



At a Glance

The EPA's Brownfields Projects Program Is on Track to Meet Its Justice40 Goal but Overestimated Disadvantaged Community Benefits

Why We Did This Audit

To accomplish this objective:

The U.S. Environmental Protection Agency Office of Inspector General conducted this audit to determine whether the EPA's Brownfields Program implemented the Justice40 Initiative's goal and related requirements for Infrastructure Investment and Jobs Act-funded projects.

The EPA's Brownfields Projects Program funds assessments and cleanups of brownfield sites to support their economic redevelopment. The Infrastructure Investment and Jobs Act invested \$1.5 billion over five years into the EPA's Brownfields Program, which includes the Brownfields Projects Program.

The Justice40 Initiative was announced on January 27, 2021, in Executive Order 14008. It sets the goal that 40 percent of the overall benefits of certain federal investments go to disadvantaged communities that have been marginalized and overburdened by pollution and underinvestment.

To support these EPA mission-related efforts:

- Cleaning up and revitalizing land.
- Operating efficiently and effectively.

To address this top EPA management challenge:

- Integrating and implementing environmental justice.

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What We Found

We found that the EPA's Brownfields Projects Program, a subset of the overall Brownfields Program, met the Executive Office of the President's Justice40 Initiative reporting requirements for fiscal year 2022 Infrastructure Investment and Jobs Act-funded projects. The program is also projected to meet the EPA's internal goal of ensuring that at least 40 percent of program benefits go to disadvantaged communities. However, the Agency overestimated the percentage of benefits going to disadvantaged communities for fiscal year 2022.

While the goal of the Justice40 Initiative is to achieve 40 percent *governmentwide*, the EPA has committed to meet and exceed the 40 percent goal in *each* of its Infrastructure Investment and Jobs Act-funded Justice40-covered programs.

The Justice40 Initiative required programs to report the percentage of benefits going to disadvantaged communities long before the work would be completed and actual assessment and cleanup locations would be known. Therefore, the EPA had to forecast the percentage of assessments and cleanups expected to occur in disadvantaged communities from the grants it awarded. The actual number and locations of brownfields assessment and cleanup activities will not be known until the work is completed, typically four or more years after grants are awarded.

If an applicant proposed to serve a geographic area that included any disadvantaged community, the EPA counted the entire grant amount as serving disadvantaged communities. Using this methodology, the EPA projected that approximately 91 percent of benefits would go to disadvantaged communities. This methodology led to an overestimation that should be revised. Using historical data available after the EPA's projections were made, the OIG recalculated the projection and concluded that approximately 60 percent of benefits are likely to go to disadvantaged communities, which still exceeds the EPA's internal 40 percent goal.

The EPA should revise its benefits projections so that the public has more accurate information on the percentage of benefits that will go to disadvantaged communities.

Recommendations and Planned Agency Corrective Actions

We recommend that the assistant administrator for Land and Emergency Management implement a benefits methodology, such as using a historical average, that more accurately projects the percentage of site assessments and cleanups that will occur in disadvantaged communities. We recommend updating the previous projections using this new methodology and replacing projections with actual data when they become available. The Agency concurred with our two recommendations and provided acceptable planned corrective actions and estimated milestone dates. These recommendations are resolved with corrective actions pending.