



State Innovation Grant Program:Maine

Automotive Body Environmental Results Program (2004 Competition)

The State Innovation Grant Program

In 2002 EPA introduced the State Innovation Grant Program to support efforts led by state environmental agencies to test innovative approaches for achieving better environmental results and improved efficiency in permitting programs. Between 2002 and 2007, the State Innovation Grant program competition awarded over six million dollars to support 35 state projects that test permitting innovation for a variety of regulated entities including several small business sectors. A summary of the awards by year appears in the table below.

State Innovation Grant Program Statistics, 2002-2007			
Competition Year	Proposals Submitted	Proposals Selected	Total Program Funding (\$)
2002/2003	29	6	\$618,000
2004	33	9	\$1.425 Million
2005	26	7	\$1.479 Million
2006	25	6	\$1.243 Million
2007	17	7	\$1.611 Million
Cumulative Total	130	35	\$6.376 Million

“Innovation in Permitting” has been the theme of the State Innovation Grant competition since its inception. In the last three competition cycles states received awards for projects in the following three categories:

- **The Environmental Results Program (ERP)** is an innovative approach to improving environmental performance based on a system of the interlocking tools of compliance assistance, self-certification (sometimes, where permissible, in lieu of permitting), and statistically-based measurement to gauge the performance of an entire business sector. The program utilizes a multimedia approach to encourage small sources to achieve environmental compliance and pollution prevention. (See: <http://www.epa.gov/permits/erp/>)
- **Environmental Management System (EMS)** is a system involving a continual cycle of planning, implementing, reviewing and improving the processes and actions that an organization undertakes to meet its business and environmental goals. EMSs provide organizations of all types with a structured system and approach for managing environmental and regulatory responsibilities to improve overall environmental performance and stewardship. (See: www.epa.gov/ems/info/index.htm)
- **Performance Track** is a partnership that recognizes top environmental performance among participating US facilities of all types, sizes, and complexity, both public and private. (See: <http://www.epa.gov/performance/track/>)

NCEI has provided awards also for projects testing watershed-based permitting, and for permit process streamlining in past competitions. For more information on the history of the programs, including information on solicitations, state proposals, and project awards, please see the EPA State Innovation Grants website at <http://www.epa.gov/innovation/stategrants>

Project Background:

The auto body sector in Southern Maine includes approximately 100 shops that are predominantly small- to medium-sized business. Although these facilities are subject to federal and state environmental regulations for air, water, and waste, often they are not aware of their environmental requirements and lack resources to hire staff or invest in technologies to improve compliance. This is particularly true for air pollution requirements, a concern in southern Maine, which has historically lagged behind in compliance with national ambient air quality standards for ground-level ozone. To help address the sector’s compliance issues, the Maine Department of Environmental Protection (ME DEP) applied for and received a State Innovation Grant in 2004 to launch a voluntary Environmental Results Program (ERP) for the auto body sector. An ERP combines compliance assistance, self-certification, and statistically-based agency inspections to improve environmental performance within a target sector.

Project Description

ME DEP’s primary goals for their ERP were to promote pollution prevention concepts, increase public and industry awareness of environmental health concerns, and bolster environmental compliance. The state sought to educate auto body repair shops about all relevant federal and state environmental regulations, and encourage them to take on voluntary best management practices (BMPs) and pollution prevention measures. Specific program components included:

- **Compliance Assistance:** ME DEP hosted an educational workshop for auto body shops, and gave them a user-friendly, compliance workbook for sector operators. The



workbook covered federal and state regulations, BMPs and pollution prevention measures for all environmental media (air, water, and waste).

- **Self-Certification:**

ME DEP developed a plain language, multi-media self-certification compliance checklist for the auto body sector that closely paralleled the workbook mentioned above. The checklist was designed to allow facilities to identify and fix any compliance issues. If a facility was out of compliance and could not remedy the violation immediately, facility owners/operators were instructed to submit a Return-to-Compliance Plan detailing their process for returning to compliance within 30 days. Through this program, ME DEP achieved a 42 percent self-certification rate, and of the facilities that submitted self-certification forms, 81 percent recognized that they were out of compliance for one or more requirements.

- **Agency Inspection and Performance Measurement:**

To measure the ERP’s success, ME DEP conducted on-site assessments at a randomly selected group of facilities. The state made comparisons between the results of assessments conducted before and after compliance assistance and self-certification to determine the program’s successes and identify areas for improvement (see Results section below).

Because Maine’s ERP was a voluntary program, the state developed several incentives to encourage auto body shops to participate, including:

- **A period of amnesty for shops in non-compliance**

ME DEP’s Small Business Compliance Incentives Policy (SBCIP) allowed facilities that voluntarily reported less serious violations to work with ME DEP’s small business technical assistance staff to solve environmental violations, within 90 days, without any enforcement action.

- **Free technical assistance from Maine DEP**

ME DEP offered technical assistance to help facilities implement pollution prevention practices, as well as training on ways to reduce operating and waste disposal costs, protect the environment,

improve worker health and safety, and project a positive image to customers.

- **A recognition program**

ME DEP recognized participants that self-certified as “Environmental Leaders” and provided them with a decal to display at their facility. The state also highlighted these autobody shops on ME DEP’s web-site.

- **Equipment giveaway**

ME DEP gave away *LaserPaint*^(TM) devices to the ten facilities that implemented the largest number of pollution prevention practices. *LaserPaint*^(TM) is a spray paint gun attachment that maximizes paint transfer efficiency and therefore reduces air emissions from spray painting.

Results

ME DEP reports that it has achieved most of its program goals for the ERP Program, and that most auto body shops were very receptive to the ERP. Auto body shop owners and operators appreciated DEP’s assistance, as many of them were unaware of their regulatory responsibilities. In addition, larger auto body facilities were pleased that the DEP was also visiting small to medium sized facilities, assuring that all facilities in this sector complied with regulations.

ME DEP measured the following changes in auto body shop compliance with environmental requirements:

Type	Average % Increase/ (Decrease)
Overall Compliance Rate	10%
Compliance with Hazardous Waste Requirements	3.7%
Compliance with Waste Oil Requirements	3.4%
Compliance with Universal Waste Requirements	52.5%
Compliance with Air Pollution Requirements	(2.5%)

In addition, the number of shops going beyond compliance by incorporating voluntary pollution prevention measures and BMPs increased by an average of 11.6 percent. All environmental indicators related to water were voluntary measures, and thus are included in this statistic.

It should be noted that, despite the fact that compliance with air pollution requirements decreased by an average of 2.5 percent, the average rate of compliance with these requirements remained high (ranging between 87.4 and 92.7 percent), even after this small decrease in the compliance rate. The fact that one or two shops fell out of compliance during the ERP cycle slightly reduced what was an overall very high compliance rate. The auto body industry's low compliance rates for air regulations in the past were the impetus for Maine DEP's ERP pilot, and will continue to be a focus as they expand their ERP initiative.

Maine DEP hopes to expand its auto body ERP to include additional counties or even the entire state, with possibilities of also adding a Stormwater ERP; and making the ERP either a mandatory program or a voluntary program with threat of increased regulation for those facilities that do not participate.

Connection to EPA's Goals

This program directly supports EPA's Strategic Goal #5, focused on compliance and environmental stewardship, by promoting an innovative approach to improve compliance and pollution prevention. It also supports EPA's Strategic Goal #3 by helping preserve and restore land through improving the way waste is generated and managed; as well as the EPA's Cross-Goal Strategy of promoting innovation and collaboration with states.

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