

**JUSTIFICATION STATEMENT  
FOR  
INFORMATION COLLECTION REQUEST NUMBER 1391.09,  
OMB CONTROL NUMBER 2040-0118,  
CLEAN WATER STATE REVOLVING FUND PROGRAM (CHANGE  
WORKSHEET FOR INFORMATION COLLECTIONS UNDER THE  
AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009)**

1. Identification of the Information Collection

This is a request to transfer the burden previously approved under OMB Control Number 2030-0046 (EPA ICR No. 2351.01) to the appropriate programmatic ICR. The burden represents information collection required by 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. The Act appropriates funding for six EPA programs, including the Clean Water State Revolving fund. See Appendix A of this document for the programs and appropriation amounts.

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 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, a detailed list of all projects or activities for which recovery funds were expended or obligated and detailed information on any subcontracts or subgrants awarded by the recipient, as specified. 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>
- 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.
- 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 Clean Water State Revolving Fund intends to conduct under the Act. It also estimates the annual respondent burden by the program under the Act. As discussed in Section 7 of this document, EPA estimates an annual respondent burden of 455,318 hours.

## 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.

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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.

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 outcomes and improved results on broader economic indicators.

3. Reporting Activities by Program Area

3(a). Clean Water State Revolving Fund. 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. In addition, EPA estimates that 56 recipients will submit reports under Section 604(b) of the Clean Water Act.

In addition to the data fields currently approved under the existing CWSFR ICR (2040-0118) and those required under section 1512 of the ARRA, EPA is also adding the following data fields. These are all one-time reporting items.

- Principal Forgiven/Negative Interest/Grant Amount (subsidy)
- Last Construction Contract Executed (Date)
- Construction Start Date
- Construction Completed Date
- Is Project Green Infrastructure
- Green Infrastructure Amount

The CWSFR ICR is currently scheduled to expire 12/31/2011. When EPA renews this collection, the above listed items will be incorporated into supporting statement for the ICR. Additionally, EPA will include these specific items in the two requests for public comment that precede the submission of the ICR to OMB.

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 Appendix B.

7(b). RECIPIENTS: The total annual burden hours for recipients is estimated to be 455,318. 455,318 hours divided by 4,669 responses = 97.5 hours per response.

EPA estimates that 80% of these hours will be used by the applicant (78 hours) and the remaining 20% by secretarial/clerical staff (19.5 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. This figure is derived from the Bureau of Labor Statistics' "Table 1. Civilian Workers, by Major

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

Thus: 4,669 responses  $\times$  78 hours  $\times$   $\$58.46 = \$21,290,079$  and  
4,669 responses  $\times$  19.5 hours  $\times$   $\$23.61 = \$2,149,584$ .

Total:  $\$23,439,663$  (labor costs).

7 (c). FEDERAL: The total annual burden hours for EPA is estimated to be 80,804. 80,804 hours divided by 4,669 responses = 17.3 hours per responses for EPA.

Thus: 4,669 responses  $\times$  17.3 hours  $\times$   $\$42.10^4 = \$3,400,572$  (labor costs).

7(d). Bottom Line Burden Estimate.

Total burden hours for respondents = 455,318 hours.

Total burden hours for EPA = 80,804 hours.

#### Reasons for change in burden

This ICR merely represents a transfer of burden hours from one ICR to another and will not result in either a net increase or decrease in burden on the public. 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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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 ( $\times$  40%), yielding a wage rate of  $\$42.10$ .

9. Special Circumstances for Change

Not applicable.

10. Federal Register Announcement

There is no requirement to publish notice in the Federal Register for non-material/non-substantive change requests.

11. Burden Statement

The annual public reporting and recordkeeping burden for this collection of information is estimated to average 97.5 hours per response. 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 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 reports - sub-recipients	1,400	4	5	28,000	0	0
Prepare and submit reports under Section 604(b) of Clean Water Act - prime recipients	56	4	2	448	1	224
<b>Total</b>	<b>4,669</b>	<b>15</b>	<b>4,112</b>	<b>455,318</b>	<b>1,521</b>	<b>80,804</b>

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