

ENVIRONMENTAL PROTECTION AGENCY

[FRL-6921-8]

Office of Environmental Justice Small Grants Program; Application Guidance FY 2001

Introduction

This guidance outlines the purpose, goals, and general procedures for application and award under the Fiscal Year (FY) 2001 Environmental Justice Small Grants Program (EJSGP). For FY 2001, the U.S. Environmental Protection Agency (EPA) will make available approximately \$1,500,000 in grant funds to eligible organizations (pending availability of funds); \$500,000 of this amount is available for Superfund projects only. Applications must be mailed to your appropriate EPA regional office (listed in Section III) and postmarked by the U.S. Postal Service no later than midnight Friday, March 9, 2001.

This guidance includes the following:

- I. Scope and Purpose of the OEJ Small Grants Program
- II. Eligible Applicants and Activities
- III. Application Requirements
- IV. Process for Awarding Grants
- V. Expected Time-frame for Reviewing and Awarding Grants
- VI. Project Period and Final Reports
- VII. Fiscal Year 2002 OEJ Small Grants Program

Translations Available

A Spanish translation of this announcement may be obtained by calling the Office of Environmental Justice at 1-800-962-6215.

Hay traducciones disponibles de este anuncio en español. Si usted está interesado en obtener una traducción de este anuncio en español, por favor llame a La Oficina de Justicia Ambiental conocida como "Office of Environmental Justice," línea gratuita (1-800-962-6215).

I. Scope and Purpose of the OEJ Small Grants Program

The purpose of this grant program is to provide financial assistance to eligible community groups (*i.e.*, community-based/grassroots organizations, churches, or other nonprofit organizations) and federally recognized tribal governments that are working on or plan to carry out projects to address environmental justice issues. Preference for awards will be given to community-based/grassroots organizations that are working on local solutions to local environmental problems. Funds can be used to develop a new activity or substantially improve the quality of existing programs that have a direct impact on affected

communities. All awards will be made in the form of a grant not to exceed one year.

Background

In its 1992 report, *Environmental Equity: Reducing Risk for All Communities*, EPA found that minority and low-income populations may experience higher than average exposure to toxic pollutants than the general population. The EPA established the OEJ in 1992 to help these communities identify and assess pollution sources, to implement environmental awareness and training programs for affected residents, and to work with community stakeholders to devise strategies for environmental improvements.

In June of 1993, OEJ was delegated granting authority to solicit, select, supervise, and evaluate environmental justice-related projects, and to disseminate information on the projects' content and effectiveness. Fiscal year (FY) 1994 marked the first year of the OEJ Small Grants Program. The chart below shows how the grant monies have been distributed since FY 1994.

Fiscal year	\$Amount	Number of awards
1994	500,000	71
1995	3,000,000	175
1996	2,800,000	152
1997	2,700,000	139
1998	2,500,000	123
1999	1,455,000	95
2000	899,000	61

How Does EPA Define Environmental Justice Under the Environmental Justice Small Grants Program?

Environmental justice is the fair treatment and meaningful involvement of all people regardless of race, color, national origin, culture, education, or income with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies. *Fair treatment* means that no one group of people, including racial, ethnic, or socioeconomic groups, should bear a disproportionate share of the negative environmental consequences resulting from industrial, municipal, and commercial operations or the execution of federal, state, local, and tribal environmental programs and policies. *Meaningful involvement* means that: (1) potentially affected community residents have an appropriate opportunity to participate in decisions about a proposed activity that will affect their environment and/or health; (2) the public's contribution can influence the regulatory agency's decision; (3) the concerns of all participants involved will be considered in the decision-

making process; and (4) the decision-makers seek out and facilitate the involvement of those potentially affected.

II. Eligible Applicants and Activities

A. Who May Submit Applications and May an Applicant Submit More Than One?

Any affected, non-profit community organization 501(c)(3) or 501(c)(4) ¹ or federally recognized tribal government may submit an application upon publication of this solicitation. *Applicants must be non-profit* to receive these federal funds. State-recognized tribes or indigenous peoples' organizations can apply for grant assistance if they meet the definition of a nonprofit organization. "Non-profit organization" means any corporation, trust, association, cooperative, or other organization that: (1) Is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest; (2) is not organized primarily for profit; and (3) uses its net proceeds to maintain, improve, and/or expand its operations. While state and local governments and academic institutions are eligible to receive grants, preference will be given to non-profit, community-based/grassroots organizations and federally recognized tribal governments. Preference may be given to those organizations that have not received previous grants under the Environmental Justice Small Grants Program. Individuals are not eligible to receive grants.

The Environmental Justice Small Grants Program is a competitive process. To prevent preferential treatment to any single potential applicant, the Agency will offer training and/or conference calls on grant application guidelines. We encourage you to participate so that you can have your questions answered in a public forum. Please call your Regional office to inquire about the scheduled dates of the special training and conference calls. (See Contact List in this document).

EPA will consider only one application per applicant for a given project. Applicants may submit more than one application if the applications are for separate and distinct projects or activities. Applicants that previously received funds under the Environmental Justice Small Grants Program may

¹ As a result of the Lobbying Disclosure Act of 1995, EPA (and other federal agencies) may not award grants to non-profit, 501(c)(4) organizations that engage in lobbying activities. This restriction applies to any lobbying activities of a 501(c)(4) organization without distinguishing between lobbying funding by federal money and lobbying funded by other sources.

submit an application for FY 2001. Every application for FY 2001 is evaluated based on the merit of the proposed project in comparison to other FY 2001 pre-applications. Past performance may be considered during the ranking and evaluation process for those applicants who have received previous grants.

B. What Types of Projects Are Eligible for Funding?

While there are many applications submitted from community groups for equally worthwhile projects, EPA is emphasizing the need for projects in two categories: (1). Projects which address public health concerns/issues in minority and/or low-income communities. (2). Projects which address how environmental information is made available in minority and/or low-income communities. Both areas of concentration are important issues to local communities. To be considered for funding, the application must include the following information: (1) How the project proposes to address the issues related to at least two environmental statutes; and (2) how the proposed project meets at least two of the program goals.

(1) Multi-Media Statutory Requirement

The Environmental Justice Small Grants Program awards grants under a multimedia granting authority. This means that recipients of these funds must implement projects that address pollution in more than one environmental medium (e.g., air, water). To show evidence of the breadth of the project's scope, the application must identify at least two environmental statutes that the project will address. Most often, your project will include activities outlined in the following environmental statutes:

a. *Clean Water Act*, Section 104(b)(3): conduct and promote the coordination of research, investigations, experiments, training, demonstration, surveys, and studies relating to the causes, extent, prevention, reduction, and elimination of water pollution.

b. *Safe Drinking Water Act*, Section 1442(b)(3): develop, expand, or carry out a program (that may combine training, education, and employment) for occupations relating to the public health aspects of providing safe drinking water.

c. *Solid Waste Disposal Act*, Section 8001(a): conduct and promote the coordination of research, investigations, experiments, training, demonstrations, surveys, public education programs, and studies relating to solid waste (e.g., health and welfare effects of exposure to

materials present in solid waste and methods to eliminate such effects).

d. *Clean Air Act*, Section 103(b)(3): conduct research, investigations, experiments, demonstrations, surveys, and studies related to the causes, effects (including health and welfare effects), extent, prevention, and control of air pollution.

Your project may be very research-oriented and specific to a particular environmental problem. If this is the case, you may reference the following environmental statutes (list either one of the following and one listed above or two of the following).

e. *Toxic Substances Control Act*, Section 10(a): conduct research, development, and monitoring activities on toxic substances.

f. *Federal Insecticide, Fungicide, and Rodenticide Act*, Section 20(a): conduct research on pesticides.

g. *Marine Protection, Research, and Sanctuaries Act*, Section 203: conduct research, investigations, experiments, training, demonstrations, surveys, and studies relating to the minimizing or ending of ocean dumping of hazardous materials and the development of alternatives to ocean dumping.

h. *Comprehensive Environmental Response, Compensation and Liability Act* (CERCLA), Section 311(c) "research with respect to the detection, assessment, and evaluation of the effects on and risks to human health of [due to] hazardous substances and detection of hazardous substances in the environment." The term "hazardous substances" in CERCLA Section 101(14) does not include many petroleum products. This Act is often referred to as "Superfund."

EPA's grant regulations define "research" as "systematic study directed toward a fuller scientific knowledge or understanding of the subject studied." 40 CFR 30.2(dd). EPA has interpreted "research" to include study that extends to socioeconomic, institutional, and public policy issues as well as the "natural" sciences.

Please note: If your project includes scientific research and/or data collection, you must be prepared to submit a Quality Assurance Plan (QAP) to your EPA Project Officer prior to the beginning of the research.

(2) Special Requirements for "Superfund" grants funded under CERCLA

a. CERCLA, Section 311(c), only authorizes research grants. Therefore, Superfund grants can only be awarded when the project is of a research nature. Research is the detection, assessment, and evaluation of the effects on, and

risks to human health, from hazardous substances and/or the detection of hazardous substances in the environment.

b. Applicants must demonstrate that the research project relates to "hazardous substances" as that term is defined by CERCLA 101(14). There is a list of hazardous substances at 40 CFR 302.4 which, while not exclusive, does provide useful guidance.

c. Research funded under CERCLA 311(c) cannot relate to petroleum products excluded from the definition of hazardous substances found at CERCLA 101(14).

d. Applicants must meet the requirement that the project relate to two environmental grant authority statutes by proposing a research project authorized by both CERCLA 311(c) and another statute listed above which authorizes research funding.

e. The project must be of a research nature only, i.e., survey, research, collecting and analyzing data which will be used to expand scientific knowledge or understanding of the subject studied. Projects which expand the scientific knowledge or understanding, of community members, about the hazardous substances issues that effect them can be funded as EJ Superfund grants.

f. The project cannot carry out training activities, other than training in research techniques, or outreach, technical assistance, or public education or awareness activities.

g. The project can include conferences only if the purpose of the conference is to present research results or to gather research data.

(3) Office of Environmental Justice Small Grants Program Goals

In addition to the multi-statute requirement outlined above, the application must also include a description of how an applicant plans to meet at least two of the three program goals listed below. See Section III "Application Requirements" for more details.

1. Identify necessary improvements in communication and coordination among all stakeholders, including existing community-based/grassroots organizations and local, state, tribal, and federal environmental programs. Facilitate communication and information exchange, and create partnerships among stakeholders to address disproportionate, high and adverse environmental exposure (e.g., workshops, awareness conferences, establishment of community stakeholder committees);

2. Build community capacity to identify local environmental justice problems and involve the community in the design and implementation of activities to address these concerns. Enhance critical thinking, problem-solving, and active participation of affected communities. (e.g., train-the-trainer programs).

3. Enhance community understanding of environmental and public health information systems and generate information on pollution in the community. If appropriate, seek technical experts to demonstrate how to access and interpret public environmental data (e.g., Geographic Information Systems (GIS), Toxic Release Inventories (TRI) and other databases).

The issues discussed above may be defined differently among applicants from various geographic regions, including areas outside the continental U.S. (Alaska, American Samoa, Guam, Hawaii, Puerto Rico, and the U.S. Virgin Islands). Each application should define its issues as they relate to the specific project. In your narrative/work plan, include a succinct explanation of how the project may serve as a model in other settings and how it addresses a high-priority environmental justice issue. The degree to which a project addresses a high-priority environmental justice issue will vary and must be defined by applicants according to their local environmental justice concerns.

C. How Much Money May Be Requested, and are Matching Funds Required?

The ceiling in federal funds for an individual grant is \$15,000 for non-Superfund projects or \$20,000 for Superfund projects. Please check with your regional contact for the amount of funds that will be available in each region. Applicants are not required to provide matching funds.

D. Are There Any Restrictions on the Use of the Federal Funds?

Yes. EPA grant funds can only be used for the purposes set forth in the grant agreement. Grant funds from this program cannot be used for matching funds for other federal grants, lobbying, or intervention in federal regulatory or adjudicatory proceedings. In addition, the recipient may not use these federal assistance funds to sue the federal government or any other government entity. Refer to 40 CFR 30.27, entitled "Allowable Costs". Further, the scope of Environmental Justice Small Grants may not include construction, personal gifts (e.g., t-shirts, buttons, hats), and furniture purchases.

III. Application Requirements

A. What Is Required for Applications?

In order to be considered for funding under this program, proposals from eligible organizations must have the following:

1. Application for Federal Assistance (SF 424) the official form required for all federal grants that requests basic information about the grantee and the proposed project. The applicant must submit the original application, plus two copies, signed by a person duly authorized by the governing board of the applicant.

Please complete Part 10 of the SF 424 form, "Catalog of Federal Domestic Assistance Number" with the following information: 66.604—Environmental Justice Small Grants Program.

2. The Federal Standard Form (SF 424A) and budget detail, which provides information on your budget. For the purposes of this grants program, complete only the non-shaded areas of SF 424A. Budget figures/projections should support your work plan/narrative. The EPA portion of these grants will not exceed \$15,000 for non-Superfund or \$20,000 for Superfund projects. Therefore, your budget should reflect this limit on federal funds.

3. Narrative/work plan of the proposal, not to exceed five pages. Applications may not be considered if they exceed five single pages. A narrative/work plan describes the applicant's proposed project. The pages of the work plan must be letter size (8½ × 11 inches), with normal type size (12 characters per inch), and at least 1" margins.

The narrative/work plan is one of the most important aspects of your application and (assuming that all other required materials are submitted) will be used as the primary basis for selection. Work plans must be submitted in the format described below:

- a. A one page summary that:
 - Identifies the environmental justice issue(s) to be addressed by the project;
 - Identifies the EJ community/target audience;
 - Identifies at least two environmental statutes/Acts addressed by the project; and
 - Identifies at least two program goals that the project will meet and how it will meet them.

- b. A concise introduction that states the nature of the organization (i.e., how long it has been in existence, if it is incorporated, if it is a network, etc.), how the organization has been successful in the past, purpose of the project, the EJ community/target

audience, project completion plans/time frames, and expected results.

- c. A concise project description that describes how the applicant is community-based and/or plans to involve the target audience in the project and how the applicant plans to meet at least two of the three program goals outlined in Section IIB: "Office of Environmental Justice Small Grants Program Goals." Additional credit will not be given for projects that fulfill more than two goals.

- d. A conclusion discussing how the applicant will evaluate and measure the success of the project, including the anticipated benefits and challenges in implementing the project.

- e. An appendix with resumes of up to three key personnel who will be significantly involved in the project.

4. Letter(s) of commitment. If your proposed project includes the significant involvement of other community organizations, your application must include letters of commitment from these organizations. This requirement may not apply to your proposed project—only include if applicable.

Applications that do not include the information listed above in items 1–3 and, if applicable, item 4, will not be considered for an award.

Please note: your application to this EPA program may be subject to your state's intergovernmental review process and/or the consultation requirements of Section 204, Demonstration Cities and Metropolitan Development Act. Check with your state's Single Point of Contact to determine your requirements—some states do not require this review. Applicants from American Samoa, Guam, Puerto Rico, and the U.S. Virgin Islands should also check with their Single Point of Contact. If you do not know who your Single Point of Contact is, please call your EPA regional contact (Section III) or EPA Headquarters at (202) 564–5325. Federally recognized tribal governments are not required to comply with this procedure.

B. When and Where Must Applications be Submitted?

The applicant must submit/mail one signed original application with required attachments and one copy to the primary contact at the EPA regional office listed below. The application must be postmarked by United Parcel Postal Service no later than Friday, March 9, 2001.

Regional Contact Names and Addresses

Region 1 Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont

Primary Contact: Ronnie Harrington (617) 918-1703, USEPA Region 1 (SAA), 1 Congress Street—1100, Boston, MA 02203-0001;
Secondary Contact: Pat O'Leary (617) 565-3834

Region 2 New Jersey, New York, Puerto Rico, U.S. Virgin Islands

Primary Contact: Natalie Loney (212) 637-3639, USEPA Region 2, 290 Broadway, 26th Floor, New York, NY 10007,
Secondary: Terry Wesley (212) 637-3576

Region 3 Delaware, District of Columbia, Maryland, Pennsylvania, Virginia, West Virginia

Primary Contact: Reginald Harris (215) 814-2988, USEPA Region 3 (3DA00), 1650 Arch Street, Philadelphia, PA 19103-2029

Region 4 Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee

Primary Contact: Gloria Love (404) 562-9672, USEPA Region 4, 61 Forsyth Street, SW, Atlanta, GA 30303-8960,
Secondary: Connie Raines (404) 562-9671

Region 5 Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin

Primary Contact: Margaret Millard (312) 353-1440, USEPA Region 5 (MC T-175), 77 West Jackson Boulevard, Chicago, IL 60604-3507,
Secondary: Karla Owens (312) 886-5993

Region 6 Arkansas, Louisiana, New Mexico, Oklahoma, Texas

Primary Contact: Nelda Perez (214) 665-2209, USEPA Region 6 (6EN), 1445 Ross Avenue, 12th Floor, Dallas, Texas 75202-2733,
Secondary Contact: Shirley Augurson (214) 665-7401

Region 7 Iowa, Kansas, Missouri, Nebraska

Primary Contact: Cecil Bailey (913) 551-7462 or 1-800-223-0425, USEPA Region 7, 726 Minnesota Avenue, Kansas City, KS 66101
Secondary Contact: Althea Moses (913) 551-7649

Region 8 Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming

Primary Contact: Nancy Reish (303)

312-6040, USEPA Region 8 (8ENF-EJ), 999 18th Street, Suite 500, Denver, CO 80202-2466,
Secondary: Marcella Devargas (303) 312-6161

Region 9 Arizona, California, Hawaii, Nevada, American Samoa, Guam

Primary Contact: Willard Chin (415) 744-1204, USEPA Region 9 (A-2-2), 75 Hawthorne Street, San Francisco, CA 94105
Secondary: EJ Information Line (415) 744-1565

Region 10 Alaska, Idaho, Oregon, Washington

Primary Contact: Victoria Plata (206) 553-8580, USEPA Region 10 (CEJ-163), 1200 Sixth Avenue, Seattle, WA 98101,
Secondary: Mike Letourneau (206) 553-1687

IV. Process for Awarding Grants**A. How Will Applications Be Reviewed?**

EPA regional offices will review, evaluate, and select grant recipients. Applications will be screened to ensure that they meet all eligible activities and requirements described in Sections II and III. Applications will also be evaluated by regional review panels based on the criteria outlined in this solicitation. Applications will be disqualified if they do not meet these criteria.

B. How Will the Final Selections Be Made?

After the individual projects are reviewed and ranked, EPA regional officials will compare the best applications and make final selections. Additional factors that EPA will take into account include geographic and socioeconomic balance, diverse nature of the projects, cost, and projects whose benefits can be sustained after the grant is completed. Regional Administrators will select the final grants.

Please note that this is a very competitive grant's program. Limited funding is available and many grant applications are expected to be received. Therefore, the Agency cannot fund all applications. If your project is not funded, a listing of other EPA grant programs may be found in the Catalog of Federal Domestic Assistance. This publication is available at local libraries, colleges, or universities.

C. How Will Applicants Be Notified?

After all applications are received, EPA regional offices will mail acknowledgments to applicants in their regions. Once applications have been recommended for funding, the EPA

Regions will notify the finalists and request any additional information necessary to complete the award process. The finalists will be required to complete additional government application forms prior to receiving a grant, such as the EPA Form SF-424B (Assurances—Non-Construction Programs), EPA Form 5700-48, and the Certification Regarding Debarment, Suspension, and Other Responsibility Matters. The federal government requires all grantees to certify and assure that they will comply with all applicable federal laws, regulations, and requirements.

The EPA Regional Environmental Justice Coordinators or their designees will notify those applicants whose projects are not selected for funding.

V. Expected Time-Frame for Reviewing and Awarding Grants

December 22, 2000: FY 2001

Environmental Justice Small Grants Program Application Guidance is available and published in the **Federal Register**.

December 22, 2000 to March 3, 2001:

Eligible grant recipients develop and complete their applications.

March 9, 2001: Applications must be postmarked by this date and mailed or delivered to the appropriate EPA regional office.

March 10, 2001 to April 9, 2001: EPA regional program officials review and evaluate applications and select grant finalists.

April 10, 2001 to August 6, 2001:

Applicants will be contacted by the Region if their application is being considered for funding. Additional information may be required from the finalists, as indicated in Section IV. EPA regional grant offices process grants and make awards.

September 28, 2001: EPA expects to release the national announcement of the FY 2001 Office of Environmental Justice Small Grant Recipients.

VI. Project Period and Final Reports

Activities must be completed and funds spent within the time frame specified in the grant award, usually one year. Project start dates will depend on the grant award date (most projects begin in August or September). The recipient organization is responsible for the successful completion of the project. The recipient's project manager is subject to approval by the EPA project officer but EPA may not state that any particular person be the project manager.

All recipients must submit final reports for EPA approval within ninety

(90) days of the end of the project period. Specific report requirements (e.g., Final Technical Report and Financial Status Report) will be described in the award agreement. EPA will collect, review, and disseminate grantees' final reports to serve as model programs.

For further information about this program, please visit EPA's website at www.epa.gov/oeca/ej/ or call our hotline at 1-800-962-6215.

VII. Fiscal Year 2002 OEJ Small Grants Program

A. How Can I Receive Information on the Fiscal Year 2002 Environmental Justice Grants Program?

If you wish to be placed on the national mailing list to receive information on the FY 2002 Environmental Justice Small Grants Program, you must mail your request along with your name, organization, address, and phone number to: U.S. Environmental Protection Agency, Office of Environmental Justice Small Grants Mailing List, 1200 Pennsylvania Avenue, NW, Washington, DC 20460, 1 (800) 962-6215.

Thank you for your interest in our Small Grants Program and we wish you luck in the application process.

Dated: December 18, 2000.

Barry E. Hill,

Director, Office of Environmental Justice.

Appendix A—Standard Forms 424 and 424A and Completed Sample Forms

Copies of the forms are available by calling 1-800-962-6215 or off the Internet at <http://www.whitehouse.gov/OMB/grants/#forms>

Appendix B—40 CFR 30.27 “Allowable Costs”

http://www.access.gpo.gov/nara/cfr/waisidx_00/40cfr30_00.html

[Code of Federal Regulations]

[Title 40, Volume 1, Part 1 to 49]

[Revised as of July 1, 2000]

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Title 40—Protection of Environment

Subpart C—Post-Award Requirements

Sec. 30.27 Allowable costs.

(a) For each kind of recipient, there is a set of Federal principles for determining allowable costs. Allowability of costs shall be determined in accordance with the cost principles applicable to the entity incurring the costs. Thus, allowability of costs incurred by State, local or federally-recognized Indian tribal governments is determined in accordance with the provisions of OMB Circular A-87, “Cost Principles for State and Local Governments.” The allowability of

costs incurred by non-profit organizations is determined in accordance with the provisions of OMB Circular A-122, “Cost Principles for Non-Profit Organizations.” The allowability of costs incurred by institutions of higher education is determined in accordance with the provisions of OMB Circular A-21, “Cost Principles for Educational Institutions.” The allowability of costs incurred by hospitals is determined in accordance with the provisions of appendix E of 45 CFR part 74, “Principles for Determining Costs Applicable to Research and Development Under Grants and Contracts with Hospitals.” The allowability of costs incurred by commercial organizations and those non-profit organizations listed in Attachment C to Circular A-122 is determined in accordance with the provisions of the Federal Acquisition Regulation (FAR) at 48 CFR part 31. In addition, EPA's annual Appropriations Acts may contain restrictions on the use of assistance funds. For example, the Acts may prohibit the use of funds to support intervention in Federal regulatory or adjudicatory proceedings.

(b) EPA will limit its participation in the salary rate (excluding overhead) paid to individual consultants retained by recipients or by a recipient's contractors or subcontractors to the maximum daily rate for level 4 of the Executive Schedule unless a greater amount is authorized by law. (Recipient's may, however, pay consultants more than this amount.) This limitation applies to consultation services of designated individuals with specialized skills who are paid at a daily or hourly rate. This rate does not include transportation and subsistence costs for travel performed; recipients will pay these in accordance with their normal travel reimbursement practices. Contracts with firms for services which are awarded using the procurement requirements in this part are not affected by this limitation.

Appendix C Guidance on Lobbying Restrictions

The purpose of this guidance is to remind nonprofit organizations, universities, and other non-government recipients of EPA grants² that, with very limited exceptions, you may not use Federal grant funds or your cost-sharing funds to conduct lobbying activities. The restrictions on lobbying are explained in Office of Management and Budget (OMB) Circular No. A-21, “Cost Principles for Educational Institutions,” 61 FR 20880 (May 8, 1996),³ and OMB Circular No. A-122, “Cost Principles for Nonprofit Organizations; ‘Lobbying’ Revision,” 49 FR 18260 (April 27, 1984). As a recipient of EPA funds, you must be aware of and comply with these restrictions.⁴

² The term “grant” as used in this guidance refers to grants and cooperative agreements.

³ Grants awarded before May 8, 1996, are subject to the previous version of Circular No. A-21, but the provisions on lobbying have remained essentially unchanged.

⁴ This guidance does not address the restrictions on lobbying contained in 40 CFR Part 34, the EPA regulations implementing section 319 of Pub. Law No. 101-121, known as “the Byrd Amendment,” generally prohibit recipients of Federal grants,

The general objective of the restrictions is to prohibit the use of appropriated funds for lobbying, publicity, or propaganda purposes designed to support or defeat legislation. The restrictions do not affect the normal sharing of information or lobbying activities conducted with your own funds (so long as they are not used to match the grant funds).

Unallowable Lobbying Activities

Under Circulars A-21 and A-122, the costs of the following activities are unallowable:

(1) Contributions, endorsements, publicity or similar activities intended to influence Federal, State or local elections, referenda, initiatives or similar processes.

(2) Direct and indirect financial or administrative support of political parties, campaigns, political action committees, or other organizations created to influence elections. Recipients may help collect and interpret information. These efforts must be for educational purposes only, however, and cannot involve political party activity or steps to influence an election.

(3) Attempts to influence the introducing, passing, or changing of Federal or State legislation through contacts with members or employees of Congress or State legislatures, including attempts to use State and local officials to lobby Congress or State legislatures. For example, you may not charge a grant for your costs of sending information to Members of Congress to encourage them to take a particular action. Also prohibited are contacts with any government official or employee to influence a decision to sign or veto Federal or State legislation. The restriction does not address lobbying at the local level.

(4) Attempts to influence the introducing, passing, or changing of Federal or State legislation by preparing, using, or distributing publicity or propaganda, i.e., grass roots lobbying efforts to obtain group action by members of the public, including attempts to affect public opinion and encourage group action. For example, the costs of printing and distributing to members of the public or the media a report produced under a grant, if intended to influence legislation, are unallowable.⁵

(5) Attending legislative sessions or committee hearings, gathering information about legislation, and similar activities, when

contracts, and loans from using Federal funds for lobbying the Executive or Legislative Branches of the Federal Government in connection with a specific grant, contract, or loan. Part 34 includes detailed certification and disclosure requirements. This guidance also does not address section 18 of the Lobbying Disclosure Act of 1995, Pub. Law No. 104-65, which provides that organizations described in section 501(c)(4) of the Internal Revenue Code that engage in lobbying activities are not eligible for Federal grants or loans.

⁵ Circular A-122 addresses public information service costs that do not relate to lobbying. Attachment B to the Circular, at paragraph 36, makes allowable, with prior approval of the Federal agency, costs associated with pamphlets, news releases and other forms of information services if their purpose is: to inform or instruct individuals, groups or the general public; to interest individuals or groups in participating in a service program of the recipient; or to disseminate the results of sponsored and non-sponsored activities.

intended to support or prepare for unallowable lobbying.

Exceptions

There are three exceptions to this list of unallowable lobbying activities in Circulars A-21 and A-122. These exceptions do not necessarily make the cost of these activities allowable; they make the costs potentially allowable. Allowability will be determined based on whether the costs in a particular case are reasonable, necessary, and allocable to the grant.

The first exception is for technical and factual (not advocacy) presentation to Congress, a State legislature, member, or staff, on a topic directly related to performance of the grant, in response to a request (not necessarily in writing) from the legislative body or individual. For requests that are not made in writing, recipients should make a note for their files documenting the requests. The information presented must be readily available and deliverable. Costs for travel, hotels, and meals related to the presentation are generally unallowable unless related to testimony at a regularly scheduled Congressional hearing at the written request of the chairperson or ranking minority member of the congressional committee.

The second exception is for actions intended to influence State legislation in order to directly reduce the actual cost of performing the Federal grant project or to protect the recipient's authority to perform the project. The exception does not apply to actions intended merely to shift costs from one source to another. For example, in response to Federal funding cutbacks, a Federally-funded recipient lobbies for State funds to replace or reduce the Federal share of project costs for next year. The cost of that lobbying activity would not be allowable because its purpose is not to directly reduce the actual cost of performing the work but merely to shift from Federal funding to State funding.

Finally, Circulars A-21 and A-122 allow lobbying costs if they are specifically authorized by law.

Indirect Cost Rate

When you seek reimbursement for indirect costs (overhead), you must identify your total lobbying costs in your indirect cost rate proposal so that the Government can avoid subsidizing lobbying. This is consistent with the circulars' requirement of disclosure of the costs spent on all unallowable activities. This requirement is necessary so that when the Government calculates the amount of an organization's indirect costs that it will pay. It does not include the costs of unallowable activities that the organization happens to count as indirect costs.

Enforcement

In cases of improper lobbying with grant funds, EPA may recover the misspent money, suspend or terminate the grant, and take action to prevent the recipient from receiving any Federal grants for a certain period. Your project officer is available to handle any questions or concerns.

Appendix D—Tips for Preparing Grant Application

This information is intended to help you put together a competitive proposal for the Environmental Protection Agency's (EPA) Environmental Justice Small Grants Program. *Please read the Application Guidance carefully—this document is intended to enhance not replace the official FY 01 Guidance.*

• Target your audience carefully

Identify a specific group or community to work with to develop a program that will give the highest return for your dollars invested.

• Build partnerships and alliances

You are strongly encouraged to enlist project involvement from community groups with similar or related goals and secure their commitment of services and/or dollars. Be sure to document this by obtaining letter(s) of commitment for your application. Initiate the partnerships early in your planning, since building alliances can take time and effort.

• Do some homework

Allow time to review the literature on environmental justice issues both within EPA and the community you work in or with. Find out what materials exist on the subject and the procedures you are planning to include in your work plan. Use this information to back up your project plans or to explain how your group activities are unique and/or creative.

• Develop a project evaluation technique

Define as carefully and precisely as possible what you want to achieve with this project and how you will test its success. Ask yourself: "what do you expect to be different once the project is complete?" Outline a plan you will use to measure the success of your activities/project.

• Develop a timeline or project accomplishment schedule

List the major tasks that you will complete to meet the goals of the project. Break these broad goals into smaller tasks and lay them out in a schedule over the twelve months of the grant period. Determine and identify in the proposal the total estimated cost for each task. You may estimate this cost by the number of personnel, materials, and other resources you will need to carry out the tasks.

• Develop a project budget with the federal portion up to \$15,000 for non-Superfund or \$20,000 for Superfund projects

The EPA portion of this grant should not exceed \$15,000 for non-Superfund or \$20,000 for Superfund projects. Divide your budget into categories such as personnel salaries/fringe benefits, travel, equipment, supplies, contract costs, other.

• Stay within the format

This makes it easier for the reviewer to read and therefore, understand your work plan. Please refer to the application requirements (pages 6-7).

- Communicate the nature of your project accurately, precisely, and concisely.

Describe exactly what you propose to do, how you are going to do it, when you are going to do it, who will benefit, and how you will know you are successful. Indicate not only what you propose but what expertise your group has for completing the project (include resumes).

Evaluation of Your Proposal

Your proposal will be evaluated by a committee of EPA Headquarters and Regional environmental justice personnel of diverse personal and professional backgrounds. Final selection is based on a variety of factors, including geographic and socioeconomic balance, diversity, cost of the project and how well the partnership benefits can be sustained after the grant is completed. Below are some common strengths and weaknesses we see in proposals.

Common Strengths

- Project proposal developed solidly from within the community.
 - Broad based community support for a project that has the potential to positively affect local people.
 - Project identifies established community advisory board or community group who will be involved in the project.
 - Good partnership with industry, community, and environmental groups. Good coordination with a variety of community groups.
 - Proposal does a good job of outlining a complex problem and approach to solving it—does not overlook any major issues or key players.
 - Clear identification and background description of population to be served.
 - Proposal identifies specific outputs, target accomplishments, and estimated budgets for each goal, and target dates for completion.
 - Proposed project builds on existing projects or programs.
 - The scope of the project can be completed in a funding year.
 - Proposal clearly describes how the project will achieve at least two of the three program goals outlined on pages 4 and 5 of the application guidance.
 - Proposal includes innovative ideas and creative thinking about how to motivate and involve youth in the communities where they live.
 - Proposal includes honest discussion of challenges involved.
- If applying for a Superfund project, the proposal discusses why their project is for "research" to assure it meets statutory requirements.

Common Weaknesses

- Application did not include information specifically requested in the application guidance.
- Community members do not appear to be an integral part of the project planning process.
- Not specific enough about what EPA funds will be used for. If the proposal is for a project that has a budget of more than \$15,000 or \$20,000 for Superfund, proposal must indicate whether other funding has been secured.
- Applicant is not a non-profit organization (see application guidance page 2).

- Program may be too ambitious for one year.
- Project funds conferences or dialogues to discuss EJ issues but does not fund activities that make direct changes in a community.
- Immediacy of need is not established.
- Methods of evaluating the success of the project unclear.

- Failure to mention other groups that applicant will work with or to secure letters of commitment.
- Proposal seeks support for developing general environmental program with little mention of environmental justice issues. The link between goals of EPA's environmental

justice program and the project is not clearly stated.

- Discussion of overall mission and goals of the organization but not enough detail on how the specific project and activities will help achieve the goals.

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