

CWA Section 106 Grants: *State Program Overview*

2017 National NPDES Program Managers Meeting

Outline

- ▶ CWA Section 106 Overview
- ▶ Allocation Process
- ▶ Formula Development Background
- ▶ Formula Component Data
- ▶ Funding Scenarios
- ▶ Q&A

Program Background

- ▶ Categorical Grant Program
- ▶ Established by Clean Water Act of 1972 in Section 106
- ▶ Recipients: assists states, Interstate Compact Commissions (ICC's), and eligible Indian tribes
- ▶ Purpose: *“to assist them in administering programs for the prevention, reduction, and elimination of water pollution, including enforcement”*
 - ▶ Broadly interpreted to include groundwater
- ▶ Allocation: formula grant - *“in accordance with regulations”* and on the *“basis of the extent of the pollution problem”*

State Statutory Requirements

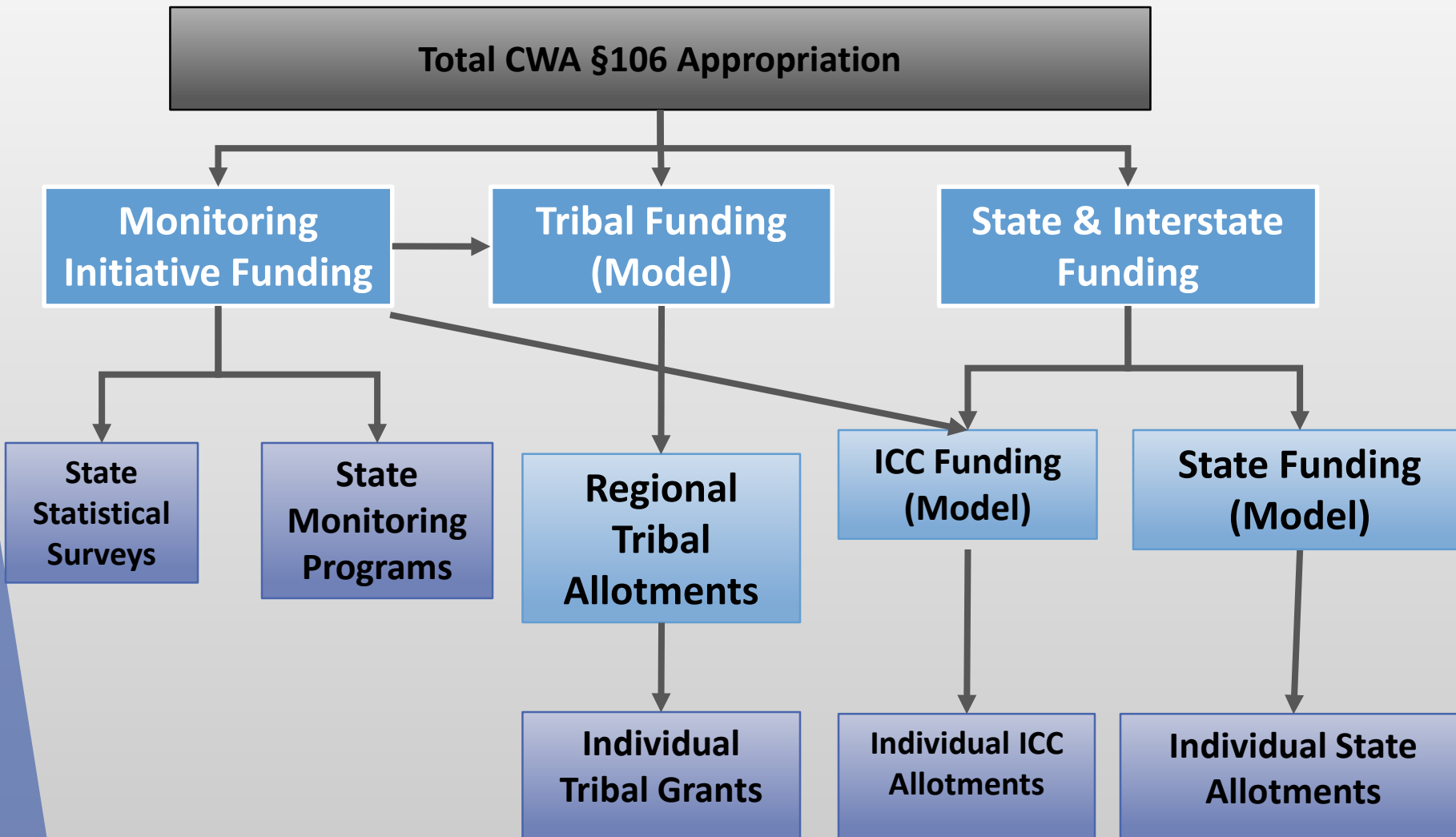
To be eligible for funding a state:

- ▶ Must maintain an “adequate” ambient monitoring program as defined in CWA 106(e)
- ▶ Submit a bi-annual report on the status of navigable waters as described in CWA 305(b)
- ▶ Be able to exercise emergency powers as required in CWA 504
- ▶ Contribute an annual maintenance of effort (MOE) equal to or greater than the states 1971 level of effort (LOE) as required in CWA 106(d)

Program Background

- ▶ **Activities Supported:**
 - ▶ Conduct ambient water quality monitoring and assessment
 - ▶ Develop and implement WQS and TMDL
 - ▶ Develop and issue National Pollutant Discharge Elimination System (NPDES) permits
 - ▶ Conduct compliance and enforcement activities
 - ▶ Provide training
 - ▶ Provide public information and education
 - ▶ Can do any of the above through sub-agreements with local agencies
- ▶ **Cannot fund construction**

Allocation Model Process



Section 106 FY 2017 Allocation

Funding level: \$226.8 M

- ▶ Base Funding (\$209.3 M)
 - ▶ State – \$179 M (85.2%)
 - ▶ ICC's – \$4.7 M (2.6%)
 - ▶ Tribes – \$25.5 M (12.2%)
- ▶ Monitoring Initiative – \$17.8 M (separate allocation)
- ▶ <https://www.epa.gov/water-pollution-control-section-106-grants/water-pollution-control-section-106-grants-funding>

Section 106 FY 2018 President's Budget Request

CWA Section 106 - \$161 M (31% reduction)

- ▶ Base Funding (\$148.8 M)
 - ▶ State – \$127 M
 - ▶ ICC's – \$3.4 M
 - ▶ Tribes – \$18 M
- ▶ Monitoring Initiative – \$12.5 M (separate allocation)

Formula Background

- ▶ Current formula developed 1997-2000
 - ▶ Replaced more simplistic 1972 & 1976 formulas
- ▶ Better reflects extent of pollution problem by including water quality impairment and state programs and priorities
 - ▶ Workgroup evaluated and selected data sets that most accurately represent or serve as proxy for threat to water quality
 - ▶ Six key formula components identified
 - ▶ Safety Nets
- ▶ Extensive workgroup
 - ▶ 4 OW offices (OWOW, OWM, OGWDW, OST) & OECA
 - ▶ 4 EPA Regions (R3, R5, R7, R10)
 - ▶ 7 states (AZ, DE, GA, MA, OK, WI, WV) and 1 ICC (ORSANCO)

State Components & Weights

Component	Weight
1. Total Surface Water Area	12%
2. Ground Water Use	12%
3. Water Quality Impairment	35%
4. Point Sources	13%
5. Nonpoint Sources	13%
6. Population of Urbanized Areas	15%

Formula Safety Nets

- ▶ Additional mechanisms ensure no significant year to year fluctuations in allotments
 - ▶ Funding Floor – Previous Year's Allotment
 - ▶ Inflation Adjustment – Consumer Price Index
 - ▶ Funding Ceiling – 150% of the previous year's allotment
- ▶ Excel-based model used to generate allocations

Updating Data in the Formula

- ▶ By regulation
 - ▶ At least every 5 years
 - ▶ Using the most recent available data
- ▶ Data were updated by regulation in 2008 and 2016
- ▶ In 2009 and 2011 states requested another opportunity to submit their impairment data
- ▶ Next update in Calendar Year 2021 for the FY 2022 allocation

Funding Scenarios

Scenario	Impact on Allotments
Funding decrease	All state allotments decrease by the same percentage over previous year
Constant funding	All state allotments remain unchanged from previous year
Funding increase < CPI	All states receive the same % funding increase
Funding increase > CPI	Each state receives: <ul style="list-style-type: none">•Previous year's allotment, AND•CPI increase, AND•Portion of remaining funds based on state's total allocation ratio

Allotment Chart

DRAFT Section 106 FY 2016 Funding Targets					
Robyn Delehanty Request 12-29-2015					
Entity	Total Allotment	Rcmd. GW Target	Entity	Total Allotment	Rcmd. GW Target
Connecticut	\$2,130,000	\$319,500	Arkansas	\$2,077,000	\$311,600
Maine	\$2,216,000	\$332,400	Louisiana	\$4,973,000	\$746,000
Massachusetts	\$3,221,000	\$483,200	New Mexico	\$1,563,000	\$234,500
New Hampshire	\$1,131,000	\$169,700	Oklahoma	\$2,521,000	\$378,200
Rhode Island	\$1,524,000	\$228,600	Texas	\$9,334,000	\$1,400,100
Vermont	\$890,000	\$133,500	Tribal Set-Aside	\$3,712,000	Not Applicable
NEIWPC	\$1,001,000	Not Applicable	Region Six	\$24,180,000	\$3,070,400
Tribal Set-Aside	\$569,000	Not Applicable			
Region One	\$12,682,000	\$1,666,900	Iowa	\$2,966,000	\$444,900
			Kansas	\$2,561,000	\$384,200
New Jersey	\$3,682,000	\$552,300	Missouri	\$3,484,000	\$522,600
New York	\$7,571,000	\$1,135,700	Nebraska	\$2,382,000	\$357,300
Puerto Rico	\$2,168,000	\$325,200	Tribal Set-Aside	\$552,000	Not Applicable
Virgin Islands	\$1,029,000	\$154,400	Region Seven	\$11,945,000	\$1,709,000
IEC	\$708,000	Not Applicable			
Tribal Set-Aside	\$135,000	Not Applicable	Colorado	\$2,247,000	\$337,100
Region Two	\$15,293,000	\$2,167,600	Montana	\$2,404,000	\$360,600
			North Dakota	\$1,754,000	\$263,100

Section 106 State Guidance Implementation

- ▶ State/ICC Guidance is incorporated into the NWPG
 - ▶ Section III – Strategies to Protect and Restore Fresh Waters, Coastal Waters, and Wetlands
 - ▶ Section 106 guidance developed by each program
 - ▶ Approximately 15 performance measures linked to State Section 106 Program

Performance Partnerships

▶ Performance Partnership Agreement (PPA)

▶ Joint Strategic Plans

▶ Include:

- ▶ An assessment of environmental conditions and program implementation needs;
- ▶ Analysis of approaches and tools that are most likely to bring about the greatest environmental results; and
- ▶ Jointly developed goals and priorities that are translated into plans at the operational level.

▶ Can serve as the work plans for PPGs or other EPA grants.

▶ Performance Partnership Grant (PPG)

▶ States can combine 2 or more of the grants listed in 40 CFR Part 35.101(a)(2)

▶ Provide states with greater flexibility in how they use and manage their grant funds

- ▶ Reduce administrative costs through streamlined paperwork and accounting procedures;
- ▶ Direct EPA grant funds to priority environmental problems or program needs; and
- ▶ Try multi-media approaches and initiatives that were difficult to fund under traditional categorical grants.



Questions??

Contact Information

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