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Monday
August 24, 1998

Part VI

Environmental Protection Agency

Sustainable Development Challenge Grant Program; Notice

ENVIRONMENTAL PROTECTION AGENCY

[FRL–6150–4]

Sustainable Development Challenge Grant Program

AGENCY: Environmental Protection Agency (EPA).

ACTION: Solicitation of proposals for FY 1998.

SUMMARY: The Environmental Protection Agency (EPA) is soliciting proposals for the FY 1998 Sustainable Development Challenge Grant (SDCG) program, one of President Clinton's ''high priority'' actions described in the March 16, 1995 report, ''Reinventing Environmental Regulation.'' The EPA has a total of $5 million available for this program in FY 1998. The SDCG program provides an opportunity to develop place-based approaches to problem solving that can be replicated in other communities. Approaches should address problems related to current patterns of growth and public investment/disinvestment that accelerate loss of open space and wetlands, fragment habitat, and increase consumption of fossil fuels for energy and transportation. These grants are intended to encourage communities to recognize and build upon the fundamental connection between environmental protection, economic prosperity and community well-being. EPA will select projects on a competitive basis using the criteria outlined below. Applicants may compete for funding from EPA in two ranges for FY 1998: (1) requesting $50,000 or less, and (2) requesting between $50,001 and $200,000. Proposals will compete with other proposals in the same range (i.e., a proposal for $50,000 will not compete with a proposal for $200,000). Applicants in each category are required to provide a minimum 20% match from non-federal funding sources.

The Sustainable Development Challenge Grant program strongly encourages partnering among community members, business and government entities to work cooperatively to develop flexible, locally-oriented approaches that link place-based environmental management and quality of life activities with sustainable development and revitalization. This program challenges communities to invest in a sustainable future that links environmental protection, economic prosperity and community well-being. These grants are intended to: catalyze community-based projects to promote environmentally and economically sustainable development; build partnerships which increase a community's capacity to take steps that will ensure the long-term health of ecosystems and humans, economic vitality, and community well-being; and leverage public and private investments to enhance environmental quality by enabling sustainable community efforts to continue beyond the period of EPA funding.

This document includes the following: background information on the Sustainable Development Challenge Grant program; a description of the FY 1998 program which incorporates comments on the FY 1996 pilot and FY 1997 program (both public and Agency comments/suggestions) on the design of the program; the criteria projects must meet to be considered for funding; the process for selection of projects; and the program's relationship to other related EPA activities. More detailed information is available via Internet at: http:www.epa.gov/ecocommunity. A guidance document to assist applicants in developing their proposal is also available at this Internet site and from regional offices.

DATES: The period for submission of proposals for FY 1998 will begin upon publication of this **Federal Register** document pursuant to the Information Collection Request (ICR No. 938.06) approved by the Office of Management and Budget (OMB Approval No. 2030–0020) under the Paperwork Reduction Act. Project proposals must be postmarked by November 24, 1998 to be considered for funding.

ADDRESSES: Please provide an original and four copies of your entire proposal to the regional representative listed below for the state in which your project will take place.

APPLICATIONS: Complete proposal information for FY 1998 is available via Internet at: http:www.epa.gov/ecocommunity or from EPA Headquarters and EPA Regional Offices. This information will include more detailed guidance and may be requested in writing from your regional or headquarters representative, or by fax at 202–260–2555 or by voice mail at 202–260–6812. Although you may fax your request, these documents are not available by fax. If you have requested this information previously, your name has been added to our mailing list and you will be sent the application kit automatically as soon as it is available. EPA will notify applicants of selected proposals in writing. Please do not send duplicate requests. Proposals must include the following:

(1) A one page cover sheet that provides:

(a) The project title;

(b) Applicant's name, address, phone number and organization type;

(c) A list of entities or organizations that will be providing matching funds in the project and their organization type; and

(d) A project abstract that includes a brief project description, the amount of assistance requested from EPA, amount of match, total project cost, and match percentage.

(2) The project proposal narrative must be limited to five (5) double-sided pages. The proposal should contain the following: Project Goals; Project Tasks; Relationship of Project to Selection Criteria; All Confirmed Partners (including those providing match); Schedule; and Budget.

(3) A plan for overall project evaluations (see guidance below on what to include in this plan).

(4) All applicants (except public agencies) must attach documentation demonstrating non-profit status or articles of incorporation.

(5) Letters of commitment from all partners contributing matching funds to the project. These letters must specify the nature of the match (whether it is in-kind services or cash) and the dollar value of the match. Applications without these commitment letters will not be considered.

Attachments listed in (3), (4) and (5) above will not count toward the five double-sided narrative page limit. Any other attachments will not be considered. Please do not send letters of general support from non-match partners or others. Proposals lacking complete documentation will not be considered.

FOR FURTHER INFORMATION CONTACT: The regional representative for your state or Juanita Smith, U.S. EPA, Office of Air & Radiation (MC 6101), 401 M Street SW, Washington, D.C. 20460, telephone (202) 260–6812, fax (202) 260–2555, e-mail smith.juanita@epa.gov.

Regional Offices

Rosemary Monahan, US EPA Region I, JF Kennedy Federal Bldg. (RSP), Boston MA 02203, (617) 565–3551, monahan.rosemary@epa.gov, States: ME, NH, VT, MA, CT, RI

Theresa Martella, US EPA Region 3, 841 Chestnut Building, Philadelphia, PA 19107, (215) 566–5423, martella.theresa@epa.gov, States: DE, DC, MD, PA, VA, WV

Janette Marsh, US EPA Region 5, 77 West Jackson Blvd., Chicago, IL 60604–3507, (312) 886–4856, marsh.janette@epa.gov, States: MN, WI, MI, IL, IN, OH

Marcia Seidner, US EPA Region 2, 290 Broadway, 26th Floor, New York, NY 10007–1866, (212) 637–3590, seidner.marcia@epa.gov, States & Territories: NY, NJ, PR, VI

Annette N. Hill, US EPA Region 4, OPM, 61 Forsyth Street, SW, Atlanta, GA 30303, (404) 562–8287, hill.annetten@epa.gov, States: AL, FL, GA, KY, MS, NC, SC, TN

Karen Alvarez, US EPA Region 6, Fountain Place, Suite 1200, 1445 Ross Avenue, Dallas, TX 75202–2733, (214) 665–7273, alvarez.karen@epa.gov, States: AR, LA, NM, OK, TX

Dick Sumpter, US EPA Region 7, 726 Minnesota Avenue, Kansas City, KS 66101, (913) 551–7661, sumpter.richard@epa.gov, States: KS, MO, NE, IA

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David Schaller, US EPA Region 8, 999 18th Street, Suite 500, Denver, CO 80202–2466, (303) 312–6164, schaller.david@epa.gov, States: CO, MT, ND, SD, UT, WY

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SUPPLEMENTARY INFORMATION:

Purpose

EPA intends these competitive grants to be catalysts that challenge communities to invest in a more sustainable future, recognizing that sustainable environmental quality, economic prosperity, and community well-being are inextricably linked. The Sustainable Development Challenge Grant program is an important opportunity for EPA to award competitive grants that leverage private and other public sector investment in communities (ranging in size from neighborhoods to cities to larger geographic areas such as watersheds or metropolitan areas) to build partnerships that will increase the capacity of communities to ensure long-term environmental protection through the application of sustainable development strategies.

Overview of the Sustainable Development Challenge Grant Approach

The grant program encourages communities to recognize and build upon the fundamental connection between environmental protection, economic prosperity and community well-being. Accomplishing this linkage requires integrating environmental protection in policy and decision-making at all levels of government and throughout the economy. The SDCG program recognizes the significant role that communities have and should play in environmental protection. The program acknowledges that sustainable development is often best designed and implemented at a community level and encourages projects that can be replicated in other communities. This program also requires grantees to implement a stakeholder process to identify measurable milestones to assess progress toward integrating environmental and economic goals and community well-being.

Achieving sustainability is a responsibility shared by environmental, community and economic interests at all levels of government and the private sector. This emphasis on strong community involvement requires a commitment to ensuring that all residents of a community, of varying economic and social groups, have opportunities to participate in decision-making and benefit from successful sustainable development activities. Only through the combined efforts and collaboration of governments, private organizations and individuals can our communities, regions, states, and nation achieve the benefits of sustainable development. In keeping with this philosophy, the EPA will implement this program consistent with the principles of Executive Order 12898, ''Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations' (February 11, 1994). Projects funded must ensure that no person(s) is subjected to unjust or disproportionate environmental impacts. We encourage submissions from Empowerment Zones and Enterprise Communities.

Linkages to Other Initiatives

The EPA initiated the SDCG program as a pilot effort in 1996 and funded ten of the 600 proposals for a total of $500,000. In 1997, the Agency received 962 proposals requesting $38,000,000 in assistance and selected 45 of the proposals for funding at a total of approximately $5,000,000. Project descriptions are available via the Internet at http:www.epa.gov/ecocommunity.

EPA and its state and local partners continue to refine how environmental protection is accomplished in the United States. The Agency recognizes that environmental progress will not be achieved solely by regulation. Innovative attitudes of regulatory agencies combined with individual, institutional, and corporate responsibility, commitment and stewardship will be needed to assure adequate protection of the earth's resources. The Sustainable Development Challenge Grant program is consistent with other community-based efforts EPA has introduced, such as the Brownfields Initiative, Environmental Justice Small Grants Program, Project XL, the President's American Heritage Rivers Initiative, Watershed Protection Approach, Transportation Partners, the $mart Growth Network, the Community-Based Environmental Protection Approach, and the Sustainable Urban Environment effort. The Sustainable Development Challenge Grant program is also a step in implementing ''Agenda 21, the Global Plan of Action on Sustainable Development,'' signed by the United States at the Earth Summit in Rio de Janeiro in 1992. All of these programs require broad community participation to identify and address environmental issues.

Through the Sustainable Development Challenge Grant program, EPA also intends to further the vision and goals of the President's Council on Sustainable Development (PCSD), created in 1993 by President Clinton. EPA is coordinating existing urban environmental programs within the Agency and with other federal, state and local agencies. The President charged the Council, composed of corporate, government, and non-profit representatives, to find ways to ''bring people together to meet the needs of the present without jeopardizing the future.'' The Council has declared this vision:

> ''Our vision is of a life-sustaining Earth. We are committed to the achievement of a dignified, peaceful and equitable existence. We believe a sustainable United States will have a growing economy that equitably provides opportunities for satisfying livelihoods and a safe, healthy, high quality of life for current and future generations. Our nation will protect its environment, its natural resource base, and the functions and viability of natural systems on which all life depends.'' (February 1996)

The Sustainable Development Challenge Grant program furthers this vision by encouraging community initiatives that achieve environmental quality with economic prosperity through public and private involvement and investment.

Examples of Potential Projects

EPA welcomes proposals for many types of projects, as demonstrated in the projects funded in the previous two years. The following are examples of the types of projects EPA could consider for

funding. These examples are illustrative and are not intended to limit proposals in any way.

◆ Demonstrate the range of environmental, economic and community benefits associated with alternative development patterns. This project would examine drinking water quality, air quality, and wildlife habitat. For instance, open spaces may offer protection of water quality by acting as natural retention areas for the treatment of storm water runoff and increase aesthetic value and recreation opportunities. Elements of the project may include the comparison of the environmental, fiscal and community benefits of the purchase and trade of development rights, and alternative zoning provisions related to various densities and degrees of automobile, bicycle and pedestrian accessibility.

◆ Demonstrate a cutting edge approach to the cleanup and redevelopment of contaminated property. This project would demonstrate a comprehensive, interagency, intergovernmental approach to the challenges of abandoned, idled, or under-used properties that blight the landscape of our urban centers. In addition to strategies being used at Brownfield assessment pilot sites across the country, it would move beyond the narrow limits of the Superfund law and include issues of contamination from oil fields and leaking underground storage tanks—currently excluded by the Superfund law, yet thought to be the cause of significant contamination. Instead of staying within the confines of land-based contamination, this effort would address issues with other environmental media, including water, non-point source permitting and non-point sources in air quality non-attainment areas relating to the siting of new businesses and industries. Practical applications of environmental justice principles, public participation and environmental job training/workforce development strategies would be woven throughout the entire effort. Training would be provided for public officials as well as local citizens to ensure that local land use decision-making processes will be fair, open and inclusive.

◆ Demonstrate how a stakeholder group can comprehensively identify the multiple sources of pollution contributing to environmental problems within their watershed; collaboratively develop solutions to address these causes to the satisfaction of stakeholders; develop policy and financial support and commitment for the solution along with the plan to implement the necessary actions. Project elements may include: how you would organize and develop your stakeholders and community-based support; watershed-based problem identification, priority-setting and monitoring; the mix of voluntary and regulatory programs; the most promising approaches to the restoration of urban river corridors and wetlands; to identify and eliminate, to the maximum extent possible, activities and programs that create unintended barriers and disincentives to community revitalization.

◆ Support a regional bottom-up process for better managing rapid, sprawling development. Local governments along with public and private interests will join together to secure written agreements on actions to be taken to carry out the community's vision of a sustainable future, and to prepare a State of the Region report outlining the area's most significant challenges and opportunities for improving local conditions.

◆ Demonstrate the benefits of implementing metropolitan-wide transportation programs that promote sustainable development. Specific projects would examine new and innovative ways of integrating air quality, storm water and other urban wet weather flows management, transportation, and land use planning processes to effectively reduce vehicle miles traveled, thereby reducing congestion, lowering energy consumption, improving air quality, and reducing green house gas emissions. Specific pilots could focus on demonstrating effective methods of community collaboration and linkage with other planning efforts traditionally conducted at different jurisdiction levels (e.g., state, city, county). In addition, pilots could integrate a number of important, but to date, separate federal initiatives such as Federal Transit Administration's Livable Communities, Federal Highway Administration's Congestion Mitigation and Air Quality Program, Department of Energy's Clean Cities program, or the Department of Agriculture's Urban Resources Partnership, the Department of Transportation's Transportation and Community System Preservation Pilot Program, or Empowerment Zones and Enterprise Communities along with various innovative transportation control measures. Both short and long-term strategies could be selected.

◆ Nature-based tourism: Demonstrate a cooperative effort among environmental groups, business interests, and community leaders to design and implement a community-based strategy for ecology-based tourism. The strategy would identify techniques to manage appropriate travel to, and recreation within, natural areas which are designed to contribute substantially to the area's conservation and improvement of the welfare of local people, through education and the dedication of tourism dollars to protect natural resources. The goal would be to support properly planned and managed nature tourism, which will have minimal impacts on the environment, conserve and enhance social and cultural values, and improve the economic well-being of residents. EPA encourages projects that correct existing environmental problems and are restorative in their outcome.

◆ Changing unsustainable behaviors can begin through visioning and planning projects. Such proposals are welcomed and encouraged. Visioning and planning proposals should address geographic and jurisdictional areas appropriate and applicable to the scope of the proposal. Proposals should demonstrate how actions and collaborations and outreach efforts are intended to result in a vision or plan with a sufficient consensus in the community to take the proposal beyond the preparation of a summary report. The proposal should address to the extent possible next steps that would be taken toward plan implementation and how these steps would be carried out after completion of the visioning/planning effort.

Selection Criteria

The proposed project must meet the two statutory threshold determinations described below in the Statutory Authority section, then EPA will also consider the following criteria, weighting each as indicated. Please describe how your project addresses the following criteria in the section of your proposal on Relationship of Project to Selection Criteria. We recommend that you address each bullet point listed.

(1) Sustainability: 50 points

► How well does the proposal integrate environmental protection, economic prosperity and community well-being at the community level? Does the proposal address how current and future generations are affected?

► Does the proposal address what type of sustainable behavior is desired, and what type of non-sustainable behavior needs to be changed?

► Does the proposal take a comprehensive approach to specific environmental problems that reflects a good understanding of the larger ecosystem context within which the problems occur? Does the proposal offer

a locally and regionally appropriate solution that does not shift the problem to another area or create a new problem as a result? Does this proposal benefit a significant percentage of the population in the affected community or region?

► How does the proposal assure that economic activities do not exhaust or degrade the environment?

► Explain how the proposal will result in long-term environmental protection as well as sustainable economic vitality, (such as more appropriate, efficient use of resources and changes in consumption patterns) so that jobs created will be sustained, or the amount of money retained in the local economy will be maximized?

► How does the proposal represent new solutions for the community, given their previous history and current circumstances?

(2) Community Commitment and Contribution: 25 points

► Explain how the partners fully represent those in the community who have an interest in or will be affected by the project?

► Will the proposal's outcomes and results benefit all affected groups to the maximum extent possible?

► Does the proposal describe effective methods for community involvement to assure that all affected by the project are provided an opportunity to participate?

► Does the proposal describe the depth and breadth of the community's support (financial and in-kind) for the proposal? Does the community have in place the legal and regulatory authority they need to implement the project? Does it provide evidence of long-term commitment to the proposal?

(3) Measurable Results: 25 points

► Does the proposal describe the specific environmental, economic, and quality of life benefits to be gained by the community? Is there a plan to identify which non-sustainable behaviors will be addressed by the proposal and how will behavior change be measured?

► How does the proposal include significant achievable short-term (within three years) and long-term targets or benchmarks to measure the proposal's contribution to the community's environmental and economic sustainability? (These should be both quantitative and qualitative.) For planning or visioning proposals, explain how the plan or vision that is developed, and any next steps that will be taken toward plan implementation, will contribute to the community's environmental or economic sustainability, and how the contribution will be measured.

► Does the proposal set goals for the proactive environmental approaches it employs?

► After seed funds from EPA are exhausted, does the proposal demonstrate how the work will continue, or how it will evolve into or generate other sustainability efforts, either locally or regionally?

► Will the experiences gained during the project be transferable to other communities? If so, how?

► Does the proposal describe how the success of the project will be evaluated? Does the proposal explain how to determine and measure whether expected results have been accomplished? How will the project's contribution to sustainability be measured and evaluated? Who will be responsible for performing the evaluation and what process they will use? How will needed changes to the project be identified and incorporated on an ongoing basis?

Statutory Authority

EPA expects to award Sustainable Development Challenge Grants program under the following eight grant authorities: Clean Air Act section 103(b)(3); Clean Water Act section 104 (b)(3); Resource Conservation and Recovery Act section 8001; Toxics Substances Control Act section 10; Federal Insecticide, Fungicide, and Rodenticide Act section 20; Safe Drinking Water Act sections 1442(a) and (b); National Environmental Education Act, section 6; and Pollution Prevention Act, section 6605.

In addition to the selection criteria listed above, a proposal must meet the following two important threshold criteria to be considered for funding. (1) A project must consist of activities within the statutory terms of these EPA grant authorities. Most of the statutes authorize grants for the following activities: ''research, investigations, experiments, training, demonstrations, surveys and studies.'' These activities relate generally to the gathering or transferring of information or advancing the state of knowledge. Grant proposals should emphasize this ''learning'' concept, as opposed to ''fixing'' an environmental problem via a well-established method. For example, a proposal to plant some trees in an economically depressed area in order to prevent erosion would probably not in itself fall within the statutory terms ''research, studies'' etc., nor would a proposal to start a routine recycling program.

On the other hand, the statutory term ''demonstration'' can encompass the first instance of the application of a pollution control and prevention techniques, or an innovative application of a previously used method. Similarly, the application of established practices may qualify when they are part of a broader project which qualifies under the term ''research.''

(2) In order to be funded, a project's focus generally must be one that is specified in the statutes listed above. For most of the statutes, a project must address the causes, effects, extent, prevention, reduction, and elimination of air, water, or solid/hazardous waste pollution, or, in the case of grants under the Toxic Substances Control Act or the Federal Insecticide, Fungicide and Rodenticide Act, to ''carrying out the purposes of the Act.'' While the purpose of the SDCG program will include the other two aspects of sustainable development (economic prosperity and community well-being), the overarching concern or principal focus must be on the statutory purpose of the applicable grant authority, in most cases ''to control pollution.'' Note that proposals relating to other topics which are sometimes included within the term ''environment'' such as recreation, conservation, restoration, protection of wildlife habitats, etc., should describe the relationship of these topics to the statutorily required purpose of pollution control. For assistance in understanding statutory authorities under which EPA is providing these grants contact your regional representatives.

Definitions

Sustainable Development: Sustainable development means integrating environmental protection, and community and economic goals. Sustainable development meets the needs of the present generation without compromising the ability of future generations to meet their own needs. The sustainable development approach seeks to encourage broad-based community participation and public and private investment in decisions and activities that define a community's environmental and economic future and community well-being.

Community well-being: In the sustainable development context this means understanding and considering the impacts of activity on the diversity of cultures, values, and traditions in a community. It acknowledges both current and future generations. Community well-being means ensuring that all members of the community, regardless of ethnic or cultural group, age or income, have access to services

provided through the sustainable development project, and those benefits/burdens of the project are fairly distributed.

Community: The scale used to define ''community'' under this challenge grant program will vary with the issues, problems, or opportunities that an applicant intends to address. The SDCG program recognizes the significant role that communities have and should play in environmental protection. ''Community'' means a geographic area within which different groups and individuals share common interests related to their homes and businesses, their personal and professional lives, the surrounding natural landscape and environment, and the local or regional economy. A community can be one or more local governments, a neighborhood within a small or large city, a large metropolitan area, a small or large watershed, an airshed, tribal lands, ecosystems of various scales, or some other specific geographic area with which people identify.

Non-sustainable Behavior: Development, or land and water activities, management or uses, which limit the ability of humans and ecosystems to live sustainably by destroying or degrading ecological values and functions, diminishing the material quality of life, and diverting economic benefits away from long-term community prosperity and decreases the long-term capacity for sustainability.

Who Should Apply?

Eligible applicants include: (1) Incorporated non-profit (or not-for-profit) private agencies, institutions and organizations, and (2) public (state, county, regional or local) agencies, institutions and organizations, including those of Native Americans (American Indians and Alaskan Native Villages). While state agencies are eligible they are encouraged to work in partnership with community groups to strengthen their proposals. Federal agencies are not eligible for funding, however, they are also encouraged to work in partnership with state and local agencies on these projects. For instance, the Urban Resources Partnership places government resources into the service of community-led environmental projects.

Applicants are not required to have a formal Internal Revenue Service (IRS) non-profit designation, such as 501(c)(3) or 501(c)(4), however they must present their letter of incorporation or other documentation demonstrating their non-profit or not-for-profit status. This requirement does not apply to public agencies. *Failure to enclose the letter of incorporation or other documentation demonstrating their non-profit or not-for-profit status will result in an incomplete submission and will not be reviewed.* Applicants who do have an IRS 501(c)(4) designation are not eligible for grants if they engage in lobbying, no matter what the source of funding for the lobbying activity. No recipient may use grant funds for lobbying. Further, profit-makers are not eligible to receive sub-grants from eligible recipients, although they may receive contracts, subject to EPA's regulations on procurement under assistance agreements, 40 Code of Federal Regulations (CFR) 30.40 (for non-governmental recipients) and 40 CFR 31.36 (for governments). Profit-making organizations are encouraged to participate in sustainability efforts in their community by becoming partners with eligible organizations.

Funding Ranges and Match

Applicants may compete for funding from EPA in two ranges for FY 1998: (1) requesting $50,000 or less, and (2) requesting between $50,001 and $200,000. Proposals will compete with other proposals in the same range (i.e., a proposal for $50,000 will not compete with a proposal for $200,000). Applicants in each category are required to demonstrate how they will meet the minimum 20% non-federal match. Applicants may submit multiple proposals, but each specific proposal must be for a separate and distinct project. However, no organization may receive funding for more than one grant each year under the SDCG program. In addition, projects awarded will be ineligible for future competition for this program.

This program is intended to provide seed money to leverage a broader public and private investment in sustainability activities. As a result, the program requires a minimum non-federal match of at least 20% of the total project budget (the total budget includes EPA's share). The match must be calculated in accordance with the example provided in EPA's guidance document. EPA strongly encourages applicants to leverage as much investment in community sustainability as possible. EPA views this leverage as a measure of community support and an indication of the possible longevity of the project. The match can come from a variety of public and private sources and can include in-kind goods and services. No federal funds, however, can be used as matching funds without specific statutory authority.

Selection Process

EPA Regional Offices will assess how well the proposals meet the selection criteria outlined above. The Regional Offices will then forward their top proposals to Headquarters for review by a national panel consisting of Headquarters and Regional representatives. The panel's recommendations will be presented to EPA Senior Management for final selection. In making these final selections such factors as geographic diversity, project diversity, costs, matching funds, and project transferability or replicability may be considered.

What Costs Can Be Paid?

Even though a proposal may involve an eligible applicant, eligible activity, and eligible purpose, grant funds cannot necessarily pay for all of the costs which the recipient might incur in the course of carrying out the project. Allowable costs, including those paid for by matching funds, are determined by reference to EPA regulations cited below and to OMB Circulars A–122, ''Cost Principles for Non-profit Organizations,'' A–21 ''Cost Principles for Education Institutions,'' and A–87, ''Cost Principles for State, Local, and Indian Tribal Governments.'' Generally, costs which are allowable include salaries, equipment, supplies, training, rental of office space, etc., as long as these are ''necessary and reasonable.'' Entertainment costs are an example of unallowable costs.

Applicable Grant Regulations

40 CFR part 30 for other than state/local governments, for example, non-profit organizations (see 61 FR 6065 (Feb. 15, 1996)), and part 31 for state and local governments and Indian tribes.

Paperwork Reduction Act

The information collection provisions in this document for solicitation of proposals are approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act, 44 U.S.C. 3501 *et seq.* in a generic Information Collection Request titled *Generic Administrative Requirements for Assistance Programs* (ICR No. 938.06 and OMB Approval No. 2030–0020). A copy of the Information Collection Request (ICR No. 938.06) may be obtained from Sandy Farmer in the Regulatory Information Division, EPA, 401 M Street, S.W. (Mail Code 2137), Washington, DC 20460 or by calling (202) 260–2740.

Submission to Congress and the General Accounting Office

On May 15, 1997, EPA published the regulatory requirements that also are included in this document (62 FR 26896) and submitted a report containing that rule and other required information to the U.S. Senate, the U.S. House of Representatives and the Comptroller General of the General Accounting Office pursuant to the Congressional Review Act (CRA), 5 U.S.C. 801 *et seq.*, as added by the Small Business Regulatory Enforcement Fairness Act of 1996. This action merely announces the availability of additional funds for this program and does not contain any new requirements; the regulatory requirements are included in thus document only for the convenience of the reader. Accordingly, the CRA does not apply because this action is not a rule, for purposes of 5 U.S.C. 804(3).

Dated: August 6, 1998.

Fred Hansen,

Deputy Administrator.

[FR Doc. 98–22655 Filed 8–21–98; 8:45 am]

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