



DIRECTIVE NUMBER: 9630.6

TITLE: FY-91 STATE UST PROGRAM GRANT GUIDANCE

APPROVAL DATE: March 30, 1990

EFFECTIVE DATE: March 30, 1990

ORIGINATING OFFICE: Office of Underground
Storage Tanks (OUST)

☒ **FINAL**

☐ **DRAFT**

STATUS:

REFERENCE (other documents):

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United States Environmental Protection Agency Washington, DC 20460		OSWER Directive Initiation Request		1. Directive Number 9630.6
2. Originator Information				
Name of Contact Person	Mail Code	Office	Telephone Code	
Garrette Clark	os-420	OSWER/OUST	382-7994	
3. Title				
FY-91 State Program Grant Guidance				
4. Summary of Directive (include brief statement of purpose)				
Provides the criteria and procedures for allocation of grant funds for State underground storage tank (UST) program activities in FY-91.				
5. Keywords				
Underground Storage Tanks, Grants				
6a. Does This Directive Supersede Previous Directive(s)?				
<input type="checkbox"/> No		<input checked="" type="checkbox"/> Yes		
		What directive (number, title) OSWER Directive 9630.5 - FY 90 State UST Grant Guidance		
b. Does It Supplement Previous Directive(s)?				
<input checked="" type="checkbox"/> No		<input type="checkbox"/> Yes		
		What directive (number, title)		
7. Draft Level				
<input type="checkbox"/> A - Signed by AA/DAA	<input checked="" type="checkbox"/> B - Signed by Office Director	<input type="checkbox"/> C - For Review & Comment	<input type="checkbox"/> D - In Development	

8. Document to be distributed to States by Headquarters?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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This Request Meets OSWER Directives System Format Standards.	
9. Signature of Lead Office Directives Coordinator	Date
	4/12/90
10. Name and Title of Approving Official	Date
Barbara Elkus, Deputy Director	4/10/90

EPA Form 1315-17 (Rev. 5-87) Previous editions are obsolete. OUST

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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

MAR 30 1990

MEMORANDUM

OFFICE OF
SOLID WASTE AND EMERGENCY RESPONSE

SUBJECT: Final FY 1991 Grant Guidance

FROM: Ron Brand, Director *Ron Brand*
Office of Underground Storage Tanks

TO: Regional Program Managers

Attached is the final version of the UST FY 1991 Grant Guidance. This guidance is nearly identical to last year's except for a greater emphasis on State compliance and enforcement activities since most States will have completed basic program development activities. For additional information or clarification please contact Garrette Clark (382-7994) of my staff.

Attachments

cc: OUST Management Team

March 9, 1990

FY 1991 STATE UST PROGRAM GRANT GUIDANCE

I. PURPOSE OF GRANT GUIDANCE

This guidance provides the criteria and procedures for allocation of grant funds for State underground storage tank (UST) program activities in FY 91. As a supplement to the grant regulations under 40 CFR Sections 31 and 35, this guidance is to be used in developing and reviewing grant applications, awarding grants, and monitoring grant activities. Regional offices are responsible for negotiating grant agreements with States in accordance with national guidance adapted to individual State situations in order to stimulate and assist State program development and implementation, monitor progress, and evaluate grant fund expenditures.

Additional implementation guidance may be found in the "FY 1991 Agency Operating Guidance" (EPA, March 1990), in the OSWER Directive 9610.5 - "FY 1989 - FY 1990 Transition Strategy for the UST Program," OSWER Directive 9610.5-1 "Transition Tasks List," and the "Policy on Performance-Based Assistance" (EPA 1985).

II. PURPOSE OF STATE UST PROGRAM GRANTS

The purpose of the UST grant program is to assist States in developing and implementing effective State-run UST regulatory programs for the prevention, detection, and correction of leaking underground storage tanks containing petroleum and hazardous substances.

It should be noted that Congress intended that Federal grant funds in the UST program be used as "seed" money to assist States with the development of State programs. Many States have already developed or are developing mechanisms; i.e., tank fees, gas taxes, etc., to provide a consistent State funding base for their prevention programs.

In addition to State program grants, EPA is developing a variety of implementation tools for use by States, and is providing a forum for States to share information and experience concerning UST programs. EPA is also providing Leaking Underground Storage Tanks (LUST) Trust Fund monies to States to assist in cleaning up leaking tanks. Under the LUST Trust Fund Cooperative Agreement Guidelines States are expected to make reasonable progress during FY 90 toward submitting a completed application to EPA for approval of their UST prevention, corrective action, and financial responsibility programs under Section 9004 of RCRA. A State's success in making reasonable progress toward submitting a complete application may be grounds for increasing State access to the Trust

is for States to implement prevention programs which, over time, will result in a drastic reduction in the number of leaking tanks.

The emphasis of EPA's program implementation is on the long term, and the transition period will be characterized by the continuing growth of a national UST program realized through the building of State and local programs. It is EPA's objective to focus Federal resources and efforts on improving existing programs and facilitating the development of new State programs. In FY 91 a number of phased-in requirements will take effect. EPA will work in tandem with States to improve performance and to promote Total Quality Management in specific program areas such as enforcement, inspections, site assessments, and corrective actions.

III. FY 91 NATIONAL PRIORITIES AND FUNDABLE TASKS

The following are fundable tasks for FY 91 grants. The priority tasks have not been changed from FY 90 UST Program Grant Guidance. EPA recognizes that completion of these tasks is a process requiring a multi-year effort. For each task, specific outputs for individual States will be determined by negotiations between the States and the EPA Regional Office, taking into account the nature and extent of program needs in that State and the national priorities. (The activities listed after each priority task are for illustration only, they are not required to be met in order to accomplish the priority task. Required activities are those actually negotiated between the Region and State.)

States do not have to conduct activities in all four fundable task categories although that approach is encouraged. On the other hand, a State should not exclusively be doing activities under, for example, Task 3 and 4, if it has not previously conducted activities under Tasks 1 or 2. It is anticipated that much of the work under Task 1, State program development, will have been completed during FY 90 and the focus of activities during FY 91 will be on the remaining three tasks. Furthermore, EPA expects that each State will engage in some compliance and enforcement activities, such as participating in the Leak Detection Enforcement Campaign. Regions may choose to focus on Region-specific environmental priorities as well. For example, the Administrator's call for Federal Facility environmental compliance for sites within the Chesapeake Bay Watershed could be a priority in Region III.

Priority Tasks

Task 1: STATE PROGRAM DEVELOPMENT.

- o Develop/revise State authorities and regulations for the State UST program in order to meet Federal standards.
- o Investigate/develop mechanisms to fund the State program
- o Apply for a State UST program grant for FY 92
- o Develop State authorities and procedures for an

- o Develop State authorities and procedures for an adequate compliance monitoring and enforcement program.
- o Maintain an on-going tank notification program and capability to report aggregate data derived from the notification requirements to EPA on an annual basis.
- o Secure technical assistance and training for State and local personnel for UST program implementation.
- o Investigate/initiate development of a State fund to help owners/operators meet financial responsibility requirements.

Task 2: PROGRAM APPROVAL APPLICATION

- o Develop draft and/or final application for State program approval, and submit to the EPA Regional Office.

Task 3: OUTREACH EFFORTS TO PROMOTE COMPLIANCE

- o Promote compliance with Federal and State requirements through outreach efforts designed to disseminate regulatory and technical information to local governments and the regulated community.
- o Suggested priority areas include information on standards for new tanks, leak detection, corrective action, and closure.

Task 4: COMPLIANCE MONITORING AND ENFORCEMENT

- o Identify, investigate and resolve violations of the Federal regulations.
- o Operate and enforce existing State UST programs
- o Suggested priority area is leak detection (such as Leak Detection Enforcement Campaign activities.)
- o Conduct transition tasks as specified in OSWER Directive 9610.5-1.

IV. ALLOCATION OF STATE GRANT FUNDS

We expect the total FY 91 State grant allocation to be \$9 million. (This figure is based on the President's budget currently being considered by Congress.)

The grant funds will be allocated to the Regions at the rate of \$162.5 thousand per State (plus Puerto Rico and the District of Columbia) and \$137.5 thousand for the remaining territories. Regions have the ability to move funds among their States and territories.

Regional Allotments for FY 91 State UST Program Grants

Region 1	\$ 975K
Region 2	625K
Region 3	975K
Region 4	1300K
Region 5	975K
Region 6	812.5K
Region 7	650K
Region 8	975K
Region 9	1062.5K
<u>Region 10</u>	<u>650K</u>
Total	\$9000K

V. STATE MATCH

FY 1991 State UST program grants will require a minimum of 25% grant match from the States. Of course, the State match can include in-kind contributions. States are encouraged to provide information on the size of their commitment of total resources to the program, even when this exceeds 25%.

VI. GRANT ADMINISTRATIONGrant application

The State or Region may initiate the grant process. A State may submit a draft grant application to the Region, or the Region may provide a draft work plan to its States for consideration.

Grant Negotiations

Specific activities funded under each State's grant work plan will be determined through negotiations with the Region. In accordance with the Agency's policy on performance-based grants, each State will be expected to make specific task commitments as part of its grant agreement. Commitments should reflect the priorities stated in this guidance. In addition, for each major task funded, the grant agreement must identify the resources (dollars and FTEs) associated with that task, together with quarterly work commitments. Regions should negotiate with States to provide the information needed for all required reporting, with particular attention to: (1) UST Closures - UST-4A1 & 4A2; (2) Emergency Responses - UST 4C1 & 4C2; (3) Site Investigations - UST-4D2 & 4D3, (4) removal of the Transition Requirements - UST -3, and (5) an annual report of aggregate tank data derived from the State notification data base. (See attachment)

Designated State agencies may enter into intergovernmental agreements with substate or local government agencies and thereby provide funds for the performance of specified tasks (40 CFR Section 31.36). The designated State agency retains the ultimate responsibility for ensuring that such funds are properly expended in accordance with Federal requirements. Substate agencies that

intend to contract out for services must comply with applicable procurement requirements (40 CFR Part 31).

Grant Awards

All available grant funds should be obligated to the States in FY 91. States should make every effort to use grant monies during the allotted period. Otherwise, FY 90 carryover may be awarded at the Regional Administrators' discretion to other high priority UST activities.

UST program grant funds may only be used for eligible activities, i.e., those which are: (1) necessary to develop and implement an approvable State UST program, and (2) allowable for funding (see OMB circular A-87 and CFR 31.22).

When a State does not seek program approval, the Regional Administrator may use funds not awarded or committed to that State to supplement awards to other States or to support a Federal program corridor in the absence of an acceptable State program. Funds may not be diverted from Subtitle I or D to support Subtitle C activities, nor visa versa.

Suggested Grant Award Schedule for FY 91 (May vary by Region)

April-June	Develop draft FY 91 grant applications (Regions and States)
July	Regions begin grant negotiations with States
August	States submit final grant applications
By Sept. 30	Regions have processed grant up to point of award
October	Regions begin to award grants

Grant Oversight

In accordance with Agency policy, the Region must conduct at least one on-site review. Regions should plan a mid-year and/or end-of-year review with each State, and forward to OUST/HQ a copy of each State's performance evaluation final report. Regions may arrange with States for more frequent reviews.

The comprehensive program review for each State should discuss progress toward completion of funded tasks. Reviews should identify:

1. areas of success including approaches that could be shared with other States;
2. areas for improvement in the UST program;
3. areas where EPA assistance could be helpful, including a plan for action;
4. areas where EPA or other Federal agencies are the cause of the problems which should be addressed by EPA.

Copies of all State program evaluation reports and end-of-year grant reports for FY 91 should be sent to Joe Retzer,

Director, Implementation Division, OUST, within 30 days of completion of the report.

State Reporting Requirements

All States should report in a timely and accurate fashion the data needed for the quarterly activities report and the STARS report for the EPA UST program. Regions will need to relay this data to OUST/HQ within 10 working days of the end of each fiscal quarter (QI, January 12; QII, April 13; QIII, July 13; QIV October 12). Regions and States may develop reporting schedules that allow them to meet these deadlines. Regions shall request that States report annually on aggregate data from their notification data systems.

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
OFFICE OF UNDERGROUND STORAGE TANKS
FY 91 STARS REPORT**

State _____

Region _____

Quarter _____

	Cumulative last quarter	Actions this quarter	Corrections to previous data	Cumulative total
UST-1A States submitting complete applications for State program approval.				
UST-1B Number of States with authorized programs.				
UST-2A1 LUST cleanups initiated: petroleum, (Responsible party lead).				
UST-2A2 LUST cleanups initiated: petroleum, (State lead with TF money).				
UST-2A3 LUST cleanups initiated: petroleum, (State lead with State money).				
UST-2B1 Tank releases under control: petroleum, (Responsible party lead).				
UST-2B2 Tank releases under control: petroleum, (State lead with TF money).				
UST-2B3 Tank releases under control: petroleum, (State lead with State money).				
UST-2C1 Site cleanups completed: petroleum, (Responsible party lead).				
UST-2C2 Site cleanups completed: petroleum, (State lead with TF money).				
UST-2C3 Site cleanups completed: petroleum, (State lead with State money).				

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
OFFICE OF UNDERGROUND STORAGE TANKS
FY 91 QUARTERLY ACTIVITIES REPORT**

State _____

Region _____

Quarter _____

	Cumulative last quarter	Actions this quarter	Corrections to previous data	Cumulative total
UST-4A-1 Number of UST closures reported. (Removals)				
UST-4A-2 Number of UST closures reported. (In situ)				
UST-4B Number of reported confirmed releases.				
UST-4C-1 Number of emergency responses taken using State funds.				
UST-4C-2 Number of emergency responses taken using federal funds.				
UST-4D-1 Number of site investigations completed by the responsible party.				
UST-4D-2 Number of site investigations completed by State using State funds.				
UST-4D-3 Number of site investigations completed by State using Federal funds.				
UST-4E Number of sites where enforcement actions taken to initiate or complete corrective action.				

Exception Site Report

Please list cumulative activity and corrections to previous quarters' information for any site where more than \$100,000 of LUST Trust Fund money is planned to be spent.

State: _____

Region: _____

Quarter: _____

Site Name or Description	When was expenditure planned?	Amount Planned	Amount Obligated	Amount Outlaid	Judgments/Settlements	Costs Recovered

For all Trust Fund sites, give total dollar amount of all judgments and settlements. _____

For all Trust Fund sites, give total costs recovered from all judgments and settlements. _____

Please list and describe any site where innovative technology is being used.

Site Name or Description	Describe technology or method	Permanent alternative water supply?	Were citizens relocated?