

US EPA ARCHIVE DOCUMENT



State Innovation Grant Program: Massachusetts

Implementing a States Common Measures Project for Improving ERP Compliance Strategies (2005 Competition)

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
Cumulative Total	130	35	\$6.376 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:

A number of states are testing a variety of innovative approaches to ensure environmental compliance, including various adaptations of the Environmental Results Program (ERP) initially implemented by Massachusetts for the dry cleaning and printing sectors. These initiatives involve experimenting with combinations of regulatory and non-regulatory tools to improve compliance and environmental performance within specific business sectors. Although state agencies currently collect information about business sector activities and their general performance, complete information is rarely available to assess group performance. Adopting a common approach to measuring the environmental performance of specific business sectors can enable states to compare the effectiveness and efficiency of differing state strategies for improving compliance and environmental performance for a given sector or group of facilities.

Project Description

The Massachusetts Department of Environmental Protection (MA-DEP), along with its partners, the Northeast Waste Management Officials Association (NEWMOA) and State environmental agencies from California, Colorado, Connecticut, Maine, New Hampshire, New York, New Jersey, Rhode Island, and Vermont, is working to identify reliable, accurate, and common environmental performance measures. The project is intended to promote:

- the broad use of ERP-type indicator performance measurement to inform decisions about environmental program priorities and resource allocation;
- the use of ERP-type measurement within and across state programs to help inform the most effective and efficient environmental performance improvement strategies for the regulated community.

This project, funded by a US EPA State Innovation Grant, will provide guidance for all states in the application of performance measures for existing and new environmental programs. The goals of the project are to develop a common set of ERP-like performance metrics that



participating states can use to evaluate the compliance/performance of regulated facilities, and then to use those metrics to compare the effectiveness of different approaches that states are using to improve the compliance of those facilities. For each sector selected, the states will quantify environmental performance based on the indicators selected. An environmental performance index score will be established and states will measure sector environmental performance and, potentially, changes within the sector over time. The compliance assurance and performance enhancement strategies employed in the project states will be reported and compared to the index scores. The project will assess the effectiveness and efficiency of different state compliance assurance strategies within the same sector.

Project goals:

- Improve the ability of state environmental agencies to develop, implement, and analyze innovative environmental performance measures for various business sectors.
- Improve the ability of state environmental agencies to develop and implement innovative compliance strategies, including ERP.
- Develop and test a common core set of performance measures for business sectors on a multi-state basis.
- Promote the implementation of innovative compliance strategies, including ERP, in the states in the Northeast that have not yet begun these initiatives.
- Develop a comparative assessment of the environmental outcome data that is collected from the states using the core performance measures for at least one business sector and analyze and present the results.

The project will also enable participating states to better focus their limited resources on specific problem areas and to use those strategies that achieve the greatest demonstrated environmental results improvements for the future.

Project start date is May 22, 2006, and is planned for completion in May, 2009.

For more information on the Massachusetts State Innovation Grant, please visit the Northeast Waste Management Officials' Association at: <http://www.newmoa.org/hazardouswaste/measures>

Connection to EPA's Goals

This States Common Measure Project meets EPA's Strategic Goal (Goal 5) by supporting the development of a multi-state approach to implementing and analyzing strategies that effectively combine multi-media compliance improvement and pollution prevention on a sector basis.

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