

WASHINGTON, D.C. 20460

July 1, 2024

MEMORANDUM

SUBJECT: Emergency Review of Information Collection Request (ICR) for the *Environmental Justice*

Thriving Communities Grantmaking Program: Applications for Subawards – August

Launch (OMB Control Number 2035-NEW; EPA ICR Number 7780.01)

FROM: Theresa Segovia, Principal Deputy Assistant Administrator

Office of Environmental Justice and External Civil Rights

THRU: Courtney Kerwin, Director

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TO: OMB Desk Officer for EPA's Office of Environmental Justice and External Civil Rights

Office of Information and Regulatory Affairs

Office of Management and Budget

Pursuant to section 3507(j) of the Paperwork Reduction Act (PRA) (44 U.S.C. 3501 et seq.), as implemented in the Office of Management and Budget (OMB) regulations at 5 CFR §1320.13, the Environmental Protection Agency (EPA) is hereby requesting emergency processing of a proposed information collection, the Environmental Justice Thriving Communities Grantmaking Program: Applications for Subawards – August Launch.

Background and Context

The U.S. Environmental Protection Agency (EPA) makes competitive financial assistance awards to support projects that tackle environmental, public health, and energy challenges across the country. To help expand historically underserved and overburdened communities' access to these critical resources, environmental justice leaders have long called for more accessible federal grant funding for communities that removes the long and bureaucratic barriers of the federal grants registration and application process (i.e., Grants.gov and SAM.gov). Leaders have also called for federal funding to be dispersed more quickly to community-based and grassroots organizations, whose long-term effectiveness and sustainability relies in large part on timely funding.

In direct response to this feedback EPA has used part of its funding from the 2022 Inflation Reduction Act (IRA) to establish the Thriving Communities Grantmaking Program (Grantmaking Program) funding opportunity, drawing on expanded authority to further environmental justice provided by Congress in the Consolidated Appropriations Act, 2022 (Public Law 117-103). The Grantmaking Program supports Executive Order 13985, Advancing Racial Equity and Support for Underserved Communities Through the Federal Government (issued on January 20, 2021), which announced Administration policy that the federal government should pursue a comprehensive approach to advancing equity for all, including communities that have been historically underserved, marginalized, and adversely affected by persistent poverty and inequality. The Grantmaking Program also supports Executive Order 14008, Tackling the Climate Crisis at Home and Abroad (issued on January 27, 2021), which reinforced the Administration's commitment to advance environmental justice.

The Grantmaking Program will provide about \$600 million in 11 cooperative agreements funding to "Grantmakers" who will function as pass-through entities for the Thriving Communities Subgrants (2 CFR Parts 200 and 1500). The Grantmakers will distribute competitive and noncompetitive subawards to subrecipients who will undertake activities in assessment, planning, and project development to address local environmental and/or public health issues. Grantmakers will provide Environmental Justice Thriving Communities Subgrants (i.e., subawards) to eligible subrecipients ranging from \$75,000 up to a maximum of \$350,000. Eligible entities¹ will apply to a Grantmaker for a subgrant to fund a range of environmental project activities for periods of up to three years. These projects will help transform disadvantaged and underserved communities into healthy, thriving communities capable of addressing their historical and ongoing environmental and public health challenges, as well as any future challenges they may face.

Section 138 of the Clean Air Act guides the availability of the grant funds and the associated timeline of funding use. Specifically, Grantmakers have thirty-six (36) months to distribute all subaward funds. In order to maximize access to subawards for potential subgrantees, EPA bifurcated (i.e., split) the Grantmakers total award into two parts:

- (i) an *initial award* that enables Grantmakers to perform the tasks needed to establish and carry out the proposed participatory governance, outreach, and system mobilization efforts for establishing the subgrants; and
- (ii) a *subsequent award* for the remainder of the funds, most of which will be distributed to subaward recipients via subgrants.

To ensure that each Grantmaker as a passthrough entity can create access to federal funds in an efficient, timely and equitable manner within the three-year performance period, the first round of subaward applications should be solicited at the start of their subsequent award. The dates on which the applications are anticipated to be released across the 11 Grantmakers range from August 2024 to October 2024.

2

¹ Eligible subrecipients include community based nonprofit organizations, Puerto Rico, U.S. Territories and Freely Associated States, Native American organizations, local governments, and institutions of higher education. At time of award the subrecipient will need a current Unique Entity Identifier in SAM.gov.

Information Collection Activities Involved in this Emergency Request

In order to distribute subawards, the Grantmakers must solicit applications from eligible entities. These information collections will enable the Grantmakers to verify the eligibility of the applicants for the subaward; the alignment between the proposed project and the goals of the Environmental Justice Thriving Communities Subgrants Program and the EPA; and the feasibility and appropriateness of the planned activities and outcomes given the proposed budget, staffing plan, partners, and other aspects of the proposal.

With this Information Collection Request (ICR), EPA requests emergency clearance for two Grantmakers to solicit applications for subawards beginning August 1, 2024. Each Grantmaker is producing bespoke application materials so that their subaward program may address the priorities, needs, and goals of the specific communities they serve. All application materials that require PRA approval are included in the Emergency ICR package.

The six-month emergency clearance period will cover the first round of subaward applications that will be solicited by two Grantmakers in August 2024. Subsequent rounds of applications for these two Grantmakers will be authorized via a Standard Information Collection Request package for the Grantmaking Program, to be submitted in October 2024.

Information Collection is Essential to the Mission of the Agency

If the information requested under this emergency clearance were not collected, EPA would have no mechanism for selecting and distributing subaward grants. Without this activity, the central programmatic objectives of the Environmental Justice Thriving Communities Grantmaking Program cannot be met. This will significantly undermine efforts to carry out EPA's and the Administration's commitment to design and implement environmental justice projects that deliver relevant and useful benefits to local communities have been historically underserved and overburdened by pollution and other environmental problems.

EPA recognizes the importance of balancing the need for data collection efforts against respondent burden and costs. Participation in the Environmental Justice Thriving Communities Subgrants Program is voluntary, and thus entities who elect to submit a funding application to the Grantmakers are assumed to have determined that the expected benefits of participation outweigh any burden associated with preparing the responses. As described in Supporting Statement A, each Grantmaker will design the content, format, and collection method of the application in order minimize burden on respondents as much as possible.

EPA Cannot Reasonably Comply with the Normal Clearance Procedures

EPA is requesting emergency approval of this ICR because all Grantmakers have only three to four months to design and launch their planned information collection activity to solicit applications for their Environmental Justice Thriving Communities Subgrants Programs:

• Each Grantmaker will receive their initial award between May 2024 and July 2024, and only after receiving this award can they start developing their subaward application materials. Work

- on this information collection activity cannot start earlier because the initial awards provide financial support for this activity.
- All Grantmakers are expected to complete a set of milestones to design and establish their subgrants competitions (including designing the application materials) within three to four months of receiving their initial awards. This is because the program structure and timeline are mandated by the IRA statute to ensure that the Grantmakers as passthrough entities can create access to federal funds in an efficient, timely, and equitable manner within the three-year performance period.

Furthermore, the Grantmakers have an obligation to engage in participatory governance as part of the process of designing their programs, in order to reflect environmental justice principles outlined in the IRA statute; Executive Order 13985, Advancing Racial Equity and Support for Underserved Communities Through the Federal Government (issued on January 20, 2021); and Executive Order 14008, Tackling the Climate Crisis at Home and Abroad (issued on January 27, 2021). The Grantmakers began this process soon after being selected to receive a Grantmaker Award in December 2023 and spent the next five to six months working to 1) finalize their roles/responsibilities with their partners; 2) update their workplans to reflect the new timelines and bifurcated funding awards; and thereafter 3) begin the process of working with their partners to determine the initial questions and criteria for their funding opportunities. This three-step sequence was critical to ensure that the Grantmakers' subsequent work to develop their subgrant applications was well-informed by their partners. The standard process and timeline for ICR approval would not have allowed for this committed level of engagement, and thus would be contrary to the fundamental principles of environmental justice that serve as the foundations of this program.

Taken together, the above conditions mean that the Grantmakers only have three to four months to design and develop their application materials before launching their subaward programs and thus launching their information collection activities to solicit applications. This tight timeline is necessary to comply with the mandate set out in the IRA statute and does not leave sufficient time for the Agency to obtain authorization for the first round of information collection activities via the standard ICR approval process.

The six-month emergency clearance period will cover the first round of subaward applications solicited by each Grantmaker. For subsequent rounds of applications, EPA will request authorization via a standard ICR package for the Grantmaking Program that will be submitted in October 2024.

EPA Has Taken All Practicable Steps to Consult with Relevant Parties in Order to Minimize Burden

Each Grantmaker developed estimates of burden hours and costs based on their teams' (direct or indirect) knowledge of administering similar award competitions. Furthermore, the Grantmakers discussed their application materials and procedures with fewer than nine organizations who represent the range of eligible entities that are likely to apply for subaward grants. These consultations included discussions concerning potential response problems, clarity of questions and instructions, and other aspects of respondent burden.

Timeline for Approval

EPA seeks to work with OMB to obtain approval for this emergency clearance before the target date (August 1, 2024) for the launch of the Grantmakers' subaward programs.

If you have any questions or need anything further, please contact Courtney Kerwin (kerwin.courtney@epa.gov), Aarti Iyer (iyer.aarti@epa.gov), and Marisa Valdez (valdez.marisa@epa.gov).

Attachments: Supporting Statement A, Application Materials

cc: Katherine Dawes, EPA Evaluation Officer Richard Allen, EPA Chief Data Officer