (c) provide incentives to states for continuous improvement, and,
  - (d) require EPA and the states to establish criteria for applying the approach.

\$ EPA would provide oversight by:

(a) conducting an initial joint review of the state's program implementation with documentation of any changes necessary prior to developing the single definitive document.

(b) conduct a *joint* audit after the first year to determine if the state continues to meet federal requirements for state primacy, and

(c) after the initial year, joint audits would occur every 3<sup>rd</sup> year.

Generic audit elements could be based on successful evaluation experiences that all regions have expertise in, such as Region 8's work with Colorado on RCRA, with Wyoming on NPDES and the multi-state Uniform Enforcement Oversight System. A review of the various positive evaluation experiences of the regions could result in a variety of evaluation techniques that the regions/states could choose from to do the initial joint reviews and audits.

\$ The Performance Partnership Agreement (PPA) would serve as the single definitive document. The PPA would include:

(a) a commitment by the state to meet federal requirements;

(b) definitions of acceptable performance;

(c) a focus on state goals;

(d) agreements on the state role and responsibility in carrying out national priorities such as, for example, watershed initiatives, Clear Skies efforts, Resource Conservation Challenge work, enforcement sectors and compliance initiatives, etc.

(e) evaluation criteria that would be used in the joint audits; and,

(f) agreement that the joint audit results would be made public.

\$ The PPAs would be written to cover a three-year period. Performance Partnership Grants (PPGs), also covering the three-year period, would be fundamental elements for the participating regions/states. The PPAs and PPGs would feature:

(a) the use of environmental indicators;

(b) program outcome measures; and

(c) strategic planning and comprehensive data management.

Innovative approaches to program delivery, matched with the funding flexibility provided by PPGs, would be documented in the 3 year PPAs. *The PPAs/PPGs would be the single definitive document for the relationship between EPA and the states for all components of authorized programs.* The definitive document would be linked to the existing agreements/ arrangements governing EPA-state relationships. Authorization agreements and enforcement agreements would be referenced and thereby incorporated as part of the PPAs.

\$ EPA would convey an **Accreditation of Environmental Stewardship** to each state after a successful first year joint audit. The Accreditation would be reissued, if appropriate, after the third year and subsequent three-year audits. EPA and the state would examine existing accreditation methods used by universities, hospitals, and other institutions where accreditation is linked to results and performance, and adapt these schemes for EPA-state use and thereby speed up the process.

3) For those states in the second group in item 1 above:

\$ During PPA or work plan negotiations, the state and the region will jointly identify those programs functioning well, and those programs not yet ready for reduced oversight;

\$ Many of the items in 2 above would be applicable to these states including differential oversight for those programs functioning well. Accreditation would not be given to these states across the board, but could be given for those programs functioning well.

4) For those states in the third group in 1 above, where continued close work with EPA is needed (due to budget shortfalls, state statutory constraints, etc.) the region will deploy strategies to assist the state.

These strategies may be used for all the states and include:

- \$ Maximize flexibility of Performance Partnership Grants;
- \$ Use the single document to allow states and EPA to establish joint priorities and goals, and agree on program flexibility and workload adjustments;
- \$ Identify specific state and regional program work and coordinate with NPMs to ensure program guidance allows flexibility in the negotiation of PPAs and PPGs;
- \$ Provide relief from Match and MOE requirements: PPGs can help states meet match requirements for federal grants (e.g., an over-matched program can subsidize an under-matched one);
- \$ Allow states to keep grant funds that they carry over from previous years: apply PPG carryover funds to those programs with the most need;
- \$ Formalize direct support to states: This support would include items such as:
  - a) offering IPA staff to states;
  - b) hiring SEE grantees to work for the states;
  - c) increasing state  buy-ins  to EPA program contracts; and
  - d) sharing workload (using federal employees);
- \$ Develop partnerships where EPA funds are  leveraged  with those of other federal agencies to form larger funding sources for state priorities.
- \$ Encourage state staff to take advantage of all relevant EPA training.

### **Benefits**

1. This approach would recognize the natural progression in the partnership between EPA and the states and would reinforce the belief that states can fully implement authorized programs without day-to-day EPA oversight. The approach would be linked closely to environmental results and will offer measurable assessments .
2. There will be some baseline consistency, through the generic audit featuresBin determining what's working and not working in EPA-state business operations.
3. States would be encouraged to test innovative approaches to environmental protection. States are accountable for performance through the PPAs and the planned program audits. The audits will be made available to the public thus reinforcing accountability.
4. The new proposed approach is timely given the natureBand immediate trendsBof state and federal budget constraints.
5. It is anticipated that state reporting requirements would diminish (but not disappear). The PPAs would provide the detail for reporting requirements for the statesBthis would extend to reporting into the national program systems. The PPAs also would identify types of reporting that would *not* be required, thus reducing state workload. Transaction costs associated with EPA's real-time involvement in authorized programs would be greatly reduced.
6. EPA regions may conserve some or even significant resources that could be devoted to direct implementation for programs that cannot or are not authorized to states and are currently underfunded.
7. Resource savings would allow EPA to be able to assist states with budget shortfalls (e.g. work sharing) and administer programs that states may be forced to *give back*@in part, or temporarily in full, due to serious budget reductions.

### **Implementation**

EPA Headquarters would need to be considerably engaged and provide clear guidance and training while at the same time accommodate region-to-region and state-to-state variability. EPA National

Program Manager guidance and MOAs with regions would need to be rewritten to allow for this approach. EPA regions, particularly the senior managers, would need to clearly understand expectations.

ECOS and the Regional Administrators should be engaged early in the development of this concept. The DRAs/DAAs should function as an initial EPA forum to debate the progress of the approach, and the Agency Senior Management Council could be the Board of directors. @

### **Summary**

Neither EPA nor the states can afford to continue to manage the authorized programs as we are now doing. Resources must be focused on performance. Innovation must be promoted and rewarded. Many states are positioned to set their own environmental priorities, within national goals, without intrusive EPA oversight. Other states need continued and in some situations increased attention from EPA. Regions need to devote more resources to programs for which they have direct implementation responsibility (non-delegated programs, programs that cannot be delegated, and Indian Country). Lastly, EPA should prepare to operate programs, in part and in whole, now implemented by states if state budget shortfalls result in programs being given back to EPA. This approach could accomplish these things.