



Cross-Cutting Fundamental Strategy
FY 2012 Action Plan Annual Progress Report
Strategy 4: Strengthening State, Tribal, and International Partnerships

Deliver on our commitment to a clean and healthy environment through consultation and shared accountability with states, tribes, and the global community for addressing the highest priority problems.

Executive Summary

Throughout FY 2012, EPA strengthened its state, tribal, and international partnerships to achieve mutual environmental and human health goals. As we work together, the relationships must continue to be based on integrity, trust, and shared accountability to make the most effective use of our respective bodies of knowledge, our existing authorities, our resources, and our talents. This year's accomplishments highlighted that successful partnerships are based on four working principles: consultation, collaboration, cooperation, and accountability.

Accomplishment Highlights:

- EPA continued to build on successful efforts to improve communications and dialogue with states and tribes on the EPA National Program Managers' (NPM) annual guidance, which communicates program priorities, strategies, and operational measures for the upcoming fiscal year. EPA conducted the first-ever tribal consultation and coordination process on the FY 2013 NPM guidances and held conference calls with states and with tribes to discuss the draft documents. During the calls, EPA reviewed the key changes from the prior year based on the President's FY 2013 budget request and answered the states' and tribes' questions on policy and programmatic matters impacting the EPA partnership.
- In addition to consulting with our partners on regulatory actions that have federalism impacts, EPA conducted numerous additional outreach meetings with key associations that represent state and local elected officials. These meetings provide a unique opportunity for Agency officials to discuss EPA's program and policy priorities and to facilitate dialogue on the environmental priorities of state and local governments. The meetings are billed as "conversational," and the associations have provided feedback that this format facilitates a beneficial level of exchange. In 2012, outreach meetings covered topics such as: (1) Environmental Justice and EPA's Plan EJ 2014, including Title VI of the Civil Rights Act; (2) the Urban Waters Federal Partnership; (3) EPA's Integrated Municipal Stormwater and Wastewater Planning Framework; (4) the National Academy of Sciences Green Book Report on incorporating sustainability into the Agency's principles and decision making; (5) EPA's FY 2013 Budget Priorities; and, (6) Hydraulic Fracturing, which also included two additional briefings via conference call directly to 130 state and local government officials.
- EPA established a new partnership with states to ensure that Title VI of the Civil Rights Act is consistently and effectively implemented for state programs receiving federal financial assistance.
- In FY 2012, EPA reinvigorated the National Tribal Operations Council (NTOC), an EPA-tribal leadership body that provides advice and guidance to EPA management on national policy and budget issues affecting tribes, by establishing workgroups to develop strategic action plans for tribal involvement in energy extraction, hydraulic fracturing, climate change adaptation, and reducing administrative burdens on the tribal grant application process.
- The Office of Water (OW) continued to meet at least once annually with each of the federal partners that are addressing safe drinking water and basic sanitation needs in Indian Country, including EPA, the Indian Health Service, the U.S. Department of Agriculture-Rural Development, and others. With EPA as a member, the multi-agency Tribal Infrastructure Task Force (formed to address safe drinking water and basic sanitation needs in Indian

Country) developed a compilation of best practices that tribal water and wastewater utilities can use to ensure longevity of the utility systems.

- EPA's Region 8 provided technical assistance to improve tribal grants and financial management, resulting in removal of two Tribes (Oglala Sioux and Rosebud Sioux) from the high-risk grantee designation. This is the culmination of more than four years of effort with each Tribe. These significant improvements were made through the combined efforts of the environmental program offices, the finance offices, and tribal leadership of both Tribes.
- EPA's Region 4 successfully reinstituted the Regional Tribal Advisory Workgroup which meets monthly to discuss and collaboratively address tribal issues and concerns. In addition, in consultation with Region 4 tribes and consistent with the EPA's "Policy on Consultation and Coordination with Indian Tribes," a uniform approach was developed to identify Regional program activities appropriate for consultation, define the consultation process and roles, and establish a Regional reporting process to ensure accountability and transparency.
- In May 2012, EPA, joined by the Secretary of Commerce, Secretary of Agriculture, the U.S. Trade Representative, and other leaders, announced EPA's new export-promotion strategy which is designed to promote, through web portals and in international venues, environmental solutions designed and manufactured by U.S. companies, and which also serves to demonstrate that environmental standards stimulate new technologies, manufacturing, and jobs.

Challenges:

- Issuance of the draft General Assistance Program (GAP) Guidebook in FY 2012 was of significant interest to tribal governments across the country. As a result, the initial tribal consultation period was extended twice, allowing for a total of 6 months of tribal engagement with EPA on the Guidebook in FY 2012. EPA has substantially revised the Guidebook based on feedback and is launching a second round of tribal consultation in early FY 2013. The workload for this effort has been sizeable for staff across the Agency in headquarters and the Regions. The new Guidebook (to be issued in a revised guidance) will bring significant changes and improvements to how the program is managed and implemented. These changes have been challenging to communicate both internally and externally; however, EPA remains optimistic that the changes will result in better environmental protection and greater accountability for the resources associated with the GAP program.
- As tribal governments continue to build capacity to carry out new program delegations and responsibilities, EPA will continue to build the GAP management framework that promotes and measures progress in tribal capacity building.
- Ongoing state and tribal and potential future federal budget constraints pose on-the-ground challenges for EPA, tribes, and the states in implementing the nation's environmental programs.
- The oversight of state delegations and improving coordination with federal and state agencies have been identified as Agency management challenges in 2008 and 2011, respectively, by the IG and GAO. EPA is taking actions on multiple fronts--including efforts articulated in this action plan--to enhance its collaborations with intergovernmental partners and to ensure sustained attention by senior Agency leadership.

FY 2012 Performance Summary
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FY 2012 Action Plan Activity	Status/Explanation ✓ = Activity Complete
With States	
1. Continue Agency consultations with state (and local) elected officials on EPA rulemakings and policies (Supports Principles 1 and 4).	
<ul style="list-style-type: none"> Conduct rule-specific consultations with the ten major state and local government associations for regulatory actions that have federalism implications (i.e., impose substantial compliance costs on government entities or preempt state or local law), as defined in "EPA's Action Development Process: Guidance on Executive Order (E.O.) 13132 (Federalism)." 	<p style="text-align: center;">✓</p> <p>Conducted consultations in three key regulatory and policy areas: Steam Electric Utility Effluent Guidelines and Limitations Rule; Waters of the U.S., and Lead and Copper in Drinking Water. Intergovernmental organizations received timely and meaningful access to Agency rule development processes at critical decision points. Consultations with EPA's state and local partners increased transparency and accountability, which will improve environmental and public health outcomes.</p>
<ul style="list-style-type: none"> Implement and report on EPA's progress related to commitments made in "U.S. Environmental Protection Agency: Implementing the Presidential Memorandum on Administrative Flexibility" and the Agency's E.O. 13563 Implementation Plan for retrospective review of existing rules. <i>(Note: The President's Administrative Flexibility memo requires Agencies to work with state, tribal, and local governments to identify opportunities to improve efficiency and streamline administrative requirements. E.O. 13563 directs Agencies to conduct a retrospective review of existing rules to harmonize and align redundant and overlapping requirements.)</i> 	<p style="text-align: center;">✓</p> <p>EPA is publicly reporting on its progress related to the regulatory actions taken in response to the Presidential Memorandum on Administrative Flexibility and E.O. 13563 at www.epa.gov/regdarrt/retrospective/history.html. EPA worked with the Department of Transportation (DOT) and Housing and Urban Development (HUD) to further cooperation and provide additional flexibility as part of the ongoing Sustainable Community Partnership. EPA and the Environmental Council of the States (ECOS) established a pilot program to improve regulatory implementation. The pilot will seek effective ways to help states plan for and implement new federal regulations. Two regulations have been selected for the pilot: the 2012 PM2.5 National Ambient Air Quality Standard (NAAQS); and the Effluent Guidelines Revisions to Address Discharges from Unconventional Extraction in the Oil and Gas Industry including Coalbed Methane and Shale Gas.</p> <p>EPA collaborated with states in developing a new policy to ensure the timely award and utilization of EPA grant funds to states. Key aspects of the new policy include: (1) a goal to obligate all grant funds in the first year of availability; (2) streamlining the state grant process from workplan negotiation to award; and, (3) accelerating grant outlays and reducing the unexpended appropriations in awarded grants.</p>

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2. Use the National Environmental Performance Partnership System (NEPPS) as a platform to improve EPA's working relationship with the states (Supports Principles 1, 2, and 3).	
<ul style="list-style-type: none"> Work with states through the EPA-State Worksharing Task Force to identify, develop, and make available to EPA Regions and states a list of worksharing best practices. Investigate ways to make EPA's expertise available to assist states through personnel and information/data exchange and training, and provide recommendations to the EPA Executive Management Council by September 2012. 	<p>The Task Force published its first report, <i>Prohibitions, Areas of Caution, and Recommendations to Enhance Worksharing Opportunities</i>, completed a draft final report that outlines worksharing core principles and best practices, and developed an initial list of EPA training opportunities currently available to state employees. The Task Force also began working with EPA's National Training Officer to identify other ways to expand training opportunities for states, which will be completed in FY 2013.</p>
<ul style="list-style-type: none"> Establish an Agency-wide workgroup (National Program Managers, Regions, and HQ support offices) to plan and implement an Agency-wide effort to collect available information to define, describe, and assess EPA's processes, practices, and tools for overseeing state delegations and authorizations. The workgroup will report its findings to the Deputy Administrator and propose options for next steps as needed to ensure the Agency is carrying out its oversight responsibilities in a coordinated, transparent, and accountable manner. 	<p>In July 2012, EPA convened an Agency-wide workgroup comprised of national program managers for the National Pollutant Discharge Elimination System (NPDES), Clean Air Act (CAA), and Resource Conservation and Recovery Act (RCRA) programs, Regions, and headquarters support offices. The workgroup compared current tools and practices for oversight for each media permitting program. The workgroup also considered emerging areas of state oversight concern, such as financial and human resource constraints caused by the economic downturn. The workgroup continues to analyze the key similarities and differences between NPDES, CAA, and RCRA permitting programs, and is identifying options for improving communication between states and EPA, increasing data availability, and making the results of oversight transparent to permit writers, oversight entities, and other stakeholders.</p> <p>In early FY 2013, the workgroup will report on its progress to the Deputy Administrator and propose options for improving the coordination, transparency, and accountability of EPA's oversight of state permitting programs. Work on this effort will continue through FY 2013.</p>

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3. Improve the effectiveness and efficiency of state-federal interactions and facilitate the exchange of data with states (Supports Principles 1, 2, and 3).	
<ul style="list-style-type: none"> Building on the Business Process Improvement (BPI) tools and training identified with Environmental Council of the States (ECOS) and other state partners, the EPA will identify a list of candidate processes for EPA-State BPI events and continue to share learning for BPIs nationally through development of a Lean Government training options guide and a BPI methods guide. (September 2012) 	<p style="text-align: center;">✓</p> <p>EPA has engaged in three national priority BPI processes and events for the NPM Guidance (Office of the Chief Financial Officer), Grants Transformation (Office of Administration and Resources Management), and the State Implementation Plan (SIP) process (EPA Region 10 and the State of Washington). EPA continues to share learning for BPIs nationally through release of its Lean Government Starter Kit (version 3.0), which includes Lean methods guidance, and has developed a training guide, <i>Considerations in Building Lean Capacity through Training</i>, for use by EPA and its partners.</p>
<ul style="list-style-type: none"> Expanding on collaborations with states to provide more transparent information on the performance of state enforcement programs, Office of Enforcement and Compliance Assurance (OECA) will expand its interactive web application to include National Comparative Maps and State Dashboards from both the Clean Air Act and Resource Conservation and Recovery Act, and develop prototypes for the Safe Drinking Water Act, and the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA). (September 2012) 	<p>State dashboards for the Clean Water Act (CWA), RCRA, and CAA enforcement programs were released to the states and Regions for testing, and will be finalized in December 2012. The same prototype can be used for other state programs.</p>
<ul style="list-style-type: none"> Increase the number of most critical EPA program information systems considered to be "Exchange Network Ready" from 5 at end of FY 2011 to 9 (out of a total of 10). (Note: Network Readiness, as defined in the Exchange Network Action Plan, is measured for each information system and indicates that the EPA has removed all technology barriers from state partners being able to implement that data flow.) 	<p style="text-align: center;">✓</p> <p>With the successful deployment of the Exchange Network Services Center, additional flows became "network ready." Additional data flows include Air Quality Systems, Beaches, Safe Drinking Water Information System (SDWIS), and RCRAInfo.</p>
With Tribes:	
1. Coordinate with Regions and tribal partners to implement specific programmatic steps outlined in the new General Assistance Program (GAP) Guidebook to help build capacity for environmental programs (Supports Principles 1 and 2). (September 2012) [Placeholder language for more specific outcome pending finalization of GAP guidebook effort].	<p>EPA is implementing many of the changes identified in the GAP Guidebook through GAP Online and individual workplan negotiations. While consultation with Tribes on the GAP Guidebook extended longer than anticipated, it will be final by April 30, 2013, which will be in time to affect grant work plans negotiated in the FY 2014 funding cycle for activities in FY 2015.</p>

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<ul style="list-style-type: none"> By implementing the steps laid out in the Guidebook, tribes can expand their environmental, monitoring, and assessment programs. As a result, and as part of the Tribal Data Management Strategy, increase the number of tribes reporting data to the EPA through the Exchange Network from 88 to 100. (September 2012) 	<p style="text-align: center;">✓</p> <p>With the successful deployment of the Exchange Network Services Center, 113 tribes are now using Exchange Network mechanisms to report priority data to EPA.</p>
<p>2. The American Indian Environmental Office (AIEO) and Agency Tribal Consultation Advisors (TCAs) develop specific implementation guidelines for carrying out the EPA “Policy on Consultation and Coordination Guidance with Indian Tribes” (Supports Principle 2 and 3). (January 2012)</p>	<p style="text-align: center;">✓</p> <p>AIEO and TCAs have developed several successful tools, in addition to guidelines, to implement the Policy.</p>
<ul style="list-style-type: none"> All EPA employees complete the “Working Effectively with Tribal Governments” training, ensuring that all employees understand their connection to our tribal stakeholders. Progress will be tracked through an in-house database. (September 2012) 	<p>Ninety three percent of EPA on-board employees successfully completed the newly designed and launched “Working Effectively with Tribal Governments” training, which provides guidance to Agency employees on how to work with tribal governments.</p>
With Other Countries:	
<p>1. By September 2012, complete and sign the successor U.S.-Mexico Border Environment Program 2020 strategic design that will address the most severe environmental and human health issues in the border region (Supports Principles 1 and 2).</p>	<p style="text-align: center;">✓</p> <p>The Border 2020 Program, signed on August 8, 2012, is the latest environmental program implemented under the 1983 La Paz Agreement. It builds on the Border 2012 Environmental Program, emphasizing regional, bottom-up approaches for decision making, priority setting, and project implementation to address the environmental and public health problems in the border region. EPA successfully achieved the six Border 2012 goals that addressed public health and environmental protection along the US-Mexico Border, including cleaning up over 12 million scrap tires, collecting more than 73 metric tons of unused pesticides, and removing over 673,000 tons of trash and 570 tons of e-waste.</p>
<p>2. To improve effectiveness of the Submission on Enforcement Matters (SEM) process of the Commission for Environmental Cooperation (CEC), complete SEM modernization recommendations and submit for Council vote at July 2012 session, and (assuming adoption) commence implementation by September 2012.</p>	<p style="text-align: center;">✓</p> <p>SEM Trilateral Task Force proposals were cleared by the CEC Secretariat, presented to the CEC Joint Public Advisory Committee and the public, and adopted at the July 2012 Council Session.</p>