



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

NOV 13 2017

OFFICE OF  
CONGRESSIONAL AND  
INTERGOVERNMENTAL  
RELATIONS

The Honorable Frank Pallone, Jr.  
Ranking Member  
Committee on Energy and Commerce  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Congressman Pallone:

Thank you for your letter of September 8, 2017, to the U.S. Environmental Protection Agency regarding grant solicitation and award decisions.

Solicitations issued under EPA's competitive grant programs are subject to a review as a good government measure in our role as a fiduciary of the taxpayer's money. I assure you that the review process we have established has not slowed or changed EPA's grant activity in any significant way. In fact, as of September 11, 2017, 100 percent of grant solicitations presented for review have been moved forward and 99.98 percent of all grant actions presented for review have moved forward. Also as of this date, only five total grant actions, totaling less than \$2M, have not been funded by the EPA since January 20, 2017 as a result of the review process. This demonstrates that the reasons for the differences you cite may be attributed to the following factors:

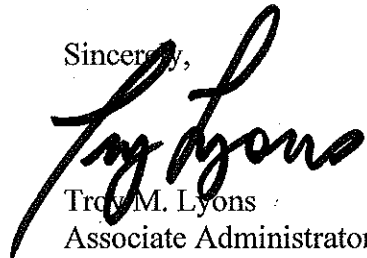
- Congress did not enact a Fiscal Year 2017 budget until May of 2017, and during that period of time the EPA was under multiple continuing resolutions. There was also considerable uncertainty over the amount of EPA appropriations for grants and the conditions Congress would place on funding for major EPA grant programs. Ultimately, Congress reduced the EPA's budget from Fiscal Year 2016 by \$80 million and rescinded over \$61 million in funds appropriated for state and tribal grants.
- State, tribal and local governments receive the vast majority of EPA grant funding on a non-competitive basis for continuing environmental programs as well as the state revolving loan funds for water infrastructure projects. These funds are allocated based on statutory, regulatory or program policy formulas that take into account a variety of factors. The process we have established for reviewing competitive solicitations does not impact these grants.
- The EPA typically awards competitive funding for research and other discretionary programs for three to five year grant periods. Some grants contain large amounts in the initial year of funding. Recipients may receive more or less in any given fiscal year depending on the natural funding distribution cycle.

Finally, please note that while solicitation review procedures have varied among grant programs, the purpose of the grant solicitation review process we have put into place is consistent with previous administrations. Political appointees in EPA program offices generally give guidance to career staff developing solicitations on administration priorities and policies.

Long-standing EPA policy delegates authority to political appointees heading EPA programs and regional offices, which enables them to approve or disapprove grants in consultation with career staff. Under our grant approval process, general descriptions of proposed grant awards are reviewed to ensure the expenditures of EPA funds are consistent with Agency priorities.

Thank you again for your letter. If you have further questions, please contact me, or your staff may contact Thea Williams in EPA's Office of Congressional and Intergovernmental Relations at (202)-564-2064 or [williams.thea@epa.gov](mailto:williams.thea@epa.gov)

Sincerely,

A handwritten signature in black ink, appearing to read "Troy Lyons", written over the printed name.

Troy M. Lyons  
Associate Administrator