

Appendix I

Agency Program Profiles

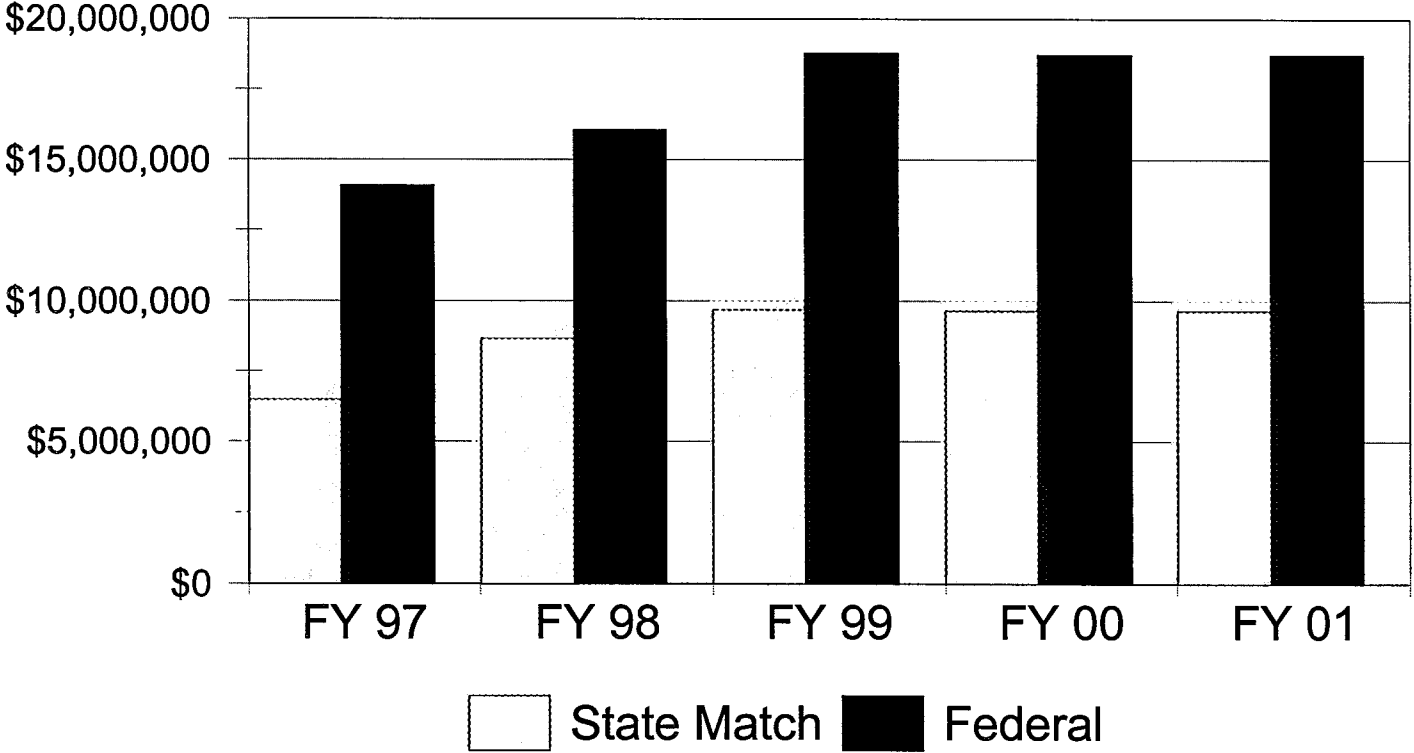
Texas Natural Resource Conservation Commission

Grant - Performance Partnership Grant (PPG) ¹			FTEs
	State Match	Federal	
97	\$6,482,313	\$14,083,680	336
98	\$8,644,871	\$16,054,761	439
99	\$9,676,538	\$18,783,867	440
00	\$9,647,919	\$18,728,314	573
01	\$9,647,919	\$18,728,314	573
Program (source)	Air Pollution Control Program Hazardous Waste Management (RCRA) Program Underground Injection Control (UIC) Program Drinking Water Program Water Quality Program Petroleum Storage Tank (PST) Program		
Purpose	Air Pollution Control Program <ul style="list-style-type: none"> • Prevention of Significant Deterioration (PSD/NA) - Federal preconstruction permit program for new major stationary sources and major modifications to those sources to prevent the degradation of air quality in those areas of the country meeting Federal air quality standards. • National Emissions Standards for Hazardous Air Pollutants (NESHAPs) - Regulates emissions from specific industries based upon their release of listed hazardous air pollutants. • New Source Performance Standards (NSPS) - Regulates emissions from specific categories of industries or facilities through technical standards. 		

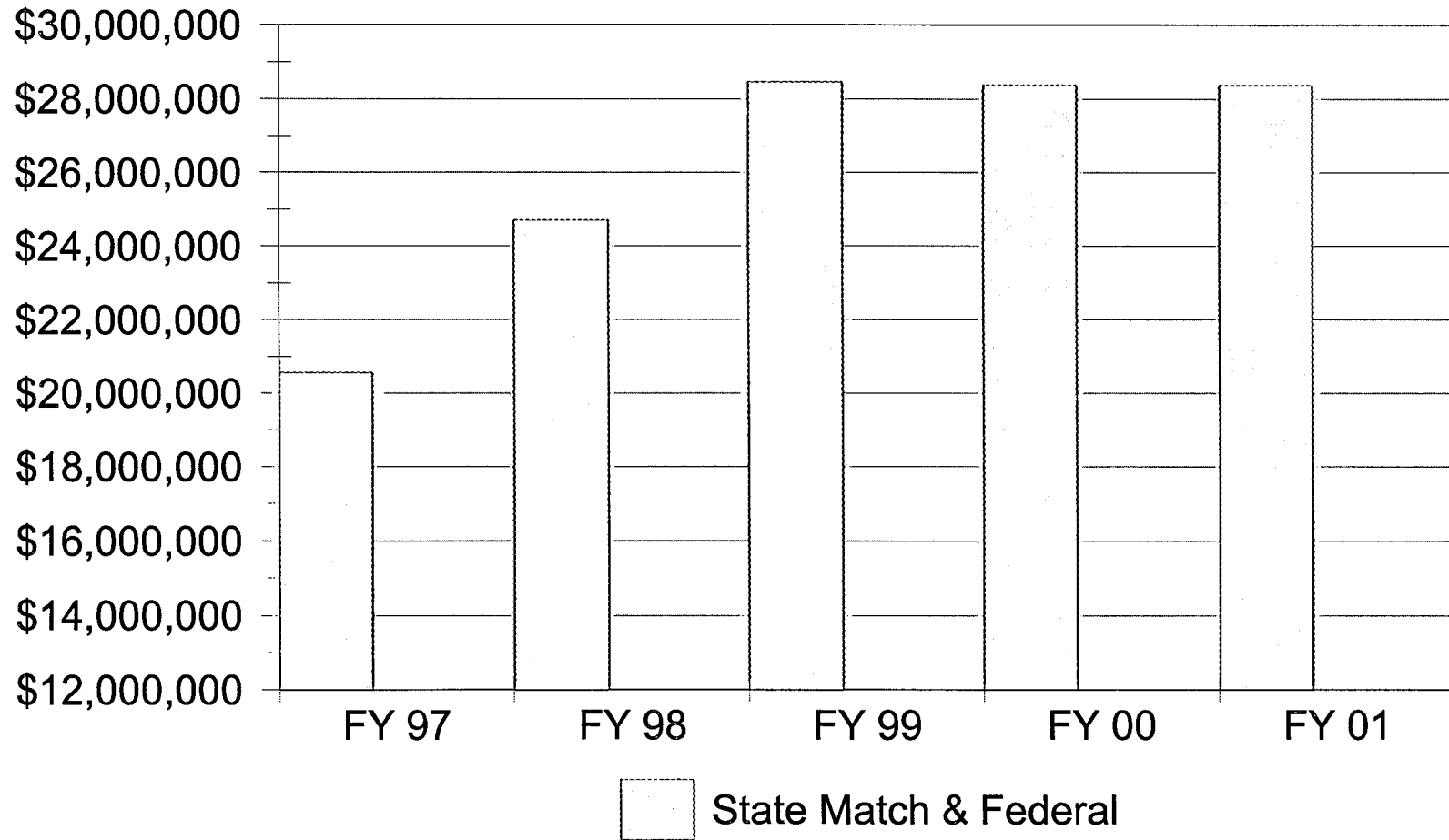
¹ The PPG includes programs that are not federally delegated and thus not discussed below. In addition, these amounts do not represent the total costs of the programs discussed below; nor does this chart include all federally delegated programs.

	<p>Hazardous Waste Management (RCRA) Program - Governs the regulation of the generation, transportation, storage, processing and disposal of hazardous wastes. Includes general facility standards as well as requirements relating to preparedness and prevention, contingency plan and emergency procedures, manifesting, record keeping, reporting, closure and post-closure and financial assurance.</p> <p>Underground Injection Control (UIC) Program - Protects underground drinking water sources by preventing injection of fluids which would endanger drinking water sources.</p> <p>Drinking Water Program - Requires states to enforce the national drinking water standards set by EPA.</p> <p>National Pollutant Discharge Elimination System (NPDES) - Addresses the discharge of pollutants to surface water and includes permitting, compliance monitoring and enforcement activities as well as pretreatment and sewage sludge program activities.</p> <p>Petroleum Storage Tank (PST) Program - Requires registration of underground storage tanks ("USTs") used to store regulated substances, technical standards for UST installation and operation, and requirements for corrective action once a release has been documented.</p>												
<p>When Program Started</p>	<table border="0"> <tr> <td>Air Pollution Control Program</td> <td>1978</td> </tr> <tr> <td>Hazardous Waste Management Program</td> <td>1980</td> </tr> <tr> <td>Underground Injection Control Program</td> <td>1982</td> </tr> <tr> <td>Drinking Water Program</td> <td>1978</td> </tr> <tr> <td>Water Quality Program</td> <td>1998</td> </tr> <tr> <td>Petroleum Storage Tank Program</td> <td>1995</td> </tr> </table>	Air Pollution Control Program	1978	Hazardous Waste Management Program	1980	Underground Injection Control Program	1982	Drinking Water Program	1978	Water Quality Program	1998	Petroleum Storage Tank Program	1995
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<p>Major Programmatic Changes in the Program due to a shift in federal funds.</p>	<ul style="list-style-type: none"> • Minimal impact. • Programs are primarily funded through state fees. 												

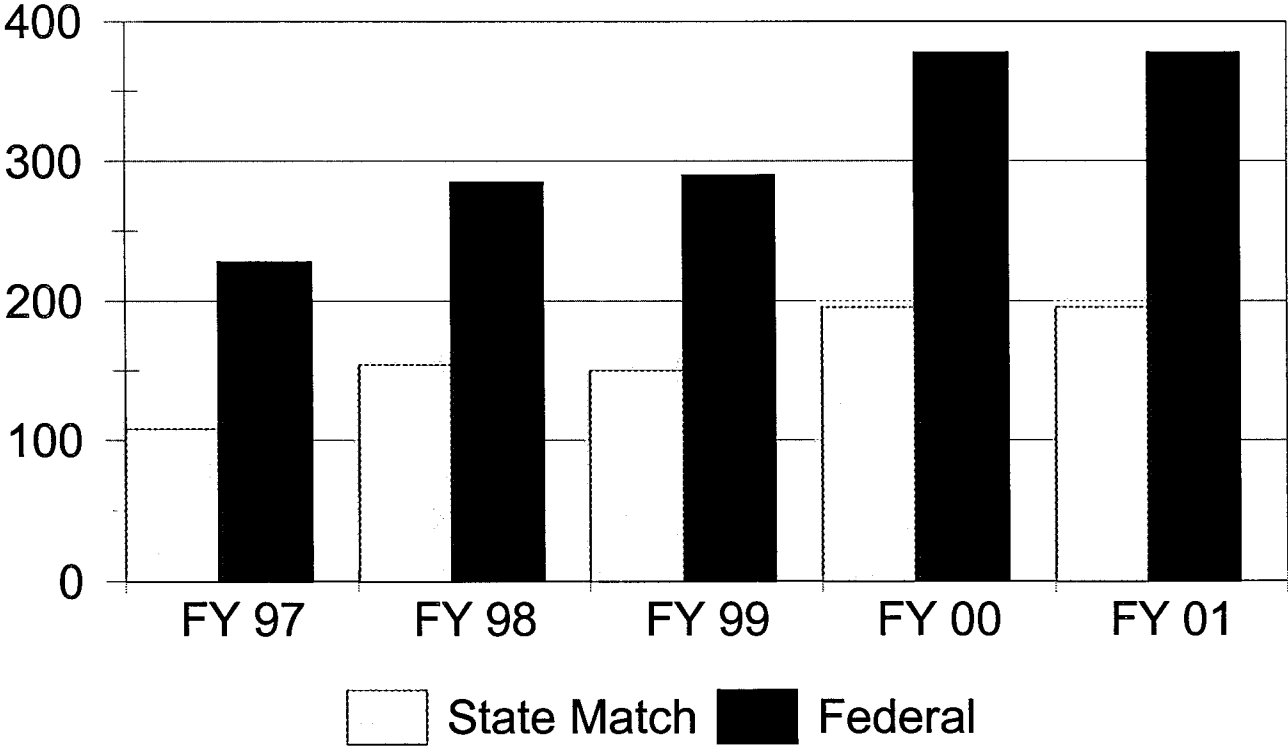
PPG Funding



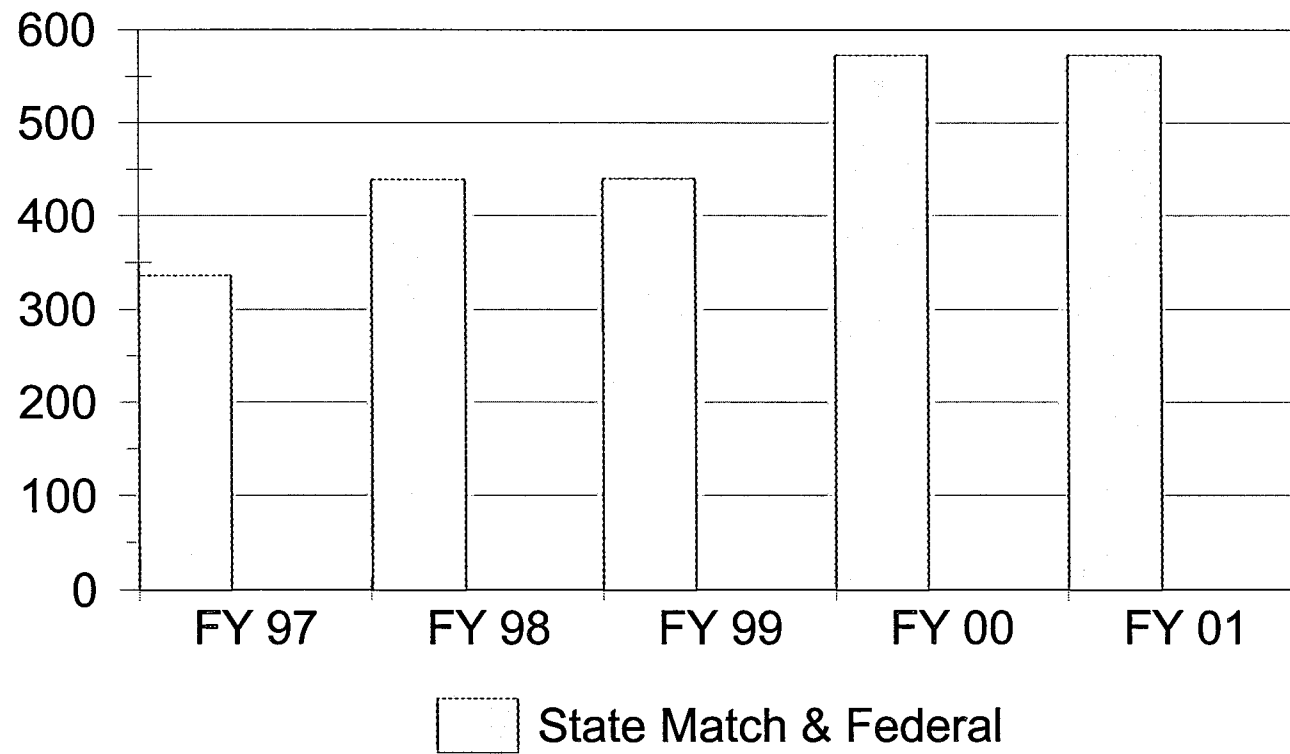
PPG Funding /State Match & Fed Totals



PPG FTE's



PPG FTE's/State Match & Federal Total



Program Name	<i>National Pollution Discharge Elimination System (NPDES)</i>
Program Description	Addresses discharges of pollutants to surface water. Includes permitting, compliance monitoring and enforcement activities as well as pretreatment and sewage sludge program activities.
Trend Analysis	<ul style="list-style-type: none">• Since delegation, transition issues and federal oversight have resulted in some delays and increased complexity in the permitting process.• EPA has requested changes in program administration that result in increased workload. Most are changes from the procedures used by EPA when it administered the program and are not based on an legal requirements.

Program Name	<i>Hazardous Waste Management (RCRA) Program</i>
Program Description	Regulates the generation, transportation, storage, processing and disposal of hazardous wastes. Includes general facility standards and requirements relating to preparedness and prevention, contingency plan and emergency procedures, manifesting, record keeping, reporting, closure and post-closure and financial assurance.
Trend Analysis	<ul style="list-style-type: none"> • Significant increase in the scope and level of detail of technical reviews related to the permitting of hazardous waste combustion facilities since the evaluation of indirect risk is now required. • Oversight by EPA in TNRCC's administration of the RCRA program is prescriptive; however, EPA allows the program latitude regarding routine decisions. • New federal regulations have resulted in streamlining for regulated entities (e.g., the universal waste standards, the exclusions from the definition of "solid waste"). However, new activities and materials are also regulated (e.g., new tank bottom wastes listed as hazardous). • Some rules have increased requirements <u>and</u> simultaneously provided more flexibility (e.g., military munitions rule establishes new standards, but also excludes certain waste; new land disposal restrictions (LDRs) provide new restrictions, but also reduce some reporting and recordkeeping requirements). • In FY 95 - FY 97, EPA imposed very specific requirements regarding the type of inspections to be conducted (e.g., U.S./Mexico border initiatives, Boiler/Industrial Furnaces). However, in FY 97, the Performance Partnership Grant (PPG) was initiated with the EPA and allowed for more flexibility for inspection activity.

Program Name	<i>Petroleum Storage Tank (PST) Program</i>
Program Description	Requires registration of underground storage tanks (“USTs”) used to store regulated substances, technical standards for UST installation and operation, and requirements for corrective action once a release has been documented.
Trend Analysis	<ul style="list-style-type: none">• No increase in complexity or scope since delegation. Federal rules have not changed significantly.• EPA allows the agency the latitude to determine how to manage the program and what technical decisions to make for the majority of the workload.• Numbers of inspections have been fairly consistent. However, an enforcement initiative began in 1998 due to the imposition of a federal deadline for requirements with certain tank standards. This initiative has increased the number of site inspections needed to ensure compliance.

State Auditor's Office Initiative
Improvement to Federal Grant Processes
March 20, 2000

The State Auditor's Office (SAO) began an initiative in February to take advantage of the opportunity afforded the State by a new federal statute, the Federal Financial Assistance Management Improvement Act of 1999 (Act), Public Law 106-107. The SAO requested that each state agency and university receiving federal financial assistance formulate a list of recommended improvements for certain federal grant processes. Agency and university input will be gathered in the next several months. The input will be categorized, prioritized, and presented to the federal government in the fall of 2000. The Texas Office of State-Federal Relations and the State Comptroller's Office have offered to participate in this effort.

The Act requires federal agencies to develop plans for streamlining application, administrative, and reporting procedures for federal grant programs. The Act also requires federal agencies to consult with state and local government officials while developing the plans, which must be completed within 18 months of enactment (November 20, 1999).

The Act directs federal agencies and the Federal Office of Management and Budget to develop and implement plans to:

- Streamline and simplify the application, administrative, and reporting procedures for federal programs
- Allow applicants to apply for, and report on the use of, federal funds electronically
- Improve the timeliness, completeness, and quality of information received by federal agencies from recipients of federal financial assistance
- Develop a common system for recipients to apply for, manage, and report on the use of funding for similar purposes from different federal agencies, thus ending duplications
- Establish uniform administrative rules for federal financial assistance programs across different federal agencies

The statute also directs the Federal Office of Management and Budget to report recommendations to Congress for changes in federal law to improve the effectiveness, performance, and coordination of federal financial assistance programs.