

**SUPPORTING STATEMENT FOR  
INFORMATION COLLECTION REQUEST NUMBER 2351.01  
“INFORMATION COLLECTIONS UNDER THE AMERICAN RECOVERY AND  
REINVESTMENT ACT OF 2009”**

1. Identification of the Information Collection

This is a request for emergency clearance for the U.S. Environmental Protection Agency (EPA) to collect information under the American Recovery and Reinvestment Act of 2009. The purposes of the Act are to preserve and create jobs and promote economic recovery, assist those most impacted by the recession, provide investments needed to increase economic efficiency as specified, invest in transportation, environmental protection, and other infrastructure that will provide long-term economic benefits, and stabilize State and local government budgets, in order to minimize and avoid reductions in essential services and counterproductive State and local tax increases. The Act authorizes the President and Federal departments and agencies to manage and expend the funds made available in the Act so as to achieve its stated purposes, including commencing expenditures and activities as quickly as possible consistent with prudent management. Title VII of the Act appropriates funding for six EPA programs. See Appendix A of this document for the programs and appropriation amounts. The reporting burden subsequently outlined by program in Appendix B will collect information required by the programs to make awards and meet the requirements covered in section 1512 of the Act.

The Act and the Implementing Guidance from the U.S. Office of Management and Budget (OMB) include several provisions that require EPA to collect information from the public. Key provisions include the following:

- Recovery Act funding must be tracked and accounted for separately from other sources of funds, as provided by Sections 1.5 and 5.1 of the Implementing Guidance. Agencies may consider obligating funds provided under the Recovery Act on an existing grant, including, but not limited to, a continuation or renewal grant. However, supplements to existing agreements are not recommended, as there is a greater risk that the recipient will commingle Recovery Act funds with existing grant funds. In accordance with these provisions, EPA intends to enter into new, continuation, or renewal agreements with recipients of Recovery Act funds, so that these funds can be tracked and accounted for separately. This will result in incremental respondent activity and burden for establishing the agreements (e.g., preparing/submitting applications to the Agency) and complying with existing administrative requirements for the agreements post-award.
- Recipients of Federal funding are required to report specified information to the Federal agency providing the award 10 days after the end of each

calendar quarter, as provided by Section 2.9 of the Implementing Guidance. These reports must include, for example, the following additional data fields:

- a detailed list of all projects or activities for which recovery funds were expended or obligated, including:
  - rationale of the activity
  - number of jobs retained
  - number of jobs created
  - certifications at the state/local level
  - quarterly completion status
- detailed information on any subcontracts or subgrants awarded by the recipient, as specified.
  - Rationale of the activity,
  - Number of jobs retained
  - Number of jobs created
  - Contract/subgrant start/end date

EPA intends to implement this requirement by asking recipients to submit quarterly progress reports. Recipients are required to submit progress reports to EPA under existing 40 CFR 30.51 or 31.40.<sup>1</sup> A list of required forms is listed in Section 3 Information Collection Request OMB Control Number 2030-0020 (No. 938.11), “General Administrative Requirements for Assistance Programs” that is currently in the process of being renewed at EPA.

- Agencies are encouraged to undertake additional steps, beyond standard practice, to mitigate the unique implementation risks associated with Recovery Act funding, as provided in Section 5.3 of Implementing Guidance. Among other things, agencies should initiate additional measures, as applicable, to address higher risk areas (e.g., audits and investigations of Recovery Act funds occurring to identify wasteful spending and minimize waste, fraud and abuse). Certain recipients may be asked to participate in such audits or investigations of their programs.
- Under Section 2.6 of Implementing Guidance, agencies are responsible for pre-dissemination review of all information that will appear on Recovery.gov, and must ensure all reporting related to Recovery Act funding is complete and accurate and complies with the agency’s Information Quality Act guidelines. Section 6.3 of the Implementing Guidance requires agencies to monitor to ensure that quality assurance procedures established for contracts are implemented. Certain recipients may be asked to provide information on their quality assurance/quality control procedures, to characterize their data quality, and to assess the

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<sup>1</sup> The requirements at 40 CFR 30.51 and 31.40 are addressed in Information Collection Request OMB Control Number 2030-0020 (No. 938.11), “General Administrative Requirements for Assistance Programs.” The ICR is currently in the process of being renewed at EPA.

implication of their data quality on the interpretation and use of performance information reported to EPA.

- Finally, agencies are required to conduct evaluations of their existing programs and modify them as needed to address the needs and risks of Recovery Act funding. See, for example, Section 2.8 of the Implementing Guidance for program-specific Recovery Act plans. Prime recipients of Recovery Act funding that make awards to sub-recipients may be asked by EPA to conduct similar evaluations and analyses.

This request describes the information collections that the EPA programs intend to conduct under the Act. It also estimates the annual respondent burden by program area under the Act. As discussed in Section 7 of this document, EPA estimates a total aggregate annual respondent burden of 757,504 hours. Of this, 726,838 hours or 96% are estimated to occur under two of the six EPA programs: the Clean Water State Revolving Fund and the Drinking Water State Revolving Fund. EPA believes that the relatively high burden under these programs is justified, given that they have received the majority of EPA's appropriations. Specifically, the Act appropriates more than 80% of EPA's funds to these two programs.

EPA is requesting an emergency clearance to enable it to fulfill the requirements and implementation schedules of the Act and Implementing. For example, the Implementing Guidance requires that, starting immediately, agencies must ensure all award documents and related communications include the clauses and provisions necessary to ensure award recipients are legally obligated and prepared to meet their reporting requirements under the Act. Without an emergency clearance, EPA would be unable to fulfill this requirement for immediate implementation.

## 2. Need For/Use of the Collection

2(a). Need. EPA and the public need the information collected under this ICR to assess whether funds under the Act are used for authorized purposes, evaluate whether program goals are achieved, and ensure that instances of fraud, waste, error, and abuse are mitigated. EPA will report information in recipients' quarterly reports at a web site so that recipients and uses of all funds are transparent to the public. EPA will report the public benefit of the funds in a clear, accurate, and timely manner.

2(b). Use. EPA and the public will use the information in this ICR to oversee recipient programmatic and financial performance under the Act. For example, the information in recipient's quarterly reports will enable EPA and the public to assess whether program goals are achieved, including specific program milestones outcomes and improved results on broader environmental indicators.

3. Reporting Activities by Program Area

3(a). Clean Water State Revolving Fund. Funds appropriated will provide loans to help communities upgrade wastewater treatment systems. EPA estimates that 51 recipients will prepare/submit reports to EPA, prepare work plans and annual reports, and participate in audit activities. EPA estimates that 3,060 organizations will submit applications for funding and 1,400 sub-recipients will prepare/submit reports to the prime recipient. Recipients will submit reports to EPA under their agreement. EPA estimated the burden for these activities based on its experience and estimates in approved EPA ICR No. 1391.08, OMB Control No. 2040-0118” Refer to Appendix B for an explanation of the hours associated with these activities. Awards are expected to begin as soon as possible and be obligated in accordance with the requirements of the Recovery Act.

In addition, EPA estimates that 56 recipients will submit reports under Section 604(b) of the Clean Water Act, Water Quality Management Planning Grants Program. Funds appropriated will support state strategic planning for the management of water resources. Recipients will submit reports to EPA under their agreement. EPA estimated the burden for these activities based on its experience and estimates in approved ICR 938.11, “General Administrative Requirements for Assistance Programs.” Refer to Appendix B for an explanation of the hours associated with these activities. Awards are expected to begin as soon as possible and be obligated in accordance with the requirements of the Recovery Act.

3(b). Drinking Water State Revolving Fund. Funds appropriated will provide loans for drinking water infrastructure. EPA estimates that 51 recipients will prepare/submit reports to EPA, prepare work plans and participate in audit activities. EPA estimates that 1,530 organizations will submit applications for funding and 600 sub-recipients will prepare/submit reports to the prime recipient. Recipients will submit reports to EPA under their agreement. EPA estimated the burden for these activities based on its experience and estimates in approved EPA ICR No. 1803.05; OMB No. 2040-0185” Refer to Appendix B for an explanation of the hours associated with these activities. Awards are expected to begin as soon as possible and be obligated in accordance with the requirements of the Recovery Act.

3(c). Brownfields. Funds appropriated will competitively awarded for evaluation and clean up of Brownfields. EPA estimates that, each year, 250 organizations will submit an application to EPA for funding under the Act. Recipients will submit reports to EPA under their agreement. EPA estimated the burden for these activities based on its experience and estimates in approved ICR 938.11, “General Administrative Requirements for Assistance Programs.” Awards are expected to begin as soon as possible and be obligated in accordance with the requirements of the Recovery Act.

3(d). Diesel Emissions Reduction Act. Funds appropriated will be awarded through grants and provide loans to state and local governments for projects that reduce diesel emissions, benefiting public health and reducing global warming. EPA estimates that, each year, 286 organizations will submit an application to EPA for funding under the Act. Recipients will submit reports to EPA under their agreement. EPA estimated the burden for these activities based on its experience and estimates in approved ICR 938.11, "General Administrative Requirements for Assistance Programs." Awards are expected to begin as soon as possible and be obligated in accordance with the requirements of the Recovery Act.

3(e). Superfund Cooperative Agreement. Funds appropriated will be used for clean up of hazardous and toxic Superfund sites. EPA estimates that six recipients will submit reports to EPA under their existing agreement. EPA estimated the burden for these activities based on its experience and estimates in approved ICR 938.11, "General Administrative Requirements for Assistance Programs." Awards are expected to begin as soon as possible and be obligated in accordance with the requirements of the Recovery Act.

3(f). Leaking Underground Storage Tank Enforcement and Cleanup Program. Funds appropriated will be used to enforce and cleanup petroleum leaks from underground storage tanks. EPA estimates that, each year, 53 recipients will enter into agreements with EPA for funding under the Act. Recipients will submit reports to EPA under their agreement. EPA estimated the burden for these activities based on its experience and estimates in approved ICR 938.11, "General Administrative Requirements for Assistance Programs." Awards are expected to begin as soon as possible and be obligated in accordance with the requirements of the Recovery Act.

#### 4. Respondents and Information Requested

4(a). The primary recipients of EPA assistance agreements are State and local governments, Indian Tribes, educational institutions, and not-for-profit institutions. The information requested would be used to monitor/oversee recipients' use of funds awarded under the Act and to inform the public on how the funds were used.

4(b). Standard Industrial Classification Codes for respondents include 8211, 8221, 8399, and 919. The corresponding North American Industry Classification System (NAICS) Codes for respondents include 61111, 61131, 813212, 813219, 813311, 813312, 813319 and 92119.

5. The Information Collected—Agency Activities, Collection Methodology, and Information Management

5(a). EPA will review and retain the information collected and take other necessary actions. For example, EPA will report information in recipients' quarterly reports at a web site so that recipients and uses of all funds are transparent to the public.

5(b). Information will be collected from recipients on a quarterly or as-needed basis. No less frequent collection schedule is possible.

6. Nonduplication, Consultations, and other Collection Criteria

6(a). The information requested does not duplicate any other information collected by the Federal government and is not available from any other source.

6(b). The information collection is consistent with 5 CFR 1320.5(d)(2).

6(c). No pledge of confidentiality is given for applicant responses and no sensitive information is collected under this ICR.

6(d). Consultations - In a meeting regarding guidance for opportunities provided under the Act, representatives from the State recipients indicated the preference to quantify specifically the reporting requirements and to reduce redundant reporting. Information currently collected through existing program reporting requirements will not be duplicated in the reporting requirements for funding through the Act. In addition, program areas used data collected from representative interviewees in their grantee pool to estimate the additional burden required for reports under the Act.

7. Estimating the Burden and Cost of the Collection

7(a). An estimation of the annual burden hours under this ICR is included in Exhibit C.

7(b). RECIPIENTS: The total annual burden hours for recipients is estimated to be 757,504. 757,504 hours divided by 5,344 respondents = 142 hours per respondent.

EPA estimates that 80% of these hours will be used by the applicant (114 hours) and the remaining 20% by secretarial/clerical staff (28 hours).

Therefore: Applicant Wage Rate:<sup>2</sup> \$40.88 x 1.43 = \$58.46.

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<sup>2</sup> \$40.88 represents the average wage rate of several occupations expected to perform work under assistance agreements. This cost information is derived from Bureau of Labor Statistics; Occupational Employment and Wages, May 2007. Costs were then updated to current levels. Cost data available at: [http://www.bls.gov/oes/current/oes\\_stru.htm](http://www.bls.gov/oes/current/oes_stru.htm) (accessed 9/24/2008). 1.43 represents a 43% rate for benefits.

Secretarial/Clerical Wage Rate:<sup>3</sup>  $\$16.51 \times 1.43 = \$23.61$ .

Thus: 5,344 respondents x 114 hours x \$58.46 = \$35,614,767 and  
5,344 respondents x 28 hours x \$23.61 = \$3,532,812.

Total: \$39,147,579 (labor costs).

7 (c). FEDERAL: The total annual burden hours for EPA is estimated to be 148,395. 148,395 hours divided by 5,344 respondents = 28 hours per respondent for EPA.

Thus: 5,344 respondents x 28 hours x \$42.10<sup>4</sup> = \$6,299,507 (labor costs).

7(d). Bottom Line Burden Estimate.

Total burden hours for respondents = 757,504 hours.

Total burden hours for EPA = 148,395 hours.

#### Reasons for change in burden

This is a new ICR. The burden to respondents results from the requirements of the Act and Implementing Guidance for EPA to collect specified information from recipients of assistance agreements funded under the Act. Information must be submitted to EPA on a quarterly basis or as needed. EPA has taken steps to minimize burden on recipients, including consultation with potential recipients on their expectations and needs for burden reduction

#### 8. Start-up/Capital Costs and Operation and Maintenance Costs

Start-up costs and operation and maintenance (O&M) costs for the information collections in this ICR are minimal and are part of customary and usual recipient business expenses.

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This figure is derived from the Bureau of Labor Statistics' "Table 1. Civilian Workers, by Major Occupation Group; Management, Professional, and Related," *Employer Costs for Employee Compensation – June 2008*."

<sup>3</sup> \$16.51 represents the average hourly wage rate of two administrative/clerical positions. This cost information is derived from Bureau of Labor Statistics; Occupational Employment and Wages, May 2007. Costs were then updated to current levels. Cost data available at: [http://www.bls.gov/oes/current/oes\\_stru.htm](http://www.bls.gov/oes/current/oes_stru.htm) (accessed 9/24/2008). 1.43 represents a 43% rate for benefits. This figure is derived from the Bureau of Labor Statistics' "Table 1. Civilian Workers, by Major Occupation Group; Management, Professional, and Related," *Employer Costs for Employee Compensation – June 2008*."

<sup>4</sup> Office of Personnel Management; 2009 General Schedule (GS) Base (Hourly Rate) for GS 11, Step 9 (\$30.07). Available at: [http://www.opm.gov/oca/09tables/pdf/gs\\_h.pdf](http://www.opm.gov/oca/09tables/pdf/gs_h.pdf). This was fully burdened (x 40%), yielding a wage rate of \$42.10.

9. Special Circumstances for Change

Not applicable.

10. Federal Register Announcement

Not applicable.

11. Burden Statement

The annual public reporting and recordkeeping burden for this collection of information is estimated to average 142 hours per respondent. Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. This includes the time needed to review instructions; develop, acquire, install, and utilize technology and systems for the purposes of collecting, validating, and verifying information, processing and maintaining information, and disclosing and providing information; adjust the existing ways to comply with any previously applicable instructions and requirements; train personnel to be able to respond to a collection of information; search data sources; complete and review the collection of information; and transmit or otherwise disclose the information.



**APPENDIX A**  
**AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 -**  
**EPA FUNDING HIGHLIGHTS**

- 1) \$4 billion for loans to help communities upgrade wastewater treatment systems through EPA's Clean Water State Revolving Fund
- 2) \$2 billion for loans for drinking water infrastructure through EPA's Drinking Water State Revolving Fund
- 3) \$100 million for competitive grants for evaluation and cleanup of Brownfields
- 4) \$300 million for grants and loans to state and local governments for projects that reduce diesel emissions, benefiting public health and reducing global warming.
- 5) \$600 million for clean up of hazardous and toxic Superfund sites
- 6) \$200 million for enforcement and cleanup of petroleum leaks from underground storage tanks

**APPENDIX B**  
**ANNUAL BURDEN UNDER RECOVERY ACT (BY EPA PROGRAM)**

| Program Areas  | A                | B                         | C                       | D                                 | E                    | F                          |
|--|------------------|---------------------------|-------------------------|-----------------------------------|----------------------|----------------------------|
|  | Actions per Year | Submissions per Agreement | Burden Hours per Action | Total Burden Hours for Recipients | Burden Hours for EPA | Total Burden Hours for EPA |
| <b>1. Clean Water State Revolving Fund (CWSRF)</b>   |                  |                           |                         |                                   |                      |                            |
| Prepare and submit quarterly reports - prime recipients  | 51               | 4                         | 45                      | 9,180                             | 20                   | 4,080                      |
| Prepare and submit work plan and annual report, participate in audit activities - prime recipients | 51               | 1                         | 1,590                   | 81,090                            | 1,500                | 76,500                     |
| Prepare and submit application - sub-recipients  | 3,060            | 1                         | 70                      | 214,200                           | 0                    | 0                          |
| Review applications - prime recipients   | 51               | 1                         | 2,400                   | 122,400                           | 0                    | 0                          |
| Prepare and submit quarterly reports - sub-recipients  | 1,400            | 4                         | 5                       | 28,000                            | 0                    | 0                          |
| Prepare and submit quarterly reports under Section 604(b) of Clean Water Act - prime recipients    | 56               | 4                         | 2                       | 448                               | 1                    | 224                        |
| <i>Subtotal</i>  | 4,669            | 15                        | 4,112                   | 455,318                           | 1,521                | 80,804                     |
| <b>2. Drinking Water State Revolving Fund (DWSRF)</b>  |                  |                           |                         |                                   |                      |                            |
| Prepare and submit quarterly reports - prime recipients  | 51               | 4                         | 45                      | 9,180                             | 20                   | 4,080                      |
| Prepare and submit work plan and participate in audit activities - prime recipients                | 51               | 1                         | 1,040                   | 53,040                            | 1,000                | 51,000                     |
| Prepare and submit annual report - prime recipients  | 25               | 1                         | 550                     | 13,700                            | 1                    | 25                         |
| Prepare and submit application - sub-recipients  | 1,530            | 1                         | 80                      | 122,400                           | 0                    | 0                          |
| Review applications - prime recipients   | 51               | 1                         | 1,200                   | 61,200                            | 0                    | 0                          |
| Prepare and submit quarterly reports - sub-recipients  | 600              | 4                         | 5                       | 12,000                            | 0                    | 0                          |
| <i>Subtotal</i>  | 1,657            | 12                        | 2,920                   | 271,520                           | 1,021                | 55,105                     |
| <b>3. Brownfields</b>  |                  |                           |                         |                                   |                      |                            |
| Prepare and submit quarterly reports - prime recipients  | 250              | 4                         | 10                      | 10,000                            | 4                    | 4,000                      |
| Prepare and submit application - prime recipients  | 250              | 1                         | 4                       | 1,000                             | 5                    | 1,250                      |
| <i>Subtotal</i>  | 500              | 5                         | 14                      | 11,000                            | 9                    | 5,250                      |
| <b>4. Diesel Emissions Reduction Act (DERA)</b>  |                  |                           |                         |                                   |                      |                            |
| Prepare and submit quarterly reports - prime recipients  | 286              | 4                         | 15                      | 17,160                            | 4                    | 4,576                      |

| Program Areas  | A                | B                         | C                       | D                                 | E                    | F                          |
|--|------------------|---------------------------|-------------------------|-----------------------------------|----------------------|----------------------------|
|  | Actions per Year | Submissions per Agreement | Burden Hours per Action | Total Burden Hours for Recipients | Burden Hours for EPA | Total Burden Hours for EPA |
| Prepare and submit application - prime recipients                                  | 286              | 1                         | 4                       | 1,144                             | 5                    | 1,430                      |
| <i>Subtotal</i>  | 572              | 5                         | 19                      | 18,304                            | 9                    | 6,006                      |
| <b>5. Superfund Cooperative Agreement</b>  |                  |                           |                         |                                   |                      |                            |
| Prepare and submit quarterly reports - prime recipients                            | 6                | 4                         | 3                       | 66                                | 4                    | 96                         |
| Prepare and submit application - prime recipients                                  | 0                | 1                         | 4                       | 0                                 | 5                    | 0                          |
| <i>Subtotal</i>  | 6                | 5                         | 7                       | 66                                | 9                    | 96                         |
| <b>6. Leaking Underground Storage Tank (LUST) Enforcement and Clean-up Program</b> |                  |                           |                         |                                   |                      |                            |
| Prepare and submit quarterly reports - prime recipients                            | 54               | 4                         | 5                       | 1,080                             | 4                    | 864                        |
| Prepare and submit application - prime recipients                                  | 54               | 1                         | 4                       | 216                               | 5                    | 270                        |
| <i>Subtotal</i>  | 108              | 5                         | 9                       | 1,296                             | 9                    | 1,134                      |
| <b>Total</b>   | <b>7,512</b>     | <b>47</b>                 | <b>7,081</b>            | <b>757,504</b>                    | <b>2,578</b>         | <b>148,395</b>             |

NOTE: Column D = A x B x C  
Column F = A x B x E