

US EPA ARCHIVE DOCUMENT



The State Innovation Grant Program

In 2002 EPA introduced the State Innovation Grant Program to support efforts led by state environmental agencies to test innovative approaches for achieving better environmental results and improved efficiency in permitting programs. Between 2002 and 2007, the State Innovation Grant program competition awarded over six million dollars to support 35 state projects that test permitting innovation for a variety of regulated entities including several small business sectors. A summary of the awards by year appears in the table below.

State Innovation Grant Program Statistics, 2002-2007			
Competition Year	Proposals Submitted	Proposals Selected	Total Program Funding (\$)
2002/2003	29	6	\$618,000
2004	33	9	\$1.425 Million
2005	26	7	\$1.479 Million
2006	25	6	\$1.243 Million
2007	17	7	\$1.611 Million
2008	12	3	\$0.825 Million
Cumulative Total	142	38	\$7.201 Million

"Innovation in Permitting" has been the theme of the State Innovation Grant competition since its inception. In the last three competition cycles states received awards for projects in the following three categories:

- **The Environmental Results Program (ERP)** is an innovative approach to improving environmental performance based on a system of the interlocking tools of compliance assistance, self-certification (sometimes, where permissible, in lieu of permitting), and statistically-based measurement to gauge the performance of an entire business sector. The program utilizes a multimedia approach to encourage small sources to achieve environmental compliance and pollution prevention. (See: <http://www.epa.gov/permits/erp/>)
- **Environmental Management System (EMS)** is a system involving a continual cycle of planning, implementing, reviewing and improving the processes and actions that an organization undertakes to meet its business and environmental goals. EMSs provide organizations of all types with a structured system and approach for managing environmental and regulatory responsibilities to improve overall environmental performance and stewardship. (See: www.epa.gov/ems/info/index.htm)
- **Performance Track** is a partnership that recognizes top environmental performance among participating US facilities of all types, sizes, and complexity, both public and private. (See: <http://www.epa.gov/performance-track/>)

NCEI has provided awards also for projects testing watershed-based permitting, and for permit process streamlining in past competitions. For more information on the history of the programs, including information on solicitations, state proposals, and project awards, please see the EPA State Innovation Grants website at <http://www.epa.gov/innovation/stategrants>

Project Background:

Washington State Department of Ecology (WA DoE) is working to integrate an Auto Body Environmental Results Program (ERP) with a voluntary "beyond compliance" small business environmental certification program. The goal of this pilot is to improve small-business compliance with air, water, and waste requirements while encouraging entities to voluntarily implement pollution prevention and sustainable business practices.

Project Description

The WA DoE pilot program is based on the ERP model—sector-specific technical assistance, incentives, compliance self-certification, site-assistance visits, and statistically-based environmental business performance indicators to measure sector compliance.

WA DoE is working in partnership with the auto body industry and local governments to merge the ERP model with the EnviroStars Program, a voluntary program that certifies businesses for their efforts in preventing pollution. EnviroStars is a service that was created by the Local Hazardous Waste Program in King County and is also offered in Jefferson, Kitsap, Pierce, and Whatcom counties.

WA DoE has three primary objectives for its innovative pilot program: 1) to conduct an integrated multi-media ERP/EnviroStars pilot; 2) to work with the existing EnviroStars Program partners toward an enhanced air, water, and waste reduction program which incorporates sustainability and environmental leadership, and 3) to evaluate the pilot results and consider the enhancement and expansion of the ERP and EnviroStars model—to other sectors, and possibly statewide. The pilot project will reach approximately 850 auto body businesses in the Puget Sound region and Spokane River watershed in Washington State. Technical assistance will be provided to help with compliance and beyond compliance auto-body industry performance.

WA DoE will distribute ERP materials, including an Auto Body Pilot Technical Assistance Manual to all facilities in the pilot area. The manual includes an overview of state requirements and best management practices for air,



water, and hazardous waste, and shop management. Technical assistance will include the opportunity for shops to complete a return-to-compliance plan, in the event they find areas of non-compliance during the self-certification process. Follow-up technical assistance will be available. Voluntary business participation in the EnviroStars program will be tested in five local government jurisdictions through the ERP self-certification and the site-visit process. The EnviroStars criteria are included in the ERP checklist to allow businesses to self-certify at as a three-star EnviroStar level. EnviroStar businesses are given a two-to-five star rating base on performance and commitments.

In addition, and in partnership with the EPA, WA DoE has incorporated the new Area Source Rule Notice of Compliance (NOC) requirements into the self-certification process, which will allow auto body shops to meet NOC requirements when they self-certify compliance.

Local government partners play a key role in the delivery of this pilot through the Local Source Control Partnership established in 2008 to help restore and protect the Puget Sound and Spokane River. The Local Source Control Partnership includes 14 local governments which are providing small businesses technical assistance to improve business practices.

The emerging issues such as stormwater management and new clean air regulations provide opportunities for WA DoE to work in collaboration with local governments and industry to produce measurable environmental results. WA DoE expects that its collaboration with local governments and the auto body industry will produce beneficial results that can be considered when evaluating the pilot as a statewide model for expansion into other sectors.

Project Update:

Project start date: February 1, 2007

As of October 2008, Ecology had:

- Finalized the Inspectors' Checklist
- Completed the draft Self-Certification Checklist
- Trained the local specialists conducting site visits
- Initiated baseline site visits
- Partnered with industry and vetted technical assistance materials with stakeholders, and incorporated comments
- Finished the draft Auto Body Pilot Technical Assistance Manual

The work will be completed by 2010.

Connection to EPA's Goals

This program directly supports EPA's Strategic Goals by (Goal 5) improving compliance and environmental stewardship by emphasizing sustainability, private sector incentives and business assistance. WA DoE's multi-media approach addresses all five goals included in EPA's Strategic Plan.

Project Contacts:

For information on the Washington State Innovation Grant project, please visit WA DoE's website at <http://www.ecy.wa.gov/programs/hwtr/lsp/index.html>, the US EPA's State Innovation Grant Program website at: <http://www.epa.gov/innovation/stategrants/washington2007.htm>, or contact one of the individuals below:

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